

**AN ACT TO RATIFY THE CONCESSION  
AGREEMENT BETWEEN THE  
REPUBLIC OF LIBERIA AND  
GOLDEN VEROLEUM (LIBERIA) INC.**

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## APPENDICES

Appendix I -- General Description of the preliminary area of interest in which Gross Concession Area will be located

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Appendix II -- Corporate Organization

Appendix III -- Products Subject to Modified Import Duties

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## CONCESSION AGREEMENT

This Concession Agreement (the "*Agreement*") is made and entered into this 16<sup>th</sup> day of August, 2010 by and between THE REPUBLIC OF LIBERIA, represented by the Minister of Agriculture, Florence Chenoweth, the Minister of Finance, Augustine Ngafuan, and the Chairman of the National Investment Commission, Richard V. Tolbert, and attested to by the Minister of Justice, Christiana Tah, (hereinafter referred to as the "Government") and Golden Veroleum (Liberia) Inc. a corporation duly organized under the Laws of the Republic of Liberia, represented by its authorized representative, Mr. M. Aarne Karinen, (hereinafter referred to as the "Investor").

### WITNESSETH:

WHEREAS, Investor desires to develop a large scale commercial grade oil palm plantation in Liberia together with the related infrastructure to process and market certain oil palm products, including biofuel and biodiesel;

WHEREAS, Government has determined that foreign direct investment in the agricultural sector, and in particular investment in the development of large scale commercial grade oil palm plantations and production of oil palm products, is a key component of the Government's program for economic development;

WHEREAS, Government is desirous that Investor invest in business operations in Southeastern Liberia (particularly the counties of Sinoe, Grand Kru, Maryland, River Ccss and River Gee) because of the potential positive benefits in respect of generating much needed employment, export, revenue and downstream economic activities;

WHEREAS, Investor is willing to make significant investments in Southeastern Liberia upon receipt of assurances from Government as to the tax, fiscal and other terms that will govern, or apply to, Investor's investment and operations in Liberia; and

WHEREAS, Government and Investor agree that the undertakings made by Investor in exchange for the tax, fiscal, and other terms of this Agreement represent a fair and balanced allocation of risks and benefits between the Government and the Investor over the Term of this Agreement.

NOW, THEREFORE, Government and Investor have entered into this Agreement pursuant to the terms and conditions set forth below:

### ARTICLE 1 DEFINITIONS

The following capitalized terms wherever used in this Agreement shall have the respective meanings set forth below:

Adequate Housing Facilities. Sufficient, safe and hygienic house accommodation with sufficient supply of water and proper sanitary arrangements that conform to the requirements of Section 9.5.

Additional Areas. As defined in Section 4.2.

Affiliate. A Person that with respect to a second Person, directly or indirectly controls, is controlled by, or is under common control with that second Person. For purposes of this Agreement, control means the possession, directly or indirectly, by one Person of more than fifty percent (50%) of the equity of or voting power in another Person.

Aggregate Taxes and Fees. The aggregate amount of Taxes and Duties and Surface Rental Fees payable by Investor for a specified time period.

Agreement. This Concession Agreement and any further amendments to it made pursuant to its terms, as well as all of its appendices.

Agricultural Products. Oil Palm Products and any agricultural crops and stocks, whether cultivated or raised or not, or their derivatives produced as a result of Investor's agricultural activities, farming, husbandry and subsequent processing activities.

Associates. Associates of a Person shall be its Affiliates, shareholders, contractors, including suppliers of goods and services, and financiers, and its directors, officers, agents and employees and the directors, officers, agents and employees of any of the foregoing.

Authorizations. Each, any or all licenses, permits, visas, consents, approvals, waivers, notifications, registrations, applications, filings, authorizations, orders, grants, confirmations, clearances, permissions, and all applicable waiting periods (including any extensions thereof) required to permit the transactions contemplated by this Agreement, including the consents and approvals required by Law from Government, any relevant third parties, and other relevant and necessary agencies, bureaus, officials, organizations, including ECOWAS.

Business Day. Any day other than a Saturday or Sunday or a holiday declared by the Government.

Carbon Rights. Any current or future right, Credit, interest, certificate, offset, allowance, entitlement or benefit, whether recognized by Law, regulation, contract, regime, publication, policy, program or fund (now or in the future, and as created, amended, supplemented or replaced from time to time), that is conferred on any Person as a result of, or in relation to, emissions generated, abated or sequestered pursuant to its possession, occupation, use or development of the Concession Area and any Additional Areas, including, in the case of emission reduction and sequestration activities, rights to the actual physical reduction in emissions underlying or caused by such activities.

Centre. The International Centre for Settlement of Investment Disputes established under the auspices of the International Bank for Reconstruction and Development.

CIFF. Cost, insurance and freight up to designated port of destination.



Change of Control. Any assignment, sale, or transfer of interest of any type as a result of which the Person that holds a majority of the economic interest in Investor as of the Effective Date through such Person's ownership of a majority of the economic interest in a Qualified Fund and one or more Subsidiaries of such Qualified Fund, ceases to hold a majority of the economic interest in Investor, whether directly, through one or more of its Subsidiaries, or through ownership of a majority of the economic interest in a Qualified Fund and one or more Subsidiaries of such Qualified Fund.

Code. The Revenue Code of Liberia (2000), as may be amended or supplemented from time to time.

Commercial Production. In any year following the Effective Date, the production of Oil Palm Products from fifty percent (50%) or more of the mature oil palms planted in the Concession Area capable of being harvested, which shall mean those oil palms between three (3) and twenty-five (25) years and not so diseased, damaged or infested as to render it uneconomic to harvest them under sound oil palm farm management practices worldwide but excluding the Existing Areas.

Commercial Production Date. The date upon which Investor makes its first commercial shipment of Oil Palm Products from the Concession Area

Commission. As defined in Section 26.5.

Concession Area. An area of 220,000 hectares of Government Land (not including the Port) to be identified jointly by Investor and Government pursuant to Section 4.1.

Concession Protection Department. As defined in Section. 9.3.

Confidential Information. As defined in Section 23.5(a).

Contractor Party. Any Person that has contracted, directly or indirectly, with Investor for the supply of goods and services directly related to the Investor Activities.

Convention. As defined in Section 28.1.

Coordination Committee. As defined in Section 17.

Corporate Group. Collectively, the Investor, its Subsidiaries and Affiliates from time to time, including the owner of the majority of the economic interest in a Qualified Fund.

Credits. As defined in Section 21.12.

Crude Palm Oil (CPO). Oil crushed from the mesocarp of the oil palm fruit.

Crude Palm Kernel Oil (CPKO). Oil expelled from the crushed kernels of the oil palm fruit.

Dependent. A Person registered as such with Investor and who is the spouse or an unmarried minor child of an Employee of Investor or determined to be a dependent by virtue of a legally binding agreement of Investor, such as a collective bargaining agreement, or by corporate policy adopted from time to time by Investor.

Developed Areas. Those areas within the Concession Area where the Investor has planted and/or replanted oil palms as specified in the Development Plan.

Development Plan. The Development Plan included as Appendix VI to this Agreement, as such plan may be modified from time to time in accordance with this Agreement.

Development Plan Report. As defined in Section 23.3.

Dollars or US\$ or USD. United States dollars and any other currency that is legal tender in the United States of America.

EBITDA. With respect to any Person for any given period, the earnings before interest, taxes, depreciation and amortization of such Person, with each such amount being determined in accordance with International Financial Reporting Standards consistently applied.

ECOWAS Trade Levy. Trade levy imposed by the Economic Community of West African States.

Effective Date. The later of (i) the date on which this Agreement is signed by all of the Parties, attested to by the Minister of Justice of Liberia, ratified by the Liberian legislature, signed by the President of Liberia and becomes Law in accordance with the Laws of the Republic of Liberia and (ii) the date on which Investor enters into one or more leases, each with a term of at least 65 years, of approximately one hundred (100) hectares of land suitable to the Investor at each of the ports of Greenville and Harper (or any other port mutually agreed) for its operations, which include inter alia, tank bulking installations, warehouses and other facilities and port facilities.

Employee. An employee (whether long-term or short-term or otherwise) of Investor in Liberia.

Encumbrances. Any pledges, liens, charges, assignments, judgments, taxes, assessments, estates, security interests, leases, title retention, agreements, mortgages, restrictions, developments, or similar agreements, easements, rights-of-way, title defects, options, adverse claims or claims from all or any person or persons claiming any estate, right, title interest of, in or to the Concession Area or any part thereof, including physical encumbrances such as trespassers, settlers and any structures which would obstruct or impede the Investor from being able to develop the Concession Area.

End of Cycle. The point in time at which the harvesting of the oil palm in a given area would no longer be considered commercially viable by a prudent owner similarly situated to Investor.

Equity Capital. Means the sum of (i) stockholders' equity as reflected on a consolidated balance sheet of Investor prepared in accordance with generally accepted accounting principles consistently applied plus (ii) the amount of accumulated depreciation deducted in determining the total assets of Investor on such consolidated balance sheet, plus (iii) the principal amount of any Qualified Shareholder Loans.

Events of Default. As defined in Section 26.2.

Fair Market Value. With respect to an asset, the value which it is estimated would be paid in an arm's length transaction by a willing and knowledgeable buyer to a willing and knowledgeable seller on the basis that there are no Encumbrances in existence and that there are willing buyers in the market. With respect to any asset that is listed or quoted on a registered stock exchange, the Fair Market Value shall be determined taking into account, to the extent appropriate, the prices at which shares of the applicable company have been sold on such stock exchange. The Fair Market Value of any asset shall be agreed by the Parties and, if not so agreed within twenty-eight (28) days of the termination, either Party may give notice of its intention to refer the matter to an independent valuation expert for determination. Such independent valuation expert shall be jointly appointed by agreement of the Parties and, if not appointed within ten (10) days of such notice, shall be appointed by the International Centre for Expertise in accordance with the provisions for the appointment of experts under the Rules for Expertise of the International Chamber of Commerce on the request of either Party. Such valuation expert shall have relevant industry knowledge and experience. In the event that it is necessary to determine the Fair Market Value of the Investor's loss of use of the Concession Agreement and Port Concession Agreement for purposes of any provision of this Agreement, such determination shall be based on the premise that the issue or condition that led to such loss of use will be remedied and operations under the Concession Agreement will recommence within a reasonable period of time.

Farm Road. A road that Investor or any of its Affiliates has constructed or uses within the Concession Area for use primarily in connection with Production.

FOB. Free-on-board price up to designated port of designation.

Force Majeure. As defined in Section 25.3.

Fresh Fruit Bunches. The unprocessed fruit bunches of oil palm and any fruitlets that have detached from the bunch.

GDP Implicit Price Deflator. The gross domestic product implicit price deflator for the United States as published from time to time by the United States Department of Commerce, Bureau of Economic Analysis, as the "revised" GDP Implicit Price Deflator for the specified calendar quarter. If such index is no longer published, the parties shall agree on adjustments that will substantially preserve the economic impact and timing of this periodic adjustment.

Government. The Republic of Liberia and its government, including all of the branches, divisions, political sub-divisions (including counties, townships, and districts and subdivisions thereof), instrumentalities, agents, authorities and agencies of its government, and any

corporations or other entities that are directly or indirectly owned or controlled by the Republic of Liberia or its government.

Government Land. All land in Liberia, including any creeks, streams, rivers, and bodies of water (and their residue) contained on such land, except Private Land.

Gross Concession Area. As defined in Section 4.1(d).

Group. Two or more Persons who are acting together for the purpose of acquiring, holding, voting or disposing of Management Rights of a Person. The parties to a shareholders agreement (or a similar document) with respect to a corporation that establishes how directors of the corporation are to be chosen or how the parties must vote their shares in certain cases are in each case members of a Group.

GVI. Block Structure. The zoning, infrastructure, facilities, construction and Production block structure plan approved by Government attached as Appendix VIII, as revised by Investor from time to time.

Infrastructure. All facilities relating to or connected with Production, including any type of the following: (a) employee housing; (b) public welfare facilities, including medical, educational, cooperative stores, shopping facilities marketplaces, religious buildings and recreational facilities; (c) power, water and sewage facilities, including natural water, hydro-electric and/or thermal power generating facilities, hydro-electric stations, transmission and power lines, and/or other power facilities, dams, aqueducts, water drains, water supply and sewage systems, pumping stations and systems for disposing of plant waste and sewage; (d) processing, storage and repair facilities, engines, machines, furnaces, or compressor stations; (e) administrative, laboratory and research facilities; (f) transportation facilities, including roads, bridges, railroads, airports, landing strips and landing pads for aircraft and/or helicopters; hangars and other airport facilities, garages, canals, aerial tramways, pipelines, docks, harbors, piers, jetties, breakwaters, terminal facilities and warehouses and loading and unloading facilities; (g) communication facilities, including telephone, telegraph, electronic mail, radio, satellite, television and telecommunications or other transmission facilities; and (h) all other movable and non-movable facilities and equipment affixed to, used as an integral part of or used in relation to or in connection with the items described in (a) through (g), inclusive, of this Section 1.40.

International Accounting Standards: International Financial Reporting Standards promulgated by the International Accounting Standards Board.

Investor. Golden Veroleum (Liberia) Inc., duly organized and existing under the laws of Liberia and any successor or permitted assignee.

Investor Activities. All activities and transactions conducted by or on behalf of Investor, directly or indirectly, with respect to or incidental to this Agreement, including Production, the use in Liberia of Oil Palm Products, the export of Oil Palm Products from Liberia, food and other agricultural production conducted in accordance with Section 8.9, the sale of excess timber and other materials in accordance with Section 4.4(f), the establishment, maintenance and administration of Investor, the management and conduct of its business, and the construction and

maintenance of Oil Palm Upstream Processing Plants and facilities for the processing, refining, or manufacturing of Oil Palm Products, and the financing of any or all of the foregoing activities and transactions.

Investor Activity Report. As defined in Section 23.3.

Investor Group Subsidiary. A Subsidiary of Investor that is a Liberian corporation in which Investor owns, directly or through one or more other Investor Group Subsidiaries, capital stock representing at least [60]% of the voting power and value of the capital stock of such Subsidiary and that is engaged exclusively in Investor Activities.

KPI. Key performance indicators as provided for in Appendix VII.

Law. Any constitution, treaty obligation, law, statute, decree, rule, regulation, judicial act or decision, judgment, order, proclamation, directive, executive order or other sovereign act of Government other than this Agreement or any other concession agreement approved by act of the Liberian legislature.

Liberian Currency. Any currency, except Dollars, that is legal tender in Liberia, or circulates freely in any part of Liberia by virtue of any Law or authority as a medium of exchange for the purchase or sale of goods and services.

Liberian Oil Palm Farmer. Any Person other than Government and Outgrowers engaged in the cultivation and/or production of Crude Palm Oil, Palm Kernel Oil or the growing of Fresh Fruit Bunches in the Republic of Liberia as certified by the Minister of Agriculture and notified to Investor by the Minister of Agriculture from time to time.

Licensee. As defined in Section 4.6.

Long-Term Debt. Means as to Investor, without duplication (i) all liabilities and obligations of Investor, but excluding contingencies (A) in respect of borrowed money, (B) evidenced by bonds, notes, debentures or similar instruments, (C) representing the balance deferred and unpaid of the purchase price of any property, except those incurred in the ordinary course of its business or (D) for the payment of money relating to a capitalized lease obligation; and (ii) all other liabilities and obligations of the kind described in the preceding section (i) that the Investor has guaranteed or that is otherwise its legal liability or which are secured by any non-movable assets or property of the Investor. Qualified Shareholder Loans and borrowings with an original maturity of less than 365 days from the date of funding shall not be treated as Long-Term Debt.

Management Rights. With respect to a Person, the right to participate in the direction of the management and policies of such Person, through such means (by way of example and not limitation) as (i) the power to direct the vote of shares entitled to participate in the election of directors of such Person, (ii) any other right to participate in the designation of the directors of such Person, (iii) the power to act as, or to direct the vote or a voting partner of, any such Person that is a partnership, or (iv) the contractual right to act as a manager or operator of any such Person that is a limited liability company or similar entity, or to participate in the direction of such manager or operator.

Maximum Debt/Equity Ratio. As defined in Section 18.1.

Minimum Development Obligations. As defined in Section 8.6.

Minister. The official of Government designated by Government to act on its behalf with respect to matters relating to this Agreement, or if Government designates no such official, the Minister responsible for Agriculture and his/her successors.

Ministry of Health. The Ministry of Health and Social Welfare of Liberia.

Notice. As defined in Section 30.1(a).

NPA. The National Ports Authority of Liberia.

Official. Any employee or officer of Government, including any federal, regional or local department or agency of Government, any enterprise owned or controlled by Government, any official of a political party, any person acting in an official capacity for, or on behalf of such entities, or any candidate for political office.

Oil Palm By-Products. Empty fruit bunches (EFB), palm oil mill effluent (POME), shell, fiber, ash, effluent liquor and gaseous emissions.

Oil Palm Derivatives. Products manufactured from Crude Palm Oil or Crude Palm Kernel Oil, including refined oils, processed food products, animal feed, cosmetics and toiletries and biodiesel.

Oil Palm Development Fund. A not-for-profit corporation to be established by Law to assist in the modernization and development of the Liberian oil palm industry, comparable to the rubber development fund established by the Rubber Industry Rehabilitation and Development Fund Act, or any successor to such corporation, the organizational documents of which corporation shall provide for representation by Persons engaged in the oil palm industry in Liberia in the governance of the corporation.

Oil Palm Industry Standards. The generally accepted standards practiced in the oil palm production industry globally.

Oil Palm Upstream Processing Plant. Any mill, processing plant or facility established to take as input any Fresh Fruit Bunches or loose fruit or their equivalents.

Oil Palm Products. Crude Palm Oil, Fresh Fruit Bunches, Crude Palm Kernel Oil, loose fruit collected separately from fruit bunches, uncracked palm kernels from which oil has not been extracted, palm kernels, palm kernel cake, palm kernel meal, seeds, seedling and cuttings, and any other products derived or obtained from an oil palm, whether cultivated or not, including RBD (refined, bleached and deodorized) palm oil, palm olein, palm stearin, fractionated palm olein, palm fatty acid distillate, palm mid-fraction and other further processed products such as oleochemicals, biodiesel, soap and other products that are generally considered to be processed palm oil by the oil palm industry worldwide, and (except where explicitly stated to the contrary)

Oil Palm By-Products, and Oil Palm Derivatives (and any other product that Investor and Government shall mutually designate as such).

Original Issuance. As defined in Section 8.6.

Outgrowers. Liberian small land holders that (i) have been selected to participate in the Outgrowers' Program and (ii) have agreed to be bound by all of the requirements of the Outgrowers' Program.

Outgrowers' Program. As defined in Section 15.2.

Party. Either Government or Investor and, in the plural form, both Government and Investor.

Person. Any natural person and any legal person. For purposes of this Agreement, a natural Person means a human being; and a legal Person means a partnership, joint venture, corporation, limited liability company, trust, estate, community or traditional grouping or other entity that is recognized by the laws of any state as a distinct body possessing the right to enter into contracts or, under color of law, to own, lease or possess real or personal property, as well as a government or state, and any branch, division, political sub-division, instrumentality, authority or agency of any government or state.

Pledged Assets. As defined in Section 24.3.

Police. The Liberian National Police and any other security agency provided for by Law.

Port. Any port or port facilities utilized in connection with Investor Activities including Greenville and Harper ports or any new ports established pursuant to this Agreement or one or more Port Concession Agreements.

Port Concession Agreement. One or more agreements to be entered into by and between Investor and NPA (or any other Government authority) in connection with one or more Ports.

Prevailing Market Rate of Exchange. The predominant rate, expressed in Dollars, at which willing sellers and willing buyers, acting at arms' length and in the ordinary course of business, purchase or sell, or are willing to purchase or sell, any other currency.

Private Land. Any land, other than land subject to a lease granted by this Agreement, and including any creeks, streams, rivers, and bodies of water (and their residue) contained on such land, that is owned by any Person other than Government, or as to which any Person other than Government or Investor has an exclusive right of possession recognized by Law, including any land held by a tribe, community or traditional grouping.

Production. Any or all of the following when carried out by or on behalf of Investor: the seeding, germination, nursing, propagating and other development, planting, cutting, harvesting, replanting and care of oil palms; the harvesting, collecting, processing, conditioning, refining, purchasing, selling, storing, exporting, transporting, utilizing and/or marketing of, or otherwise producing and dealing in Oil Palm Products, their by-products and derivatives; the processing,

storing and transporting of Oil Palm Products, their by-products and derivatives ; any similar activities relating to any other Agricultural Products where such products are generally regarded, as compatible with, complementary to or beneficial in the Oil Palm Industry; and all other operations of Investor incidental to, arising out of or directly related to any of the foregoing, including the design, development, installation, operation and maintenance of Infrastructure.

Prohibited Person. Any Person that has been notified in writing to Investor by Government that (i) has been identified as being subject to sanctions by any member organization that Government is a member of, or with which Government has entered into treaties or other agreements with, or (ii) has been identified by Government as a Person that would pose a serious risk to the national security, public health and safety or the economic or political stability of Government.

Prolonged Force Majeure. As defined in Section 25.1.

Profound Changes in Circumstances. Such changes in the economic conditions of the oil palm industry worldwide or in Liberia, or such changes in the economic, political or social circumstances existing in Liberia specifically or elsewhere in the world as to result in such a material and fundamental alteration of the conditions, assumptions and bases relied upon by the Parties at the time during which they entered into this Agreement (or at the time of any subsequent review pursuant to Section 32.1) that the overall balance of equities and benefits reasonably anticipated by them will no longer as a practical matter be achievable.

Qualified Fund. A limited partnership in which the owner of a direct or indirect majority of the economic interest in Investor owns, directly or through one or more of such owner's Subsidiaries, a majority economic interest and has the power to remove the general partner.

Qualified Liberian Farmers. Liberian Oil Palm Farmers that meet a set of qualifications to be established, from time to time, by the Investor in respect of their capabilities of cultivating oil palms.

Qualified Shareholder Loan. Any obligation for borrowed money owed by the Investor to an Affiliate of the Investor, with respect to which the Investor notifies the Government that it is electing to treat such obligation as a Qualified Shareholder Loan and that satisfies the following conditions: (i) the loan expressly provides that interest will accrue and not be payable prior to maturity with respect to any period during which Investor is prohibited from paying interest on such loan pursuant to Section 18.2(a)(ii); (ii) the interest rate under such loan shall not exceed the Affiliate's cost of obtaining the funds plus 3% per annum; and (iii) the loan is not secured by any assets of Investor or any of its subsidiaries.

Qualified Transferee. A corporation that satisfies all of the following conditions:

- (a) it holds the rights under this Agreement, or a Sub-Concession Agreement, through a Liberian corporation that is a Subsidiary of such corporation;
- (b) it has the financial resources to fulfill its obligations under this Agreement or, as the case may be, the relevant Sub-Concession Agreement;



- (c) has, amongst its senior management team, at least two individuals with not less than 5 years' experience in owning, developing, and operating oil palm plantations on a scale comparative to the Concession Area (or as the case may be, the area covered by any Sub-Concession Agreement);
- (d) is able to make, with respect to itself, all of the representations and warranties made by Investor in Article 6; and
- (e) has a good business reputation.

Regulatory Fees. As defined in Section 21.14.

Remedial Extension. An extension of the Term and certain other time periods in accordance with the provisions of Section 3.2(d) and (e).

Resource Rent Tax. All Taxes and Duties imposed pursuant to Section 640 of the Liberian Revenue Code.

Resettlement Advances. As defined in Section 4.3.

Rules. As defined in Section 28.1.

Section. Any clause or section in this Agreement designated at its beginning by a numeral or sequence of numerals, irrespective of the fact that it is or is not preceded by the word "Section".

Security Plan. As defined in Section 9.3.

Set-off. To set-off, offset, deduct, or otherwise credit against an equivalent amount, in accordance with the following procedures. In the event that Investor believes it is entitled under a provision of this Agreement to Set-off an amount owed to Investor by the Government, Investor shall provide a Notice to Government setting forth the facts upon which Investor bases its claim for Set-off and the following provisions shall apply:

- (a) If the proposed Set-off relates to a refund for overpayment of Taxes or Duties, the procedures set forth in applicable Law shall apply.
- (b) For any proposed Set-off other than as described in clause (a), (i) if the Government disagrees with the assessment of the Investor regarding any Set-off, it shall respond within 90 days of such Notice (during which period the Government shall conduct an audit or other investigation to verify the amount and nature of the expense or claim by Investor that forms the basis for Investor's Set-off Notice). If the Government fails to respond to Investor within such 90-day period, such Set-off amount shall be deemed approved. If the Government notifies Investor prior to the end of such 90-day period that it disagrees with the amount of such proposed Set-off or with the Investor's entitlement to such Set-off, and the Parties are unable to agree on such matters, the dispute may be submitted for resolution in accordance with Article 28. Pending resolution of such dispute, the

Investor shall not be required to pay the disputed Set-off amount under this Agreement. Upon resolution of such dispute, subject to the provisions of clause (d) below, Investor shall provide a Notice to Government as to which amounts owed by Investor (as permitted by the applicable provision of this Agreement) shall be Set-off against the amount owed by the Government.

- (c) If the basis for Investor's claim for Set-off is its expenditure of funds for maintenance of roads constructed by Investor outside of the Concession Area pursuant to Section 4.4(b), in addition to the procedures set forth in clause (b) above, Investor shall obtain prior approval from the Government, such approval not to be unreasonably withheld, regarding the nature and scope of maintenance (with the understanding that for urgent maintenance that would affect Investor Activities, Investor may commence work without approval, and Government shall be entitled to verify the amount and reasonableness of the costs for such maintenance). and whether such maintenance work has actually been performed.
- (d) If the basis for Investor's claim for Set-off relates to a claim for indemnification payments owed by the Government pursuant to Section 4.6, 4.7, or 5.1 or reimbursement of maintenance expenses pursuant to Section 4.4(b), and if, following the procedure set forth in clause (b) above, the Government fails to pay any amount due in accordance with the payment terms agreed by the parties or pursuant to arbitration under Article 28, Investor shall provide a Notice to Government as to which amounts owed by Investor (as permitted by the applicable provision of this Agreement) shall be Set-off against the amount owed by the Government.

Shareholder. Golden Veroleum (Switzerland) AG, a corporation organized under the laws of Switzerland, which directly Controls the Investor and which is owned as set out in Appendix II.

Stabilization Period. Any period within the Term for which Investor has been provided an exemption from or reduction of Taxes and Duties under this Agreement.

Sub-Concession Agreement. An agreement between the Investor and a subsidiary delegating the rights and obligations of the Investor in whole or in part in respect of the Concession Agreement.

Sub-Concession Joinder Agreement. As defined in Section 24.3.

Sub-Concession Mortgage. A Mortgage pursuant to which a Sub-Concession Subsidiary's rights under the applicable Sub-Concession Agreement and related Sub-Concession Joinder Agreement are encumbered.

Subsidiary. With respect to a Person, another Person in which the first Person owns, directly or through one or more other subsidiaries, capital stock representing a majority of the voting power and value of the capital stock of such other Person.

Surface Rental Fees. The rental fees to be paid by Investor pursuant to Section 20.1(a) and Section 20.1(b) collectively.

Taxes and Duties. Any and all direct and indirect income, profits, gains, corporation, net worth, sales, payroll, import, export, customs, consul, inspection-related, value added, consumption, supply, use, turnover, severance, stumpage, cash flow, rental, land rental, property, real property, stamp and other taxes, duties, fees, royalties, levies, excises, rates, charges, imposts, surcharges and other Government-imposed revenue payments of whatever nature and however called and however levied or imposed and whether similar or dissimilar to the foregoing.

Term. As defined in Section 3.1.

The words "hereof", "hereunder", "herein", or other similar words mean this Agreement and its appendices. The words "and" and "or" include the conjunctive and disjunctive, as the context may require or permit. The word "include" (and any variation of that word) means "includes, without limitation," and is used in an illustrative sense rather than a limiting sense. The phrase "unreasonably withheld," when used in connection with an approval, consent, or similar concept, shall mean "unreasonably withheld or delayed."

Each Party fully participated in the negotiation and drafting of this Agreement. Therefore, this Agreement shall not be construed against either Party as the drafting party.

## ARTICLE 2 PARTIES AND CONDITION PRECEDENT

2.1 Parties. The parties to this Agreement are Government and Investor.

2.2 Condition Precedent. The obligations of Investor under this Agreement are subject to the Parties entering into a Port Concession Agreement.

## ARTICLE 3 TERM OF AGREEMENT

3.1 Term. The term of this Agreement (the "*Term*") shall commence on the Effective Date and continue for a period of sixty five (65) years unless otherwise extended pursuant to Section 3.2 or Section 25, or sooner terminated in accordance with the other provisions of this Agreement.

### 3.2 Extension of the Term

(a) Subject to the provisions of this Section 3.2, the Term may be extended for such period and on such terms and conditions as the Parties may agree prior to the expiration of the Term. The Parties shall meet not later than ten (10) years before the expiration of the Term to discuss the extension of the Term and the terms and conditions of any such extension. Whether or not the Parties agree to extend the Term, Investor shall at all times provide for the adequate basic maintenance and care of the non-moveable assets including the oil palm trees.

In the event that Investor shall have satisfied the KPIs as of the date ten years prior to the expiration of the Term, Investor may elect to request an extension of the Term of up to 33 years by giving Notice to the Government of such election no later than 90 days after such date. Such notice shall set forth appropriate information demonstrating that Investor has satisfied the KPIs as of such date. The Government shall respond to such Notice within 60 days of the date thereof, setting forth its determination as to whether the Investor has satisfied the KPIs. If there is a disagreement as to whether the Investor shall have satisfied the KPIs, the dispute shall be resolved in accordance with Article 28. If it is determined that the Investor has satisfied the KPIs as of such date, the Parties shall enter into an agreement extending the Term for such number of years, not to exceed 33 years as proposed by Investor in the above Notice of extension of the Term. The fiscal provisions (including surface rental) that shall apply during such extension shall be determined by negotiation between the parties; provided that (i) each fiscal provision shall be the most favorable to the Investor of (A) the generally applicable Law and (B) the most favorable provision contained in any agreement for renewal of a comparable fully developed oil palm concession; and (ii) with respect to any fiscal terms (including surface rental) that are stabilized as of the date immediately prior to the expiration of the Term, the amount or rate of each such fiscal term in effect in the agreement extending the Term upon the commencement of the extension period shall be no more than 200% of the applicable rate or amount in effect immediately prior to the expiration of the Term and shall be subject to escalation (if applicable) in accordance with the provisions of this Agreement. The non-fiscal provisions shall be such terms as are contained in this Agreement. The Investor shall not be required to make any additional payments as a condition for the effectiveness of such agreement extending the Term.

(b) Prior to granting a concession over the Concession Area to any other Person that would become effective following the expiration of the Term (including any extensions of the Term under Section 3.2(b)), the Government shall make an offer to the Investor in a Notice setting forth the fiscal terms (including the rate of surface rental and any special provisions relating to Taxes and Duties), the size of the proposed concession area (if different from the Concession Area) and the length of the term of the proposed concession on which the Government would be willing to enter into an extension of the Term. If the Parties are unable to agree on an extension of the Term within 90 days following the date of such Notice, Government shall not grant a concession over the Concession Area to any other Person that contains fiscal terms more favorable to such Person or terms providing for a larger concession area or longer term of concession than those offered to Investor in such Notice.

(c) In the event the Term is not extended pursuant to the provisions of this Section 3.2, Investor shall not be required to improve or continue re-planting of oil palm trees or refurbish or upgrade any Infrastructure, but will continue to engage in Commercial Production and will be responsible for the basic maintenance and care of the non-moveable assets (including the oil palm trees) for the remainder of the Term.

(d) Remedial Extension. Upon the occurrence and continuation of one or more events (other than any such events that constitute Force Majeure) that are not primarily caused by Investor, including delays or alteration to any timetable or schedules contemplated by this Agreement caused by the failure to grant Authorizations within a reasonable period or

delays in Resettlement, that have the cumulative effect of delaying the performance by Investor of more than 50% of its planting or land clearing obligations for any calendar year by more than six months, an additional time period equal to the cumulative amount of such delay shall be automatically added to the Term, any Stabilization Period, and all other time periods within which Investor is required to perform any of its obligations under this Agreement, and such terms, periods, deadlines or time to perform obligations shall be automatically extended accordingly.

(e) Upon the occurrence of an event of Force Majeure, unless this Agreement is terminated as the result of a Prolonged Force Majeure, in accordance with Section 25.1, the time period of the Force Majeure, plus, (i) in the event that such event of Force Majeure results in a need to re-plant a material portion of the Developed Areas or rebuild Infrastructure that has a material effect on Production, an additional ten (10) years; or (ii) in the event of any other Force Majeure that adversely affects Production or the yield realized from the Concession Area to any substantial extent, a time period agreed by the parties to reflect the time period required to bring Production or yields up to the levels prior to the Force Majeure (or to replace lost yields or otherwise implement measures which have an equivalent economic effect) or, if the parties are unable to agree, as determined by arbitration pursuant to Article 28, shall, in each such case, be automatically added to the Term, any Stabilization Period then in effect, and all other time periods within which Investor is required to perform any of its obligations under this Agreement, and such terms, periods, deadlines or time to perform obligations shall be automatically extended accordingly.

**3.3 Condition of Concession Area.** The Parties agree that Government assumes ownership of all non-movable assets in the Concession Area upon expiration or upon termination of the Agreement in accordance with Sections 26 and 27.

## ARTICLE 4 GRANT OF RIGHTS

### 4.1 Production and Leasehold Rights.

(a) Government hereby grants to Investor the right, in accordance with all Laws, to (i) exclusively engage in Production in the Concession Area and in any Additional Areas (subject, in the case of the Additional Areas, to any term to the contrary in the agreement between Investor and the relevant private entity pursuant to Section 4.2), (ii) use and sell Oil Palm Products in Liberia, (iii) export Oil Palm Products from Liberia, and (iv) use and sell Carbon Rights relating to the Concession Area or any Additional Areas as contemplated by Section 21.12, but subject to the provisions of Section 4.2. Without limiting the foregoing, Government hereby grants to Investor the right, in accordance with all Laws, to undertake all other Investor Activities in the Concession Area and any Additional Area. Government shall assist Investor to obtain any Authorizations to engage in any of the foregoing activities. Government further agrees that required Authorizations that are issued by Government will be granted so long as Investor has properly and timely applied for such Authorizations and has satisfied all reasonable conditions for obtaining such Authorizations. In the event the Authorizations are not granted within a reasonable period after the date of application, Investor shall notify Government, including notification to Minister of

Agriculture or his designee and the Chairman of the National Investment Commission, and the Government shall provide the Investor such Authorizations within sixty (60) days or provide Investor with information as to what reasonable requirements remain outstanding to obtain such Authorizations.

(b) Government will use reasonable efforts to facilitate the prompt processing and issuance of documentation and visas necessary for each non-Liberian employee to enter Liberia and perform duties, subject to receipt of properly completed applications for, and satisfaction of all conditions under Law for issuance of, such documentation and visas. Upon request, and satisfaction of all conditions under Law for issuance thereof, Government shall provide employment and residential or similar permits to all Investor employees, agents, independent contractors, and auditors for specific purpose of working in Liberia, including the Concession Area, the Additional Areas, or the Port in connection with the Investor Activities.

(c) Subject to the terms hereof, Government hereby leases the Concession Area to Investor for its exclusive use in the Production of Oil Palm Products and for other related Investor Activities. Subject to and in accordance with all Laws and pursuant to the terms and conditions of this Agreement, Investor shall have the right to develop and utilize the Concession Area and conduct Investor Activities without any interference from Government.

(d) Within twenty-four (24) months of the Effective Date, Investor shall conduct an initial survey, with the cooperation of the Ministry of Lands, Mines and Energy, but at the sole expense of Investor, to identify an area of land equal to approximately 350,000 hectares of land in the counties of Maryland, Grand Kru, Sinoe, River Cess and River Gee (the "**Gross Concession Area**") The initial survey shall include title searches at the land registry. A general description of the Gross Concession Area as envisaged at the date of this Agreement is attached to this Agreement as Appendix I. Once the Parties have agreed upon a map that accurately and completely describes the selected areas, such map shall be attached to this Agreement as Appendix IA. During the period ending on the twenty-fifth (25<sup>th</sup>) anniversary of the Original Issuance, Investor and the Government shall conduct detailed surveys of land to be developed in accordance with the Development Plan and from which, Investor shall select an area equal to 220,000 hectares of land for the Concession Area and an area equal to 40,000 hectares of land for the Outgrowers' Program. Government undertakes to ensure that such lands shall be free from Encumbrances at the date of handover of such lands in accordance with the Development Plan. If the land within the Gross Concession Area is not suitable for core Investor Activities, Government shall cooperate with Investor to find additional land for the Concession Area and the Outgrowers' Program area which shall be in close proximity to the Gross Concession Area. Once the Gross Concession Area and the Outgrowers' Program area have been identified, Government shall not grant any further concession in respect of such areas to any other party except as provided under this Agreement, including Sections 4.6 and 4.7. Government shall deliver the Concession Area to Investor at the times and as otherwise required under the Development Plan.

(e) At such time as there is a land registration system in Liberia, Investor will be entitled to register the area covered by the Agreement in accordance with the detailed

surveys prepared with the Ministry of Lands, Mines and Energy.

**4.2 Additional Areas.** Investor may lease or otherwise acquire Private Land in Liberia for purposes of engaging in Production, other Investor Activities, or processing Agricultural Products (the "***Additional Areas***"). Under no circumstances may Investor acquire Additional Areas for the sole purpose of acquiring any right, title or interest in Carbon Rights unless agreed in writing with the Government. Investor shall provide Notice to Government of the lease or acquisition of any Private Land within three (3) months of the commencement of the lease or such acquisition, which Notice shall set forth the size and location of the land. Upon such notification, except as otherwise provided herein and subject to the terms of any existing lease of Private Land, such Additional Areas and the Investor Activities thereon shall be subject to the same rights, benefits and obligations as are afforded under this Agreement with respect to the Concession Area and the Investor Activities thereon; provided, however, that Investor shall not be required to pay Surface Rental Fees as set forth in Section 21 to the Government with respect to such Additional Areas and such land will not revert to the Government at the end of the Term.

#### **4.3 Resettlement**

(a) Investor may by Notice to Government request that certain settlements be relocated if Investor can demonstrate to Government's reasonable satisfaction that such existing settlement and its inhabitants would impede Investor's development of the Concession Area and would interfere with Investor Activities. Government's satisfaction shall be conclusively deemed if within 90 days of submission of such Notice, Government has not indicated a decision to withhold approval of such resettlement by Notice pursuant to this Agreement. Any such resettlement by Government shall be effected with a view toward minimizing the number of enclaves within the Concession Area in which inhabitants are permitted to remain to minimize the operational, security and management difficulties. To the extent Government and Investor agree that relocation and resettlement is necessary and Investor determines that it is necessary for Investor to assist, Investor shall assist Government in effecting such resettlement, including the development and management of any resettlement plans and the execution of resettlement logistics, but in all circumstances, Government shall bear the sole responsibility for resettlement, including effecting resettlement and payment of all costs and expenses of resettlement; provided, however, if requested by Government, Investor shall pay on behalf of Government agreed resettlement expenses ("***Resettlement Advances***"), subject to: (i) a maximum of US\$200 (as adjusted for inflation) paid per hectare of land requiring resettlement, in no event to exceed (iii) US\$3,000,000 in the aggregate amount during the entire Term. Investor shall be entitled to Set-off against any Aggregate Taxes and Fees payable by Investor to Government (which, for the avoidance of doubt, shall not include any amounts that Investor withholds from payments made to other Persons) during any fiscal year an amount equal to one hundred percent (100%) of Resettlement Advances incurred by Investor during such fiscal year, or to the extent not fully used in the year in which such Resettlement Advances were incurred, any subsequent fiscal year.

(b) Government shall establish a resettlement committee for purposes of supervising or advising on resettlement efforts which shall include leaders or their appointees

from the settlers or local community, and Investor shall be permitted to appoint a representative to such resettlement committee.

(c) Government shall cooperate with Investor to define the areas to be resettled in such a manner that eliminates or minimizes the existence of any enclaves between Developed Areas.

(d) Government shall determine a compensation scale for resettlement costs which shall be subject to Investor's approval, with such approval not to be unreasonably withheld.

(e) Government shall conduct and be solely responsible for conducting all resettlement negotiations with settlers and local communities.

(f) Resettlement funds (including Resettlement Advances) shall be held and managed in an escrow account which Investor (or its representative) shall be permitted to monitor.

**4.4 Construction of Infrastructure and Use of Support Systems.** Subject to the terms and conditions of this Agreement, and only as is necessary or desirable, in the reasonable opinion of Investor, for the proper and efficient exercise of the rights granted under the Agreement, Investor shall have the right:

(a) to construct, install, maintain and/or repair, at its own expense, Infrastructure within the Concession Area and any Additional Areas; provided however, that Investor shall first obtain approval of Government concerning the design, location, size and environmental impact of any roadway, highway, railway, waterway or other ways of transportation, which approval shall not be unreasonably withheld; provided further, that no such approval shall be required for any such Infrastructure built in accordance with the GVL Block Structure. Investor shall only be responsible for on-going maintenance or repair of any such Infrastructure in the Developed Areas and to the extent specified in the approval of Government. Nothing herein shall restrict or impair Investor's right to construct within the Concession Area such Farm Roads, water-filled ditches, and elephant ditches and other similar structures as Investor deems necessary or desirable to properly conduct Investor Activities. All roads including Farm Roads and trails across the Concession Area that have been and continue to be used immemorially by the population, shall remain open to free use by the public for commercial and public purposes as long as such use does not unreasonably interfere with Investor Activities or unless by mutual agreement between Investor and Government (e.g., to reroute these roads); provided, however, that Investor shall not be liable to any member of the public for damages suffered as a result of injury occurring on any such roads that remain open for free use by the public other than to the extent any such injury results from the gross negligence or willful misconduct of Investor; and provided further that Investor shall be entitled to impose reasonable tolls on heavy vehicle commercial users of any such roads in an amount reasonably intended to compensate for the unusual wear and tear imposed on such roads by such users, subject to approval by the Government, such approval not to be unreasonably withheld and which approval shall be conclusively deemed to have been given if, within sixty (60) days of application for any required approval, the



Government has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement; and provided further that Investor may, (i) deny public access to private areas within the Concession Area, and (ii) with prior Notice to the Government and in accordance with Section 9.3, impose reasonable restrictions on such roads and trails to protect the interest of the security of its assets, the safety of its Associates and each Contractor Party and the security of the assets of each such party and their employees and their Dependents, including through the installation of security gates on roads within the Concession Area in accordance with Section 9.3 and, in the case of security gates on public roads, subject to any required approval by the Government, such approval not to be unreasonably withheld. Such approval shall be conclusively deemed to have been given if, within sixty (60) days of application for any required approval, the Government has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement. In case of an emergency, Investor may close such roads and trails without prior Notice to the Government as long as, immediately after such closure or closures, the Investor notifies the Ministry of Agriculture of such closure or closures:

(b) to construct, establish, install, maintain and/or repair, at its own expense, Infrastructure outside the Concession Area, subject to the prior written approval by Government, which approval shall not be unreasonably withheld. All highways and roadways constructed pursuant to this Section 4.4(b) shall, upon completion, become public property; provided, however, that Investor shall have the right to use such highways and roadways without charge or the imposition of Taxes and Duties for or with respect to such use. Government shall have no obligation to refund to Investor any amounts expended by Investor in the construction and maintenance of such Infrastructure, and Investor shall have no obligation to maintain and/or repair such Infrastructure; provided that if Investor is not the sole commercial user of such highways and roadways, Investor may maintain such highways and roadways and Set-Off the reasonable cost of the same against other amounts payable under this Agreement:

(c) to transport, within and outside the Concession Area, its own Agricultural Products or goods required for, utilized in or incidental to Investor Activities, or to contract for such transportation by other Persons subject to the requirements of Section 13:

(d) to plant, cut and/or utilize timber and other vegetation within the Concession Area and any Additional Areas to the extent it deems necessary for the construction and maintenance of Infrastructure and for other Investor Activities within the Concession Area and any Additional Areas; provided, that such harvesting and use of timber shall be in accordance with this Agreement and applicable Law;

(e) to take and use, within the Concession Area and any Additional Areas, free of charge, but not to sell or otherwise distribute to any other Person without the written approval of Government (not to be unreasonably withheld), such stones, rocks, sand, clay, and gravel having no significant commercial mineral value other than as aggregate, filler or other construction material, as Investor may consider necessary or useful for Investor Activities. Such Government approval shall be conclusively deemed to have been given if within sixty (60) days of application for approval, Government has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement. This activity shall

not be considered to be mining for purposes of any Law. Notwithstanding anything to the contrary in this subsection (e), and subject to the written approval of the Government which shall not be unreasonably withheld, and such Laws and conditions as the Government may impose concerning the manner or location of conducting such activity (but not the prohibition of any such activity that is conducted in accordance with generally applicable standards). Investor shall be entitled to sink boreholes, dam streams, build reservoirs and take and use water found within the Concession Area free of charge for purposes necessary or useful to Investor Activities under this Agreement; provided, that Investor shall not materially deprive any tribes, villages, towns, houses, or watering places for animals of a reasonable supply of water insofar as such water has customarily been utilized by such tribes, villages, towns, houses, or animals; provided further, that Investor shall not otherwise dam any streams or use amounts of water in such a manner as to materially interfere with the farming activities of farmers or residents being conducted on the Effective Date. Investor shall ensure that its use of water does not result in any pollution, contamination, or other environmental damage in violation of applicable Law. Prior to damming any streams or other bodies of water, the Investor shall seek approval from the relevant governmental authority, which approval shall not be unreasonably withheld unless there is evidence that the construction of such dam or dams would breach this Section 4.4(e). Such Government approval shall be conclusively deemed to have been given if within sixty (60) days of application for approval, Government has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement. Investor shall be exempt for the Term from any Taxes and Duties related to water use. At such time as there is a public water supply available in the Concession Area or any other area in which Investor is conducting Investor Activities, Investor shall have the option to obtain water for its Investor Activities and employee housing from such public water supply at generally prevailing rates. Investor shall have no obligation to supply downstream users of water from the Concession Area with any borehole sourced-water. Government shall only grant concessions or issue permits for other commercial activity upstream from the principal sources of water to the Concession Area that require the applicable users to comply with applicable Laws relating to contamination of ground water or streams or other bodies of water and prohibit the applicable users from materially restricting the availability of water to downstream users and Government shall take appropriate action to investigate alleged violations of such concession agreements relating to the use or contamination of water upstream from the principal sources of water to the Concession Area and to enforce the obligations of the applicable users thereunder irrespective of whether these users are licensed or unlicensed operators.

(f) to sell to third parties, in accordance with applicable Law, excess timber and excess stones, rocks, sand, clay, and gravel having no significant commercial mineral value other than as aggregate, filler or other construction material obtained in connection with developing the Concession Area, with the net proceeds from any such sales to be shared equally between Investor and Government.

**4.5 Other Activities.** Except as specifically set forth herein, Investor shall be prohibited from engaging in any commercial activities other than Investor Activities within Liberia unless agreed between the parties in writing; provided however, nothing in this Agreement shall prevent any Affiliate of Investor from engaging in the production of Agricultural Products on land outside the Concession Area or any Affiliate of Investor engaged

in any processing, refining, or manufacturing of Oil Palm Products. Except as otherwise provided herein, no such Affiliate shall enjoy the rights granted to Investor pursuant to this Agreement.

#### 4.6 Other Natural Resources.

(u) Government reserves the exclusive right to explore for and develop petroleum and mineral resources within the Concession Area and to grant such exclusive rights to any other Person (a "*Licensee*"), provided, however, that Investor or Affiliates shall be invited to and have the right to, bid on any such opportunity on the same terms as other bidders. If Government or any Licensee intends to explore for, develop or exploit petroleum or mineral resources in the Concession Area, Government shall first so advise Investor by prior Notice, and the right of Government or such Licensee to explore for, develop or exploit petroleum or mineral resources in the Concession Area shall be subject to the following:

(i) Government shall ensure that any exploration, development, drilling or mining activity to be undertaken either by Government or by such Licensee shall not unreasonably or materially interfere with Investor Activities or the rights of Investor;

(ii) Government shall remain fully responsible under this Agreement for the acts and omissions of the Licensee and both Government and the Licensee (in the case of the Licensee, pursuant to a tri-partite agreement to be entered among Investor, the Licensee, and Government in a form reasonably acceptable to Investor that addresses such matters, among others, as access, services, and construction activities) shall jointly and severally fully indemnify, hold harmless and compensate Investor for any diminishment of or damage to Investor's property or assets and for any economic or other losses (including (x) provable damages arising from any material disruption and disturbance to operations, (y) compensation for use of Investor facilities and Infrastructure (including heavy vehicle commercial use but not other normal and reasonable use of publicly accessible Infrastructure), and (z) any opportunity costs due to, *inter alia*, lost revenues, but excluding loss of the intrinsic value of any leasehold rights), claims, damages, liability, and costs and expenses of defense, including reasonable attorney fees for counsel engaged in the practice of law in Liberia (if the dispute is to be heard in Liberia) and for counsel engaged in the practice of law whether inside or outside Liberia (if the dispute is to be heard outside Liberia), arising out of or related to such exploration and/or mining activities conducted by Government or any Licensee, which obligations shall be secured by cash, bond or other similar security in a form and in an amount agreed by Investor and arranged by the Licensee and (in cases other than cash) issued in favor of Investor by an internationally recognized financial institution reasonably acceptable to Investor in advance of any exploration and/or mining activities. Investor shall have the right to appoint counsel of its own choosing in connection with the foregoing. Government shall have the right to approve the terms of any settlement to the extent Government's obligation to indemnify Investor under this Section 4.6 is to be called upon to satisfy an obligation to be assumed by Investor in connection with such settlement. If Government fails to satisfy its obligations to indemnify Investor under this Section 4.6, after final determination of or agreement as to the amount of any indemnification payment owed by Government, then Investor shall be entitled to Set-off any such amounts against Aggregate Taxes and Fees in the current year or any subsequent year.

(b) For the avoidance of doubt, this Section 4.6 is without prejudice to the Investor's rights under Sections 4.4 and 9.3 (regarding Infrastructure and security).

#### 4.7 Government Construction.

(ii) Government reserves the right to construct roads, highways, railroads, telegraph and telephone lines and other lines of communication within the Concession Area and to grant such right to a third party. If Government intends to construct, or to grant to a third party the right to construct (subject to the terms of this section), such Infrastructure within the Concession Area, it shall first so advise Investor by Notice, and the right of Government shall be subject to the following:

(i) Any development or construction of Infrastructure to be undertaken by Government or such third party shall not unreasonably or materially interfere with Investor Activities or the rights of Investor.

(ii) Government or, in the case of a grant of a right to a third party, the third party (in the case of the third party, pursuant to a tri-partite agreement to be entered into among Investor, Government, and the third party in a form acceptable to Investor), shall jointly and severally fully indemnify and compensate Investor for any diminishment of or damage to Investors' property or assets and for any economic or other losses ((x) provable damages arising from any material disruption and disturbance to operations, (y) compensation for use of Investor facilities and Infrastructure (including heavy vehicle commercial use but not other normal and reasonable use of publicly accessible Infrastructure), and (z) any opportunity costs due to, inter alia, lost revenues, but excluding loss of the intrinsic value of any leasehold rights), claims, damages, liability, and costs and expenses of defense, including reasonable attorney fees for counsel engaged in the practice of law in Liberia (if the dispute is to be heard in Liberia) and for counsel engaged in the practice of law whether inside or outside Liberia (if the dispute is to be heard outside Liberia), arising out of or related to such construction of Infrastructure or development activities conducted by or on behalf of Government, which obligations shall be secured by cash, bond, or other similar security in a form and in an amount agreed by Investor and arranged by the Government or Licensee and (in cases other than cash) issued in favor of Investor by an internationally recognized financial institution reasonably acceptable to Investor in advance of any such construction activities. Investor shall have the right to appoint counsel of its own choosing in connection with the foregoing. Government shall have the right to approve the terms of any settlement to the extent Government's obligation to indemnify Investor under this Section 4.7 is to be called upon to satisfy an obligation to be assumed by Investor in connection with such settlement. If Government fails to satisfy its obligations to indemnify Investor under this Section 4.7, after final determination of or agreement as to the amount of any indemnification payment owed by Government, then Investor shall be entitled to Set-off any such amounts against Aggregate Taxes and Fees in the current year or any subsequent year.

(b) For the avoidance of doubt, this Section 4.7 is without prejudice to the Investor's rights under Sections 4.4 and 9.3 (regarding Infrastructure and security).

(c) In the event that any Person (other than Government and Government contractors) wishes to construct, install, maintain and/or repair any Infrastructure within the

Concession Area or any Additional Areas, such Person shall first obtain the written approval of Investor, which shall not be unreasonably withheld; provided that, no such approval shall be given if the Infrastructure would unreasonably or materially interfere with Investor Activities or the rights of Investor.

**4.8 Replacement Land.** Government shall use reasonable efforts to locate and provide a parcel of replacement land that is acceptable to Investor and of reasonably equivalent size and condition (including yield and other material characteristics) to the portion of the Concession Area being exploited pursuant to Section 4.6 or 4.7 if such land is available, provided, however, that such portion of the Concession Area is being used or is reasonably expected to be used by Investor for Investor Activities. If there is no such replacement land available, Government shall compensate Investor for the Fair Market Value of the property and assets taken by Government and the economic loss that the Investor suffered. In calculating such Fair Market Value, the Parties shall take into account the economic loss and any reduction in value of the Investor Activities under the then current Development Plan. In no event shall the value of any minerals or other natural resources that may be identified with respect to such parcel of property be taken into account in calculating the Fair Market Value of Investor's use of such land.

**4.9 Agricultural Surface Leasehold.** Except as otherwise limited herein, Investor's rights with respect to the Concession Area shall be those inherent in a leasehold of the surface of land for agricultural purposes, and Investor shall be considered a lessee as to the Concession Area.

**4.10 Right to Import.** Investor or its agents or contractors (subject to compliance by any such agent or contractor with applicable Law) shall be entitled to import and use for Investor Activities, any machinery, equipment, vehicles, including aircraft, watercraft, supplies, consumable items, chemicals and other items Investor reasonably determines is required for it to engage in the Investor Activities in accordance with the terms of this Agreement. Specifically, Investor may import (i) oil palm stumps, seedlings and planting materials, farm goods, (ii) educational materials for the use of or sale or distribution to its employees, contractors and Outgrowers, (iii) medication and drugs for distribution to hospitals and clinics within the Concession Area as required to meet its social obligations, (iv) rice for use, sale or distribution to its employees and contractors, and (v) fuel, in each case, subject to the import duties, if any, set forth in Section 21.2. Subject to the restriction set forth below, Investor may sell in Liberia to Outgrowers or Liberian Oil Palm Farmers only, all imported items that are no longer needed for Investor Activities, and to other Persons to the extent permitted by Law: provided, however, that if Investor was exempt from paying any or all Taxes and Duties upon import of such items into Liberia, then Investor shall comply with all required formalities and pay those Taxes and Duties that would otherwise have been payable on such imported items, taking into account any diminution in value. Investor shall be prohibited from selling rice, gasoline, diesel or other fuels, fertilizers and seed stock which Investor imported into Liberia, to Persons in Liberia other than Outgrowers or Liberian Oil Palm Farmers unless approved by the Government, and in each case, if Investor was exempt from paying any Taxes and Duties upon import of such items into Liberia, then such items may be sold without additional payment of any Taxes and Duties. No restrictions or limitations shall apply to the sale of gasoline, diesel or other fuels, or rice that was imported by a third party and subsequently purchased by Investor in the ordinary course of

business. This section may be modified from time to time or exceptions granted on a case by case basis by agreement between the Parties.

**4.11 Right to Export.** Investor shall be entitled to export any item of machinery, equipment, vehicles, supplies, chemicals or other items imported pursuant to Section 4.10 free from any and all export duties, but subject to any customs user fees and inspection fees imposed by applicable Law, and to export any items purchased in Liberia to the extent permitted by applicable Law.

**4.12 Airports and Existing Port Facilities.** Government agrees that Investor, its agents, and any Contractor Party may use any airport, harbor, port or similar facility owned or operated by Government upon the terms and conditions applicable to Persons undertaking activities which are the same as or similar to the Investor Activities at the lowest rates as may then be available to Persons undertaking activities which are the same as or similar to the Investor Activities. Government shall not re-route, or impose any material restrictions on, or impose any transit charges (other than generally applicable usage fees or similar transit charges imposed in connection with a program for funding maintenance or construction costs of roads from fees imposed on users) on (and shall prevent any third party entity from re-routing, imposing and material restrictions on or transit charges on), any roads or highways from the Concession Area to any harbor, port, or similar facility and used to any material extent by Investor (in each case other than on a temporary basis for maintenance or as the result of an emergency), if such re-routing or material restrictions would result in a material increase in the time required for Investor's shipment of Oil Palm Products. Subject to compliance with applicable Law and obtaining appropriate approvals from Government, which will not be unreasonably withheld and shall be conclusively deemed given if within sixty (60) days of submission, Government has not indicated a decision to withhold approval by Notice provided in this Agreement, Investor has the right to build and operate airstrips, solely for internal operational needs, at locations within the Concession Area.

**4.13 New Port Facilities.**

(b) In the event that Investor reasonably determines that the construction of a new Port and/or new facilities at any Port on or near to any part of the Concession Area are necessary to enable Investor to ship the quantity of Oil Palm Products expected to be produced from all or any part of the Concession Area and to import equipment and supplies into all or any part of the Concession Area, the Government shall, upon the request of Investor, issue Investor the necessary permits and other authorizations required under applicable Law for Investor to construct and/or operate such new Port or facilities. Upon notice by the Investor of the need for such new Port or facilities, the Government shall, for the Term, and subject to the payment of appropriate surface rental fees, grant the Investor or its designated Affiliates such rights to land and to sea areas, and the Government shall assist the Investor in acquiring such rights for the Investor and such Affiliates in respect of private land as are reasonably required by the Investor or such Affiliates in order to construct and operate on a commercially reasonable basis (i) land and sea-based operational and infrastructure facilities, including bulking stations, offices, value added manufacturing and processing facilities and materials handling/logistics and warehousing facilities, piers, berths, piping and fuel storage and (ii) if required, facilities at or near such site for use as the

Investor's or its relevant Affiliates' operational headquarters. The specific location and size of such land and sea areas and other specifications relating to such rights shall be determined at the time of such grant, it being understood that the Investor anticipates that at least 100 hectares will be required on land adjacent to or proximate to the piers/berths for those land-based activities described in (i) above. Further Investor anticipates that there will need to be at least one berth for imports (fuel and container vessels) and one export berth for CPO, CPKO and other Oil Palm Products.

(c) If the Investor builds a new Port and in particular a purpose-built dedicated Port, the Government may, subject to consultation with the Investor and on reasonable notice to the Investor, authorize third parties' use of excess capacity of the port infrastructure provided the excess capacity exists and the third party use of such excess capacity does not unreasonably interfere with the efficient and economic conduct of the Investor's port operations. The technical and commercial terms for such third party use of the excess capacity shall be mutually agreed to in good faith, among the Government, the Investor and such third parties in accordance with international standards, it being understood that such third party use shall be at no cost to the Investor and all related costs shall be borne by the third parties.

(d) If the Government enters into or otherwise carries on discussions with any third party in relation to granting such third party rights for the purpose of constructing a new port or expanding or using an existing port in reasonably proximity to the Investor's operations, the Government shall use its best efforts to ensure that the Investor is able to participate in such discussions and negotiations with the third party (and any other relevant party) and the Government so as to enable the Investor to obtain the required access to the new Port for the purposes and to the extent described above on the terms and subject to the conditions set forth in paragraph (b) above. In the event that any discussions with a third party result in new Infrastructure being constructed or an expansion of existing Infrastructure then the Government shall use its best efforts as part of the arrangements to permit access to the Investor as a third party to appropriate capacity and expansion rights and Government shall use its best efforts to assist the Investor in securing such rights on a commercially reasonable basis, in each case on the terms and subject to the conditions set forth in paragraph (b) above.

(e) If the Government constructs a new general-purpose port proximate to the Investor's operations, Government will grant Investor priority consideration of land areas for lease and priority for selection of location and use of berths for the remaining Term.

**4.14 Use of sub-contractors.** Subject to Article 13, Investor may engage sub-contractors (including its Affiliates) to conduct Investor Activities and fulfill its obligations under this Agreement. However, notwithstanding the existence of any such engagement, the Investor shall remain fully responsible for the performance of its obligations under this Agreement and the Government shall be entitled to deal solely with the Investor in relation to the matters delegated by such engagement.

**ARTICLE 5**  
**REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS OF GOVERNMENT**

**5.1 Warranty of Ownership.** Government represents and warrants to Investor that all lands that make up the Concession Area shall be free and clear of all Encumbrances. Government also represents and warrants Investor's title to and possession of all rights granted to Investor under the terms and conditions of this Agreement, and its quiet enjoyment of the Concession Area granted to it hereunder. Government represents and warrants that subject to Section 4.6 or Section 4.7, Government shall not exploit or permit the exploitation by any other Person of any parcels of land within the Concession Area for any commercial purpose. Government agrees to defend and protect for the benefit of Investor, all rights granted to Investor hereunder and to indemnify and hold harmless Investor for any losses incurred by Investor, as a result of, or in connection with defending any such rights, including disputes relating to the ownership of land, existing oil palms and other non-movable, tangible assets in the Concession Area or disputes resulting from the grant of the rights under Section 4.1. If Government fails to satisfy its obligations to indemnify Investor under this Section 5.1, after final determination of or agreement as to the amount of any indemnification payment owed by Government, then Investor shall be entitled to Set-off any such amounts against Aggregate Taxes and Fees in the current year or any subsequent year.

**5.2 Personal Property.** Government and Investor agree that, except for leasehold rights, the rights and privileges granted to Investor under this Agreement are contract rights and constitute personal property and not real estate.

**5.3 Access to Information.** Government undertakes and affirms that Investor shall be entitled to use and to have access to all geological or other information relating to the Concession Area that is owned by or subject to the control of Government on the same terms available to other similarly situated Persons in Liberia requesting such information and in accordance with Laws.

**5.4 License to Third Party.** Government shall not, during the Term of the Concession Agreement, without Investor's written approval, grant any licenses to any Government entity or third parties to construct or to operate (i) any Oil Palm Upstream Processing Plant within the borders of Liberia unless the operator of such plant is surrounded by sufficient adjacent land with sufficient otherwise uncommitted oil palm yield per hectare to fully sustain its operations (based on then current or reasonably expected levels of production from such adjacent land), (ii) any Oil Palm Upstream Processing Plant with a capacity of greater than or equal to five (5) metric tons of Fresh Fruit Bunches per hour within sixty (60) kilometers of the border of the Concession Area (or Gross Concession Area if the Concession Area has not yet been fully identified in the applicable location at such time), (iii) any Oil Palm Upstream Processing Plant with a capacity of less than five (5) metric tons of Fresh Fruit Bunches per hour within thirty (30) kilometers of the border of the Concession Area (or Gross Concession Area if the Concession Area has not yet been fully identified in the applicable location at such time), and (iv) any oil palm buying stations within thirty (30) kilometers of the border of the Concession Area (or Gross Concession Area if the Concession Area has not yet been fully identified in the applicable location at such time), so as to ensure that the operations of Investor are not interfered with or impeded, in each case except as otherwise agreed between the Parties; provided that in each of (i) through (iii)



above, any such Oil Palm Upstream Processing Plant must maintain its accreditation with a system of monitoring such independent plants to be implemented by Government or a national industry development committee and comply with any standards established by the Government or such committee and shall not be able to continue operating at a level in excess of the level for which it is then accredited, taking into account any changes in the then current or reasonably expected levels of production from adjacent land. The foregoing restriction shall not apply to any license already held by or granted to the operator of any existing palm oil plantation (including expansions thereof and Outgrowers' programs associated with any such plantation) but shall apply to any approvals for any new facilities.

## ARTICLE 6 REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS OF INVESTOR

**6.1 Entity Status.** Investor is a corporation duly organized, validly existing and in good standing under the Laws of Liberia.

**6.2 No Action, Suit, Proceeding or Investigation.** Investor represents and warrants that as of the Effective Date there is no action, suit, investigation or proceeding pending, or to Investor's knowledge, threatened, against or affecting Investor or any property of Investor in any court or before any arbitrator of any kind or by any governmental authority that, individually or in the aggregate could reasonably be expected to have a material adverse effect on the ability of Investor to perform its obligations hereunder or the validity of this Agreement.

**6.3 Due Authorization.** Investor represents and warrants that it has all necessary corporate power and authority to transact the business it transacts and proposes to transact, and to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly authorized by all necessary corporate action on the part of Investor, and this Agreement constitutes a legal, valid and binding obligation of Investor.

**6.4 Technical Capabilities and Financial Resources.** With the exception of financial resources for the Outgrowers' Program, Investor represents and warrants that it has the necessary technical capability, experience, expertise and access to financial resources to make the investment required and to comply in all respects with its obligations under this Agreement.

**6.5 Corporate Organization.** Investor represents and warrants that set forth in Appendix II are a copy of the proposed corporate structure chart showing the chain of ownership of Investor.

On the Effective Date, Investor shall provide complete and correct lists (except as noted therein) of--

(a) the directors and senior officers of (i) Investor, (ii) each Person in respect of which the Investor is a Subsidiary, and (iii) any Qualified Fund and the general partner of any Qualified Fund set out in Appendix II;

(b) each Person or Group that owns 5% or more of (i) the voting stock or other ownership interests in each Person in respect of which the Investor is a Subsidiary or (ii) the economic interests in any Qualified Fund in respect of which the Investor is a

Subsidiary.

6.6 Investor agrees to provide an update to the above information to Government at the time the reports in Section 22.3 are delivered. In respect of any Person that regularly files or reports such information with a reputable stock exchange or other public registry, the obligation to provide the ownership information with respect to such Person may be satisfied by delivery to the Government of copies of such filing or reports. No Prohibited Person. None of the Persons identified in Appendix II is a Prohibited Person. Investor shall provide Notice to the Government within fourteen (14) days after becoming aware that any Person identified on Appendix II is or has become a Prohibited Person. Where a Person is identified as a Prohibited Person, upon written request of Government, that Person shall divest or cause to be divested its interest in the Investment within one hundred twenty (120) days of the above Notice deadline specified in this Section 6.6. The Investor shall not enter into future contracts with a Prohibited Person following notification or otherwise becoming aware that such Person is a Prohibited Person.

6.7 No Conflict. The execution, delivery and performance by Investor of this Agreement will not, to the Investor's reasonable knowledge, (i) contravene, result in any breach of, or constitute a default under, or result in the creation of any lien in respect of any property of Investor under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter, memorandum and articles of association, regulations or by-laws, or any other agreement or instrument to which Investor is a party or by which Investor or any of its properties may be bound or affected, (ii) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or governmental authority applicable to Investor or (iii) violate any provision of any statute or other rule or regulation of any governmental authority applicable to Investor, which will have a material adverse effect on the ability of the Investor to perform its obligations under this Agreement.

6.8 No Payments. To the best of Investor's knowledge, none of Investor, any Affiliate of Investor or, To the best of Investor's knowledge, any Person acting on behalf of Investor or any Affiliate of Investor has made or promised to make any payment or transfer of anything of value, directly or indirectly, to or for the benefit of an Official or to an intermediary for payment to or for the benefit of an Official in connection with this Agreement or the transactions contemplated hereby.

## ARTICLE 7 COMMUNICATION SYSTEMS AND UTILITIES

### 7.1 Communication Facilities.

(a) Investor shall have the right, as licensee or assignee, to operate, directly or through an Affiliate, such communication systems as it deems necessary for internal communications and communications with its Affiliates, including radio, telecommunications, electronic mail systems, satellite networks, cellular systems, microwave devices and other communication devices and systems and to receive from Government such licenses, permits and other authorizations as may be required by Law in connection with the foregoing at the lowest rates as may be available to other Persons undertaking activities the

same or similar to Investor Activities. Such facilities shall be operated in accordance with Law.

(b) Government agrees that it will make available, at the lowest rates as may be available to other Persons undertaking activities the same or similar to Investor Activities, for use by Investor or any of its Affiliates, an adequate number of broadcast and communications frequencies for both domestic and international use, and shall grant to them such rights, licenses, registrations or permits as any of them may require in order to comply with any Law regarding the possession, use, importation or purchase of related equipment or of any telecommunications devices or other communication equipment. Investor and Government shall consult from time to time as to the specific frequencies to be assigned consistent with international regulations and the adequacy of such frequencies under this Section 7.1. However, such communication systems shall be used only for Investor's internal communications, including communications with Affiliates, and as a supplement to communications systems available to the public in general.

## 7.2 Utilities

(a) Investor shall have the right to purchase, generate, distribute and allocate electricity and provide water and other utility services for the purpose of supplying buildings and other facilities within the Concession Area and any Additional Areas and other operational facilities outside of Concession area, including Port areas, or otherwise conducting Investor Activities. Investor shall coordinate and consult with the relevant agencies of Government regarding such activities to the extent reasonably appropriate.

(b) Investor shall initially provide free metered or unmetered electricity and water to Employees and Dependants; provided however, Investor may elect to introduce a paid-for metering system to encourage conservation of electricity and water, provided that an allowance is given to Employees in an amount sufficient to cover reasonably expected usage and the cost of the electricity or water is at cost, with the rate based on the total cost of production, and not the marginal cost of producing the amounts provided to Employees and Dependants.

(c) Government shall not charge Investor any license fee or other Taxes and Duties for, or in connection with, the exercise of the right provided in Section 7.2(a) above unless such activity generates net income to Investor directly attributable to such activity, in which case all such net income will be subject to Taxes and Duties in accordance with this Agreement.

(d) Investor may agree, but shall have no obligation, to provide electricity or water to Government or other Persons outside the Concession Area and any Additional Areas if it has quantities greater than its needs. If Investor so elects, it shall provide such surplus electricity or water at a rate not to exceed the cost of production of such surplus electricity or water unless a specified rate has been agreed to by Investor and Government. Government shall have first priority to purchase all or any portion of such surplus at the lowest price Investor sells such power to any other Person or at the generally applicable tariff rate charged by the public utilities; provided, however, that such rates to the Government shall not be

higher than the cost of production of such surplus electricity or water or as agreed upon between Investor and Government. Government agrees that Investor may use public utilities on the same terms and conditions as, and at the generally applicable tariff rate charged to, other similarly situated Persons in Liberia using such public utilities.

**ARTICLE 8  
CONDUCT OF OPERATIONS**

**8.1 Production.** Subject to the terms of this Agreement, Investor shall engage in Production and operate its business in accordance with Oil Palm Industry Standards and consistent with prudent business practice. Investor shall provide timely information to Government regarding any business decisions that Investor reasonably determines may have a substantial social or economic impact in Liberia, so as to permit appropriate planning and response by Government.

**8.2 Performance of Initial Development Obligations.** If, within 18 months of the Original Issuance, Investor has failed to use reasonable efforts towards the development of the initial 15,000 hectares in accordance with the Development Plan (it being understood that full development of the 15,000 hectares shall follow the schedule in the Development Plan and will take several years), the Government may, by notice in writing to the Investor, terminate this Agreement in its entirety. Any such notice must be given within 90 days of the expiry of such 18 month period and, if contested by the Investor, shall not be effective until decided in accordance with Article 28.

**8.3 Management Costs.**

If Investor engages an Affiliate, or any other Person that is not owned or controlled by Government or by Persons resident and licensed to do business in Liberia, to render or furnish to or for Investor any management services or management assistance with respect to Production, the terms of such management services or management assistance must be on an arm's-length basis. Management Fees (as defined below) incurred by Investor with respect to the period beginning on the Effective Date and ending at end of the taxable year prior to Commercial Production Date shall only be deductible in determining Investor's taxable income for any taxable year in such year to the extent they aggregate less than the cumulative amount set forth in the table below. Management Fees incurred by Investor with respect to any taxable year ending after the Commercial Production Date shall only be deductible in determining Investor's taxable income for such year to the extent they aggregate less than the percentage of the other operating expenses of Investor incurred with respect to the applicable year as specified in the following table:

<u>Management Fees during period --</u>	<u>Maximum deduction per taxable year</u>
period beginning on Effective Date and ending at end of taxable year prior to Commercial Production Date	45% of cumulative capitalized costs, not to exceed an aggregate of \$50 million for the period
first 10 taxable years ending after Commercial Production Date	10% of other operating expenses

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taxable years 11-15 ending after Commercial Production Date	7.5% of other operating expenses
Thereafter	5% of other operating expenses

As used in this Section, "Management Fees" means amounts paid or incurred to an Affiliate for the provision of corporate management services (including allocations of executive time), which services exclude all other services (including human resources, engineering, finance, procurement, information technology, business development, legal, accounting, technical, research and development, and project management/oversight services) rendered by such parent entities or any other Affiliates.

#### 8.4 Transactions with Affiliates

(a) All transactions between Investor and any of its Affiliates shall be on such terms and conditions as would be fair and reasonable had the transaction taken place between unrelated parties dealing at arm's length. Any transactions involving the sale of the Crude Palm Oil or Crude Palm Kernel Oil by Investor to any of its Affiliates shall be on the basis of Competitive International Prices FOB Liberia. "Competitive International Prices FOB Liberia" shall be determined on the basis of the Reference Price under Clause 8.4(b), as adjusted in accordance with Section 8.4(c)

(b) The "Reference Price" for sales of Crude Palm Oil and Crude Palm Kernel Oil shall be the average of the daily closing prices quoted by the Malaysian Palm Oil Board, converted to Dollars on the date such transaction takes place (or for futures transactions, for the relevant future date). If no closing price is reported by the Malaysian Palm Oil Board for the date on which any sale to an Affiliate or other applicable transaction takes place (or such relevant future delivery date) with respect to sales of Crude Palm Oil or Crude Palm Kernel Oil, as the case may be, then the Reference Price shall be the daily closing price quoted by the Bursa Malaysia Derivates Berhad or if also not available, the last reported price on the most recent previous day on which a closing price was reported. If the Malaysian Palm Oil Board price or the Bursa Malaysia Derivatives Berhad price is no longer published, the Parties shall agree on an alternative Reference Price from a source or sources which are internationally recognized for the price of such commodities, as applicable. Any substituted pricing methodology shall be appended to and become a part of this Agreement.

(c) The Reference Price shall be adjusted based on the quality, nature, grade, quantities of the products, duration of the contract under which they are sold, mode of delivery, delivery point, market conditions, price projections and price forecast at the time of sale of the products *provided however*, that the terms and conditions of any such adjustments must be fair, competitive and consistent with similar transactions as if made between unrelated parties dealing at arm's length.

(d) If Investor enters into a sales or services agreement (including operation and maintenance agreements) with any of its Affiliates, within 30 days after each six (6) month period, Investor shall provide copies of all such sales or services agreement concluded

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in such six (6) month period to Government for purposes of Government confirmation of Investor's compliance with this Section 8.4.

#### 8.5 Sales Price of Oil Palm Products to Non-Affiliates.

Investor shall have the right to sell Oil Palm Products to unrelated Persons of its choosing at prices it deems appropriate taking into account good, modern and competitive business practices, provided that within 30 days after each six (6) month period, Investor shall inform Government of the terms and conditions of all such sales that took place during the such six (6) month period.

#### 8.6 Planting

(a) Following the Effective Date, subject to Section 8.6(c) and Section 8.7, Investor shall implement a program to plant oil palms in the Concession Area as specified in the Development Plan and in accordance with the following milestones (the "**Minimum Development Obligations**"): (i) Investor to identify and Government to issue free and clear from any Encumbrances to Investor, within 18 months after the Effective Date, an area of 15,000 hectares or larger suitable and practical for commencing planting of oil palms (the "**Original Issuance**") and Investor to commence planting of oil palms within 18 months after the Effective Date or the date of the Original Issuance, whichever is later, (ii) Investor to continue to plant such number of oil palms that, by the end of the tenth (10th) anniversary of the Original Issuance, not less than thirty percent (30%) of the Concession Area will be planted with commercially viable oil palms, (iii) Investor to continue to plant such number of oil palms that, by the end of the sixteenth (16th) anniversary of the Original Issuance, not less than sixty percent (60%) of the Concession Area will be planted with commercially viable oil palms, and (iv) Investor to continue to plant such number of oil palms that, by the end of the twenty-fifth (25th) anniversary of the Original Issuance, one hundred percent (100%) of the Concession Area will be planted with commercially viable oil palms; *provided* that the foregoing Minimum Development Obligation set forth above will be subject to review by the Investor following the completion of planting the initial 15,000 hectares and, upon request by the Investor and approval of the Government, not to be unreasonably withheld, such Minimum Development Obligation may be revised to take into account the experience gained by the Investor during the initial planting period. In the event that the Government objects to any such requested modification to the Minimum Development Obligation, the Parties will use good faith efforts to resolve the disagreement.

(b) Investor agrees that so long as the remainder of the Term is adequate and sufficient to assure the viability of a replanting program, Investor shall subject to Section 8.5(c) commence replanting relevant parcels of land comprised in the Concession Area within twelve (12) months of the End of Cycle of each such identified parcel of land, in accordance with the Development Plan. In the event new oil palms are not planted within twelve (12) months after the End of Cycle for the relevant parcel of land, or if Investor gives Notice to Government that it will neither replant nor, with the consent of Government, use the relevant parcel of land for Investor Activities, then Government has the option to repossess the parcel of land that has not been replanted. Investor shall be deemed to have satisfied its obligation to replant so long as Investor has begun the replanting process prior to the end of such twelve (12) month period and diligently continues its efforts to replant.

(c) Upon the request of Investor, the Parties, with the participation of the Minister of Agriculture, shall agree to appropriate adjustments, if any, to the Minimum Development Obligations, replanting obligations or other provisions of the Development Plan in the event that (x) the average price for Crude Palm Oil, determined in accordance with Section 8.4(a), is more than 25% less than the average price for the 12-month period ending on the Effective Date and it appears that such market conditions will last for more than 6 months or (y) security conditions in the Concession Area or in the country materially interfere with operations by Investor.

#### 8.7 Failure to Develop.

(a) If Investor fails to develop the Concession Area in accordance with the Minimum Development Obligations as may be revised in accordance with Section 8.6(c), subject to the Remedial Extensions provided in Section 3.3, Government may send a Notice to Investor of such alleged default and of its intention to reclaim any undeveloped portion of the Concession Area and shall offer Investor a fair opportunity to consult with Government to resolve the matter. Within six (6) months following receipt of such Notice, Investor must have (i) provided Government with a plan to cure such failure, which shall include performance metrics and a schedule for completion of such metrics, and (ii) evidence to the reasonable satisfaction of Government that the matter will be resolved. During this time, Government will work with Investor to determine the extent to which Investor does not plan to develop the Concession Area and the exact area or areas of land within the Concession Area that Investor does not plan to develop and plant. If after the end of such six (6) month period Government is of the reasonable opinion (as confirmed by an independent professional and competent party at the request of Investor) that the default cannot be cured, then the undeveloped portion of the Concession Area shall be forfeited to Government. Investor's failure to develop the Concession Area in accordance with the Minimum Development Obligations set forth in Section 8.6 shall not constitute an Event of Default for purposes of Section 26.2(a) and Government's sole remedy in the event of a breach of Section 8.6 as determined in arbitration pursuant to Article 28 shall be to repossess the undeveloped land in accordance with this Section 8.7.

(b) Notwithstanding any other provision in this Agreement, in no event shall any developed portion of the Concession Area be forfeited to Government for failure to develop pursuant to this Section 8.7.

#### 8.8 Domestic Use.

To the extent that there is sufficient demand for CPO in Liberia, Investor agrees to sell to customers in Liberia, during each fiscal year during the Term, an amount of CPO equal to the lesser of (x) twenty-five percent (25%) by volume of Investor's estimated annual gross sales of CPO and (y) an amount of CPO equal to the product of Investor's percentage of CPO produced in the prior year multiplied by the aggregate domestic demand for CPO in such prior year, each as based on CPO production and demand data provided by the Government (such lesser amount, the "*Minimum Local Sales Amount*") at the prices set forth below. Such Minimum Local Sales Amount shall be calculated by excluding from domestic demand for CPO a reasonable estimate of exports of CPO by local intermediaries. Investor may at its own discretion, sell more volume

domestically from time to time. Any amounts of CPO estimated to be used by Investor in a vegetable oil refinery in Liberia owned by Investor or estimated to be sold to a Liberian vegetable oil refinery owned by a third party shall be deemed to satisfy all or a portion of the Minimum Local Sales Amount. All domestic sales of CPO, whether at prevailing international or domestic prices, shall be executed at FOB Monrovia or the relevant Port. The first twenty percent (20%) of the Minimum Local Sales Amount shall be sold at a price determined in accordance with prevailing domestic prices for CPO within Liberia (which price shall be determined without giving effect to any governmental price supports except price supports in which Investor participates). The remaining eighty percent (80%) of the Minimum Local Sales Amount shall be sold at a price determined in accordance with prevailing international market rates. In the event there is not sufficient domestic demand for CPO at the foregoing prices in any fiscal year, Investor shall not be required to sell all of the Minimum Local Sales Amount to customers in Liberia and may export any and all such unsold amounts of CPO abroad.

#### 8.9 Food and Other Agricultural Production.

Investor may consider growing or allowing Employees or their Dependents or their associations or cooperatives to grow rice, livestock, and other food or other products suitable for cultivation in Liberia (a) in those areas of the Concession Area that are not suitable for Production or in such a manner as will not adversely affect Production and (b) the aggregate expenditure by Investor in any fiscal year with respect to such food production and other agricultural activities for commercial purposes shall not exceed five percent (5%) of the aggregate expenditures of Investor during such fiscal year. Any and all expenses incurred in connection with food production shall be deductible in determining taxable income subject to income tax and may be carried forward for an indefinite period during the Term.

#### 8.10 Purchases of Oil Palm Products.

(a) Investor shall have the non-exclusive right at all times to purchase, without limitation, Oil Palm Products from Liberian Oil Palm Farmers, Outgrowers, and other Persons in Liberia and to process, market, sell, deal in and export all such Oil Palm Products.

(b) The minimum price at which Investor shall purchase CPO and CPKO from Liberian Oil Palm Farmers and Outgrowers shall be the Reference Price, for the same grade and type of CPO and CPKO shipped on the Business Day preceding the day on which the purchase takes place, less Investor's applicable direct cost of processing, transportation, an appropriate allocation of Investor's overhead, applicable Taxes and Duties and a reasonable mark-up.

(c) The minimum price of unprocessed Fresh Fruit Bunches from Liberian Oil Palm Farmers and Outgrowers shall be calculated using the price of CPO for the Business Day preceding the day on which the calculation is made-as calculated in accordance with Section 8.4, adjusted by the appropriate theoretical oil extraction rate for Liberia, which shall be agreed to by the Parties from time to time, multiplied by the weight of Fresh Fruit Bunches purchased, and less Investor's applicable direct cost of processing, transportation, an appropriate allocation of Investor's overhead, applicable Taxes and Duties and a



reasonable mark-up. The quality, nature, grade, quantity, duration under which Fresh Fruit Bunches are sold and market conditions at the time of sale shall also be taken into account when determining the minimum price of such unprocessed Fresh Fruit Bunches.

(d) Investor shall provide to the Minister of Agriculture and to the Minister of Finance each month a summary of the basis on which it calculated its purchase prices of CPO, CPKO and Fresh Fruit Bunches for the prior month, including (i) any allocations used in computing deductible costs and the basis for Investor's determination of profit where applicable; (ii) the quantity of CPO, CPKO and Fresh Fruit Bunches purchased by Investor from Liberian Oil Palm Farmers, Outgrowers, and other-oil palm farmers; (iii) the amount of Taxes and Duties withheld under Law from Liberian Oil Palm Farmers, Outgrowers, and other oil palm farmers for remittance to Government; (iv) the number of Liberian Oil Palm Farmers, Outgrowers, and other oil palm farmers from whom CPO, CPKO and Fresh Fruit Bunches were purchased; and (v) such other information as the Parties shall agree is pertinent.

#### 8.11 Permitted Farming.

Investor shall permit independent farming activities within areas of the Concession Area which are not suitable for Production, provided that such independent farmers (i) limit farming activities to non-commercial food-cultivation, (ii) had lived within the Concession Area before the Effective Date or before resettlement pursuant to Section 4.3, and (iii) seek the permission of Investor prior to commencing such farming activities. Investor may withhold such permission if Investor reasonably believes such independent farming activities would interfere with Investor Activities or pose a security risk to Investor Activities; provided, however, that such permission may not otherwise be unreasonably withheld. Determinations of which areas of the Concession Area are not suitable for Production shall be within the discretion of Investor, but may be reviewed and disputed by Government if such determinations are not reasonable under the circumstances.

### ARTICLE 9 PROTECTION, HEALTH AND OCCUPATIONAL SAFETY

9.1 Health and Sanitation. Investor shall provide modern public health facilities in the Developed Areas in accordance with generally applicable health and sanitation standards established by the Ministry of Health and in accordance with Law. Investor shall construct bathroom facilities equipped, at a minimum, with a private toilet, sink, and shower enclosure in each unit of family employee housing and a shared toilet, sink, and shower enclosure in each unit of shared employee housing that, at completion of construction or handover to new employees, is clean, accessible and safe for each unit of employee housing provided by Investor. Investor shall also provide clean and accessible toilets at its mills and estate compound. Additional specifications for health and sanitation facilities to be constructed, including the structural design, number and rate of construction of such structures, shall be included in the Development Plan. Maintenance of the cleanliness (but not the repair) of such facilities shall primarily be the responsibility of the Employees, and any failure by Employees to maintain the cleanliness of such facilities in accordance with generally applicable health and sanitation standards shall not cause Investor to be in breach of this section. The Investor shall be entitled to include reasonable

requirements regarding the maintenance of the cleanliness of bathroom facilities in its terms of employment, subject to approval of such terms by the Ministry of Labor.

**9.2 Occupational Safety.** Investor shall conduct its operations in accordance with Oil Palm Industry Standards for safety procedures and precautions and in accordance with Law, including regular safety training instruction for its employees. Investor shall notify Government promptly of any death of, or serious injury to, any of the Investor's employees that occurred within the Concession Area and/or in connection with the Investor Activities. For the purposes of this Section 9.2, a serious injury shall mean an injury that is likely to cause the injured Person to miss three (3) or more working days.

**9.3 Security.** Government, acting through the Ministry of Justice and by the lawful authority granted to the Ministry of Justice to act for and on behalf of Government, hereby authorizes Investor directly or under contract with other Persons of its choosing, to establish, manage and maintain its own asset and employee security protection services (a "**Concession Protection Department**") in accordance with a written plan, which must be submitted to the Minister of Justice at least sixty (60) days prior to the activation of the Concession Protection Department and approved by the Minister of Justice (the "**Security Plan**") for the purpose of maintaining law, order and security in the Concession Area and in other areas where Investor has or maintains property and assets and to do so always being subject to Law including all Laws relating to apprehension and detention and human rights. Such approval shall not be unreasonably withheld and shall be conclusively deemed if within sixty (60) days of submission of the Security Plan for approval, the Minister of Justice has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement. Each member of the Concession Protection Department shall be vetted by the Ministry of Justice as to his/her suitability and background prior to undergoing a training program to be approved by the Ministry of Justice but conducted by Investor. Those members of the Concession Protection Department submitted by Investor to Government's police and law enforcement authorities as certified to have been specially trained and qualified and attested by the Ministry of Justice as possessing the requisite requirements, shall have enforcement powers within the Concession Area, always being subject to Law. The Concession Protection Department shall generally have (i) the power of apprehension and detention in accordance with Law, the detention of any person to be immediately notified to the appropriate Government authority and any detained person to be turned over to such authority as soon as practical and in no case later than twenty-four (24) hours from the time of detention, provided that upon request of the Police any person arrested or detained by the Concession Protection Department shall be immediately turned over to the Police before the expiration of such twenty-four-hour period and provided, further, that no such detained Person having been presented to the Police authorities need be released from detention except as required by Law, and (ii) the power to search and exclude or evict unauthorized Persons from the Concession Area, and from such other areas as may be properly restricted for economic, operational or security reasons, subject to Law. Investor shall coordinate the activities of the Concession Protection Department with the police, law enforcement and security authorities and periodically report to the Ministry of Justice on the activities of the Concession Protection Department. Government shall have the right to assign security personnel to assist the Investor's Concession Protection Department and to monitor its actions, including the monitoring of any security gates imposed pursuant to Section 4.4(a) at Government's own expense.

**9.4 Clean Water.** Subject to Section 4.4(e), Investor shall ensure that (i) all employee residential communities within the Developed Areas are being supplied on a regular basis with clean and safe drinking water in accordance with Law or, in the absence of Law, in accordance with Oil Palm Industry Standards, and (ii) all employee housing is equipped with a working system to pipe water into each unit of family housing and each unit of shared housing and all common water sources are easily accessible from employees' homes within the Developed Areas. Investor shall construct, or cause to be constructed, a sufficient number of wells or provide other common sources of potable water to provide an uninterrupted supply of clean and safe drinking water in each of its developed plantation sub-divisions, taking into consideration its expansion program and the population of the Developed Areas. The number of common water

sources and distance from employees' homes shall be determined by agreement between the Parties. Potable water provided pursuant to this Section 9.4 shall meet or exceed the standards established by Law or, in the absence of any such Law, shall be determined by agreement between the Parties.

**9.5 Employee Housing.** For full time Employees requiring permanent housing, Investor shall provide Adequate Shared Housing Facilities for each single Employee with no Dependents, or one unit of Adequate Housing Facilities per family for Employees with Dependents who live with such Employee, subject to verification of the status of Employees and their Dependents by Investor or its nominee. Such shared housing facilities and family housing facilities and any temporary housing facilities shall comply with or exceed the minimum housing standards issued for general application by the Ministry of Public Works and the relevant government agencies and the current standards and specifications for each category of housing to be attached hereto as Appendix IV and shall conform to the requirements of Law, or in the absence of Law, as agreed between the Parties. Appendix IV will include copies of all housing plans, including the number of rooms and dimensions of each room, descriptions of bathroom facilities and enclosures, distances to and from other housing units, community buildings and common sources of potable water, and will specify the building materials that will be used for construction. All housing plans shall be submitted to the Government through the Ministry of Agriculture for review and approval by the Ministry of Public Works. Such approval shall not be unreasonably withheld and shall be conclusively deemed if within sixty (60) days of submission of housing plans, Government or Ministry of Public Works has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement. Once approved by the Government, the specifications set forth in Appendix IV shall be binding on all Parties. The timeline and rate of housing development by Investor shall be approved by Government and shall be included in the Development Plan. Notwithstanding the foregoing, Investor shall be permitted to construct temporary housing in each estate which may be substituted for the permanent housing described in this Section 9.5 for a period not to exceed sixty (60) months from the date on which development of that estate commences, unless otherwise agreed to by the Parties. All temporary housing must meet the minimum housing standards issued by the Ministry of Public Works for similar types of structures and the design and specifications of all temporary housing. The plans and specifications for the temporary housing will be attached hereto as Appendix IV(A) upon submission of the first Development Plan. After the end of such sixty (60) month period, all temporary housing will be deconstructed, moved or converted into permanent housing that meets the specification of this Section 9.5 unless otherwise agreed to by the Parties.

## ARTICLE 10 MEDICAL CARE

**10.1 Medical Care.** Investor shall provide basic medical treatment, care, and attention to Employees and Dependents in accordance with Law and such standards as are generally applicable in Liberia, and within the Oil Palm Industry and such other standards as may be agreed upon between the Parties, subject to verification of the status of the Employee or Dependent by Investor or its nominee. Such treatment, care, and attention shall be free of charge for Investor's employees and their Dependents. To ensure that adequate care is available for its employees and their Dependents, Investor shall construct or cause to be constructed in the Developed Areas, and during the Term maintain and operate or cause to be maintained and

operated, estate outpatient health clinics which are designed, sized and staffed in accordance with Oil Palm Industry Standards and in a manner that is consistent with the staffing densities underlying the GVL Block Structure and which are reasonably consistent with standards established by the Ministry of Health or such other standards as may be agreed upon between the Parties. Investor shall similarly construct and operate or cause to be constructed and operated, at least one centrally located fully operational estate doctor hospital with basic facilities within ten (10) years of the Effective Date in accordance with Oil Palm Industry Standards and the GVL Block Structure, and consistent with standards established by the Ministry of Health or such other standards as may be agreed upon between the Parties. Officials and/or Employees assigned to, resident in, and regularly working in the Developed Areas for a prolonged period of not less than one hundred twenty (120) consecutive working days in an official capacity shall, during the time of such assignment and residence, also be entitled to receive medical care on the same basis as Investor employees, along with the spouses and minor children of each such Official and/or Employee who have been registered as such with Investor. The number of such Officials and their spouses and minor children shall not exceed a reasonable number agreed upon from time to time by Government and Investor. Investor shall further provide reasonable access to such health facilities to members of local communities for ambulatory or emergency care. It is understood that "reasonable access" may include the imposition of fees that are reasonable in light of the economic level of such communities, it being understood that such fees are unlikely to cover the cost of service.

## ARTICLE 11 EDUCATION

**11.1 Education for Dependents.** In accordance with the Development Plan, Investor agrees to provide primary education and high school education free of charge to each Dependent, subject to verification of eligibility status by Investor or its nominee. Investor may, at its option, build new schools in the Concession Area or invest in existing local schools to meet the requirements of this Section 11.1, such that such local existing schools, together with any such new schools, are (i) sufficient in number to educate all Dependents, in addition to existing students, (ii) not overcrowded by Liberian standards and (iii) are within the Developed Areas or within a reasonable distance of the employee housing units in the Developed Areas. With respect to any Dependent, unless otherwise agreed between Investor and the Ministry of Education in writing, a reasonable distance from a Dependent's home to the school such Dependent is assigned to attend shall be not more than fifteen (15) miles in the case of a newly constructed school, and no more than thirty (30) miles in the case of an existing local school, or such other distance. Investor shall provide free transportation to Dependents who attend any such local schools that are more than one (1) mile from the Dependent's home. If there are no existing schools that satisfy the criteria set forth above, Investor shall construct new educational facilities in the Developed Areas or within a reasonable distance of the Developed Areas for primary school grades and for high school grades, at a rate and in a number approved by Government, after consultation with the Ministry of Education, and as specified in the Development Plan. Such education shall be in conformity with Law, rules, regulations and standards generally applicable to schools in Liberia. Investor shall also invest not less than US\$25,000 annually in vocational training

and adult literacy programs for its employees.

(b) Government shall use its reasonable best efforts to assist Investor in implementing the provisions of this Section 11.1, including using its reasonable best efforts to source or make available a sufficient number of qualified teachers who satisfy applicable standards in Liberia, granting necessary Authorizations and verification of eligibility status of potential students.

**11.2 Education for Dependents of Government Employees.** The minor children and spouses of Officials assigned to, resident in and regularly working in the Developed Areas for a prolonged period of not less than one hundred twenty (120) days, in an official capacity, who have been registered as such with Investor, shall, during the time of such assignment and residence, subject to Investor's verification of eligibility, be entitled to receive free education in Investor-operated schools in the Developed Areas. The number of such minor children and spouses of Officials shall not exceed a reasonable number agreed upon from time to time by Government and Investor.

## ARTICLE 12 EMPLOYMENT AND TRAINING

### 12.1 Employment.

(a) Investor's employment practices shall conform to Law. In no case unless agreed in writing shall Investor knowingly (after reasonable inquiry) hire non-Liberian nationals for unskilled labor positions. Investor shall not knowingly (after reasonable inquiry) employ or cause to be employed any minor, as defined by Law, for any purpose, and shall comply with the United Nations Convention on the Rights of the Child.

(b) Investor shall give preference for employment at all levels of financial, accounting, technical, administrative, supervisory and senior management positions and other skilled positions to qualified Liberian nationals who meet the requirements and expectations of Investor, as and when they become available, it being the objective of the Parties that the operations and activities of Investor under this Agreement should be conducted and managed primarily by Liberian nationals as soon as is practicable. Subject to availability of qualified and capable applicants who meet the requirements and expectations of Investor, Investor shall use its good faith efforts to cause Liberian nationals to hold at least fifty percent (50%) of the ten (10) most senior management positions within five (5) years of the Effective Date, and at least seventy-five percent (75%) of such positions within ten (10) years of the Effective Date. Appointment of a Liberian national to a particular position shall not, however, preclude subsequent employment of a non-Liberian in such position as long as, subject to availability, the overall percentage of Liberian nationals employed in senior positions is otherwise met. The list of the ten most senior management positions and the individuals who are serving in such capacities shall be part of Investor's reporting requirements under Section 23.3. In the event Investor is unable to meet the targets set forth above, upon the written request of Government, Investor must demonstrate that it used all reasonable efforts to fill such positions with Liberian nationals.

**12.2 Training.** In furtherance of the objective stated in Section 12.1, Investor shall use reasonable efforts to provide for the training of Liberian nationals with a view towards qualifying them for the positions described in Section 12.1 and as required by Investor's operations under this Agreement. Investor shall also provide on-the-job training, vocational training, and undertake whatever other measures that are necessary and reasonable to achieve the objectives stated in Section 12.1 (including, subject to operational needs and economic conditions, scholarships for qualified Liberian employees to pursue relevant advanced studies abroad). Investor shall prepare and revise when necessary detailed plans and programs for its on-the-job training programs, including timetables and schedules, as part of its reporting requirements under Section 23.3 hereof. Investor has affirmed that, as a part of its support for education in Liberia, it will provide annual scholarships for Liberian nationals or other educational support for Liberian nationals originating from the Concession Area and provide financial support to appropriate agricultural schools, which support shall include, for each fiscal year prior to the establishment of the Oil Palm Development Fund, contributions of at least US\$50,000 to the school of agriculture at agricultural schools at a Liberian University of its choice and US\$50,000 for scholarships to study agriculture at schools outside of Liberia; provided that Investor shall be entitled to impose, as a condition any such scholarship, that, following completion of study, the recipient either work for Investor in a job requiring agricultural or related skills, and providing compensation, commensurate with a college-level training for a number of years equal to the number of years for which scholarship support was provided or repay the amount of the scholarship. Investor will provide reasonable on-the-job training necessary for employees to undertake their work competently and will also provide them with opportunities to learn new techniques, including current operational techniques and modern management techniques, which will allow such Employees to progress into positions requiring more complex and demanding skills. Investor shall also provide reasonable adult literacy classes to employees and their spouses as well as to Dependents of employees who are not of school age.

**12.3 Minimum Wage Compensation.** Compensation paid or provided to employees of Investor, employee benefits received by them and employee working conditions provided to them, shall be in accordance with Law. Investor shall account for compensation and employee benefits in accordance with Sections 22.1, 22.2 and 22.3 and the requirements of this Section 12.2. For the purposes of any Law determining minimum wages, compensation shall be deemed to include employees' salaries only and shall not include the value of any additional benefits, including housing, medical care and education for their Dependents, that may be provided to such employees by Investor incident to such employees' employment.

## ARTICLE 13 USE OF LIBERIAN PRODUCTS AND SERVICES

**13.1 Use of Liberian Products and Services.** Investor shall, when purchasing goods and services related to Investor Activities, give preference to goods produced in Liberia by Liberian nationals, services provided by Liberian nationals resident in Liberia, and/or entities incorporated or formed in Liberia and are majority owned by Liberian nationals resident in Liberia as certified by the Minister of Agriculture from time to time; provided that such goods and services are at least equal to or better than comparable goods and services obtainable from Persons located outside of Liberia or Persons that are majority owned by non-Liberians, taking into account price, quality, safety standards, service, quantity, delivery schedules, availability and

other terms. In addition, Investor agrees to include in each contract or work order with any Contractor Party a provision requiring it to adhere to the requirements of this Section 13 and to require its sub-contractors to do so, with respect to any activities undertaken in Liberia by such Persons (and their sub-contractors), on behalf of Investor. Subject to the foregoing, Investor may freely contract with any Person. In respect of the proposed purchases of goods and services related to Investor Activities as aforesaid, Investor may provide to the Minister of Commerce from time to time a list of its suppliers and the Minister of Commerce shall certify that such suppliers do or do not satisfy the above test within thirty (30) days. The Minister of Commerce shall be conclusively deemed to have approved the list of suppliers if, within such thirty (30) days, the Minister of Commerce has not indicated a decision. In conducting procurement, Investor shall use its good faith efforts to seek to maximize the opportunities for Liberian nationals to compete.

## ARTICLE 14 MANUFACTURING

**14.1 Cooperation with Government.** Investor agrees that it will cooperate with Government in providing non-confidential information requested by Government in the event that Government undertakes an investigation regarding the possibility of establishing downstream manufacturing facilities within Liberia which utilize Oil Palm Products as basic raw materials and in which Investor has expertise, it being understood, however, that nothing in this Section 14.1 shall require Investor to take any further action except in the independent exercise of its business judgment.

### **14.2 Value Addition.**

Investor agrees that during the Term of the Agreement, it may, if commercially viable, undertake downstream activities, including the construction of one or more oil palm refineries, biodiesel refineries, or such other downstream activities which shall be specified in its Development Plan, in consideration for a grant, either directly or indirectly, of additional of land by Government to Investor for such activities. Investor shall commence operation of downstream activities, including the construction of a vegetable oil refinery when and if viability of the enterprise is assured and the supply of raw materials is available and sufficient in Liberia to support the operation of such vegetable oil refinery and such other downstream activities. Investor shall take all necessary business decisions to ensure adequate access and availability to raw materials to enable operation of the refinery. No later than ten (10) years from the Effective Date, Investor will conduct an assessment to determine the viability of constructing a vegetable oil refinery within fifteen (15) years from the Effective Date, taking into account the availability of raw materials and commercial viability. If the assessment indicates that a vegetable oil refinery is commercially viable, Investor shall build a vegetable oil refinery within fifteen (15) years of the Effective Date or such time as agreed by the parties. If the assessment indicates that an oil refinery is not commercially viable, Investor shall inform Government and Investor shall have the option to review the assessment results with Government and jointly determine subsequent actions with regard to downstream activities. If the assessment indicates that the construction of an oil refinery in Liberia is not commercially viable, prior to Investor making any new investment outside of Liberia to process or refine any Agricultural Product grown in Liberia, Investor shall notify Government in writing of its intention.



#### 14.3 Sales of Oil Palm Products to Liberian Manufacturers.

(a) If any manufacturing facility using Oil Palm Products (other than Oil Palm Derivatives or Oil Palm By-Products) as a basic raw material shall be established within Liberia, Investor shall, upon written request by Government and subject to its prior contractual commitments at the time of such request, sell to such manufacturers for use in their facilities situated in Liberia a percentage of Investor's estimated total production for such calendar year of up to five percent (5%) of Investor's estimated total production for such calendar year (or more, if Investor so desires), which sales shall be credited against Investor's Minimum Local Sales Amount for such calendar year, and subject to reaching agreement as referred to in sub-section (b) below.

(b) Sales pursuant to this Section 14.3 shall occur upon such terms and conditions as may be agreed by Investor and such manufacturers on an arm's length basis.

(c) Notwithstanding the above, in the event Investor commences downstream processing of Oil Palm Products in Liberia in accordance with Section 14.2, the requirements of this Section 14.3 will not be applicable with respect to Oil Palm Products being processed.

### ARTICLE 15 COMMUNITY RESOURCES

15.1 Community Programs. It is the objective of the Parties that Production shall be carried out in a manner that is consistent with the continuing economic and social viability, during the Term, of communities that have formed, and may form, as a result of Investor Activities. Upon written request of Government at any time, Investor shall consult with Government in order that Government may establish additional plans and programs for the implementation of this objective, and thereafter Investor shall in good faith (but at no additional cost to Investor) cooperate with Government's efforts concerning the realization of such plans and programs. Nothing herein contained shall require Investor to make any expenditure or incur any cost beyond what it would have made or incurred in the ordinary course of its business.

#### 15.2 Support for Qualified Liberian Farmers.

Investor may at its sole discretion, but shall have no obligation to, provide farm advisory support and, subject to availability, farm supplies to Qualified Liberian Farmers at charges no greater than Investor's own cost for such items to which shall be added any Taxes and Duties imposed by Law on such items. Investor may liaise and collaborate with the Ministry of Agriculture to provide extension services, which are to include proper farm management and the transfer of technology to Qualified Liberian Farmers, and to a reasonable extent with liaise and collaborate with existing palm oil research institutions and centers in Liberia. Where appropriate, Investor may consider establishing or assisting in the establishment of additional palm oil research institutions or training centers within Liberia.

15.3 Outgrowers' Program. Investor, together with Government and optionally, community representatives, shall establish an Outgrowers' program, the details of which shall be included in the Development Plan, within three (3) years of the Effective Date (the "Outgrowers'

*Program*”). Under such program, Investor shall develop and exercise exclusive management of the land designated for the Outgrowers’ Program on a cost recovery basis for the benefits of the Outgrowers as shareholders in organized cooperatives during the Term. Investor shall have the exclusive rights to, and commits to, purchase produce harvested from the Outgrowers’ Program in accordance with the terms of Section 8.10 hereof during the Term.

(ii) In furtherance of the foregoing, Government shall (i) provide for such Outgrowers’ Program 40,000 hectares of land, which is (A) outside the Concession Area but within the Gross Concession Area, (B) selected by Investor pursuant to Section 4.1(d), and (C) free from any Encumbrances; (ii) obtain sources of funding for the Outgrowers’ Program with the assistance of Investor through international financial institutions, the World Bank or other such development funds (for the avoidance of doubt, Investor shall have no obligation whatever to provide or raise funding for the Outgrowers’ Program); (iii) select, together with Investor, qualified Outgrowers for the Outgrowers’ Program; and (iv) establish procedures for managing and seeking solutions for and alleviation of environmental and social issues that may arise out of the Outgrowers’ Program.

(b) Subject to Government’s fulfillment of its obligations under Section 15.3(a), Investor shall (i) assist Government to obtain sources of funding (but, for the avoidance of doubt, not to provide finance) for the Outgrowers’ Program through international financial institutions, the World Bank, or other such development funds (for the avoidance of doubt, Investor shall have no obligation whatever to provide or raise funding for the Outgrowers’ Program); (ii) identify suitable land for the Outgrowers’ Program and communicate with Government to suggest the provision of such suitable land for the Outgrowers’ Program; (iii) collaborate with Government in identifying potential Outgrowers for the Outgrowers’ Program; (iv) support and assist (but, for the avoidance of doubt, not to provide finance for) Outgrowers with the purchase of equipment and fertilizer and the purchase of oil palm planting materials of the most scientifically advanced proven type planted by Investor; (v) develop and manage the land area provided by Government for such Outgrowers’ Program; (vi) purchase all of the Fresh Fruit Bunches from the Outgrowers provided that the Fresh Fruit Bunches meet certain quality standards generally considered to be reasonable within the palm oil industry worldwide; (vii) provide Outgrowers with technical knowledge and management skills appropriate for and in the normal course of managing cooperatives; and (viii) ensure project timeliness in accordance with the Development Plan.

(c) Government shall ensure that, prior to being accepted into the Outgrowers’ Program, each Outgrower agrees to the terms and conditions of the Outgrowers’ Program, which may include the following: (i) an agreement to become a member of a cooperative; (ii) the payment of certain reasonable management and crop fees to Investor which will be agreed upon between Investor and Outgrowers; (iii) an agreement to adhere to work methods and agricultural and other standards set by Investor and (iv) the requirement to participate in Investor’s Outgrowers’ training program.

(d) Once Investor and Government have jointly identified the additional land described in Section 15.3(a), appropriate funding for the Outgrowers’ Program has been obtained and the Outgrowers have been selected and agreed to the terms and condition of the

Outgrowers' Program, Investor may commence the Outgrowers' Program even if such commencement precedes the time upon which Investor has fully developed and planted the Concession Area such that Investor may administer the Outgrowers' Program concurrently with the development and planting of the Concession Area. In the event funding for the Outgrowers' Program cannot be obtained by the Government, (i) the Outgrowers' Program will not be undertaken and neither Party shall be in breach of this Agreement and Investor need not commence the Outgrowers' Program and (ii) the land designated for use in the Outgrowers' Program, or other undeveloped land of comparable size within the Gross Concession Area that is designated by Investor, will cease to be part of the Gross Concession Area.

## ARTICLE 16 ENVIRONMENTAL MEASURES

Investor's obligations with respect to the environment shall be in accordance with the Environmental Protection and Management Law of Liberia or any other law or regulation of Liberia, regulations of the Environmental Protection Agency (EPA), and the principles of the Roundtable on Sustainable Palm Oil (RSPO). Investor shall prepare and deliver to Government for approval by the EPA an Environmental Impact Assessment Study Report and an Environmental Management Plan complying with Law, prepared by a qualified independent environmental consultant. Such Environmental Impact Assessment Study Report and Environmental Management Plan must be approved by the EPA prior to undertaking, or causing to be undertaken, any clearing, construction, or any other physical disturbance of the land or environment. Investor shall, from time to time and at the request of the EPA, prepare and deliver additional studies and/or an updated and/or amended Environmental Management Plan. The EPA shall be conclusively deemed to have approved the Environmental Impact Assessment Study Report and Environmental Management Plan (or any updates or amendments) if, within 60 days after submission of the initial reports (or update or amendment as the case may be) (or within 60 days after submission of such report, in the case of an annual update report), the EPA has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement.

## ARTICLE 17 COORDINATION COMMITTEE

Investor and Government shall create a coordination committee (the "*Coordination Committee*"), which shall consist of seven (7) members or such greater or smaller odd number as the Parties may agree. One member, who shall serve as the chair, shall be appointed jointly by Government and Investor, or if they are unable to agree, then alternately for a one year term first by Government and then by Investor until they are able to agree. Of the remaining members, half shall be appointed by Government and half shall be appointed by Investor. The Coordination Committee may meet upon the request of either Party, but not more than four (4) times per year unless the Parties otherwise agree, for the purpose of discussing medical, health, safety, educational, environmental, labor, personnel and any other matters related to Investor Activities, in order to coordinate the needs and plans of Investor with the needs and plans of Government in matters affecting or related to any of the above matters. The Coordination Committee shall have no managerial responsibility or role, nor shall it be empowered to take any action on behalf of or

with respect to the rights of Investor or Government, nor for the avoidance of doubt, act in any way as a representative or agent of the Investor, unless expressly agreed in writing.

## ARTICLE 18 CAPITALIZATION

**18.1 Limitation on Incurrence of Long-Term Debt.** Investor shall not incur any Long-Term Debt if, following such incurrence, the ratio of Long-Term Debt to Equity Capital of the Investor would be greater than 3:1 (the "*Maximum Debt/Equity Ratio*"). Promptly after its audited financial statements for any fiscal year become available, Investor shall furnish to Government a certificate setting forth the calculation of the ratio of Long-Term Debt to Equity Capital as of the end of such fiscal year and the amounts of all Long-Term Debt incurred during such fiscal year and all dividends or distributions made to its shareholders during such fiscal year.

### **18.2 Payment of Dividends and Interest on Shareholder Loans.**

(a) Investor shall not (i) pay any dividends or distributions on, or redeem, repurchase, or otherwise acquire for value, any of its capital stock or (ii) pay any interest, repay any principal, or otherwise acquire for value any Qualified Shareholder Loan, in each case if, following such payment, redemption, repurchase, or acquisition for value, the ratio of Long-Term Debt to Equity Capital of the Investor would be greater than the Maximum Debt/Equity Ratio.

(b) Subject to compliance with Section 18.2(a), Investor shall be entitled to pay dividends with respect to, or make distributions on, its capital stock to the extent of (i) its surplus or (ii) in the event that Investor shall not have any surplus, in an amount equal to any undistributed positive EBITDA for the most recent completed fiscal year or then current fiscal year or (iii) a combination of (i) and (ii), and in each case except when the Investor is insolvent or would thereby be made insolvent. Subject to compliance with Section 18.2(a), and except when the Investor is insolvent or would thereby be made insolvent, Investor shall be entitled (x) to make redeem, repurchase, or otherwise retire its capital stock to the extent of its surplus at any time, and (y) redeem or purchase its redeemable shares out of stated capital, except (in the case of clause (y)) when such redemption or purchase would reduce net assets of Investor below the stated capital of Investor remaining after giving effect to the cancellation of such redeemable shares. As used in this paragraph, "insolvent" means being unable to pay debts as they become due in the usual course of the Investor's business.

(c) Any distributions on and repurchases, redemptions, or other retirement of capital stock by Investor shall not constitute "dividends" subject to withholding tax to the extent, but only to the extent, that the amounts of such distributions and repurchases, redemptions, or other retirement of capital stock constitute a return of capital.

## ARTICLE 19 INCOME TAXATION

**19.1 Income Tax Rate.** Commencing on the Effective Date, Investor shall be taxed on its net taxable income pursuant to Law; provided, however, that, for each taxable year ending on

or before December 31, 2050, the income tax rate shall not exceed twenty-five percent (25%). For the avoidance of doubt, if at any time the rate of general application is less than twenty-five percent (25%) during the Term, Investor shall be entitled to enjoy such lower rate.

**19.2 Determination of Taxable Income.** Investor's net taxable income shall be computed in accordance with Law, except as otherwise provided in this Agreement. Unless otherwise provided in this Agreement, the net taxable income of Investor shall be determined in Dollars in accordance with International Accounting Standards guidelines.

**19.3 Consolidated Return.** Investor and the Investor Group Subsidiaries shall be entitled to elect to file a consolidated income tax return and be taxed on a consolidated basis, in accordance with regulations promulgated by the Ministry of Finance from time to time.

**19.4 Taxation of Investor Group Subsidiaries.** Investor Group Subsidiaries shall be entitled to the same benefits and rights and treatment, and shall be subject to the same obligations, as Investor with respect to Taxes and Duties under this Agreement.

**19.5 Adjustment of Tax Liability.** In any taxable year ending on or before December 31, 2050, Investor's aggregate Tax and Duties liability, exclusive of any loss carry forward, as computed in accordance with Section 19.1 shall be limited to 120% of the amount that would have been payable for such calendar year if Investor's Taxes and Duties were computed in accordance with Law as in effect on the Effective Date. Any claim of adjustment pursuant to this Section 19.3 shall be supported by such documentation as Government may reasonably require and shall be subject to audit. For the avoidance of doubt, income taxes shall not include withholding taxes or amounts collected by Investor from third parties and remitted to Government.

**19.6 Tax Loss Carry Forward.** For the purposes of determining taxable income, any net operating losses incurred during the 15-year period beginning with the taxable year in which the Commercial Production Date occurs may be carried forward and applied to reduce taxable income with respect to any taxable year during the 22-year period beginning with the taxable year in which the Commercial Production Date occurs. Any net operating losses incurred after such 15-year period may be carried forward for seven years from the year in which the loss was incurred. For purposes of this section, any net operating losses incurred prior to the Commercial Production Date shall be deemed to have been occurred on the Commercial Production Date.

**19.7 Community Development Contribution.**

(a) Investor shall annually contribute its accrued contribution at the end of each year of the Term, of US\$5.00 per hectare of land within Developed Areas to a community development fund established for development purposes. Such contribution shall be tax deductible and may be carried forward for an indefinite period during the Term.

(b) Such fund shall be administered by a management team consisting of not more than ten (10) members nominated and selected by the surrounding community, Government and Investor, of which half of the management team shall be nominated by Investor. Monetary amounts within such fund shall be placed into an interest-bearing depositary account with an internationally recognized financial institution reasonably

acceptable to Government. Such Committee shall develop an annual budget in consultation with the Government and the Investor or as otherwise required by Law. Funds from the segregated account may be disbursed only (i) for direct delivery of services and community infrastructure improvements, and not to fund the general work programs of administrative offices or officials, and (ii) for the benefit of Liberian communities in the affected counties. The budget for and the actual disbursements from the segregated account shall be public and shall be subject to the same audit procedures provided for expenditures by the Government and as may be further provided by Law. The community development fund shall be subject to audit by an internationally recognized auditing firm, or by a Liberian firm or professionals, provided they are otherwise qualified, and information regarding the community development fund's advances, receipts and expenditures shall be publicly available. The Investor shall maintain a website on which are posted the members of the Committee, all audit reports, and a short description of each program funded and the amount of funding provided. For the avoidance of doubt, expenses incurred by Investor to fulfill its obligations under this Agreement, including expenses related to the provision of housing, education, medical care and other social services, shall not be deducted from the community development fund.

**19.8 Oil Palm Development Fund.** During the Term, Investor shall contribute an amount equal to one-half percent (0.5%) of its annual gross sales of Oil Palm Products as accrued at the end of each year of the Term, or such lesser amount if the contribution rate is lowered by Government during the Term, to the Oil Palm Development Fund. The administration and use of such fund shall be in accordance with Law. The obligation to contribute to the Oil Palm Development Fund shall not arise until the Oil Palm Development Fund has been duly established and constituted by Law. Such fund shall be administered by a management team nominated and selected in the manner specified in the Law establishing the fund. Monetary amounts within such fund shall be placed into an interest-bearing depository account, and the use and administration of the fund shall be determined by the management team or otherwise as required by Law. Such contribution shall be tax deductible, and may be carried forward for an indefinite period during the Term. Periodic reports and audit reports shall be made available to the Investor and to the public regarding the activities of the Oil Palm Development Fund and the Investor shall have the right to independently audit (at its own expense) or otherwise reasonably investigate the facts surrounding any disbursement or expenditure made or project supported with funds from the Oil Palm Development Fund and for this purpose shall be provided with and have access to all relevant documentation and information. Where any such audit or other investigation demonstrates gross mismanagement or a material discrepancy between the actual disbursements or expenditures made by the Oil Palm Disbursement Fund and the reported disbursements or expenditures or the disbursements and expenditures authorized by the board of directors of the Oil Palm Development Fund, the Investor shall be entitled to require that the monies contributed by the Investor to the Oil Palm Development Fund be retained in an escrow account pending an agreement between itself, the Government and the board of directors of the Oil Palm Development Fund regarding the establishment of an alternative funding mechanism for the purposes of managing the contributions to and disbursements by the Oil Palm Development Fund (for example, through the establishment of a trust arrangement).

**19.9 Capital Allowances and Incentives.** During the Term, Investor shall be entitled

to the greater of (x) the maximum capital allowances and incentives allowable under the Code and (ii) the following capital allowances and deductions, but not to exceed 100% of a qualifying asset's cost, and that the tax cost of the qualifying asset shall be reduced by such capital allowances and incentive deductions and included at the reduced amount in the appropriate depreciation pool and further depreciated as part of such pool for that tax year in accordance with the Code:

(n) an incentive deduction of thirty percent (30%) of the purchase price of equipment and machinery used in the Investor Activities in the year that the qualifying asset is placed in service, and

(b) in addition to the incentive deduction allowed under Sections 204(d) and 204(c)(2)(A) of the Code an additional ten percent (10%) zonal incentive deduction on all capital expenses incurred in counties in which Concession Area is located; and

(c) when certified by the Minister of Finance, Investor shall be granted an additional eight and 75/100 percent (8.75%) incentive deduction for investment activities at such time as Investor can demonstrate that it employs more than one hundred (100) people in Liberia. To achieve certification, Investor shall, at the end of each fiscal year, submit a report to the Minister of Finance as part of its annual filing demonstrating such employment. In the event that Government does not perform an audit in any given year, Government has the right to inspect a previous year's report as provided under Section 55(d) of the Liberia Revenue Code. The Minister of Finance shall be conclusively deemed to have provided certification if, within thirty (30) days after submission of the report, the Minister of Finance has not indicated a decision.

**19.10 Transfer and Stamp Taxes.** No transfer of any shares or the capital stock of the Shareholder. Investor or any of its subsidiaries or any loans made to the Shareholder, the Investor or any of its subsidiaries shall be subject to any stamp, documentary or similar tax imposed in Liberia on the value (*i.e.*, ad valorem) of the transferred stock or the principal amount of any such loan (but shall be subject to any applicable capital gains, withholding, income, or other tax applicable to any such transaction), but may be subject to any nominal flat rate stamp, documentary or similar tax imposed by applicable Law. For purposes of this paragraph, the term "stamp, documentary or similar tax" imposed on the value of a transferred asset shall not be deemed to include capital gains or withholding taxes.

## ARTICLE 20 SURFACE RENTAL

### 20.1 Rental Fee.

(a) Investor shall pay annually to Government, during each calendar year of the Term, a surface rental equal to US\$5.00 per hectare of land within the Developed Areas by the start of the relevant year.

(b) Investor shall also pay, for the first ten (10) years of the Term, US\$1.25 per hectare of land not within the Developed Areas but within the Concession Area and US\$2.50 per hectare of such undeveloped land thereafter.

(c) The amounts in paragraphs (a) and (b) above shall be adjusted once every five (5) years beginning from the date five (5) years after the Effective Date to an amount equal to the total amount of surface rental times the ratio of the last published GDP Implicit Price Deflator as published for the quarter in which the Effective Date falls for the first adjustment and for subsequent adjustments the ratio would be the last published GDP Implicit Price Deflator at the subsequent five (5) year anniversary to the GDP Implicit Price Deflator as adopted at the last rental adjustment. Notwithstanding the aforesaid, any adjustment with respect to a five-year period shall not exceed twenty percent (20%) of the prevailing surface rental as of the end of the immediately preceding five-year period.

**20.2 Payment.** All Surface Rental Fees shall be payable annually, in advance, on or before January 1st of the year for which payment is being made, to the Ministry of Finance of Liberia or as Government may otherwise direct by Notice. The Surface Rental Fee for the partial year beginning on the Effective Date and ending on December 31, 2010 shall be prorated, based on the number of days in such period, and shall be payable in advance on the Effective Date. The Surface Rental Fee for the year in which this Agreement terminates, unless such termination occurs on December 31<sup>st</sup> of such year, shall be prorated, based on the number of days elapsed from January 1<sup>st</sup> of such year to the date of termination.

## **ARTICLE 21 OTHER PAYMENTS TO GOVERNMENT**

**21.1 Resource Rent Tax.** The Investor shall not be subject to the Resource Rent Tax at any time during the Term.

### **21.2 Import Duties.**

(a) During the Term, Investor shall be exempt from import Taxes and Duties but excluding customs user fees and any ECOWAS Trade Levies, to the extent such amounts may be deemed to constitute import Taxes and Duties) on (i) goods and materials imported by Investor or any of its Affiliates to meet Investor's social obligations hereunder, including approved medical and educational materials for use directly in or in connection with the Concession and intended to be placed in service within one year of purchase; (ii) fertilizers and seed stocks, (iii) investment items for Outgrowers' Program; and (iv) aircraft for, inter alia, transportation (up to seven aircraft for transportation) and crop fertilization solely in connection with the Investor Activities.

(b) Investor shall be subject to import duties on rice imported into Liberia to be provided to its employees at the rates established by Law provided that, for a period of ten (10) years from the Effective Date, such import Taxes and Duties shall not exceed US\$1.00 per 50 kilogram bag of rice.

(c) For the twenty (20) years after the Effective Date, Investor shall not be subject to import duties on capital goods and capital spare parts as set out in Appendix III, and items used directly in Production including consumables and planting materials as set out in Appendix III. The foregoing exemption during such Stabilization Period shall also apply to any such capital goods, capital spare parts, and items used directly in Production including



consumables that are imported by Investor's Affiliates and are used in connection with the Investor Activities.

(d) Investor shall pay import Taxes and Duties on the import of fuel, either directly or through an agent, at the rates established by Law, provided that Investor will pay Taxes and Duties on imported fuel (including diesel fuel, gasoline, and coal) at thirty-five percent (35%) of the rates established by Law for a period of ten (10) years after the Effective Date, and at fifty percent (50%) of the rates established by Law for the period beginning on the tenth anniversary of the Effective Date and ending on the fifteenth anniversary of the Effective Date.

(e) All goods and materials imported by Investor not subject to full or partial exemption from import duties under this Section 21.2 shall be taxed in accordance with Law.

(f) Associates and Affiliates of Investor shall be entitled to the same benefits and rights and treatment with respect to import Taxes and Duties as Investor with respect to goods imported directly and specifically for use in Investor Activities, processing or operations by or on behalf of Investor in connection with the Concession Area within Liberia.

(g) Investor shall be exempt from any luxury goods or similar Taxes and Duties imposed with respect any goods described in clauses (a) and (c) above that are imported directly and specifically for use in Production for the Term.

**21.3 ECOWAS Trade Levy.** Investor shall be subject to the ECOWAS Trade Levy on all goods from non-ECOWAS states which it imports into Liberia at the rate established by Law but not to exceed zero point five percent (0.5%) of the CIF value of such goods. If a lower rate is given to other similarly situated investors in Liberia, then such lower rate will apply to Investor. Any such amounts shall be paid to the Government in accordance with ECOWAS policies and procedures and applicable Law.

**21.4 Customs User Fee.** Investor shall pay a customs user fee on imports as required by Law on all items not otherwise subject to import duties, provided that, during the Term, the rate at which such fee is imposed shall not exceed one and one-half percent (1.5%) of CIF value. For the Term, the customs user fee shall not be imposed on exports of processed products. For purposes of determination of the customs user fee (for purposes of both imports and exports), Oil Palm Products (other than Fresh Fruit Bunches and loose palm oil fruit) will be classified as processed products.

**21.5 Withholding Tax on Interest, Dividends, and Certain Other Payments.** For the Term, Investor shall withhold from (x) interest, dividends, license fees, royalties, and other similar payments an amount equal to five percent (5%) of such payments and (y) payments for services and other payments made in connection with the Investor Activities, an amount equal to six percent (6%) of such payments (other than payments for rent, for which the withholding tax rate shall be ten percent (10%) of such payments), in each case made to residents and non-residents, or in each case, such lower withholding tax rate as may be then generally applicable

under Law. For the avoidance of doubt, withholding taxes, as described in this section, will not be levied on payments for goods (and in the case of goods provided as a mixed delivery of goods and services, the goods shall be disaggregated).

**21.6 Goods Tax.** Investor shall be subject to the goods tax as imposed by Law; provided that, during the Term, no goods tax shall be payable on capital goods or materials and supplies used for Production, Processing or Value Addition as listed in and according to the terms of Appendix III, or to meet social obligations; (y) the applicable rate for all other items shall not exceed three and a half percent (3.5%) during the first ten (10) years of the Term; and (z) Investor shall not be required to pay goods tax on exported Oil Palm Products (notwithstanding that the goods tax shall be imposed on Oil Palm Products sold domestically). If there are any overpayments of such goods tax, Investor shall be entitled to Set-off any such amounts against Aggregate Taxes and Fees in the current year or any subsequent year.

**21.7 Services Tax.** Providers of services to Investor shall be subject to the services taxes as imposed by Law; provided that, during the Term, Affiliates of Investor shall not be subject to payment of any services tax with respect to services provided to Investor; and provided further that, during the first thirty-three (33) years of the Term, Investor shall not be subject to payment of any services tax imposed on or by providers of technical or operating services to Investor that are not Affiliates of Investor, including engineering, surveying, architectural, and construction, land clearing and technical or operational consulting services. For the Term there will be no services tax on project management services, or project oversight or similar services to the extent such services do not include human resources, accounting, legal, tax, engineering, architectural, or consulting services.

**21.8 Export Taxes.** Except as otherwise provided in this Agreement, Investor shall not, during the Term, be subject to Taxes and Duties (other than nominal fees based on the cost of providing inspection services, to the extent such fees might otherwise be deemed to be Taxes and Duties) on the export of Oil Palm Products.

**21.9 Real Property Tax.** Investor shall pay real property tax in accordance with the Law; provided that, for the Term, buildings or improvements used primarily for the benefit of Employees (not including commercial buildings open to the general public) and facilities used in connection with Production or operations shall be exempt from real property tax.

**21.10 Inspection Fees.** Investor shall be subject to inspection on all imports and exports. Investor shall utilize the services of an internationally recognized inspection entity approved by the Ministry of Finance, which approval shall not be unreasonably withheld, at rates to be negotiated between Investor and such inspection entity. The Minister of Finance shall be conclusively deemed to have approved the inspection company designated at any time or from time to time by Investor if, within thirty (30) days after Notice of such designation, the Minister of Finance has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement.

**21.11 Regulatory Fees.** In addition to the Taxes and Duties described herein, Investor shall, on the basis set forth in this Section 21, pay such Taxes and Duties as are generally applicable under Law with respect to driver's licenses, vehicle registrations, corporate

registration, residency and work permits and other similar licenses and permits that arise either from the grant by Government of regulatory licenses or permits or from the requirement under Law for registration with Government incident to doing business or conducting activities in Liberia (collectively, such Taxes and Duties are hereafter referred to as "*Regulatory Fees*"). For 20 years following the Effective Date, Investor shall pay only such Regulatory Fees as are nominal in amount or as are based on a reasonable approximation of the cost to Government of providing the service or performing the act with respect to which the Regulatory Fee is imposed. Investor shall not be liable for any Regulatory Fees that are based upon or determined with reference to Investor's revenues, turnover, gross receipts, capital and/or profits or other gains and/or proceeds from the sale, exchange, or lease of any goods, services, assets or liabilities except as specifically provided in this Agreement.

#### 21.12 Carbon Credits.

(a) To the extent Investor realizes certified emission reduction credits or other carbon or carbon-equivalent emission reduction credits, or any corresponding monetary value or cost savings that results from greenhouse gas emission reductions whether created by Investor or a third party acting under the direction of Investor, (the "*Credits*") associated with the Investor Activities, such Credits received by Investor, less any associated costs which would be considered as an expense, must be declared as taxable income and are taxable in accordance with this Agreement.

(b) Without prejudice to the foregoing paragraph, Investor shall be entitled to all rights, title and interest in Carbon Rights free and clear of all Encumbrances and may assign, transfer or otherwise deal with any such right, title or interest on an arm's length basis for the benefit of Investor's business, without the need to obtain the consent of Government or any person claiming through or under Government. To the extent that it may or at any future time be entitled to Carbon Rights, Government unconditionally and irrevocably: (i) waives, in favor of Investor, any right or claim to such Carbon Rights; (ii) agrees that it will not create, in favor of any third party, any Encumbrances over such Carbon Rights; and (iii) agrees that it will not bring any claim, action, suit, demand, cause of action (whether based upon principles of contract, negligence or other tort, breach of any statutory duty, principles of indemnity or otherwise) against Investor in relation to such Carbon Rights.

(c) For tax purposes, Credits shall be valued at the fair market value meaning the value which it is estimated would be paid in an arm's length transaction by an unrelated willing and knowledgeable buyer to an unrelated willing and knowledgeable seller.

(d) All rights, title and interest in Carbon Rights to which Investor is (or shall become) entitled pursuant to paragraph (b) above, shall be deemed to have been assigned automatically to Investor on the Effective Date (whether created on or before the Effective Date). Any and all Carbon Rights created, issued or generated after the Effective Date shall transfer (or otherwise be deemed to have been assigned) automatically to Investor on their creation, issuance or generation (as the case may be). If any Law or contract prohibits the automatic assignment or transfer of Carbon Rights to Investor in accordance with this Section, Government shall take all necessary steps (and shall procure the same from any relevant third party) to ensure such transfer and assignment including concluding

contractual agreements to effect the same.

**21.13 Capital Gains.** The transfer during the Term of assets of Investor or any Investor Group Subsidiary (collectively, the "*Investor Group Members*") to another Investor Group Member, by way of capital contribution, dividend or distribution shall not be subject to capital gains tax and the transferee shall be treated as incurring an acquisition cost for the asset equal to the transferor's adjusted tax cost in the asset. The transfer during the Term of shares of capital stock of any Investor Group Member, or of any loans between an Investor Group Member and its Affiliates, to another member of the Corporate Group shall not be subject to capital gains tax and the transferee shall be treated as incurring an acquisition cost for the shares or loan equal to the Shareholder's adjusted tax cost in the shares. At such time as any transferee referred to in either of the preceding two sentences ceases to be an Investor Group Member or member of the Corporate Group, as the case may be, such event shall be treated as a disposition of the applicable assets transferred to such transferee and the applicable transferor shall be subject to capital gains tax on such deemed disposition in accordance with then applicable Law.

## ARTICLE 22 FINANCIAL REPORTING AND CURRENCY

**22.1 Accounting.** All of Investor's accounting under this Agreement shall be in Dollars and all amounts paid or received, and obligations incurred or transactions carried out, in Liberian Currency or other currencies shall for the purposes of this Agreement be converted to Dollars in accordance with and pursuant to the International Accounting Standards, except to the extent inconsistent with the terms of this Agreement, based upon the Prevailing Market Rate of Exchange between Dollars and any such currency.

**22.2 Exchange Control.** Investor shall at all times have the right, without restriction, directly or indirectly, by Government, to obtain, hold, deal with and disburse funds in such manner, currencies and places as it chooses. Without prejudice to the generality of the foregoing, Investor shall have the unrestricted and unencumbered right to sell and receive payment for its Agricultural Products in any currency, including the currency in which the Agricultural Products are sold, and all proceeds from such sales may be deposited in non-Liberian bank accounts and held there or remitted to bank accounts anywhere in the world, in any currency. Notwithstanding the foregoing, Investor shall have the right to acquire and sell Liberian Currency from sources other than Government at the Prevailing Market Rate of Exchange on the date of acquisition. Additionally, any and all transactions between Government and Investor dealing with or referring to Liberian Currency shall be converted to Dollars at the Prevailing Market Rate of Exchange as of the date of the transaction. Nothing in this Section 22.2 shall prevent non-discriminatory measures of general application taken by the Government during a period of financial or other state emergency.

**22.3 Currency of Payment.** Except as otherwise provided below, Investor shall pay its obligations to Government in Dollars, including obligations for Taxes and Duties payable under Sections 19 and 21 hereof. Any obligation originally stated in Liberian Currency shall be converted to Dollars at the Prevailing Market Rate of Exchange. Notwithstanding the foregoing, Investor shall make payments of sums it collects on behalf of Government, including taxes withheld from the salaries or wages of employees of Investor, and any other sums payable to

other Persons from which a portion is required by Law to be withheld or retained by Investor on behalf of Government, in the currency in which such salaries or wages or such other sums are paid. For purposes of determining compliance by Investor with any Law, including any Law determining minimum wages, or satisfaction by Investor of any contractual obligation, the amount of any payment by Investor made in Dollars shall be converted to Liberian Currency at the Prevailing Market Rate of Exchange as of the date of such payment.

**22.4 Right to Remit and Receive Payments.** Investor shall have the right to remit and receive in Dollars all payments of dividends, interest, principal and other payments arising from or as a result of, or related to Investor Activities, and to do so without penalties, required total or partial surrender, exchange or confiscation of such Dollars, or other direct or indirect restrictions on such remittances or receipts.

**22.5 Audit.**

(a) Investor shall cause its books of account to be audited within three (3) months, or such longer period of time as the Minister of Finance may approve, after the close of each fiscal year in accordance with International Accounting Standards guidelines by an independent auditor (which shall be a reputable international accounting firm) selected by Investor and a copy of the annual financial statement duly certified by Investor's auditor and any management letters shall be furnished to Government within such period as provided by Law after its receipt by Investor. Government shall have the right freely to discuss with Investor's auditor the results of the audit and certification. Investor shall take all reasonable measures to ensure that said auditor shall cooperate fully in such discussions. The foregoing shall not in any way imply acceptance of any such audit or certification by Government or preclude Government from auditing such books of account as provided under Law and requesting notarized information from any Affiliate that provides goods and services to, or purchases product from, the project; provided, however, that Government shall provide Investor with a copy of any such audit within forty-five (45) days of receipt. Once either Government or Investor has audited any book of accounts, the financial statement thus audited shall be considered acceptable and the audit results binding and conclusive as to its findings, unless a Party shall have indicated to the contrary within three (3) years after its receipt of a copy of the audited financial statement; provided, however, that there will be no such time limitation in case of Investor's fraud or intentional misrepresentation and the generally applicable statute of limitations shall apply for any tax audit of the Investor.

(b) If Investor has, pursuant to this Agreement, underpaid its income tax liability, Government shall, subject to Law, assess interest and penalties. If Investor has overpaid its income tax liability, then it shall be entitled to reimbursement as provided by Law. Investor may elect pursuant to section 72 of the Code to have any such reimbursement credited against any Taxes and Duties then or thereafter due to Government by Investor.

(c) Investor shall keep a comprehensive set of its own books and records in Liberia at all times. In case a review of Investor's own records or books or those of any Affiliate outside of Liberia is required, Investor shall cooperate to provide Government with copies of the information, books and records needed to complete the audit in a timely manner. If Government nonetheless deems it necessary for any part of such audit to be

performed outside of Liberia, the cost of associated travel shall be borne by Government.

## ARTICLE 23 RECORDS, REPORTS AND INSPECTION

**23.1 Maintenance of Records.** Investor shall, pursuant to its standard record retention policy and otherwise as required by Law, maintain at its principal office in Liberia or, upon prior Notice to Government, at any other office in Liberia:

(a) a copy of all material scientific, agricultural, operational, technical, industrial and commercial records, studies and reports (except correspondence) received or compiled by Investor in connection with its operations under this Agreement (together with any relevant underlying data); and

(b) complete, accurate and systematic financial records of all of its transactions, worldwide, relating to its operations under this Agreement, including all sales of Agricultural Products to Investor customers or any sales to Investor's Affiliates of Agricultural Products where such sales are used to compute any item of income, deduction or other amount affecting the liability of Investor and of such books of account and other financial records of operations as may be required by Law.

**23.2 Development Plan.** The initial Development Plan will be agreed to by the Parties upon the execution of this Agreement and attached to this Agreement as Appendix VI. On or before June 1<sup>st</sup> of each succeeding year during the Term, Investor shall submit a rolling four (4) year Development Plan. All subsequent Development Plans submitted by Investor shall be subject to review and comment, but not for approval or modification, by Government, except where such Development Plans substantially alter the initial Development Plan, in which event the approval of the Government shall be required for such revised Development Plan, which approval shall not be unreasonably withheld. In the event that the Parties are unable to agree on any such substantial modification to the Development Plan, the Parties will use good faith efforts to resolve the disagreement. Additionally, any reporting requirements which require approval by Government according to Law or this Agreement shall be reported separately as specified by Law or this Agreement. Any such Government approval for substantial alternations to the Development Plan or such other reporting requirements shall not be unreasonably withheld and shall be conclusively deemed if within sixty (60) days of submission, Government has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement.

**23.3 Reports.** Investor shall submit such reports to Government, in such form, in such detail and at such times as Government may reasonably require, with respect to the subjects specified in Appendix V attached hereto or such other subjects as may be otherwise agreed by the Parties from time to time ("**Investor Activity Report**"). Investor shall also submit to Government a report on the progress of the Investor Activities and development of the project as compared to the provisions of the then-current Development Plan (such report, the "**Development Plan Report**") within ninety (90) days following each anniversary of the Effective Date during the Term on the same date as delivery of the Development Plan. To the extent that reporting requirements for the Development Plan and Investor Activity Report overlap in frequency and content, they shall be included only in the Development Plan with appropriate

reference. This Section 23.3 shall not relieve Investor of its obligations to make such other reports as may be required by Law to such persons as designated by Law. Investor shall not be required to provide additional reports not required by Law unless the request for such other reports shall be made in writing from a senior Official and shall state the reasons for the request and Investor shall not be obligated to produce any such other reports unless the reasons stated are clearly justified and agreed to by Investor. Investor shall make available to Government upon its written request all of the reports required pursuant to this Agreement in paper and electronic format.

#### 23.4 Inspection.

The Investor shall permit, and shall cause its Affiliates to permit, officers and designated representatives of Government, upon not less than three (3) Business Days' prior Notice (or ninety (90) days' prior Notice in the case of requests relating to Affiliates not present in Liberia) (which Notice shall state from a senior Official the reasons for the intended visit) and at reasonable times during normal business hours, to visit and inspect the Concession Area and any pertinent books, documents, papers and records of the Investor or its Affiliates for the purpose of audit, examination, inspection and monitoring and determining compliance with this Agreement, and to examine and discuss the affairs, finances and accounts of the Investor and its Affiliates with the officers of the Investor. The books, documents, papers and records of Affiliates of the Investor that are subject to examination and inspection hereunder shall be limited to those that directly relate to transactions with Investor and its subsidiaries and other activities of such Affiliates in Liberia. The Investor shall, and shall cause each of its Affiliates to, afford proper facilities for such inspection, shall make copies (at the Investor's expense) of any records identified in the course of such inspection as reasonably necessary to determine Investor's compliance with the terms of the Agreement. Any such inspection shall not unduly interfere with Investor Activities or Production or the business and activities of its Affiliates. If any part of such inspection must be performed outside of Liberia because any of the records of Investor or its Affiliates described in this Section 23 needed for the inspection are outside Liberia, then Government shall bear all of its travelling costs.

#### 23.5 Confidentiality.

(a) Confidential Information provided to one Party by the other Party under this Agreement shall only be used by the receiving Party and its representatives, and only for the purpose for which it was obtained, and shall be maintained in confidence as to third parties by the receiving Party and its representatives except as may otherwise be required by Law, the terms of this Agreement or a final order of any court having jurisdiction that is not subject to appeal. Subject to the exceptions set forth in Section 23.5(b), all information, not available to the public, disclosed to the other Party shall be considered "**Confidential Information**," including (i) all written information of the disclosing Party that conspicuously bears a "Confidential," "Proprietary" or similar designation, and (ii) all oral information of the disclosing Party that is identified at the time of disclosure as being of a confidential or proprietary nature. Confidential Information shall also include all information which either Party has received from others and which it is obligated to treat as confidential, provided such information is disclosed in the manner set forth in the preceding sentence. Confidential Information shall in no case include this Agreement.

(b) For purposes of this Agreement, information provided by one Party to the other shall not be considered Confidential Information if (i) it is already in the public domain or subsequently becomes public, but in either instance not by virtue of any act in violation of an obligation any Person had to keep such information confidential, or otherwise by virtue of any wrongful or illegal act by any Person, or is required by Law to be made public; (ii) the disclosing Party or its representatives, including Affiliates, has provided the information to other Persons not entitled to confidentiality obligations with respect to such information; (iii) it is known by the receiving Party without any obligation to keep such information confidential at the time of receiving such information as evidenced by its contemporaneous written records; (iv) it is hereafter furnished to the receiving Party by a third Party, as a matter of right and without restriction on disclosure; (v) it is the subject of a prior written permission to disclose provided by the disclosing Party; (vi) it is necessary to establish rights or enforce obligations under this Agreement or (vii) it is required to be disclosed by a court order that cannot be appealed under applicable Law, or by any authorities, including any stock exchange, that have jurisdiction over a Party.

(c) Should any Person make a demand upon the receiving Party in the course of litigation or apply to any court in Liberia for the production of such Confidential Information, the receiving Party shall timely provide Notice to the disclosing Party prior to revealing such information so that the disclosing Party may have an opportunity to intervene in the matter. Investor shall have the further right to disclose to any Person such other and further details of its activities in Liberia, including the amount of any payments of Taxes and Duties it has made or is obligated to make to Government, as it deems appropriate. By disclosing any such information, Investor shall have agreed thereby that it is not Confidential Information and is not subject to the provisions of this Section 23.5(c).

## ARTICLE 24

### ASSIGNMENT AND CHANGE OF CONTROL; RESTRICTIONS ON ENCUMBRANCE

**24.1 Assignment and Change of Control.** Subject to this Section 24, Investor shall not assign its obligations or rights herein or mortgage, charge, pledge or otherwise encumber its rights under this Agreement to any other Person without the prior written consent of Government, which consent shall not be unreasonably withheld. Any Change of Control of Investor shall require the prior written consent of Government, which consent shall not be unreasonably withheld. Government shall be conclusively deemed to have approved such assignment or Change of Control if within sixty (60) days after Notice of such assignment or Change of Control, Government has not indicated a decision to withhold approval by Notice in the manner provided in this Agreement.

**24.2 Prohibition of Assignment or Encumbrance to Prohibited Persons.** In no event may this Agreement be transferred or assigned to any Prohibited Person or any Person directly or indirectly owned or controlled by a Prohibited Person.

**24.3 Creation of Sub-Concessions.** For the purposes of financing the cost of constructing, developing, and acquiring the Concession Area, Agricultural Products, Infrastructure and other property contemplated by the Development Plan, the Investor may establish one or more Subsidiaries (a "*Sub-Concession Subsidiary*") to hold a portion of the



Concession Area on the terms of a Sub-Concession Agreement. Each Sub-Concession Subsidiary shall deliver an executed signature page to a joinder agreement among such Sub-Concession Subsidiary, the Investor and the Government, countersigned by the Investor, in the form set out in Appendix X, pursuant to which such Sub-Concession Subsidiary shall be subject to all of the obligations of Investor hereunder as they relate to the area covered by such Sub-Concession Agreement (a "*Sub-Concession Joinder Agreement*") and shall be fully entitled to the rights of the Investor under this Agreement as delegated by the relevant Sub-Concession Agreement. However, notwithstanding the existence of any Sub-Concession Agreement, the Investor shall remain fully responsible for the performance of its obligations under this Agreement and the Government shall be entitled to deal solely with the Investor in relation to the area covered by the Sub-Concession Agreement, until such time as a Qualified Transferee that is not an Affiliate of Investor becomes the owner of a Sub-Concession Subsidiary.

**24.4 Mortgage Restrictions.** The Investor may mortgage, charge or otherwise encumber all or any part of its interest under this Agreement, the Concession Area, Infrastructure and other real and personal property (including intellectual property) necessary for Investor Activities and may pledge the shares in any Sub-Concession Subsidiary (any such mortgage, charge, pledge, or other encumbrance a "*Mortgage*" and the assets so permitted to be subject to a Mortgage, the "*Pledged Assets*"), to finance a portion of the cost of constructing, developing, and acquiring the Concession Area, Agricultural Products, Infrastructure and other property contemplated by the Development Plan, with the prior written consent of Government, which consent shall not be unreasonably withheld. In any such case, unless otherwise agreed between Investor and Government, (a) Investor shall not be permitted to mortgage, charge, pledge or otherwise encumber any interests in the oil palm trees, other than its rights to receive revenues from Production therefrom and any other of its rights in respect of the oil palm trees on the terms and conditions set forth in this Agreement, (b) the remedies of the holder of such Mortgage shall comply with the requirements of Section 24.5, and (c) the terms such Mortgage shall require that the holder thereof comply with this Section 24.4 and to any transfer restrictions set forth in this Agreement. For the avoidance of doubt, Investor shall be permitted to finance its equipment purchases by providing a security interest in such purchased equipment to a lender, which will not constitute a "Mortgage" as defined above.

**24.5 Foreclosure.** Any foreclosure or other exercise of remedies under any Mortgage must result in a transfer of (x) in the case of a Mortgage pursuant to which the Investor's rights under this Agreement are pledge, the rights of the Investor under this Agreement and in and to substantially all of the Concession Area, Infrastructure, and other Pledged Assets, other than any such assets that are subject to a Sub-Concession Mortgage, to a single Qualified Transferee or (y) in the case of a Sub-Concession Mortgage, the rights of the applicable Sub-Concession Subsidiary under the applicable Sub-Concession Agreement and related Sub-Concession Joinder Agreement and in and to substantially all of the portion of the Concession Area and Infrastructure covered by the applicable Sub-Concession Agreement, and the related Pledged Assets to a single Qualified Transferee, and in each case the assumption by the applicable Qualified Transferee of the obligations of the Investor or such Sub-Concession Subsidiary, as applicable, under this Agreement or the applicable Sub-Concession Agreement and related Sub-Concession Joinder Agreement, as the case may be; provided that, at least 30 days prior to the transfer of the rights of Investor under this Agreement or the rights of a Sub-Concession Subsidiary under a Sub-Concession Agreement, as the case may be following foreclosure or

other exercise of remedies, the applicable lender furnish the Government with a notice setting for the name of the proposed Qualified Transferee and information demonstrating the compliance by such proposed Qualified Transferee with the requirements set forth in the definition of "Qualified Transferee."

## ARTICLE 25 FORCE MAJEURE

### 25.1 Application.

(a) In the event of either Party to this Agreement being rendered unable, in whole or in part, by Force Majeure to carry out any obligation under this Agreement, other than an obligation to make payments of money, such Party shall give Notice of the particulars of such Force Majeure in writing to the other Party as soon as practicable after the occurrence of the cause relied upon, whereupon the obligation of the Party giving such Notice, insofar as it is affected by such Force Majeure, shall be suspended during the continuance of any such inability; provided, however, that in the event such Force Majeure causes an abandonment of any part of the Concession Area and/or directly impacts Investor's ability to operate in any part of the Concession Area, Investor's obligation to make payments of money due hereunder, including Surface Rental Fees, in respect of the part of the Concession Area affected shall be limited to those amounts that accrued prior to the commencement of Force Majeure. However, any such inability shall, as far as is practicable, be remedied with all reasonable dispatch.

(b) If a continuous condition of Force Majeure has existed for a period of one (1) year or more in respect of Investor's right to terminate this Agreement under this Section 25.1 or (ii) ten (10) years or more in respect of Government's right to terminate this Agreement under this Section 25.1, and which in each case prevents Production, the export or sale of Agricultural Products or any material Investor Activities in all or any portion of the Concession Area (in each case a "**Prolonged Force Majeure**"), (i) Investor shall have the right to terminate this Agreement pursuant to this Section 25.1 and (ii) the Government shall be entitled to terminate this Agreement pursuant to this Section 25.1 if a Prolonged Force Majeure has continued in effect for at least ten (10) years; provided that, if such Prolonged Force Majeure affects less than 80% of the Concession Area, the Government shall be entitled to terminate this Agreement only as to the affected portion of the Concession Area. The terminating Party shall deliver a Notice to the other Party not less than sixty (60) days prior to such termination, and such termination shall be without further obligations or cost, except for any obligations which accrued prior to the termination, including any obligations to make payments of money that accrued prior to such termination.

**25.2 Reinstatement of Suspended Obligations.** The obligations of the Parties, if suspended in accordance with Section 25.1, shall be reinstated in full force and effect, and shall be enforceable as if such suspension had not occurred, upon the cessation of Force Majeure giving rise to such suspension. Thereafter, the obligations of the Parties shall be reinstated, unless and except to the extent that at such time there shall have been a suspension or termination based upon different or additional events constituting Force Majeure. If Force Majeure declared under Section 25.1 has ceased, each of the Parties shall have the right to

deliver Notice to the other Party declaring that such Force Majeure has ceased. If Notice is delivered under the preceding sentence, Force Majeure shall be considered to have ceased; provided, however, that the Party who had not delivered such Notice shall have ninety (90) days following receipt thereof to deliver Notice to the other Party stating (i) that such Party disagrees that such Force Majeure has ceased. (ii) the basis for such disagreement in reasonable detail and (iii) that such Party intends to commence arbitration proceedings within forty-five (45) days from the date of such Notice. Any such arbitration shall be conducted as provided in Section 28. Pending resolution of the arbitration proceedings, the obligations of the Parties shall remain suspended unless such obligations are otherwise reinstated pursuant to this Section 25.2.

**25.3 Definition.** The term "*Force Majeure*" as used in this Agreement shall mean (i) wars, acts of war, invasions, acts of public enemies, hostilities, whether war is declared or not, terrorist acts, serious threats against any employee, assets or Infrastructure of Investor that place such persons or things in serious jeopardy, (ii) trade or commercial or other restrictions imposed either by any sovereign, embargoes, blockades, revolutions, riots, civil commotions, sabotage (whether by employed labor of Investor or any other Person), strikes of a continuous and uninterrupted duration of one hundred and twenty (120) days or more or other industrial, labor or employee-employer disputes of a continuous and uninterrupted duration of one hundred and twenty (120) days or more, (iii) acts of God, accidents, fires, explosions, unavailability of or interference with the usual means of transportation of Agricultural Products, earthquakes or any other natural disasters, epidemics or public health emergencies, South American leaf blight (*microcyclus ulei*), or any similar cause, provided any such cause was not within the reasonable control of the Party invoking its rights under Section 25.1 as a result of an event of Force Majeure and could not have been avoided or overcome by such Party through the exercise of reasonable investigation or care.

**25.4 No Required Settlement.** Nothing in Sections 25.1 or 25.3 above shall, in and of itself, be construed to require Investor to settle any strike, lockout or other labor or industrial dispute.

## ARTICLE 26 TERMINATION

This Agreement shall terminate at the end of its Term, or may earlier terminate by the mutual agreement of the Parties, or otherwise as provided below.

**26.1 Termination by Investor.** Notwithstanding any other provision of this Agreement, Investor shall have the right to terminate this Agreement as follows:

- (a) without cause at any time, in its entirety 365 days after giving Notice to Government, subject to this Article 26,
- (b) pursuant to the provisions of Section 25.1 or 32.5; and
- (c) Government shall fail in a serious and prolonged manner to comply with any material obligations under this Agreement, and such failure can be continuing.

Any such termination shall be subject to the obligations of Investor under this Agreement that

accrued prior to the date of termination. In the case of a proposed termination for a failure by Government to comply in a serious and prolonged manner with any material obligations under this Agreement, Investor shall provide Notice to Government of its intention to terminate for such alleged failure and if the failure is not cured within ninety (90) days after the Notice of Investor's intention to terminate, or such longer cure period specified in such Notice by Investor, then this Agreement shall be terminated; provided that, if such failure cannot reasonably be cured within 90 days, but can reasonably be cured by action of the Government, and the Government has undertaken the necessary steps to cure such failure within such 90-day period, such 90-day period shall be extended for so long as Government continues to pursue diligently the actions necessary to cure such failure and completes such cure within twelve (12) months after such Notice. In the event Government ceases to pursue diligently such efforts to cure such failure and fails to resume diligent efforts within thirty (30) days after Notice from Investor relating to such cessation, this Agreement shall be terminated.

**26.2 Termination by Government.** Subject to Investor's right to cure under Section 26.3 and the provisions of Section 25, Government shall have the right to terminate this Agreement if any of the following events (hereinafter called "*Events of Default*") shall occur and be continuing:

(a) Investor shall fail in a serious and prolonged manner to comply with any material obligations under this Agreement.

(b) Investor shall (i) voluntarily make an assignment of all or substantially all of its assets for the benefit of creditors without the prior approval of Government other than an assignment made to secure indebtedness incurred in the ordinary course of business, (ii) file a petition or application to any tribunal for the appointment of a trustee or receiver for all or any substantial part of the assets of Investor, (iii) commence any proceedings for its bankruptcy or insolvency under the laws of its jurisdiction of incorporation, whether now or hereafter in effect, or if any such petition or application is filed, or any such proceedings are commenced against it, indicate its approval thereof, consent thereto or acquiescence therein, or not obtain dismissal of such proceedings within ninety (90) days of commencement thereof, or (iv) if any order is entered appointing any such trustee or receiver, or adjudicating Investor bankrupt or insolvent, or approving the petition in any such proceedings, not take steps to set aside such order or dismiss such proceedings within ninety (90) days from the date of such order or petition is served on the Investor.

(c) Investor shall cease Commercial Production for more than three hundred sixty-five (365) consecutive days, unless (i) Government consents to such cessation, (ii) it results from Force Majeure or (iii) it results from any act of prevention or material breach by Government of its obligations under this Agreement.

As provided in Section 8.7, Investor's failure to develop the Concession Area in accordance with the Minimum Development Obligations shall not constitute an Event of Default for purposes of Section 26.2(a) and Government's sole remedy in the event of a breach of Section 8.6 as determined in arbitration pursuant to Article 28 shall be to repossess the undeveloped land in accordance with Section 8.7. Investor's failure to develop the Concession Area in accordance with the requirements of Section 8.2, as determined in

arbitration pursuant to Article 28, shall not constitute an Event of Default for purposes of Section 26.2(a) and Government's sole remedy in the event of such failure shall be to terminate this Agreement in its entirety.

**26.3 Opportunity to Cure.** In the case of an alleged Event of Default described in Section 26.2, Government, before taking any further action, shall provide Notice to Investor of such alleged occurrence of such Event of Default and of Government's views in that regard and shall offer Investor a fair opportunity to consult with Government to resolve the matter. If, after a reasonable period of consultation, Government is of the reasonable opinion that the matter cannot be resolved by further consultation, Government may then send to Investor Notice of Government's intention to terminate this Agreement. If the Event of Default is not cured within ninety (90) days after Notice of Government's intention to terminate, or such longer cure period specified in such Notice by Government in its reasonable discretion, then this Agreement shall be terminated; provided that, if such Event of Default cannot reasonably be cured within 90 days, but can reasonably be cured by action of the Investor, and Investor has undertaken the necessary steps to cure such Event of Default within such 90-day period, such 90-day period shall be extended for so long as Investor continues to pursue diligently the actions necessary to cure such Event of Default. In the event Investor ceases to pursue diligently such efforts to cure such failure and fails to resume diligent efforts within thirty (30) days after Notice from Government relating to such cessation, this Agreement shall be terminated.

**26.4 Disputes Regarding Termination for Default.** Notwithstanding any other provision of this Section 26, if Government disputes whether there has been a failure to comply with its obligations under Section 26.1(iii) or Investor disputes whether there has been an Event of Default described in this Section 26 and, within ninety (90) days after receiving Notice of the relevant Party's intention to terminate, the receiving Party refers such dispute to arbitration in accordance with Section 28, then termination of this Agreement shall not take effect until the finality of, and in accordance with, an arbitration award upholding the right to terminate.

**26.5 Winding-up Commission.**

(a) At the time of Notice of any termination or non-renewal of this Agreement becomes effective (after resolution of any disputes under Section 26.5), the Parties shall set up a winding-up commission (hereinafter referred to as the "Commission") which shall consist of the members of the Coordination Committee, the Liberian Minister of Agriculture as Chairperson, and one (1) additional member, to be appointed by Investor. Each member shall have one vote and the chairperson of the Coordination Committee shall exercise a vote only in the event of a tie.

(b) The chairman of the Commission shall issue a Notice and agenda for the first meeting of the Commission, which shall be held no later than three (3) weeks after the establishment of the Commission. Thereafter, the Commission shall hold periodic meetings at least once during each calendar month.

(c) Investor shall present to the Commission a detailed report on the status of its operations under this Agreement so that the Commission will be able to recommend steps that Government might take under the circumstances with a view to preserving the

viability of the enterprise, employment in the area and the centers of population.

(d) At the request of Government, the Commission shall establish plans for the full or partial cessation of operations including, the disposition of assets and their demolition and/or removal according to Section 27.

(e) At the request of any Party, any meeting of the Commission may be held outside Liberia, and the requesting Party shall be responsible for the travel cost of the participants.

(f) Investor may elect not to participate on the Commission, in which event its obligations under this Section 26 shall be limited to providing the information required in Section 26.5(c) above.

**26.6 Contract Remedies Preserved.** The termination rights provided in this Section 26 are in addition to, and not in derogation of, any remedial right to damages which either Party may have under this Agreement; pursuant to Section 28 or applicable Law as set forth in Section 31 below, for a breach by the other Party of this Agreement.

## ARTICLE 27 DISPOSITION OF ASSETS UPON TERMINATION

**27.1 Non-Movable Assets.** Upon termination of this Agreement, and subject to Section 3.3, all permanent non-movable tangible assets of Investor in the Concession Area, which are not otherwise the property of Government, shall become the property of Government without charge. Oil palms are permanent non-movable assets as used in the preceding sentence. In the event of termination by Investor for breach by Government under Section 26.1(c), Government shall compensate the Investor for the Fair Market Value of the loss of benefit of the Concession Agreement and any Port Concession Agreements and the use of the Concession Area and the concession area under any Port Concession Agreements, including the non-moveable assets therein, as part of any award of damages pursuant to Sections 28 and 29.

**27.2 Movable Assets.** At any time after termination of this Agreement and with respect to each movable asset of Investor in Liberia, which Investor desires to sell, Government shall have the first option to purchase such asset at the fair market price thereof, such price to be paid in Dollars. If Government does not exercise such option within ninety (90) days after being informed by Investor that it desires to sell such asset, Investor may sell such asset to any other Person, including Government or an Affiliate, for such price as it may be able to obtain, or remove such asset from Liberia. The proceeds of any such sale shall accrue to the Investor subject to any Taxes or Duties payable at Law. If Government purchases any such asset, it shall pay the purchase price not later than sixty (60) days after such price has been agreed upon or determined, unless the Parties otherwise agree.

**27.3 Removal of Movable Assets.** Government, by Notice to Investor within a reasonable period but not to exceed one (1) year after termination of this Agreement pursuant to Section 26, may require reasonable disposal or removal, in accordance with Law, of any or all movable assets, including unusable assets, remaining within the Concession Area after total disposition of assets in accordance with this Section 27. If Investor does not reasonably dispose

of or remove such asset or assets within a reasonable period after said Notice, Government may effect such reasonable disposal or removal at the expense of Investor, but Investor shall be entitled to any income realized from the salvage value of such assets.

## ARTICLE 28 ARBITRATION

**28.1 Amicable Settlement.** Where a dispute arises between Investor and Government respecting the rights or obligations of such Person or Government under this Agreement, all efforts shall be made through mutual discussion to reach an amicable settlement.

**28.2 Arbitration.** Any such dispute, controversy or claim arising under, relating to or concerning this Agreement (including any dispute as to its existence, interpretation, construction, validity or termination) shall be finally settled by binding arbitration under the then-prevailing rules of the Centre (the "Rules"). The law applicable to any such arbitration shall be determined pursuant to Section 31 below. Arbitration hereunder shall be the Parties' exclusive remedy for any breach of or dispute, controversy, or claim arising under, relating to or concerning this Agreement.

The Parties agree that this Agreement and Investor's operations pursuant hereto constitute an "investment" by reason of the amount of the investment to be made pursuant to this Agreement and that for purposes of Article 25(1) of the International Centre for Settlement of Investment Disputes Convention (the "Convention"), any breach of or dispute subject to this Section 28 is a legal dispute arising directly out of an investment. Either of the Parties to such dispute may institute arbitration proceedings by giving Notice to the other Party and notice to the Secretary-General of the Centre, including in each a statement of the issues in dispute.

Neither Party shall initiate arbitration unless it has (a) issued a letter to the other Party referring specifically to this Article 28 and stating that it believes there is a serious dispute that they are considering taking to arbitration, and (b) the Parties have been unable to resolve such dispute within 120 days after the date of such letter. Each Party shall use its best efforts to resolve such dispute in a commercial manner during such 120 day period and the arbitrators shall take into account whether the Parties have acted as such in making any award.

**28.3 Seat of Arbitration.** The seat of arbitration shall be London, United Kingdom, and the proceedings shall be conducted in the English language. Any and all disputes arising out of or in connection with this Agreement shall be finally resolved by arbitration in accordance with the Rules of the Centre.

**28.5 Arbitrators.** Any arbitral tribunal constituted pursuant to this Agreement shall consist of one arbitrator to be appointed by Government, one arbitrator to be appointed by Investor and one arbitrator, who shall be the president of the tribunal and shall be a citizen neither of Liberia nor of Singapore, to be appointed by the Secretary-General of the Centre. All arbitrators shall be qualified to serve as arbitrators in the matter submitted for arbitration and no such arbitrator shall have an interest in the matters in dispute.

**28.6 Jurisdiction.** The Parties agree to submit irrevocably to the jurisdiction of the

English courts for the limited purpose of enforcing this agreement to arbitrate.

**28.7 Arbitrators.** Where either party fails to appoint an arbitrator within 45 Business Days of being called upon to do so by the other party or where the party-appointed arbitrators have not appointed a third arbitrator within 20 Business Days after the appointment of the second of them, either party may apply to the Centre to appoint that arbitrator.

**28.8 Special Provisions.** The decision of the arbitrators shall be public. Any monetary award shall be assessed and payable in Dollars (determined at the Prevailing Market Rate of Exchange if the award involved an obligation expressed in any currency other than Dollars).

The arbitrators may not award specific performance or similar equitable remedies against either party.

Neither party shall have any liability for either consequential damages (except for loss of profits from operation of the Concession Area or for the purposes of set-off) or exemplary or punitive damages unless specifically provided for herein. The costs and fees incurred or imposed by the Centre and the arbitrators shall be assessed between the Parties on such basis as the arbitral tribunal shall decide.

**28.9 Waiver of Sovereign Immunity.** The Government hereby irrevocably waives, in relation to any dispute arising out of, in relation to, or in connection with, this Agreement, whether relating to acts of a sovereign or governmental nature or otherwise, all claims of immunity from the jurisdiction of, and from the enforcement of any arbitral award rendered by, an arbitral tribunal constituted pursuant to this Agreement as well as all claims of immunity from the service of process or the jurisdiction of any court situated in any state, country or nation in aid of the jurisdiction of such arbitral tribunal or in connection with the enforcement of any such award.

**28.10 Reservation of Rights.** The right to refer a claim or dispute to arbitration hereunder shall not be affected by the fact that a claimant or respondent has received partial compensation from another Person for a loss or injury that is the object of the claim or dispute, and any such other Person may participate in such proceedings by right of subrogation.

**28.11 Successors.** The consent to arbitration before the Centre as set forth in this Section 28 shall equally bind any successor or successors-in-interest to each Party to this Agreement. Should the Centre be replaced by, or its functions be substantially conferred upon or be transferred to, any new international body of similar type and competence, the Parties shall have the right to submit any dispute to such body for settlement by arbitration in accordance with the foregoing provisions of this Section 28. Should the Centre cease to exist entirely without replacement, then either Party may submit any dispute arising in accordance with the terms hereof and the rules of procedure specified herein to such other international center for arbitration as the Parties shall agree upon. In all circumstances, however, the right to arbitration set forth herein shall remain at all times fully binding on both Parties.

**28.12 Operations during Negotiations or Arbitration.** The Parties agree that Investor, should it choose, is expressly authorized to continue its operations consistent with the terms of



this Agreement during the pendency of any decision of a referee or arbitral tribunal under this Section 28.

### **28.13 Shareholder Benefit and Appointment and Government Acknowledgement.**

(ii) As used in this Section 28, the "*Shareholder*" means the single Person which has direct Control of the Investor. Golden Veroleum (Switzerland) AG, a corporation organized under the laws of Switzerland shall be the initial Shareholder on the Effective Date and shall sign a joinder agreement prior to the Effective Date.

(b) The Shareholder shall benefit from the rights conferred on the Company under this Agreement, including under this Section 28, and shall be entitled to be a party and to make claims in its own name in any arbitration under this Agreement and to all the remedies that would be available to the Investor and the Government hereby acknowledges and consents to the Shareholder having such rights. Whether advanced in the name of Shareholder or the Investor, only a single claim may be made with respect to any dispute under this Agreement and any award shall be limited by the amount that the Investor could claim for breach of this Agreement.

(c) The Investor hereby irrevocably appoints the Shareholder to act on its behalf with respect to all matters pursuant to this Section 28. Such appointment shall include the right to initiate, conduct, manage, and settle any and all aspect of any arbitration pursuant to such Article, and the Government hereby acknowledges and consents to such appointment.

(d) The Shareholder may transfer Control of the Investor in accordance with this Agreement, in which case the new Shareholder shall enter into a deed of adherence to this Agreement in the form set out in Appendix IX and the Investor and the Government acknowledge and agree that the new Shareholder's entry into such a deed of adherence shall constitute a written arbitration agreement between the new Shareholder, the Investor and the Government in the terms set out in this Section 28.

## **ARTICLE 29 INDEMNIFICATION**

**29.1 Investor Indemnity.** Investor shall at all times indemnify and hold Government harmless from all claims and liabilities to third parties and all damages and losses suffered by Government as a result of contractual breaches by Investor, including all costs, expenses, losses and damages suffered by Government as a result of any breach of this Agreement by Investor, and any failure of Investor to honor any commitment or undertaking expressed in this Agreement. Investor shall further indemnify and hold Government harmless from all claims, damages, losses and liabilities arising from any death or injury to any Person or damage to any property in Liberia as a result of the willful misconduct or gross negligence of Investor. For the purposes of this Section 29.1, "willful misconduct or gross negligence" is as defined in Section 29.3 below.

**29.2 Government Indemnity.** Government shall at all times indemnify and hold Investor harmless from all claims and liabilities to third parties and all damages and losses suffered by Investor as a result of contractual breaches by Government, including all costs, expenses, losses and damages suffered by Investor as a result of any breach of this Agreement by

Government, and any failure of Government to honor any commitment or undertaking expressed in this Agreement. Government shall further indemnify and hold Investor harmless from all claims, damages, losses and liabilities arising from any death or injury to any Person or damage to any property in Liberia as a result of the willful misconduct or gross negligence of Government. For the purposes of this Section 29.2, "willful misconduct or gross negligence" is as defined in Section 29.3 below.

**29.3 Definitions.** For the purpose of Section 29.1 and Section 29.2, "willful misconduct or gross negligence" shall mean such willful or reckless misconduct of either Party (or in the case of the Government, any Person acting on behalf of or at the direction of Government) in connection with this Agreement as constitutes a complete and utter disregard for harmful, foreseeable and avoidable consequences, but shall not include any simple negligence or mistake or any error of judgment made by either Party in the good faith exercise of any authority or discretion conferred by this Agreement or otherwise.

## ARTICLE 30 NOTICES

### 30.1 Written Communications.

(a) All orders, approvals, declarations, consents, and/or notices of any kind required, expressly authorized or provided under this Agreement (hereinafter each referred to as a "**Notice**") between Government and Investor shall be in writing and delivered by hand, by telefax, by electronic mail, by postage prepaid registered mail or by any other means of communication agreed upon by the Parties. Any Notice sent by Government shall be signed on behalf of Government by any one of the Persons designated as the Minister and any Notice sent by Investor shall be signed on its behalf by an authorized director or officer of Investor.

(b) A delivery of a Notice to a Party shall be deemed to have occurred in any of the following circumstances:

(i) The Minister, in the case of Government, or the Managing Director or other officer of Investor, in the case of Investor, has signed a return receipt of registered mail;

(ii) A telefax or electronic mail confirmation of receipt has been electronically issued to the sender indicating receipt of a Notice sent either by electronic mail or by telefax to an electronic mail address, in the case of electronic mail, or to a telefax number, in the case of a telefax, authorized hereby;

(iii) Verification of receipt of the Notice has been obtained in any manner specifically agreed to in writing by the Parties; or

(iv) A Party has directly or indirectly acknowledged receipt of the Notice in writing.

Notices to Investor shall be sent to:

Golden Veroleum (Liberia) Inc.  
c/o R. Fole Sherman Law Building  
17th Street & Cheeseman Avenue  
Sinkor, Monrovia, Liberia  
P.O. Box 10-3218, 1000 Monrovia 10

Notices to Government shall be sent to:

The Minister of Agriculture  
Ministry of Agriculture  
P.O. Box 10-9010  
Monrovia, Republic of Liberia

And

The Minister of Finance  
Ministry of Finance  
P.O. Box 10-9013  
Monrovia, Republic of Liberia

With a copy to:

The Minister of Justice  
Ministry of Justice  
Ashmun & Center Streets  
Monrovia, Republic of Liberia

**30.2 Change of Address and Designated Recipient.** Either Party may, upon prior Notice to the other Party at any time, change the Person designated to receive Notices from the other Party, the postal or electronic mail address and/or fax number of the office in Liberia and in Malaysia authorized to receive such Notices, or the postal or electronic mail address or addresses and/or fax number or numbers of the offices to which copies of Notices from one Party to the other are to be delivered.

## ARTICLE 31 GOVERNING LAW

**31.1 Applicability of Liberian Law.** Except as explicitly provided in this Agreement, Investor shall be subject to Law as in effect from time to time (including with respect to labor, environmental, health and safety, customs and tax matters) and shall conduct itself in a manner consistent with Liberia's obligations under international treaties and agreements insofar as those have the effect of law in Liberia. For the avoidance of doubt, (x) to the extent there is any conflict or inconsistency between any Law (including the Code) and the agreed provisions of this Agreement (including any amendments, additions, revisions, modifications or other changes to any Law (including the Code) made after the Effective Date), the agreed provisions of this Agreement shall govern; and (y) except as provided in Section 19.5, Investor shall be subject to any amendments, additions, revisions, modifications or other changes to any Law (including the Code) made after the Effective Date, that have the effect of modifying the obligations of Investor

from those in effect on the Effective Date, so long as such amendments, additions, revisions, modifications or other changes do not conflict with and are not inconsistent with the agreed provisions in this Agreement.

**31.2 Construction and Interpretation.** This Agreement and the rights, obligations and duties of the Parties under this Agreement shall be construed and interpreted in accordance with Law and by such rules and principles of generally accepted international law as may be applicable and that have the effect of law in Liberia, particularly with regard to an investment by nationals of one country in another country.

## ARTICLE 32 PERIODIC REVIEW

**32.1 Profound Changes in Circumstances.** For the purpose of considering Profound Changes in Circumstances from those existing on the Effective Date or on the date of the most recent review of this Agreement pursuant to this Section 32, Government on the one hand and Investor on the other hand, shall at the request of the other consult together to discuss the provisions of this Agreement that are directly related to the Profound Change in Circumstances. The Party who is of the view that Profound Changes in Circumstances exists shall provide the other Party with reasonable information in respect thereof. The Parties shall meet to review the matter raised as soon after such request as is reasonably convenient for them both. In case Profound Changes in Circumstances are established to have occurred, the Parties shall effect such change in or clarification of this Agreement that they agree is necessary.

**32.2 Other Consultation.** In addition to the consultation provided by Section 32.1, each Party may at any time request a consultation with the other Party with respect to any matter affecting the rights and obligations of the Parties pursuant to this Agreement or any matter relating to Investor Activities. The Parties shall meet to review the matter raised as soon after such request as is reasonably convenient for them both. Subsequent to such consultation, the Parties shall take such action, if any, that is mutually agreed to address the matter.

## ARTICLE 33 AFFIRMATIONS

**33.1 Binding Effect and Effective Date of Agreement.** This Agreement shall become law and be effective and binding on the Parties on the Effective Date.

**33.2 Non-Derogation.** Government hereby undertakes, warrants and affirms that at no time shall the rights and the full and peaceful enjoyment thereof granted by it under this Agreement be derogated from, delayed or otherwise prejudiced by any Law or the action or inaction of Government, or any Official thereof, or any other person whose actions or inactions are subject to the control of Government including any action that rescinds, or purports to rescind, the rights or benefits granted to Investor hereunder.

**33.3 Third Party Beneficiary.** No Person that is not a Party to this Agreement shall have any rights hereunder unless so provided by its terms.

**33.4 Necessary Acts.** Each Party shall execute such documents, grant such

authorizations, licenses and approvals and do such other and further things as may be necessary to give full and complete effect to the provisions of this Agreement.

**33.5 Protection against Nationalization or Expropriation.**

(ii) The Government undertakes, warrants and affirms that it shall not nationalize or expropriate (or take any measure tantamount to nationalization or expropriation with respect thereto) any asset, right or property of the Shareholder or the Investor, except upon payment of fair, prompt and adequate compensation, including:

(i) any Infrastructure or other property, movable or immovable, of Investor, its Affiliates, Associates and those of their respective employees, agents or representatives, to the extent connected with or affecting Investor Activities;

(ii) Agricultural Products in any form resulting from the Investor Activities;

(iii) any equity, shares or ownership interests or loans of whatever nature held in or owned or issued by Investor;

(iv) any structure or entity put in place by Investor in connection with, Production, Investor Activities, this Agreement, or the Port Concession Agreement;

(v) any capital or loan invested by any of Investor, its Affiliates or Associates in Liberia in connection with the Investor Activities; or

(vi) any intangible rights, including intellectual property.

(b) Nothing in this Section 33.5 shall prohibit Government from taking title to non-movable tangible assets of Investor upon termination of this Agreement as provided in Section 26.1. Any violation by Government of the terms of this Section 33 shall entitle Investor, in addition to any other remedy provided by Law or otherwise by this Agreement, (i) to prompt payment equivalent to the Fair Market Value of the investment, asset or property nationalized or expropriated immediately before the nationalization or expropriation (or the measures tantamount to nationalization or expropriation) took place and (ii) to terminate this Agreement pursuant to Section 26.1.

**33.6 Application of Section 204(e) of the Code.** Government hereby affirms that the investment that is the subject of this Agreement is a qualifying investment project for purposes of Section 204(e) of the Code and that Investor is a beneficiary thereof.

**33.7 Remedies.** Subject to the terms of Section 28 hereof, each of the Parties shall have the remedies permitted by Law for a breach of this Agreement by another Party, as well as the remedies specified in Section 28 hereof.

**33.8 Non-Discrimination.** The Government undertakes not to adopt any provision of

Law or take any other action that imposes a material financial or other burden solely or disproportionately on the Investor or any of its Affiliates, whether or not such provision specifically identifies the Company or any of its Affiliates as the target thereof.

**33.9 Entire Agreement; Amendment; Waiver.** This Agreement constitutes the entire Agreement between the Parties with respect to its subject matter and supersedes any prior agreements between them. Any purported amendment to this Agreement shall be null, void and of no force or effect unless in writing signed by the Parties and ratified by the Liberian legislature. This Agreement is binding upon the Parties and their respective successors and assigns. No Party may unilaterally alter the rights granted under this Agreement. Unless otherwise agreed in writing by the Parties, no failure by a Party to exercise, nor any delay by a Party in exercising, any right, nor any forbearance shown by a Party, shall operate as a waiver of any right nor preclude the further or future exercise of any right.

#### **ARTICLE 34 SURVIVAL AND SEVERABILITY PROVISIONS**

**34.1 Severability.** Should any section of this Agreement, or any provision or term of any section, be found, pursuant to Section 29, to be void, invalid or unenforceable, in whole or in part, then the remaining sections, and those unaffected provisions or terms of any other sections which contain some void, invalid or unenforceable provisions or terms, shall nevertheless remain valid and subsisting and shall be construed as if this Agreement had been executed without such void, invalid or unenforceable sections, provisions or terms. Any otherwise void, invalid or unenforceable section, term or provision of this Agreement shall be so construed, or reformed, as to alter, amend or change any such term, provision or condition to the extent necessary to render it valid, lawful and enforceable, while also giving maximum effect to the Parties' originally intended purpose or result, short of creating any void, invalid or unenforceable provision, term or condition.

**34.2 Survival.** Notwithstanding termination of this Agreement by either Party for any reason, including a termination due to a finding that this Agreement or a portion thereof is void, invalid, or unenforceable, this Section 34.2 and Sections 1, 22, 23, 26, 27, 28, 28, 29, 30, 31 and 33.1, 33.3, 33.7, and 33.9 shall survive such termination and shall remain effective as to any matters which are the subject of this Agreement or which arise out of, in relation to or in connection with this Agreement. Moreover, any such termination shall be without prejudice to rights and obligations that have accrued prior to termination and, notwithstanding such termination, such provisions of this Agreement as are reasonably necessary for the full enjoyment and enforcement of such rights and obligations shall survive such termination for the period necessary.

#### **ARTICLE 35 PUBLICATION**

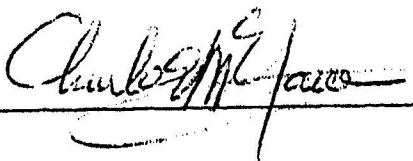
This Agreement and any amendments thereto, upon the Effective Date, shall be made public by Government as required by Law.

[Remainder of this page intentionally left blank; signature pages follow]


IN WITNESS WHEREOF, the Parties have executed this Agreement on the 16<sup>th</sup> day of August 2010.

IN THE PRESENCE OF:

FOR THE GOVERNMENT OF THE  
REPUBLIC OF LIBERIA:

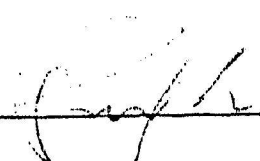


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Florence A. Chenoweth  
MINISTER OF AGRICULTURE

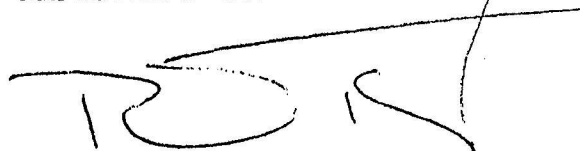


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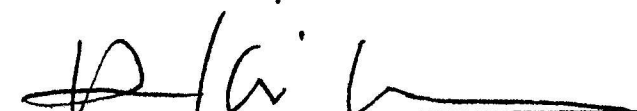
Augustine Ngafuan  
MINISTER OF FINANCE



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Richard V. Tolbert  
CHAIRMAN, NATIONAL INVESTMENT  
COMMISSION


FOR GOLDEN VEROLEUM (LIBERIA) INC.:



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M. Aarne Karinen  
AUTHORIZED REPRESENTATIVE

ATTESTED:



Christiana Tah  
MINISTER OF JUSTICE  
REPUBLIC OF LIBERIA

APPROVED ON this 16<sup>th</sup> day of August, 2010:

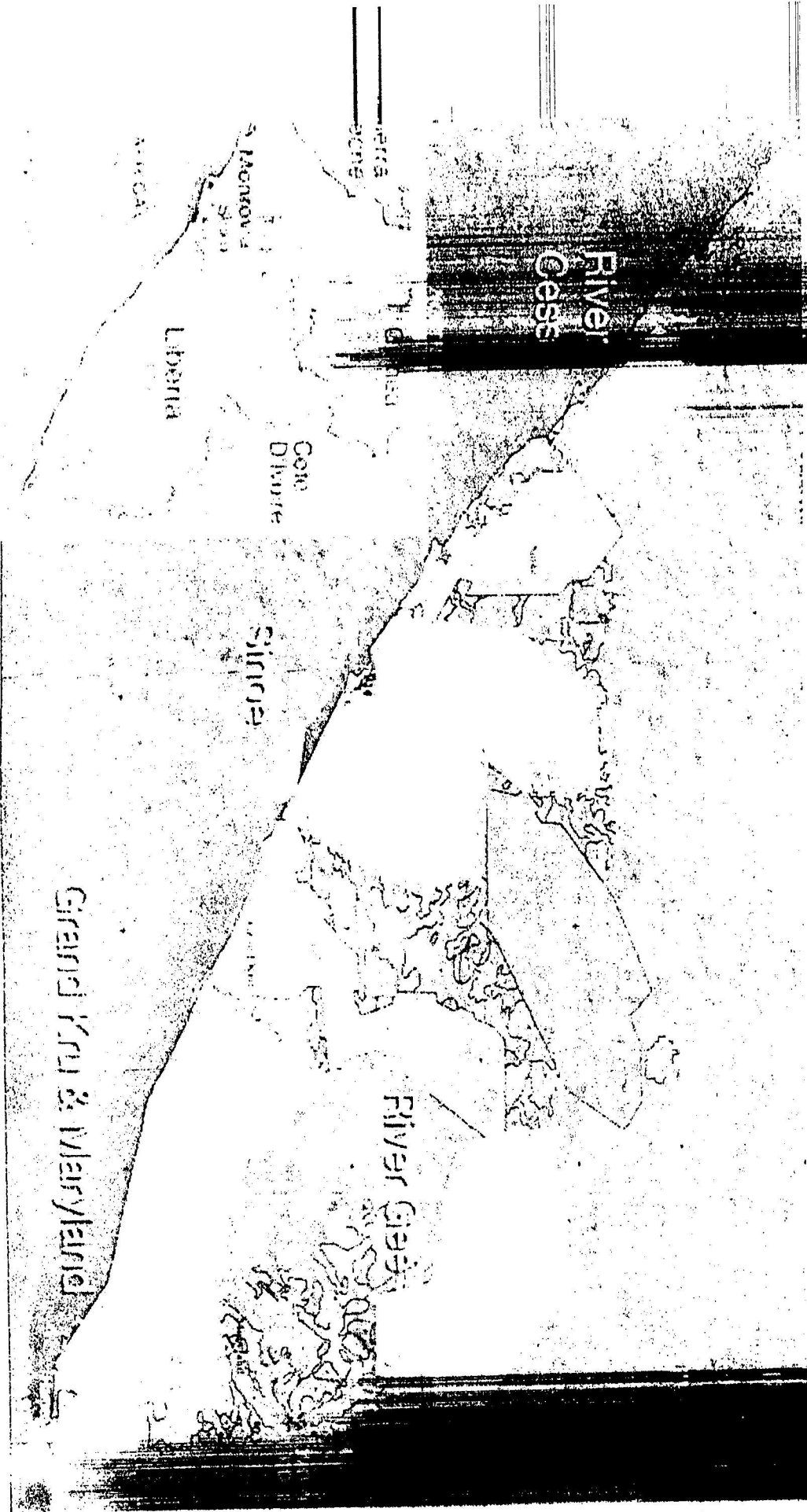


Ellen Johnson Sirleaf  
PRESIDENT  
REPUBLIC OF LIBERIA



Appendix  
Areas  
and SI

Loss Concession Area will be located within approximate Interests  
located, in Counties of Grand Kru, Maryland, River Cess, River Gee



**APPENDIX - II**

**CORPORATE STRUCTURE OF INVESTOR PURSUANT TO SECTION 6.5**

**A) List of Directors and Senior Officers of Investor as at the date of execution of this Agreement**

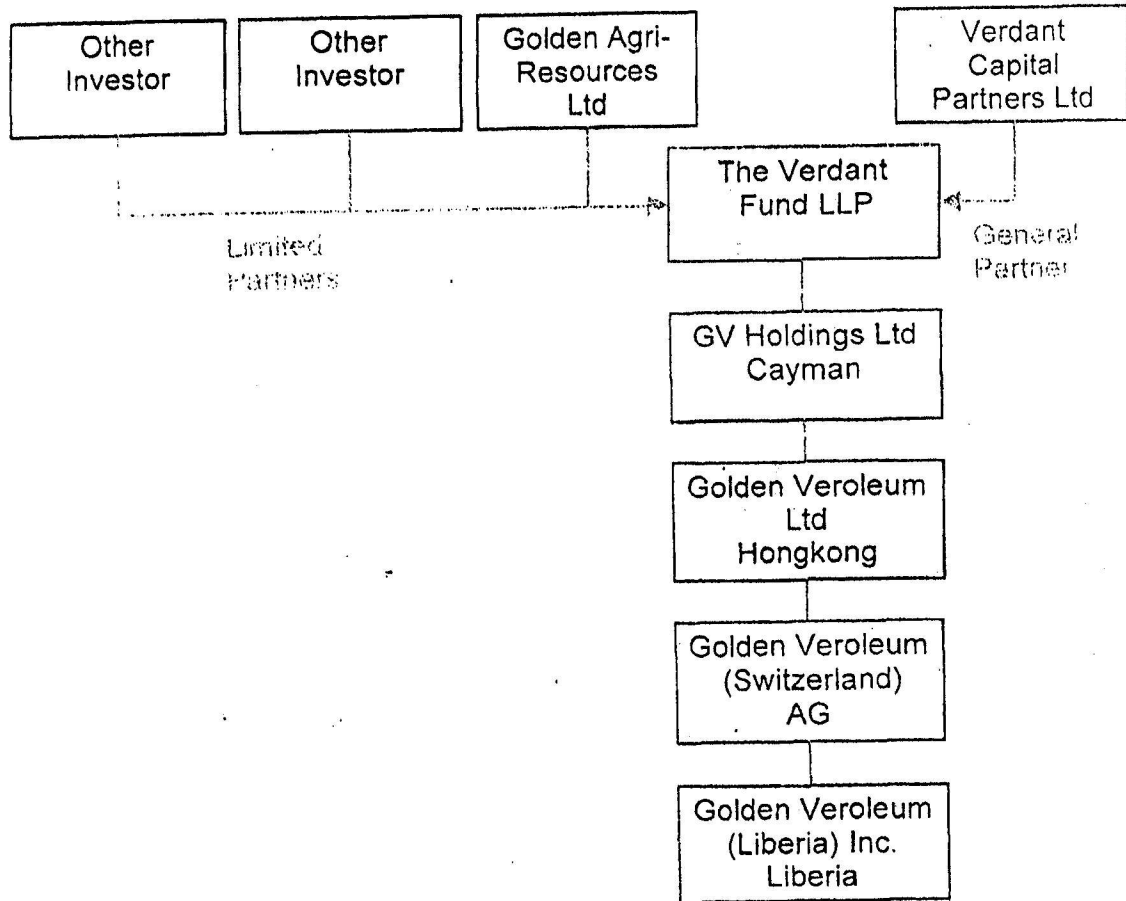
**Directors**

- 1) Mr. Matt Aarne Karinen
- 2) Mr. David Saharin Rothschild
- 3) Mr. William Adiwino
- 4) Ms. Ciu Fun

**Senior Officers**

- 1) Mr. Matt Aarne Karinen
- 2) Mr. David Saharin Rothschild

**B) Corporate Structure of Investor**



## PRODUCTS SUBJECT TO MODIFIED IMPORT DUTIES

### List of Approved Capital Goods

1. Management, Supervision, Staff and Employee Vehicles and People Movers -- All Types (including but not limited to 4-wheel drive, lorries, passenger trailers, motorcycles, and excluding sedans and non-4-wheel drive vehicles) for use on operational duties.
2. Agricultural Machinery & Equipment -- All Types (including but not limited to farm tractors, wagons, rotovators, backhoes, diggers, plows, irrigation equipment, mowers, power saws).
3. Communication and Computing Equipment -- All Types (including but not limited to telecommunications equipment and devices, radio and satellite communications equipment, transmission towers and cables, computers, control systems, routers, hubs, servers).
4. Environmental Systems, Equipment, and Construction Materials -- All Types (including but not limited to pumps, pipelines, agitators, tanks, materials for tank and other system requirements, sensors, probes, analyzers, remote sensing and monitoring equipment).
5. Fire, Safety, and Security Equipment -- All Types (including but not limited to fire trucks, fire extinguishers, alarm systems, fire fighting and safety equipment, personnel protective equipment).
6. General Construction Plant, Machinery and Equipment -- All Types (including but not limited to asphalt plant, wood processing and treatment plant, brick making plant, mixers, vibrators).
7. Heavy Machinery and Equipment -- All Types (including but not limited to bulldozers, graders, loaders, excavators, cranes, compactors, rollers, skidders).
8. Industrial Plant Machinery and Equipment -- All Types (including but not limited to oil palm processing plant machinery and equipment, oil palm refinery processing plant and equipments, palm kernel processing plant and equipments, chemical handling system and equipment, oxygen plant, conveyor systems, tanks, pipelines, and construction materials for plants).
9. Laboratory Equipment and Appliances -- All Types (including but not limited to plastimeters, autoclaves, tiroprcessor, analytical equipment, glassware, weighing scale, computer and data storage equipment).
10. Maintenance Workshop Machinery and Equipment -- All Types (including but not limited to air compressors, welding machines, lathes, grinders, machine shop equipment, hydraulic lifts and presses).

11. Material Handling Equipment – All Types (including but not limited to forklifts, container side loaders, bobcats).
12. Power and Steam Generator Plant, Machinery Equipment – All Types (including but not limited to generator sets, switchgears, transformers, transmission lines, boiler, biomass generators and related machinery and equipment, control panels).
13. Construction and Building Maintenance Tools, Hardware, Materials and Supplies – All Types (including but not limited to electrical materials and supplies, plumbing and sanitary materials and supplies, paint, nails, nuts and bolts, fencing materials, window glass, toilet and kitchen equipment and supplies, air conditioning)
14. Industrial Tools, Hardware, Materials and Supplies – All Types (including but not limited to hand tools, wheel barrows, safety gear and protective clothing, welding supplies, steel sheets, shafts, bars, rods, wires, pipes, valves, pipes and finings, saws and blades, dies, electrodes, bearings).
15. Steel structures, beams, reinforcement bars, pre-fabricated building structures, other construction steel – All Types.
16. Wood and Oil Palm Harvesting Machinery and Equipment – All Types.
17. Wood Processing Plant Machinery and Equipment – All Types.
18. Vehicles – All types (including but not limited to 4-wheel drive vehicles, pickups, trucks, tractors, trailers, tankers, buses, articulated vehicles, motorcycles) except Sedans.
19. Water and Sanitation Machinery and Equipment – All Types.
20. Office Equipment and Furniture – All Types (including but not limited to computers, displays, printers, storage systems, projectors, air conditioners, lighting, safety and security systems)
21. Aircraft (All types – including single and twin engine, fixed and rotary wing) for use in agricultural, emergency and operational people transport operations, and not to be used for third party commercial transportation.
22. Waterborne vessels - All types (including boats, ships, barges, rafts etc) to be used in port or rivers to support operations and move materials, products and staff, and not to be used for third party commercial transportation.
23. Capital equipment and materials for port facilities – All types (including cranes, piping and heating systems, navigational aids, fuel and water systems, and all other port infrastructure and operational equipment) for use in upgrading or new construction and operations of ports.

### List of Approved Goods and Materials to Meet Social Obligations

1. Medical Equipments, Appliances, Instruments, Furniture, Pharmaceuticals, Related Parts and Supplies, and all other materials, equipment, and supplies including but not limited to uniforms and personal protective equipment required to provide healthcare and to operate hospitals and clinic facilities.
2. Vehicles (ambulance and vehicles used as mobile clinics and healthcare transport, and other vehicles used for hospital/clinic operations and administration).
3. Education Materials and Supplies, Furniture and Equipment, and all other materials, equipment, and supplies required to provide education services and to operate schools, libraries, and training facilities including but not limited to uniforms and clothing
4. Vehicles (school buses and other vehicles used for school system operations and administration).
5. All building and construction materials and supplies used to build, equip and maintain medical facilities, schools, housing, and related infrastructure (including but not limited to construction steel, roofing, lumber, furniture, appliances).
6. Water and Sanitation Machinery and Equipment and related spare parts (including but not limited to well drilling rigs, well pumps, pipes, honey wagons).
7. Rice - All Types.
8. Health Maintenance Materials and Equipment - All Types (including but not limited to mosquito protection materials, breeding control equipment and tools, repellants, chemicals, rehabilitation and fitness equipment)

### List of Approved Items Used for Production

1. Agricultural and Industrial Chemicals.
2. Agricultural Tools, Hardware, Materials and Supplies for Oil Palm and related crops - All Types (including but not limited to bud grafting tools and materials, tapping tools and implements, spout steel, galvanized wire for hanging cups, latex cups, buckets, sprayers, cutlasses, slashing irons, rain coats and boots, chisels, sickles, harvesting poles) except as such products may be manufactured in Liberia and be of at least equal quality, cost and other commercial attributes when compared to the same products available from international vendors.

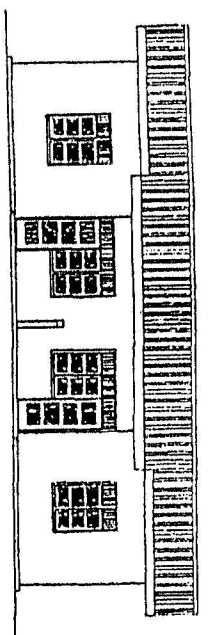
3. Fertilizer -- All Types required for rubber and oil palm cultivation.
4. Petroleum Products -- Lubricating Oil and Grease, Asphalt, Bitumen.
5. Gasoline, Fuel and Diesel Oil -- All Types.
6. Laboratory Materials and Supplies including laboratory consumables chemicals.
7. Non-Capital Materials & Supplies used for Production -- Oil Palm Processing and Refining, Palm Kernel Processing -- All Types (including but not limited to power saws, pumps, motors, air conditioners, tanks, small compressors, fans, small scales, packaging materials and supplies, and equipment, batteries).
8. Materials & Supplies used for Oil Palm nurseries, harvesting, transporting, processing, packaging, storage, and shipping.
9. Materials, Supplies and Spare Parts used for all types of approved capital goods.
10. Work clothing -- All types (Including but not limited to uniforms, protective clothing, footwear).
11. Seeds, genetic material and related materials.

APPENDIX - IV

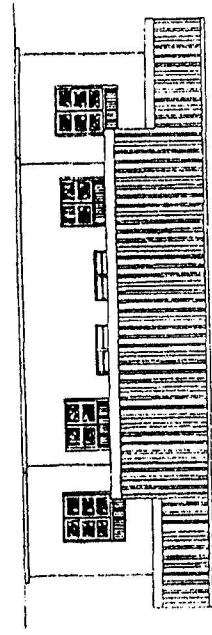
HOUSING STANDARDS

Typical permanent married employee housing unit layout. Drawing shows two unit house. Subject to location terrain, houses may be single, twin or multiple units, each with similar indoors layout to the one shown. Indoor western commode toilet and indoor kitchen.

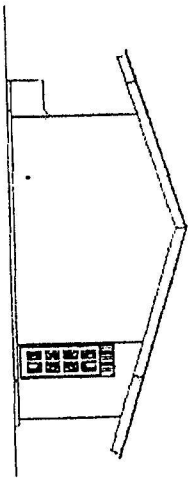




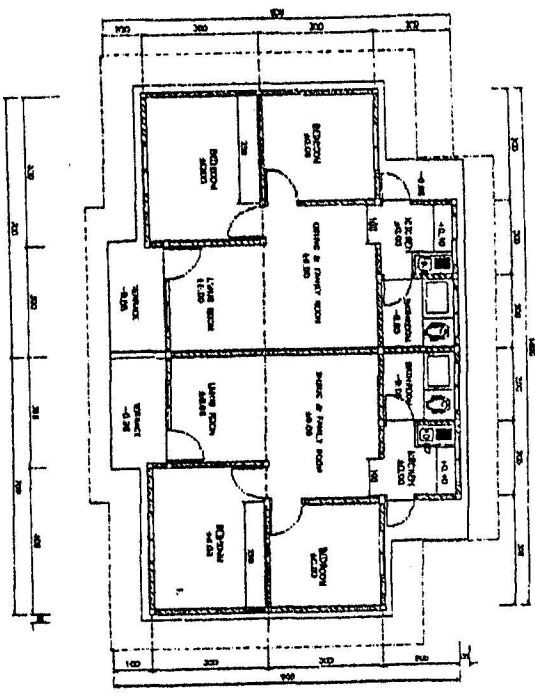
FRONT VIEW  
SCALE 1/8"



BACK VIEW  
SCALE 1/8"



SIDE VIEW  
SCALE 1/8"



PLAN  
SCALE 1/8"

**BUILDING SPECIFICATION**

ITEM	NOTE
FOUNDATION	CONCRETE
WALLS	BRICK
FLOORING	CONCRETE
ROOFING	ASPH/FLT
PAINT	EXTERIOR - WHITE
GLASS	DOUBLE GLAZED
DOORS	SOLID WOOD
STAIRS	WOOD
CEILING	PLASTER
MECHANICAL	HEATING - RADIANT
ELECTRICAL	WIRING - BRASS
PLUMBING	COPPER
INSULATION	MINERAL WOOL
FINISHES	WOOD TRIM
FIXTURES	BRASS
APPLIANCES	STAINLESS STEEL
LANDSCAPE	GRASS & SHRUBS
PERMITS	1-23
FOUNDATION	CONCRETE
WALLS	BRICK
FLOORING	CONCRETE
ROOFING	ASPH/FLT
PAINT	EXTERIOR - WHITE
GLASS	DOUBLE GLAZED
DOORS	SOLID WOOD
STAIRS	WOOD
CEILING	PLASTER
MECHANICAL	HEATING - RADIANT
ELECTRICAL	WIRING - BRASS
PLUMBING	COPPER
INSULATION	MINERAL WOOL
FINISHES	WOOD TRIM
FIXTURES	BRASS
APPLIANCES	STAINLESS STEEL
LANDSCAPE	GRASS & SHRUBS
PERMITS	1-23

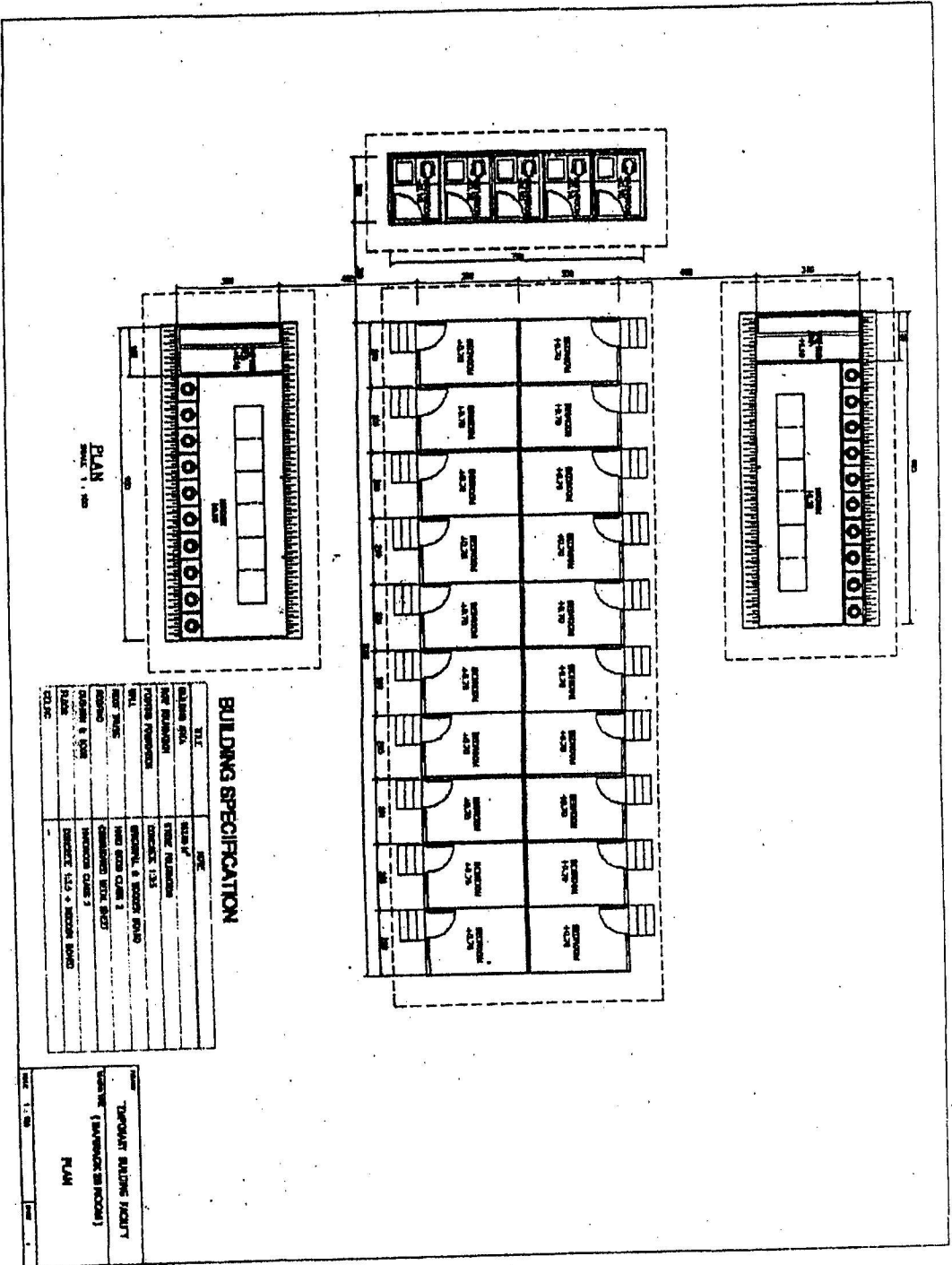
PROJECT: HOUSE # 100  
 DRAWN BY: [UNIVERSITY ARCHITECTURE]  
 PLAN & VIEW

**APPENDIX - IV A**

**TEMPORARY HOUSING STANDARDS**

Temporary housing layout. Similar unmarried housing may be used with toilets and kitchen facilities when upgraded.

At pioneer base camp stage will use wooden housing, tenting or containers before temporary/unmarried housing is constructed.



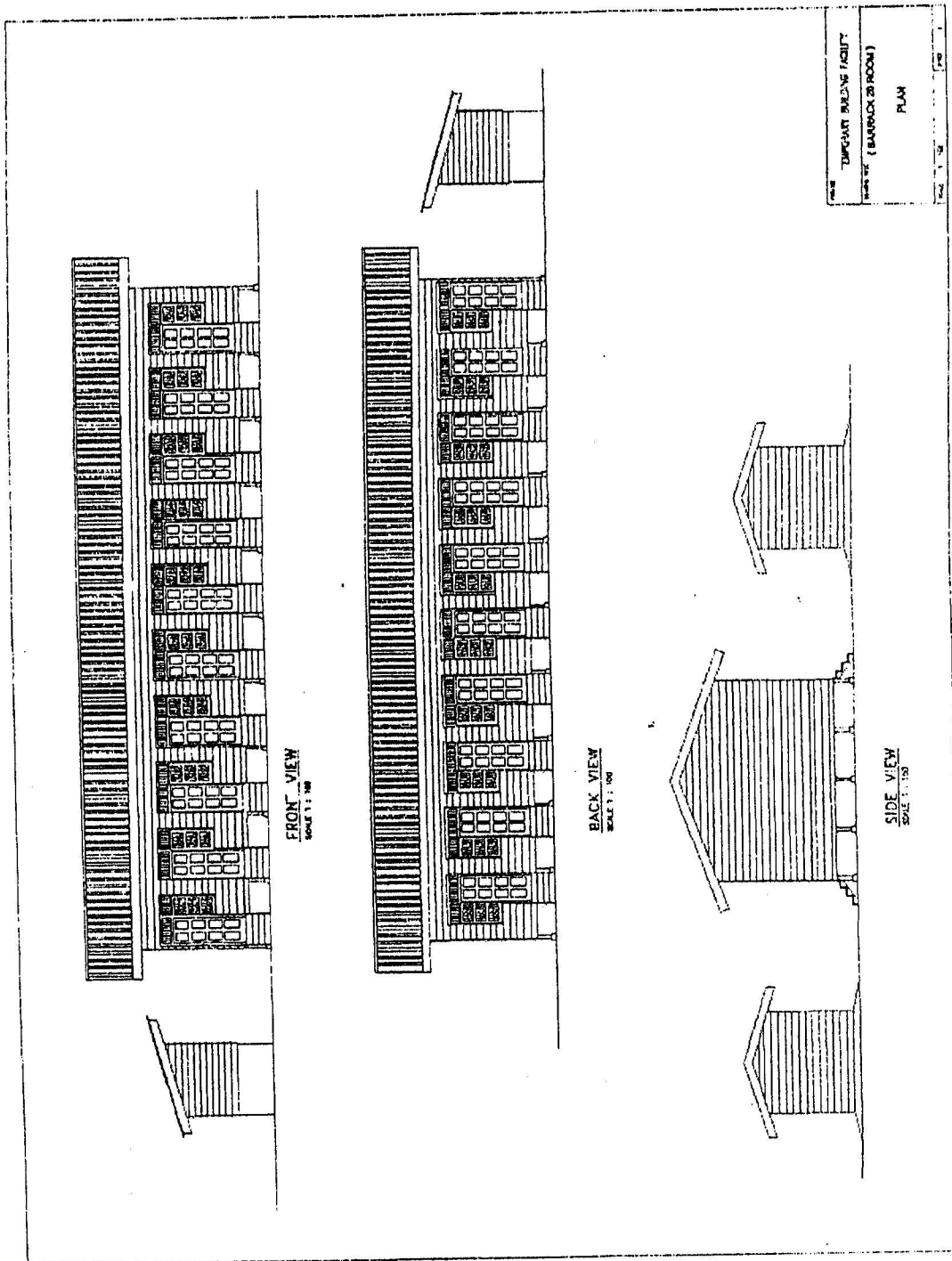
PLAN  
SCALE: 1" = 8'-0"

**BUILDING SPECIFICATION**

ITEM	DESCRIPTION	QUANTITY	UNIT
1	TEMPORARY BUILDING FACILITY	1	SQ. FT.
2	CONCRETE FLOOR	1	SQ. FT.
3	CEILING	1	SQ. FT.
4	WALLS	1	SQ. FT.
5	DOORS	1	EA.
6	WINDOWS	1	EA.
7	STAIRS	1	EA.
8	UTILITY AREA	1	SQ. FT.
9	STAIRS	1	EA.
10	UTILITY AREA	1	SQ. FT.

TEMPORARY BUILDING FACILITY  
SCALE: 1" = 8'-0"

9 0.1)



## INVESTOR ACTIVITY REPORT

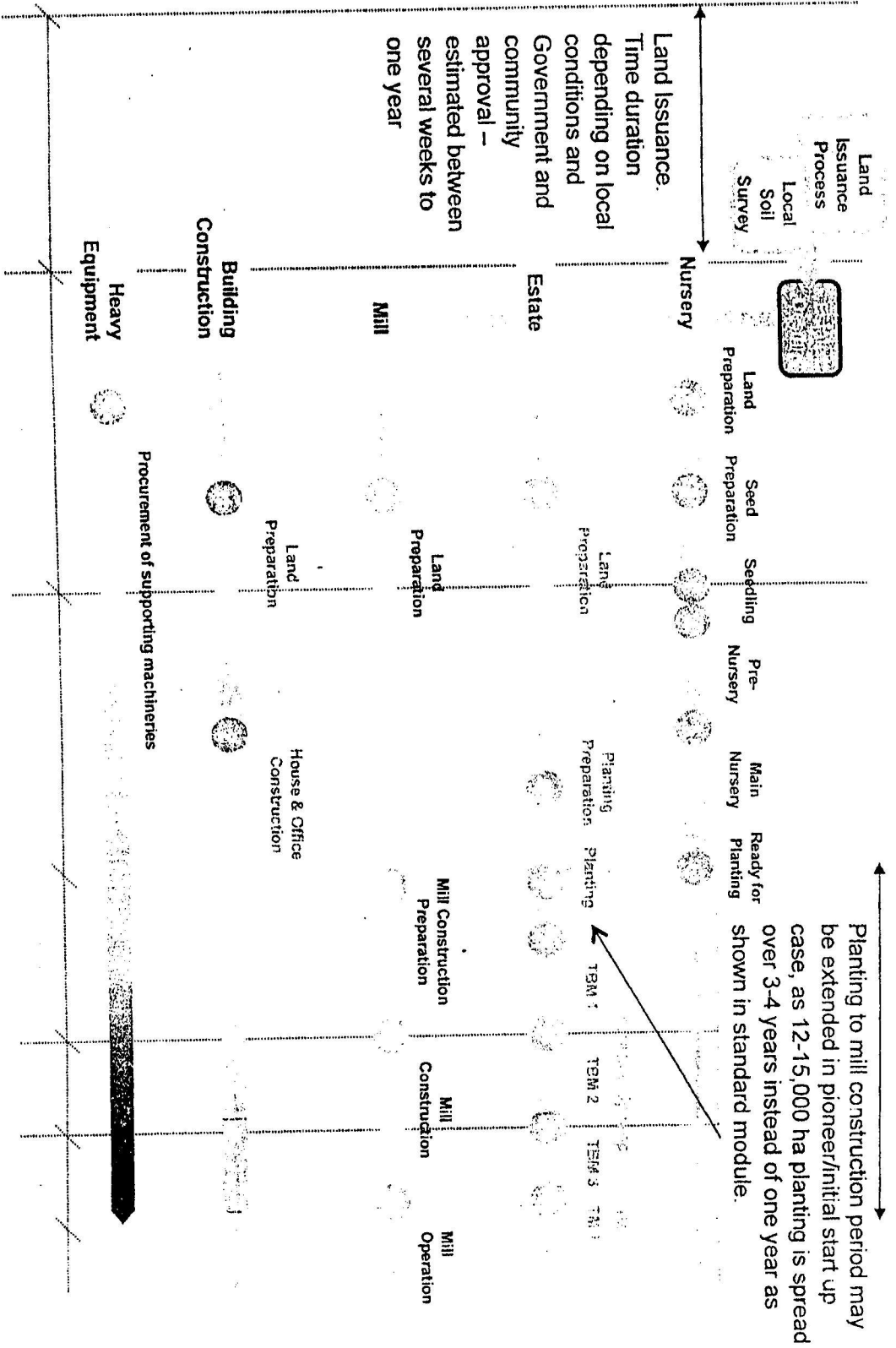
### Required Reports for Ministry of Agriculture and Ministry of Finance

TYPE OF REPORT	FREQUENCY
<b>A. Operational</b>	
1. Production (production; purchased palm fruit volume; factory output)	Monthly
2. Export: a) Type/grade of products exported b) Volume and value of products exported c) Country of destination	Monthly
3. Product value added, program and schedule the contents of which report is to be mutually agreed	Semi-annual
4. Replanting Program (existing no. of acres planted; update as to how many acres replanted; capital budget for replanting)	Annually
5. New land brought under production	Annually
6. No. of seedlings distributed to Smallholders	Annually
7. Smallholder acres planted, if any	Annually
8. Employment information, including payroll, headcount of employees by category and number of contract employees	Monthly
9. Training development program (status report on implementation, e.g., number of scholarships)	Annually
<b>B. Financial</b>	
1. List of capital items	Annually
2. Presumptive Turnover Tax Return Form	Monthly
3. Monthly Withholdings Tax Form	Monthly
4. Derivation of purchase and export prices for raw palm oil and/or refined palm oil and derivatives	Monthly
5. Investor's Quarterly Returns	Quarterly
6. Amount of taxes withheld under Liberian law from Liberian Oil Palm Farmers	Monthly
7. Number of Liberian oil palm farmers from whom oil palm products were purchased	Monthly
8. Liberian services and goods purchased	Annually

TYPE OF REPORT		FREQUENCY
9.	Unaudited financial statements and operational reports containing: a) Report on actual financial performance, b) Report on actual performance vs. development plan, c) Smallholder program expenditures, and d) Payments to affiliates, dividends, interest and services.	Quarterly
10.	Audited financial statements	Annually
<b>C. Social Services</b>		
1.	School enrollment by level	Annually
2.	Housing: No. of existing houses by category, including no. and cost of houses built in accordance with housing development plan, when issued, since last report	Annually
3.	No. of existing wells and latrines, including no. and cost of wells and latrines built since last report	Annually
4.	Health (no. of hospital beds; no. of clinics; no. of patients; expenditures)	Annually
5.	Concession Protection Division report (including no. and description of arrests and incidents)	Quarterly
6.	Environmental conditions of workshops and plant (effluent pond health)	Annually
7.	Environmental incidents	Immediately upon occurrence
8.	Compliance with collective bargaining agreements	Annually
9.	Occupational safety (accident reports)	Quarterly

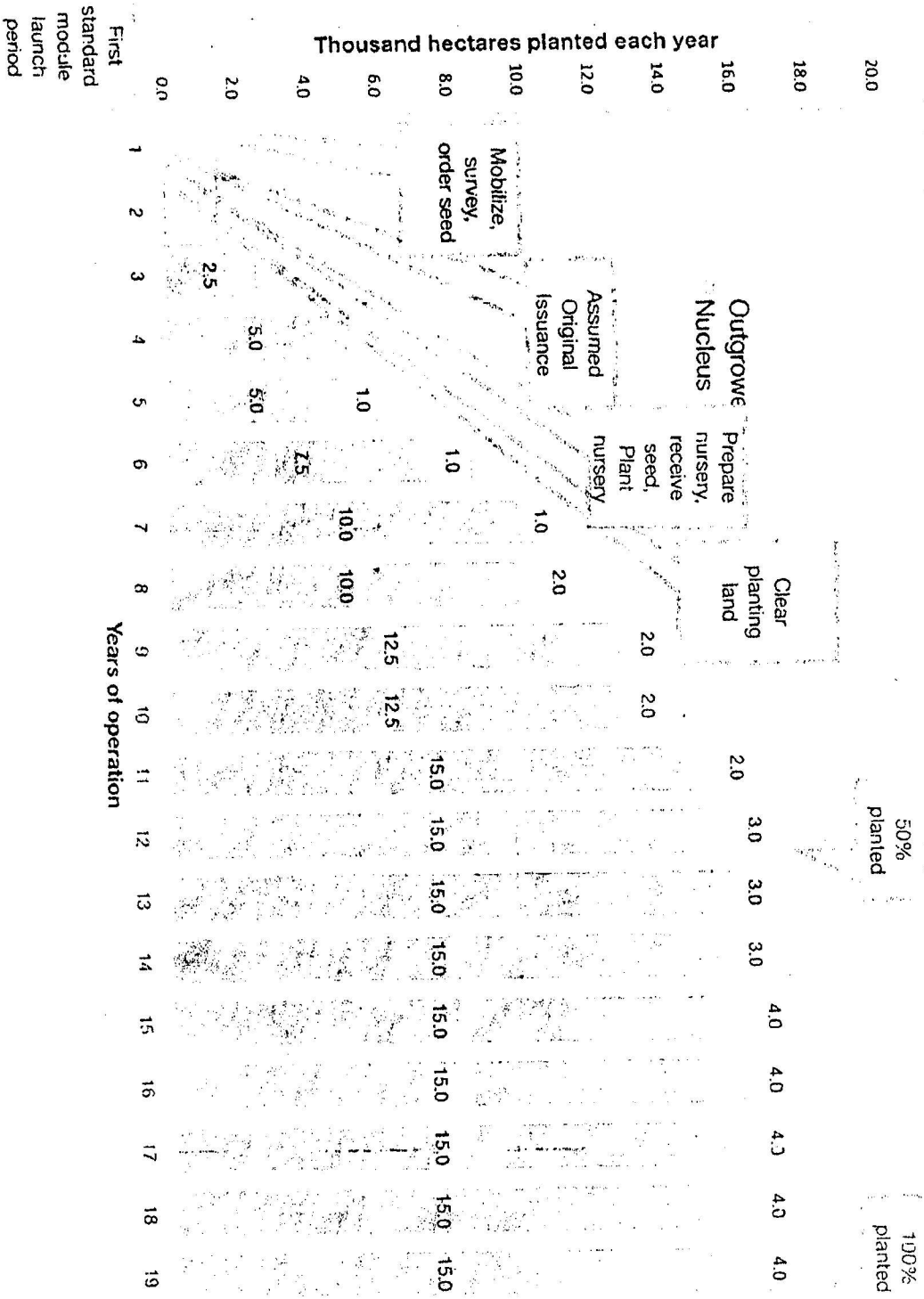
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# Appendix 6 - Development Plan - Standard Estate Module (12-15,000 ha) - Subject to modification by local conditions



# Initial Hectare Roll Out Plan (annual new planting addition) - Subject to modification

## Annual Activities





## Appendix VII – Key Performance Indicators

Key Performance Indicators (KPI) referred to in Paragraph 3.2 of the Agreement.

KPI Name	KPI definition
Value Added	50% or more of Investors' CPO production by sales value are processed in Liberia into further value added products
Productivity	Labor productivity matches or exceeds Liberian Oil Palm industry sector's average (hectarage-weighted)
Yield	Palm Product yield matches or exceeds Liberian Oil Palm industry sector's average (hectarage-weighted)
Wages and salaries	Average wages and salaries and benefits of Liberian employees matches or exceeds Liberian Oil Palm industry sector's average
Liberian management	Liberian nationals(*) hold 70% or more of the top 100 positions and 70% of top 10 positions, provided there are eligible Liberians willing to hold such positions
Environment	Environmental management effectiveness independently assessed to match or exceed regional palm oil industry best practices for comparable size class

The Investor is to meet or exceed 2/3s of the KPI's subject to a tolerance of 5%.

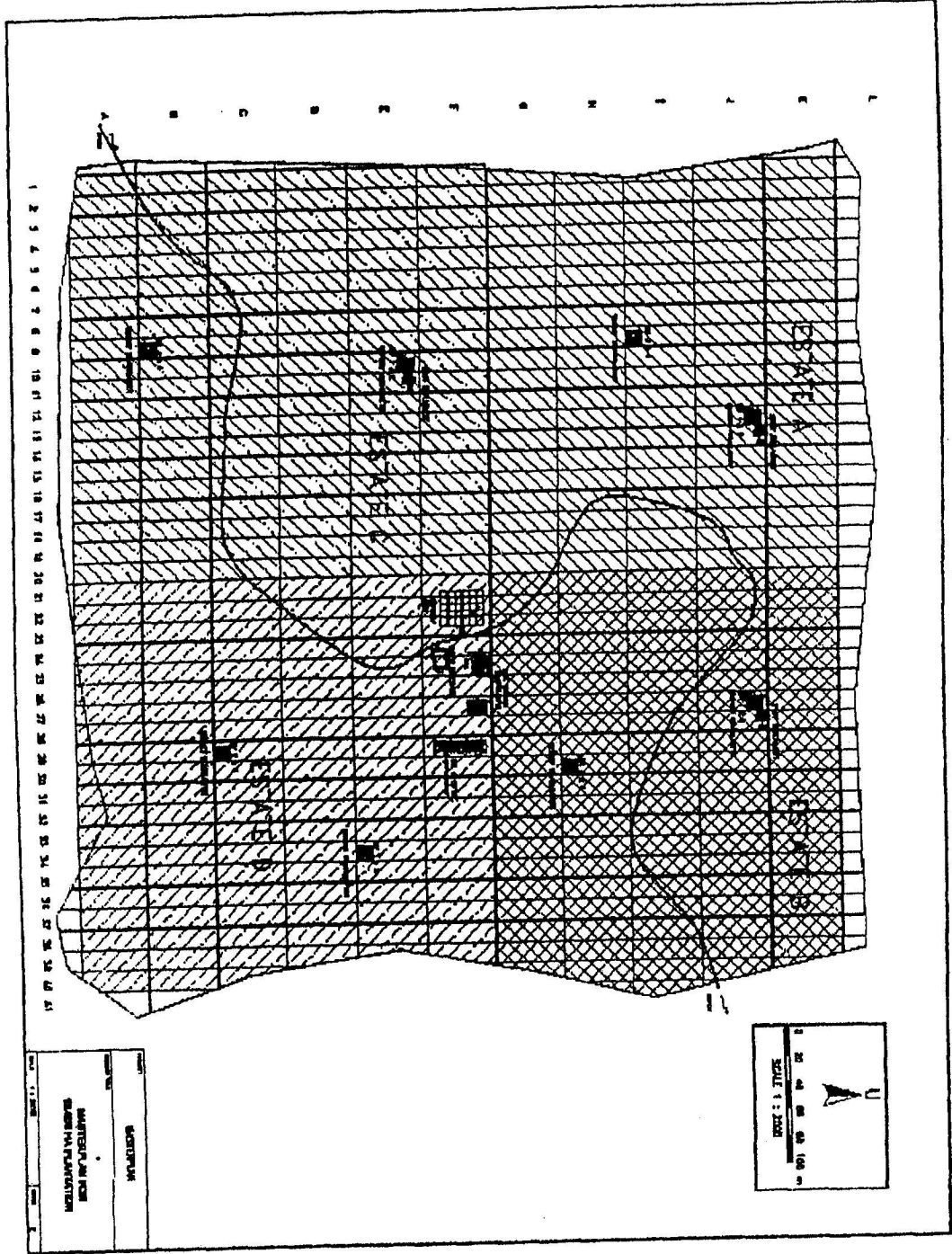
(\*) or such persons granted equivalent employment rights status by the Liberian Government under any Liberian, regional or other common labor market, naturalization, or other Government initiative.

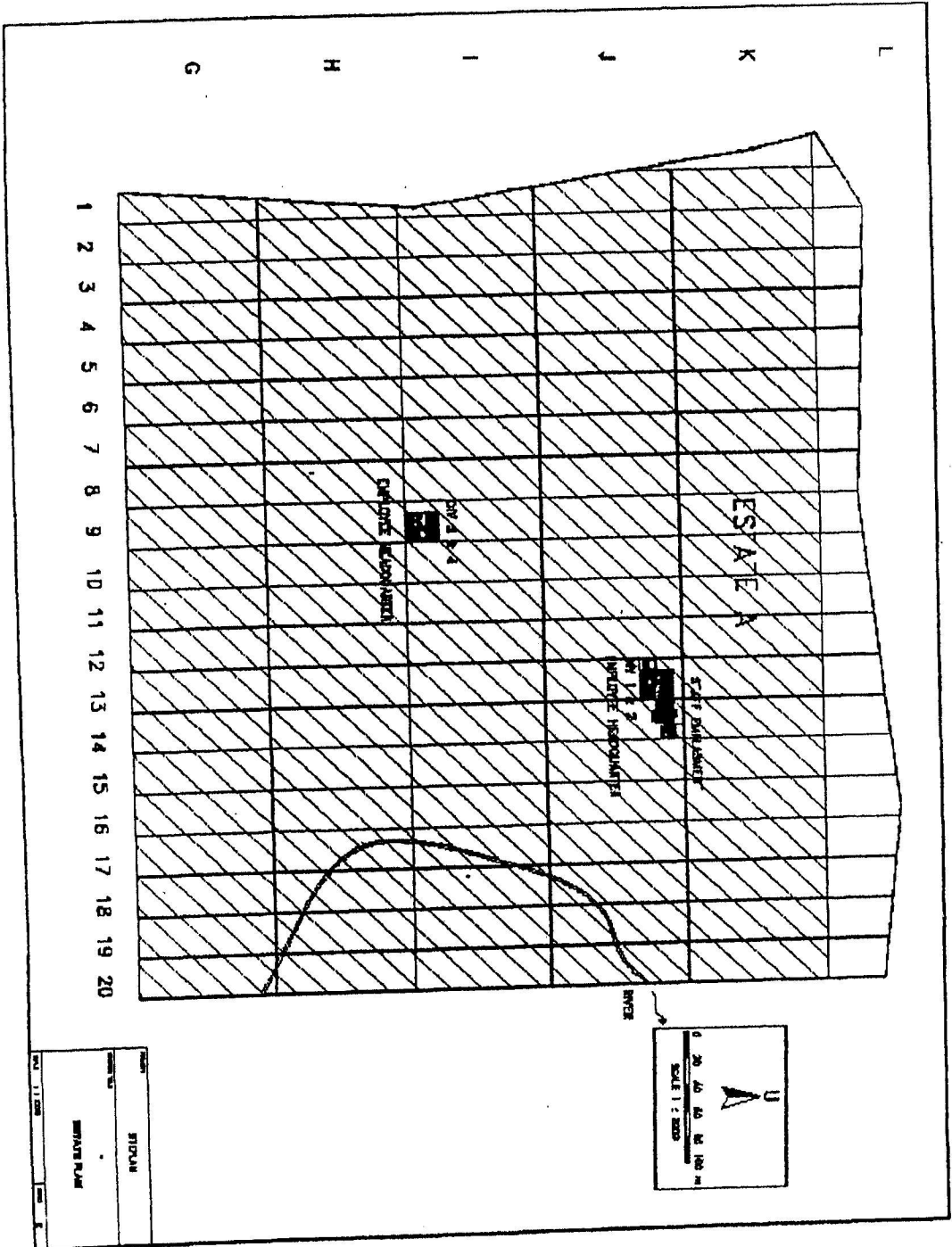
**APPENDIX - VIII**

**GVL BLOCK STRUCTURE**

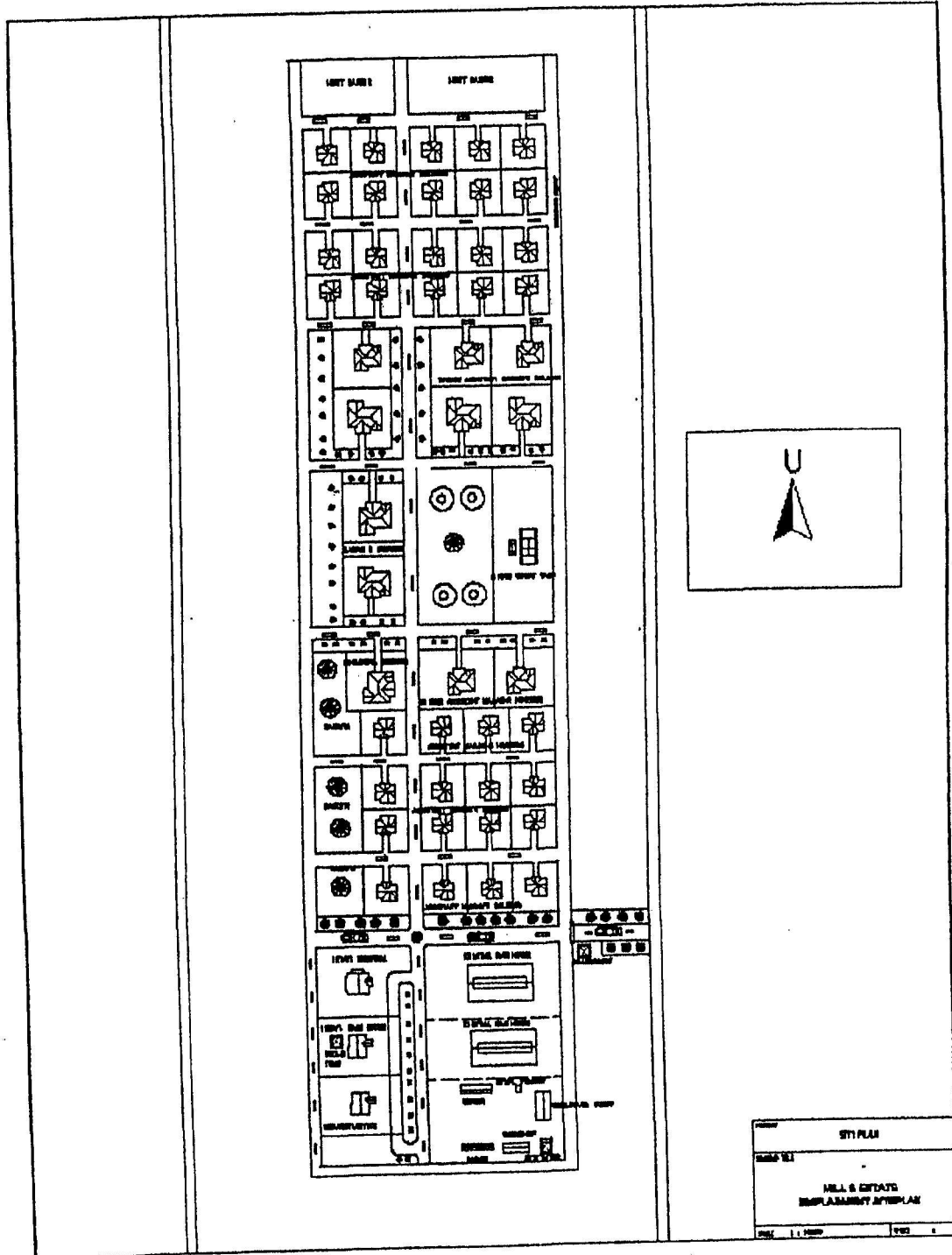
1. Planting Blocks typically 300-500 x 700-1000 meters delimited by harvesting roads
2. Connecting Roads, Waterways
3. Security posts
4. Region, estate and subdivision offices
5. Employee Housing situated within region, estate and divisional clusters
6. Workshops
7. Warehouses
8. Mills and their associated tanks, effluent ponds and power plants
9. Power plants
10. Medical and Health facilities including health post at estate level and doctor/nurse clinic at region or estate level, depending on population
11. Schools including kindergarten/elementary and primary schools at division or estate housing complex level and middle and higher schools at estate or region level, depending on population
12. Sporting and Community Facilities
13. Sites for places of worship

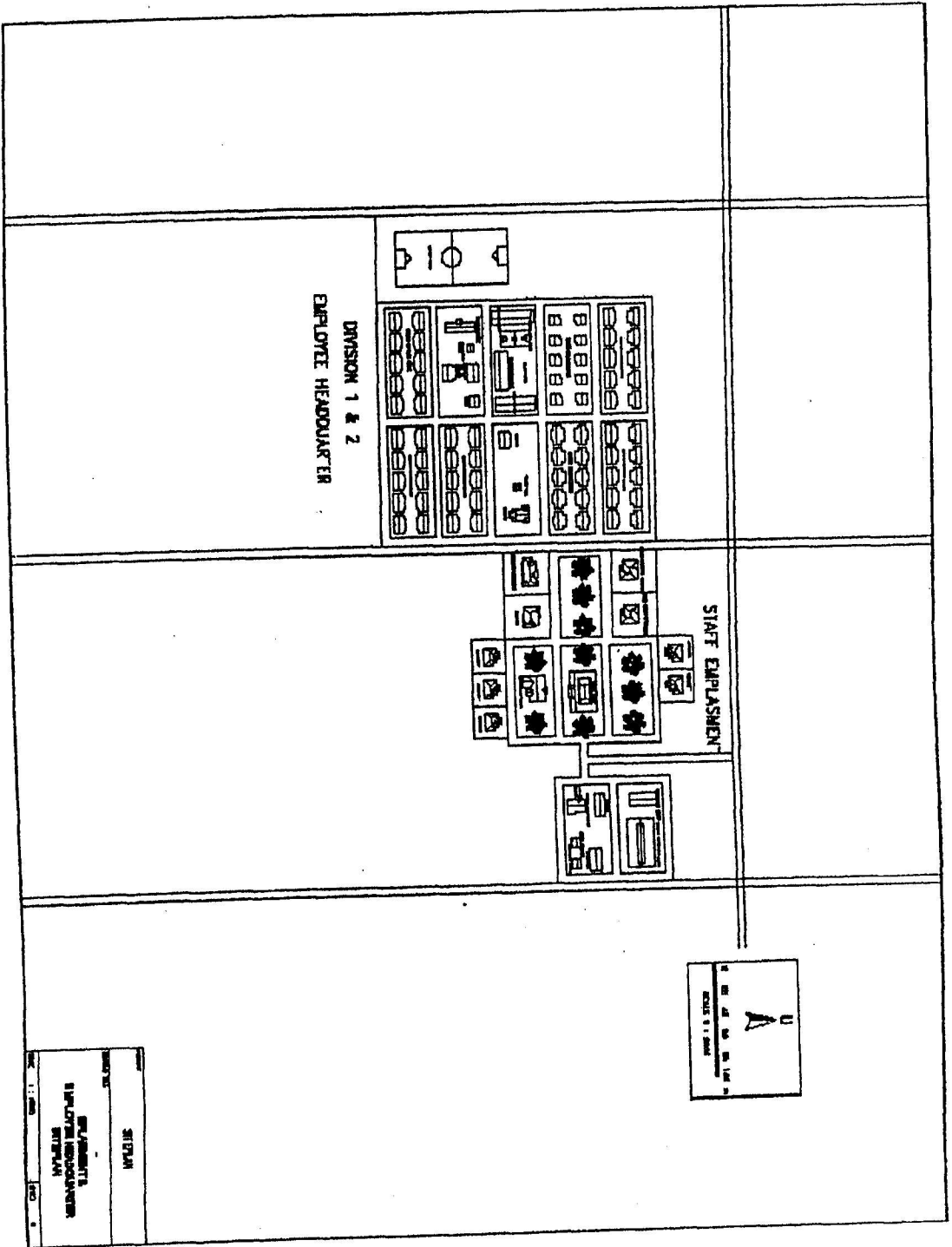
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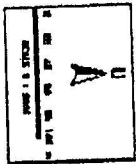
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DIVISION 1 & 2  
EMPLOYEE HEADQUARTER

STAFF EMPLOYMENT



SECTION  
GENERAL  
ELECTRICAL INSTALLATION  
SECTION

## SHAREHOLDER JOINDER AGREEMENT

This Shareholder Joinder Agreement (this "Joinder") is made as of this \_\_\_ day of \_\_\_\_\_, 20\_\_\_ by \_\_\_\_\_, a \_\_\_\_\_ [corporation] ("Shareholder").

WHEREAS Shareholder is entering into this Joinder pursuant to Section 28.10(e) of that certain Concession Agreement made and entered into as of August 16, 2010 (the "Concession Agreement") by and between the Republic of Liberia (hereinafter referred to as the "Government") and Golden Veroleum (Liberia) Inc. a corporation duly organized under the laws of the Republic of Liberia (the "Investor");

WHEREAS capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Concession Agreement;

WHEREAS, on this date, Shareholder has acquired Control of Investor in accordance with the terms of the Concession Agreement.

NOW, THEREFORE, the Shareholder, intending to be bound hereby agrees as follows for the benefit of the Government and the Investor:

1. **Joinder.** The undersigned Shareholder has executed this Joinder as of the date set forth above for the limited purpose of acknowledging and accepting its appointment to act on behalf of Investor pursuant to Section 28 of the Concession Agreement and its agreement to comply with the provisions of Section 28 of the Concession Agreement that are applicable to the undersigned as "Shareholder."

2. **Governing Law; Jurisdiction.** This Joinder shall be enforced, construed and interpreted in accordance with the Laws of the Republic of Liberia.

IN WITNESS WHEREOF, the undersigned has caused this Joinder to be executed as of the date and year first above written.

[ **SHAREHOLDER** ]

By: \_\_\_\_\_  
Authorized Representative

## SUB-CONCESSION SUBSIDIARY JOINDER AGREEMENT

This Sub-Concession Subsidiary Joinder Agreement (this "Joinder") is made as of this \_\_\_ day of \_\_\_, 20\_\_ by and among \_\_\_\_\_, a Liberian corporation ("Sub-Concession Subsidiary"), the Republic of Liberia (hereinafter referred to as the "Government") and Golden Veroleum (Liberia) Inc. a corporation duly organized under the laws of the Republic of Liberia (the "Investor").

WHEREAS Sub-Concession Subsidiary is entering into this Joinder pursuant to Section 24.3 of that certain Concession Agreement made and entered into as of August 16, 2010 (the "Concession Agreement") by and between the Government and Investor; and

WHEREAS capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Concession Agreement;

NOW, THEREFORE, the parties hereto, intending to be bound, hereby agree as follows:

1. **Representations.** Sub-Concession Subsidiary and Investor hereby represent and warrant to Government as follows:
  - (a) Sub-Concession Subsidiary is a Subsidiary of Investor.
  - (b) The representations and warranties of Investor set forth in Article VI of the Concession Agreement are true and correct substituting "Sub-Concession Subsidiary" for Investor. Concurrently with the execution and delivery hereof, Sub-Concession Subsidiary has furnished to Government a copy of Appendix II to the Concession Agreement setting forth, with respect to itself, the information required to be set forth thereon.
  - (c) On the date hereof, Investor has assigned and delegated to Sub-Concession Subsidiary the rights of Investor under the Concession Agreement with respect to such portion of the Concession Area and such Investor Activities conducted therein as are set forth on Annex A attached hereto (such rights, the "Sub-Concession Rights" and such area, the "Sub-Concession Area").
2. **Joinder.** Sub-Concession Subsidiary agrees to be bound by, comply with the terms of and be subject to the provisions of the Concession Agreement, as if Sub-Concession Subsidiary were the "Investor" insofar, and only insofar, as relates to the Sub-Concession Rights and the Sub-Concession Area.
3. **Continuing Obligation.** Investor shall remain fully responsible for the performance of its obligations under the Concession Agreement and the Government shall be entitled to deal solely with the Investor in relation to the Investor Activities in by the Sub-Concession Area and the other Sub-Concession Rights, until such time as a Qualified Transferee that is not an Affiliate of Investor becomes the owner of the Sub-Concession Subsidiary.

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4. **Governing Law; Jurisdiction.** This Joinder shall be enforced, construed and interpreted in accordance with the Laws of the Republic of Liberia.

**[Signatures on the next page.]**

**AN ACT TO RATIFY THE CONCESSION AGREEMENT  
BETWEEN THE REPUBLIC OF LIBERIA AND GOLDEN  
VEROLEUM (LIBERIA) INC.**

It is enacted by the Senate and House of Representatives of the Republic of Liberia in Legislature assembled:

**SECTION I:** That from and immediately upon the passage of this Act, "AN ACT TO RATIFY THE CONCESSION AGREEMENT BETWEEN THE REPUBLIC OF LIBERIA AND GOLDEN VEROLEUM (LIBERIA) INC. as herein recited below word for word in the authentic English version be and the same is hereby ratified to give full force and effect to the provisions as contained herein

**SECTION II: SHORT TITLE:** This Act to RATIFY THE CONCESSION AGREEMENT BETWEEN THE REPUBLIC OF LIBERIA AND GOLDEN VEROLEUM (LIBERIA) INC shall also be cited as LIBERIA AND GOLDEN VEROLEUM AGREEMENT.

**SECTION III:** That any and all obligations, covenants, terms and conditions as contained in the above mentioned CONCESSION AGREEMENT BETWEEN THE REPUBLIC OF LIBERIA AND GOLDEN VEROLEUM (LIBERIA) INC. shall be carried into full completion unless otherwise modified, amended or repealed.

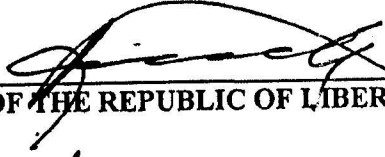
**SECTION IV:** This Act shall take effect immediately upon the publication into handbills.

**ANY LAW TO THE CONTRARY NOTWITHSTANDING.**

2010

ATTESTATION

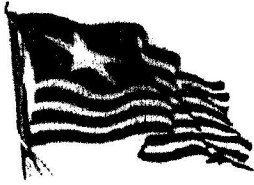
“AN ACT TO RATIFY THE CONCESSION AGREEMENT BETWEEN THE  
REPUBLIC OF LIBERIA AND GOLDEN VEROLEUM (LIBERIA), INC.”

  
\_\_\_\_\_  
VICE PRESIDENT OF THE REPUBLIC OF LIBERIA/ PRESIDENT OF THE SENATE

  
\_\_\_\_\_  
SECRETARY, LIBERIAN SENATE, R.L.

  
\_\_\_\_\_  
SPEAKER, HOUSE OF REPRESENTATIVES, R.L.

  
\_\_\_\_\_  
CHIEF CLERK, HOUSE OF REPRESENTATIVES, R.L.



Office of the Chief Clerk

REPUBLIC OF LIBERIA  
THE HONORABLE HOUSE OF REPRESENTATIVES

Capitol Building  
P.O. Box 9005  
Monrovia, Liberia



2010

FIFTH SESSION OF THE FIFTY-SECOND LEGISLATURE OF THE REPUBLIC OF  
LIBERIA

SCHEDULE OF THE HOUSE'S ENROLLED BILL NO.6 ENTITLED:

"AN ACT TO RATIFY THE CONCESSION AGREEMENT BETWEEN THE REPUBLIC  
OF LIBERIA AND GOLDEN VEROLEUM (LIBERIA), INC."

PRESENTED TO THE PRESIDENT OF THE REPUBLIC OF LIBERIA FOR EXECUTIVE  
APPROVAL.

APPROVED THIS 1<sup>ST</sup> DAY OF September A.D. 2010

AT THE HOUR OF 5:00 P.M.

George Weah  
THE PRESIDENT OF THE REPUBLIC OF LIBERIA



2010

FIFTH SESSION OF THE FIFTY-SECOND LEGISLATURE  
OF THE REPUBLIC OF LIBERIA

HOUSE'S ENGROSSED BILL NO. 13 ENTITLED:

“AN ACT TO RATIFY THE CONCESSION AGREEMENT  
BETWEEN THE REPUBLIC OF LIBERIA AND GOLDEN  
VEROLEUM (LIBERIA), INC.”

On motion, Bill read. On Motion, the Bill was adopted on its  
first reading and sent to Committee Room on Tuesday, August  
18, 2010 @ 13:00GMT.

On motion, Bill taken from the Committee Room for its second  
reading. On motion, under the suspension of the rule, the  
second reading of the Bill constituted the third reading and the  
Bill was adopted, ordered engrossed and passed into the full  
force of the law today, Wednesday, September 1, 2010 @  
13:50 AM.

  
CHIEF CLERK, HOUSE OF REPRESENTATIVES

2010

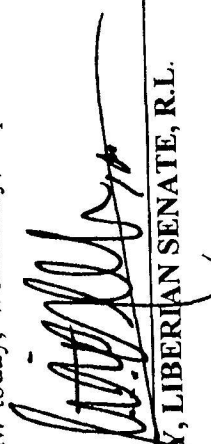
FIFTH SESSION OF THE FIFTY-SECOND LEGISLATURE  
OF THE REPUBLIC OF LIBERIA

SENATE'S ENDORSEMENT TO HOUSE'S ENGROSSED  
BILL NO. 13 ENTITLED:

“AN ACT TO RATIFY THE CONCESSION AGREEMENT  
BETWEEN THE REPUBLIC OF LIBERIA AND GOLDEN  
VEROLEUM (LIBERIA), INC.”

On motion, Bill read. On Motion, the Bill was adopted on its  
first reading and sent to Committee Room on Monday, August  
23, 2010 @ 11:28 GMT.

On motion, Bill taken from the Committee Room for its second  
reading. On motion, under the suspension of the rule, the  
second reading of the Bill constituted the third reading and the  
Bill was adopted, ordered engrossed and passed into the full  
force of the law today, Wednesday, September 1, 2010 15:15  
GMT

  
SECRETARY, LIBERIAN SENATE, R.L.

