

## MEMORANDUM OF UNDERSTANDING BETWEEN THE INDEGENES OF NGUTI SUB DIVISION AND SG SUSTAINABLE OILS CAMEROON LTD

Under this memorandum of understanding (MOU) the inhabitants of Nguti Municipality (Community), hereby accept the investments by SG SUSTAINABLE OILS CAMEROON LTD (SGSOC) in Nguti and in return SG SUSTAINABLE OILS CAMEROON LTD shall implement and start the project immediately the following:

- ❖ SG SUSTAINABLE OILS CAMEROON LTD will conduct a social and environmental impact assessment (SEIA) in all the twenty one (21) villages of Nguti Sub Division affected by the project to (i) Identify potential social and environmental impacts of the project and (ii) identify potential benefits to the communities and opportunities for local development, income generation and livelihood improvement. The (SEIA) will engage the communities' participation, input and feedback including a comprehensive list of the affected project villages.
- ❖ SGSOC will avoid damaging or including any of the existing farmland within the concession area. To the extent possible all farmland will be left to continue to exist as they were prior to SGSOC' s palm project. However, due to the terrain and topography of the land it may not be possible to completely avoid overlapping with existing farmland. SGSOC will consider feasible alternative project designs to avoid or at least minimize physical or economic displacement.
- ❖ To the extent that existing farmland are impacted by SGSOC's oil palm project, SGSOC will provide compensation for the loss of assets and offer an equal or better livelihood in cases where resettlement is the most practical option in accordance with international standards and guidelines
- ❖ SGSOC will leave out land for local out growers schemes, for the cultivation of oil palm and purchase the resulting fresh fruit bunches (FFB), thereby providing a credit-worthy reliable buyer for local farmers production.
- ❖ There shall be joint demarcation of land with the local communities, SGSOC and the administration to leave out a buffer zone between the SGSOC plantation and the local farmlands, community forests, council forest and protected areas.

- ❖ SGSOC will provide technical assistance training on best practices for increased oil palm yields, efficiency in resource use, environmental protection and safety to local farmers.

- ❖ SGSOC will contribute corporate taxes to the relevant taxing authorities.

- ❖ SGSOC will pay land rental fees to the local government treasury or as instructed by government.

- ❖ SGSOC will contribute to local schools to improve their conditions.

- ❖ SGSOC will provide medical clinics to employees and make these clinics available to the local communities.

- ❖ SGSOC will provide modern wells and portable pipe-borne drinking water to the communities.

- ❖ SGSOC plans to expand into additional areas and will invest in farm roads to link local regions with the main project especially the Mbo hinterlands of Nguti Sub Division.

- ❖ SGSOC will produce electricity, and where practicable, will make the surplus generation available to the communities at low cost.

- ❖ SGSOC will adhere to local and international guidelines and policies to ensure all planting and production is done in an environmentally friendly and sustainable manner.

- ❖ SGSOC will provide scholarships in fields related to Agro-industry and other areas to Universities for indigenes of Nguti Sub Division starting in the first year of the operation of the project.

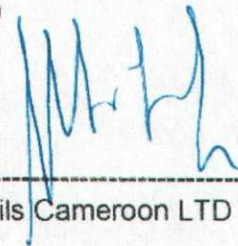
- ❖ SGSOC will create long-term sustainable employment. The project will employ several thousand full time permanent employees once fully operational with priority to the indigenes of Nguti Sub Division, thus reducing rural exodus.

- ❖ Revenues from the sale of oil palm products owned by All For Africa ([www.allforafrica.org](http://www.allforafrica.org)), SGSOC's partner non-profit organization, will provide funding to local charitable organizations that provide crucial social goods and services to the communities.

In consideration of the aforementioned policies, programs and benefits both SGSOC and the communities agree that the project shall begin immediately after the joint demarcation of the project area beginning with the immediate demarcation of the proposed nursery site.

The parties to the Memorandum of understanding hereby expressly undertake to prepare a Formal Agreement and thereafter execute same in the presence of the Administrative Authorities, which Agreement must reflect all the commitments contained in the Memorandum of Understanding.


Done at Nguti, this 27<sup>th</sup> day of July 2010



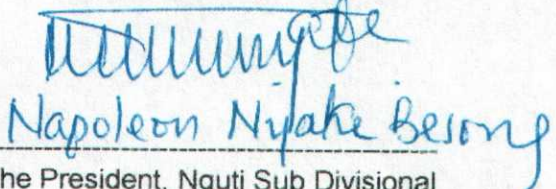
For SG Sustainable Oils Cameroon LTD

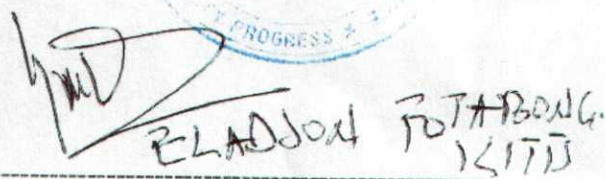
For the Indigenes

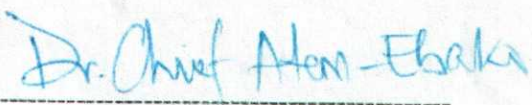
  
The Member of Parliament Nguti Sub Division

  
The Lord Mayor, Nguti Council

  
The President, Nguti Sub-Divisional Chiefs Conference

  
The President, Nguti Sub Divisional Cultural and Development Association (NGUSCUDA)

  
The CPDM Section President, Kupe Muanenguba II,

  
The Moderator of the Think Tank

S/N	NAME	VILLAGE	POSITION	SIGNATURE
01	Edward Agbenjo	NGUTI TOWN	Representative	
02	Aku Anderson	MBOKA	Representative	
03	Temi Johnson	EKENGE	Representative	
04	Ekoko Francis	OFRIKPABI	Representative	
05	Aku George	EDIENGO	Representative	
06	Chief Emi Makin II	BETOCK	Chief	
07	Chief Nkeogor Jacob Ebin	MANYEMEN	Chief	
08	Chief TAMBE John BITA	EBANGA	Chief	
09	Dr. Chief Atem Ebin	TALANGAYE	Chief	
10	Chief Tombi Jamiel	EKITA	Chief	
11	Jafred Enambo	BABENSI II	Representative	
12	Chief Boniface W. ABIA	BABENSI I	Chief	
13	Abel Ebin	BADUN	Chief	
14	Osong Simon	NEW KONYE	Representative	
15	Ngo Ebin Ebin	MUNGO NDOR	Representative	
16	Soet Nwale Akeme	BOMBE KONYE	Representative	
17	Tingka Ebin Simon	NTALE	Representative	
18	TABI NAPOLEON	BARO	CHIEF	
19	London Alex Akwal	AYONG	Representative	
20	TABI THOMAS ASEK	SIKAM	Representative	
21	Ebelle Adolf	OSIRAYIB	Chief	