

THIRD PARTY FOREST MANAGEMENT AGREEMENT

THIS THIRD PARTY FOREST MANAGEMENT AGREEMENT, made and entered into this 18th day of March, A. D., 2017 by and between **GARWIN COMMUNITY FOREST MANAGEMENT BODY**, representing **GARWIN COMMUNITY FOREST** located in Garwin Chiefdom Zarque and Bah Clans, Doedain District, River Cess County, hereinafter known and referred to as the "Community", and **TETRA ENTERPRISE INC.**, a Corporation organized and existing under the Laws of the Republic of Liberia, represented by its General Manager, Anniebel Morris, hereinafter known and referred to as "Tetra or the Company", hereby:

WITNESSETH:

WHEREAS, the people of Garwin Chiefdom are the owners of the Garwin Community Forest in Doedain District, Rivercess County; and

WHEREAS, the people of Garwin Community Forest has entered into an agreement with the Government of Liberia, by and through the Forestry Development Authority for the sustainable management and use of its forest resources in line with the Forestry Laws of Liberia; and

WHEREAS, the people of Garwin Community Forest has express their readiness to offer their forest for Commercial purposes in line with the requirements of the Community Rights Laws with Respect to Forest Lands, the Community Rights Law Regulations, the National Forestry Reform Law of 2009 and its attending regulations; and

WHEREAS, Tetra Enterprise INC. is a duly registered and qualified Company with a Pre-Qualification Certificate to engage directly or indirectly in logging in the Republic of Liberia; and

WHEREAS, Tetra Enterprise INC has represented to the people of Garwin Community Forest through the Garwin Community Forest Management Body that it is disposed to manage their Community Forest for commercial purpose to further the development of the people of Garwin Community Forest; and

WHEREAS, Garwin Community Forest Management Body has consented and determined it to be in the best interest of the people of Garwin Community Forest for Tetra Enterprise INC to commercially manage their forest under this Community Forest Management Agreement.

NOW THEREFORE, for and in consideration of the premises, mutual promises, covenants and agreements herein contained, the Parties hereby agree as follows:

1. COMMUNITY FOREST AREA

The Community Forest Management area for the purpose of this Agreement is situated in Rivercess County, Republic of Liberia and covers a total area of **36,637 hectares / 90,532 acres** as detailed in Annex A.

2. DURATION OF AGREEMENT

This Community Forest Management Agreement shall be in full force and effect for a period of fifteen (15) years which shall commence immediately upon the signing of this Agreement between the Garwin Community Forest Management Body (GCPMB) and Tetra Enterprise INC. It is mutually understood and agreed that the Social Agreement and its implementation shall be subject to periodic review by the parties hereto every five (5) years during the life of this agreement. This agreement shall be deem terminated if Tetra Enterprise Inc. failed to commence operation within twelve months.

3. FISCAL CONSIDERATION

3.1 **TETRA ENTERPRISE INC.** shall pay the amount of US\$ 1.25(United States Dollars One 25/100) per hectare annually for land rental fee in accordance with the National Forestry Reform Law. This fee shall be paid directly to the Forestry Development Authority (or its agent). The FDA in accordance with the Community Rights Law with Respect to Forests Land shall remit fifty five percent (55%) of the collected Land Rental to the GCFMB in a timely manner. Tetra Enterprise INC. shall inform GCFMB of its payment of the Land rental at the time of each payment. It is agreed by the parties that Tetra Enterprise shall pay two years advance on land rental in the amount of US\$91,592.50(United States Dollars Ninety One Thousand Five Hundred Ninety Two 5/100), within three after the signing of this agreement.

3.2 **TETRA ENTERPRISE INC.** shall pay the amount of US\$ 1.50 (United States Dollars One 50/100) for every cubic meter of log felled, to the GCFMB on a quarterly basis, regardless of whether or not logs felled are shipped. **TETRA ENTERPRISE INC.** shall furnish the GCFMB with copies of Log Data Form (LDF), which shall serve as the official source to determine actual volume felled.

4. REQUIREMENTS BEFORE COMMERCIAL FELLING

It is mutually understood and agreed by **TETRA ENTERPRISE INC** and GCFMB that no commercial felling shall commence until the completion of the Community Forest Management Plan, and the completion of the Environmental Impact Assessment and other felling requirements established by the FDA. .

5. SOCIAL AGREEMENT

The people of Garwin Community Forest , having identified its representative body, firstly the Garwin Community Assembly and the Garwin Community Forest Management Body(GCFMB), to represent it in accordance with the Community Rights Law with Respect to Forest Land and its regulations, shall ensure no other person outside of the GCFMB shall in anyway represent himself/herself/themselves as the authorized representatives of the people of Garwin Community Forest in relation to any terms of this Agreement , including financial payments or social obligations. It is mutually understood and agreed by **TETRA ENTERPRISE INC** and GCFMB that:

1. **GCFMB** has the power to negotiate on all affected community's behalf.
2. **GCFMB** shall provide a list of its members and be responsible to inform **TETRA ENTERPRISE INC.**, of any change to its membership immediately.
3. **GCFMB and TETRA ENTERPRISE INC.** hereby agree and stipulate that the social commitment to the people of Garwin Community Forest shall follow the guidelines as prescribed by the Forestry Development Authority.
4. **TETRA ENTERPRISE INC.** agrees to design its logging operations to minimize effects on traditional practices such as taboo day, sacred sites, and the range of taboo animals/plants, medicinal plants sites, hunting grounds, to the extent that they will respect the traditional practices, laws and regulations of the people of Garwin Community Forest.
5. **GCFMB** agrees to inform **TETRA ENTERPRISE INC.**, of all relevant traditional practices and regulations to ensure compliance.
6. **TETRA ENTERPRISE INC.** agrees to ensure that water collection points are protected and maintained. **TETRA ENTERPRISE INC.** shall construct two toilets and two hand pumps annually in the Community. The site/location of the construction shall be determined by the GCFMB.
7. **TETRA ENTERPRISE INC** agrees that its timber operations shall be timed to minimize disruption to subsistence agricultural activities.
8. **TETRA ENTERPRISE INC** agrees that its timber operations shall respect the existing cash crops within the Community Forest Management Area.

C. Human Resource: TETRA ENTERPRISE INC shall provide annually US\$7,500.00 to the Community for scholarships for deserving students from the affected communities. Tetra Enterprises Inc. shall also provide on the job capacity building for teachers that will be hired in the two schools that will be constructed.

10. **GCFMB** agrees to conduct a community wide sensitization of all affected communities to assess various community needs. Once this list is completed, the list shall be submitted to **TETRA ENTERPRISE INC.** for comment and response. It is clearly understood that any community project shall be submitted for negotiation and that in general, the participation of **TETRA ENTERPRISE INC** should be materials and logistics, and the community participation should be manpower and supervision.
11. **TETRA ENTERPRISE INC.** agrees to assist the Community or member/members thereof with transportation during emergency situation and major development activities. **TETRA ENTERPRISE INC.** and GCFMB agree that the community can request transportation in the event of emergency.
12. **TETRA ENTERPRISE INC.** agrees to build company camps near existing towns or dependent areas, to the extent feasible.
13. **TETRA ENTERPRISE INC** agrees not to harvest palm trees for processing, bridge construction and/or export.
14. **TETRA ENTERPRISE INC.** agrees build and maintain roads in the affected Community and also construct concrete bridges on primary roads, while bridges on secondary roads will be constructed using solid durable wood like Ekki or other hard wood for longer life. All housing units and buildings at the camp site shall be constructed of at least dirt block and plastered with concrete cement wherever possible.
15. **TETRA ENTERPRISE INC.** agrees that the Community shall use, free of charge, any roads constructed and/or maintained by TETRA ENTERPRISE INC. provided, however, that such use shall not unduly prejudice or interfere with either party.
16. **GCFMB** agrees to educate the entire community that once any road and bridge is constructed, it becomes the responsibility of the Community and TETRA ENTERPRISE INC. to maintain them.
17. **TETRA ENTERPRISE INC.** agrees to have GCMB representative(s) monitor and verify production. All expenses of this representative(s) shall be at the expense of the GCMB.
18. **TETRA ENTERPRISE INC** agrees to provide first preference for employment for skilled and unskilled labor to the dependent communities in the boundaries of the commercial logging area.
19. **TETRA ENTERPRISE INC** agrees to afford equal opportunities for the employment of women in the skilled and unskilled labor force in the commercial logging area.
20. **GCFMB** agrees that it shall operate completely within the guidelines and regulations prescribed by Forestry Development Authority.
21. **GCFMB** agrees that the Community shall be educated to avoid the expansion of subsistence agriculture activities within the commercial area, and that whenever necessary assist any existing agricultural activity to relocate.
22. **TETRA ENTERPRISE INC** agrees to assist with the clearing of land for any farming or agricultural activity relocation.
23. **GCFMB** agrees to educate the community to discourage unnecessary fire disposal and encourage fire safety practices especially in contract area.

6. NON-TIMBER FOREST PRODUCTS

All non- timber forest products within the commercial logging area shall remain the property of Garwin Community Forestry. No non-timber forest product shall be extracted by Tetra Enterprise Inc. for commercial purposes without the written consent of the Garwin Community Forest.

7. OBLIGATIONS OF TETRA ENTERPRISE INC.

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2. OBLIGATIONS OF GARWIN COMMUNITY FOREST

- 2.1 The community shall ensure that the GCFMB shall be the sole entity responsible for official interaction with **TETRA ENTERPRISE INC.**, to avoid any misunderstanding.
- 2.2 The community shall ensure that it performs and maintains full education and information to its clan members to avoid confusion arising from operation.
- 2.3 The Community must ensure full access to **TETRA ENTERPRISE INC.** to the contracted area at all times for the duration for this Agreement.
- 2.4 The Community shall protect **TETRA ENTERPRISE INC** from any challenges to its right to manage the contractual area, whether legal, cultural or otherwise, that may arise during the life of this agreement.
- 2.5 The Community shall ensure that materials, such as sand, gravel, etc., be made available without charge of any kind for **TETRA ENTERPRISE INC** 's use for building camp sites, housing units, building and road work within the community forest area. In the case of access roads leading to the community forest area, the Community shall be responsible to ensure that the same materials are available for the affected community forest area, the Community shall be responsible to ensure that the same materials are available for the affected communities' areas, also without charge to **TETRA ENTERPRISE INC**

3. FORCE MAJEURE

The parties mutually agree that in the event **TETRA ENTERPRISE INC.** is prevented from performing this Agreement as contemplated and provided herein due to force majeure, this Agreement shall be extended by the period of such force majeure on the request of **TETRA ENTERPRISE INC.** Force majeure as used herein is defined as any event beyond the reasonable control of **TETRA ENTERPRISE INC.**, including, but not limited to Acts of God, war, elements of war, civil commotions, armed incursion, armed insurrection, land dispute(s) and fire not attributed to the conduct or negligence of **TETRA ENTERPRISE INC** management, its agent and affiliate, which **TETRA ENTERPRISE INC** could not have reasonably anticipated or could have been expected to prevent or control.

4. DISPUTE SETTLEMENT

- 4.1 Any dispute connected with the formation, performance, interpretation, nullification, termination or invalidation of this agreement or arising from, or related to this agreement in any manner whosoever which cannot be resolved through the direct consultations and negotiations by and between the parties shall be referred to arbitration by the affected party
- 4.2 Arbitration shall be conducted by an arbitral panel of three (3) persons; one (1) arbitrator shall be named by the parties hereto. The third arbitrator, who shall act as chairman of the arbitral panel, shall be the Managing Director of the Forestry Development Authority or his/her designated representative
- 4.3 The Arbitration shall be conducted in keeping with arbitral rules under Liberian laws. Each Party shall be responsible for, and shall pay the fees expenses of its appointed/designated arbitrator. The fees and expenses of the third arbitrator, shall be shared on equal basis by the parties, while the cost and expenses of the arbitration proceeding itself shall be assigned by the arbitral as it fit and shall be paid by the party adjudged liable to the other or in default of Agreement.
- 4.4 A decision by the majority of the arbitral panel shall be binding on the parties and enforceable in court of law without delving into the merit of the dispute or the award
- 4.5 In invoking arbitration, a party of this Agreement shall give written notice to other party, stating the nature of the dispute and appointing its arbitrations. The other party must appoint its arbitrator and state its responses to the dispute as stated by the party giving the notice of arbitration within ten (10) days after notice to the chairman, the arbitral panel shall commence its work and shall work every day until a decision is arrived at and rendered.

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11. GOVERNING LAW

The relevant laws of Liberia, including, but not limited to, the National Forestry Reform Law, Community Forest Law and other local laws shall govern this agreement.

12. BINDING EFFECT

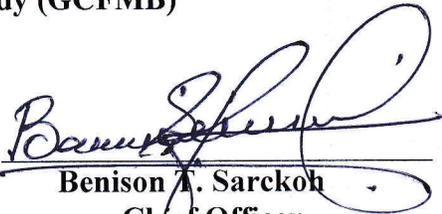
This Agreement shall be binding on the parties, their successors in office as if they were physically present at the execution of this instrument.

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

For: The Garwin Community Forest Management Body (GCFMB)

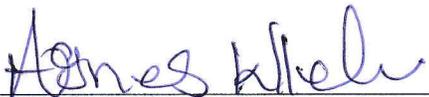


WITNESS

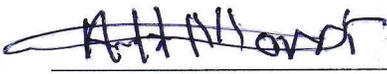
By: 

Benison A. Sarckoh
Chief Officer
Garwin Community Forest Management Body

For: TETRA ENTERPRISE INC.



WITNESS

By: 

Anniebel Morris
General Manager
TETRA ENTERPRISE INC

Attested by: 

Forestry Development Authority 3/27/17



Annex A

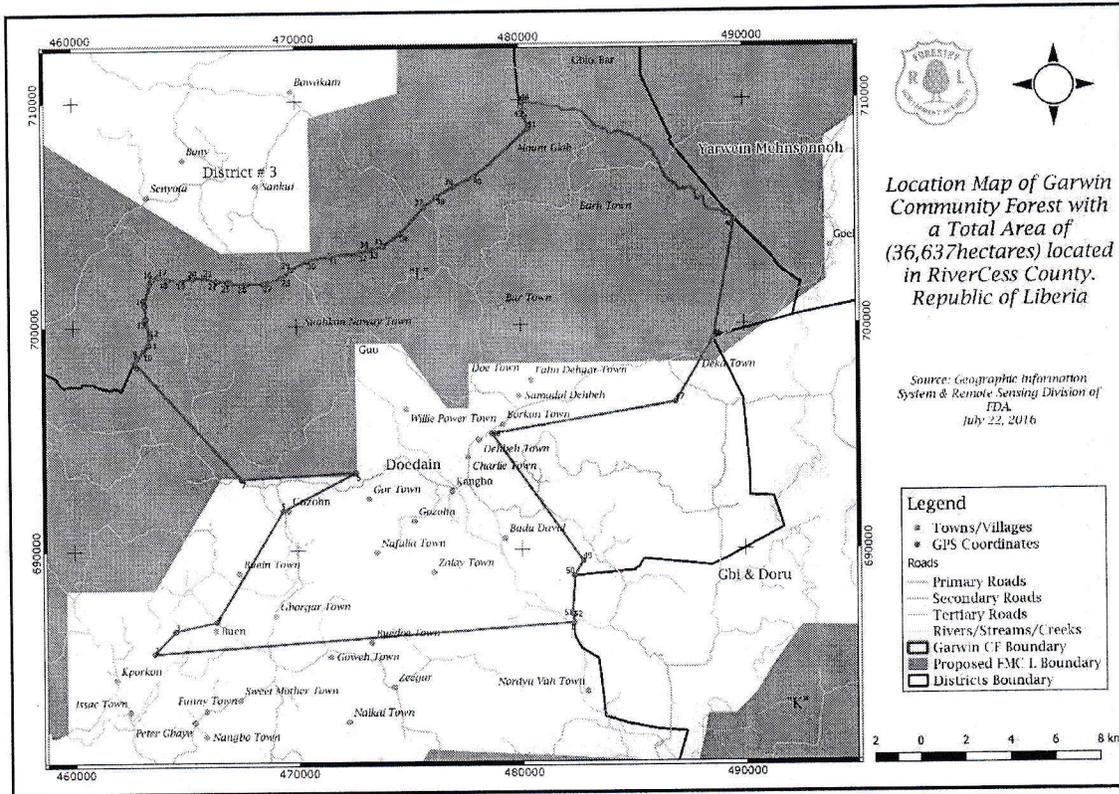
TECHNNICAL DESCRIPTION OF GARWIN COMMUNITY FOREST LANDS

The **GARWIN**Community Forest boundaries are as follows:

The Garwin Community Forest lies within Latitude 461655 710691 North of the Equator and Longitude 461655 684299 West of the Greenwich Meridian and it is located in Doedain District, Rivercess County, Liberia/West Africa.

Commencing at a point (482280- 686736) on the surface of the Earth; thence a line runs S 86° W for 18,990 meters to a point (463560- 685417); thence a line runs N 41° E for 1448 meters to a point (464515- 686415); thence a line runs N 76° E for 2,092 meters to a point (466487 – 686830); thence a line runs N 30° E for 5,955 meters to a point (469362 – 691771); thence a line runs N 62° E for 3,701 meters to a point (472608 – 693450); thence a line runs S 88° W for 5,311 meters to a point (467520 – 693172); thence a line runs N 42° W for 7,242 meters to a point (462782 – 698450); thence a line runs N 28° E for 161 meters to a point (462885 – 698650); thence a line runs N 50° E for 322 meters to a point (463178 – 698899); thence a line runs N 35° E for 322 meters to a point (463394 – 699214); thence a line runs N 11° E for 322 meters to a point (463459 – 699571); thence a line runs N 14° W for 805 meters to a point (463276 – 700362); thence a line runs N 4° w for 644 meters to a point (463237 – 700996); thence a line runs N 12° E for 966 meters to a point (463454 – 701949); thence a line runs N 33° E for 322 meters to a point (463595 - 702166); thence a line runs N 70° E for 322 meters to a point (463866 – 702263); thence a line runs S 73° E for 483 meters to a point (464296 -702131); thence a line runs S 80° E for 483 meters to a point (464690 – 702075); thence a line runs N 83° E for 644 meters to a point (465404 – 702166); thence a line runs N 86° E for 483 meters to a point (465902 – 702198); thence a line runs S 75° E for 644 meters to a point (466487 – 702034); thence a line runs Due East for 483 meters to a point (467016 – 702034); thence a line runs S 8° W for 90 meters to a point (467005 – 701949); thence a line runs S 78° E for 92 meters to a point (467089 – 701933); thence a line runs S 86° E for 644 meters to a point (467804 – 701890); thence a line runs N 87° E for 805 meters to a point (468551 – 701922); thence a line runs N 73°E for 805 meters to a point (469364 – 702171); thence a line runs N 49° E for 483 meters to a point (469754 – 702509); thence a line runs N 62° E for 805 meters to a point (470507 – 702907); thence a line runs N 78° E for 966 meters to a point (471482 – 703108); thence a line runs N 85° E for 1,287 meters to a point (472792 – 703227); thence a line runs N 74° E for 483 meters to a point (473265 – 703364); thence a line runs N 30° W for 53 meters to a point (473246 – 703405); thence a line runs N 83° E for 322 meters to a point (473519 – 703438); thence a line runs N 73° E for 322 meters to a point (473876 – 703542); thence a line runs N 55° E for 966 meters to a point (474645 - 704083); thence a line runs N 41° E for 1,609 meters to a point (475701 – 705270); thence a line runs N 50° E for 805 meters to a point (476265 – 705714); thence a line runs N 58° E for 966 meters to a point (477023 – 706180); thence a line runs N 66° E for 966 meters to a point (477933 – 706591); thence a line runs N 49° E for 3,219 meters to a point (480387 - 708709); thence a line runs N 19° W for 644 meters to a point (480214 – 709273); thence a line runs N 7° W for 644 meters to a point (480181 - 709587); thence a line runs N 21° W for 322 meters to a point (480079 – 709904) on the Wee River; thence a line runs along said River for 18,540 meters to a point (489568 – 704621); thence a line runs S 10° W for 5,472 meters to a point (488608 - 699393); thence a line runs S 31° W for 3,380 meters to a point (486911 696542); thence a line runs S 81° W for 483 meters to a point (478672 695169); thence a line runs S 35° E for 7,081 meters to a point (482712 689485) thence a line runs S 31° W for 805 meters to a point (482317 – 688821); thence a line runs S 3° W for 1,609 meters to a point (482223 – 687169); thence a line runs S 37° E for 74 meters to a point

MAP OF GARWIN COMMUNITY FOREST



14/19