

REPUBLIC OF LIBERIA)
MONTSERRADO COUNTY)

THIRD PARTY FOREST MANAGEMENT AGREEMENT

THIS THIRD PARTY FOREST MANAGEMENT AGREEMENT, made and entered into this 17th day of November A. D., 2018 by and between **ZUZOHN COMMUNITY FOREST MANAGEMENT BODY**, representing **ZUZOHN AUTHORIZED COMMUNITY FOREST** located in District # 1 & 2, Grand Bassa County, herein known and referred to as the "Community", and **BOOMING GREEN LIBERIA, INC.**, a company organized and existing under the Laws of the Republic of Liberia, represented by its General Manager, Mr. Shuai Wang, hereinafter known and referred to as "**Booming Green**", hereby,

WITNESSETH:

WHEREAS, the people of **Zuzohn Authorized Community Forest** are the owners of the **ZUZOHN COMMUNITY FOREST** in Zuzohn Clan, District 1 & # 2, Grand Bassa County; and

WHEREAS, the people of **Zuzohn Authorized Community Forest** have 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 the **Zuzohn Authorized Community Forest** have expressed their readiness to offer their forest for Commercial purposes in line with the requirements of the Community Rights Laws with Respect to Forest Lands, the Community Rights Law Regulations as Amended, the 2006 National Forestry Reform Law and its attending regulations; and

WHEREAS, **Booming Green Liberia, Inc.** is a duly registered and qualified Company with a Pre-Qualification Certificate to engage in direct or indirect logging activities in the Republic of Liberia; and

WHEREAS, **Booming Green Liberia, Inc.** has represented to the people of **Zuzohn Authorized Community Forest** through the **Zuzohn Community Forest Management Body** that it is disposed to manage their **Community Forest** for commercial purpose to further the development of the people of **Zuzohn Authorized Community Forest**; and

WHEREAS, **Zuzohn Community Forest Management Body** has consented and determined it to be in the best interest of the people of **Zuzohn Authorized Community Forest** for the **Booming Green Liberia, Inc.** to commercially

manage their forest under this Third Party 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 District # 2, Grand Bassa County, Republic of Liberia and covers a total area of **12,611 hectares** 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 **Zuzohn Community Forest Management Body (ZCFMB)** and the **Booming Green Liberia, Inc.** It is mutually understood and agreed that the Social Agreement (which forms an integral part of this agreement) and its implementation shall be subject to periodic review by the parties hereto every five years during the life of this Agreement. This agreement shall be deemed **terminated** if **Booming Green Liberia Inc.** fails to commence operation within **twelve (12)** months after the signing of this agreement.

3. FISCAL CONSIDERATION

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

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

3.1 Booming Green Liberia, Inc. shall pay the amount of US\$ 1.25 (United States Dollars One 25/100) per hectare annually for land rental fee in accordance with the National Forestry Reform Law. 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 Community in a timely manner. **Booming Green Liberia, Inc** shall inform the Zuzohn Community Forest Management Body of its payment of the Land rental at the time of each payment.

3.2 Booming Green Liberia, Inc shall pay the amount of US\$ 1.50 (United States Dollars One 50/100) for every cubic meter of log felled to the Community on a quarterly basis. **Booming Green Liberia, Inc.** shall furnish the Community with copies of Log Data Form (LDF), which shall serve as the official source to determine actual volume felled. Payment of

all royalties or fees due the Community (excluding land rental) shall be deposited directly into the Community's bank account. The Community shall furnish **Booming Green Liberia, Inc.** with its bank's account number and other banking information required for such deposit(s).

4. REQUIREMENTS BEFORE COMMERCIAL FELLING

It is mutually understood and agreed by **Booming Green Liberia, Inc.** and the Community 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 **Zuzohn Authorized Community Forest**, having identified their representative body, firstly the **Zuzohn Authorized Community Assembly** and the **Zuzohn Community Forest Management Body (ZCFMB)**, 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 ZCFMB shall in anyway represent himself/herself/themselves as the authorized representatives of the people of **Zuzohn Authorized Community Forest** in relation to any terms of this Agreement , including financial payments or social obligations. It is mutually understood and agreed by **Booming Green Liberia, Inc.** and the Community that:

1. ZCFMB has the power to negotiate on all affected community's behalf.
2. ZCFMB shall provide a list of its members and be responsible to inform **Booming Green Liberia, Inc.** of any change to its membership immediately.
3. ZCFMB and **Booming Green Liberia, Inc** hereby agree and stipulate that the social commitment to the people of **Zuzohn Authorized Community Forest** shall follow the guidelines as prescribed by the Forestry Development Authority.
4. **Booming Green Liberia, Inc.** agrees to design its logging operations to minimize effects on traditional practices such as taboo day, sacred sites, and the range of taboo animals/plants, medicinal plants sites, hunting grounds, to the extent that they will respect the traditional practices, laws and regulations of the people of **Zuzohn Authorized Community Forest**.
5. ZCFMB agrees to inform **Booming Green Liberia, Inc.** of all relevant traditional practices and regulations to ensure compliance.
6. **Booming Green Liberia, Inc** agrees to ensure that water collection points are protected and maintained.
7. **Booming Green Liberia, Inc** agrees that its timber operations shall be

timed to minimize disruption to subsistence agricultural activities. Existing crops will be identified and the Community will inform the Booming Green Liberia, Inc of their locations.

8. **Booming Green Liberia Inc.** agrees to provide first preference for employment for skilled and unskilled labor to the forest dependent communities in the boundaries of the commercial logging area.
9. **Booming Green Liberia Inc.** agrees to afford equal opportunities for the employment of women in the skilled and unskilled labor force in the Commercial logging area.
10. **Booming Green Liberia, Inc** agrees that its timber operations shall respect the existing cash crops within the Community Forest Management Area.
11. **Booming Green Liberia, Inc** agrees to participate substantially in community development programs (such as support to scholarship programs, construction of a school and clinic).
 - A. **School:** The Company shall construct one six-classroom school in the Community. The construction of the schools must be completed on later than the last day of December 2020.
 - B. **Scholarship Fund:** The Company shall pay **US\$2,500.00** to the Community annually as contribution towards the Community's Scholarship program.
 - C. **Clinic:** The Company shall construct a clinic along with one (1) hand pump in the Community. The construction of this clinic and hand pump must be completed no later than the last day of December 2021.
 - D. **Hand Pumps:** The Company shall construct five (5) hand pumps in the Community, one each in the compounds of the clinic and school respectively. The construction of the three (3) pumps shall be completed within no later than the last day of December 2019. The land space for the pumps constructed shall be provided by the Community.
 - E. **Road Projects:** The Company shall construct new roads and maintain existing roads in the Community. Roads to be constructed and/or maintain and the timeline for such construction and maintenance are:
 1. Flomo Town to Charley Mengee Town
 2. SOS to Dee Town
 3. Bible Faith to Jarwoo Town

Booming Green will commence construction of roads upon the signing of the contract and will connect community feeder roads upon Booming Green's operations reaching said communities.

Booming Green shall build durable log bridges on secondary roads but will replace all logs on the bridges on secondary roads with concrete after seven (7)

years and use durable logs on feeder roads connecting communities.

The Community and Booming Green Inc. shall use free of charge any roads constructed and/or maintained provided however that such use shall not unjustifiably interfere with the rights of either party.

4. NON-TIMBER FOREST PRODUCTS

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

5. OBLIGATIONS OF BOOMING GREEN LIBERIA, INC

- 5.1 **The Company** must ensure that all of its operations and activities are in full compliance with the laws of Liberia.
- 5.2 **The Company** must ensure respect for all local customary laws.
- 5.3 **The Company** must ensure transparent reporting to ZCFMB at all times during the life of this Agreement

6. OBLIGATIONS OF ZUZOHN AUTHORIZED FOREST COMMUNITY

- 6.1 The community shall ensure that the ZCFMB shall be the sole entity responsible for official interaction with *the Company*, to avoid any misunderstanding.
- 6.2 The Community shall ensure that it performs and maintains full education and information to its clan members to avoid confusion arising from operation.
- 6.3 The Community must ensure full access to *the Company* to the contracted area at all times for the duration for this Agreement.
- 6.4 The Community shall protect *the Company* from any challenges to its right to manage the contractual area, whether legal, cultural or otherwise, that may arise during the life of this agreement. It shall ensure that the Community refrains from chain sawing in the contracted area.
- 6.5 The Community shall ensure where possible, that materials, such as sand, gravel, etc., be made available without charge of any kind for *the Company's* use for building camp sites, housing units, building and road work within the community forest area.

7. FORCE MAJEURE

The parties mutually agree that in the event **the Company** is prevented from performing this Agreement as contemplated and provided herein due to force majeure, this Agreement shall be extended by the period of such force majeure on the request of **the Company**. Force majeure as used herein is defined as any event beyond the reasonable control of a **party**, 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 **a party, its** management, agent and/or affiliate, which the party could not have reasonably anticipated or could have been expected to prevent or control.

8. DISPUTE SETTLEMENT

8.1.1 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 whatsoever which cannot be resolved through the direct consultations and negotiations by and between the parties shall be referred to arbitration by the affected party

8.1.2 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

8.1.3 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.

8.1.4 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

8.1.4.1 In invoking arbitration, a party of this Agreement shall give written notice to other party, stating the nature of the dispute and appointing its arbitrators. 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.

9. GOVERNING LAW

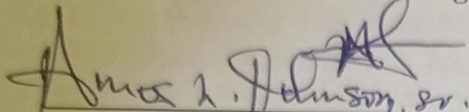
The relevant laws of Liberia, including, but not limited to, the National Forestry Reform Law, Community Rights Forest Law with Respect to Forestlands and other local laws shall govern this agreement. *SW*

10. BINDING EFFECT

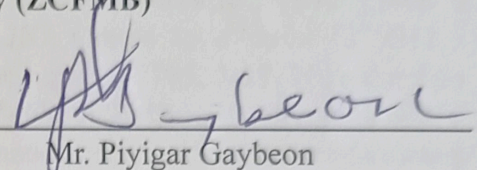
This Agreement shall be binding on the parties, their successors in office as if they were physically present at the execution of this instrument.

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

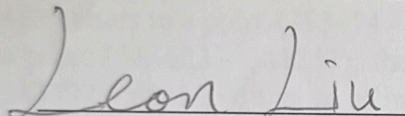
**For: The Zuzohn Authorized Community
Forest Management Body (ZCFMB)**


WITNESS

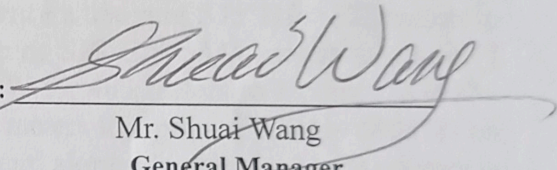
By:


Mr. Piyigar Gaybeon
Chief Officer
ZCFMB

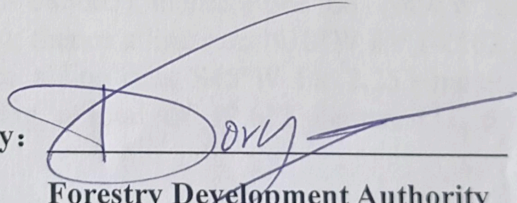
For: Booming Green Liberia, Inc


WITNESS

By:


Mr. Shuai Wang
General Manager
BOOMING GREEN LIBERIA, INC

Attested by:

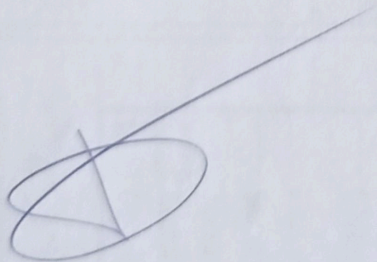

Forestry Development Authority

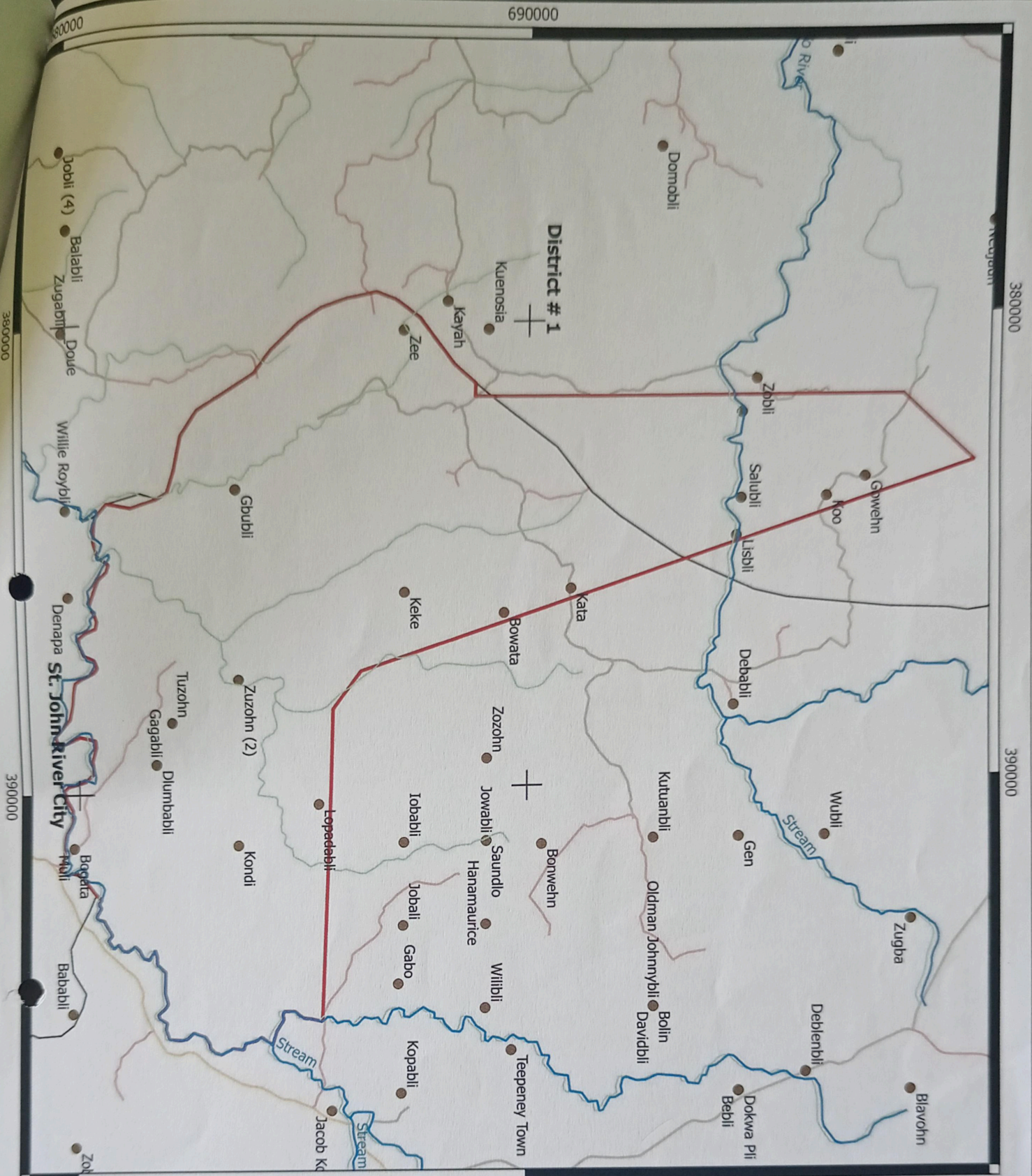
ANNEX 1: TECHNICAL DESCRIPTION OF COMMUNITY FOREST
LANDS

The **ZUZOHN Community** forest lies within latitude (37927 699877) north of the equator and longitude (379180 679133) west of the Greenwich meridian and is located in Districts #1 and #2, Grand Bassa county.

Commencing at a point (381707 698125); thence a line runs S1°W for 9,334 meters to a point (381549 688828); thence a line runs N84°W for 322 meters to a point (381273 688839); thence a line runs S40°W for 644 meters to a point (380877 688374); thence a line runs S53°W for 1,287 meters to a point (379912 - 687630); thence a line runs S37°W for 644 meters to a point (379525-687101); thence a line runs S24°W for 483 meters to a point (379367- 686690); thence a line runs S12°E for 644 meters to a point (379500 - 686049); thence line runs S17°E for 644 meters to a point (379689 - 685495); thence a line runs S32°E for 644 meters to a point (379986 - 685009); thence a line runs S44°E 805 meters to a point (380525 - 684420); thence a line runs S51°E for 644 meters to a point (381020 - 684024); thence a line runs S32°E for 1,448 meters to a point (381774 - 682790); thence a line runs S56°E for 644 meters to a point (382296 - 682431); thence a line runs S79°E for 805 meters to a point (383033 - 682263); thence a line runs S74°E for 483 meters to a point (383474 - 682114); thence a line runs S35°E for 322 meters to a point (383623 - 681257); thence a line runs S18°E for 644 meters to a point (383797 - 681315); thence a line runs S14°W for 483 meters to a point (383697 - 680802); thence a line runs S49°E for 322 meters to a point (383941- 680578) on the Mechlin river; thence a line runs southward alongside river for 21,190 meters to a point (395141- 685484) on Mechlin river; thence a line runs N88°W for 7,081 meters to a point (388213- 685665); thence a line runs N49°W for 1,127 meters to a point (387383 - 686290); thence a line runs N18°W for 14,162 meters to a point (383178- 699648); thence a line runs S45°W for 2,253 meters to the point of commencement, embracing a total of 12,611 hectares/31,163 acres and **NO MORE.**

PVG



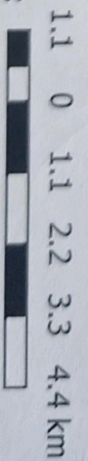


Location Map of
Zuzohn Community
Forest, With An
Total Area of (12,611
Hectares/ 31,163
Acres), Located in
District #1 & 2,
Grand Bassa County

Source: Geographic Information
System and Remote Sensing
Division of Forestry Development
Authority, September 15, 2017

Legend

- Towns/Villages
- River/Creek/Stream
- Primary Road
- Secondary Road
- Tertiary Road
- ▭ Zuzohn CF Boundary
- ▭ District Boundary



Projection: WGS_84_UTM_Zone_29N