

**AGREEMENT TO TRANSFER
CORPORATE RIGHTS AND RESPONSIBILITIES**

This Agreement, designated and titled "**TRANSFER OF RIGHTS AND RESPONSIBILITIES**" hereinafter called **Transfer Agreement**, is made and entered into this 30th day of September, A.D. 2020, covering the transfer of rights and responsibilities to operate, as a business for profit, a forest within the Republic of Liberia as herein described, pursuant to the terms and conditions of said Agreement, as follows, to wit:

1. **PARTIES:** The Parties to this Transfer Agreement, named separately herein and when jointly referred to shall be called "The Parties" are:

- A. "KPARBLEE TIMBER CORPORATION," a company organized and existing under the laws of the Republic of Liberia, represented by its Chief Executive Officer, Mr. Stanley F. Sartie, Sr., hereinafter known and referred to as "**KTC**."
- B. "SANABEL INVESTMENT COMPANY," a company duly incorporated and operating under the laws of the Republic of Liberia to engage in diverse business activities including the management of forests and harvesting of its products for commercial purpose, represented by its Chief Executive Officer, Mr. Haitham Refaat El Taher, hereinafter known and referred to as SANABEL.

2. **REPRESENTATIONS BY AND RESPONSIBILITIES OF THE PARTIES:**

- A. KTC – hereby represents that:

- i. It has and maintains a legally binding and enforceable "Third Party Forest Management Agreement" entered into on the 9th day of March, A.D. 2018 with the Kparblee Community Forest Management Body, in Kparblee District, Nimba County, covering a total area of 9,926 hectares.
- ii. Its aforesaid Third Party Management Agreement is for a period of **Fourteen (14) years** commencing as of the 9th day of March, A.D. 2018 and ending on the 8th day of March, A.D. 2032.
- iii. Under the said Agreement, it has the right to, and on the strength of that right, is transferring all of its rights and responsibilities thereunder, to SANABEL as if the latter were the initial holder of said rights and responsibilities.
- iv. It has no obligations nor is there any lien on it, other than those provided in the March 9, 2018 Agreement mentioned in Count 2 (i) above for the management of the total land area relinquished to it by the Kparblee Community Forest Management Body. Therefore it is transferring to SANABEL its responsibilities void of any tax lien or other such levies except those mentioned in the March 9, 2018 Agreement.
- v. It has adequately informed and has received the full consent of the Kparblee Community Forest Management Body and the Forestry Development Authority (**FDA**), the statutory body regulating and overseeing all forestry matters of the Republic of Liberia, of the transfer of its rights and responsibilities relative to said forest to SANABEL.
- vi. By the representations hereinabove made, it will work with and assist SANABEL obtain a smooth transition of the management of the forest area, including but not limited to the procurement of all documents (permits and licenses, etc.) required for the transition to take effect.

12/11/20

- vii. In furtherance of the above condition in Section 2Avii above, KTC shall ensure that the recognition it has been given by SGS shall be transferred through its direct representation to the said SGS, that it has transferred/assigned all of its rights growing out of the Third Party Management Agreement and surrendered its obligations pursuant to this
- viii. It has submitted to SANABEL a copy of the Third Party Agreement to provide full details of its terms and conditions, and for said purpose, shall remain available and respond on short notice, to provide clarification and guidance on any point that may require clarity as the Parties shall further agree.

B. SANABEL – hereby represents that:

- i. It has the power and authority to undertake business in Liberia and can, pursuant to such authority and by virtue of the powers vested in its management by the Board, take over the operations, assets and liabilities of any business or other institution pursuant to the laws of the Republic.
- ii. Has received and reviewed the copy of the Third Party Forest Management Agreement hereinabove mentioned, and is satisfied that said Agreement contains terms and conditions it is agreeable with and will uphold, save for the exceptions contained in this Transfer Agreement.
- iii. Has the capacity to undertake the responsibilities and work with the Kparblee Community Forest Management Body and the FDA as well as abide by all laws and regulations covering its operations.

3. JOINT UNDERSTANDING AND ENFORCEMENT OF THE AGREEMENT:

The Parties hereby agree further as follows:

A. Surrender of Entire Acreage and Dissolution of Assignments to Third Party

- i. That although KTC has had the management of the forest for at least two (2) years, it has not carried on any operations therein therefore the entire ten (10) blocks remain available and will be surrendered to SANABEL by KTC immediately upon signing of this Transfer Agreement, to SANABEL.
- ii. That any and all assignments of any right or responsibilities to a third party, whether as Agent, Sub-contractor or other representative contained in the Third Party Forest Management Agreement from which this Transfer Agreement grows, is hereby unconditionally revoked and that in the event of any liability for such revocation, KTC shall be solely responsible; and that KTC shall ensure that such liability does not hamper or impair the works of SANABEL under this Agreement.

B. Transfer and Other Fees: Amount and Terms of Payment

- i. **Transfer & Other Fees:** In consideration of the surrender of its rights to SANABEL, the Parties hereby agree that SANABEL shall pay to KTC a fee on a percentage basis of three and a half percent (3.5%) per cubic meter that shall be shipped by SANABEL.
- ii. Notwithstanding the provision immediately above, SANABEL shall be

- products from the forest. All fees shall be payable when the sale is made irrespective of whether or not the actual dollar value is paid to SANABEL.
- iv. To foster transparency, SANABEL shall upon notice, provide to KTC the requisite documents covering each cultivation, shipping and sales to enable KTC determine the actual amount per each transaction.

C. Other Considerations/Conditions:

- i. **Duration/Termination of Agreement:** This Agreement shall continue up to and including the last day stipulated as the termination date of the Third Party Forest Management Agreement; it may however be terminated earlier only upon failure of one Party to perform, seven (7) days after the issuance of a notice to correct any defect. Party here shall extend to the Kparblee Community Forest Management Body, which shall have its signature by and thru its head, affixed to and as an attestation of this Agreement.
- ii. **Enforceability:** This Agreement is enforceable as provided under the laws of Liberia for any contract that is consistent with the law and therefore binding on the Parties hereto as well as third parties who shall attest to it within the scope of their statutory authority, and their agents and legal representatives.
- iii. **Force Majeure:** The Parties Agree that in the event of force majeure which shall include natural disaster, civil uprising, wars, or other conditions beyond the control of and not created by them, this Agreement shall be suspended for the duration of the that force majeure; and during that period, neither Party shall have or exercise the right to terminate or transact the forest area, subject of this Transfer Agreement except upon the written consent of the other.
- iv. **Incorporation of the Third Party Forest Management Agreement:** The Parties agree that the Third Party Forest Management Agreement entered into between KTC and the Kparblee Community Forest Management Body is incorporated herein verbatim with the exceptions stipulated herein.
- v. **Interpretations:** In furtherance of the incorporation of the Third Party Forest Management Agreement and to ensure that all terms are clearly defined as the basis for establishing the full obligations of either Party, the Parties hereby agree that all such terms and words shall be specifically defined prior to the signing of this Agreement, based on negotiations between the Parties. Words or phrases such as "affected community;" "respect the traditional practices, laws and regulations;" "upgrade;" "construction of the youth center shall be determined by the community;" "rehabilitate;" "monitor and verify production;" "forest dependent communities;" "modern guest house;" and "modern sawmill."
- vi. **Controlling Laws:** The Parties agree that this Agreement shall be guided and controlled by the laws of the Republic of Liberia and shall submit any and all disputes to its courts as contained in where all other remedies under said laws are exhausted; however, the Parties shall not be restricted to the courts of Liberia but may pursue redress in other jurisdiction depending on the facts and circumstances.
- vii. **Exclusivity of Provisions:** Where it is determined by a court of competent jurisdiction or by a body authorized to determine the validity of any such contract that a provision is invalid and not enforceable, that provision shall be extracted, modified or corrected to become valid. Notwithstanding such declaration of invalidity, the remaining portions of this Agreement shall continue to be valid and enforceable as if no part thereof was declared invalid.
- viii. **Binding Effect:** This Agreement is binding on the Parties hereto, at

- products from the forest. All fees shall be payable when the sale is made irrespective of whether or not the actual dollar value is paid to SANABEL.
- iv. To foster transparency, SANABEL shall upon notice, provide to KTC the requisite documents covering each cultivation, shipping and sales to

IN WITNESS WHEREOF, THE AUTHORIZED REPRESENTATIVES OF KTC AND SANABEL AS WELL AS THE THIRD PARTIES OF INTEREST, HAVE SET THEIR HANDS AND AFFIXED THEIR RESPECTIVE SIGNATURE ON THE DAY AND DATE FIRST ABOVE WRITTEN, IN THE PRESENCE OF THEIR RESPECTIVE WITNESSES.

Richard Doulak
WITNESS

FOR: KTC



Mr. Stanley F. Sartie, Sr.
CHIEF EXECUTIVE OFFICER

FOR: SANABEL

William
WITNESS



Mr. Lantham Refaat El Taher
CHIEF EXECUTIVE OFFICER

ATTESTED:

FOR: KPARBLEE COMMUNITY
FOREST MANAGEMENT BODY

WITNESS

Scott
Mr. Bennio K. Colkahn
CHIEF OFFICER

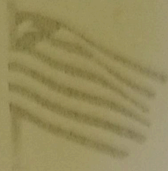
FOR: FDA

WITNESS

Dory
Hon. C. Mike Doryen
MANAGING DIRECTOR

\$12.00 REVENUE STAMPS AFFIXED TO THE ORIGINAL.

Republic of Liberia
Montserrado County



Office of the Notary Public
Monrovia, Liberia

NOTARY CERTIFICATE

Personally appeared before me, in my office within the City of Monrovia, Montserrado County, Republic of Liberia, this 1st day of April A.D. 2020, a duly qualified Notary Public, for and in the County of Montserrado and the Republic aforesaid the Parties to the attached document:

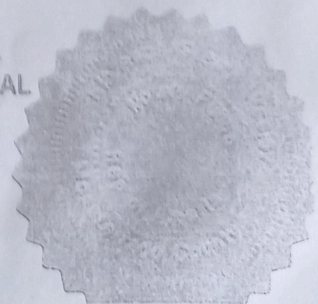
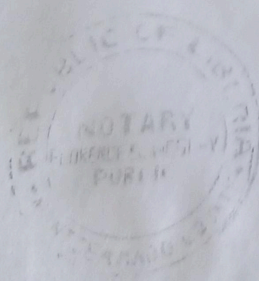
THIRD PARTY FOREST MANAGEMENT AGREEMENT MADE AND ENTERED INTO THIS 1ST DAY OF APRIL A.D. 2020 BY AND BETWEEN KPARBLEE COMMUNITY FOREST MANAGEMENT BODY, REPRESENTING KPARBLEE COMMUNITY FOREST LOCATED IN KPARBLEE DISTRICT, NIMBA COUNTY, HEREINAFTER KNOWN AND REFERRED TO AS THE COMMUNITY AND SABABEL INVESTMENT COMPANY, REPRESENTED BY ITS GENERAL MANAGER, MR. ASHRAF ABUSABE HEREINAFTER KNOWN AND REFERRED TO AS 'SIC OR COMPANY'

And did in my presence and in the presence of each other execute and signed their genuine signatures on the said instrument (s) to be the person (s) they represent and that the same was made in my presence and declared by each of them to be their voluntary acts and in their own hand writing.

Therefore, I Florence Stern Wesley, Notary Public aforesaid, have attached my official signature and Notary Seal to await when and where Necessary.

I have affixed my genuine signature attesting to this Transaction by the power vested in me on this 1st Day of April A.D. 2020

Florence Stern Wesley
NOTARY PUBLIC, MONTSERRADO COUNTY, R.L.
\$5.00 REVENUE STAMPS AFFIXED ON THE ORIGINAL



REPUBLIC OF LIBERIA)

MONTSERIADO COUNTY)

THIRD PARTY FOREST MANAGEMENT AGREEMENT

This THIRD PARTY FOREST MANAGEMENT AGREEMENT, made and entered into this day of April 1st A.D 2020 by and between KPARBLEE COMMUNITY FOREST MANAGEMENT BODY, representing KPARBLEE COMMUNITY FOREST located in Kparblee District, Nimba County, hereinafter known and referred to as the "Community", and SABABEL INVESTMENT COMPANY, a company organized and existing under the Laws of the Republic of Liberia, represented by its General Manager, Mr. Ashraf, hereinafter known and referred to as "SIC or Company", hereby:

WITNESSETH

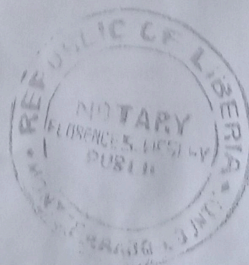
WHEREAS, the people of Kparblee Community are the owners of the KPARBLEE Community Forest in Kparblee District, Nimba County; and

WHEREAS, the people of Kparblee Community 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 Kparblee Community have expressed their readiness to offer their forest for Commercial purposes in line with the requirement 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, SANABEL INVESTMENT COMPANY (SIC) is duly registered and qualified Company with a Pre-Qualification Certificate to engage directly or indirectly in logging activities in the Republic of Liberia; and

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



4. REQUIREMENTS BEFORE COMMERCIAL FELLING

It is mutually understood and agreed by SIC and KCFMB that no commercial felling shall commence until the completion of the Community Forest Management Plan, and the completion of the Environment impact Assessment and other felling requirements established by the FDA.

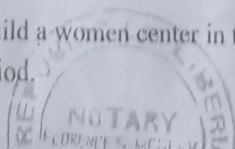
5. SOCIAL AGREEMENT

The people of Kparblee Community Forest having identified its representative body, firstly the Kparblee Community Assembly and the Kparblee Community Forest Management Body (KCFMB), to represent it in accordance with the community Rights Law with Respect to Forest Land and its regulations, shall ensure on other person outside of the KCFMB shall in anyway represent himself/herself/themselves as the authorized representatives of the people of Kparblee Community Forest in relation to any terms of this Agreement, including financial payments or social obligations. It is mutually understood and agreed by SIC and KCFMB that:

1. KCFMB has the power to negotiate on all affected community's behalf.
2. KCFMB shall provide a list of its members and be responsible to inform SIC of any change to its membership immediately.
3. KCGMB and SIC hereby agree and stipulate that social commitment to the people of Kperblee Community Forest shall follow that guidelines as prescribed by the Forestry Development Authority.
4. SIC agrees to design its logging operations to minimize effects on traditional parties such as taboo day, sacred sites, and the range of taboo animals/plants, traditional practices, laws and regulations of the people of Kperblee Community Forest.
5. KCFMB agree to inform SIC of all relevant traditional practices and regulations to ensure compliance.
6. KCFMB agrees to ensure that water collection points are protection and maintained. SIC shall construct three (3) hand pumps in the affected community. The Construction of pumps shall be completed within the first three years of SIC's operation. The site/locations of the construction shall be determined by the KCFMB. SIC shall repaired damaged pumps based on the request of the community.
7. SIC agrees that its timber operations shall be timed to minimize disruption to subsistence agricultural activities.
8. SIC agrees that its timber operations shall respect that existing cash crops within the community Forest management Area.
9. SIC agrees to participate substantially in community development programs (such as support to scholarship programs, construction of school etc.



- a. School: the company shall upgrade to senior high, in the first four years of its operation two junior high schools in the affected community. The schools must be completed by the end of the Fourth year of operation. The junior high schools to be upgraded shall be identified by the community
 - b. Scholarship fund: SIC agreed to make an annual contribution of US\$4,000.00 towards the community scholarship program annually. Payment shall be made in September of each year.
 - c. Youth Center: The Company shall build and complete in its first year of session on youth center within the affected community. The construction of youth center shall be determined by the company
 - d. Community Assembly office: SIC agreed to build and complete the Community Assembly office within the first eighteen four months of its operation.
 - e. Rehabilitation Projects: SIC shall repair and modify the District's Magisterial building within the first five years of its operations
 - f. Clinic: SIC agreed to Repair and modify two clinics in the affected community within the first four years of its operations.
10. SIC agrees to build company camps near existing towns or dependents areas, to the extent feasible.
 11. SIC agrees not to harvest palm trees for processing, bridge construction and/or export.
 12. SIC agrees to rehabilitate/maintain roads in the affected Community and also repair bridges on primary and secondary roads using selected materials.
 13. KCFMB agencies to educate the entire community that once any road and bridge is constructed, it becomes the responsibility of the community and SIC to maintain them.
 14. SIC agree to have KCFM representative (s) monitor and verify production. All expenses of this representative(s) shall be at the expense of the KCFMB.
 15. SIC agree to provide first performance for employment for skilled and unskilled labor to the forest dependent communities in the boundaries for the commercial logging area.
 16. SIC agree to afford expert opportunity for the employment of women in the skilled and unskilled labor force in the commercial logging area.
 17. KCFMB agree that it shall operate completely within the guidelines and regulations prescribed by Forestry Development Authority.
 18. KCFMB agrees that the community shall be educated to avoid the expansion of subsistence's agricultural activity to relocate.
 19. SIC has agreed to build a modern Operation office in the district at the end of the 1st year of operations.
 20. SIC agree to build a women center in the district during the course of its operational period.



WHEREAS, Kparblee Community Forest management Body has consented and determined it to be in the best interest of the people of Kparblee Community Forest Management Agreement

NOWHEREFORE, 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 Nimba County, Republic of Liberia and covers a total area of 9926 hectares as detailed in Annex A.

2. DURATION OF AGREEMENT

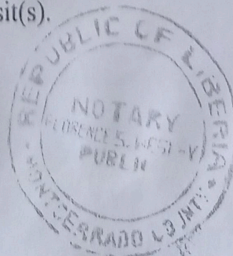
This Community Forest Management Agreement shall be in full force and effect for a period of 15 years which shall commence immediately upon the signing of this Agreement between the Kparblee Community Forest Management Body (KCFMB) and SIC. It is mutually understood and agreed that the Social Agreement (Which forms an integral part of this agreement) and its implementation shall be subject to periodic review by the parties hereto every five (5) years during the life of this agreement. This agreement shall be deemed terminated if SIC failed to commence operation within Twenty months after the signing of this agreement.

3. FISCAL CONSIDERATION.

The parties hereto have accepted and made the following fiscal considerations for this community Forest Management Agreement.

3.1. SIC shall pay the amount of US\$1.25 (United States Dollars One 20/100) per hectare annual for land rental fee in accordance with the National Forestry Reform Law. This FDA is 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 KCFMB in a timely manner. SIC shall inform KCFMB of its payment of the Land rental at the time of each payment.

3.2. SIC shall pay the amount of US\$ 2.00 (United States Dollars Two Dollars) for every cubic meter of log felled and shipped, to the KCFMB on a quarterly basis. SIC shall furnish the KCFMB 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 that community (excluding land rental) shall be deposited directly into the community's bank account. The Community shall furnish SIC with its bank's account number and other banking information required for such deposit(s).



agreement shall be contained by period of such force majeure on the request of SIC, force majeure as used herein is defined as any event beyond the reasonable control of SIC, including but not limited to Acts of God, war, elements of war, civil commotions, armed incursion, armed instruction, land dispute(s) and fire not attributed to the conduct or negligence of SIC management, its agent and affiliated, which SIC could not have reasonable anticipated or could have been expected to prevent or control.

9. Dispute settlement

9.1 Any dispute connected with the formation, performance, interpretation, nullification, termination or invalidation of this agreement or arising from or related to this agreement in my manner whenever which cannot be resolved through the direct consultations and negotiations by and between the parties shall be referred to arbitration by the affected party

9.2 Arbitration shall be conducted by an arbitral panel of three (3) persons; one (1) arbitrated 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.

9.3 The arbitration shall be conducted in keeping with arbitral rules under Liberia 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 adjudge liable o the other or in difficult of agreement.

9.4 A decision by the majority of the arbitrator panel shall be binding on the parties and enforceable in court of law without delving into the merit of the dispute or the award.

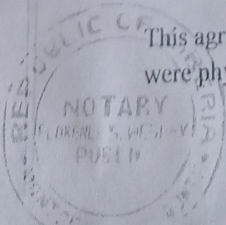
9.5 In invoking arbitration, a party of this agreement shall give written notice to their party, stating the nature of the dispute and appointing its arbitrations. The other party must appoint its arbitrator and state its responses to the dispute as stated by the party giving the notice of arbitration within ten (10) days after notice to the chairman, the personal panel shall commence its work and shall work every day until a decision is arrived at tad rendered.

10. GOVERNING LAW

The relevant law of Liberia, including but not limited to the National Forestry Reform Law, community Right Forest Law with Respect to forestlands and other local laws shall govern this agreement.

11. BINDING EFFECT

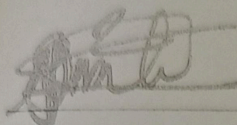
This agreement shall be binding on the parties, their successors in office as if they were physical present at the execution of this instrument.



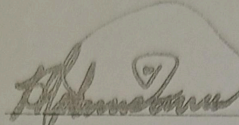
IN WITNESS WHEREOF, WE HAVE HEREUNTO AFFIXED OUR
SIGNATURES ON THE DAY AND DATE FIRST MENTIONED ABOVE.

For: THE KPARBLEE COMMUNITY FOREST

Management body (KCFMB)

 0778811924

Witness

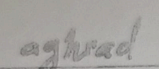
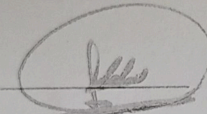
By:  -0775-079-435

Alphonso Dufu, Chairman Executive Committee

KPARLEE Community Forest Management

Body

For: SIC

 
Witness 077712/250

By:

Ashraf Abusabe, Operational Manager

SANABEL INVESTMENT COMPANY

Attested by:

Forestry Development Authority

