



M.L.N.R.

PARLIAMENT OF GHANA LIBRARY
PARLIAMENT HOUSE
OSU - ACCRA



Forestry Commission

TIMBER UTILISATION CONTRACT (LARGE SCALE)



FOREST RESERVE

MINISTRY OF LANDS AND NATURAL RESOURCES

TIMBER UTILISATION CONTRACT

BETWEEN

THE GOVERNMENT OF GHANA

AND

LOGS & LUMBER LIMITED

IN

ABONIYERE FOREST RESERVE

DATED 25TH DAY OF JULY 2022

THIS TIMBER UTILISATION CONTRACT ("Contract") is made this 25th
day of JULY, 2022.

BETWEEN

The GOVERNMENT OF GHANA acting by the MINISTER FOR LANDS AND
NATURAL RESOURCES P. O. Box M212 Accra (herein referred to as the
"Minister") which expression shall where the context so admits or requires, include his
successors in office or his or her duly authorized officers of the one part

AND

LOGS & LUMBER LIMITED a duly registered company under the laws of Ghana,
whose business is situate at Asokwa-Kumasi with GPS/Digital address AK-185-7940
herein referred to as "the Timber Rights Holder") which expression shall where the
context so admits or requires includes its assigns, officers or duly authorized representatives
on the other hand.

WHEREAS:

1. The Government of Ghana is desirous of regulating the grant of Timber rights in a manner that secures the sustainable management and utilisation of the timber resources of Ghana;
2. To achieve the sustainable management and utilisation of the timber resources of Ghana, the Timber Resource Management and Legality Regulations, 2017 (L.I. 2254), which stipulates that all existing timber rights be converted into a Timber Utilisation Contract within six (6) months of the coming into force of the regulation was passed;

3. Pursuant to L.I. 2254, the Timber Rights Evaluation Committee of the Forestry Commission, invited timber rights holders with extant timber rights holdings to submit their applications for conversion into Timber Utilization Contracts;
4. The Timber Rights Holder herein has duly submitted its applications for the conversion and has satisfied the conditions for the conversion;
5. The Minister having been advised by Forestry Commission hereby agrees to convert the unexpired term of the extant timber rights holdings into Timber Utilization Contract effective this 25TH day of JULY 2022 subject to the terms and conditions of this agreement.

NOW THEREFORE the Parties hereto agree as follows:

1.0 Definitions

1.1 In this Contract the following terms shall have the following meanings:

"Approved Yield" - the timber tree species and their respective quantities approved and permitted to be removed by the timber rights holder.

"Chief Executive" - means the Chief Executive of the Forestry Commission.

"Commission" - means the Forestry Commission established under Act 571.

"Contract" - means a Timber Utilization Contract entered into under the Timber Resources Management Act, 1997 (Act 547) herein called Act 547

“Conversion” - the process of converting extant timber rights holdings in the form of a lease, contract, license or any other permit into a Timber Utilisation Contract under L.I. 2254

“District Manager” - means the District Manager of the Forest Services Division or his/her authorised representative.

“Forest Offence” - means any acts or omission contrary to laws, procedures, rules and regulations of the forestry and wildlife sector.

“Forest Produce” - includes the following:

(a) timber, charcoal, wood, latex, oil, peat, resin and natural varnish;

(b) trees and leaves, flowers and fruits and all other parts and produce as well as medicinal products of trees;

(c) plants not being trees (including grass, creepers, reeds and moss) and all parts and produce of such plants;

(d) wild animals and skins, tusks, horns, bones, silk, honey and all parts and all produce of wild animals.

“Harvest” - means to fell, cut or otherwise dispose of timber from land to which Act 547 applies.

“Harvesting Plan” - means the schedule of planned logging and harvesting procedures for an area to which the Contract relates prepared by the Holder of Contract for the prescribed period in line with the Logging Plan.

“Holder” - means the Holder of the timber rights that is the contracting party

“Logging Manual” - means a set of rules intended to guide the activities of persons who harvest timber in the forest.

“Manual of Procedures”- means the manuals issued by the Commission which describe in detail the activities to be performed by holders of rights to harvest Timber.

“Minister” - means the Minister responsible for Lands and Natural Resources.

“Notice of Approval of Conversion”- means the notice issued by the Minister pursuant to a successful conversion process informing the applicant of the timber rights award and specifying the activities that are required to be performed by the successful applicant to the satisfaction of the Chief Executive.

“On Reserve” - means an area of land within a Forest Reserve.

“Parties” - means the Holder and the Minister and where the context permits include their successors in title or office

“Professional Forester” - means a person who holds a university degree in forestry or related discipline acceptable to the Ghana Institute of Professional Foresters.

“Social Responsibility Agreement”- means the agreement between a Holder and the local communities and inhabitants of the traditional authority of whose land encompasses the forest from which the timber is to be harvested whereby the Holder undertakes to assist such local communities and inhabitants with amenities, services or benefits, the cost of which agreed amenities and services shall not be less than 5% of the value of stumpage fee from the timber that is harvested.

“Stumpage Fee” - means the fee payable by holders of timber rights in respect of the harvesting of timber and it represents royalties which provide a basic return to the landowner and contributes to the cost of forest management and timber regulation and it is calculated in accordance with the formula specified in the Fifth Schedule of L.I. 2254.

“Timber” - includes standing, fallen and felled trees, wood for industrial purposes, logs and sawn wood.

Forestry Commission

“Timber Rights” - means the rights to harvest trees and extract timber from a specified area of land under a Timber Utilisation Contract.

“Timber Rights Fee” - means the one-off fee payable by a Holder for the right to harvest timber.

“Timber Utilisation Contract” - means a written Agreement that specifies the terms of timber rights granted in respect of an area of land for a fixed period of time.

PARLIAMENT OF GHANA LIBRARY
PARLIAMENT HOUSE
OSU - ACCRA

2.0 Timber Rights Granted

2.1 Pursuant to the legal requirement in L.I. 2254 and subject to the completion by the Timber Rights Holder of all the requirements stipulated in the Regulation, the Minister, acting for and on behalf of the Government of Ghana hereby grants to the Holder the unexpired timber rights in respect of the area of land specified herein on the terms and conditions set forth in this Contract.

2.2 The Timber Rights Holder hereby accepts the conversion of the unexpired timber rights into a Timber Utilisation Contract on the said terms and conditions.

2.3 Upon fulfillment by the Timber Rights Holder of all the requirements stipulated in the Notice of Approval of the Conversion, the Timber Rights Holder shall continue to operate within the designated Contract area.

3.0 Ratification by Parliament

3.1 This Contract shall be subject to ratification by Parliament in accordance with Article 268 of Constitution and Section 9 of the Timber Resources Management Act, 1997 (Act 547).

3.2 Pursuant to 3.1 above the Minister shall upon execution, present all counterparts of the Contract to Parliament for ratification.

4.0 Area and Duration

4.1 Upon this Contract becoming effective the Timber Rights Holder shall maintain its rights for the period beginning on the ...11TH... day of ...NOVEMBER... 1998... and ending on the ...10TH... day of ...NOVEMBER... 2038... within the area of land situate in and more particularly described in the Schedule hereto and herein referred to as the Contract area.

- 4.2 The Timber Rights Holders shall have no right to enter unto and to harvest timber from an area of land which falls outside the said Contract area.
- 4.3 The Timber Rights Holder shall cease to harvest timber from its Contract area after the expiry of time stipulated in clause 4.1 of this Contract

5.0 Reduction of Contract Area

- 5.1 The Minister hereby undertakes to maintain intact the boundaries of the Contract area; PROVIDED ALWAYS THAT any reduction of the area that the Minister may require shall be accompanied with a corresponding reduction in the timber rights fee and the Minister shall communicate in writing to the Holder the reason for such action.

6.0 Timber Rights Fee

- 6.1 In consideration of the Timber Rights hereby granted, the Timber Rights Holder has paid to the Commission the one-off Timber Rights Fee of **GHC6,180.00** in respect of the Contract Area in Aboniyere Forest Reserve.

7.0 Stumpage Fee

- 7.1 The Timber Rights Holder shall pay in respect of any timber harvested by it under this Contract stumpage fees which shall be calculated in accordance with the formula specified in the Fifth Schedule of L.I. 2254.
- 7.2 The Timber Rights Holder who harvests under a Timber Utilisation Contract shall pay the stumpage fee in respect of the harvested timber within thirty (30) days of billing, failing which interest shall be paid on the outstanding amount payable at the prevailing Bank of Ghana Treasury Bill rate.

8.0 Contract Area Rent

8.1 The Timber Rights Holder shall pay an annual rent of **GH¢1.8/ha** in respect of the Contract area as set out in the Sixth Schedule of L.I. 2254 to

- (a) the Administrator of Stool Lands in the case of stool lands; and
- (b) to the owner of the land in any other case.

9.0 Management of Timber Operations

9.1 The Timber Rights Holder shall, in respect of its timber operations and related activities, have at all times throughout the duration of this Contract, a manager who shall be a Professional Forester.

10.0 Suspension and Termination of the Contract

10.1 This Contract may be suspended by the Minister, if:

- (i) The Timber Rights Holder loses over a period of six months the ability financially or otherwise to manage the timber resources efficiently; or
- (ii) The area of the land falling within Contract area or a part of it is under review to determine its suitability for the operations; or subject to the Contract a part of it is under review to determine its suitability for the operations; or
- (iii) The Holder commits a forest offence under the laws, procedures, rules and regulations of the forestry and wildlife sector.

10.2 This Contract may be terminated by the Minister, if:

- (i) The area of land falling within the Contract area or a part of it is no longer suitable for the operations under a Timber Utilization Contract;

(ii) The Timber Rights Holder is charged with or convicted of an offence under Act 547.

10.3 Upon suspension or termination of this Contract, the rights of the Timber Rights Holder shall cease but without prejudice to any cause of action or remedy of the government or any person in respect of any prior breach, non-performance or non-observation of any condition.

10.4 Upon suspension of the Timber Rights Holder's timber rights under clause 10.1 the Holder may, after rectifying the breach or if the reasons for the suspension have been redressed, petition the Minister for the removal of the suspension.

10.5 Upon termination of this Contract whether by written notice or expiry of term, the Timber Rights Holder shall immediately cease to harvest timber from the Contract area.

10.6 Notwithstanding the provisions of clause 10.5 the Commission may at its discretion, allow the Holder a further period in which to remove any timber trees felled prior to the termination that have been included in the approved yield and for which stumpage fees have been paid.

10.7 Upon the termination of this Contract, the Holder shall immediately commence to remove any buildings and/or equipment that it may have placed on the Contract area and shall complete such removal within three (3) months after the termination date.

11.0 Transfer of Timber Rights

11.1 No rights over or interest in timber granted under this Contract shall be transferred or assigned without the written consent of the Minister given on the recommendation of the Commission and the consent to assign or transfer shall not be unreasonably withheld or delayed.

11.2 An application for a transfer or assignment shall be evaluated by the Timber Rights Evaluation Committee.



11.3 A holder who transfers or assigns his timber rights under this Contract contrary to subsection (1) of this section commits an offence and shall be liable to a fine of not less than 300% of the annual rent payable in line with section 16 (3) of Act 571. The Minister, notwithstanding the fine may terminate the Contract.

12.0 Non-Renewability of Timber Rights

12.1 The Timber Rights granted under this Contract is not renewable.

13.0 Monitoring and Audit

13.1 The activities of the Timber Rights Holder shall be regularly monitored by the District Manager of the District or his/her authorised representative who shall report to the Chief Executive any detected non-compliance by the Timber Rights Holder of the terms of this Contract.

13.2 The Timber Rights Holder shall keep a record of the timber trees cut or felled or removed within the Contract area and shall submit this record to the District Manager for the District within which the Contract area falls not later than 15 days after the end of each month.

13.3 The Timber Rights Holder shall supply such information as the Commission may request for the purpose of monitoring its activities including annual and other reports.

13.4 The activities of the Timber Rights Holder under this Contract shall be audited, at intervals of not more than five years, by a qualified Organisation assigned by the Chief Executive to undertake such an audit and the Holder shall co-operate with any such audit.

14.0 Inspection of Timber Operations

- 14.1 The timber operations of the Timber Rights Holder under this Contract may be inspected by any Forestry Officer and the Holder shall co-operate with any such inspector and provide any records or information requested by such Forestry Officer.
- 14.2 Any instruction given by a Forestry Officer to suspend operations within the Contract area shall be in writing stating the reasons thereof. The Timber Rights Holder shall have right of appeal to the Chief Executive or in the alternative to an officer of the Commission duly designated and authorized by the Chief Executive.

15.0 Logging Manual and Manual of Procedures

- 15.1 The Timber Rights Holder shall, in its timber operations under this Contract, adhere to the Logging Manual and Manual of Procedures issued by the Commission and with any requirement or instruction given by a Forestry Officer.

16.0 Harvesting Plan

- 16.1 The Timber Rights Holder, shall prepare and submit to the Commission a Harvesting Plan in accordance with the Logging Manual that describes the proposed timber operations in its Contract for the first five-year period and shall submit to the Commission an updated Harvesting Plan every five years thereafter.
- 16.2 The Commission shall conduct inspection of the Contract area to validate each Harvesting Plan and prior to its approval of that Harvesting Plan shall request the Holder in writing to make such modifications that the Commission deems appropriate.
- 16.3 If the Timber Rights Holder's Harvesting Plan is not approved by the Commission, the Holder shall suspend all timber operations in the Contract area until the Holder has made such modifications as requested and approved by the Commission.

17.0 Annual Logging Plan

- 17.1 Upon the request of the Timber Rights Holder the Commission or its agents shall in co-operation with the Holder carry out a tree stock survey to enumerate all harvestable trees within those compartments identified in the current Harvesting Plan for timber operations in the subsequent calendar year and shall use the results of that stock survey to calculate the Annual Yield to be granted under this Contract.
- 17.2 The Timber Rights Holder shall use the Annual Yield to prepare an Annual Logging Plan in accordance with the Logging Manual and not less than two months before completion of the current Annual Logging Plan (if any) shall submit that Annual Logging Plan to the Commission for approval.
- 17.3 The Commission shall within 14 days of receipt of an Annual Logging Plan notify the Timber Rights Holder in writing whether it has approved that Annual Logging Plan. If the Commission does not approve an Annual Logging Plan it shall notify the Holder in writing of the modifications that the Holder shall make for such approval to be granted.
- 17.4 The Timber Rights Holder shall not commence timber operations in any compartment subject to an Annual Logging Plan until its Annual Logging Plan has been approved by the Commission.

18.0 Passing of Risk

- 18.1 Upon this Contract becoming effective, the risk in the timber trees within the Contract area shall pass to the Timber Rights Holder and the Holder shall thereafter be responsible for any loss or damage to the timber trees.

19.0 Environmental Maintenance, Damage to Property and Fire Prevention

- 19.1 The Timber Rights Holder at its cost shall take due care and make every effort to minimize or avoid any adverse effect to the environment.

19.2 The Timber Rights Holder shall endeavour to exercise due care to prevent damage to all trees not included in the approved Annual Yield or to buildings, roads or other structures in the Contract area. The Holder shall be responsible for any damage to property caused by its act or default and shall make good any damage.

19.3 The Timber Rights Holder shall not set fire within the Contract area without the permission of the Forest Services Division and shall take all reasonable care to prevent damage from fire in the Contract area and the Holder shall be responsible for any loss whatsoever caused through fire attributable to its negligence.

20.0 Compliance with Laws and Regulations

20.1 The Timber Rights Holder in carrying out its operations shall comply with all laws of Ghana as applicable and with all applicable rules, regulations and requirements of governmental agencies.

20.2 The Timber Rights Holder shall ensure that all persons employed by or under its control shall, whilst engaged in its timber operations, acquaint themselves with and comply with all laws and rules and regulations relating to any matter including but not limited to, the safety of persons and the preservation of property.

21.0 Resolution of Disputes

21.1 Where a dispute arises between the parties to this Contract, all efforts shall be made by the Parties, through mutual discussions, to reach an amicable settlement.

21.2 Where parties fail to reach amicable settlement;

i. In the case of a Timber Right Holder who is not an investor within the meaning of Act 617, the dispute shall be referred to arbitration in accordance with the Alternative Dispute Resolution Act, 2010 (Act 798);

ii. In the case of an investor within the meaning of Act 617, the dispute shall be resolved in accordance with the dispute settlement procedures provided for in Act 617.

21.3 Where the Timber Rights Holder is an investor within the meaning of Act 617 disputes that cannot be amicably settled through mutual discussions shall be resolved in accordance with the dispute settlement procedures provided for in the Timber Resources Management (Amendment) Act; 2002 (Act 617).

22.0 Insurance

22.1 The Timber Rights Holder shall, throughout the term of this Agreement, insure its equipment, staff and third parties with an insurance company approved by the National Insurance Commission against all losses, damages and risk arising out of the holder's works, operations or process pursuant to this Contract.

22.2 The Holder shall produce the insurance policy and the receipt for the current year's premium whenever required by the Commission.

23.0 Social Responsibility Agreement

23.1 The Timber Rights Holder shall negotiate and provide inhabitants of its Contract area with social facilities and amenities in accordance with the Social Responsibility Agreement where such an agreement was not executed under its holding prior to the conversion process.

24.0 Force Majeure

24.1 For the avoidance of doubt, the effects of earthquakes, floods, landslides or adverse weather conditions which but for the negligence of the Right Holder could have been mitigated, shall not constitute Force Majeure.

25.0 Variation or Amendments

25.1 No variation or modification of the terms of this Contract shall be made except by written amendments signed by the Parties.

26.0 Applicable Law

26.1 This Contract shall be governed by and interpreted in accordance with the Laws of Ghana.

27.0 Indemnity

27.1 The Timber Rights Holder hereby undertakes to indemnify the Government of Ghana fully in respect of any loss, cost, damages, charges, liabilities and expenses whatsoever suffered or incurred by the Government of Ghana arising as a result of or attributable to any and all actions, suits, procedures, claims or any act or omissions or negligence of the Holder in connection with the carrying out of its obligations under this Contract.

27.2 Either party shall have the right to change its address by notice delivered personally or sent by facsimile or e-mail to the address stated below or such other addresses as the Parties may notify from time to time.

28.0 Waiver

28.1 Any waiver by either party of a breach of any provision of this Contract shall not be considered as a waiver of any subsequent breach of the same or any other provision thereof.

29.0 Entire Understanding

29.1 This Contract embodies the entire understanding of the parties in respect of the matters contained or referred to in it and there are no promises, terms, conditions or obligations, oral or written, express or implied other than those contained herein.

30.0 Severability

30.1 The invalidity, illegality or unenforceability of a provision of this Contract does not affect or impair the continuation in force of the remainder of such provision or the remainder of this Contract.

31.0 Counterparts

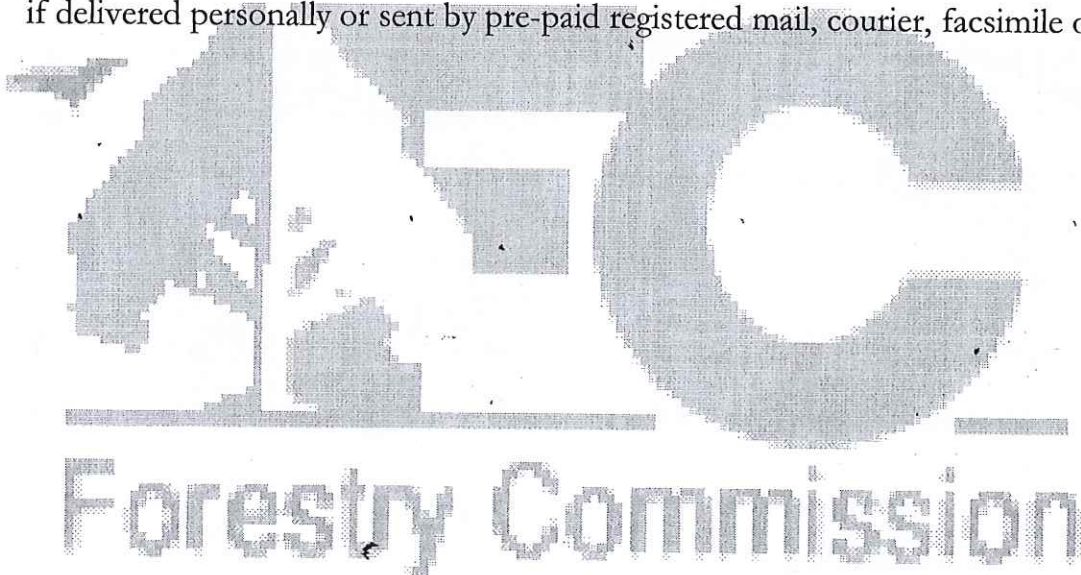
31.1 This Contract may be executed in counterparts, which together will constitute one Contract.

32.0 Headings for Convenience Only

32.1 Heading to clauses are inserted for convenience only and shall not affect the construction of this Contract.

33.0 Notices

33.1 All notices under this Contract shall be in writing and shall be sufficient in all respect if delivered personally or sent by pre-paid registered mail, courier, facsimile or e-mail.



Address to: The Timber Rights Holder at
LOGS & LUMBER LIMITED
P.O. Box 3344
LAKE ROAD, KUMASI

Address to:
The Minister
MINISTRY OF LANDS AND NATURAL RESOURCES,
P. O. BOX M212,
ACCRA.

33.2 Either party has the right to change its address by notice delivered personally or sent by facsimile or e-mail to the address stated above or such other addresses as the parties may notify from time to time



Forestry Commission

SIGNED, STAMPED AND DELIVERED BY:

[Handwritten signature]

MINISTER
MINISTRY OF LANDS &
NATURAL RESOURCES

MINISTER FOR LANDS AND NATURAL RESOURCES

ON BEHALF OF THE GOVERNMENT OF GHANA

IN THE PRESENCE OF:

NAME:

Prof. Patrick Agyemang

POSITION:

Chief Director

ADDRESS:

MLHR

SIGNATURE:

[Handwritten signature]

CHIEF DIRECTOR
MIN. OF LANDS & NATURAL
RESOURCES

SIGNED, STAMPED AND DELIVERED BY: LOGS & LUMBER LIMITED

RICHARD KUAGBELA

RICHARD KUAGBELA
DIRECTOR

MANAGING DIRECTOR OF LOGS & LUMBER LIMITED

IN THE PRESENCE OF:

NAME:

CLIFFORD SEGBORWOTSO

POSITION:

FOREST CERTIFICATION MANAGER

ADDRESS:

PO BOX 3344 KUMASI

SIGNATURE:

[Handwritten signature]

ANNEXES

- Annex 1 - Contract Area
- Annex 2 - Topographical Map
- Annex 3 - Social Responsibility Agreement



ANNEX 1: CONTRACT AREA

This boundary contract area is shown edged in Red on Topographical Map attached hereto as Annex 2:



ANNEX 1

CONTRACT AREA DESCRIPTION

ABONIYERE FOREST RESERVE TUC AREA (PORTION)

ALL THAT piece or parcel of land containing an approximate area of 41.20 square kilometers lying North of Latitude $6^{\circ} 40'$ and $6^{\circ} 40'$, South of $6^{\circ} 32'$ and $6^{\circ} 32'$, West of longitude $2^{\circ} 38'$ and $2^{\circ} 27'$, then longitude $2^{\circ} 38'$ and $2^{\circ} 27'$ in the Asunafo South District Assembly of the Ahafo Region of the Republic of Ghana which piece or parcel of land is more particularly delineated on the plan annexed hereto for the purpose of identification and not of limitation.

Annex 2

TIMBER UTILISATION CONTRACT FOR LOGS & LUMBER LTD

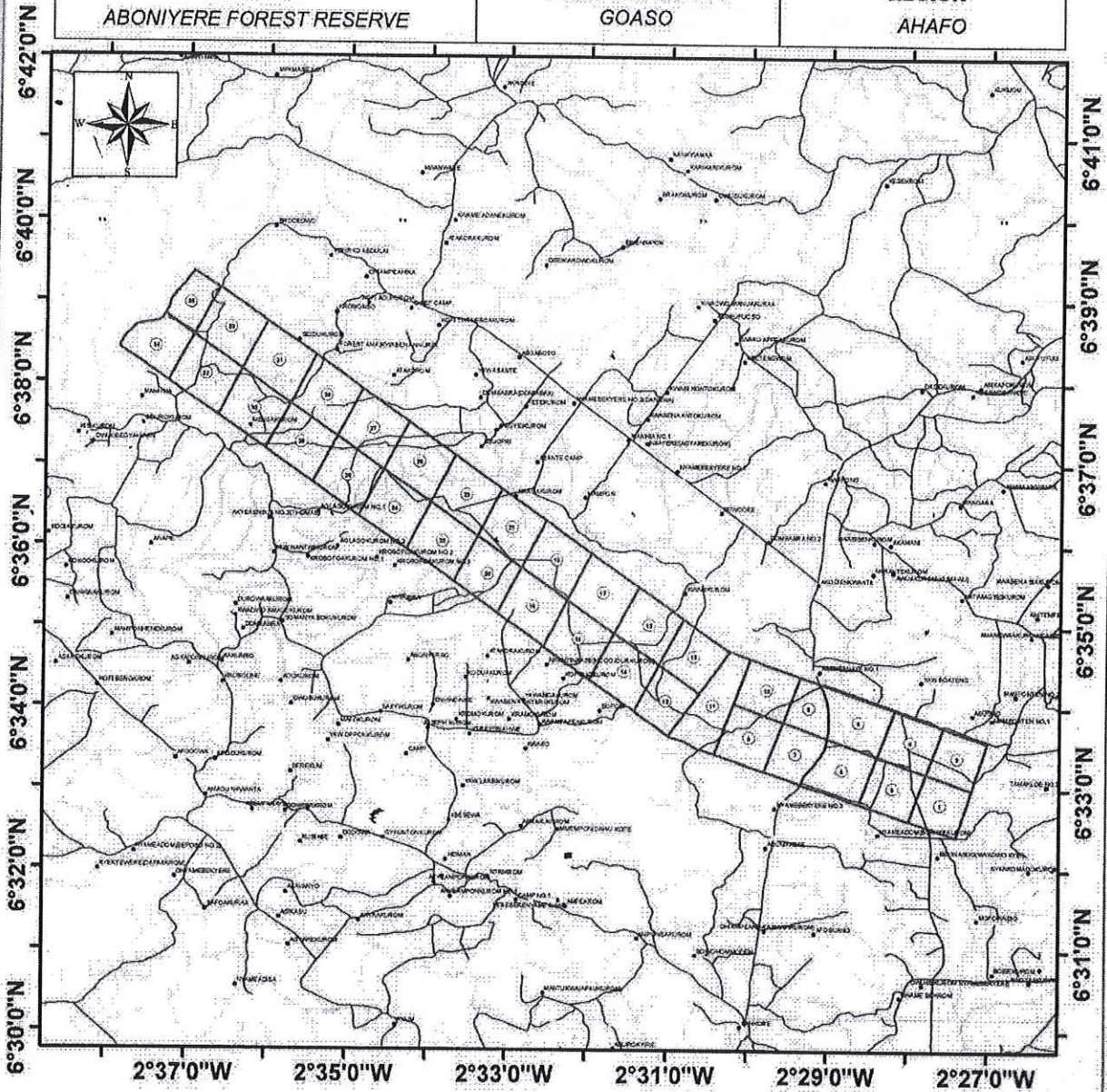
— Shewn Edged Pink —

F/S 0603A4

Total Area = 41.20 SQ KM

Scale 1:125,000

LOCALITY	FOREST DISTRICT	REGION
ABONIYERE FOREST RESERVE	GOASO	AHAFO



LEGEND	
FOREST RESERVE BOUNDARY	-----
T. U. C BOUNDARY	—————
COMPARTMENT NO.	⑫
ROAD	~~~~~
TOWN	•
RIVER / STREAM	~~~~~

Prepared by Forestry Commission - June 2020

ANNEX 3

**SOCIAL RESPONSIBILITY AGREEMENT IN RELATION TO
ACQUISITION OF ABONIYERE FOREST RESERVE AS A TIMBER
UTILISATION CONTRACT AREA.**

This Agreement is made this 10TH day of March, 2000 between Messrs. Logs and Lumber Limited, Kumasi acting through its Managing Director Mr. Avedis Jeghalian (hereinafter called the 1st party and which expression shall where the context so requires or admits includes its successors in title and assigns) of one part Kwapong, Akrodie and Sankore (hereinafter called the 2nd party) which expression shall where the context so requires or admits include the successors in title whose acceptance to these presents signified by the signatories of the aforementioned traditional authority on the other part.

WHEREAS:

1. In pursuance of the provision of the Timber Resources Management Act, 1997 (Act. 547) and the Timber Resources Management Regulations (LI 1649 of 1998), the Ag. Executive Director of the Forest Services Division of the Forests Commission has by publication called for applications for the grant of Timber Utilization Contract in respect of some areas in Ghana not excluding the Abonyere Forest Reserve.
2. Abonyere Forest Reserve is the bonafide property of the 2nd party by customary law of the land on which lies the aforesaid reserve.
3. The legalities concerning grant of timber utilization contract and right requires prospective beneficiaries to have a fruitful discussion with the Stool Land owners after which agreements are set out by proposing to facilitate socio-economic development is herein referred to as Social responsibility agreement.
4. The 1st party has applied for a Timber Utilization Contract Area to enable it obtain raw material to feed its Kumasi based firm.
5. The 1st party has the competent and experienced professional foresters with modern logging equipment to ensure sound, environmental friendly and sustainable exploitation of for the benefit of Abonyere Forest Reserve. not only the people of the reserve Area but also Ghana as a Whole.
6. Proposals enshrined in this agreement has been considered substantive and has the Potential of invigorating the lives of the people and also enhancing Socio-economic development of the traditional area by the 2nd party.
7. In cognizance of the proposals put forward by the 1st Party, the 2nd Party has agreed to offer the needed statutory support to the 1st Party in order that the later will secure the needed approval and grant of timber rights in the Abonyere Forest Reserve.

ESSUDWINHENE
NANA AKYENA KWAGYAN NUAMA Y.
P. O. BOX 3627 KUMASI



WHERE BY THE PARTIES HERETO AGREE AS FOLLOWS:-

1. The proposals put forward by the 1st Party heretofore referred to as Social Responsibility Agreement shall have validity if and only when the 1st Party's operation is commenced in the Abonyere Forest Reserve.
2. The herein stated proposals by the 1st Party for the Socio economic development of the area shall in aggregate be quantified as not exceeding 5% of the annual royalty accruing from the operations of the T.U.C. area.
3. In prioritizing the areas of development, the well being of the people will be seen to and always be looked at as important as the company can afford to pay.
4. Without prejudice to paragraph (2) the aggregate expenditure for community improvement of the contract area in any given year may, subject to the agreement of the contracting parties herein, exceed in maximum amount of 5% of the annual accrued royalty for that particular year allowable under the provisions of the Timber Resources Utilization Regulations.
- (5) The 1st Party has agreed with the consent of the 2nd Party to invest in the Social economic development of the traditional area to a tune of ₦100,000,000.00 (Hundred Million Cedis) depending on the actual determined yield of the T.U.C. Area and subject to change as agreed by the Parties whereby the 2nd Party has ensured the prevalence of peaceful and enabling environment for the smooth operations of the 1st Party in the traditional area during the period of the TUC.

Other areas to be invested which has been deemed necessary and agreed by both parties include:-

- (a) Supply of wood for community projects.
- (b) Maintenance of feeder roads to facilitate movement of agricultural produce.
- (d) Educational Infrastructure
- (e) Tourism Potentials.

MODALITIES FOR ACHIEVING THE OBJECTIVES OF THE AGREEMENT

1. Rooding equipment of the Company will be used for the regular maintenance of the feeder roads to ensure continued marketing of farm produce to avoid glut in the producing areas.
2. The 1st Party proposes and the 2nd Party accepts that for the purpose of ensuring continual developments even after the operation of the 1st Party has ended, Some of the money accruing from this agreement will be invested and the interest used as the need arises.
3. A committee made up of nominees from both Parties will see to the disbursement of this fund and prepare appraisal reports as operation of the 1st Party progresses.

9. CODE OF CONDUCT PROPOSALS.

- (i) It shall respect the cultural norms such as Taboos, Festivals etc of the people within the TUC area.
- (ii) It shall respect the right of access to forest products by the people within the Communities.
- (iii) It shall plan logging roads and other log dump yards in consultation with the people and Forest Services Division in a manner that will advance the interest of the local Communities.
- (iv) It shall ensure prompt payment of all statutory obligations such as Royalties, Rent, Silvicultural fees etc.
- (v) It shall always have respect for local infrastructure
- (vi) The 2nd Party undertakes to ensure the prevalence of a peaceful and enabling environment for the smooth operations of the 2nd party in the Traditional Area.

In conclusion it shall ensure that rules and regulations as spelt out in the logging manual and any other responsibility that the contract may require are strictly abided by.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE HEREUNTO SET THEIR HANDS AND NAMES THIS 17th February 2001

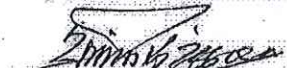
Signed BY THE 1ST party per
THE MANAGING DIRECTOR
(AVEDIS JEGHALIAN)

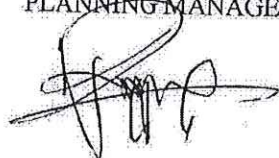
Stamp:
IN THE PRESENCE OF
WITNESSES
FIRST PARTY

IN THE PRESENCE OF

FIRST PARTY

WITNESSES

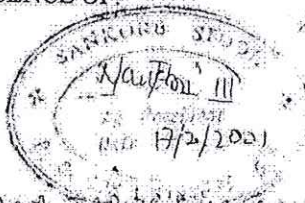
NAME : EMMANUEL KINGSLEY ESSIEN
ADDRESS : P. O. BOX 3344, KUMASI
POSITION : FOREST OPERATIONS MANAGER
SIGNATURE : 

NAME : SAKYI KOBINA SARSAH
 ADDRESS : P. O. BOX 3344, KUMASI
 POSITION : PLANNING MANAGER
 SIGNATURE : 

SIGNED BY THE SECOND PARTY herein
 Per its lawful representative

NANA AKYENA KWAGYAN NUAMA V

After the contents had been read and explained to
 Him And seem perfectly to understand and of
 the same before appending his signature on this
 Instrument IN THE PRESENCE OF:

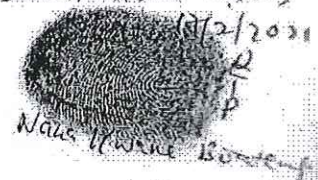


Handwritten signature

SECOND PARTY
 ESSURUWHEHE
 NANA AKYENA KWAGYAN NUAMA V.
 P. O. BOX 3627 KUMASI

NAME : NANA TABUL GYAVSHI III
 ADDRESS : BOX 1, SANICORE - BIA
 POSITION : KUNZOWIHEHE / AG. PRESIDENT (STC)
 SIGNATURE : *Handwritten signature of Nana Tabul Gyavshi III*
 17/2/2001

NANA KWAME BIATEN
 BOX 1, SANICORE - BIA
 SANWAHEHE - (STC)



NAME : NANA AWAH ASIBLO
 ADDRESS : AKROBIE TRADITIONAL COUNCIL
 POSITION : AKWAMU HEHE
 SIGNATURE : *Handwritten signature of Nana Awah Asiblo*
 17-2-2001

NANA AGYEI SARPONG
 AKROBIE TRADITIONAL COUNCIL
 MANWEREHEHE
Handwritten signature of Nana Agyei Sarpong
 17-2-2001

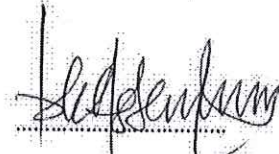
OATH OF PROOF

I PROF PATRICK K. AGBESINYALE of M.F.N.R
.....MAKE OATH and SAY that on the 25TH day of
JULY 2022... was present and saw **HON. SAMUEL A. JINAPOR (MP)**,
the Minister for Lands and Natural Resources duly execute the instrument now produced to me and
that the said **HON. SAMUEL A. JINAPOR (MP)** can read and write,

Sworn at Accra this day of 20.....

Before me

.....
REGISTRAR OF LANDS


.....
DEPONENT

This is the instrument referred to in the Oath of

Sworn before me, this day of 20.....

.....
REGISTRAR OF LANDS

On the day of 20..... at O'clock in the
.....noon this instrument was proved before me by the Oath of the within named
..... to have been duly executed by the within named
HON. SAMUEL A. JINAPOR (MP)

.....
REGISTRAR OF LANDS

