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Agreement

Between



**The Government of the Republic of
Sierra Leone**

And

**DURA PLAST AND FERRO FABRIC
SIERRA LEONE LIMITED**

January 2021

THIS AGREEMENT is made on theday of January in the Year of Our Lord Two Thousand and Twenty-one (2021)

BETWEEN

The Government of the Republic of Sierra Leone represented by each of the Ministries of Finance (MoF) and that of Trade and Industry (MTI) (**hereinafter referred to as GoSL**).

AND

DURA PLAST (SL) LIMITED, a Limited liability Company (hereafter referred to as **"the Company"**) established and registered under the laws of Sierra Leone, especially the Companies Act No.5 of 2009 with Company Certificate of Incorporation number: **SL 030817DURAP01954**, whose registered office is at Grafton Road, Freetown, Sierra Leone, and a wholly owned subsidiary of **FERRO FABRIK PVT LIMITED** (hereinafter referred to as **"the Parent Company"**), which is a Public Limited Liability Company incorporated under the laws of Ghana (for which the both **"the Company"**, **DURA PLAST** and **"the Parent Company"**, **FERRO FABRIK PVT LIMITED** are collectively hereinafter referred to as **"the Companies"**).

Whereas DURA PLAST (SL) LIMITED and **FERRO FABRIK PVT LIMITED** are operating in the Plastic Ware and Steel Manufacturing Industries, respectively. The companies acting in their own name and that of all present or future affiliates, represented by its General Manager, Mr. Mohamed H. Bility.

And Whereas the investor shall integrate the Company with Steel manufacturing, having an installed annual production capacity of 150,000 MT. Thus, the company's portfolio shall be in two folds: "plastic ware" and "iron and steel" industries. As planned, the plastic ware industry shall be completed and operationalised in 2022. This will require an estimated largely equity investment of US\$ 24.3 Million to establish a fully modern plastic manufacturing plant with a capacity of 30,000 MT per year.

And Whereas the investor shall acquire land for the construction of the plastic manufacturing factory and import the required plants, machinery, and equipment to set up and operate the factories. The plastic materials shall be produced for domestic as well as for foreign consumptions. Plastic waste will be used in recycling plastic materials as an environmentally friendly activity. It is expected that the plastic factory production capacity will provide for about 85% of local plastic consumption requirement, thus, improving the country's trade deficit and exchange rate from reducing imports of plastic items. It also expected to provide

at least 2,500 direct and indirect jobs and training in the complete value chain for the country's youthful population.

And Whereas the iron and steel manufacturing plant of the Company will require an estimated investment of **US\$45,780,000** to engage in recycling scrap metals and thus, providing employment to the country's youth population. It will cater for the local market at reasonable prices as well as help the country to save an estimated US\$112.46 million on importation of iron and steel based on feasibility study conducted.

And Whereas the Company proposes to negotiate and sign a land lease agreement with the appropriate Government institutions. The Company is desirous to register with all relevant Ministries, Departments and Agencies (MDAs) that will continue to encourage, attract and coordinate private sector investments specifically in the manufacturing sector.

And Whereas the GoSL seeks to promote private sector investment, business growth and development in the country, especially in the manufacturing sector of both plastic and iron and steel manufacturing. The GoSL expects the Company to provide employment, promote growth and development, boost exports and balance of trade.

And Whereas the GoSL agrees that the company investment portfolio meets the country's private sector development policy objectives and recognizes the expected benefits the investment would bring in terms job creation, training employees; knowledge and technology transfer; value addition from the country's local raw materials.

And Whereas the GoSL considering the level of investment to be undertaken, the challenge to raise funds and the potential Socio-economic impact on the economy and the employment opportunities, agrees to provide the enabling environment in terms of providing friendly investment incentives as well as permissible duty concessions and tax Considerations.

And Whereas it is the policy objective of the GoSL to attract large-scale private sector investments in value addition in the manufacturing sector.

And Whereas the GoSL recognizes the expected benefits of the project in terms of providing a stable income, and infrastructure development, as well as the positive indirect effects of an economic centre in the Project operational areas, especially as it will improve the livelihood of the rural population.

NOW THEREFORE, the GOSL and the Company hereby agree as follows:

ARTICLE 1
INTERPRETATION

The following bolded terms wherever used in this Agreement shall have the respective meanings and interpretations set forth below:

“Agreement”– This Investment Concession Agreement with GoSL and the Company and any further amendments made pursuant to its terms as well as all of its appendices.

“Applicable Laws” – means the Laws of the Republic of Sierra Leone, and all orders, rules, regulations, executive orders, decrees, policies, judicial decisions, notifications, or other similar directives made pursuant thereto, or other similar directives as may be amended from time to time.

“Authorizations” - any or all licenses, permits, visas, consents, approvals, waivers, notifications, applications, orders, grants, confirmations, clearances and all extensions required to permit the transactions contemplated by this Agreement, including the instructions required by Law from Government, any relevant third parties and officials of Government.

“Commercial Production”- means and is deemed to have occurred, when either recycled iron and steel or plastic wares or both are produced at the same time from the factory or factories as the case may be, and delivered at the relevant delivery point at regular production and sale for a period of 30 consecutive days or reached 60% of the installed factory production capacity envisaged in the Business Plan and this Agreement.

“Commercial Production Commencement Date” – The date upon which the regular delivery of iron and steel or plastic wares clocked 30 consecutive days or reached 60% of the installed factory production capacity envisaged in the Business Plan and this Agreement.

“Contractors” – Any person or organization that contracts directly or indirectly with the company for the supply of goods or services causally related to the company’s operations.

“Effective Date” – The date on which this Agreement is signed by all Parties upon ratification by the Sierra Leone House of Parliament.

“Employee” – An employee, whether long-term or short-term of the company in Sierra Leone

“Environment Protection Agency (EPA)” – the Government agency tasked with the responsibility to provide for the effective protection of the environment and for other related matters.

“Extension of Term” – means to add to the length of time specified in this Agreement in order to continue with its existing terms, or any modifications of such terms.

“Force Majeure”- are unforeseeable events, circumstances or causes beyond the reasonable control of either party to this Agreement with sustained disruption of the operations and performance of the Company.

“Investment” – means any annuity, trust, or custodial account holding regulated investment company stock or assets, established in accordance with the laws of Sierra Leone, in which the assets are held for investment purposes.

“Investment Plan” – The Plan, herein included as Appendix – to this Agreement, which provides details of the factory construction, machinery installation, staffing and production targets of the company.

“Parties” - GOSL and DURA PLAST (SL) Limited (the Company)

“Production” – Any or all of the following, when carried out by or on behalf of the company: processing, distributing, marketing and selling of plastic materials and iron and steel materials and its derivatives; and all other operations of the company incidental to, arising from or directly related to the design, installation, operation and maintenance of factory infrastructure.

“Subcontractor” - Any person or organization contracted directly or indirectly by a contractor of the company to cause to provide some portion of the supply of goods or services causally related to the company’s operations.

“Taxes and Duties” – references to "tax" and “duty” includes all present and future taxes, charges, import duties, levies, excise, or withholdings of any kind whatsoever or any other imposition by GoSL, having the effect of a tax.

The Company – refers to **DURA PLAST (SL)** and **FERRO FABRIC** undertaking activities/services pursuant to this Contract Agreement including its successors and assigns and where the context so permits any company or person sub-contracted by the Company to provide undertake activities/services.

“Work Plan” – The defined activities and indicative timelines (hereinafter referred to as the **“WORK PLAN”**) as attached in Annex A for achieving the Construction and installation Production and distribution processes in accordance with the terms of this Agreement.

ARTICLE 2
PARTIES TO THE AGREEMENT

2.1 Parties

The parties to this Agreement shall be the Government of Sierra Leone (GOSL) and the Company (**DURA PLAST (SL) Limited and FERRO FABRIC**).

ARTICLE 3
TERM OF AGREEMENT

3.1 Term

The term of this Agreement shall begin as of the Effective Date and shall remain in enforce for a period of ten years or sooner terminated by both parties after notice in writing for a just cause. Thereafter, the Agreement shall continue in enforce with respect to renewal as provided for under Article 3.2 and shall be subject to the termination provisions and all other terms and conditions hereof.

3.2 Extension of Term

Six months prior to the expiration of this Agreement, unless earlier terminated, the Company may apply to the GoSL for an extension of this Agreement for such additional period and on such terms and conditions as may be agreed.

Where the term of this Agreement is not extended pursuant to this Article, **the Company** shall continue its commercial production at targeted levels for remaining term period.

Notwithstanding any extension that may be agreed upon by both parties to the Term of this Agreement, this Agreement is, and will always be interpreted as, a fixed term agreement and not an indefinite term agreement.

5.4 Corporation Tax

Pursuant to Section 48 of Finance Act, 2013, the Company shall be entitled to a corporate tax relief for a period of 5 (five) years, starting upon commercial production and at the rate of 15% thereafter.

5.5 Withholding Taxes on Payments to Contractors

The Company shall withhold taxes from payments to its suppliers and other contractors according to the provisions in the existing Laws.

5.6 Goods and Services Tax

The company shall be subject to Goods and Services Tax exemptions on plants and machinery in accordance with the Goods and Services Tax Act 2009.

5.7 Withholding Taxes on Dividend Payments

The Company shall withhold tax on dividends to shareholders in accordance with the Income Tax Act 2000

5.8 Withholding Taxes on Interest Payments

The Company shall withhold tax on interest payments to lenders in accordance with the Income Tax Act 2000.

5.9 Capital Allowance

The Company shall be entitled to capital allowance deduction at a rate of forty percent (40%), twenty percent (20%), twenty percent (20%) and twenty percent (20%) for the first, second, third and fourth years respectively on all plant, machinery, and equipment.

5.10 Other Allowable Deductions

The Company shall claim deduction against chargeable income in an amount equivalent of the following percentage expenditure:

- a. Actual expenses incurred in respect of environmental and social impact mitigation and /or environmental protection and restoration - **100 percent.**
- b. Cost of educating and/or training citizens of Sierra Leone and who are full time employees of the Company and part time employees of the Company but bonded to the Company on completion of such training and/or education. Education or Training shall not include primary or secondary school education and shall be relevant to employment of the trainee concerned and include on the job training and shall include **100 percent** of the wages of an employee serving an apprenticeship course approved by the Government - **100 percent.**

4.2.5 The Company shall undertake to have an Insurance Policy to cover Management and Staff treatments for occupational hazards and accidents.

4.2.6 The Company shall undertake to import a modern and state-of-the-art machines, equipment, and assembly production lines for industrial operations, and remain obligated to GoSL under the Terms of this Agreement.

4.2.7 The Company shall fully comply to undertake and complete all Environmental Assessments and other related obligations required by the GoSL.

4.2.8 The Company shall be entirely committed to its investment bonds, and funding of its projects, with its own capital using bank loans where necessary.

4.2.9 The Company shall ensure conformity to hygiene and safety regulations whether subcontracted or with designated Agents working on site.

ARTICLE 5 **FISCAL REGIME**

5.1 GoSL agrees that the following tax treatments shall apply to and in respect of the Company and shall only apply and remain to be the direct beneficiary, and not its related Contractors and Subcontractors, unless the goods or consignments on which such tax treatments shall apply are consigned in the name of the Company for use exclusively for its manufacturing purpose.

5.2 Personal Income Tax for Local Employees

All local employees of the Company are subject to Pay-As-You-Earn (PAYE) Tax consistent with **Part I of the First Schedule** of the Income Tax Act 2000 (as amended).

5.3 Personal Income Tax for Foreign Employees

Income earned from a source in Sierra Leone by foreign nationals shall be subject to the requirements for residency provided for in Sections 10-13 of the Income Tax Act 2000 (as amended), for which the tax shall be at the rate of **25%** (Part II of the Second Schedule of the Income Tax Act 2000), provided the foreign national is in employment for a period of 183 days or less, but in cases where the employment exceed 183 days, the normal PAYE schedule will be applied in computing the Personal Income Tax liability, consistent with Sections 116 to 123 of the Income Tax Act, 2000 (as amended).

ARTICLE 4
GRANTING OF CONCESSIONS AND RIGHTS

4.1 The GOSL's Obligations

4.1.1 No Unhealthy Competition and Protection from Foreign Competition

To support the "Made in Sierra Leone" Concept in line with the Local Content Policy, Government shall apply all reasonable endeavours to provide the conducive environment to support the Company's efforts, especially protection from unhealthy competitions with foreign dumped products through some measures that include tariff protection.

4.1.2 Production Rights

The GoSL hereby grants the company the right, in accordance with all applicable Laws of Sierra Leone, to engage in:

- i. Plastic ware production.
- ii. Iron and Steel production.
- iii. Recycling of scrapped metals.

4.1.3 Tariff Protection

Government shall implement a tariff regime conducive to provide comparative advantage to the Company from foreign products dumped locally.

4.2 The Company's Obligations

4.2.1 The Company shall exclusively undertake and own as property, the project to construct, develop and establish the infrastructure and install and operate a facility to produce plastic ware, iron and steel, packaging, and distribution.

4.2.2 The Company shall undertake to comply with provisions of all laws, especially Labour and Social Security Laws for the recruitment and employment of staff. The Company is also committed to employ a greater proportion of Sierra Leonean staff for jobs not requiring high level technical expertise, whilst providing the requisite on-the job training of personnel.

4.2.3 The Company shall develop a policy and set up a system to protect workers against occupational hazards, accidents at work and other health risks in consonance with applicable laws.

4.2.4 The Company shall undertake to comply with the provisions of the Labour, Social Security and Local Content Regulations in recruitment and employment of staff.

“Work Plan” – The defined activities and indicative timelines (hereinafter referred to as the **“WORK PLAN”**) as attached in Annex A for achieving the Construction and installation Production and distribution processes in accordance with the terms of this Agreement.

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- c. Any expenses incurred on research and development by the Company up to the extent of profits of the same year the expenditure is made but any unclaimed amount shall not be available for future deductions - **100 percent.**
- d. Any expenses incurred on training of local staff in an approved training programme, by the Company up to the extent of profits of the same year the expenditure is made, but any unclaimed amount shall not be available for future deductions - **100 percent.**
- e. Any expenses on social services, such as building of schools and hospitals and any investment that is outside the scope of the original investment and which would be also available to the general public for use free of charge, up to the extent of profits for the purposes of the Income Tax Act, 2000.
- f. The actual cost of the remuneration payable to any physically or mentally disabled employees, up to the extent of the profits of the year in which the expenditure is made, but any unclaimed amount shall not be available for future deductions - **200 percent.**

5.11 Taxes on Imports of Raw Materials

The Company shall pay an import duty on raw materials at a reduced rate of 5% and other taxes on CIF value in accordance with applicable laws.

5.12 Import Duty on Plant, Machinery, and Equipment

The Company shall, for a period of **five (5) years** commencing the effective date of this Agreement, be exempt from import duty for plants, machinery and equipment to set up and operate the factory. The company shall have the right to generate its own power in the case it feels public power is not stable. The company shall be exempt from payment of import duty and other border taxes on HFO and on fuel(diesel) upon submission of quantity of diesel required for the Company's operations.

5.13 Importation of Packaging Material

Importation of other inputs and packaging materials shall attract import duty at the concessional rate provided for manufacturing, but shall pay other applicable taxes, including the ECOWAS levy on these materials.

5.14 Non-stabilisation Tax Provisions

The Company shall, from time to time pay all other taxes not covered by this Agreement.

5.15 Exemption from Export Sales

5% of total income corporation tax after the qualifying period.

5.16 Investment Allowance

An additional 5% *investment* allowance will be given on the procurement of any new qualifying asset and investment in each year of assessment.

5.17 Trading Losses

Trading losses can be recouped for a maximum period of ten (10) years, Provided the investor submits an audited account to be verified by the National Revenue Authority

5.15 Pension and Social Security Contributions

All local employees of the Company shall be subject to pension contribution in accordance with the National Social Security and Insurance Trust Act, 2001.

ARTICLE 6
CONDUCT OF OPERATIONS

6.1 Production Activities

Subject to the Terms of this Agreement and applicable Laws of Sierra Leone, the Company shall engage in the purchase of raw materials and operate it business in accordance with established prudent business practice.

The company shall engage in the processing, packaging, marketing, distribution and sale of various plastic wares and steel products, for the domestic market and, where domestic needs have been met, for exports to other countries.

6.2 Performance of Initial Investment Obligations

Within **twenty-four (24) to thirty (30) months** of the effective Date, the companies are expected to invest in full manufacturing plant that have the capabilities to produce the range of products listed in this Agreement, and in the respective targeted volumes.

If within 24 Months from the Effective Date, the Company fails to use reasonable effort to have a full functional manufacturing plants operating in the country, the company shall notify the GoSL why it failed to meet such performance obligations.

If within 30 months the company fail to achieve commercial production levels of output, the Government may, by notice in writing to the company, inform the

company of its intention to terminate this Agreement if there is no reasonable ground for delay.

6.3 Domestic Sale of Products

To the extent that there is sufficient and effective demand for range of products, by the company in Sierra Leone, the company agrees to sell all of what is required from its production activities to the domestic market. Where it is determined that the production capacity of the factory exceeds domestic demand, some of its outputs shall be exported to other countries.

6.4 Notwithstanding Clause 6.3 the Company shall be restricted to limit the export of its products to not more than **40 percent** of its total production in any given period.

6.5 Purchase of Raw Materials

The company may establish and enter into an agreement to have the non-exclusive rights to purchase, or procure without limitation, raw material products, including recycled products and other raw for use in its manufacturing operations in line with the local content policy Act of 2016 and other applicable laws.

ARTICLE 7 **EMPLOYMENT AND TRAINING**

7.1 Employment

7.1.1 The Company's employment practices shall conform to the existing Laws of the country. In no case shall the Company knowingly, after reasonable enquiry, hire non-Sierra Leoneans for unskilled positions, unless subject to Section 50 of Finance Act, 2021.

7.1.2 The Company shall, for the employment at all levels in financial, accounting, technical, administrative, supervisory, and senior management positions and other skilled positions, give preference to qualified Sierra Leoneans who meet the minimum requirements and expectations of the company.

7.1.3 Where the company is unable to hire a Sierra Leonean to fill any position within a reasonable time, the Company shall provide to the GoSL proof that it exhausted all possible options and was unable to attract qualified Sierra Leoneans who meet the minimum requirements and expectations of the company.

7.1.4 The Company is required to meet all of the minimum criteria detailed in the Companies Act, 2009 and follow the process and procedures outlined therein.

7.1.5 The Company is fully responsible for following and demonstrating, through documented procedures that they have complied with the requirement detailed in the guidelines. In the case of sub-leasing or the sale of one investment to another, responsibility for compliance is transferred to the sub lease/new owner(s).

7.1.6 The Company must submit on an annual basis its audited balance sheet and income statement, prepared in accordance with International Financial Reporting Standards, as well as any required national standards, to the relevant stakeholders including the Ministry of Trade.

7.1.7 The Company shall develop a Corporate Social Responsibility (CSR) plan based on an assessment of community needs in consultation with EPA.

7.1.8 The Company shall provide feasible timeframes for implementation of its agreed upon CSR responsibilities, which will be agreed upon by all stakeholders.

7.1.9 The Company shall submit semi-annual progress reports on its project, based on a predetermined monitoring plan; GoSL representatives will conduct periodic and on the spot monitoring visits, as and when necessary

7.1.10 The Company shall support the growth of Small and Medium Enterprises through targeted procurement, promote employment of Sierra Leoneans at all levels in managements.

7.1.11 The Company shall develop the human and institutional capacity of Sierra Leoneans through training and transfer of knowledge and technology.

7.1.12 The Company shall adhere to the Environmental Protection Agency Act 2008 (and amended), and other environmental regulations developed by GoSL and in line with International best practices.

7.2 Training

For the purpose of 7.1 above, in addition to providing on-the-job training, vocational training and other measures necessary and reasonable to achieve its employment objectives, the Company shall use reasonable efforts and resources to provide training for it Sierra Leonean employees with a view to qualifying them for the positions described above and as required by the Company's operations under this Agreement.

ARTICLE 8 PERMITS

8.1 Permits Issuance

The GoSL shall endeavour to process and issue to the Company all permits, licenses, and other proper authorization or permission-related documents and the company shall, at its sole expense, be responsible for obtaining and maintaining during the term of this Agreement, all permits, licenses, and other proper authorization or permission-related documents required for the performance of this project.

GoSL undertakes that, should the Company, (or any other person taking part or participating in the project), at any time, be required to obtain any further permit or other authorization or permission-related document in connection with itself, its activities or the project (or any part of the project), it shall take all necessary steps to ensure such permit or authorization is issued forthwith provided that the Company or, as the case may be, such other person complies with all requirements of the Laws of Sierra Leone in relation to such permits or authorizations.

8.2 Revocation of Permits

The GoSL agrees that any permit or other authorization issued to the Company for the project shall not be amended, changed, cancelled, terminated, or revoked, unless it is in accordance with the Laws and Regulations governing its issuance

8.3 Breach of Permits

If the company or other person(s) to whom it was issued fail to abide by any terms of any permits or authorization, GoSL (or any relevant official or public authority) may exercise any power pursuant to the Laws of Sierra Leone in respect of such failure. However, GoSL agrees it will not (and will procure that no official or public authority will) exercise any such power unless the Company and such other person(s) shall specify for this purpose have first been given minimum statutory period of notice (the Notice) of such failure and given the opportunity, and failed within a reasonable period of time after receipt of such notice, to rectify, remedy or cure such failure unless, in the opinion of GoSL acting reasonably, there is a significant risk to life or the environment.

If there is a significant risk to life or the environment, GoSL shall be entitled to suspend the relevant permit or authorization for the minimum period of time which could be anticipated as being reasonably necessary for an organization which is competent, experienced and efficient to prevent such risk occurring. For the purpose of this paragraph, 'reasonable period' means at a minimum period as contained in a statutory instrument of notice from date to delivery of the notice.

ARTICLE 9
FORCE MAJEUR

9.1 Subject to Clause 9.2, parties to this Agreement shall not be in breach of the Agreement, nor liable for delay in performing or failure to perform any of its obligations under this Agreement, if such delay or failure as a result of a Force Majeure

9.2 Force Majeure are unforeseeable events, circumstances or causes beyond the reasonable control of either party to this Agreement with sustained disruption of the operations and performance of the Company.

9.3 A force majeure event shall include but not be limited to any event as listed below:

9.3.1 Natural Force Majeure event

- i Fire, explosion, lightning, earthquake, landslide, storms, severe weather conditions, volcanic eruption, meteorites or other natural disasters or acts of God;
- ii Epidemic plague or quarantine;
- iii Serious accident, breakage of facilities, plant or equipment, structural collapse or chemical contamination;

9.3.2 Political Force Majeure event

- i. War initiated by GOSL or otherwise affecting Sierra Leone,
- ii. Politically motivated violence, sabotage, terrorism, strikes and industrial relations issues (other than those restricted to employees of the Company),

9.4 If an event is declared a Force Majeure, the term of the Agreement shall be extended by a period equivalent to the period during the Force Majeure, provided that such period continues for four (4) consecutive months, the company may terminate this Agreement by giving ninety (90) days written notice to the Government.

9.5 The Company shall not be entitled to rely on Clause 9.1.1 unless it promptly notifies the GOSL in writing of the nature and extent of the Force Majeure event;

9.6 Could not have avoided the effect of the relevant event by taking precautions which, having regard to all the matters known to it before the event, it ought reasonably to have taken, but did not take; and

9.7 Has used its best efforts to mitigate the effect of the event, to carry out its obligations under this agreement in any way that is reasonably practicable and to resume the performance of its obligations as soon as reasonably possible.

ARTICLE 10
ENVIRONMENTAL, HEALTH AND SOCIAL ASSESSMENT

10.1 The Environmental License for the project will be granted to the Company subject to conditions only which are typical for an Environmental License, no later than the statutory period after the application is lodged unless:

- a. it is withheld for one or more lawful reasons which are objectively reasonable for withholding such Environmental License under the relevant laws of the Republic of Sierra Leone, or
- b. the Company's environmental management plan (including the ESHIA) is not being implemented to a material extent.

ARTICLE 11
EXPORT REVENUE

11.1 All revenue derived from export must first be channelled through Sierra Leone Banking before they are repatriated to any other bank of the investors choice this is just a way to improve the country's balance of payment position.

ARTICLE 12
WATER, ELECTRICITY AND OTHER UTILITIES WATER RIGHTS
AGREEMENT

12.1 Water Rights

GoSL agrees to enter into a water rights agreement with the Company and shall be charged at a fixed rate per cubic meter of water extracted from rivers and other water courses. The rate will be determined by the competent authority in accordance with prevailing rates for the year under review. The stipulated price of water shall be adjusted in line with inflation and/or other considerations every (state year).

12.2 Electricity Rights

GoSL agrees to supply Electricity to the company through the Electricity Distribution and Supply Authority at favourable rates for the duration of the

Project. No restriction shall be given on the amount of electricity to be consumed by the Company.

However, if the Electricity Distribution and Supply Authority shall not meet the company's electricity demand, the company shall generate its own electricity from its stand-alone generators on its various sites and locations in Sierra Leone and of the Company shall be subject to monitoring, licensing or shut down requirements of the Electricity Distribution and Supply Authority.

ARTICLE 13 **CHANGE IN LAW**

13.1 If any law applied in Sierra Leone comes into effect or is amended, modified, repealed, withdrawn or replaced (a Change in Law) which has a material adverse effect on the ability of the Company, its contractors, sub-contractors, any shareholder or funder to perform their respective obligations under any document relevant to the development, operation or funding of the Project or the cost of or return from so doing after taking into account the effects associated directly and expressly with any such Change in Law, then GoSL undertakes to grant to the Project, Company, its contractors, sub-contractors, the shareholders and the funders any exemption or license or other authorization necessary or desirable to ensure that such interest, rights, obligations and economic return are not materially adversely affected. If there is a dispute between the Parties in relation to whether the Change in Law has the effect described above, it shall be referred to the arbitration procedure as agreed and set out in the Agreement, once the agreement is in full force and prior to the date as set out in this Agreement.

ARTICLE 14 **NATIONALIZATION OR EXPROPRIATION**

14.1 The GoSL agrees that it will not, nor attempt to, nationalize, expropriate, or confiscate all or any part of the assets or rights of the Company, its sub-contractors or their respective contractors or any other party to the documents relevant to the development, operation and funding of the project or the share capital of the Company. other than on the basis of full compensation (including loss of profit) to the affected parties, including an amount not less than that required to repay all principal, interest, fees, costs and expenses, amounts outstanding to the funders under or pursuant to the funding documents.

14.2 Each party confirms that it does not intend and will not engage in any illegal activity and the Company agrees to take reasonable steps that its shareholders affiliates and its expatriate employees also do not do so.

14.3 Being a strategic project in Sierra Leone, the Company agrees that it will comply with all national standards; environmental protection and health and safety as required for the type of activities carried out under these Projects.

ARTICLE 15 **EXPATRIATES**

15.1 The GoSL agrees that Directors, Officers, Consultants and Employees (including immediate families) of the Company and its contractors and sub-contractors shall be entitled to:

- Enter, leave, and reside in Sierra Leone for the purposes of the Project
- Work in Sierra Leone (except immediate families who are not employed by the Company).
- Opt out of NASSIT pension contribution if expatriate has already alternative pension arrangements
- Not exempt from all local taxes to include personal income tax and residence tax for as long as expatriate works in the Project
- Bring in or import and to export following or in anticipation of the termination of residence or work, such personal and household effects
- Sell within Sierra Leone any such household goods or effects brought in or imported to Sierra Leone, subject to applicable sales duties/taxes
- GOSL warrants that all relevant officials or public authorities shall deliver without delay all documents, permits and licenses to effect above agreements.

ARTICLE 16 **EXCHANGE CONTROL AND INVESTMENT PROMOTION ACT**

16.1 All inflows and outflows of foreign exchange shall be done through the banking system in compliance with the exchange control act, 1965 and the Anti-Money Laundering/Countering Financing of Terrorism Act, 2012 (AMT/CFT).

Specifically, the GOSL agrees to procure that the Central Bank shall always agree (whether by reason of such actions being compliant with the Exchange Control Regulations or otherwise) that the Company, its shareholders, its financiers, funders to any document relevant to the development, operation and funding of the Project shall be entitled to

- Receive and make payment in accordance with the relevant document, including outside of Sierra Leone in foreign currency.
- Convert Leones to foreign currency and remit foreign currency outside of Sierra Leone
- Maintain Leones and foreign currency bank accounts inside and outside of Sierra Leone, deposit, retain and deal with Leones and foreign currency utilizing such bank accounts
- Repatriate earnings and proceeds of sales of assets
- Allow expatriate to repatriate earnings
- Convert or transfer funds associated with investments, including remittances of investment capital, earnings, loan repayments and lease payments
- GoSL in accordance with applicable law warrants that the Central Bank shall make it available to the Company such amounts of foreign currency as are necessary for development, operation, maintenance, and funding of the Project at the official exchange rate.

16.2 GoSL in accordance with applicable law warrants that all relevant officials or public authorities shall deliver, without delay, all documents, permits, and licenses required to effect to the above.

ARTICLE 17 **LAND AND LAND LEASE AGREEMENT**

17.1 The GoSL guarantees to facilitate and provide the Company with the area of land needed for the Project extension when the need arises. GoSL will facilitate the lease of the land identified, demarcated and approved for use by the Company at the cost of the Company.

ARTICLE 18 **CONFIDENTIALITY**

18.1 These discussions and all matters regarding the Company's potential Project to be kept confidential. GoSL to agree that any disputes regarding the Project will be arbitrated first under the laws of Sierra Leone and under the rules of the International Center for Settlement of Investment Disputes if dissatisfied with the first ruling.

ARTICLE 19
DISPUTE RESOLUTION

19.1 This Agreement is governed and shall be construed in accordance with the laws of the Republic of Sierra Leone and is intended to be binding on the parties.

19.2 This Clause applies to any claim, dispute or difference of any kind between the parties arising out of or in connection with this memorandum (a "Dispute"). That includes without limitation, any question about the Agreements existence, validity or termination.

19.3 All disputes shall be referred to and finally resolved by arbitration before arbitrators under the Rules of the International Center for Settlement of Investment Disputes ("ICS") from time to time in force.

19.4 Each party shall nominate an arbitrator in the Request for Arbitration, or answer, as the case may be not later than 14 days after service of a written request by either party to do so. The parties must then seek to agree on and nominate a third arbitrator to act as chairman.

19.5 The proceedings shall be conducted in the English Language. All documents submitted in the arbitration shall be in the English Language.

19.6 None of the parties may appeal to any court on a question of law arising out of an award made in the arbitration. The parties irrevocably waive any rights of appeal they might otherwise have had.

19.7 The award shall be final and binding on the parties or anyone claiming through or under them and judgment rendered on the award may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of the award and an order of enforcement.

- 19.8 GoSL irrevocably and unconditionally,
- a) acknowledges that the execution, performance and delivery by each party of this Agreement shall constitute a private commercial transaction entered into entirely in its commercial capacity,
 - b) agrees that should any other party bring legal proceedings against it or its assets in relation to this Agreement, no immunity from such legal proceedings shall be deemed to include without limitation, suit, attachment prior to judgment.

IN WITNESS WHEREOF this Agreement has been executed by duly authorised representatives of the Parties hereto on the day, month and year first above written.

SIGNED SEALED AND DELIVERED for and on behalf of the
GOVERNMENT OF SIERRA LEONE

.....
Jacob Jusu Saffa
Minister of Finance
Date: 9/04/2021



.....
Dr. Edward Hinga Sandy
Minister of Trade and Industry
Date: 8/04/2021

SIGNED SEALED AND DELIVERED for and on behalf of the DURA
PLAST SIERRA LEONE LIMITED and INTEGRATION STEEL
MANUFACTURING COMPANY

.....
MOHAMED BILITY
GENERAL MANAGER
Date: Apr 7 2021

Witness

Mr. A-B. Magid-Seray
Date: 07/04/2021