



Agreement

Between

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

And

IMS GROUP (SL) LIMITED

December 2022

THIS AGREEMENT is made on theday of
....., in the Year of Our Lord Two
Thousand and Twenty Two (2022)

BETWEEN

The Government of the Republic of Sierra Leone represented by the Ministries of Finance (MoF) and Trade and Industry (MTI) (hereinafter referred to as GoSL) on the one hand (hereafter referred to as **“the GOSL”**).

AND

IMS Group (SL) Limited, a Limited Liability Company established under the Companies Act of 2009 and registered under the laws of Sierra Leone with company Certificate of Incorporation Numbered **SL160621IMSGR11303** and with its registered head office at 11 Sani Abacha Street and operations site located at 3 Mile, Western Rura District, Freetown, Sierra Leone (hereafter called **“the Company”**).

IMS Group (SL) Limited, is acting in its own name and that of all the present or future affiliates, represented by the Chief Executive Officer, Mr. Ali Ibrahim Mohsen.

Proponents of the Agreement shall individually be referred to as **“the Party”** and Collectively **“the Parties”**

Recitals

And Whereas **IMS Group (SL) Limited**, is a wholly Sierra Leonean Company, operating in merchandise including but not limited to selling imported products such as flour, rice, biscuits, fruit juice, carbonated fizzy drinks tobacco, vegetable oil, sugar,

spice seasoning, detergents, soap, building materials and household electrical appliances among others.

And Whereas **IMS Group (SL) Limited** has six (6) warehouses situated at Cline Town Community and each has capacity ranging from 2,000 to 3,000 metric tonnes.

And Whereas **IMS Group (SL) Limited** seeks to establish the following ventures in Sierra Leone:

- A. Ultra-modern factory called **IMHA Flour Mill (SL) Ltd** for the flour production of flour used for making bread and other confectioneries with capacity of 120 metric tonnes per day.
- B. Ultra-modern beverage factory named **American beverages (SL) Ltd** for producing carbonated soft drinks in various sizes for Sierra Leone also for regional market
- C. **ZEIN Foods Industries (SL) Ltd** for producing fresh fruit juice, purees and smoothies from locally grown fruits.
- D. **Havana Tobacco (SL) Ltd** for producing cigarette targeting the local and regional market.

And Whereas the Company proposes to invest **US Dollars 45 million (US \$45 million)** and is expected to complete and commission all these factories within 24-36 months from the date of ratification.

And Whereas the Company is desirous to register with all relevant Ministries, Departments and Agencies (MDAs) who will continue to encourage, attract and coordinate private sector investments in the manufacturing sector in Sierra Leone.

And Whereas GoSL seeks to promote private sector investment, business growth and development in the country, especially in the manufacturing sector in both flour and natural juice grown locally and to provide employment, promote growth and development, boost exports and balance of trade.

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

And Whereas GoSL recognizes the expected benefits of the project in terms of job creation, 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.

An Whereas GoSL will review the proposal to ensure conformity with requirements and quality standards and Laboratory best practices as determined by the Sierra Leone Standards Bureau. GoSL seeks to promote the integration of local Content Policy using local materials and local expertise where available.

And Whereas 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.

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 **IMS Group (SL) Limited** and any further amendments made pursuant to its terms as well as all 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.



“Business Day” – Any day other than weekends or an official public holiday.

“Change of Control” – Any assignment, sale, or transfer of interest of any type as a result of which the person that holds a majority of the economic interest in the Company as of the Effective Date, ceases to hold a majority of the economic interest in the Company.

“Company” means a group of individuals with a common purpose or provides services as a commercial venture including its successors and assigns where the context permits

“Commercial Production”- In any period, following the Effective Date, where the production of processed and finished products as envisage in the Business Plan, reaches 40% or more of the installed production capacity of the factory.

“Commercial Production Date” – The date upon which the company reaches a target of 40% of the installed factory production capacity.

“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



“Encumbrances” – Any pledges, liens, charges, assignments, assessments, security interests, title retention, mortgages, restrictions, title defects, rights of ways, options or adverse claims from any person or organization claiming any rights to the lands assigned by the Government of Sierra Leone for the development of the factories.

“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 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 IMS Group (SL) Limited



“Production” – Any or all the following, when carried out by or on behalf of the company: processing, distributing, marketing and selling of flour, soft and natural juice 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 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 undertakes 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 Parties

The parties to this Agreement shall be the Government of Sierra Leone (GOSL) and IMS Group (SL) Limited.

ARTICLE 3

TERM OF AGREEMENT

3.1 Term

The term of this Agreement shall begin as of the Effective Date and shall remain in effect for a period of ten years, unless sooner terminated as hereinafter provided. Thereafter, this Agreement shall continue in effect with respect to renewal 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 both parties may agree.

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.

ARTICLE 4
GRANTING OF CONCESSIONS AND RIGHTS

4.0 The GOSL's Obligations

4.1 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.

4.2 Production Rights

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

- i. The purchase and processing of wheat flour, soft drinks natural juice and other related food products;
- ii. The development of agent networks for the purchase and sales of wheat,
- iii. The wholesale distribution of wheat (only) in the domestic market and, where necessary, to export to other countries.
- iv. Market, distribute and sale of varieties of soft drinks, fruit juices and cigarettes and where necessary to export to other countries.

4.3 Tariff Protection

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

5.0 The Company's Obligations

5.1 IMS Group (SL) Limited shall exclusively undertake and own as property, the project to construct, develop and establish

the infrastructure and install and operate a facility for cement production, packaging and distribution.

5.2 **IMS Group (SL) Limited** 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.

5.3 **IMS Group (SL) Limited** 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.

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

5.5 **IMS Group (SL) Limited** shall undertake to have an Insurance Policy to cover Management and Staff treatments for occupational hazards and accidents.

5.6 **IMS Group (SL) Limited** 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.

5.7 **IMS Group (SL) Limited** shall fully comply to undertake and complete all Environmental Assessments and other related obligations required by the GoSL.

5.8 **IMS Group (SL) Limited** shall be entirely committed to its investment bonds, and funding of its projects, with its own capital using bank loans where necessary.

5.9 **IMS Group (SL) Limited** shall ensure conformity to hygiene and safety regulations whether subcontracted or with designated Agents working on site.

ARTICLE 6
TAXES TO THE COMPANY

6.0 GoSL agrees that the following tax treatments shall apply to and in respect of **IMS Group (SL) Limited**, provided that they shall only apply and remain to be the direct benefit of the Company, and not its related or other companies, 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.

6.1 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).

6.2 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).

6.3 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 ratification of this Agreement by Parliament.

Loss incurred by the Company each year shall be offset and carried forward for adjustment against any future income for a period not exceeding Ten (10) years

6.4 Withholding Taxes on Payments to Contractors

The Company shall withhold taxes from payments to its suppliers and other contractors in accordance with the Income Tax Act 2000 as amended

However, upon written application to the Commissioner-General, the company shall be granted a withholding tax exemption for the services of highly skilled experts whose services are not readily available in Sierra Leone subject to an approved scheme for skills transfer to Sierra Leoneans, consistent with the provision of Section 49 of Finance Act 2022.

6.5 Withholding Tax on Dividend Payments

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

6.6 Withholding Tax on Interest Payments

The Company shall withhold taxes on interests at the rates prescribed in Part IV of the First Schedule or Part II of the Second Schedule of the Income Tax Act, 2000 (as amended).



6.7 Advance Withholding Tax on Imports

The Company shall be entitled to exemption from the payment of five-and-a-half (5.5%) withholding tax on the CIF value of their imports subject to Section 114 of the Income Tax Act, 2000 (as amended)".

6.8 Capital Allowances

The Company shall be entitled to capital allowance deductions for depreciation 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, consistent with Section 39 of the Income Tax Act, 2000 (as amended).

6.9 Import Duty on Plant Machinery and Equipment

The company shall, for a period of (5) years, commencing the Effective Date of this Agreement, be exempt from import duty on plant, machinery, and equipment, and other high end construction materials required for set up and development of the project, subject to submission of Bill of Quantity to Ministry of Trade and Industry and Ministry of Finance"

6.10 Importation of raw material and packaging Material

Company shall be entitled to an exemption of raw materials and packaging materials for a period of three (3) years and thereafter to a reduced import duty rate of five (5) percent for raw and packaging materials commencing the effective date of this Agreement.

6.11 ECOWAS Levy

Commencing the effective date of this Agreement, IMS shall pay ECOWAS levy on its imports, as applicable.

6.12 Goods and Services Tax

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

6.13 Other Allowable Deductions

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

- a. Actual expenses incurred in respect of environmental and social impact mitigation and/or environmental protection and restoration – one hundred percent (100%).
- b. Cost of educating and/or training citizens of Sierra Leone and who are full time employees of IMS Group and part time employees of IMS Group 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 the employment of the trainee concerned and include on-the-job training and shall include one hundred percent (100%) of the wages of an employee serving an apprenticeship course approved by GoSL.
- 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 – one hundred percent (100%); but any unclaimed amount shall not be available for future deductions.



- d. Any expenses incurred on the training of local staff in an approved training course conducted by the Company up to the extent of profits of the same year the expenditure is made – one hundred percent (100%); but any unclaimed amount shall not be available for future deductions.
- e. Any expenses on social services, such as the 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 – one hundred percent (100%);
- 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%)”.
- g. 100% of any expenses on promoting export of the Company’s products.

6.14 Non-stabilization

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

6.15 Pension and Social Security Contributions

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

ARTICLE 7
CONDUCT OF OPERATIONS

7.0 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 for flour, soft drinks and natural juice and other food products and operate its business in accordance with established production standards and prudent business practice.

7.1 The Company shall engage in the production, packaging, distribution and whole sale of flour, soft drinks and natural juice and other food related products domestically, and shall export to other countries where domestic needs have been met.

7.2 Performance of Initial Investment Obligations

Within 6 months of the Effective Date, the Company shall invest in full industrial manufacturing plant that has the capacity to produce the range of products listed in this Agreement, and in the respective targeted volumes. For clarity purpose, the factory is expected to process up to **200-300** tons of flour, soft drinks and natural juice and other food per business day.

7.3 If within **12-18 months from the Effective Date**, the Company fails to use reasonable efforts to have a full functional manufacturing plant operating in the country; it should notify the GoSL why it failed to meet such performance obligations. If within **24-30 months** the Company fails 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.

7.4 Domestic Sale of Products

To the extent that there is sufficient and effective demand for the cement manufactured by the company in Sierra Leone, the company shall sell to the domestic market all or the amount of flour, soft drinks and natural juice and other food required from its production. Where it is determined that the production capacity of the factory exceeds volumes required by the domestic market, the company may export an amount not more than its excess output to other countries.

7.5 Notwithstanding Clause 7.4 the Company shall be restricted to limit the export of its products to not more than 40 percent (40%) of its total production in any given period.

7.6 Purchase of Raw Materials

The Company may establish an Agreement to have the non-exclusive right at all times to purchase without limitation, semi processed products as raw materials from Sierra Leonean as suppliers, in line with the Local Content Policy Act of 2016 and other applicable laws.

ARTICLE 8 **EMPLOYMENT AND TRAINING**

8.0 Employment

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.

8.1 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.

8.2 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.

8.3 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.

8.4 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).

8.5 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.

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



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

8.8 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

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

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

8.11 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.

8.12 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.9
PERMITS

9.0 Permits Issuance

The GoSL shall endeavour to process and issue to **IMS Group (SL) Limited** 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 **IMS Group (SL) Limited** (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.

9.1 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

9.2 Breach of permits

If **IMS Group (SL) Limited**, 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 10 **FORCE MAJEURE**

10.0 The parties to this Agreement shall not be in breach of the 9.1 Agreement, nor liable for delay in performing or failure to perform any of its obligations under this Agreement if such delay or failure is because of a Force Majeure

10.1 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.

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

10.2.1 *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;

10.2.2 *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),

10.2.3 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.

10.2.4 The Company shall not be entitled to rely on Clause 9.1 unless it promptly notifies the GOSL in writing of the nature and extent of the Force Majeure event;

10.3 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

10.4 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 11
ENVIRONMENTAL, HEALTH AND SOCIAL
ASSESSMENT

11.0 The Environmental License for the project will be granted to **IMS Group (SL) Limited** 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. **IMS Group (SL) Limited** environmental management plan (including the ESHIA) is not being implemented to a material extent.

11.1 **IMS Group (SL) Limited** will also be exempted from charging GST on sales of its products in order to keep the product affordable to the local market, and thus allow the

project viable and feasible. Without such incentive, the product will not have a competitive advantage locally and in the export market.

ARTICLE 12
EXPORT REVENUE

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 13
ELECTRICITY, WATER AND OTHER UTILITIES
WATER RIGHTS AGREEMENT

13.0 GoSL agrees to enter into a water rights agreement with **IMS Group (SL) Limited** and shall be charged at a fixed rate per cubic meter. 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).

13.1 Electricity rights agreement

- Electricity to be supplied by Electricity Distribution and Supply Authority (EDSA) at favourable rates for the duration of the Project
- No restriction on the amount of electricity to be consumed by the Company.

13.2 And where the availability of power supplied by EDSA is not sufficient enough and sustainability for the operations of the industry, the Company shall make use of stand-alone generators to provide power for the operation of the industry.

13.3 Notwithstanding Section 13.0 of this Agreement, the Company shall be subject to monitoring, licensing or shut down requirements of the Electricity Distribution and Supply Authority.

ARTICLE 14
CHANGE IN LAW

14.0 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 IMS Group (SL) Limited 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, IMS Group (SL) Limited 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 or PPA, once the agreement is in full force and force and prior to the date as set out in this Agreement.

ARTICLE 15
NATIONALIZATION OR EXPROPRIATION

15.0 The GoSL agrees that it will not, nor attempt to, nationalize, expropriate or confiscate all or any part of the assets or rights of IMS Group (SL) Limited, 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 based on 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.

15.1 Each Party confirms that it does not intend and will not engage in any illegal activity and **IMS Group (SL) Limited** agrees to take reasonable steps that its shareholders affiliates and its expatriate employees also do not do so.

15.2 Being a strategic project in Sierra Leone, **IMS Group (SL) Limited** 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 16 EXPATRIATES

16.0 The GoSL agrees that foreign 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.

16.1 Work in Sierra Leone (except immediate families who are not employed by the Company).

16.2 Opt out of NASSIT pension contribution consistent with the NASSIT Act.

16.3 Shall pay personal income tax, work and residence permit consistent with existing laws.

- 16.4 Bring in or import and to export following or in anticipation of the termination of residence or work, such personal and household effects.
- 16.5 Sell within Sierra Leone any such household goods or effects brought in or imported to Sierra Leone, subject to applicable sales duties/taxes.
- 16.6 GOSL warrants that all relevant officials or public authorities shall deliver without delay all documents, permits and licenses to effect above agreements.

ARTICLE 17
EXCHANGE CONTROL AND INVESTMENT
PROMOTION ACT

- 17.0 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).
- 17.1 The GOSL agrees to procure that the Central Bank shall agree at all times (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:
- 17.2 Receive and make payment in accordance with the relevant document, including outside of Sierra Leone in foreign currency.
- 17.3 Convert Leones to foreign currency and remit foreign currency outside of Sierra Leone.

17.4 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.

17.5 Repatriate earnings and proceeds of sales of assets

17.6 Allow expatriate to repatriate earnings

17.7 Convert or transfer funds associated with investments, including remittances of investment capital, earnings, loan repayments and lease payments

17.8 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.

17.9 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 18

LAND AND LAND LEASE AGREEMENT

The GoSL guarantees to facilitate 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 19

CONFIDENTIALITY

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 Centre for Settlement of Investment Disputes if dissatisfied with the first ruling.

ARTICLE 20 DISPUTE RESOLUTION

20.0 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.

20.1 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.

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

20.3 Each party shall nominate an arbitrator in the Request for Arbitration, or answer, 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.

20.4 The proceedings shall be conducted in the English language. All documents submitted in the arbitration shall be in the English language.

20.5 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.

20.6 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.

20.7 GoSL irrevocably and unconditionally,

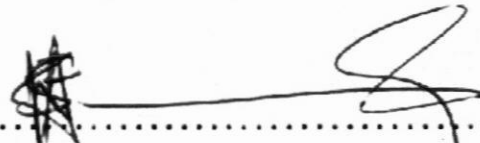
(a) Acknowledges that the execution, performance and delivery by each party of this Agreement shall constitute a private commercial transaction entered into entirely in its commercial capacity.

(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, and attachment prior to judgment.

ARTICLE 22
GOVERNANCE STRUCTURE

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.

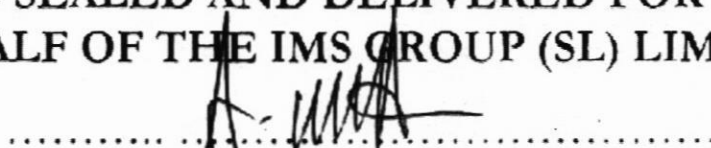
SIGNED SEALED AND DELIVERED for and on behalf
of the **Government of Sierra Leone**



.....
Dr Edward Hinga Sandy
Minister of Trade and Industry

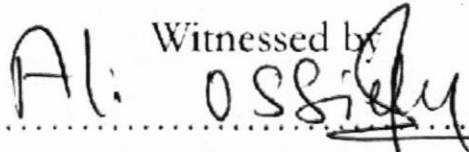
Date: 2023

SIGNED SEALED AND DELIVERED FOR AND ON
BEHALF OF THE IMS GROUP (SL) LIMITED,



.....
Mr. Ali Ibrahim Mohsen
Chief Executive Officer

Date: 20.03. 2023

Witnessed by


.....
Mr Allie Ossiely
General Manager

Date 20.03. 2023