

Framework Contract Between National Housing Authority (NHA) and AXHIS LIBERIA for the Construction of 50000 Housing Units in LIBERIA for a validity of Ten (10) years certain and five (5) years optional

On the one hand,

THE NATIONAL HOUSING AUTHORITY, an Autonomous Housing Developmental Agency Owned by the Government of Liberia Represented by its Managing Director, Madam Celia Cuffy-BROWN of the City of Monrovia, referred to as NHA.

And on the other hand,

AXHIS LIBERIA, a duly registered Private Corporation of LIBERIA, represented by Mr. Alain Z. ZOUGRANA, its President & CEO, hereinafter referred to as « AXHIS LIBERIA ».

AXHIS LIBERIA and NHA are hereinafter collectively referred to as the "Parties" and each individually as a "Party" hereby.

WHEREAS, NHA has a statutory mandate to plan, initiate and implement the construction of affordable housing units for low middle and high-income households and, towards this end, may utilize alternative construction technologies;

WHEREAS, AXHIS - LIBERIA is an investor-owned, for-profit Liberian corporation whose purpose consists of the development of affordable housing in Liberia in order to: (i) demonstrate the viability and feasibility of developing affordable housing that can be used to alleviate the housing shortage that currently confronts Liberia's growing urban population; (ii) develop short term organizational capacity, profitability and competitiveness of indigenous small and medium sized construction contractors committed to operating in the affordable to low-income housing sector; (iii) develop and test a home purchase-financing scheme for such housing; (iv) encourage the growth of mortgage financing activity in collaboration with local financial institutions; and (v) establish a system to ensure that there is a long term capacity for expanding private sector-led affordable housing (the "Community Development");

The Parties in this Framework Contract mutually engage to work in good faith to practically carry out the completion of the objectives set forth below.

Definition

In furtherance of the above, the PARTIES have agreed to cooperate in the construction of Affordable Housing for All Liberians Initiative (hereinafter referred to as the Affordable Housing Initiative) for the purpose of achieving their joint objectives.



REPUBLIC OF LIBERIA
MONTSERRADO COUNTY



Office of the Notary Public
Monrovia, Liberia
Call #: 0886-254-151/0777-026-619
Email: afrubamvni@notarymail.com

NOTARY CERTIFICATE

0000006995

PERSONALLY APPEARED BEFORE ME, a duly qualified and commissioned Notary Public for and in Montserrado County, Republic of Liberia, at my Office in the City of Monrovia, Liberia this 10th day of July A.D. 2019 the Party (ies) to the attached Document(s)

Framework Contract Between National Housing Authority (NHA) and ACHIS LIBERIA for the construction of 5000 Housing Units in LIBERIA for a validity of ten (10) years certain and five (5) years optional.

And did in my presence and in the presence of others execute and sign his/her genuine signature on the said Instrument(s) to be the person(s) he/she represents and that the same was made in my presence and declared by him/her to be his/her voluntary acts and in his/her own handwriting.
WHEREFORE, I ABRAHAM W. NIFOR, NOTARY PUBLIC aforesaid have attached my Official Signature and Notary Seal to avail when and where Necessary.

**SWORN AND SUBSCRIBED TO BEFORE
ME AT MY OFFICE IN THE CITY OF
MONROVIA, LIBERIA, THIS 10th DAY OF
JULY A.D. 20 19**



ABRAHAM W. NIFOR

Notary Public, Montserrado County, R.L.

8. NHA shall be responsible for obtaining all and every permit, licenses, executive, National Investment Commission, and parliamentary approvals or any similar authorization required for the execution and delivery of the 50 000 housing Units.
9. Delivery unit prices of housing to end-users shall be determined by the Parties and thoroughly discussed taking into account all construction costs, miscellaneous costs and reasonable profit margin for the parties. However, where land development is carried out by AXHIS LIBERIA at the request of NHA, then, reimbursement schemes should be agreed upon beforehand.
10. It is agreed and understood between the parties that in order to ensure proper accounting and financial management for the sale of the units constructed, AXHIS LIBERIA shall establish a lawful banking scheme which, among other services offered, will include mortgages, cash sale, etc.
11. Reimbursements schemes of investments funds made by AXHIS LIBERIA will be through a plan of mortgages of the banking scheme, in line with the banking regulations of LIBERIA.
12. It is agreed between the parties that all construction materials and equipment brought into the Republic of Liberia by AXHIS Liberia for construction of the 50000 units shall be exempted from all duties and taxes to assure construction costs is minimized and that the NHA shall be responsible to insure that AXHIS LIBERIA materials and equipment are brought into the country duty free.

Start of work

The start of work shall commence no later than 45 days upon the final of signing of this agreement and the provision of the project sites, free of all litigation and encumbrances, is made available to AXHIS LIBERIA by the NHA. It is understood that in order for the work to start NHA shall insure the project sites are ready taking into account: The validation of the execution files, the implementation of the layout and the servicing of the sites.

Tax Registration

This Framework Contract is subject to the tax regime of the Republic of LIBERIA and in accordance with the exemption agreements that may be granted to AXHIS LIBERIA in the Republic of LIBERIA taking, into account implications of costs and the policies of providing affordable housing.

Governing Law

This Framework Contract shall be construed and interpreted under and in accordance with the laws of the Republic of LIBERIA. The Laws of the Republic of LIBERIA has firsthand jurisdiction over any matter arising out of this Framework Contract; thereafter comes the laws of the Economic Community of West African States (ECOWAS).

Warranty and Representation

Each Party to this Framework Contract expressly warrants that it will perform its responsibilities and obligations with utmost good faith and fair dealing. Each Party stipulates

and agrees that its signatory to this Framework Contract is duly authorized to commit the party and executes this Framework Contract with the full knowledge and approval of the principal.

Force Majeure

In the event of Force Majeure which makes it impossible to either Party or both Parties to perform the agreed services, the Party or both Parties shall not be held responsible for the failure to execute or delay the execution of its or their obligations under this Framework Contract.

For the purpose of this Framework Contract Force Majeure includes but is not limited to the following:

- i. Civil or foreign wars, hostilities, reprisals, and all other machinery of war and generally any accident or fortune of war, as well as acts of sabotage or of terrorism having a political character or that is associated with war;
- ii. Captures, kidnappings, takes;
- iii. Insurrections, acts of vandalism, riots, strikes, terrorist acts, etc., which adversely affect the potential and possibility of either party to perform under this Framework Contract;
- iv. WHO-declared Epidemics and any other natural disasters.

In case of Force Majeure, the party or the parties concerned must notify the situation to all parties within a period of fifteen (15) days.

In the instance of Force Majeure, the obligations of the Party or Parties falling victim(s) shall be suspended. Upon the cessation of the Force Majeure this Framework Contract shall resume, and the duration shall be extended for the period of the Force Majeure, except agreed otherwise by the Parties.

Binding Effect

This Framework Contract, which set the pace for partnership between parties is binding upon the parties herein, in the pursuit of the overall objectives for a period of ten years certain and 5 years optional as of the date of signing.

Amendments

It is agreed and understood between the parties that this agreement shall not be amended, revised or altered by any party without the mutual consent of all the parties.

Termination

The parties agreed that this Framework Contract can be terminated prior to its minimum 10- years term by mutual agreement or on the initiative of a partner if and only if the following cases occur and are proven by the laws of the Republic of Liberia and/or ECOWAS statutory laws:

- Consistent failure to meet commitments by one of the parties.

In all cases, the party taking the initiative to terminate this Framework Contract is required to serve the other party 90 days notice of termination in writing.

Official Mailing Addresses

NATIONAL HOUSING AUTHORITY
Managing Director
Capitol Hill, Executive Mansion Grounds
Monrovia, LIBERIA
Tel.: Tel +231 886 902 886

AXHIS LIBERIA INC.
President & CEO
Carrey & Randall Streets
Montserrado, Monrovia, LIBERIA
Tel.: +231 776 410 154
contact@axhis.com

IN WITNESS WHEREOF, the PARTIES hereto have affixed their signatures in the manner below on this 10th day of July in the year of the Lord Two Thousand Nineteen which is the effective date of this Framework Contract.

AXHIS LIBERIA INC.

88 (1) 10/20
Mr. Alain Z. Zoungrana
President & CEO

NATIONAL HOUSING AUTHORITY

Madam Celia Cuffy- BROWN
Managing Director

WITNESSES

AXHIS LIBERIA

Amara Kamara
[Signature]
July 10/2019

NATIONAL HOUSING AUTHORITY

Joe N. Dargah
[Signature]

AXHIS LIBERIA shall upon signature of this Framework Contract, Carry out the activities in line with the laws of the Republic of LIBERIA, for the best interests of both Parties and the end-users.

This present Framework Contract describes the agreements and common engagements of both parties.

Objectives

1. AXHIS LIBERIA is willing and able to construct FIFTY THOUSAND (50 000) housing units, which timing, designs, pricing, various costs, and other relevant requirements shall be thoroughly discussed and agreed on by both Parties. Nevertheless, the constructions will respect the absorptive capacity of the LIBERIA housing market, which is one of the primary tasks of the parties.
2. The construction will be carried out per batch of 500 homes. The first batch of 500 homes will be funded completely by AXHIS LIBERIA. It is understood and agreed between the parties that upon completion of the first 500 units, AXHIS LIBERIA shall cease construction and surrender the units to the NHA for onward sale to potential buyers in the open market. It is further understood between the parties that subsequent construction of additional units will only commence upon complete reimbursement by NHA for the first 500 units.
3. The project should start on the 4 identified sites of Tower Hill, Schiefflin, VOA and Risk Institute and according to the plan of deployment submitted by NHA.
4. AXHIS LIBERIA agrees, in consultation with NHA, to mobilize and deploy resources to build the houses. This deployment will involve the most appropriate, best construction and site development technologies.
5. AXHIS LIBERIA shall invest capital for the construction of 5000 affordable housing units per annum, mainly composed of social two and three bedrooms (detached) and luxury houses provided however the NHA shall reimburse AXHIS LIBERIA in a timely manner for the first 500 units upon completion of construction and subsequent sale. Depending on the types of houses and technology used, the construction costs will vary as follows:
 - a. For social two and three bedrooms, from \$15,000 to \$ 20,000 USD
 - b. For social three bedrooms, from \$20 000 to \$ 25,000 USD.
6. All the other types and categories of houses (one and four bedrooms, luxury houses) will be addressed specifically.
7. NHA shall ensure the acquisition of all lands needed for the development of the 50 000 housing units, free of litigation and at no cost to AXHIS LIBERIA. It is agreed between the parties that NHA shall be responsible for all land development prior to construction, however, provided the land development is undertaken by AXHIS LIBERIA at the request of NHA, then, AXHIS LIBERIA shall include the said additional cost in the total construction costs of the housing units in determining the delivery unit prices.

8. NHA shall be responsible for obtaining all and every permit, licenses, executive, National Investment Commission, and parliamentary approvals or any similar authorization required for the execution and delivery of the 50 000 housing Units.
9. Delivery unit prices of housing to end-users shall be determined by the Parties and thoroughly discussed taking into account all construction costs, miscellaneous costs and reasonable profit margin for the parties. However, where land development is carried out by AXHIS LIBERIA at the request of NHA, then, reimbursement schemes should be agreed upon beforehand.
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