

MEMORANDUM OF UNDERSTANDING

BETWEEN

PREMIER PLANTATIONS LIMITED

(A MEMBER OF NOSAK GROUP)

AND

UGBEGUN COMMUNITY,

ESAN CENTRAL LOCAL GOVERNMENT AREA

AND

EDO STATE GOVERNMENT

AND

**EDO AGRICULTURE INVESTMENT & MANAGEMENT SERVICES
LIMITED**

FOR

COLLABORATION ON

THE

**IMPLEMENTATION OF THE UGBEGUN COMMUNITY CASSAVA
INTENSIFICATION PROJECT**

This **MEMORANDUM OF UNDERSTANDING** ("MoU") is entered into this 5th day of November, 2024.

BETWEEN

PREMIER PLANTATIONS LTD (A member of NOSAK Group), a company incorporated under the Laws of the Federal Republic of Nigeria and which has its registered office at 2 Ramat Crescent, Ogedu G.R.A., Lagos State (the "First Party") of the first part

AND

(1) **HIS ROYAL HIGHNESS S. I. OBADE II (JP), Onojie of Ugbegun**, (2) **CHIEF FERGUSON IMOLEMEN, Secretary to the Onojie Palace, Ugbegun**, for themselves and on behalf of Ugbegun Community in Esan Central Local Government Area, Edo State, & Others (the "Second Party") of the second part

AND

EDO STATE GOVERNMENT OF NIGERIA, represented by Mr. Stephen Idhehene the Honourable Commissioner, Ministry of Agriculture and Food Security, for, and on behalf of Edo State, a State of the Federal Republic of Nigeria having perpetual succession, and Seat of Government at Government House, 1 Dennis Osadebey Avenue, G.R.A., Benin City, Edo State ("the EDSG") of the third part

AND

EDO AGRICULTURE INVESTMENT & MANAGEMENT SERVICES LIMITED, a limited liability company incorporated in Nigeria with Registered Office at 2, Central Road, Ministry of Agriculture, Benin City, Edo State (the "SPV") of the fourth part.

The First Party, the Second Party, the EDSG and the SPV are each individually referred to as "Party" and

collectively as “Parties”. “Parties” may also be used to refer to any two or three of the four Parties jointly.

BACKGROUND

- (a) As part of its strategic plan to promote economic activities through agricultural production and utilization, and mindful effort towards improving the livelihood of its communities, the EDSG has opened negotiations with investors who are desirous of setting up agribusinesses initiatives in order to boost agricultural production in Edo State, through the development of integrated farm clusters, and an off-take model that is sustainable called the “In-grower Scheme”.
- (b) The First Party, a limited liability company with RC No. 1489363, was incorporated in Nigeria to, among other things, farm, plant, cultivate, assemble any kind of crop of domestic nature or of cash crops for commercial purposes, exportation or domestic use, whether by entering into any venture or collaboration with any individual, company or organization.
- (c) The First Party and the EDSG have entered into negotiations to collaborate under the In-grower Scheme with the EDSG agreeing to source the land within Edo State to be used for cultivation of cassava while the First Party identifies and organizes smallholder farmers into clusters, trains the farmers on the relevant farming techniques, prepares the land allocated for cultivation, provides seeds and other farm input to the farmers, provides the necessary agricultural support services, and offtakes the cassava produce upon harvest.
- (d) The EDSG has earmarked two separate portions of land in Ugbegun Community, Esan Central Local Government Area of Edo State having an approximate area of 1884.775 hectares, and 640.326 hectares, respectively (i.e. 2525.10 hectares altogether) as land to be used under the said In-grower Scheme.
- (e) The SPV, a limited liability company with RC Number 1456873 was incorporated to, among other objects, carry on the business of farming of all kinds; to borrow and raise money in such manner as it thinks fit; to carry on the business of general contracts, distributors and commission agents, and all such things as may be considered incidental or conducive to any or all of the specified objects;

- (f) The EDSG intends, for the purposes of this enterprise, to act through the SPV in which it maintains controlling shares in the name of the Edo State Ministry of Finance Incorporated, and has agreed to facilitate the Second Party's lease of the said portions of land to the SPV, the former being the owner of the said portions of land.
- (g) The Parties deem it expedient to enter into this MoU in order to articulate their intentions and to confirm the major guiding principles under which they agree to embark on the In-grower Cassava Roots Production Scheme called the Ugbegun Community Cassava Intensification Project ("the Project").
- (h) The First Party has represented to the EDSG that it possesses the capacity, and can source the funds to perform its obligations under the Project.

OBJECTIVE OF THIS MOU

This MoU is therefore intended to serve as a mechanism for collaborative effort among the Parties for the successful implementation of the Project which is geared towards achieving the following milestones:

- (i) Development of the entire 2525.10 hectares of land described in the Schedule to this MoU, in phases;
- (ii) Recruitment, training and deployment of interested farmers;
- (iii) Securing of crop off-takes and thereby encouraging steady production;
- (iv) Processing and packaging of farm products in Edo State.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties covenant and agree as follows:

1. COMMENCEMENT AND DURATION

This MoU shall commence and take effect from the date of execution, and shall be valid for the period of twenty (20) years in the first instance. It may be subsequently reviewed and renewed for such further term as may be agreed to by the Parties, and shall remain in full force and effect for the benefit of the Parties, unless and until terminated by any of the Parties in accordance with the provisions of Clause 6 of this MoU.

2. LAND DEVELOPMENT IN PHASES

- 2.1 Land development under the Project will be staggered, and at least 500 hectares of land will be developed within the initial farming cycle, with an additional 500 hectares of land (at least) developed in each of the subsequent farming cycles for the duration of the Project.
- 2.2 A farming cycle -initial or subsequent- is considered by the Parties as incapable of extending beyond eighteen months.

3. OBLIGATIONS OF THE PARTIES

- 3.1 Each Party assures to do, diligently and in the utmost good faith, all things within its powers which are necessary and desirable to give full effect to the intent of this MoU. The Parties further agree to act with the highest degree of professionalism and good conduct at all times during the subsistence of this MoU.
- 3.2 **OBLIGATIONS OF THE FIRST PARTY**
 - (a) Starting with one parcel, develop the said land (i.e. the 1884.775 hectares and the 640.326 hectares) in the manner stipulated in Sub-clause 2.1; profile farmers within the initial farming cycle, and provide necessary farm input for land developed within a farming cycle during the farming cycle.
 - (b) Ensure proper management, supervision and co-ordination of the Project in an efficient and competent manner using its best skills and in accordance with best practices.
 - (c) Provide job opportunities for indigenes and residents of Ugbegun Community by giving them a right of first refusal of any job offer relating to work on the Project.
 - (d) Select, in a well-documented and transparent manner, beneficiary smallholder farmers from Ugbegun Community and environs, and train them in cassava cultivation.
 - (a) Execute as many contracts as often as required with the beneficiary smallholder farmers whether individually or through their Agro Geo-Cooperatives and Agro Geo-Blocks, to create obligations relating to their entire dealings under the Project.
 - (e) Facilitate the provision of the seeds, fertilizers, Crop Protection Products (CPP), and farm mechanization (ploughing, harrowing, ridging, fertilizer application, CPP application, harvesting) and as agreed with the beneficiary smallholder farmers without any financial recourse to the EDSG.

- (f) Offtake the cassava produce upon harvest at maturity at the guaranteed price stated in an Economics of Production (“EOP”) developed in connection with the Project, or at the prevailing market price, whichever is higher.
- (g) Bear the cost of any future improvements to the said portions of land in line with the tenets of the Project;
- (h) Convene and anchor as many town hall meetings of farmers clustered under the Project, or their representatives, in order to develop an EOP annually at the start of a production cycle, in collaboration with the SPV and the EDSG.
- (i) Provide such other services as provided in this MoU or as agreed by the Parties.

3.3 OBLIGATIONS OF THE SECOND PARTY

- (a) Lease the entire 1884.775 hectares and 640.326 hectares of land identified in Ugbegun Community and environs, to the SPV for the purpose of establishing a Modern Cassava Farm under the Project which will create jobs at scale and value addition to cassava produced therein.
- (b) Allow the First Party access to the land at all reasonable times for the purpose of implementing the Project.
- (c) Allow the EDSG or its authorized representative access at all reasonable times to the land for the purpose of inspecting the state of the Project and other incidental matters thereof.
- (d) Facilitate interaction as the host community in relation to the implementation of the Project.
- (e) Support the Project with security.

3.4 OBLIGATIONS OF THE EDSG

- (a) Secure the entire 1884.775 hectares and 640.326 hectares of land in Ugbegun Community and the environs for the Project via the facilitation of a land lease arrangement between the Second Party and the SPV.
- (b) Facilitate the securing of necessary approvals and permits in respect of the portions of land delineated for the purpose of the Project.
- (c) Provide extension services in the form of Advisory and Monitoring services as provided in this MoU or as agreed by the Parties.

3.5. OBLIGATIONS OF THE SPV

- (b) Take two separate leases of the said portions of land i.e. the 1884.775 hectares of land, and

the 640.326 hectares of land) from the Second Party and make the same available for use under the Project.

- (c) Pay the rent for the said portions of land, as and when due, to the Second Party.
- (d) Execute a contract with the First Party to create obligations relating to their entire dealings under the Project, for the duration of the Project.
- (e) Ensure the interests of beneficiary smallholder farmers who are to perform under the Project are protected.
- (f) Serve as a monitor on the Project ensuring up-to-standard compliance by all parties performing under the Project, and draw the attention of parties to any issue of actual or potential non-compliance by any party with its obligations under the Project.
- (g) Render regular progress reports to the EDSG through the Ministry of Agriculture and Food Security, or any authorized representative of the EDSG, on the implementation of the Project.
- (h) Ensure that Parties, at all times throughout the duration of the Project, act in line with their obligations stated in this MoU.

3.6 JOINT OBLIGATIONS OF THE PARTIES

Conduct, in conjunction with the beneficiary smallholder farmers, a joint inspection of the land being used under the Project quarterly, and hold a post-inspection review wrap-up meeting thereafter.

4. REPRESENTATIONS AND WARRANTIES

The Parties each represent and warrant:

- (a) that they each have full power, authority, capacity and legal right to execute, deliver and perform their respective obligations under this MoU and have no knowledge of anything within their reasonable control which might or will adversely affect their ability to fulfill their obligations under this MoU.
- (b) that the execution, delivery and performance of this MoU does not contravene any law, regulation, rule, order, agreement or commitment binding on such Party.
- (c) to promptly perform all their obligations hereunder and do everything within their powers to successfully implement the Project.

5. INDEMNITY AND LIABILITY

- 5.1 Each defaulting Party shall fully indemnify and hold blameless the others against any and all costs, losses and damage or liability suffered by the others resulting from-
 - (a) a breach of this MoU by the defaulting Party; or
 - (b) any act, neglect, or default of that Party.
- 5.2 The provisions of this Clause shall survive the termination of this MoU.

6. TERMINATION

- 6.1 A Party who is not in default shall at any time have the right to terminate this MoU if one or more of the other Parties commits a breach of any of the terms or conditions of this MoU, and if such breach remains un-remedied for a period of ninety (90) Business Days after being called, in writing, to the attention of the Defaulting Party or Parties by the Party not in default: Provided that the termination shall be without prejudice to the rights and liabilities of the Parties outstanding at the time of the termination.
- 6.2 In the event of a breach as stated in Sub clause 6.1, a Party may give to the other Parties six (6) months' written notice of its intention to terminate this MoU.

7. FORCE MAJEURE

- 7.1 No Party shall be liable for any breach of its obligations under this MoU resulting from any cause beyond the reasonable control of the Party including, without limitation, war, armed conflict or terrorist attack, herdsmen attack, epidemics, riots, or civil commotion, or acts of God (each an "Event of Force Majeure").
- 7.2 Each Party shall use its reasonable endeavours to give notice to the others upon becoming aware of an Event of Force Majeure that materially affects its ability to perform its obligations under this MoU, such notice to contain details of the circumstances giving rise to the Event of Force Majeure.
- 7.3 The Party unable to perform its obligations by reason of the event of Force Majeure shall be excused from performing such obligations for the duration of such event plus such further period as may be reasonably necessary for it to resume the performance of its obligations.
- 7.4 If an Event of Force Majeure continues for twenty eight (28) Business Days consecutively, the Parties shall consult with one another with a view to agreeing on the appropriate measures to be taken.

8. CONFIDENTIALITY AND NON-DISCLOSURE

- 8.1 The Parties (including their employees, agents and or assigns), undertake to keep confidential at all times during the continuance of this MoU and for a period of twenty four (24) months thereafter, all Confidential Information acquired by them in connection with this MoU, the dealings, transactions or other affairs contemplated herein which may come to their knowledge.
- 8.2 The confidentiality obligation contained in this Clause shall not apply to:
 - (a) any information that becomes generally available to the public without breach of any confidentiality obligation owed to any of the Parties;
 - (b) information previously known to such Party prior to its receipt from any other Party; or
 - (c) information that is required by a governmental and or regulatory authority provided that the disclosing Party shall notify the affected Party of any such disclosure as soon as possible following the request for the information so that the affected Party may seek to rescind the request or to obtain confidential treatment of the information so disclosed.

9. ASSIGNMENT

No Party shall assign its rights or obligations under this MoU, without the prior, express written consent of the other Parties.

10. INDEPENDENT CONTRACTING

Except as expressly specified herein, this MoU does not create a partnership, joint venture, or agency between any, or among all the Parties, or make any Party liable for the debts or liabilities of any other Party, howsoever incurred. No Party is bound by the acts, commissions or omissions of any other Party, neither has any Party the authority or power to bind, contract in the name of, or create liabilities against any other Party in any way or for any purpose, except as may be expressly authorized in writing by the said other Party.

11. AMENDMENT/VARIATION

The terms and conditions herein shall not be varied, altered, amended and or modified, except by mutual agreement of the Parties, such agreement to be duly expressed in writing and executed by all Parties.

12. SEVERABILITY

If any provision of this MoU is determined to be invalid, illegal, or unenforceable, it shall not affect the enforceability of any other provisions of this MoU, rather the invalid, illegal or unenforceable provision shall be:

- (a) deemed severed from this MoU, and this MoU shall be enforced as if the MoU did not contain the invalid, illegal or unenforceable provision;
- (b) modified to the extent necessary so that this MoU is valid, legal and enforceable.

13. COST RECOVERY

- 13.1 The First Party has agreed to provide funds to facilitate the provisions of seed, other farm inputs, and mechanization to the selected beneficiary farmers but will however agree on an EOP with the farmers at the beginning of every farming cycle.
- 13.2 The EOP will form the basis of cost recovery from the farmer at the point of payment of the off-take money at the end of every farming cycle.
- 13.3 The EOP shall form part of this MoU.
- 13.4 Without prejudice to the foregoing sub clauses, the EOP shall provide thus:

Each farmer shall, at the end of every farming cycle, pay ₦12,500 per hectare of land utilized to the First Party which shall be distributed as follows-

- (a) ₦10,000 to the second Party as Rent;
- (b) ₦2,000 to the SPV as Transaction Facilitation Fee; and
- (c) ₦500 to the Ministry of Justice as Solicitors' Fee for the preparation and engrossment of the two separate Deeds of Lease to be executed by the Second Party and the SPV.

14. WAIVER

Any amendment, waiver, discharge, or termination of any provision of this MoU shall be in writing. Any such amendment, waiver, discharge or termination which is in writing and notified to the other Parties as provided in this MoU shall be binding on the Parties.

15. DISPUTE RESOLUTION

- 15.1 If at any time any question, dispute, difference or claim arises among the Parties in connection with, or in relation to, this MoU, including any dispute as to the construction, validity, interpretation,

enforceability or breach of this MoU, the following procedure shall be applied to resolve the same:

- (a) a meeting shall be held within (12) twelve Business Days of the occurrence of the question, dispute, difference or claim at which all Parties are present (Initial Meeting); and
- (b) if within 12 (twelve) Business Days following the Initial Meeting, the Parties have not resolved the issue, the same shall be referred to an arbitral tribunal, in accordance with the Arbitration and Mediation Act, 2023 (or any amendment thereto, or replacement thereof) and the Arbitration Rules connected thereto.

15.2 The referral of the dispute to Arbitration precludes any other course of action by any Party except upon the mutual agreement of the Parties.

15.3 The arbitral tribunal shall be constituted by 5 (five) Arbitrators; the Party initiating the arbitration shall give to the other Parties a notice of arbitration, including the arbitrator that it appoints; each of the other Parties shall within seven days of the receipt of the notice of arbitration appoint its own arbitrator, and failing that, the appointment shall be made by the Chief Judge of Edo State. The four Parties-appointed arbitrators shall jointly appoint a fifth arbitrator who shall preside over the arbitral tribunal as chairperson. If within seven days of the appointment of the fourth arbitrator the four Parties-appointed arbitrators are unable to agree on the choice of the fifth arbitrator, the fifth arbitrator shall be appointed by the Chief Judge of Edo State. The place of the arbitration shall be Benin City, Edo State, Nigeria, and the arbitration shall be governed by the laws of the Federal Republic of Nigeria. The language of the arbitration shall be English Language.

16. GOVERNING LAW

The terms of this MoU shall be governed by, and construed in all respects, in accordance with the laws of the Federal Republic of Nigeria.

17. NOTICES

17.1 Any notice if addressed to the First Party shall be delivered to:

Premier Plantations Limited (A member of NOSAK Group),
2, Ramat Crescent,
Ogudu, G.R.A.,
Lagos State.

17.2 Any notice if addressed to the Second Party shall be delivered to:

Onogie Palace
Ugbegun Community,
Esan Central Local Government Area,
Edo State.

17.3 Any notice if addressed to the EDSG shall be delivered to:

The Edo State Government
c/o The Permanent Secretary,
Ministry of Agriculture and Food Security,
Agriculture Hub, Airport Road,
Off Oko-Ogba Road,
Benin City,
Edo State.

17.4 Any notice if addressed to the SPV shall be delivered to:

The Managing Director
Edo Agriculture Investment & Management Services Limited,
c/o The Permanent Secretary,
Ministry of Agriculture and Food Security,
Agriculture Hub, Airport Road,
Off Oko-Ogba Road,
Benin City, Edo State.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of understanding to be executed the day and year first above written.

The Common seal of the within-named First Party

is affixed

In the presence of:

Director

J. Ogbebor.

Director/Secretary

By the Within-named Second Party as represented

Samuel Andrew (SP)

Samuel

In the presence of:

Name: Howe Brodrick Asibota Imaati

Address: 1Dunu E Gurre Ugbegun

Occupation: FARMER

Signature: Howe

Howe

By the within-named EDSG as represented

In the presence of:

Name: Dr. Osapri Akindafe Peter

Address: Ministry of Agriculture and Food Security

Occupation: Civil Servant

Signature: Osapri

The Common seal of the within-named SPV

is affixed

In the presence of:



Director


H. Phine
Director/Secretary

The Execution of this MoU was supervised by:

.....

Name

.....

Signature

State Counsel

For and on behalf of:

Ministry of Justice Edo State

*3rd – 5th Floor, Block C Complex, Secretariat Building,
Sapele Road, Benin City.*

SCHEDULE

1. All that piece or parcel of land at Ikekogbe/Umenlen Farm Land lying and situate at Ugbegun Village Area, Esan Central Local Government Area, Edo State measuring an area of 640.326 Hectares as described and delineated in Survey Plan No. JAO/ED2023/133 dated 31/08/2023 a copy of which is attached hereto.

2. All that piece or parcel of land at Edibe/Okah Farm Land lying and situate at Ugbegun Village Area, Esan Central Local Government Area, Edo State measuring an Area of 1884.775 Hectares as described and delineated in Survey Plan No. JA0/ED2023/132 dated 31/08/2023 a copy of which attached hereto.