

(REPUBLIC OF LIBERIA)

(COUNTY OF MONTERRADO)

EXTENSION OF CONTRACT IDV 2019

This Extension of Contract is made this 1st day of July 2021 between the Ministry of Mines and Energy, located at Capitol Hill, Monrovia Liberia, represented by the Minister, Gesler E. Murray of Monrovia , Montserrado County, Republic of Liberia (hereinafter referred to as the "Ministry") and Diamond Counsellor International represented by its Resident Representative, Ernest Joseph Tucker of the City of Vaduz, Liechtenstein (hereinafter referred to as the "IDV") and both hereinafter referred to as a "PARTY" and collectively as the "PARTIES"


WHEREAS , The Parties entered into CONTRACT No IDV 2019 on July 1, 2019 for the IDV to serve as an Independent Diamond Valuator to the Ministry's Diamond Office in collaboration with the existing Government Valuers as required by the Kimberley Process Regulations (hereinafter the "Original Contract" which is attached hereto and made an integral part of this agreement): and

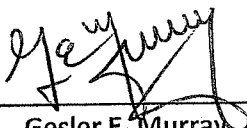
WHEREAS, the Parties agree to extend the original Contract for a period of six (6) months beginning July 1, 2021 and ending December 31st, 2021, and

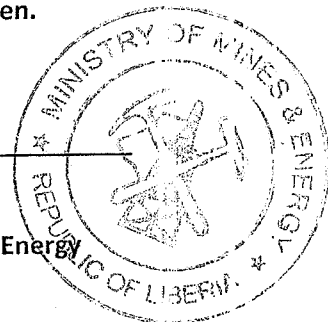
NOW THEREFORE, this Second Extension witnessed as follows:

- 1 The Parties agree to extend the Original Contract for a period of six (6) months beginning July 1, 2021 and ending through December 31st, 2021
- 2 This Second Extension binds and benefits both Parties and any successors or assigns and attached Original Contract and all ancillary attachments thereto, is the entire agreement between the Parties.
- 3 All other terms and conditions of the Original Contract remain unchanged.

IN WITNESS THEREOF and notwithstanding the effective date herein, the Parties hereto have caused this Second Extension to be executed the day and year first before written.


Ernest J. Tucker
Resident Representative
Diamond Counsellor International


Gesler E. Murray
Minister
Ministry of Mines and Energy



**REPUBLIC OF LIBERIA)
MONTSERADO COUNTY)**

IDV AGREEMENT

THIS AGREEMENT, made and entered into this 1st day of July 2019, by and between Ministry of Mines and Energy represented by the Minister, Gesler E. Murray of the city of Monrovia, Montserrado County, Republic of Liberia, (hereinafter referred to as the **MINISTRY**) AND, Diamond Counselor International represented by its Resident Representative, Ernest J. Tucker of the City of Vaduz, Liechtenstein (hereinafter referred to as **DCI**) hereby to wit:

WHEREAS Diamonds have been a major export commodity and one of the sources of revenue for Liberia since the start of diamond mining in the 1930s; and

WHEREAS in 2004, the Government of Liberia imposed a moratorium on diamonds mining in support of the UN sanctions on the exportation of rough diamonds from Liberia; and

WHEREAS, with the lifting of the sanctions and the subsequent admittance of Liberia into the Kimberley Process Certification Scheme, the Ministry of Mines and Energy has put guidelines in place after the lifting of the moratorium to begin the exportation of rough diamonds; and

WHEREAS, the diamonds export procedures are also expected to comply with those recommended by the Kimberley Process and with the majority of diamonds produced coming from artisanal workings although an increased proportion could come from small and medium size mechanized mines; and

WHEREAS, diamonds export need to be valued accurately to ensure that the Government of Liberia receives appropriate amounts of revenue in the form of export duty, royalties and other taxes; and

WHEREAS, the Government of Liberia has taken the decision to procure the services of an International Diamonds Valuation Company to serve as an Independent Diamonds Valuator to the Government Diamonds Office in collaboration with the existing Government Valuers as required by the Kimberley Process Regulations; and

WHEREAS, Diamond Counselors International (DCI), a reputable diamond valuation company has met the requirements to provide independent diamonds valuation services to the Government Diamond Office;

NOW THEREFORE, the following terms and conditions shall form the basis of this contract:

It is hereby agreed as follows:

1. Documents

This contract shall be comprised of the following documents:

Section 1	General Conditions
Section 2	Scope of Work
Section 3	Special Conditions

This contract constitutes the entire agreement between the Parties in respect of the IDV's obligations and supersedes all previous communications between the Parties, other than expressly provided for in Section 2 and Section 3.

2. Contract Signature

If the Original Form of the Contract is not returned to the Contract Officer (as identified in Section 3) duly signed and dated on behalf of the IDV within thirty (30) days of the date of signature on behalf of the Government of Liberia, the Government of Liberia will be entitled, at its sole discretion, to declare this Contract void. No payment will be made under this contract until a copy of the Form of Contract, signed on behalf of the IDV, is returned to the Contract Officer.

3. Commencement of Services

The IDV shall start the services on July 1, 2019 ("the start date") and the contract shall remain enforced for a period of one (1) year ending on June 30, 2020 ("the end date") subject to a contract extension under the conditions described in Section 3 or unless the Contract is terminated earlier in accordance with its terms and conditions.

4. Financial Obligations

Payments under this Contract shall not, in any circumstances, exceed One Hundred and Twenty-five Thousand United States Dollars (US\$125,000.00) payable in twelve monthly installments of Ten Thousands Four Hundred Sixteen Dollars and Sixty-six Cents (US\$10,416.66) in advance exclusive of any taxes owed to the Government of Liberia, if applicable.

5. Time of Essence

Time shall be of essence as regards the performance by the IDV of its obligation under the Contract.

Contract For : Independent Diamond Training and Valuation Services
Contract Number : IDV 2019

For and on behalf of the Ministry of Mines and Energy

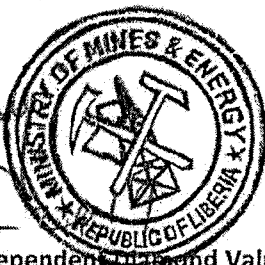
Name: Gesler E. Murray

Position: MINISTER

Signature:

Date:

01 July



For and on behalf of the Independent Diamond Valuation Company

Name: Ernest J. Tucker

Position: Resident Representative

Signature:

Date:

1 July, 2019

Section 1 - GENERAL CONDITIONS

Contract For : Independent Diamond Training and Valuation Services
Contract Number : IDV2019

1. Definitions

'IDV' means the person(s), partnership or company (ies) with whom this Contract is placed.

'IDV Personnel' means any person instructed pursuant to this Contract to undertake any of the IDVs obligations under this Contract, including the IDVs employees, agents and sub-contractors.

'Equipment' means any equipment, computer hardware, software, specialized diamond testing and evaluation tools and equipment, goods and vehicles and associated services necessarily required for the implementation of the services in the Contract.

'Financial Limit' means the amount specified in Section 1 and is the maximum amount payable by the Government of Liberia under this Contract.

'The Services' means the services set out in Section 3 Scope of Work.

'The Contract Officer' means the person named in Section 4 who is responsible for issuing instructions and dealing with all correspondence in connection with the technical aspects of this Contract.

'The Administration Officer' means the person named in Section 4 who is responsible for all contractual aspects of the Contract and to whom invoices should be sent.

2. Duration of the Contract

(1) The Parties agree that contract will be for a period of one year with option for an extension for a second one year period by agreement with the Minister but not to exceed three extensions in total.

3. Amendments

(1) The IDV will provide the Government of Liberia notification in writing immediately of any changes in the structure, staff or work of the company that may affect the service provided.

(2) No amendments of the contract or any of the terms and conditions will be valid unless effected in writing by the Minister.

4. Annual Review

(1) The MME reserves the right to conduct an annual review of the performance of the IDV with the objective of assessing the need to amend the terms and conditions of the contract. This review should be undertaken by an independent organization with experience of financial auditing and knowledge of the diamond industry.

5. Obligations of the IDV

- (1) The IDV shall perform all its obligations under this contract with all the skill, diligence, efficiency and economy to satisfy generally accepted professional standards expected from experts.
- (2) If the IDV is a joint venture then each of the joint venture parties shall have joint and several liabilities in respect of the IDVs obligations under this Contract.

6. Personnel

- (1) All members of the IDV personnel shall be appropriately qualified, experienced and in suitable physical condition so as to ensure that the IDV complies with the obligations under the Contract.
- (2) No changes or substitutions may be made to the members of the IDV personnel identified as key personnel in the bid proposal documents without the written consent of the Minister.
- (3) If the Minister considers any member of the IDV personnel to be unsuitable, the IDV shall substitute such members as quickly as possible without affecting the performance of their duties and without charge, a replacement acceptable to the Minister.
- (4) The IDV shall be responsible for all of the acts and omissions of its staff and for the health, safety and security of such persons and their property.

7. Gender Equality

- (1) The IDV will, where applicable, consult and adhere to gender equality policies proposed by the Ministry of Gender and Development.

8. Assignment/Sub-Contractors

- (1) No part of the IDV contract will be assigned to any other company or individual without the express permission in writing of the Minister of Mines and Energy. All staff included in the proposal should be employees of the Bidder.
- (2) The award of the contract does not imply that IDV or any of the personnel employed on the contract is employed as an agent or employee of the Government of Liberia.

9. Conflict of Interest

- (1) The IDV and all employees of the IDV shall be required to declare that they have no pecuniary interest in the business of any third party that would cause a conflict of interest or that might appear to cause a conflict of interest. Should such an interest be acquired during the period covered by the contract the IDV will immediately inform the Minister in writing. The IDV shall not:

1. Mine, Buy or sell diamonds within Liberia.
2. Own shares in any diamond mining, importing or exporting company.
3. Act as a broker/agent for any diamond company or exporter in Liberia.
4. Be an officer or director of a company owning diamond mines in Liberia or that may purchase diamonds from Liberia.

5. Consult for or offer services to any producer or exporter of diamonds from Liberia
6. Use information acquired through the role of IDV for any commercial publication, nor discloses this information to any other party.

(2) The IDV will confirm in writing that no employee or servant of the Government of Liberia will share or benefit from any fees costs or other payments made under the contract.

10. Conflict of Interest and Post Employment Codes

(1) Any official or employee currently in the service of the Government of Liberia that wishes to bid for or become part of a bid for this contract must submit in writing as part of the bid documents, confirmation that he/she will be retired or that he/she will have resigned his/her post before the commencement date of the contract.

11. Corruption, Commission and Discounts

The IDV warrants and represents to the Government of Liberia that neither the IDV nor any of the IDV personnel:

(1) Have given, offered or agreed to give or accepted, any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of any contract or for showing or forbearing to show favor or disfavor to any person or entity in relation to any contract; or

(2) Has entered into any contract in connection with which commission has been paid or agreed to be paid by or to the IDV or IDV personnel or on their behalf or to their knowledge unless, before such contract was made, particulars of any such commission and of the terms of any agreement for the payment of such commission were disclosed in writing to the Government of Liberia, whose written consent was subsequently given to such payment.

(3) Neither the IDV nor any of the IDV personnel shall accept for or on their own, benefit from any trade commission, discount or similar payment or benefits in connection with this Contract.

12. Security and Disclosure of Information

(1) It is understood and agreed that all personnel employed by the IDV shall, during and for two years after the effective period of the contract, treat as confidential and not divulge, unless authorized in writing by the Ministry of Lands, Mines and Energy, any information obtained in the course of the performance of the contract.

(2) The IDV shall make no public announcements regarding any work carried out under the contract.

13. Police and Security Clearances

(1) The personnel of the IDV working in Liberia on this contract will be expected to register with the Liberian National Police and will be required to obtain a clearance certificate within 30 days of the start of the contract.

14. Intellectual Property

(1) The IDV shall retain all intellectual property rights to all but not limited to training manuals, electronic rough diamond price book and other information produced during the contract by the IDV or the IDV personnel.

(2) The IDV will grant to the Government of Liberia a world-wide, non-exclusive, irrevocable, royalty free license to use all of the material produced during the period of the contract. For the purpose of the contract 'use' will mean without limitation, the reproduction, publication and sub-licensing of all the material and intellectual property rights therein, including the reproduction and sale of material and products incorporating the same for use by any person or for sale or other dealing anywhere in the world.

15. Expert Testimony

(1) The IDV shall provide, if required, expert testimony with respect to the valuation of diamonds in any court proceedings.

16. Indemnification

(1) The IDV shall indemnify and save harmless the Government of Liberia for and against all claims, losses, damages, costs, expenses, actions and other proceedings, made, sustained, brought, prosecuted, threatened to be brought or prosecuted in any manner based upon loss of property arising from willful or negligent act, omission or delay on the part of the IDV, the IDV's servant or agents in performing the work or as a result of the work.

17. Equipment

(1) The IDV will be expected to identify equipment that it expects to provide or purchase during and as part of this Contract and clearly identify the 'personal' equipment that the IDV will provide. The IDV will keep an up to date inventory available for inspection on request.

(2) Equipment procured as part of this Contract will be purchased using Government of Liberia procurement guidelines.

(3) The equipment will be used by the IDV in providing the services under the Contract. The IDV will ensure that the equipment is maintained and kept safe and in working order. The IDV will be responsible for all loss and damage other than that caused by normal wear and tear.

(4) All equipment purchased under the Contract shall remain the property of the Government of Liberia.

18. Records to be kept by the Contractor

(1) The IDV shall keep proper accounts and records of the cost of the work and of all expenditures or commitments made by Contractor including the invoices, receipts and vouchers, which shall at reasonable times be open to audit and inspection by the authorized representatives of the Minister, who may make copies and take extracts there from.

(2) The IDV shall not dispose of any documents without the approval in writing of the Minister and shall be expected to retain all documents generated during the work for a period of two years following the completion of the work.

20. Reporting Requirements

(1) The IDV will report to and take instructions from the Contract Officer.

(2) The IDV will submit in an agreed standard format, reports on each valuation carried out to the Contract Officer and the Manager of the GDO within seven days of the date of the valuation.

21. Statistics

(1) The IDV shall provide GDO with detailed statistical information on each valuation done and a statistical analysis of any major changes in prices and quality with respect to previous valuations for the same exporter. The IDV will also report any occurrences of diamonds the IDV suspects may have originated outside Liberia.

22. Termination or Suspension

(1) The Minister may, by giving notice to the IDV, terminate or suspend the work with respect to all or any part or parts of the work not completed.

23. Force Majeure and Termination

(1) Where the performance by the IDV of their obligations under the contract is delayed, hindered or prevented by an event or events beyond the reasonable control of the IDV and against which an experienced IDV could not reasonably have been expected to take precautions, the IDV shall promptly notify the Ministry of Lands, Mines and Energy in writing, specifying the nature of the force majeure event and stating the anticipated delay in the performance and completion of this contract.

(2) The Government of Liberia may either suspend the contract for a period not exceeding six months or terminate the contract without prejudice forthwith.

(3) If the IDV and the Government of Liberia have not agreed to the suspension or reinstatement of the contract at the end of the six month suspension period, the contract will be terminated automatically.

24. Termination without default by the IDV

(1) The Government of Liberia reserves the right to terminate or suspend the contract by giving six months notice to the IDV in writing the reasons for such suspension or termination.

(2) Where the contract has been suspended the IDV will co-operate with GDO in ensuring the orderly termination of the contract.

(3) All work completed and expenses incurred by the IDV during the notice period will be paid at the rates agreed in the contract following the submission of invoices. No payments will be made that are in excess of the rates agreed in the contract. No further claims for loss, damages, compensation, loss of

profit, allowances arising either directly or indirectly as a result of the termination or suspension of the contract will be allowed.

25. Termination due to Default by the IDV

(1) The Government may by notice in writing terminate the whole or part of the contract if the IDV becomes bankrupt or insolvent, or a receiving order is made against the IDV, or an assignment is made for the benefit of creditors, or if an order is made or resolution passed for the winding up of the IDV, or if the IDV takes the benefit of any statute for the time being in force relating to bankruptcy or insolvent debtors, or the IDV fails to perform any of the obligations under the contract, or in the Minister's view fails to make progress so as to endanger the performance of the contract in accordance with its terms.

(2) In the event of termination of the contract the Government will arrange such terms and conditions deemed appropriate for the termination of the work in progress. The IDV would be deemed liable for any excess costs related to the work in progress.

(3) Upon termination, the Government will pay the IDV for all fees and expenses for work completed under the contract and not yet paid for. The Government reserves the right to withhold payments if deemed necessary to protect against claims for excess costs for the completion of the work in progress.

(4) In after issuing a notice for termination it is determined by the Minister that the reasons for the default were beyond the control of the IDV the notice for termination shall be subject to the conditions that apply to 'Termination without Default by the IDV'.

26. Payment

(5) Subject to satisfaction that the IDV has been carrying out the work as specified in the contract, sums claimed and approved shall be paid by the Government of Liberia within thirty (30) days of the receipt of a valid invoice.

(6) All payments due the IDV for services rendered during the term of the Contract will be disbursed in United States dollars.

(7) If the Government of Liberia should determine that after paying for a particular service that the service was not completed satisfactorily the Government may recover, or withhold from further payments an amount equivalent to but not exceeding the previous charge until the unsatisfactory service has been remedied.

(8) Payments made under this contract will be based on the following categories:

- Professional Fees**
- Administration**
- Accommodation**
- Travel International**
- Equipment and Material**
- Miscellaneous**

(9) The contract value shall not be exceeded without the approval of the Minister in writing.

(10) Payments will be made following the receipt of monthly invoices that are approved by the Minister following the satisfactory performance of the IDV. The satisfactory performance of the IDV will be certified by the Contract Officer.

(11) The expenses submitted by the IDV shall not contain any amounts expended by the IDV that may subsequently be recovered.

(12) Travel and accommodation charges while on official business for the Government of Liberia during the contract shall not exceed those used by Government officials.

(13) Reimbursed expenses shall be paid based on the production of original receipts.

27. Invoicing Instructions

(1) The original invoice and one certified 'copy' should be sent together with all supporting documents to the Administration Officer identified in Section 4.

(2) The IDV will include the following information on all invoices:

- The legal name of the company or individual including address and postcodes
- The status of the IDV, individual, unincorporated business, corporation
- Companies that may have offices in Liberia should include their registration details
- Invoices must be signed by the authorizing officer of the IDV

28. Taxes

(1) The IDV will be expected to pay all appropriate taxes (e.g. value added or sales tax, import duty) at the rates specified in the law.

29. Laws and Jurisdiction

(1) This Contract and the services delivered through this contract shall be governed by the Laws of the Republic of Liberia.

Section 2 - SCOPE OF WORK

Contract For : Independent Diamond Training and Valuation Services
Contract Number : IDV 2019

1. Introduction

(1) The Government of Liberia wishes to acquire the services of an IDV company that will provide an expert, independent valuation of diamond parcels exported through the GDO.

(2) The main purpose of the work is to ascertain the international market value of diamonds produced in Liberia. During the contract period, the IDV will work with the GDO to develop and maintain an electronic valuation system, incorporating safeguards against undervaluation that will eventually be used by the GDO in a transparent and accountable manner. The IDV will also be expected to develop and deliver training courses in diamond sorting and valuation.

(3) All services will be delivered to a standard compatible with current international standards and best practice.

2. Services to be provided

- a) The IDV will provide an independent valuation of the diamonds exported from Liberia
- b) The IDV will provide unbiased market intelligence on the global diamond industry and regular updates and advice on the effect that changes in the world rough diamond prices may have on the rough diamond market in Liberia. The IDV will monitor price movements in all sectors of the rough market to ensure that prices used for valuations are true and fair. This information will be presented on a quarterly basis in a report to the GDO or more frequently in the event of major price movements. The IDV will develop in cooperation with GDO officials an electronic rough diamond price book.
- c) The IDV will provide the GDO with detailed reports and statistical information on every diamond parcel presented for valuation. The IDV will report any suspected anomalies in the price, quality and provenance of diamonds presented for valuation.
- d) The IDV will ensure that the training and development of at least two ab-initio Liberian diamond sorters and valuers is completed during the course of the contract.
- e) The IDV will provide advice on issues such as: the development of legislation and policy, improvements to the facilities and equipment used by the GDO, methods used to clean diamonds and methods used to value coated, colored and large diamonds.
- f) The IDV will provide advice on the re-establishment of rough diamond sample sets for the GDO.
- g) The IDV will provide advice on improving the method of classifying and pricing diamonds valued by the GDO, if required.
- h) The IDV will be expected to provide independent expert testimony with respect to the valuation of diamonds for any court proceeding. This service will be provided at the request of the Government of Liberia.

Section 3 – SPECIAL CONDITIONS

Contract For : Independent Diamond Training and Valuation Services
Contract Number : IDV 2019

1. Government of Liberia, Officials

1. Contract Officer

Hon. Carlton S. Miller
Deputy Minister Planning and Kimberley Process Focal Point
Ministry of Mines and Energy
Capitol Hill
Camp Johnson Road
Monrovia, Liberia

2. Administration Officer

Mr. Jerome P. Wotorson
Manager
Office of Precious Minerals
Ministry of Mines and Energy
Capitol Hill
Camp Johnson Road
Monrovia, Liberia

2. Reports

(1) Reports should be submitted to the Government of Liberia through the Contract Officer at the address shown in 1 above.

3. Contract Extension

(1) The extension of the 2019 contract will be by mutual agreement. The Government of Liberia will assess the performance of the IDV for the existing contract period and will agree on an extension of the contract for a second one year contract period provided that all conditions stipulated in the contract are being satisfied. The financial terms and conditions for the extension of the Contract will be the same as for the first.

(2) The extension of the contract for a third and final period will be allowed subject to a satisfactory re-negotiation of the conditions of the Contract. Re-negotiation will take place three months before the expiration date of the existing Contract.