

**In the Name of God the Almighty , Most Gracious , Most
Merciful
Praise be to God , The Cherisher and Sustainer of the
Worlds
God's Blessing and Peace be upon Our Prophet Mohammed**

**Franchise Contract for Establishment of Quarantine &
Export of Livestock**

That on this day Tuesday 22/3/1428 H^{sa}, correspondent to : 10/4/2007 it has been agreed by and between the following parties in the city of Bosaso –Bint Land State:

1-Bint Land's Government –Somalia State , represented by His Excellency / Mahmoud Mousa Harasi –President of Bint land State

Hereinafter referred to as First Party

2-Sulaiman Saeed Al Jabberi's Trading Est. , Commercial Reg. No. : (4030013099) dated 12/10/1397 H issued from Ministry of Commerce and Industry-Jeddah, Nationality : Saudi, its main office is located in Jeddah , P. O. Box: 19530, Postal Code : 21455 –Jeddah, Tel.: 6722457, Fax: 6724193 , represented in this contract by Mr./ Suliaman Saeed Al Jabberi in his capacity as the president and general manager

Hereinafter referred to as Second Party

Preamble

Whereas, Bint Land's Government –Somalia State desires to get use of the animal wealth in order to support the Somali Economy through exporting to the world countries in addition to offer a project for operating a Quarantine in the state as an investment opportunity beside exporting of Livestock abroad , and since the second party is willing to invest in this project to export the state's livestock, both parties believe

that such cooperation and partnership will lead them to achieve their interests, so they agreed as follows:

First Article : The Contract Objectives:

- 1- To establish a partnership between Sualiman Al Jabberi Est. and Bint Land State Government as hereinafter referred to with the aim to establish a project for operating of the Quarantine proposed to be established between the two parties and to export the livestock according to the manner stated in the contract articles
- 2- The government of Bint Land State shall by virtue of this contract grant the second party the exclusive right as a sole and exclusive importer of the livestock from the state , he may also export to any other importer effective from the date of signing this contract during the contract execution period , except as for the first party's right to export the livestock to U.A.E only.

Second Article : The Subject of the Franchise:

The government of Bint Land State shall by virtue of this contract grant the new company the franchise to establish, possess, use and invest a quarantine in the city of Bosaso under the name Bint Land International Quarantine , provided that the quarantine shall be owned by the company for a period of (25) twenty five years from the date of its operation and from the date of signing this contract with regard to the exporting of livestock by the second party

Third Article : The Legal Status :

It is agreed that the legal status of the joint venture proposed to be established (The Quarantine) shall be a limited liability company , on condition that the company shall have all the benefits granted to the foreign investment companies in addition to have the benefits of the interests provided in the franchise agreements , so that, the company shall be granted the exclusive franchise right with regard to the activity agreed between the two parties

Fourth Article : Capital Money :

The company capital money shall be according to the estimations stated in the Project Feasibility Study, provided that, each partner has to represent his share in the company, and the shares values shall be in cash and in American Dollars

Fifth Article : Shares :

- 1- The Government of Bint Land State shall have (30%) Thirty percent in the company capital money
- 2- While Sulaiman Al Jabberi Est. shall have (70%) Seventy percent in the company capital

Sixth Article : The Management :

The Government of Bint Land consider Sulaiman Al Jabberi as a strategic partner, therefore, it has been agreed to grant the second party the right to manage the company, who will have all powers and authorities to decide and to layout the general and special polices of the company, and to execute them in order to make succeed of this project, which will achieve the join interests of the two parties, they also have the right to manage the quarantine's (Veterinary), technical and administrative affairs.

Seventh Article : The Right to Supervise :

The Government of Bint Land preserves its right to supervise, and control the project, it is authorized to attest documents, and certificates issued by the company proposed to be established

Article Eighth : The Company's Affiliates :

The first party may not permits any other company to establish a quarantine in the state of Bint Laid, as the establishment of the quarantine is considered to be special franchise to the company only, the proposed company may establish branches in all Bint Land State areas

Ninth Article : Benefits & Facilities :

- 1- The government of Bint Land State has granted the new company tax exemption for a period of 15 years starting from the operation date , also it undertakes to give exemption with regard to all charges and custom duties and any fees may be imposed by it or by the federal government in the future for all machineries , cars , and all type of equipments , in addition to foddors, medicines, special and general fittings and the materials supplied to the quarantine including medical equipments
- 2- The government of Bint Land State shall grant the new company the area of land required to establish the quarantine project with a length of (1) kilometer and width of (1) kilometer, that means, at an area equaling to 1 square kilometer as a free grant from the state government without any cost
- 3- The government of Bint Land State shall grant the proposed company the facilities with regard to the recruitment of workers from abroad, and to secure their legal entry as per the Somali laws.
- 4- The government of Bint Land State has undertaken to Sulaiman Al Jabberi Est. that no control or restrictions shall be imposed with regard to the cash flow belongs to the partners, thus, Sulaiman Al Jabberi Est. may inward and outward monies to any country around the world (Its share from profits or capital money in case if the company wended up) without The government of Bint Land State collect any charges or taxes on the same, according to the way deem to be fit for Sulaiman AL JABBERI EST.
- 5- The government of Bint Land State undertakes not to grant any franchise to any other competent company , not to permit or issue any license to any competent company whether local or foreign investment company to establish a quarantine or to export ;livestock from the state during the franchise period, as the right to establish the quarantine is an exclusive right for the proposed company, and the right to export livestock is an exclusive right for the second party, no body has the right to content with for a period of twenty five years from the date of operating the quarantine , and from the date of signing this contract as for the exporting of livestock to U.A.E
- 6- The government of Bint Land State also undertake that no livestock shall be exported to any country or any party(Except U.A.E) from Bint Land state or remaining states inside Somalia except through the second party

Tenth Article : Liabilities & Responsibilities:

- 1- The government of Bint Land State do hereby assume to face any opposition may arise from the federal government in Somalia, and assure the legality and lawfully of this investment and that it is inconformity with rules and regulations in force in Bint Land State and Somalia in general , also it undertakes to obtain the consent from the federal government for all articles stated in the final contract, if required
- 2- The government of Bint Land State shall assume the security protection by providing security safe guards with their arms to protect the company facilities and locations inside the state and other Somali states
- 3- The government of Bint Land State undertakes to facilitate the proposed company establishment procedures along with securing the aarival of the partners and their representatives and remove all hinders that may impede the same
- 4- Sulaiman Al Jabberi Est. shall prepare a feasibility study about the agreed project on their own account , on the condition that the cost shall be deducted form Est. share in the company capital , The government of Bint Land State undertakes to facilitate preparing of the feasibility study and to assist the crew assigned to perform this assignment

Eleventh Article :Execution of the Project

The second shall undertake to start executing of the quarantine project works within five months from the date of signing this project

Twelfth : Definition of the Charges :

The two parties agreed about the charges to be imposed on the livestock entering the quarantine , which shall be as follows:

- 1- The charges imposed for goats \$ (6) Dollars six for one head
- 2- The Charges imposed for Camels \$ (50) Dollars Fifty for one head
- 3- The Charges imposed for Camels, \$ (50) Dollars Fifty for one head

These prices do not include the value of the feed necessary for livestock during their stay at the quarantine

