



**AN ACT TO RATIFY THE AMENDMENT NO. 2 TO THE MINERAL
DEVELOPMENT AGREEMENT AMONG THE GOVERNMENT OF THE
REPUBLIC OF LIBERIA AND ARCELORMITTAL HOLDINGS A. G. AND
ARCELORMITTAL LIBERIA HOLDINGS LIMITED**

APPROVED SEPTEMBER 18, 2013

**PUBLISHED BY AUTHORITY
MINISTRY OF FOREIGN AFFAIRS
MONROVIA, LIBERIA**

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AN ACT TO RATIFY AMENDMENT NO. 2 TO THE MINERAL DEVELOPMENT AGREEMENT AMONG THE GOVERNMENT OF THE REPUBLIC OF LIBERIA AND ARCELORMITTAL HOLDINGS A.G. AND ARCELORMITTAL LIBERIA HOLDINGS LIMITED

It is enacted by the Senate and House of Representatives of the Republic of Liberia in Legislature assembled:

SECTION I:

That from and immediately upon the passage of this Act, "AN ACT TO RATIFY AMENDMENT NO. 2 TO THE MINERAL DEVELOPMENT AGREEMENT AMONG THE GOVERNMENT OF THE REPUBLIC OF LIBERIA AND ARCELORMITTAL HOLDINGS A.G. AND ARCELORMITTAL LIBERIA HOLDINGS LIMITED" as herein recited below word for word in the authentic English Version be, and the same is hereby ratified.

SECTION II: SHORT TITLE: This Act to Ratify Amendment No. 2 to the Mineral Development Agreement among the Government of the Republic of Liberia and ArcelorMittal Holdings A.G. and ArcelorMittal Liberia Holdings Limited shall also be cited as the "SECOND AMENDMENT TO THE ARCELORMITTAL AGREEMENT".

SECTION III:

That any and all obligations, covenants, terms and conditions as contained in the above mentioned AN ACT TO RATIFY AMENDMENT NO. 2 TO THE MINERAL DEVELOPMENT AGREEMENT AMONG THE GOVERNMENT OF THE REPUBLIC OF LIBERIA AND ARCELORMITTAL HOLDINGS A.G. AND ARCELORMITTAL LIBERIA HOLDINGS LIMITED shall be carried to full completion unless otherwise modified, amended or repealed.

SECTION IV:

This Act shall take effect immediately upon the publication into handbill.

ANY LAW TO THE CONTRARY NOTWITHSTANDING

-2013-

SECOND SESSION OF THE FIFTY-THIRD
LEGISLATURE OF THE REPUBLIC OF
LIBERIA

HOUSE'S ENGROSSED BILL NO.49

"AN ACT TO RATIFY AMENDMENT NO. 2 TO THE
MINERAL DEVELOPMENT AGREEMENT AMONG
THE GOVERNMENT OF THE REPUBLIC OF LIBERIA
AND ARCELORMITTAL HOLDINGS A.G. AND
ARCELORMITTAL LIBERIA HOLDINGS LIMITED"

On Motion, Bill read. On motion, the Bill was adopted
on its first reading and sent to Committee Room on
Tuesday, May 7, 2013 at the hour of 15:15 G.M.T.

On Motion, Bill read. On Motion, the was Bill was
taken back to committee Room for its Second reading
on Thursday, August 15, 2013 at the hour of 12:00
G.M.T.

On Motion, the Bill was taken from Committee Room
for its third and final reading, and the Bill was adopted,
passed into the full force of the law, and ordered
engrossed today, Tuesday, September 10, 2013 at the
hour of 14:23 G.M.T.

Mildred N. Sayon

CHIEF CLERK, HOUSE OF REPRESENTATIVES, R.L.

2013

SECOND SESSION OF THE FIFTY-THIRD
LEGISLATURE OF THE REPUBLIC OF LIBERIA

SENATE'S ENDORSEMENT TO HOUSE'S ENGROSSED
BILL NO. 49 ENTITLED:

"AN ACT TO RATIFY AMENDMENT NO. 2 TO THE
MINERAL DEVELOPMENT AGREEMENT AMONG
THE GOVERNMENT OF THE REPUBLIC OF LIBERIA
AND ARCELORMITTAL HOLDINGS A. G. AND
ARCELORMITTAL LIBERIA HOLDINGS LIMITED"

On motion, Bill read. On motion, the Bill was adopted on its
first reading and sent to Committee Room on Thursday,
September 12, @ 13:45 G.M.T.

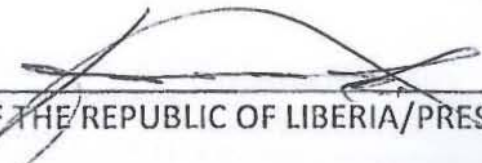
On motion, Bill taken from the Committee Room for its second
reading. On motion, under the suspension of the rule, the
second reading of the Bill constituted its third and final reading
and the Bill was adopted, passed into the full force of the law
and ordered engrossed today, Friday, September 13, 2013 @
14:55 G.M.T.

[Signature]
SECRETARY, LIBERIAN SENATE, R.L.

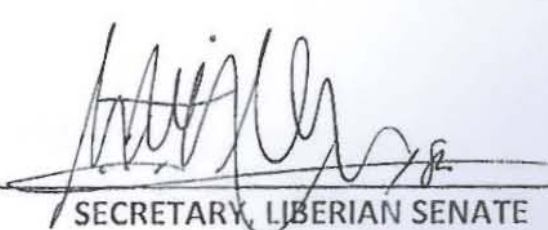
-2013-

ATTESTATION TO:


"AN ACT TO RATIFY AMENDMENT NO. 2 TO THE MINERAL DEVELOPMENT AGREEMENT AMONG THE GOVERNMENT OF THE REPUBLIC OF LIBERIA AND ARCELORMITTAL HOLDINGS A.G. AND ARCELORMITTAL LIBERIA HOLDINGS LIMITED"



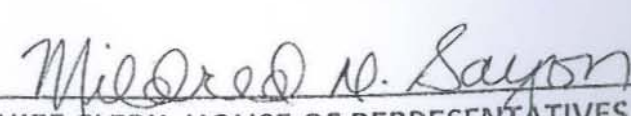
VICE PRESIDENT OF THE REPUBLIC OF LIBERIA/PRESIDENT OF THE SENATE



SECRETARY, LIBERIAN SENATE



SPEAKER, HOUSE OF REPRESENTATIVES, R.L.



CHIEF CLERK, HOUSE OF REPRESENTATIVES. R.L.



THE HONORABLE HOUSE OF REPRESENTATIVES

Capitol Building
P. O. Box 9005
Monrovia, Liberia
Website: www.legislature.gov.lr



Office of the Chief Clerk

-2013-

SECOND SESSION OF THE FIFTY-THIRD LEGISLATURE OF THE REPUBLIC OF LIBERIA

SCHEDULE OF HOUSE'S ENROLLED BILL NO.16 ENTITLED:

"AN ACT TO RATIFY AMENDMENT NO. 2 TO THE MINERAL DEVELOPMENT AGREEMENT AMONG THE GOVERNMENT OF THE REPUBLIC OF LIBERIA AND ARCELORMITTAL HOLDINGS A.G. AND ARCELORMITTAL LIBERIA HOLDINGS LIMITED"

PRESENTED TO THE PRESIDENT OF THE REPUBLIC OF LIBERIA FOR EXECUTIVE APPROVAL.

APPROVED THIS 18th DAY OF September A.D. 2013

AT THE HOUR OF 3:15 P.M.

THE PRESIDENT OF THE REPUBLIC OF LIBERIA

AMENDMENT N° 2 TO THE MINERAL DEVELOPMENT AGREEMENT

AMONG

THE GOVERNMENT OF THE REPUBLIC OF LIBERIA

AND


ARCELORMITTAL HOLDINGS A.G.

AND

ARCELORMITTAL LIBERIA HOLDINGS LIMITED

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THIS SECOND AMENDMENT entered into the 23rd day of January, 2013 by and between the Government of the Republic of Liberia, represented by and through the Minister of Finance, Honorable Amara Konneh; the Minister of Lands, Mines and Energy, Honorable Patrick Sendolo; the Chairman of the National Investment Commission, Honorable O. Natty B. Davis; and attested to by the Minister of Justice and Attorney General, Honorable Christiana P. Tah, (hereinafter collectively referred to as the "GOVERNMENT"), ARCELORMITTAL HOLDINGS A.G. and ARCELORMITTAL LIBERIA HOLDINGS LIMITED (formerly MITTAL STEEL (LIBERIA) HOLDINGS LIMITED), both represented by Mr. Ram Chandra Saraf and Mr. Joseph Mathews, each an authorized signatory, is being made

TO

THE MINERAL DEVELOPMENT AGREEMENT dated August 17, 2005 between the Government of the Republic of Liberia, represented by and through the Minister of Finance, Honorable Dr. Antoinette M. Sayeh; the Minister of Lands Mines and Energy; Dr. Eugene H. Shannon; the Chairman of the National Investment Commission, Mr. Richard Tolbert; and attested to by the Minister of Justice, Cllr. Francis Johnson Morris (formerly represented by and through the Minister of Finance, Hon. Lucine M. Kamara; the Minister of Lands Mines and Energy; Hon. Jonathan A. Mason, and the Chairman of the National Investment Commission, Hon. Roosevelt Quaich and attested to by Cllr. Kabineh M. Ja'NEH, the Minister of Justice and Attorney General) (hereafter referred to as the "GOVERNMENT") and ARCELORMITTAL HOLDINGS A.G. (formerly MITTAL STEEL HOLDINGS AG), as amended by a first amendment dated December 28, 2006

WITNESSETH

WHEREAS, on August 17, 2005, the GOVERNMENT and ARCELORMITTAL HOLDINGS A.G. made and entered into a Mineral Development Agreement (MDA), which was duly ratified by the Senate and House of Representatives of the Republic of Liberia, signed by the President of the Republic of Liberia and published in hand bills (the "Agreement");

WHEREAS, on December 28, 2006, the GOVERNMENT, ARCELORMITTAL HOLDINGS A.G. and ARCELORMITTAL LIBERIA HOLDINGS LIMITED executed an amendment to certain provisions of the aforesaid MDA, which was also duly ratified by the Senate and House of Representatives of the Republic of Liberia, signed by the President of the Republic of Liberia and published in hand bills (the "First Amendment");

WHEREAS, following a series of negotiations and consultations, the GOVERNMENT, ARCELORMITTAL HOLDINGS A.G. and ARCELORMITTAL LIBERIA HOLDINGS LIMITED have agreed to further amend certain provisions of the MDA as amended on December 28, 2006 (the "Second Amendment");

WHEREAS, the Second Amendment herein made is not the amendment contemplated under Article XXXV1, Section 1, Modification and Review of the MDA, which provides for a periodic review once every five years; and

WHEREAS, Article XXXV, Entire Agreement- Modifications, Section 2, "Amendments" provides that any modification or amendment of any of the terms and conditions of the MDA shall be by the mutually written agreement of the parties thereto;

NOW THEREFORE, and in consideration of their mutual obligations, promises, and covenants, the GOVERNMENT, ARCELORMITTAL HOLDINGS A.G. and ARCELORMITTAL LIBERIA HOLDINGS LIMITED mutually agree as follows:

**ARTICLE I
AMENDMENT TO ARTICLE 1 OF THE
MDA
DEFINITIONS**

The following definitions shall be added to Article 1 of the MDA as amended on December 28, 2006 in the appropriate alphabetical order:

"First Amendment" shall mean the first amendment to the MDA dated December 28, 2006.

"Second Amendment" shall mean this second amendment to the MDA.

"Second Amendment Effective Date" shall mean the date of the last to occur of the following events: (i) attestation by the Minister of Justice of the Republic of Liberia; (ii) ratification by the National Legislature; (iii) approval by the President of the Republic; and (iv) printing into Hand Bills.

"CTA" shall mean the Consolidated Tax Amendments Act of 2010 as in effect as of the date of the Second Amendment.

**ARTICLE 2
AMENDMENT TO ARTICLE XXII OF THE MDA
(INCOME TAXATION)**

The text of Article XXII of the MDA on Income Taxation is hereby deleted in its entirety and replaced with the following:

Section 1: General Applicability

Subject to the provisions of this Article and Article XXV, the CONCESSIONAIRE and its Associates shall be subject to taxation under the provisions of the Minerals and Mining Law, the Code and the CTA and all regulations, orders and decrees promulgated thereunder, all interpretations (written or oral) thereof and all methods of implementation and administration thereof by any Agency or instrumentality of the Government (the Code, the CTA and all such regulations, interpretations and methods of implementation and administration collectively, the "Tax

Corpus", in each case as in effect as of the date of the First Amendment, except, for the CTA, as in effect as of the date of the Second Amendment).

Annex B specifies all the taxes, duties, custom fees and similar payments, Taxes and Duties, along with the applicable rates, to which the CONCESSIONAIRE shall be subject, other than those listed in Articles XXII to XXV inclusive. For the avoidance of doubt, any amendments, additions, revisions, modifications or other changes to the Tax Corpus made after the Second Amendment Effective Date shall not be applicable to the CONCESSIONAIRE.

Furthermore, any future amendments, additions, revisions, modifications or other changes to any law (other than the Tax Corpus) applicable to the CONCESSIONAIRE or the Operations that would have the effect of imposing an additional or higher tax, duty, custom, royalty or similar charge on the CONCESSIONAIRE will not apply to the CONCESSIONAIRE to the extent it would require the CONCESSIONAIRE to pay such additional tax, duty, royalty or charge.

The tax liability of the CONCESSIONAIRE shall be subject to the following provisions throughout the term of the MDA.

- a. The rate of tax under Sections 701(b) and 702(a) of the CTA shall not be greater than twenty five percent (25%) of the taxable income. It is further agreed that Section 702(b) of the CTA is not applicable to the CONCESSIONAIRE. For the avoidance of doubt, should the Government amend the CTA so as to reduce the rate of tax below twenty five percent (25%), the CONCESSIONAIRE shall be entitled to the benefit of such a change.
- b. The CONCESSIONAIRE and its shareholders shall not incur in the Republic, any taxation in connection with the distribution of dividends or any other reserves or assets; provided that, in the event that any new class of shares of the CONCESSIONAIRE is issued to third parties, dividends paid to such third parties shall be subject to taxation in accordance with all provisions of law (including the CTA).

Section 2: Computation of Taxable Income in Dollars

The net taxable income of the CONCESSIONAIRE shall be determined in Dollars and in accordance with generally accepted accounting principles.

Section 3: Withholding tax on Certain Payment to Nonresidents and Residents

For the whole term of the Agreement, payments made by Concessionaire or any person acting on behalf of the Concessionaire to nonresident and resident (affiliates or non-affiliate) for activities directly related to the operations of the Concessionaire or the Operating Company, the withholding tax provided for by Sections 806 or 905 of the Code and the CTA, will apply as follows:

CF AMK
[Handwritten signatures and initials]

- a. For interest payment described in Section 806(f) (1) and Section 905(h) (1), tax shall be withheld at the rate of five percent (5%) of such payments.
- b. For other payments described in Section 806(f) (3) and Section 905(h) (3), tax shall be withheld at the rate of six percent (6%) of such payments.

Except as provided in this Section or elsewhere herein (namely the exemption on withholding tax on dividends as provided at Section 1(b), the withholding tax will be governed by the provisions of the CTA.

Section 4: Interest Deduction

In each year, the CONCESSIONAIRE may deduct interest up to fifty percent (50%) of taxable income in accordance with Section 203(d) of the Code. Interest above fifty percent (50%) of income may be carried forward to future years without limitation of any nature whether it is in terms of time or amounts in accordance with Section 708 of the CTA.

Section 5: Depreciation

The CONCESSIONAIRE shall be allowed as deductions from its gross income, an allowance for depreciation on an asset-by-asset basis using a straight-line method of depreciation over a period of five (5) years for tangible fixed property and intangible property.

Section 6: Carry Forward Permitted

Any net operating loss may be carried forward against taxable income until the 7th year following the fiscal year in which the net operating loss was incurred in accordance with Section 707 of the CTA.

ARTICLE 3 AMENDMENT TO ARTICLE XXV OF THE MDA (OTHER PAYMENTS TO THE GOVERNMENT)

The text of Section 1, Import Duties and Other Payments, of Article XXV of the MDA is hereby deleted in its entirety and is replaced with the following:

Section 1: Import Duties and Other Payments

The CONCESSIONAIRE and its Associates shall:

- (a) For the period of five (5) years following the Second Amendment Effective Date, the CONCESSIONAIRE shall pay to the GOVERNMENT an annual lump sum amount of Six Hundred Thousand Dollars (US\$600, 000.00) to be paid in two installment of Three Hundred Thousand Dollars (US\$300,000.00) each on January 15 and July 15 of each

Handwritten signatures and initials: "CT", "MMIC", "J2", "Jm", and "B".

concession year, in lieu of import Duties on items listed in Appendix 1 imported by the Concessionaire and its Associates into the Republic for use in the Operations.

- b) For the period beginning on the day after the fifth (5th) anniversary and beyond, following the Effective Date of the Second Amendment, the CONCESSIONAIRE shall be required to pay to the GOVERNMENT 40% of import Duties on items listed in Appendix 1 imported by the Concessionaire and its Associates into the Republic and used in its Operations;
- (c) For a period of three (3) years following the Second Amendment Effective Date, the CONCESSIONAIRE and its Associates shall be required to pay only 50% of each of the import levy and sales tax on gasoline and diesel imposed by the Code and the CTA with respect to gasoline and diesel used directly by the Concessionaire and its Associates in connection with its Operations.
- (d) During the term of the Agreement, the CONCESSIONAIRE and its Associates shall be responsible for the payment of the ECOWAS fee with respect to imports.
- (e) During the term of the Agreement, be required to pay the Goods and Services Tax (GST) only on items that are not listed on Appendix 1 and that are imported by the CONCESSIONAIRE and its Associates into the Republic and used in its Operations.

ARTICLE 4 ENTIRE AGREEMENT

The parties agree that, other than the modifications to the Agreement, expressly set forth in this Second Amendment, the Agreement and the First Amendment shall remain unchanged. The Parties further agree that the Agreement, as modified by this Second Amendment, shall represent the entire agreement among the Parties with respect to the subject matter covered thereby and supersedes all previous oral and written negotiations and agreement between the parties. The Parties shall be bound by the terms of the Agreement as modified by the First Amendment and this Second Amendment, as if all were signatures to the Agreement dated August 17, 2005 and the provisions of the Agreement shall be interpreted accordingly.

ARTICLE 5 GOVERNING LAW

This Second Amendment shall be construed and interpreted in accordance with the laws of the Republic of Liberia, as supplemented by generally accepted legal principles.

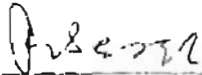
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ARTICLE 6
SECOND AMENDMENT EFFECTIVE DATE:

This Second Amendment shall become effective and be binding on the Parties on the Second Amendment Effective Date.

IN WITNESS WHEREOF, the Parties have signed this Second Amendment on the date first written above

ARCELORMITTAL LIBERIA HOLDINGS LIMITED

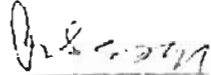


Ram Chandra Saraf
DULY AUTHORIZED REPRESENTATIVE



Joseph Mathews
DULY AUTHORIZED REPRESENTATIVE

ARCELORMITTAL HOLDINGS A.G.

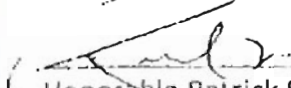


Ram Chandra Saraf
DULY AUTHORIZED REPRESENTATIVE

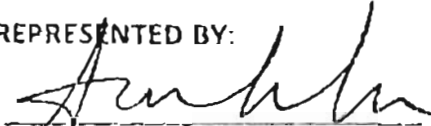


Joseph Mathews
DULY AUTHORIZED REPRESENTATIVE

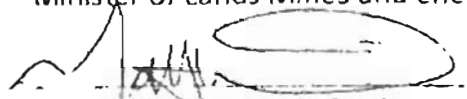
THE GOVERNMENT OF THE REPUBLIC OF LIBERIA, REPRESENTED BY:



Honorable Patrick Sendolo
Minister of Lands Mines and Energy

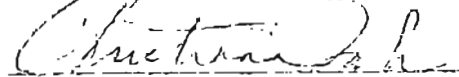


Honorable Amara Konneh
Minister of Finance



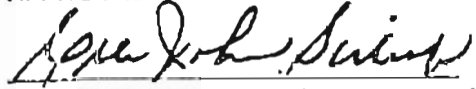
Honorable O. Natty B. Davis
Chairman of the National Investment Commission

ATTESTED BY:



Honorable Christiana P. Tah
Minister of Justice and Attorney General

APPROVED BY:



Her Excellency Ellen Johnson Sirleaf
President of the Republic of Liberia