



Audit Service Retainer Agreement:

This Agreement has been concluded between:

- The Insurance Control Commission of Lebanon, hereinafter referred to as ICC, represented by H.E. the Minister of Economy and Trade, Mr. Amer Bisat

&

- Crowe Levant, a professional audit firm duly organized and existing under the laws of Lebanon, hereinafter referred to as the Consultant. represented by Mr., Hisham Moukamal

PREAMBLE

WHEREAS, the Insurance Control Commission, acting in accordance with the provisions of the Lebanese Public Procurement Law, invited bids for the tender titled “Design and Implementation of Capital Adequacy Assessment Framework for Insurance Companies”;

WHEREAS, following a competitive evaluation process, the tender was formally awarded to the Consultant

WHEREAS, the Consultant submitted comprehensive Technical and Financial Proposals, including all supplemental documentation and clarifications, which served as the material basis for the award of said tender;

WHEREAS, the ICC and the Consultant now desire to formalize their professional relationship through this Audit Services Retainer Agreement to define their respective rights, duties, and performance obligations, ensuring full alignment with the Tender’s requirements;

NOW, THEREFORE, the Preamble, the Tender documents, and all related correspondence are hereby incorporated as an integral part of this Agreement. The parties agree as follows

ARTICLE 1 – PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to appoint the Consultant to provide professional advisory and technical consulting services related to the development of a Capital Adequacy and Solvency Framework for the Lebanese insurance sector, including the execution of a Quantitative Impact Study (QIS), in accordance with the Terms of Reference approved by the Ministry.



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ARTICLE 2 – SCOPE OF SERVICES

- Review the existing solvency and capital adequacy framework applicable to insurance companies in Lebanon;
- Assess regulatory, prudential, and supervisory requirements currently in force;
- Benchmark the Lebanese framework against relevant international standards and best practices;
- Design a risk-based solvency and capital adequacy framework;
- Conduct a Quantitative Impact Study (QIS);
- Develop reporting templates and technical guidelines;
- Deliver workshops and training sessions;
- Provide post-implementation technical support.

ARTICLE 3 – PROFESSIONAL STANDARDS

The Consultant shall perform the Services with the highest degree of professional competence, diligence, integrity, and care, and in accordance with internationally recognized professional and regulatory standards.

The Consultant shall assign qualified experts possessing the necessary technical expertise and sectoral experience required for the successful completion of the assignment.

ARTICLE 4 – CONFIDENTIALITY

The Consultant shall maintain strict confidentiality with respect to all documents, reports, data, records, analyses, financial information, market information, and any other information disclosed by the Ministry or obtained during the execution of the Services.

The Consultant shall not disclose, publish, reproduce, distribute, or communicate any Confidential Information to any third party without the prior written approval of the Ministry.

The confidentiality obligations under this Agreement shall survive the expiration or termination of the Agreement for a period of ten (10) years.

The Consultant shall implement all necessary technical and organizational safeguards to ensure the protection of confidential and sensitive information.



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ARTICLE 5 – TIMELINE AND PERFORMANCE

The Consultant shall comply strictly with all agreed timelines, milestones, and delivery schedules.

Failure to comply with agreed deadlines without prior written approval from the Ministry shall constitute a material breach of this Agreement.

The Ministry reserves the right to request corrective measures, suspend payments, or terminate the Agreement in the event of unjustified delay or repeated non-performance.

ARTICLE 6 – DELIVERABLES

The Consultant shall deliver:

- Diagnostic and Gap Assessment Reports;
- Proposed Solvency Framework;
- Quantitative Impact Study (QIS) Results;
- Regulatory Drafts and Technical Guidelines;
- Reporting Templates and Models;
- Training Materials;
- Final Recommendations and Implementation Report.

ARTICLE 7 – FEES AND PAYMENT TERMS

Professional fees is determined in accordance with the approved financial proposal.

Payments shall be aligned with the satisfactory completion and acceptance of deliverables and project milestones.

Accordingly the Consultant approves to cash the Professional Fees according to the following:

- 1- Down Payment (DP): Upon the signature of this agreement, the ICC shall settle to the Consultant 20% from the Total Financial Proposal Amount included within the related VAT, being: \$106,116.-
- 2- Balance: The remaining amount shall be paid on a phase-completion basis. Upon completion of each phase by the Consultant—evidenced by written notice delivered to the ICC—and upon the ICC's acceptance of that phase, the ICC shall pay the Consultant the corresponding phase balance, representing eighty percent (80%) of the fees allocated to that phase under the Fee Structure of the Financial Proposal, inclusive of the applicable VAT, as follows:



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Phase #	Phase Description	Related Fees (VAT Included)	Settled Within DP (VAT Included)	Balance To Be settled Upon Completion & Acceptance of Phase (VAT Included)
1	Project Initiation & Governance	\$59,940.-	\$11,988.-	\$47,952.-
2	Diagnostic Review	\$75,480.-	\$15,096.-	\$60,384.-
3	Interim Solvency Framework Design	\$95,460.-	19,092.-	\$76,368.-
4	Quantitative Analysis & Calibration	\$124,320.-	\$24,864.-	\$99,456.-
5	Stakeholder Consultation	\$48,840.-	\$9,768.-	\$39,072.-
6	Implementation, Dry Run & Go Live	\$126,540.-	\$25,308.-	\$101,232.-
7	Training & Post Go Live Support	\$0.-	\$0.-	\$0.-

ARTICLE 8 – INTELLECTUAL PROPERTY RIGHTS

All reports, methodologies, templates, analyses, models, and deliverables produced under this Agreement shall become the exclusive property of the Ministry.

The Consultant shall not reuse or commercialize any deliverables without prior written approval from the Ministry.

ARTICLE 9 – CONFLICT OF INTEREST

The Consultant warrants that no actual or potential conflict of interest exists in relation to this assignment and undertakes to immediately disclose any circumstance that may affect its independence or objectivity.

ARTICLE 10 – TERMINATION

The Ministry may terminate this Agreement in the event of material breach, breach of confidentiality, substantial delay, professional misconduct, or failure to meet agreed standards and obligations.

ARTICLE 11 – GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws and regulations of the Republic of Lebanon.

Any dispute arising under this Agreement shall fall within the jurisdiction of the competent courts of Beirut, Lebanon.



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ARTICLE 12 – CONTRACT NUMBER OF COPIES

This Agreement is executed in Beirut on 14-5-2026 in one (1) original, which shall be retained by the ICC.

SIGNATURES

For the Insurance Control Commission

Name:

Amer BUSAT

Title:

Minister of Economy and Trade

Signature:

[Handwritten Signature]

Date:

20/5/2026

For Crowe Levant

Name:

Hicham Houkammal

Title:

CEO

Signature:

[Handwritten Signature]

Date:

May 20, 2026