

CONTRACT

Audit of Second Greater Beirut Water Supply Project for the year 2026

(Loan No. 9576-LB)

Contract no. _____

between

Council for Development and Reconstruction
Republic of Lebanon

and

Majzoub & Partners

Notification Date: _____

CONTRACT

Audit of Second Greater Beirut Water Supply Project for the year 2026

(Loan No. 9576-LB)

THIS CONTRACT ("Contract") is entered into this _____ day of _____, 2026

between,

COUNCIL FOR DEVELOPMENT AND RECONSTRUCTION (CDR) ("the Client")
having its principal place of business at Tallet El-Serail, Beirut – Lebanon; Tel: (961-1)
980096/7 – Fax: (961-1) 981252/3; represented by its President Mr. Mohamad-Ali Kabbani,

and,

MAJZOUB & PARTNERS ("the Auditor") having its registered office at Achrafieh,
Museum Area, Hotel Dieu Street, Mathaf Center, 5th floor, Beirut – Lebanon; Tel: (961-1)
612224/5/6, represented by Mrs. Ghada Rostom El Shami,

WHEREAS according to CDR Board of Directors' decision no. 306/2026/A dated 30/4/2026,
the Client wishes to have the Auditor perform the services hereinafter referred to,

and

WHEREAS the Auditor is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

1. Services

- (i) The Auditor shall carry out the Services pertaining the Audit of Second Greater Beirut Water Supply Project (SGBWSP) for the year 2026 as specified in Annex A "Description of Services" which is made an integral part of this Contract ("the Services").
- (ii) The Auditor shall provide the personnel listed in Annex B "Auditor's Personnel," to perform the Services.

2. Term

The Auditor shall perform the Services, within a period ending June 30, 2027 for fiscal year 2026, starting from the notification's date of this contract to the Auditor.

3. Payment

A. Ceiling

According to Annex C “Financial Details”, and for Services rendered pursuant to Annex A, the Client shall pay the Auditor an amount not to exceed **U.S\$3,500.00** (three thousand five hundred United States Dollars), VAT being not applicable to the terms of the law no.379 dated 14/12/2001,

This amount has been established based on the understanding that it includes all of the Auditor’s costs and profits as well as any tax obligation that may be imposed on the Auditor.

B. Schedule of Payments

Based on Annex C, Payments shall be made upon the Client’s receipt of the Audit Report, acceptable to the Client.

C. Payment Conditions

Payment shall be made in (US\$) United States Dollars, no later than forty-five (45) days following submission by the Auditor of invoices in duplicate to the Coordinator designated in paragraph 4.

D. Deliverables

Payment of instalments are linked to the deliverables specified in the Description of Services in Annex A which indicates that Payments will be based on the deliverables [Yearly Audit Report for SGBWSP Project (CDR component) and Yearly Management Letter for SGBWSP Project (CDR component)] provided by the audit team.

The Audit Report and Management letter shall be submitted no later than 6 months (June 30, 2027) after the end of the fiscal year under audit (2026).

E. Bank Secrecy

As stipulated in article (5) of the banking secrecy law dated 3/9/1956 and as stipulated in the resolution of the Council of Ministers no.4 dated 28/4/2020, the Auditor agrees to lift banking secrecy over the bank account used to deposit or transfer public funds related to this Contract.

4. Project Administration

The Client shall designate a Coordinator who will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for the payment.

5. Performance Standards

The Auditor undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Auditor shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory.

6. Confidentiality

The Auditor shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client.

7. Ownership of Material

Any studies, reports or other material, software or otherwise, prepared by the Auditor for the Client under the Contract shall belong to and remain the property of the Client. The Auditor may retain a copy of such documents and software.

8. Auditor not to be Engaged in Certain Activities

The Auditor agrees that, during the term of this Contract and after its termination, the Auditor and any entity affiliated with the Auditor, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

9. Insurance

The Auditor is responsible for taking out any appropriate insurance coverage.

10. Assignment

The Auditor shall not assign this Contract or sub-contract or any portion of it without the Client's prior written consent.

11. Law Governing Contract and Language

The Contract shall be governed by the laws of the Republic of Lebanon, and the language of the Contract shall be English.

12. Dispute Resolution

Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to the competent Lebanese Court.

13. Coming into Force

This Contract shall come into force from the date of its signature by both Parties and its notification to the Auditor.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on Behalf of the Client
Council for Development and Reconstruction

For and on Behalf of the Auditor
Majzoub & Partners

Mohamad-Ali Kabbani
President

Ghada Rostom El Shami
Authorized Representative

