



## Cedar Insurance & Reinsurance Company Ltd

### Declaration of Compliance

(Prepared in accordance with section 15A of the Insurance Act 1978)

### For the Year-Ending – December 31, 2023

We, the undersigned Directors of Cedar Insurance & Reinsurance Company Ltd. ("the Company") declare that to the best of our knowledge and belief, the Company has:

- a) Not complied with the minimum criteria applicable to it; namely breached Section 4DA(2) of the Insurance Act 1978 by exceeding the amount of Net Premium Written allowable within its Class and Section 17(4)(b) of The Insurance Act 1978;
- b) Complied with the minimum margin of solvency;
- c) Complied with the applicable enhanced capital requirement;
- d) Complied with all applicable regulatory conditions, directions, restrictions and approvals imposed on the insurer; and
- e) Complied with the minimum liquidity ratio for general business.

### Description of Breaches

Cedar Insurance and Reinsurance Company Ltd. filed its 2023 statutory return outside the seven months after the end of the financial year that the Authority may allow under the Insurance Act 1978.

Cedar Insurance and Reinsurance Company Ltd wrote Gross Written Premium of \$107.8m in FY2023, exceeding the statutory cap of 50m for a licensed 3A entity. These breaches were a result of the hyper inflationary environment in Lebanon, and the time consuming IFRS Accounting translation methodology required at Year end 2023 specifically in regards the Group subsidiary Bankers Assurance S.A.L. The wider unrest in Lebanon further exacerbated these challenges for local staff.

Directors:

Fadi Abou Rahhal  
Director

Date 25.10.2024

Jawad Boulos  
Director

Date 25.10.2024