

**Frequently Asked Questions for the Implementation of Modifications
Related to the Panama Canal Water Conservation Strategy
Revised: March 31, 2020**

This document intends to provide our clients with a better understanding of the Modifications Related to the Panama Canal Water Conservation Strategy. For any questions not addressed in this document, please contact our Customer Relations Section at customerrelations@pancanal.com or customerservice@pancanal.com

Fresh Water Surcharge

Q. What is the percentage of the variable fee that is applied at the time of placement of the guarantee?

A. The percentage applicable would be either the percentage published on the date when the guarantee is placed, or the projected percentage for the estimated date of arrival, whichever is higher.

Transit Reservation (Booking) Fees

Q. I made a booking, but it was later voided. Why was it voided?

A. In accordance with Advisory to Shipping No. A-03-2020, if the guarantee is not received within the required time, the booking slot will be voided.

Q. If a vessel is awarded a booking slot during the third period, when will the booking fees be charged?

A. For slots awarded during Booking Period 3, the booking fees will be charged once the vessel begins its transit, in the same manner as tolls and other transit-related fees, established by the Advisory to Shipping No. A-03-2020.

Q. If a vessel was awarded a booking slot before February 15, 2020, when will the booking fees be charged?

A. Booking fees for slots that were allocated prior to February 15, 2020, will be invoiced once the vessel transits, in the same manner as tolls and other transit-related fees, established by the Advisory to Shipping No. A-03-2020.

Q. A vessel was awarded a booking slot before February 15, 2020 and now is changing its booking date. Should a guarantee be placed?

A. Changes in booking dates for slots awarded prior to February 15, 2020, will require the establishment of the Booking guarantee prior to the acceptance of the date change. Changes in booking dates received during the 2nd Booking period with less than 7 days from the vessel's ETA, require that the booking guarantee be received by the ACP no later than 48 hours after the booking request has been accepted. If the guarantee is not received within the required time, the date change will not be processed.

Q. Do substitutions between a booked vessel and a non-booked vessel require the placement of a new booking guarantee for the non-booked vessel?

A. For all other booking substitutions, the guarantee for the transit itinerary creation of the substituting vessel shall be placed prior to substitution being accepted. The substituting vessel will not be required to place a new guarantee for the booking, but the guarantee for the substituted vessel will be reimbursed once the substituting vessel transits, or alternately, the substituted vessel cancels its booking. In such case, the booking fee for the substituted vessel will be reimbursed after the substituting vessel has paid any applicable cancellation fees.

Q. If I have a reservation and obtain a booking on a different date for the same vessel and transit itinerary, do I need to place another guarantee for the booking?

A. Yes, you will need to place another guarantee. The previous booking fee will be reimbursed by the ACP, and if the change of date is done with less than 60 days before the transit, a cancellation fee will apply in accordance with ACP regulations.

Q. Is there an additional charge in case of a date change, if a booking slot for a specific date is not awarded and subsequently, a slot is awarded for an alternate date and later on, the slot is awarded for the original date through competition?

A. There is no additional charge for date change in this case.

Q. How much time will it take to reimburse the booking guarantee for a booked vessel that was substituted with a non-booked vessel?

A. Once the booking slot is assigned to the substituting vessel, the Booking guarantee for the substituted vessel will be reimbursed within approximately 10 working days.

Transit Itinerary Creation Fee

Q. Can the Transit Itinerary Creation Fee be deducted from the Tolls guarantee when the Tolls guarantee is being placed?

A. The vessel agent must place the tolls guarantee in addition to the transit itinerary fee; they are independent from each other. The Transit Itinerary Creation Fee guarantee will be deducted from the vessel's tolls invoice once the vessel transits. If the vessel cancels the transit itinerary, this fee will not be reimbursed.

Q. When should the guarantee for Transit Itinerary Creation Fee be placed?

A. The fee shall be paid no later than 96 hours after confirmation by the ACP that the transit itinerary has been accepted. Vessels that do not comply with the 96-hour pre-arrival notification requirement (short ETAs) will only have 24 hours for the placement of the guarantee. Failure to provide the proper guarantee or payment prior to the times established by the Advisory to Shipping No. A-10-2020, will result in the cancellation of the transit itinerary.

Q. An arrival port in a different direction was mistakenly selected: When changed, why was a new Transit Itinerary Creation Fee requested?

A. In accordance with Advisory No. A-10-2020, errors in processing transit itineraries, such as selecting the wrong port of arrival or an incorrect vessel, will require the cancellation of the incorrect visit and the creation of a new transit itinerary and the placement of the corresponding guarantee. The Transit Itinerary Creation Fee for the cancelled visit will not be reimbursed.

Example: The visit was created with arrival port of Cristobal, transit itinerary was created and the guarantee for the Transit Itinerary Creation Fee was approved by the bank. The agent realizes that the arrival port should be Balboa. When the change in the arrival port to Balboa is done in VUMPA, all visit itineraries are cancelled automatically; therefore the fees associated with the transit itinerary for arrival port of Cristobal will be lost. As a result, a new Transit Itinerary Creation Fee guarantee for the itinerary transit with arrival port Balboa will be required.

Q. Which vessels should pay the Transit Itinerary Creation Fee?

A. The fee will be applied to every transit itinerary at the time the itinerary is created for vessels with 38.1 meters (125 feet) LOA or more, as follows:

- For vessels less than 27.74 meters (91 feet) in beam (regulars): \$1,500 per transit itinerary.
- For vessels between 27.74 meters (91 feet) and 32.62 meters (107 feet) in beam (supers, including Panamax plus): \$5,000 per transit itinerary.
- For vessels with beams of more than 32.62 meters (107 feet) (Neopanamax): \$5,000 per transit itinerary.

Q. If the visit is only local, should a Transit Itinerary Creation Fee be placed?

A. No, the fee is only applied to Canal transit itineraries.

Q. How would the visit be affected if the vessel is making a local call with Canal transit and the Transit Itinerary Creation Fee is not established on time?

A. In accordance with Advisory No. A-10-2020, if the Transit Itinerary Creation Fee is not established on time, the visit will be affected as follows:

- If the vessel has been awarded a Booking slot, it will be cancelled, even if there is an approved booking guarantee.
- If the vessel has not arrived at Panama Canal Waters, the entire visit will be cancelled.
- If the vessel has arrived at Panama Canal Waters, the transit itinerary of the visit will be cancelled, and the local itinerary of the visit will be adjusted accordingly.

Q. Is an additional Transit Itinerary Creation Fee required when making a booking substitution?

A. For all other booking substitutions, the guarantee for the transit itinerary creation of the substituting vessel shall be placed prior to the substitution being accepted.

Q. Can we create a visit and book it as soon as approved by the ETA Clerk or do we need to wait for the guarantee to be processed financially on the visit for it to be approved prior to a book slot?

A. The visit can be created with the transit itinerary and the booking. The system will be validating at the moment when a booking guarantee is selected that the transit itinerary fee must have an approved guarantee. If not, both guarantee requests must be submitted at the same time.

Q. If a different agent is responsible only for the vessel's booking and the Itinerary Creation Fee is not established by the agent responsible for the transit, why does the system request both guarantees?

A. The agent responsible for the booking must contact the primary agent so that the primary agent places the Transit Itinerary Creation Fee guarantee. If the primary agent does not place the guarantee for the Itinerary Creation Fee, the system will request both guarantees to the agent responsible for the booking at the time the Booking guarantee is requested.

Changes of Customer Codes

Q. Can I change the customer code after visit creation?

A. No. In order to maintain the integrity of the booking system, vessels are not allowed to change customer codes once the visit has been created, as established by Advisory to Shipping No. A-10-2020.