

AGREEMENT No. 235
(of June 26 2012)

“Whereby is approved to modify the proposal to change the Panama Canal Authority’s tolls system”

THE BOARD OF DIRECTORS
OF THE PANAMA CANAL AUTHORITY

WHEREAS:

In accordance with article 319.2 of the Republic of Panama Political Constitution, and article 18.3 of the Panama Canal Authority Organic Law (No. 19 of June 11, 1997), the Board of Directors of the Panama Canal Authority (the Authority) sets the tolls, rates, and fees for the use of the Canal and related services, subject to final approval of the Cabinet Council.

In compliance with the aforementioned, Agreement No. 230 of April 18, 2012 approved the proposal to modify the Panama Canal Authority’s tolls system, submitted by the Canal Administration, and set forth the legal requirements for the consultation and public hearing mandated by the Panama Canal Authority Organic Law and Regulation on the Procedure to Revise the Panama Canal Tolls Rate and Admeasurement Rules, by means of its publication in the Canal Record.

Having fulfilled the consultation process, including the public hearing, and after taking into account the opinions and observations of those who participated in the process, the Canal Administration has submitted for consideration of the Panama Canal Authority Board of Directors a proposal to modify Agreement No. 230 of April 18, 2012, proposal that acknowledges the importance of preserving the Canal’s competitiveness and value to the market, provides additional time to the industry to make pertinent pricing adjustments, while always considering the Authority’s interests.

Article 11a of the Regulation on the Procedure to Revise the Panama Canal Tolls Rate and Rules of Admeasurement, stipulates that in the case of proposals to revise tolls rates to be implemented in several phases or several years, and the Authority, considering the issues raised by participants during the hearing, considers pertinent to modify its original proposals, shall proceed to make the corresponding adjustments and grant an additional consultation period of no less than 15 calendar days starting on the date of publication of the modified proposal in the Canal Record, to afford interested parties an opportunity to submit to the Authority, in writing, data, opinions, information, or arguments, regarding said proposal.

The proposal submitted contains a justification of the reasons and factors taken into consideration for its formulation, in accordance with the provisions of the Panama Canal Authority Agreements No. 3 of November 12, 1998 and 127 of January 19, 2007 which regulates the Procedure to Revise the Panama Canal Tolls Rate and Admeasurement Rules; No. 4 of January 7, 1999, No. 58 of August 16, 2002, No. 94 of March 30, 2005, No. 141 of June 21, 2007, and No. 220 of November 25, 2010, which regulates the establishment of tolls, rates, and



fees for the transit of vessels through the Canal, and the rendering of related services and complimentary activities.

The Board of Directors, after due evaluation, is in agreement with the contents of the proposal, and considers that it should be processed appropriately, pursuant to the applicable law and regulations.

AGREES:

ARTICLE ONE: To approve the modification of the proposal contained in Agreement No. 230 of April 18, 2012, "Whereby the proposal to modify the Panama Canal Authority's tolls system is approved", in accordance with the terms and conditions established in the attached document, which is an integral part of this agreement.

ARTICLE TWO: To submit the proposal mentioned in Article One to an additional consultation period, in accordance with the regulation, through publication in the Canal Record.

ARTICLE THREE: This Agreement will take effect as of the date of its publication in the Canal Record.

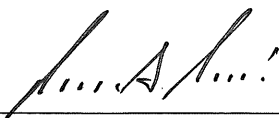
AUTHORITY: Article 319.2 of the Republic of Panama Political Constitution; articles 9, 18, and 79 of Law 19 of June 11, 1997, Panama Canal Authority Organic Law; and Panama Canal Agreements Nos. 3, 4, 58, 94, 127, 141, and 220 issued by the Panama Canal Authority Board of Directors.

Given in the City of Panama, Republic of Panama, on the twenty-sixth (26) of the month of June, two thousand and twelve (2012).


TO BE PUBLISHED AND ENFORCED.

Rómulo Roux

Rossana Calvosa de Fábrega



President of the Board of Directors



Secretary

PROPOSAL TO MODIFY THE PANAMA CANAL TOLLS

**THE BOARD OF DIRECTORS
OF THE PANAMA CANAL AUTHORITY**

ANNOUNCES:

1. PROPOSAL TO MODIFY THE PANAMA CANAL AUTHORITY'S TOLLS SYSTEM, IN CONSIDERATION WITH THE ARGUMENTS AND RECOMMENDATIONS PRESENTED BY THE INTERESTED PARTIES.

After reviewing the observations and suggestions of the interested parties, the Panama Canal Authority considered appropriate to adjust the original proposal to modify the tolls system of the Panama Canal.

During an ordinary session, the Board of Directors of the Panama Canal Authority approved Agreement No. 235 of June 26, 2012, which modifies Agreement No. 230 April 18, 2012, "Whereby the proposal to modify the Panama Canal Authority's tolls system is approved". This proposal is available to the interested parties as of the date of this publication.

2. ESSENCE OF THE PROPOSED CHANGE.

After analyzing the input of the interested parties during the consultation and public hearing process, the Committee responsible for conducting the consultation and public hearing process (the Committee) recommends the following: a) set the implementation dates of the proposed increases to October 1, 2012 and October 1, 2013, including the minimum tolls, and b) keep the classification of the ship type "container/break bulk" under the market segment "others". The rest of the proposed modifications to the Panama Canal Authority's tolls system remain unchanged. The table below supersedes the one published in Agreement No. 230 of April 18, 2012.

127

127

PROPOSAL TO MODIFY THE PANAMA CANAL TOLLS
(in U.S. dollars)

		2012						2013					
Market Segment		Current Tariff			Proposed Tariff			Proposed Tariff					
		Tolls per PC/UMS Ton											
		1st	2nd	Rest	Effective 1st of	1st	2nd	Rest	Effective 1st of	1st	2nd	Rest	
		10K	10K			10K	10K			10K	10K		
General Cargo	Laden	4.41	4.32	4.25	October	4.74	4.64	4.57	October	5.10	4.99	4.91	
	Ballast	3.53	3.46	3.40		3.79	3.72	3.66		4.07	4.00	3.93	
Dry Bulk	Laden	4.38	4.23	4.16	October	4.71	4.55	4.47	October	5.06	4.89	4.81	
	Ballast	3.50	3.38	3.33		3.76	3.63	3.58		4.04	3.90	3.85	
Tanker	Laden	4.46	4.39	4.31	October	4.68	4.61	4.53	October	4.92	4.84	4.75	
	Ballast	3.57	3.51	3.45		3.75	3.69	3.62		3.94	3.87	3.80	
Chemical Tanker	Laden	4.46	4.39	4.31	October	4.82	4.74	4.65	October	5.06	4.98	4.89	
	Ballast	3.57	3.51	3.45		3.86	3.79	3.73		4.05	3.98	3.91	
LPG	Laden	4.46	4.39	4.31	October	4.75	4.68	4.59	October	4.99	4.91	4.82	
	Ballast	3.57	3.51	3.45		3.84	3.77	3.71		4.07	4.00	3.93	
Vehicle Carriers and RoRo	Laden	4.33	4.24	4.17	October	4.40	4.31	4.24					
	Ballast	3.46	3.39	3.34		3.52	3.45	3.40					
Others	Laden	4.61	4.52	4.45	October	4.96	4.86	4.78	October	5.33	5.22	5.14	
	Ballast	3.69	3.62	3.56		3.97	3.89	3.83		4.27	4.18	4.12	
		Tolls per Displacement ton											
Displacement		3.02			October	3.25			October	3.49			

Note: The tolls for the full container, reefer, passenger vessels segments, and the toll applicable to TEU on-deck in vessels other than full container, are not adjusted at this time.

3. REQUEST AND FORWARDING OF INFORMATION.

3.1 Interested parties may access an electronic copy of Agreement No. 235 of June 26, 2012 which contains the modification to the Agreement No. 230 April 28, 2012, both in Spanish and English in the Panama Canal Authority website (www.pancanal.com), or request a copy in person from the Office of Market Research and Analysis (ME) located in the Canal Administration Building, Balboa, or by fax at (507) 272-7377 or (507) 272-1416, or by mail, to any of the addresses indicated in paragraph 3.3.

3.2 As of the publication date of this notification in the Canal Register, the Panama Canal Authority will provide the interested parties with an additional consultation period to present in writing their data, opinions, information, arguments or presentations regarding the proposal. Comments shall be submitted in either English or Spanish, in person, by fax, courier or mail to the addresses indicated in paragraph 3.3, so that they are received no later than July 12, 2012 at 4:15 p.m. local time. No communications shall be accepted by electronic mail.

3.3 Addresses to send the above-mentioned documentation:

19 Personal o via Courier in Panama:

Autoridad del Canal de Panamá
Propuesta de modificación de los peajes
Edificio de la Administración – Oficina 320
Oficina de Investigación y Análisis de Mercado
Unidad de Relaciones con los Clientes (MERC)
Balboa, Ancón, República de Panamá

or

By mail in the United States of America:

Panama Canal Authority
Proposal
Customer Relations Unit (MERC)
P.O. BOX 526725
Miami, FL 33152-6725
United States of America

or

By fax to:

(507) 272-7377
(507) 272-1416

- 3.4** The Committee shall examine all the information that has been properly and timely presented, relative to the comment, data and information provided by the interested parties during the indicated additional consultation period.
- 3.5** Subsequently, the Committee shall analyze the documentation presented and submit a report to the Board of Directors, within a reasonable time, of the proceedings and the pertinent recommendations.

PANAMA, REPUBLIC OF PANAMA, JUNE TWENTY-SIX (26), TWO THOUSAND AND TWELVE (2012).

