

**AGREEMENT No. 127
(of January 19, 2007)**

“Whereby the Regulation on the Procedure to Revise the Panama Canal Tolls Rates and Rules of Admeasurement is amended”

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

WHEREAS:

Article 18, item 3, of the Organic Law empowers the Panama Canal Board of Directors to set tolls, rates, and fees for use of the Canal, subject to final approval by the Cabinet Council.

Article 79 of the aforementioned law prescribes that any revision of the tolls rates or admeasurement rules must be subject to a previous consultation and public hearing process, to the afford interested parties an opportunity to participate and to express their opinions and arguments on the subject.

That by means Agreement No. 3 of November 12, 1998, the Board of Directors approved the Regulation on the Procedure to Revise the Panama Canal Tolls Rates and Rules of Admeasurement

The regulation contains no special rules in the case of proposals to revise tolls rates to be implemented in several phases or several years, whereby the addition of a pertinent rule to the aforementioned regulation is necessary in order to include this subject.

We have received from the Administrator of the Authority the proposal to modify the Regulation on the Procedure to Revise the Panama Canal Tolls Rates and Rules of Admeasurement

AGREES:

SOLE ARTICLE. Adds Article 11^a to the Regulation on the Procedure to Revise the Panama Canal Tolls Rates and Rules of Admeasurement, to read as follows:

“**Article 11a.** Notwithstanding the dispositions of Article 11, 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 of modify its original proposals, shall proceed to make the corresponding adjustments and grant and additional consultation period of no less than 15 calendar days starting on the date of publication of the modified proposal in the Canal Register, to afford the interested parties an opportunity to submit to the

Authority, in writing, data, opinions, information, or arguments, regarding said proposal.”

ARTICLE TWO: This agreement shall take effect upon its publication in the Canal Register.

Given in the City of Panama on the nineteenth day of the month of January of the year two thousand seven.

TO BE PUBLISHED AND ENFORCED.

Ricaurte Vásquez M.

Diógenes de la Rosa

Chairman of the Board of Directors

Secretary