

January 29, 2008

OP'S ADVISORY TO SHIPPING No. A-03-2008

TO : All steamship agents

SUBJECT: Additional information regarding the Recent Changes to the Panama Canal Transit Reservation (Booking) System

On January 11, 2008 the Panama Canal Authority published Advisory to Shipping A-02-2008 regarding changes to the Panama Canal Transit Reservations System. Since then, several issues have been raised regarding the implementation of some of these changes. In order to clarify these upcoming changes, the following information is provided:

1. Addition of two booking slots for supers in the 1st booking period.

The two booking slots that are being added for supers effective February 1, 2008, will become available in the 3rd booking period for booking dates from February 4 to February 21, 2008; in the 2nd period from February 22 to March 31, 2008; and in the 1st booking period from April 1, 2008.

In view that the two additional slots are being offered in periods that are already open for booking dates beginning on April 1, 2008 and up to January 30, 2009, it is necessary to perform new competitions for the allocation of these slots, one set of dates at a time, until all the 1st booking periods that are currently open have been covered. The ACP will publish daily the set of dates which are being opened for competition. Interested vessels shall submit their requests for these slots at a time and date to be determined. For those dates where booking slots are still available in the 1st booking period, the two new slots referred to in this paragraph will be added to the 1st periods and will be awarded on a *first-come, first-served* basis, without the need for competition.

2. Grandfathering, Swaps, Substitutions, and Changes in Booking Dates.

Reservations secured prior to the implementation date of the changes published in Advisory to Shipping A-02-2008 will be honored at the rate in effect at the time the reservation was made. *Swaps, substitutions, and changes in date* requested on or after February 1, 2008 will automatically trigger the application of the booking fee, based on the new structure.

Requests for *substitutions* or *changes in transit date* with less than 60 days will incur a cancellation fee based on the new cancellation table published in the Advisory to Shipping A-02-2008.

3. Special Booking period for Commercial Passenger Vessels.

On February 1st, 2008, the special booking period for passenger vessels will open simultaneously for the transit dates from February 4, 2009 to August 1, 2009 (547 days in the future). Note that on the implementation date of these changes (February 1, 2008), the special period that opens for

passenger vessels for February 4, 2009 will only last 3 days; for February 5, 2009, the period will last 4 days; and so on. Once the special period for these dates has expired, the unused slots will become available in the 1st booking period for that date, and no distinction will be made between commercial passenger vessels and other vessels when assigning such slots in any of the three booking periods. For the booking dates between January 31, 2009 and February 3, 2009, reservations for the three slots available exclusively to commercial passenger vessels (*supers* and *regulars*) will be accepted from 365 to 335 days prior to the requested date.

Requests for daylight transits from passenger vessels not restricted to daylight will be limited to two per day.

4. Addition of up to three slots for vessels up to 300 feet in LOA.
The three additional slots offered for vessels up to 300 feet in length overall without transit restrictions will be limited to **two** slots per direction during conditions 1 and 1.a. During condition 2, the maximum number of additional slots to be allocated for vessels 300 feet or less in LOA will be limited to **two** slots, regardless of transit direction.
5. Clarification regarding the additional slot offered through a Sealed Bid Option.
 - a. On February 1, 2008 **at 0800 hours**, 42 slots will be offered simultaneously through a “sealed bid” process, one for each day for the following 42 days, from February 4, 2009 to March 17, 2009.
 - b. At 0800 hours of the following day (February 2, 2008) the slots will be individually awarded in the following manner:
 - For those dates when there is more than one bidder, to the highest bidder. If tie-breaking becomes necessary, the slot will be awarded to the offer that was received first.
 - If there was only one bidder for a particular date, the slot will be awarded to that bidder at \$40,000, regardless of the amount of the bid.
 - If there are no bidders for a particular date, then the slot becomes available to the first interested vessel that submits a sealed bid at \$40,000, until 367 days prior to the booking date.
 - If for any reason the slot is not allocated during these dates, the slot will be carried over to the 1st booking period.
 - c. On February 2, 2008, a slot for March 18, 2009 is added and allocated in the same manner. Once again, if there are no bidders, the slot will remain available to any interested vessel as mentioned in the previous paragraph.

ORIGINAL SIGNED

Manuel E. Benítez
Executive Vice President
of Operations