

**AUTORIDAD DEL CANAL DE PANAMÁ
OPERATIONS DEPARTMENT**

OP'S ADVISORY TO SHIPPING No. A-05-2012

March 20, 2012

TO : All Shipping Agents, Owners, and Operators

SUBJECT: PCSOPEP Tariff Increase

The Panama Canal Authority (ACP) has a high regard for the maritime community and it continually seeks to responsibly provide for the safe and efficient transit of its customers.

In October 2004, the Panama Canal Authority (ACP) responded to requests from the international shipping community and accepted to serve as the sole Oil Spill Response Organization (OSRO) for vessels arriving to Canal waters for transit of the Panama Canal. It was agreed that this service would be provided for a fee that allowed for a very cost efficient alternative of compliance for the vessels subjected to the PCSOPEP requirements.

As a result, the ACP published Advisory to Shipping A-50-2004 announcing the PCSOPEP tariff, based on the vessel's tier classification and hull construction, which was applicable to each transit.

The increase in transits with petroleum products and other petroleum industry related activities within the Panama Canal has increased the risk for oil spills. Consequently, carrying out the task of maintaining and improving our response capability and the responsibility to develop and execute prospective plans for a better prevention and mitigation of oil spills within the Panama Canal, has led to the need for an increase of the current PCSOPEP charges and surcharges.

The table below shows our price increase for charges and surcharges within each tier category which will become effective May 1, 2012. The charges shown are separate from those resulting from expenses generated from oil spill response. In addition, penalties, including charges, may result from non-compliance with ACP regulations. Please be mindful of the importance of early submission of PCSOPEP plans in order to avoid delays.

Type of Vessel	Tariff per transit (double hull vessels)
Vessels with an oil carrying capacity of 400 MT up to 1,000 MT (TIER S)	B/.300.00
Vessels with an oil carrying capacity of more than 1,000 MT up to 7,000 MT (TIER 1)	B/.525.00
Vessels with an oil carrying capacity of more than 7,000 MT up to 15,000 MT (TIER 2)	B/.900.00
Vessels with an oil carrying capacity of more than 15,000 MT (TIER 3)	B/.1,125.00
Surcharge for vessels for carrying oil as cargo and having single side or single bottom	25%
Surcharge for vessels carrying oil as cargo and having single hull	50%

While we regret the necessity of imposing this price increase, we are confident that you will continue to be pleased with our high quality of service. We look forward to serving you in the coming years.

ORIGINAL SIGNED

Manuel E. Benítez
Executive Vice President of Operations