

MEMORANDUM OF UNDERSTANDING

between the

PANAMA CANAL AUTHORITY

and

PORT FREEPORT (TX)

This Memorandum of Understanding (**MOU**) is entered between the **Panama Canal Authority (ACP)**, an autonomous legal entity established by the Constitution of the Republic of Panama under public law and having its main offices in Balboa, Panama in the Republic of Panama and **Port Freeport (TX)**, a Navigation District authorized by the State of Texas in 1927 with its principal office located at the Port of Freeport at 200 West 2nd Street, Freeport, Texas (hereinafter collectively referred to as the “parties”).

WHEREAS,

The **parties** hereto believe it is in their mutual interest to establish an alliance of cooperation aimed at facilitating international trade and generating new business by promoting the all water route between Asia and the Gulf of Mexico of the United States through the Port Freeport via the Panama Canal;

Such new business would help to increase the present level of economic growth by increasing job opportunities and revenues within the Port Freeport and increasing revenues at the Panama Canal;

The **parties** are constantly undertaking a series of activities aimed at improving customer service; and,

The **parties** desire to cooperate in improving their business practices and increasing their level of services available.

NOW, THEREFORE, the **parties** agree to:

1. Undertake joint initiatives, subject to their respective authority and regulations, to satisfy the above stated objectives which will include
 - a. Joint Marketing Activities – As convenient, the **parties** may elect to undertake joint marketing efforts to generate new shipping business. These joint marketing efforts may include, but are not limited to, joint advertising activities aimed at promoting the all water route; joint exhibitor booths at maritime events; joint press conferences; editorial placement and other public relations materials or activities of mutual interest.
 - b. Data Interchange - The **parties** may elect to share data that may be helpful in forecasting future trade flows, developing marketing strategies and obtaining additional knowledge about the shipping market. The **parties** may also exchange information on subjects of interest that may include transit information, type of commodities, cargo tonnage, future plans, and liner services, among others.
 - c. Market Studies - The **parties** may elect to exchange information contained in studies performed by them or by their consultants or representatives that may be of interest to the other party. The information contained in the studies shall be treated in a confidential manner to the extent permitted by law. The **parties** may also elect to perform joint studies that address their areas of respective interest.
 - d. Modernization and Improvements - The **parties** may elect to share information regarding improvements and/or modernization efforts being undertaken and which may have as a purpose the need of satisfying an increase in demand or improved customer services.
 - e. Training - The **parties** may elect to share information on training programs and may develop joint training seminars as well as cross-training activities.
 - f. Technological Interchange - The **parties** may elect to share their technological capabilities and programs as well as the information contained in them.
2. It is intended that this relationship will last for one year, renewable upon mutual agreement by both parties.
3. The **parties** acknowledge that they are bound by their respective public laws and regulations involving the disclosure of public records to the public.
4. Nothing contained herein shall be construed as creating the relationship of principal and agent or of partnership or of joint venture between the **parties**, and neither party shall have the power to bind the other in contract to cause a party to be liable for the acts or conduct of the other party.
5. Either party may terminate this MOU, by informing the other, in writing, and giving a thirty (30) day notice of termination.
6. Both **parties** are free to form other partnerships, of a similar or identical nature, with other entities.

7. This document sets forth the complete agreement of the **parties** with regard to this alliance of cooperation. This MOU may be amended in writing only, and such amendment shall be signed and dated by both **parties**.
8. It is the intention of this MOU to set forth the general intentions of the **parties**, and not to set forth any legally binding rights or obligations. This MOU will be effective upon signature by the authorized representative of each of the **parties**.

Panama Canal Authority

Port Freeport (TX)

Alberto Alemán Zubieta
Administrator/CEO

Bill Terry
Chairman

Date: _____

Date: _____