

IMPORTANT NOTICE:

Spanish is the official language of the Agreements issued by the Panama Canal Authority Board of Directors. The English translation is intended solely for the purpose of facilitating an overall understanding of the content of the original version for the benefit of those persons who do not speak Spanish. Therefore, for official purposes, please refer to the specific Agreement in its Spanish version.

**AGREEMENT No. 325
(of March 22, 2018)**

“Whereby the Regulation of the Panama Canal Authority Advisory Board
is approved”

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

WHEREAS:

Article 18 of Law No. 19 of June 11, 1997 (Organic Law), whereby the Panama Canal Authority is organized (the Authority), establishes as a function of its Board of Directors, the approval of the necessary or appropriate regulations for the proper operation and modernization of the Canal.

Article 19 of Organic Law No. 19 establishes an Advisory Board to the Panama Canal Authority Board of Directors which may be composed of Panamanian and non-Panamanian citizens, whom shall be designated by the Board of Directors of the Panama Canal Authority, taking into consideration their backgrounds and the groups that they represent.

That for the development of the provisions of the aforementioned regulation, the Board of Directors issued Agreement No. 28 of December 9, 1999, by which it approved the Regulation of the Advisory Board of the Panama Canal Authority (the Regulation).

That through Agreement No. 303 of January 26, 2017, the Board of Directors subrogated Agreement No. 28 of December 9, 1999 and approved a new Regulation, and through Agreement No. 312 of July 6, 2017, approved a modification to the aforementioned Regulation.

That in a meeting held between the Chairman of the Board of Directors, the Chairman of the Advisory Board and the Administrator, the Chairman of the Advisory Board submitted for consideration amendments to the Regulations of the Advisory Board.

That based on the foregoing, the Administrator has submitted to the consideration of the Board of Directors, the draft Agreement containing the modifications presented by the Advisory Board, which leads to the subrogation of Agreement No. 303 of January 26, 2017 and Agreement No. 312 of July 6, 2017, and adopt a new regulation.

That the Board of Directors has examined the proposal submitted by the Administrator and considers it to be in the best interest of the Authority; therefore it considers appropriate the subrogation requested and the adoption of the new Regulation of the Panama Canal Advisory Board.

AGREES:

ARTICLE ONE: Agreement No. 303 of January 26, 2017 is subrogated, modified by Agreement No. 312 of July 6, 2017 and the Regulation of the Advisory Board of the Panama Canal Authority is approved, in the following terms:

**“REGULATION OF THE ADVISORY BOARD
OF THE PANAMA CANAL AUTHORITY**

Article 1. The Panama Canal Advisory Board will usually be comprised of a maximum of 21 members, who will be designated by the Board of Directors of the Panama Canal Authority, taking into consideration their merits, knowledge and experience, as the Board of Directors esteems it important according to the needs of the Panama Canal with respect to its governance, operation and international prestige.

Article 2. The Advisory Board and its members, who provide their services free of charge, will advise the Board of Directors of the Panama Canal Authority on the matters that are submitted for their consideration and on those matters that the Advisory Board wishes to submit for its consideration to the Board of Directors

Article 3. The members of the Advisory Board shall be appointed in a personal capacity for a period of five years, which may be extended for equal periods, unless otherwise determined by the Board of Directors. The Board of Directors may revoke the appointment of a member of the Advisory Board at any time, with or without cause, including participation in or attendance at meetings of the Advisory Board.

Article 4. The Chairman of the Advisory Board shall be elected by a majority vote of its members for a period of two years, renewable for equal consecutive periods.

Article 5. The Board of Directors of the Panama Canal Authority shall convoke a meeting of the Advisory Board at least once a year, at a place and date determined by the Board of Directors.

Costs related to these meetings will be covered by the Panama Canal Authority, and these relate to those incurred by members of the Advisory Board for transportation, accommodation and food.

Likewise, the Authority shall cover the costs related to the attendance at said meetings of the members of the Panama Canal Authority Board of Directors, the

employees or officials of the Authority, as well as those members of the Branches of Government or those advisors required at the meetings by the Authority.

Article 6. The permanent Secretariat of the Advisory Board shall be based in the Panama Canal Authority.

Article 7. The Panama Canal Authority shall make available to the Advisory Board all the resources and all the information or documentation that is required or appropriate to carry out its duties.

The information and documentation, of exclusive use of the Panama Canal Authority, provided to the members of the Advisory Board shall be of restricted use. Its disclosure to third parties must be previously approved by the Panama Canal Authority Board of Directors, in the event there is a possible negative impact on Panama or the Panama Canal.

Article 8. At the conclusion of each meeting, the Advisory Board shall submit to the Board of Directors and the Administration an oral report containing its recommendations and shall later forward the report in writing.”

ARTICLE TWO: This Regulation subrogates the Regulation approved by Agreement No. 303 of January 26, 2017, as amended by Agreement No. 312 of July 6, 2017.

ARTICLE THREE: This Agreement shall become effective upon its publication in the Panama Canal Register.

Given in the City of Panama, on the twenty-second day (22) of the month of March of the year two thousand eighteen (2018).

TO BE PUBLISHED AND ENFORCED

Roberto R. Roy
Chairman of the Board of Directors
Signed

Rossana Calvosa de Fábrega
Secretary
Signed