December 26, 2002

MR’S ADVISORY TO SHIPPING No. A-44-2002

TO: ALL STEAMSHIP AGENTS, OWNERS, AND OPERATORS

SUBJECT: Consolidation of Customer Codes

1. The Panama Canal Authority (ACP) has reviewed the criteria applicable for the issuance of customer codes and has approved the following revision.

2. Credit for the transit of a vessel is awarded to the customer code reported by the agent at the time of the vessel’s transit. Customer codes are assigned only to the following companies:
   
   a. Owners of a vessel transiting the Canal;
   b. Operators of a vessel under a chartering agreement;
   c. Major stockholders of a company or corporation that owns or charters vessels that transit the Canal.

3. The procedure for assigning customer codes is as follows:
   
   a. Shipping agents interested in obtaining customer codes for their clients must submit a written request to the ACP Marketing Division Customer Relations Unit. The request may be sent by electronic mail (pmme@pancanal.com) or fax (507) 272-5916, and must include the full style address of the principal (company that will be assigned a code), as well as, telephone and facsimile number, name of the contact person, e-mail address and web site, if available.
   b. The request must be sent at least five days prior to the vessel’s scheduled date of transit. The Customer Relations Unit is not responsible for processing requests that are not received within this time frame.
   c. The Customer Relations Unit will provide each customer with written notification of the assigned code.

4. The ACP has received several requests for the consolidation of codes amongst companies that form part of a holding group. In addition, it has been requested to assign the same customer code of an existing holding group to a new company joining such group. The following procedure applies to these cases:
   
   a. The principal must send a written request to the Customer Relations Unit indicating:
      
      (1) Names of the companies for which it is seeking code consolidation;
(2) Commercial relationship that exists between the companies (i.e., parent company and subsidiaries, members of a holding group, company’s brand names, or merged companies).

(3) Percentage of shares that the principal holds on each company listed in the request and certification providing a notarized copy indicating that the principal is the major stockholder of each company.

(4) Customer Code that the principal wants to retain for rating purposes.

b. In the event that shares of one of the consolidated companies are sold and the principal ceases to be the major stockholder of one or more of the consolidated companies, the principal must indicate the change of status to the ACP. Failure to report such change may result in cancellation of the customer code without prejudice of any fine that may be applied.

c. When consolidating customer codes, transit histories of the codes being consolidated will not be added to the history of the code being retained with the intention of increasing the customer’s current rating. However, the consolidation of codes will allow the companies to improve their overall rating by the inclusion of future transits under the retained customer code.

d. If one or more of the companies that use a consolidated code ceases to be part of a holding group, the transit histories generated by the separated companies, as part of that group, will not be redistributed into new customer codes. In other words, the transit history generated by a holding group, up to the date that a formal, notarized, written notification of these changes is provided to the ACP, will be retained by that holding group. On the other hand, should a merger or consolidation of companies occur, the customer retaining the code will retain the transit history used for rating purposes.

5. When the name of a company changes, the customer shall provide a notarized copy of the Corporate Minutes reflecting such change to the ACP Customer Relations Unit.

6. ACP personnel responsible with issuing customer codes will treat all customer information in a confidential manner. The ACP will honor booking credits under consolidated codes within 15 working days after receipt of the required documentation.

7. Customers are reminded that Article 149 of the Maritime Regulations for the Operation of the Panama Canal establishes that providing inaccurate information to the ACP may result in fines ranging from $100 to $1,000,000.

8. This information will be incorporated into Notice to Shipping N-7-2003; therefore, this document is cancelled for record purposes on January 1, 2003.

ORIGINAL SIGNED

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