

MEMORANDUM OF UNDERSTANDING

between the

PANAMA CANAL AUTHORITY

and the

VIRGINIA PORT AUTHORITY

**The parties known as,
Alberto Alemán Zubieta, Administrator
of the Panama Canal Authority
(Personal Identity Card No. 8-407-834),
and
J. Robert Bray, Executive Director
of the Virginia Port Authority
have agreed to subscribe to the following agreement
on cooperation in accordance with the following:**

WHEREAS,

The Parties hereto believe it is in their mutual interest to establish an Alliance of cooperation for information sharing aimed at generating new business by promoting the all water route between Asia and the North American East Coast of the Port of Virginia via the Panama Canal.

Such new business may help to increase the present level of economic growth by increasing revenues to the Parties.

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

The Parties desire to cooperate in achieving new improved business practices as well as increasing their level of vessel services available.

NOW, THEREFORE, the Parties agree to:

I.Scope: Undertake joint initiatives, subject to all respective laws 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 elect to exchange information that may include, but is not limited to transit information, type of commodities, cargo tonnage, future plans, and liner services.
- 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. 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.

II. Terms

- a. It is intended that this MOU relationship will continue for one year, and may be renewed in (1) year Term extensions, should both Parties agree, in writing, a minimum of 30 days in advance of the Original Term expiration as well as each annual expiration date should there be extensions. Said Original Term shall commence on June 18, 2003 and have its expiration date on May 31, 2004. With no written agreement by the Parties to extend the Original Term or any one year extension Term, said Original Agreement and extension, if any, would lapse.
- b. Either party may terminate the relationship, with notice, at any time within a Term by informing the other, in writing, that said notice is for Termination and giving the other Party thirty (30) days notice of said termination of this MOU.

- c. Both Parties are free to form other partnerships, of a similar or identical nature, with other entities.
- d. Neither Party shall expend funds of any type whatsoever, or advance, or obligate funds for both Parties without prior written consent of both Parties in writing in advance of such an event.

III. Services

It is further understood between the Parties, that neither Party is hereby authorized and shall not and cannot obligate the other Party for any type of liability whatsoever.

Each Parties' obligations, if any, financial and otherwise, possibly arising from this MOU, including but not limited to costs, charges, or expenses of any nature coming about as a result of said MOU are to be for the account of each individual Party with neither Party binding the other for any said obligations as contained herein.

IV. Modification

This Memorandum sets forth the complete agreement of the Parties with regard to this Alliance of cooperation. This MOU shall not be modified or amended except by a bilateral writing dated and signed expressly by the authorized representative of each of the parties.

V. Assignment

Neither Party shall assign this MOU to a third party, in whole or in part of its Understanding herein.

VI. Insurance

Each Party shall hold the other party completely harmless as to the acts or omissions to act of the other Party. Each Party therefore shall be responsible for their own acts and deeds and shall indemnify the other Party as to liability of any type from the other Party. Each Party to maintain its own insurance coverages and pay for same individually, as a result of this MOU.

VII. Laws

Each Party shall adhere to the individual laws governing their respective locals and governments with the further understanding that neither Party shall cause to the other Party any charges, costs or obligations whatsoever, to the other Party as a result of this

MOU. Each Party is liable for and shall pay its own expenses/costs as a result of each Parties activities hereunder this MOU.

VIII. It is the intention of this document to set forth the general intentions of the Parties, and not to set forth any legally binding rights or obligations. Said MOU will be effective upon signature of both Parties.

Alberto Alemán Zubieta, Administrator
Panama Canal Authority
Dated:_____

J. Robert Bray, Executive Director
Virginia Port Authority
Dated:_____