

PANAMA CANAL AUTHORITY	VARIATION	PAGE 1 OF 10
1. REQUEST FOR PROPOSAL No.: 76161	2. CONTRACT No.: CMC-221427	3. DATE: September 29, 2014
		4. VARIATION No.: 117

5. ISSUED BY:

PANAMA CANAL AUTHORITY
Employer's Representative
Locks Project Management Division
Building 740, Corozal
Panama, Republic of Panama

6. NAME AND ADDRESS OF CONTRACTOR (INCLUDE PHYSICAL & POSTAL ADDRESS) Grupo Unidos por el Canal, S.A. Building 22B, Brujas Road Cocoli, Republic of Panama	7. CONTRACTOR'S TELEPHONE NUMBER: 507-316-9900
	8. CONTRACTOR'S FACSIMILE NUMBER:

9. VARIATION:

The contract referred to in item No. 2 is hereby varied as set forth in item 10, entitled "DESCRIPTION OF VARIATION".



YES. NO. The contractor shall send a copy, duly signed, of this Variation to the Employer's Representative/Contracting Officer.

	9 A. THIS VARIATION IS EXECUTED ON THE BASIS OF: (Specify the legal authority). THE VARIATION DESCRIBED IN ITEM 10 IS HEREBY INCORPORATED AND MADE A PART OF THE CONTRACT.
	9 B. THE CONTRACT REFERRED TO IN ITEM NO. 2, IS VARIED TO INCORPORATE ADMINISTRATIVE CHANGES (such as the paying office, account numbers, etc.).
X	9 C. THIS BILATERAL AGREEMENT IS SIGNED AND INCORPORATED INTO THE CONTRACT REFERRED TO IN ITEM NO. 2 OF THIS FORM, ON THE BASIS OF: (Specify the legal authority) Volume III, Conditions of Contract, Sub-Clause 1.16 [Entire Agreement], 4th Paragraph
	9 D. OTHER. (Specify manner and the legal authority).
	9 E. ACCOUNT NUMBER (If required):

10. DESCRIPTION OF THE VARIATION (List in accordance with the order of the Contract. If additional space is required, use blank sheets).

See Variation Agreement Enclosed

Except for the variation(s) herein specified, all other terms and conditions of the Contract remain unchanged.

11. NAME AND TITLE OF THE PERSON AUTHORIZED TO SIGN (Type or print) Giuseppe Quarta Contractor's Representative	12. NAME AND TITLE OF THE EMPLOYER'S REPRESENTATIVE/CONTRACTING OFFICER (Type or print) Jorge de la Guardia, Employer's Representative
13. CONTRACTOR  (Authorized signature)	14. DATE: 29/ix/14
15. PANAMA CANAL AUTHORITY  (Employer's Representative/Contracting Officer's signature)	16. DATE: 29/ix/2014

This Variation Agreement Number 117, is dated as of the 29th of September 2014 and made

Between:

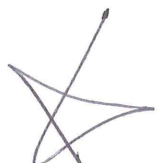
Autoridad del Canal de Panama, Building 740, Corozal, Panama, Republic of Panama (hereinafter called the "**Employer**") on the one part,

and

Grupo Unidos por el Canal S.A., of Building 22B, Brujas Road, Cocoli, Panama, Republic of Panama, a corporation organised under the laws of the Republic of Panama, registered under microjacket number 682266, document number 1683284 of the Mercantile Section of the Public Registry Office of the Republic of Panama (hereinafter called the "**Contractor**" and together with the Employer, the "**Parties**") on the other part.

Whereas:

- (a) The Employer and the Contractor are party to Contract CMC-221427 for the Design and Construction of the Third Set of Locks, dated August 11, 2009 (as the same has been or may be varied, amended, supplemented or otherwise modified (the "**Contract**")).
- (b) The Contractor needs to allow access to the temporal quay within the Pacific Site for the barge and tugs required to unload the Pacific lock gates and to this end needs to perform dredging of the access canal, in addition to the dredging works previously performed by the Contractor to achieve the foundation level of the cofferdam. The unloading of the Pacific lock gates is currently scheduled by the Contractor to occur on October 20, 2014.
- (c) The Contractor has requested through RFV No. 264, dated September 19, 2014, that the Employer agrees to dredge, with its own equipment, the area of the temporal Pacific quay wall identified in the attachments to RFV No. 264, to the levels identified in the attachments to RFV No. 264, so as to allow access to the required area within the Site for the barge and tugs required to unload the Pacific lock gates. The material to be removed includes (1) fines (sand, clay and fine material), (2) boulders of different sizes close to the quay wall filling in the cofferdam areas and (3) potential spots of original rock.
- (d) Accordingly, the Employer has responded through letter IAE-UPC-2268 dated September 25, 2014, indicating to the Contractor that the Employer agrees to dredge, with its own equipment, the area of the temporal Pacific quay wall identified in the attachments to RFV No. 264 and in Drawing No. SK-H-1161A, to the levels identified in the attachments to RFV No. 264, for the reasons set out in sub-paragraph (c) above at the Contractor's own risk and on the condition that:



- (a) the Employer's agreement to undertake such dredging works is without prejudice to the Contractor's continuing obligation to perform the required dredging works and to achieve and maintain the required design depth set out in and in accordance with the Contract;
 - (b) the Contractor agrees to pay the Employer for such dredging works on the basis specified in this Variation Agreement No. 117;
 - (c) the Employer shall have no liability to the Contractor for any failure to perform such dredging works by the target date of October 20, 2014; and
 - (d) the parties agree a formal variation to reflect such revised arrangements.
- (e) The Contractor acknowledges and agrees that (1) the Employer has agreed to undertake the dredging works as set out in sub-paragraph (d) above for the sole purpose of assisting the Contractor in avoiding delay in the delivery of the lock gates to the Pacific site due to insufficient access to the required area within the Site for the barge and tugs required to unload the Pacific lock gates and for no other reason and (2) the Employer's agreement as aforesaid and the undertaking of such dredging works is without prejudice to either Party's position with regard to such insufficient access to the required area within the Site for the barge and tugs required to unload the Pacific lock gates. Accordingly, the Contractor acknowledges and agrees that it shall have no claims for additional time or money or any other relief or entitlement of any kind as a direct consequence of this Variation Agreement No. 117.
- (f) As a condition to the Employer's agreement to undertake the dredging works as set out in sub-paragraph (d) above, the Contractor shall provide the VO No. 117 Bond Issuer Confirmation in the form set out in Appendix 2 to this Variation Agreement No. 117 no later than 5 Business Days after the date of this Variation Agreement No. 117.
- (g) Therefore, subject to the terms of this Variation Agreement No. 117, the Parties have agreed to a variation to the Contract as hereinafter stated, but not further or otherwise.

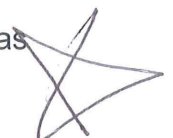
THE PARTIES HEREBY AGREE AS FOLLOWS:

The Employer and the Contractor agree to vary the Contract as follows:

1. In this Variation Agreement No. 117, the words and expressions shall have the same meanings as are respectively assigned to them in the Contract, save as amended below or as expressly stated.
2. It is agreed that this Variation Agreement No. 117 and the modifications contained herein are approved and dated in writing by the authorized representatives of the Contractor and the Employer and in doing so the Parties acknowledge and identify that this is done in accordance with Sub-Clause 1.16 [*Entire Agreement*] of the



3. The Parties acknowledge and agree that this Variation Agreement No. 117 shall not be deemed to settle any outstanding issues, claims, demands, actions, disputes or proceedings between the Parties including but not limited to those in relation to any delay to the Works (both as to time and costs) and all such issues, claims, demands, actions, disputes or proceedings remain in contention between the Parties and all respective rights, remedies, claims and defenses of the Parties including but not limited to those concerning and arising out of any delay and/or responsibility for delay and the consequences thereof remain fully reserved. The Parties expressly agree that no Party is waiving, making an admission with respect to, or intending to prejudice any claims, defenses, arguments or remedies that any of them has or may have arising out of events up to and including the date of this Variation Agreement No. 117 or in the future concerning their respective performance under and in relation to the Contract. For the avoidance of doubt, all delay-related issues between the Contractor and the Employer, and their respective rights and remedies regarding responsibility for delay and the consequences thereof, remain fully reserved. Nothing in this Variation Agreement No. 117 will have the effect of changing or extending the Time for Completion or any Milestone Dates under the Contract which, as at the date of this Variation Agreement No. 117, remain as stated in the Contract as extended by the determination by the Employer's Representative dated August 6, 2014, it being acknowledged that the Contractor has raised among its claims, delay claims which could affect the Time for Completion, and which claims the Employer denies and is currently contesting (save for the determination by the Employer's Representative dated August 6, 2014).
4. Save in relation to breaches of, or failure by either Party to comply with, the terms of this Variation Agreement No. 117, the Parties agree that they shall have no claims for additional time or money or any other relief or entitlement of any kind as a direct consequence of this Variation Agreement No. 117, save only in respect of the Employer's entitlement to payment for the dredging works as set out in this Variation Agreement No. 117.
5. Further, the Contractor's obligations as to the progress of the Works and to complete the Works and comply with the Contract remain in all respects unaffected and nothing within this Variation Agreement No. 117 is intended to be a waiver or relaxation of the Contractor's obligations under the Contract, save only as expressly stated herein. The Contract shall remain fully effective as varied herein and the Contract shall have effect as though the provisions contained in this Variation Agreement No. 117 had been originally contained in the Contract.
6. This Variation Agreement No. 117 shall be governed by the Laws of the Republic of Panama and is deemed to be incorporated into and form an integral part of the Contract.
7. The Parties agree to amend Sub-Clause 1.1 [*Definitions*] of the Contract as



follows:

The Parties agree to add the following definitions to Sub-Clause 1.1.6 [*Other Definitions*] of the Contract (which shall be added in proper alphabetical order but without any number):

"Employer's Dredging Works" means the dredging works specified in Part 1 of Appendix 1 to Variation Agreement No. 117 to be undertaken by the Employer pursuant to the terms of Sub-Clause 7A [*The Employer's Dredging Works*].

"Employer's Dredging Works Area" means the area where the Employer's Dredging Works are to be performed as identified as such in Part 1 of Appendix 1 to Variation Agreement No. 117.

"Employer's Dredging Works Commencement Date" means the date stated as such in Part 3 of Appendix 1 to Variation Agreement No. 117.

"Employer's Dredging Works Statement" has the meaning given to it in Sub-Clause 7A.3.1 [*Employer's Dredging Works*].

"Employer's Dredging Works Target Date" means the date stated as such in Part 3 of Appendix 1 to Variation Agreement No. 117.

"Variation Agreement No. 117" means Variation Agreement Number 117, dated 29th day of September, 2014 between the Employer and the Contractor.

"VO No. 117 Bond Issuer Confirmation" has the meaning set out in paragraph 9 of Variation Agreement No. 117.

8. The Parties hereby agree to insert the following as a new Sub-Clause 7A [*Employer's Dredging Works*] after Sub-Clause 7 [*Plant, Materials and Workmanship*] as follows:

"7A Employer's Dredging Works"

7A.1 Employer's Dredging Works

7A.1.1 The Employer shall carry out the Employer's Dredging Works properly and in accordance with the terms of this Sub-Clause 7A [*Employer's Dredging Works*] and subject to the assumptions and constraints set out in Part 5 [*Assumptions and Constraints*] of Appendix 1 to Variation Agreement No. 117 using all apparatus, machinery, vehicles, vessels and facilities and other things required for the execution of the Employer's Dredging Works. Notwithstanding the Employer's agreement to carry out the Employer's Dredging Works, the Contractor acknowledges and agrees that the Employer's Dredging Works form part of the Works which were to be undertaken by the Contractor pursuant to the terms of




the Contract and the Contractor shall be responsible for the adequacy, stability and safety of the Employer's Dredging Works in accordance with the terms of the Contract, including but not limited to all operations and methods of construction.

7A.1.2 The Contractor confirms the availability of access routes to the Employer's Dredging Works Area and from the Employer's Dredging Works Commencement Date the Contractor shall give the Employer exclusive access to all parts of the Employer's Dredging Works Area. For the avoidance of doubt, the Employer's use of the Employer's Dredging Works Area and any other areas of the Site shall not be deemed to be any use by the Employer of any part of the Works for the purposes of Sub-Clause 10.2 [*Taking Over of Part of the Works*]. If, for the purposes of the Employer's Dredging Works, the Contractor is required to give (to the Employer) possession of any foundation, structure, plant or means of access, the Contractor shall do so at the same time as providing access to the Employer's Dredging Works Area.

7A.1.3 The Contractor acknowledges that it is of paramount importance that the performance of the Employer's Dredging Works is properly co-ordinated with the Works. The Contractor shall at all times and otherwise in accordance with the requirements and directions of the Employer's Representative and without adjustment to the Contract Price or extension of the Time for Completion or extension of any Milestone Date, any Agreed Performance Milestone, the Functional Completion Date or any Gates Delivery Condition:

- (a) take all reasonable steps to provide assistance, plan, co-operate and programme and to the extent physically possible to integrate the performance of the Employer's Dredging Works with the activities of the Contractor and in particular liaise, consult and co-operate with all authorized parties responsible for the Works including the preparation of joint programs, method statements, co-ordination drawings and specifications;
- (b) attend such co-ordination meetings as may be called by the Employer or the Employer's Representative to plan, review, clarify and determine co-ordinated activities for the management of interfaces between the Employer's Dredging Works and the Works; and
- (c) at all times refrain from carrying out any operation in the Employer's Dredging Works Area in a manner which is likely to cause damage, delay or inconvenience to the Employer's Dredging Works and advise the Employer's Representative if the Contractor becomes aware of any conflict or potential conflict between the Employer's



Dredging Works and the Works, whether related to program, design, execution or otherwise.

7A.1.4 The Contractor shall obtain, at its own cost, any additional facilities within the Site which the Employer may reasonably require for the carrying out of the Employer's Dredging Works.

7A.2 Employer's Dredging Works Target Date

7A.2.1 Subject to the Contractor's compliance with the requirements of Sub-Clause 7A.1, the Employer shall commence the Employer's Dredging Works on the Employer's Dredging Works Commencement Date and shall use reasonable efforts to complete the Employer's Dredging Works by the Employer's Dredging Works Target Date.

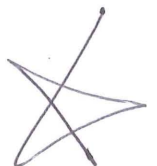
7A.2.2 The Employer's Representative shall notify the Contractor when in the reasonable opinion of the Employer the Employer's Dredging Works have been completed in accordance with the requirements in Part 2 of Appendix 1 to Variation Agreement No. 117.

7A.2.3 The Contractor acknowledges and agrees that if the Employer fails to complete the Employer's Dredging Works by the Employer's Dredging Works Target Date, then the Employer shall have no liability to the Contractor for any such delay and the Contractor shall not be entitled to argue or contend that any such delay shall give rise to any extension of time to the Time for Completion, and/or to a Milestone Date or to any Excusable Delay to an Agreed Performance Milestone, and/or to the Functional Completion Date, and/or to a Gates Delivery Condition or to an entitlement to additional Cost or constitute a Variation or otherwise be the basis of any claim against the Employer.

7A.2.4 The Employer shall have no obligation to remedy defects in or re-perform the Employer's Dredging Works after the date on which the Employer's Dredging Works were completed as stated in the notice issued by the Employer's Representative pursuant to Sub-Clause 7A.2.2.

7A.3 Payment for the Employer's Dredging Works

7A.3.1 Subject to Sub-Clause 7A.3.2 below, the Employer shall be entitled to be paid for the Employer's Dredging Works upon completion of the Employer's Dredging Works in accordance with Sub-Clause 7A.2.2. Upon such completion, the Employer shall be entitled to submit to the Contractor a statement showing the amounts to which the Employer considers itself entitled ("**Employer's Dredging Works Statement**") which shall include:



- (a) the mobilisation and demobilisation fee set out in Part 4 of Appendix 1 to Variation Agreement No. 117;
- (b) the value of the Employer's Dredging Works completed, based on the rate per cubic meter set out in Part 4 of Appendix 1 to Variation Agreement No. 117 and the quantity of material dredged as ascertained pursuant to a measurement of the quantity of material dredged from a bathymetric survey to be undertaken by the Employer following completion of the Employer's Dredging Works in accordance with Sub-Clause 7A.2.2, a copy of which shall be provided by the Employer to the Contractor with the Employer's Dredging Works Statement; and
- (c) all expenditure reasonably incurred (or to be incurred) by the Employer in undertaking the Employer's Dredging Works, whether on or off the Site, including overhead and similar charges, but not including profit, as a result of any breach by the Contractor of any of its obligations under this Sub-Clause 7A.

Within 30 days of receipt of the Employer's Dredging Works Statement as aforesaid the Contractor shall pay to the Employer without any deduction the amount shown on the Employer's Dredging Works Statement, save in the case of manifest error in which event the Contractor shall notify the Employer of such manifest error within 10 days of receipt of the Employer's Dredging Works Statement and the Employer shall, if it deems necessary, reissue a corrected Employer's Dredging Works Statement showing the corrected amount, which amount the Contractor shall pay to the Employer within 30 days of receipt of such corrected Employer's Dredging Works Statement.

Payment of any sum which may be payable by the Contractor to the Employer pursuant to this Sub-Clauses 7A.3.1, 7A.3.2 or sub-paragraph (b) of Sub-Clause 7A.3.3 shall be made by electronic transfer of funds to the bank account nominated by the Employer.

7A.3.2 In the event that the Employer's Dredging Works are not completed in accordance with Sub-Clause 7A.2.2 for any reason by the Employer's Dredging Works Target Date the Employer may, in its sole and absolute discretion, issue to the Contractor an interim Employer's Dredging Works Statement including any of the amounts set out in sub-paragraphs (a), (b) and (c) of Sub-Clause 7A.3.1 above provided that in relation to the value of the Employer's Dredging Works completed as referred to in sub-paragraph (b) of Sub-Clause 7A.3.1 above this shall be as ascertained by the Employer, acting reasonably, based on its best estimate at such time of the amount of the Employer's Dredging Works completed at the time of issuance of the interim Employer's Dredging Works Statement. The Employer may continue to issue an interim



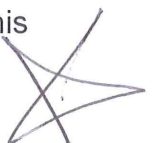
Employer's Dredging Works Statement at intervals of no less than one month until the Employer's Dredging Works are completed in accordance with Sub-Clause 7A.2.2. Upon completion of the Employer's Dredging Works in accordance with Sub-Clause 7A.2.2, the Employer shall be entitled to issue an Employer's Dredging Works Statement in accordance with Sub-Clause 7A.3.1 above provided that the Employer's Dredging Works Statement shall show a deduction for any amount included in any interim Employer's Dredging Works Statement. The Contractor shall pay to the Employer the amount shown in the interim Employer's Dredging Works Statement in accordance with the provisions of Sub-Clause 7A.3.1 above.

7A.3.3 If the Employer does not receive payment in accordance with Sub-Clause 7A.3.1 and/or 7A.3.2 above:

- (a) the Employer shall be entitled to deduct or set-off any sum which may be payable by the Contractor under Sub-Clauses 7A.3.1, 7A.3.2 and/or sub-paragraph (b) of this Sub-Clause 7A.3.3 from any sums which may be due or become due to the Contractor under this Contract; and
- (b) the Employer shall be entitled to receive financing charges on the amount unpaid during the period of delay. This period shall be deemed to commence on the date for payment specified in Sub-Clause 7A.3.1 and/or 7A.3.2, irrespective of the date on which any Employer's Dredging Works Statement is issued and shall end on the day on which payment is made by the Contractor. The financing charges shall be calculated as simple interest applied to the delayed period at the rate of 200 basis points over the US Federal Funds Target Rate (FDTR) (as determined by the Employer's Representative, which determination shall be conclusive and binding absent manifest error) prevailing during such period of delay and shall be paid in US dollars. The Employer shall be entitled to this payment without formal notice or certification, and without prejudice to any other right or remedy.

7A.3.4 For the avoidance of any doubt, Sub-Clause 2.5 [*Employer's Claims*] and Sub-Clause 3.5 [*Determinations*] shall not apply to any deduction and/or payment from the Contractor to the Employer pursuant to this Sub-Clause 7A.3."

9. The Parties agree that the amendment of the Contract and the Employer's agreement to the Contractor's request as set out in and in accordance with paragraph 8 of this Variation Agreement No. 117 is subject to the Contractor delivering to the Employer no later than 5 Business Days after the date of this



Design and Construction of the Third Set of Locks

Variation Agreement No. 117 the VO No. 117 Bond Issuer Confirmation in the form set out in Appendix 2 to this Variation Agreement No. 117, failing which the Employer shall be entitled at any time thereafter to cease performance of the Employer's Dredging Works upon notice with immediate effect and shall be entitled to submit an Employer's Dredging Works Statement pursuant to Sub-Clause 7A.3 to claim payment from the Contractor for the Employer's Dredging Works that have been performed by the Employer up to the date of the notice of cessation of performance. The Contractor shall pay such amount claimed pursuant to the terms of Sub-Clause 7A.3.

10. Each Party shall from time to time (at its own cost) do, perform, sign, execute and deliver all such acts, deeds, documents and things (or procure the doing, performance, signing, execution or delivery of them) to give full effect to this Variation Agreement No. 117 and secure the full benefit of the rights, powers and remedies conferred upon it in this Variation Agreement No. 117.

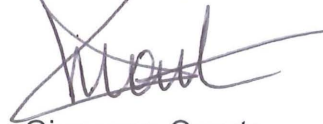
In Witness whereof the Parties hereto have caused this Variation Agreement No. 117 to the Contract to be executed on the 29th day of September of the year 2014 by their duly authorized representatives.

For ACP



Jorge de la Guardia
Employer's Representative

For GUPCSA



Giuseppe Quarta
Contractor's Representative

APPENDIX 1

Any quantities which may be set out in this Appendix 1 to Variation Agreement No. 117 are estimated quantities and are not to be taken as the actual and correct quantities of the Employer's Dredging Works which the Employer is required to execute.

Any quantities or price data which may be set out in this Appendix 1 to Variation Agreement No. 117 shall be used for the purposes stated in this Appendix 1 to Variation Agreement No. 117 and shall be inapplicable for other purposes.

Part 1: Scope of Employer's Dredging Works

The Contractor has requested the Employer to dredge the areas close to the temporal Pacific quay wall and the access areas depicted in drawing No. SK-H-1161A, a copy of which is set out at Appendix 3 to Variation Agreement No. 117, to allow the access of the barge and tugs required to unload the Pacific lock gates on the Pacific Site.

The total requested area to be dredged is covered in the following coordinates:

Point	Easting	Northing
1	655985.29	991788.07
2	656090.39	991868.50
3	656121.35	991615.85
4	656298.82	991755.02

(such areas being the "**Employer's Dredging Works Area**").

It is required that the final elevation level will be -8.53 m MLWS (Mean Low Water Spring). The approximate order of magnitude for such dredging is 128,872 m³, as detailed in the following table:

Description	Volume (m ³)	Slope (2:1) (m ³)	Over Dredge (-0.60m)(m ³)
Area-1 (-8.53 m MLWS)	95,105	10,312	23,455
Total (m ³)	105,417 (not included any over dredging)		
	128,872 (including over dredging)		

The material to be removed includes (1) fines (sand, clay & fine material), (2) boulders of different sizes close to the quay wall filling in the cofferdam area and (3) potential spots of original rock (save to the extent any such spots of original rock require drilling or blasting).

Part 2: Completion criteria for the Employer's Dredging Works

A final bathymetric survey shall be performed by or on behalf of the Employer to verify that the final elevation level of the Employer's Dredging



Works Area shall be -8.53m MLWS (Mean Low Water Spring), with a permitted tolerance for over-dredging the Employer's Dredging Works Area of -0.60 m and the Employer's Dredging Works shall be completed once the above final elevation level has been so verified.

Part 3: Employer's Dredging Works Commencement Date and Employer's Dredging Works Target Date

The Employer's Dredging Works Commencement Date is September 28, 2014, and all terms and conditions of this VO apply as of such date.

The Employer's Dredging Works Target Date is October 20, 2014.

Part 4: The Employer's Costs

1. Mobilization Cost: B/. 108, 250.39
2. Demobilization cost: B/. 108, 250.39
3. Cost per cubic meter dredge: B/.7.50

The costs set out at points 1 and 2 above relate to the mobilization and demobilization of the following equipment needed to execute the Employer's Dredging Works from the Dredging Division in Gamboa to the Contractor's dock located in the south approach channel to the third sets of locks on the Pacific and back:

- 2 dredgers (1 mechanical and 1 cut and suction),
- 2 Hopper barges,
- 4 work boats,
- 1 passengers boat,
- 1 tug boat as a support of the mechanical dredge,
- 2 tractors,
- 1 backhoe,
- Facilities for the inland personnel (including a fuel container),
- 1 anchor barge,
- 1,200m of pipes for the cut and suction dredge,

The cost per cubic meter dredge set out at point 3 above includes the following costs:

- Labor,



- Equipment,
- Fuel,

for all the equipment that will be involved during the removal and disposal of the material to be removed as set out in Part 1 of this Appendix 1 above, which contemplates the removal of rocks of approximately 1.5m in diameter surrounding the dock.

Part 5: Assumptions and Constraints

The Employer's agreement to carry out the Employer's Dredging Works is subject to the following assumptions and constraints:

- i. the Employer has not performed its own investigation of the Employer's Dredging Works Area and instead relies upon investigations undertaken by the Contractor and upon information and documentation provided to it by the Contractor;
- ii. rocks and boulders present within the Employer's Dredging Works Area and/or that are otherwise encountered whilst carrying out the Employer's Dredging Works shall not exceed 1.5 meters in diameter;
- iii. any spots of original rock will not require any drilling or blasting;
- iv. the Employer shall not be required to remove any structures, sunk or buried objects, and/or wrecks from the Employer's Dredging Works Area and/or if encountered whilst carrying out the Employer's Dredging Works;
- v. the Contractor shall be responsible for removing any shoals, bottom alterations and/or bottom heave that result from the Employer's Dredging Works, save that the Employer shall be responsible for removing any shoals, bottom alterations and/or bottom heave that result from the Employer's Dredging Works and that will affect the transit through the Employer's Dredging Area of the barges required to deliver the Pacific lock gates; and
- vi. the Employer will make use of the Velasquez inland disposal site (a drawing of which is set out at Appendix 4) and the Tortolita underwater disposal site (a drawing of which is set out at Appendix 5) to dispose of dredged material resulting from the Employer's Dredging Works.

In the event that the Employer's Dredging Works change as a result of any of the assumptions and/or constraints set out above being incorrect or becoming incorrect, the Employer in its sole and absolute discretion may: (i) instruct the Contractor to complete all or part of the Employer's Dredging Works so changed and/or affected by such change; or (ii) agree to carry out any work resulting from such change as may be deemed necessary by the Employer at the Contractor's cost and on terms acceptable to the Employer and agreed by the Employer and the Contractor in writing.



APPENDIX 2

VO No. 117 Bond Issuer Confirmation

[Letterhead of Zurich]

_____, 2014

Autoridad del Canal de Panama
Edificio 740, Corozal
Panama, Republica de Panama

Reference: Contract No. CMC-221427, Design and Construction of the Third Set of Locks, Panama Canal

Confirmation regarding certain amendments to the Contract (as defined below)

Dear Sirs:

We refer to (i) the Design and Build Contract for the Third Set of Locks on the Panama Canal (as amended, modified, varied or supplemented, the "Contract") tendered under RFP #76161 between you, as owner and Employer thereunder (the "Owner") and Grupo Unidos por el Canal, S.A., as contractor (the "Contractor"); (ii) the payment bond, Bond no. 08960194, dated August 7, 2009, in an amount of USD 50,000,000.00, issued in the Owner's favor in respect of the Contract (as amended, supplemented or otherwise modified from time to time, the "Payment Bond"); and (iii) the advance payment bond in respect of Plant and Material Security, Bond no. 09098907, dated December 20, 2012, in an amount of USD 150,000,000.00, issued in the Owner's favor in respect of the Contract (as amended, supplemented or otherwise modified from time to time, the "P&M Bond" and, together with the Payment Bond, the "Bonds"). Unless otherwise specified, capitalized terms used herein have the respective meanings specified in the Contract.

We have been provided with a copy of Variation Agreement No. 117, dated September 29, 2014 ("Variation Agreement No. 117") to the Contract, executed by the Owner and the Contractor, which provides for certain amendments to the Contract relating to the Employer's agreement to dredge, with its own equipment, the area of the temporal Pacific quay wall identified in the attachments to the Contractor's RFV No. 264, to the levels identified in the attachments to the Contractor's RFV No. 264, so as to allow access to the required area within the Site for the barge and tugs required to unload the Pacific lock gates. The material to be removed includes fines (sand, clay and fine material), boulders of different sizes close to the quay wall filling in the cofferdam areas and potential spots of original rock (save to the extent any such spots of original rock require drilling or blasting).

The undersigned, as Surety under and as defined in the Bonds, hereby consents to the amendments to the Contract relating to the Employer's agreement to dredge, with its own equipment, the area of the temporal Pacific quay wall identified in the

Variation Agreement No. 117



attachments to the Contractor's RFV No. 264, to the levels identified in the attachments to the Contractor's RFV No. 264, so as to allow access to the required area within the Site for the barge and tugs required to unload the Pacific lock gates pursuant to the aforementioned Variation Agreement No. 117 and confirms to you, as Owner and beneficiary under the Bonds, the continued validity of the Bonds in the respective amounts originally stated therein, notwithstanding such amendments to the Contract and the terms of Variation Agreement No. 117.

Nothing in this confirmation letter is intended to or shall waive, alter, amend or otherwise affect any of the terms or conditions of the Bonds, other than as stated herein.

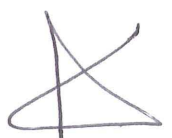
ZURICH AMERICAN INSURANCE
COMPANY, as Surety under the Bonds

By: _____
Name:
Title:

ACCEPTED:

AUTORIDAD DEL CANAL DE PANAMA,
as Owner under the Contract and beneficiary under the Bonds referred to above

By: _____
Name:
Title:

A handwritten signature in dark ink, consisting of a stylized 'X' or 'A' shape, located in the bottom right corner of the page.

SEPTEMBER 5, 2014
HIDRO SOUNDING

E 656298.82
N 991755.02

BALBOA REACH
NEW EAST PRISM LINE (THIRD LOCKS)
SOUTHBOUND SAILING LINE

No.23
Junction
GAR
JUN/08/14

70K+280.00
98.01W

NEW EAST PRISM LINE (THIRD LOCKS)

E 656090.39
N 991868.50

AREA-1
VOLUME TO DREDGE: 105,417 Cu m (NO OVER DREDGE INCLUDED)
DESIGN DEPTH: -10.85m (PLD)
-8.53m (MLWS)
AREA: 39,091 m²

ACP ESTIMATED VOLUME VERIFICATION (Cu m)			
AREA	VOLUME	SLOPE 2:1	OVER DREDGE (-0.60m)
No.1	95,105	10,312	23,455
TOTAL	105,417	(NO OVER DREDGE INCLUDED)	
	128,872	(OVER DREDGE INCLUDED)	

START OF PROJECT-THIRD LOCKS
STA. 9P+021.310

 CANAL DE PANAMÁ

AUTORIDAD DEL CANAL DE PANAMÁ
VICEPRESIDENCIA EJECUTIVA DE INGENIERÍA
Y ADMINISTRACIÓN DE PROGRAMAS
DIVISIÓN DE INGENIERÍA
EDIFICIO 721, COROZAL OESTE, REPÚBLICA DE PANAMÁ

THIRD SET OF LOCKS PROJECT
PACIFIC LOCKS COMPLEX
UNLOADING DOCK
ACP DREDGING VOLUME VERIFICATION

SCALE: INDICATED	DATE: SEPTEMBER 22, 2014
FIELD WORK: HYDROGRAPHIC UNIT	SUBMITTED: J. RODRIGUEZ MANAGER, SURVEYS SECTION
DRAWN BY: D. Villarreal CARTOGRAPHIC UNIT	CHECKED BY: A. Lu Bonilla
REVIEWED: A. Lu Bonilla SUPERVISOR CARTOGRAPHIC UNIT	APPROVED: L.D. ALFARO VICEPRESIDENT, ENGINEERING DIVISION



ATAGUIA

Unloading Dock

8+700
8+720
8+740
8+760
8+780
8+800
8+820
8+840
8+860
8+880
8+900
8+920
8+940
8+960
8+980
9+000
9+020
9+040
9+060
9+080
9+100
9+120
9+140
9+160
9+180
9+200
9+220
9+240
9+260
9+280
9+300
9+320
9+340
9+360
9+380
9+400
9+420
9+440
9+460
9+480
9+500
9+520
9+540
9+560
9+580
9+600
9+620
9+640
9+660
9+680
9+700
9+720
9+740
9+760
9+780
9+800
9+820
9+840
9+860
9+880
9+900
9+920
9+940
9+960
9+980
10+000
10+020
10+040
10+060
10+080
10+100
10+120
10+140
10+160
10+180
10+200
10+220
10+240
10+260
10+280
10+300
10+320
10+340
10+360
10+380
10+400
10+420
10+440
10+460
10+480
10+500
10+520
10+540
10+560
10+580
10+600
10+620
10+640
10+660
10+680
10+700
10+720
10+740
10+760
10+780
10+800
10+820
10+840
10+860
10+880
10+900
10+920
10+940
10+960
10+980
11+000
11+020
11+040
11+060
11+080
11+100
11+120
11+140
11+160
11+180
11+200
11+220
11+240
11+260
11+280
11+300
11+320
11+340
11+360
11+380
11+400
11+420
11+440
11+460
11+480
11+500
11+520
11+540
11+560
11+580
11+600
11+620
11+640
11+660
11+680
11+700
11+720
11+740
11+760
11+780
11+800
11+820
11+840
11+860
11+880
11+900
11+920
11+940
11+960
11+980
12+000
12+020
12+040
12+060
12+080
12+100
12+120
12+140
12+160
12+180
12+200
12+220
12+240
12+260
12+280
12+300
12+320
12+340
12+360
12+380
12+400
12+420
12+440
12+460
12+480
12+500
12+520
12+540
12+560
12+580
12+600
12+620
12+640
12+660
12+680
12+700
12+720
12+740
12+760
12+780
12+800
12+820
12+840
12+860
12+880
12+900
12+920
12+940
12+960
12+980
13+000
13+020
13+040
13+060
13+080
13+100
13+120
13+140
13+160
13+180
13+200
13+220
13+240
13+260
13+280
13+300
13+320
13+340
13+360
13+380
13+400
13+420
13+440
13+460
13+480
13+500
13+520
13+540
13+560
13+580
13+600
13+620
13+640
13+660
13+680
13+700
13+720
13+740
13+760
13+780
13+800
13+820
13+840
13+860
13+880
13+900
13+920
13+940
13+960
13+980
14+000
14+020
14+040
14+060
14+080
14+100
14+120
14+140
14+160
14+180
14+200
14+220
14+240
14+260
14+280
14+300
14+320
14+340
14+360
14+380
14+400
14+420
14+440
14+460
14+480
14+500
14+520
14+540
14+560
14+580
14+600
14+620
14+640
14+660
14+680
14+700
14+720
14+740
14+760
14+780
14+800
14+820
14+840
14+860
14+880
14+900
14+920
14+940
14+960
14+980
15+000
15+020
15+040
15+060
15+080
15+100
15+120
15+140
15+160
15+180
15+200
15+220
15+240
15+260
15+280
15+300
15+320
15+340
15+360
15+380
15+400
15+420
15+440
15+460
15+480
15+500
15+520
15+540
15+560
15+580
15+600
15+620
15+640
15+660
15+680
15+700
15+720
15+740
15+760
15+780
15+800
15+820
15+840
15+860
15+880
15+900
15+920
15+940
15+960
15+980
16+000
16+020
16+040
16+060
16+080
16+100
16+120
16+140
16+160
16+180
16+200
16+220
16+240
16+260
16+280
16+300
16+320
16+340
16+360
16+380
16+400
16+420
16+440
16+460
16+480
16+500
16+520
16+540
16+560
16+580
16+600
16+620
16+640
16+660
16+680
16+700
16+720
16+740
16+760
16+780
16+800
16+820
16+840
16+860
16+880
16+900
16+920
16+940
16+960
16+980
17+000
17+020
17+040
17+060
17+080
17+100
17+120
17+140
17+160
17+180
17+200
17+220
17+240
17+260
17+280
17+300
17+320
17+340
17+360
17+380
17+400
17+420
17+440
17+460
17+480
17+500
17+520
17+540
17+560
17+580
17+600
17+620
17+640
17+660
17+680
17+700
17+720
17+740
17+760
17+780
17+800
17+820
17+840
17+860
17+880
17+900
17+920
17+940
17+960
17+980
18+000
18+020
18+040
18+060
18+080
18+100
18+120
18+140
18+160
18+180
18+200
18+220
18+240
18+260
18+280
18+300
18+320
18+340
18+360
18+380
18+400
18+420
18+440
18+460
18+480
18+500
18+520
18+540
18+560
18+580
18+600
18+620
18+640
18+660
18+680
18+700
18+720
18+740
18+760
18+780
18+800
18+820
18+840
18+860
18+880
18+900
18+920
18+940
18+960
18+980
19+000
19+020
19+040
19+060
19+080
19+100
19+120
19+140
19+160
19+180
19+200
19+220
19+240
19+260
19+280
19+300
19+320
19+340
19+360
19+380
19+400
19+420
19+440
19+460
19+480
19+500
19+520
19+540
19+560
19+580
19+600
19+620
19+640
19+660
19+680
19+700
19+720
19+740
19+760
19+780
19+800
19+820
19+840
19+860
19+880
19+900
19+920
19+940
19+960
19+980
20+000
20+020
20+040
20+060
20+080
20+100
20+120
20+140
20+160
20+180
20+200
20+220
20+240
20+260
20+280
20+300
20+320
20+340
20+360
20+380
20+400
20+420
20+440
20+460
20+480
20+500
20+520
20+540
20+560
20+580
20+600
20+620
20+640
20+660
20+680
20+700
20+720
20+740
20+760
20+780
20+800
20+820
20+840
20+860
20+880
20+900
20+920
20+940
20+960
20+980
21+000
21+020
21+040
21+060
21+080
21+100
21+120
21+140
21+160
21+180
21+200
21+220
21+240
21+260
21+280
21+300
21+320
21+340
21+360
21+380
21+400
21+420
21+440
21+460
21+480
21+500
21+520
21+540
21+560
21+580
21+600
21+620
21+640
21+660
21+680
21+700
21+720
21+740
21+760
21+780
21+800
21+820
21+840
21+860
21+880
21+900
21+920
21+940
21+960
21+980
22+000
22+020
22+040
22+060
22+080
22+100
22+120
22+140
22+160
22+180
22+200
22+220
22+240
22+260
22+280
22+300
22+320
22+340
22+360
22+380
22+400
22+420
22+440
22+460
22+480
22+500
22+520
22+540
22+560
22+580
22+600
22+620
22+640
22+660
22+680
22+700
22+720
22+740
22+760
22+780
22+800
22+820
22+840
22+860
22+880
22+900
22+920
22+940
22+960
22+980
23+000
23+020
23+040
23+060
23+080
23+100
23+120
23+140
23+160
23+180
23+200
23+220
23+240
23+260
23+280
23+300
23+320
23+340
23+360
23+380
23+400
23+420
23+440
23+460
23+480
23+500
23+520
23+540
23+560
23+580
23+600
23+620
23+640
23+660
23+680
23+700
23+720
23+740
23+760
23+780
23+800
23+820
23+840
23+860
23+880
23+900
23+920
23+940
23+960
23+980
24+000
24+020
24+040
24+060
24+080
24+100
24+120
24+140
24+160
24+180
24+200
24+220
24+240
24+260
24+280
24+300
24+320
24+340
24+360
24+380
24+400
24+420
24+440
24+460
24+480
24+500
24+520
24+540
24+560
24+580
24+600
24+620
24+640
24+660
24+680
24+700
24+720
24+740
24+760
24+780
24+800
24+820
24+840
24+860
24+880
24+900
24+920
24+940
24+960
24+980
25+000
25+020
25+040
25+060
25+080
25+100
25+120
25+140
25+160
25+180
25+200
25+220
25+240
25+260
25+280
25+300
25+320
25+340
25+360
25+380
25+400
25+420
25+440
25+460
25+480
25+500
25+520
25+540
25+560
25+580
25+600
25+620
25+640
25+660
25+680
25+700
25+720
25+740
25+760
25+780
25+800
25+820
25+840
25+860
25+880
25+900
25+920
25+940
25+960
25+980
26+000
26+020
26+040
26+060
26+080
26+100
26+120
26+140
26+160
26+180
26+200
26+220
26+240
26+260
26+280
26+300
26+320
26+340
26+360
26+380
26+400
26+420
26+440
26+460
26+480
26+500
26+520
26+540
26+560
26+580
26+600
26+620
26+640
26+660
26+680
26+700
26+720
26+740
26+760
26+780
26+800
26+820
26+840
26+860
26+880
26+900
26+920
26+940
26+960
26+980
27+000
27+020
27+040
27+060
27+080
27+100
27+120
27+140
27+160
27+180
27+200
27+220
27+240
27+260
27+280
27+300
27+320
27+340
27+360
27+380
27+400
27+420
27+440
27+460
27+480
27+500
27+520
27+540
27+560
27+580
27+600
27+620
27+640
27+660
27+680
27+700
27+720
27+740
27+760
27+780
27+800
27+820
27+840
27+860
27+880
27+900
27+920
27+940
27+960
27+980
28+000
28+020
28+040
28+060
28+080
28+100
28+120
28+140
28+160
28+180
28+200
28+220
28+240
28+260
28+280
28+300
28+320
28+340
28+360
28+380
28+400
28+420
28+440
28+460
28+480
28+500
28+520
28+540
28+560
28+580
28+600
28+620
28+640
28+660
28+680
28+700
28+720
28+740
28+760
28+780
28+800
28+820
28+840
28+860
28+880
28+900
28+920
28+940
28+960
28+980
29+000
29+020
29+040
29+060
29+080
29+100
29+120
29+140
29+160
29+180
29+200
29+220
29+240
29+260
29+280
29+300
29+320
29+340
29+360
29+380
29+400
29+420
29+440
29+460
29+480
29+500
29+520
29+540
29+560
29+580
29+600
29+620
29+640
29+660
29+680
29+700
29+720
29+740
29+760
29+780
29+800
29+820
29+840
29+860
29+880
29+900
29+920
29+940
29+960
29+980
30+000
30+020
30+040
30+060
30+080
30+100
30+120
30+140
30+160
30+180
30+200
30+220
30+240
30+260
30+280
30+300
30+320
30+340
30+360
30+380
30+400
30+420
30+440
30+460
30+480
30+500
30+520
30+540
30+560
30+580
30+600
30+620
30+640
30+660
30+680
30+700
30+720
30+740
30+760
30+780
30+800
30+820
30+840
30+860
30+880
30+900
30+920
30+940
30+960
30+980
31+000
31+020
31+040
31+060
31+080
31+100
31+120
31+140
31+160
31+180
31+200
31+220
31+240
31+260
31+280
31+300
31+320
31+340
31+360
31+380
31+400
31+420
31+440
31+460
31+480
31+500
31+520
31+540
31+560
31+580
31+600
31+620
31+640
31+660
31+680
31+700
31+720
31+740
31+760
31+780
31+800
31+820
31+840
31+860
31+880
31+900
31+920
31+940
31+960
31+980
32+000
32+020
32+040
32+060
32+080
32+100
32+120
32+140
32+160
32+180
32+200
32+220
32+240
32+260
32+280
32+300
32+320
32+340
32+360
32+380
32+400
32+420
32+440
32+460
32+480
32+500
32+520
32+540
32+560
32+580
32+600
32+620
32+640
32+660
32+680
32+700
32+720
32+740
32+760
32+780
32+800
32+820
32+840
32+860
32+880
32+900
32+920
32+940
32+960
32+980
33+000
33+020
33+040
33+060
33+080
33+100
33+120
33+140
33+160
33+180
33+200
33+220
33+240
33+260
33+280
33+300
33+320
33+340
33+360
33+380
33+400
33+420
33+440
33+460
33+480
33+500
33+520
33+540
33+560
33+580
33+600
33+620
33+640
33+660
33+680
33+700
33+720
33+740
33+760
33+780
33+800
33+820
33+840
33+860
33+880
33+900
33+920
33+940
33+960
33+980
34+000
34+020
34+040
34+060
34+080
34+100
34+120
34+140
34+160
34+180
34+200
34+220
34+240
34+260
34+280
34+300
34+320
34+340
34+360
34+380
34+400
34+420
34+440
34+460
34+480
34+500
34+520
34+540
34+560
34+580
34+600
34+620
34+640
34+660
34+680
34+700
34+720
34+740
34+760
34+780
34+800
34+820
34+840
34+860
34+880
34+900
34+920
34+940
34+960
34+980
35+000
35+020
35+040
35+060
35+080
35+100
35+120
35+140
35+160
35+180
35+200
35+220
35+240
35+260
35+280
35+300
35+320
35+340
35+360
35+380
35+400
35+420
35+440
35+460
35+480
35+500
35+520
35+540
35+560
35+580
35+600
35+620
35+640
35+660
35+680
35+700
35+720
35+740
35+760
35+780
35+800
35+820
35+840
35+860
35+880
35+900
35+920
35+940
35+960
35+980
36+000
36+020
36+040
36+060
36+080

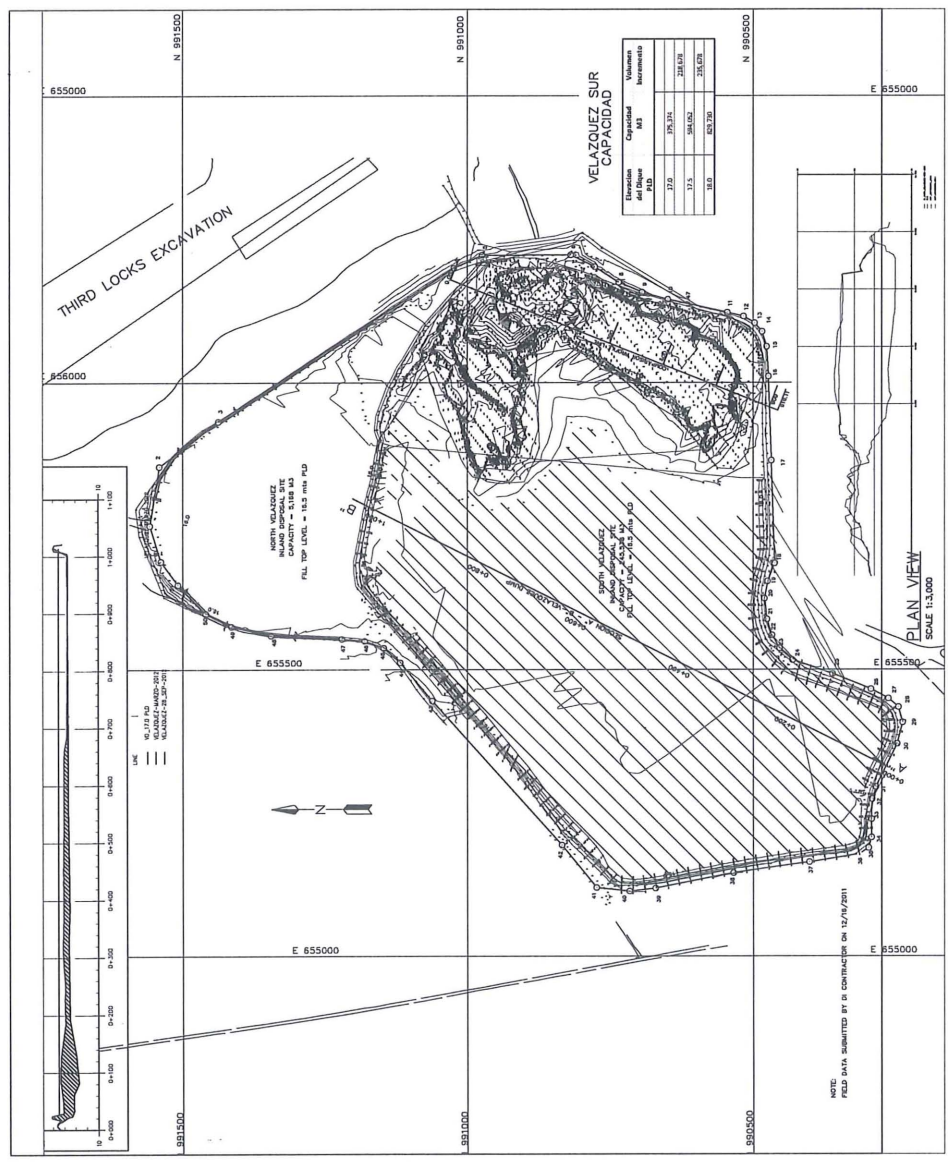
COORDINATES TABLE	
POINT	COORDINATES
1	991500.0
2	991500.0
3	991500.0
4	991500.0
5	991500.0
6	991500.0
7	991500.0
8	991500.0
9	991500.0
10	991500.0
11	991500.0
12	991500.0
13	991500.0
14	991500.0
15	991500.0
16	991500.0
17	991500.0
18	991500.0
19	991500.0
20	991500.0
21	991500.0
22	991500.0
23	991500.0
24	991500.0
25	991500.0
26	991500.0
27	991500.0
28	991500.0
29	991500.0
30	991500.0
31	991500.0
32	991500.0
33	991500.0
34	991500.0
35	991500.0
36	991500.0
37	991500.0
38	991500.0
39	991500.0
40	991500.0
41	991500.0
42	991500.0
43	991500.0
44	991500.0
45	991500.0
46	991500.0
47	991500.0
48	991500.0
49	991500.0
50	991500.0
51	991500.0
52	991500.0
53	991500.0
54	991500.0
55	991500.0
56	991500.0
57	991500.0
58	991500.0
59	991500.0
60	991500.0
61	991500.0
62	991500.0
63	991500.0
64	991500.0
65	991500.0
66	991500.0
67	991500.0
68	991500.0
69	991500.0
70	991500.0
71	991500.0
72	991500.0
73	991500.0
74	991500.0
75	991500.0
76	991500.0
77	991500.0
78	991500.0
79	991500.0
80	991500.0
81	991500.0
82	991500.0
83	991500.0
84	991500.0
85	991500.0
86	991500.0
87	991500.0
88	991500.0
89	991500.0
90	991500.0
91	991500.0
92	991500.0
93	991500.0
94	991500.0
95	991500.0
96	991500.0
97	991500.0
98	991500.0
99	991500.0
100	991500.0

NOTES:
 - DIMENSIONS IN METERS REFERRED TO P.D.
 - COORDINATES ARE BASED ON THE UNIVERSAL TRANSVERSE MERCATOR PROJECTION (UTM), ZONE 17.
 - 1987 NORTH AMERICAN DATUM, EPOCH 17.

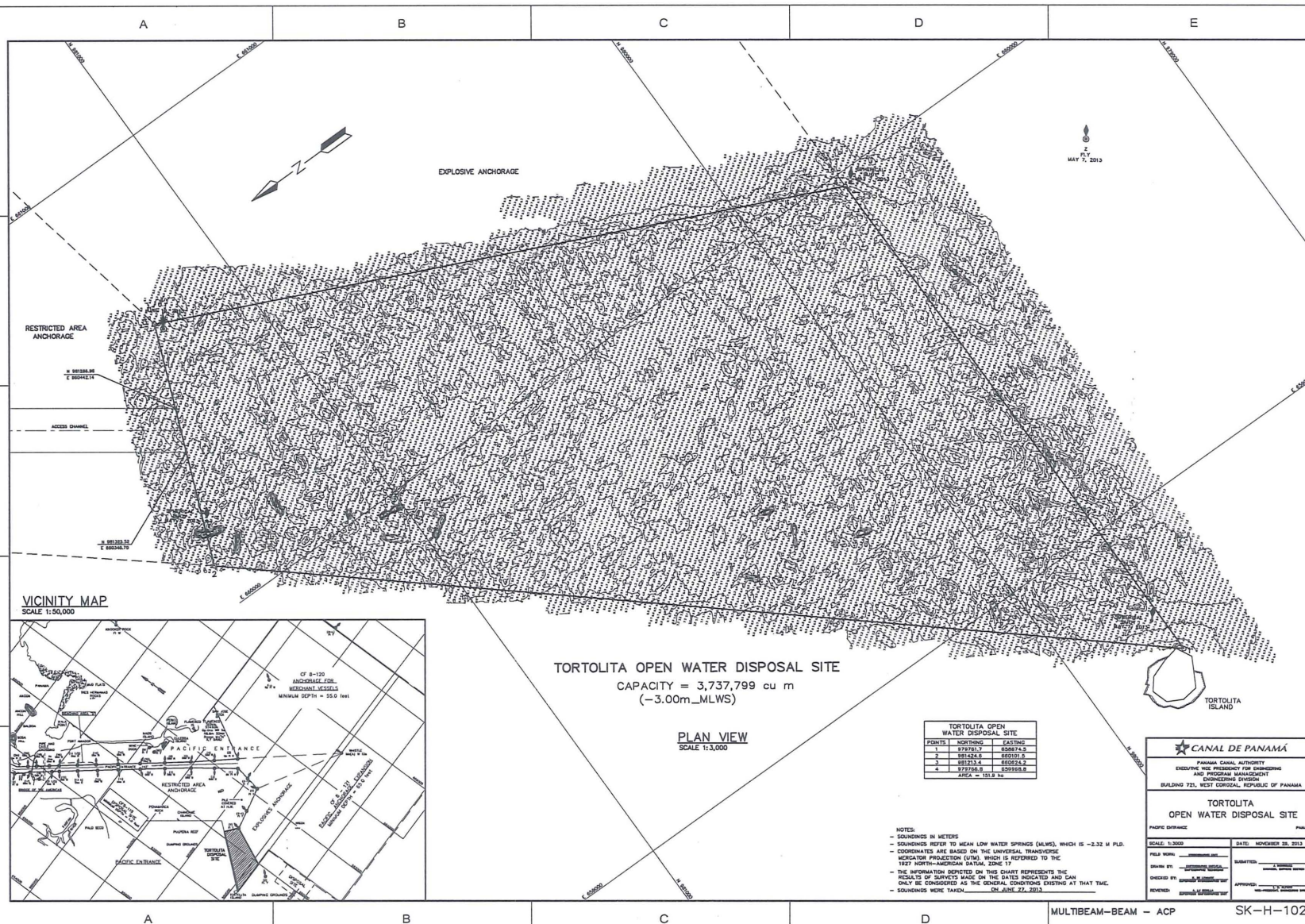
ASPA AUTORIDAD DEL CANAL DE PANAMA
 DEPARTAMENTO DE INGENIERIA Y ADMINISTRACION DE PROGRAMAS
 DIVISION DE INGENIERIA
 EDIFICIO 721, CORREO 10000
 PANAMA, C.R.

THIRD SET OF LOCKS PROJECT
 WIDENING AND DEEPENING OF THE
 PACIFIC ENTRANCE AND
 SOUTHERN PANAMA CANALS
 VELASQUEZ INLAND DISPOSAL SITE

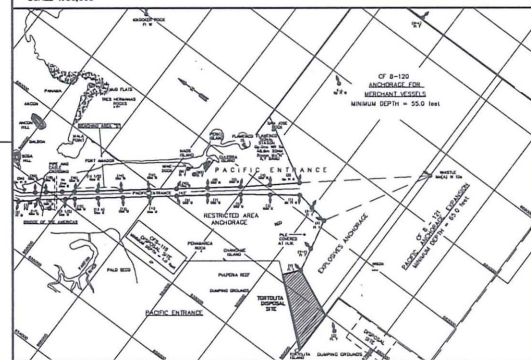
DATE: 02/04/2011
 DRAWN BY: [Signature]
 CHECKED BY: [Signature]
 APPROVED BY: [Signature]



SK-T-834_D



VICINITY MAP
SCALE 1:50,000



GRAPHIC SCALE
1:3,000