

No. 3454

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**UNITED STATES OF AMERICA  
and  
PANAMA**

**Treaty of mutual understanding and co-operation (with  
Memorandum of Understandings Reached and annexes).  
Signed at Panama, on 25 January 1955**

*Official texts: English and Spanish.*

*Registered by the United States of America on 22 June 1956.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
PANAMA**

**Traité d'entente et de coopération mutuelle (avec mémoran-  
dum des arrangements conclus et annexes). Signé à  
Panama, le 25 janvier 1955**

*Textes officiels anglais et espagnol.*

*Enregistré par les États-Unis d'Amérique le 22 juin 1956.*

No. 3454. TREATY<sup>1</sup> OF MUTUAL UNDERSTANDING AND CO-OPERATION BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PANAMA. SIGNED AT PANAMA, ON 25 JANUARY 1955

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The President of the United States of America and the President of the Republic of Panama, desirous of concluding a treaty further to demonstrate the mutual understanding and cooperation of the two countries and to strengthen the bonds of understanding and friendship between their respective peoples, have appointed for that purpose as their respective Plenipotentiaries :

The President of the United States of America :

Selden Chapin, Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Panama,

The President of the Republic of Panama :

Octavio Fábrega, Minister of Foreign Relations of the Republic of Panama,

who, having communicated to one another their respective full powers, found in good and due form, and recognizing that neither the provisions of the Convention signed November 18, 1903,<sup>2</sup> nor the General Treaty signed March 2, 1936,<sup>3</sup> nor the present Treaty, may be modified except by mutual consent, agree upon the following Articles :

*Article I*

Beginning with the first annuity payable after the exchange of ratifications of the present Treaty, the payments under Article XIV of the Convention for the Construction of a Ship Canal between the United States of America and the Republic of Panama, signed November 18, 1903,<sup>1</sup> as amended by Article VII of the General Treaty of Friendship and Cooperation, signed March 2, 1936,<sup>3</sup> shall be One Million Nine Hundred Thirty Thousand and no/100 Balboas (B/1,930,000) as defined by the agreement embodied in the exchange of notes of March 2, 1936,<sup>3</sup> between the Secretary of State of the United States of America

<sup>1</sup> Came into force on 23 August 1955 by the exchange of the instruments of ratification at Washington, in accordance with article XIII.

<sup>2</sup> De Martens, *Nouveau Recueil général de Traités*, deuxième série, tome XXXI, p. 599.

<sup>3</sup> Treaty between the United States of America and the Republic of Panama to strengthen further the Bonds of Friendship and Co-operation and to regulate Certain Questions which have arisen as a Result of the Construction of the Interoceanic Canal across the Isthmus of Panama, signed at Washington, March 2nd, 1936, and Exchange of Notes relating thereto. Washington, March 2nd, 1936, February 1st, 1939 and July 25th, 1939 : League of Nations, *Treaty Series*, Vol. CC, p. 17.

and the Members of the Panamanian Treaty Commission. The United States of America may discharge its obligation with respect to any such payment in any coin or currency, provided the amount so paid is the equivalent of One Million Nine Hundred Thirty Thousand and no/100 Balboas (B/1,930,000) as so defined.

On the date of the first payment under the present Treaty, the provisions of this Article shall supersede the provisions of Article VII of the General Treaty signed March 2, 1936.

Notwithstanding the provisions of this Article, the High Contracting Parties recognize the absence of any obligation on the part of either Party to alter the amount of the annuity.

### *Article II*

(1) Notwithstanding the provisions of Article X of the Convention signed November 18, 1903, between the United States of America and the Republic of Panama, the United States of America agrees that the Republic of Panama may, subject to the provisions of paragraphs (2) and (3) of this Article, impose taxes upon the income (including income from sources within the Canal Zone) of all persons who are employed in the service of the Canal, the railroad, or auxiliary works, whether resident within or outside the Canal Zone, except :

- (a) members of the Armed Forces of the United States of America,
- (b) citizens of the United States of America, including those who have dual nationality, and
- (c) other individuals who are not citizens of the Republic of Panama and who reside within the Canal Zone.

(2) It is understood that any tax levied pursuant to paragraph (1) of this Article shall be imposed on a non-discriminatory basis and shall in no case be imposed at a rate higher or more burdensome than that applicable to income of citizens of the Republic of Panama generally.

(3) The Republic of Panama agrees not to impose taxes on pensions, annuities, relief payments, or other similar payments, or payments by way of compensation for injuries or death occurring in connection with, or incident to, service on the Canal, the railroad, or auxiliary works paid to or for the benefit of members of the Armed Forces or citizens of the United States of America or the lawful beneficiaries of such members or citizens who reside in territory under the jurisdiction of the Republic of Panama.

The provisions of this Article shall be operative for the taxable years beginning on or after the first day of January following the year in which the present Treaty enters into force.

*Article III*

Subject to the provisions of the succeeding paragraphs of this Article, the United States of America agrees that the monopoly granted in perpetuity by the Republic of Panama to the United States for the construction, maintenance and operation of any system of communication by means of canal or railroad across its territory between the Caribbean Sea and the Pacific Ocean, by Article V of the Convention signed November 18, 1903, shall be abrogated as of the effective date of this Treaty in so far as it pertains to the construction, maintenance and operation of any system of trans-Isthmian communication by railroad within the territory under the jurisdiction of the Republic of Panama.

Subject to the provisions of the succeeding paragraphs of this Article, the United States further agrees that the exclusive right to establish roads across the Isthmus of Panama acquired by the United States as a result of a concessionary contract granted to the Panama Railroad Company shall be abrogated as to the date of the entry into force of this Treaty, in so far as the right pertains to the establishment of roads within the territory under the jurisdiction of the Republic of Panama.

In view of the vital interest of both countries in the effective protection of the Canal, the High Contracting Parties further agree that such abrogation is subject to the understanding that no system of inter-oceanic communication within the territory under the jurisdiction of the Republic of Panama by means of railroad or highway may be financed, constructed, maintained, or operated directly or indirectly by a third country or nationals thereof, unless in the opinion of both High Contracting Parties such financing, construction, maintenance, or operation would not affect the security of the Canal.

The High Contracting Parties also agree that such abrogation as is contemplated by this Article shall in no wise affect the maintenance and operation of the present Panama Railroad in the Canal Zone and in territory subject to the jurisdiction of the Republic of Panama.

*Article IV*

The second paragraph of Article VII of the Convention signed November 18, 1903, having to do with the issuance of, compliance with, and enforcement of, sanitary ordinances in the Cities of Panamá and Colón, shall be abrogated in its entirety as of the date of entry into force of this Treaty.

*Article V*

The United States of America agrees that, subject to the enactment of legislation by the Congress, there shall be conveyed to the Republic of Panama free of cost all the right, title and interest held by the United States of America

or its agencies in and to certain lands and improvements in territory under the jurisdiction of the Republic of Panama when and as determined by the United States to be no longer needed for the operation, maintenance, sanitation or protection of the Panama Canal or of its auxiliary works, or for other authorized purposes of the United States in the Republic of Panama. The lands and improvements referred to in the preceding sentence and the determinations by the United States of America respecting the same, subject to the enactment of legislation by the Congress, are designated and set forth in Item 2 of the Memorandum of Understandings Reached<sup>1</sup> which bears the same date as this Treaty. The United States of America also agrees that, subject to the enactment of legislation by the Congress, there shall be conveyed to the Republic of Panama free of cost all its right, title and interest to the land and improvements in the area known as Paitilla Point and that effective with such conveyance the United States of America shall relinquish all the rights, power and authority granted to it in such area under the Convention signed November 18, 1903. The Republic of Panama agrees to save the Government of the United States harmless from any and all claims which may arise incident to the conveyance of the area known as Paitilla Point to the Republic of Panama.

#### Article VI

Article V of the Boundary Convention, signed September 2, 1914,<sup>2</sup> between the United States of America and the Republic of Panama, shall be replaced by the following provisions :

“ It is agreed that the permanent boundary line between the City of Colón (including the Harbor of Colón, as defined in Article VI of the Boundary Convention of 1914, and other waters adjacent to the shores of Colón) and the Canal Zone shall be as follows :

Beginning at an unmarked point called “E”, located on the northeasterly boundary of the Colón Corridor (at its Colón extremity), the geodetic position of which, referred to the Panamá-Colón datum of the Canal Zone triangulation system, is in latitude 9°21' N. plus 0.00 feet (0.000 meters) and longitude 79°54' W. plus 356.09 feet (108.536 meters).

Thence from said initial point by meters and bounds :

Due East, 2662.83 feet (811.632 meters), along North latitude 9°21' plus 0.00 feet (0.000 meters), to an unmarked point in Folks River, called “F”, located at longitude 79°53' W. plus 3700.00 feet (1127.762 meters);

<sup>1</sup> See p. 240 of this volume.

<sup>2</sup> De Martens, *Nouveau Recueil général de Traités, troisième série*, tome IX, p. 4.

N. 36°36'30" E., 2616.00 feet (797.358 meters), to an unmarked point in Manzanillo Bay, called "G";

N. 22°41'30" W., 1192.00 feet (363.322 meters), to an unmarked point in Manzanillo Bay, called "H";

N. 56°49'00" W., 777.00 feet (236.830 meters), to an unmarked point in Manzanillo Bay, called "I";

N. 29°51'00" W., 2793.00 feet (851.308 meters), to an unmarked point in Manzanillo Bay, called "J";

N. 50°56'00" W., 3292.00 feet (1003.404 meters), to an unmarked point in Limon Bay, called "K";

S. 56°06'11" W., 4258.85 feet (1298.100 meters), to an unmarked point in Limon Bay, called "L", which is located on the northerly boundary of the Harbor of Colón.

Thence following the boundary of the Harbor of Colón, as described in Article VI of the Boundary Convention signed September 2, 1914, to monument "D", as follows :

N. 78°30'30" W., 2104.73 feet (641.523 meters), on a line to the light house on Toro Point, to an unmarked point in Limon Bay, called "M", located 330 meters or 1082.67 feet easterly and at right angles from the centerline of the Panama Canal;

S. 00°14'50" W., 3074.46 feet (937.097 meters), parallel to and 330 meters or 1082.67 feet easterly from the centerline of the Panama Canal, to an unmarked point in Limon Bay, called "N";

S. 78°30'30" E., 3952.97 feet (1204.868 meters), to monument "D", which is a concrete monument, located on the easterly shore of Limon Bay.

Thence following the boundary between the City of Colón and the Canal Zone, as described in Article V of the Boundary Convention signed September 2, 1914, to monument "B" as follows :

S. 78°30'30" E., 258.65 feet (78.837 meters) through monuments Nos. 28 and 27 which are brass plugs in pavement, to monument "D" which is a concrete monument, the distances being 159.96 feet (48.756 meters), 28.26 feet (8.614 meters), and 70.43 feet (21.467 meters), successively, from beginning of the course;

N. 74°17'35" E., 533.60 feet (162.642 meters), along the centerline of Eleventh Street, through monuments Nos. 26, 25, 24 and 23, which are brass plugs in the pavement, to "C", which is an unmarked point beneath the clock pedestal on the centerline of Bolivar Avenue, the distances being 95.16 feet (29.005 meters), 91.02 feet (27.743 meters), 166.71 feet (50.813 meters), 158.66 feet (48.360 meters) and 22.05 feet (6.721 meters), successively, from beginning of the course;

S. 15°58'00" E., 965.59 feet (294.312 meters), along the centerline of Bolivar Avenue, through monuments Nos. 22, 21, 20 and 19, which are brass plugs in the pavement, to monument "B", which is a brass plug, the distances being 14.35 feet (4.374 meters), 143.13 feet (43.626 meters), 238.77 feet (72.777 meters), 326.77 feet (99.600 meters) and 242.57 feet (73.935 meters), successively from beginning of the course. (Monument "B" is the point of beginning referred to in Article I of the Convention between the United States of America and the Republic of Panama regarding the Colón Corridor and certain other Corridors through the Canal Zone, signed at Panamá on May 24, 1950<sup>1</sup>.)

Thence following the boundary between the City of Colón and the Canal Zone, to monument "A", as described in Article I of the Corridor Convention referred to in the next-preceding paragraph :

S. 15°57'40" E., 117.10 feet (35.692 meters) along the centerline of Bolivar Avenue to Monument No. A-8, which is a brass plug located at the intersection with the centerline of 14th Street projected westerly, in North latitude 9°21' plus 1356.18 feet (413.364 meters) and West longitude 79°54' plus 1862.57 feet (567.712 meters);

N. 73°59'35" E., 172.12 feet (52.462 meters) along the centerline of 14th Street to Monument No. A-7, which is a brass plug located at the intersection with the line of the west curb of Boundary Street projected northerly in North latitude 9°21' plus 1403.64 feet (427.830 meters) and West longitude 79°54' plus 1697.12 feet (517.283 meters);

Southerly along the westerly curb of Boundary Street and its prolongation to Monument No. A-4, which is a brass plug located at the intersection of two curves, in North latitude 9°21' plus 833.47 feet (254.042 meters) and West longitude 79°54' plus 980.94 feet (298.991 meters) (this last mentioned course passes through a curve to the left with a radius of 40.8 feet (12.436 meters) and the intersection of its tangents at point A-6 in

<sup>1</sup> United Nations, *Treaty Series*, Vol. 241, p. 139.

North latitude  $9^{\circ}21'$  plus 1306.23 feet (398.140 meters) and West longitude  $79^{\circ}54'$  plus 1669.37 feet (508.825 meters), and a curve to the right with a radius of 1522 feet (463.907 meters) with the point of intersection of its tangents at point A-5 in North latitude  $9^{\circ}21'$  plus 958.14 feet (292.042 meters) and West longitude  $79^{\circ}54'$  plus 1105.89 feet (337.076 meters) );

Through a curve to the left with a radius of 262.2 feet (79.919 meters) and the intersection of its tangents at point A-3 in North latitude  $9^{\circ}21'$  plus 769.07 feet (234.413 meters) and West longitude  $79^{\circ}54'$  plus 955.43 feet (291.216 meters); a curve to the right with a radius of 320.0 feet (97.536 meters) and the intersection of its tangents at point A-2 in North latitude  $9^{\circ}21'$  plus 673.38 feet (205.247 meters) and West longitude  $79^{\circ}54'$  plus 836.40 feet (254.935 meters); and a curve to the left with a radius of 2571.5 feet (783.795 meters) and the intersection of its tangents at point A-1 in North latitude  $9^{\circ}21'$  plus 302.15 feet (92.096 meters) and West longitude  $79^{\circ}54'$  plus 680.96 feet (207.557 meters) to Monument No. "A", which is a 1-1/2 inch brass plug located in the old sea wall, in North latitude  $9^{\circ}21'$  plus 45.60 feet (13.899 meters) and West longitude  $79^{\circ}54'$  plus 487.65 feet (148.636 meters);

S.  $21^{\circ}34'50''$  W., 29.19 feet (8.897 meters), to an unmarked point called #1;

Southeasterly, 23.26 feet (7.090 meters), along a curve to the left with a radius of 2596.48 feet (791.409 meters) (the chord of which bears S.  $37^{\circ}28'20''$  E., 23.26 feet (7.090 meters) to an unmarked point called #2, located on the southwesterly boundary of the Colón Corridor at North latitude  $9^{\circ}21'$  plus 0.00 feet (0.000 meters)).

The directions of the lines refer to the true meridian.

The above described boundary is as shown on Panama Canal Company drawing No. 6117-22, entitled "Boundary Line Between the City of Colón and the Canal Zone",<sup>1</sup> scale 1 inch to 600 feet, dated December 23, 1954, prepared for the Canal Zone Government, attached as an annex hereto and forming a part hereof."

Article VIII of the General Treaty signed March 2, 1936, as amended by Article III of the Convention between the United States of America and the Republic of Panama regarding the Colón Corridor and certain other corridors through the Canal Zone, signed May 24, 1950, is hereby modified by removing

<sup>1</sup> See pocket at the end of this volume.



from the Colón, or westerly, end of the Colón Corridor the portion thereof lying north of North latitude 9°21' and incorporating such portion within the boundary of the City of Colón as described above.

This Article shall become effective upon completion of the withdrawal by the United States of America from the sections of the city of Colón known as New Cristobal, Colón Beach and the de Lesseps Area, with the exception of the lots retained for consulate purposes, except that it shall in no case become effective prior to the exchange of the instruments of ratification of this Treaty and the exchange of instruments of ratification of the Convention signed May 24, 1950, referred to in the preceding paragraph.

#### *Article VII*

The second paragraph of Article VII of the Boundary Convention signed September 2, 1914, between the United States of America and the Republic of Panama, shall be abrogated in its entirety as of the date of entry into force of the present Treaty.

The landing pier situated in the small cove on the southerly side of Manzanillo Island, constructed pursuant to provisions contained in the second paragraph of Article VII of the Boundary Convention of 1914 between the two countries, shall become the property of the Government of the Republic of Panama as of the date of entry into force of the present Treaty.

#### *Article VIII*

(a) The Republic of Panama will reserve exclusively for the purpose of maneuvers and military training the area described in the maps (Nos. SGN-7-54<sup>1</sup> and SGN-8-54,<sup>1</sup> each dated November 17, 1954) and accompanying descriptions<sup>2</sup> prepared by the Comisión Catastral of the Republic of Panama, attached as the Annex hereto, and will permit the United States of America, without cost and free of all encumbrances, exclusively to utilize said area for the indicated purpose for a period of fifteen (15) years, subject to extension thereafter as agreed by the two Governments. This authorization includes the free access to, egress from, and movements within and over, said area. This utilization will not affect the sovereignty of the Republic of Panama, or the operation of the Constitution and the laws of the Republic over the mentioned area.

(b) The United States Armed Forces, the members thereof and their families actually residing with them, and United States nationals who, in an official capacity, are serving with or accompanying the Armed Forces of the United States and members of their families actually residing with them will be exempted within the said area from all taxation by the Republic of Panama or any of its political subdivisions.

<sup>1</sup> See pocket at the end of this volume.

<sup>2</sup> See p. 232 of this volume.

(c) Prior to the expiration of the period envisaged in this Article and within a reasonable time thereafter the United States shall have the right to remove from this training and maneuver area, or otherwise to dispose of, without limitation or restriction all structures, installations, facilities, equipment and supplies brought into, or constructed or erected within this training and maneuver area by or on behalf of the United States. The Republic of Panama will not be required to reimburse the United States for any structures, installations, facilities, equipment and supplies not removed or otherwise disposed of as provided herein.

(d) The United States shall be under no obligation to restore this training and maneuver area or the facilities and installations thereon to their original condition upon the termination of this Article, except for the landing strip which will be returned in at least as good condition as that obtaining at the time of coming into effect of this Article.

(e) The provisions of this Article shall in no manner terminate or modify the provisions concerning the holding of military maneuvers in the Republic of Panama established by the Notes ancillary to the General Treaty signed March 2, 1936 other than as provided herein for this training and maneuver area.

#### *Article IX*

The Republic of Panama hereby waives the right under Article XIX of the Convention signed November 18, 1903, to transportation by railway within the Zone, without paying charges of any kind, of persons in the service of the Republic of Panama, or of the police force charged with the preservation of public order outside of the Canal Zone, as well as of their baggage, munitions of war and supplies.

#### *Article X*

The High Contracting Parties agree that, in the event of the discontinuance of the Panama Railroad, and of the construction or completion by the United States of a strategic highway across the Isthmus lying wholly within the Canal Zone intended primarily for serving the operation, maintenance, civil government, sanitation and protection of the Panama Canal and Canal Zone, and notwithstanding anything to the contrary in Article VI of the Convention signed November 18, 1903, the United States of America may in its discretion either prohibit or restrict the use, by busses or trucks not at the time engaged exclusively in the servicing of, or the transportation of supplies to, installations, facilities or residents of the Canal Zone, of that portion of such highway which lies between Mount Hope, Canal Zone and the intersection of such highway with the Canal Zone section of the Trans-Isthmian Highway referred to in the

Trans-Isthmian Highway Convention between the United States of America and the Republic of Panama, signed March 2, 1936.<sup>1</sup>

#### *Article XI*

The Republic of Panama agrees, notwithstanding the provisions of Article III of the General Treaty signed March 2, 1936, that the United States of America may extend the privilege of purchasing at post exchanges small items of personal convenience and items necessary for professional use, to military personnel of friendly third countries present in the Zone under auspices of the United States.

#### *Article XII*

The United States of America agrees that, effective December 31, 1956, there will be excluded from the privilege of making purchases in the commissaries and other sales stores in the Canal Zone as well as the privilege of making importations into the Canal Zone all those persons who are not citizens of the United States of America, except members of the Armed Forces of the United States, and who do not actually reside in the Canal Zone but who are included in the categories of persons authorized to reside in said Zone; it being understood nevertheless that all personnel of the agencies of the United States of America will be permitted under adequate controls to purchase small articles such as meals, sweets, chewing gum, tobacco and similar articles near the sites of their jobs.

The United States of America further agrees that, effective December 31, 1956, and notwithstanding the provisions of the first paragraph of Article IV of the General Treaty signed March 2, 1936, the Government of the Republic of Panama may impose import duties and other charges upon goods destined or consigned to persons, other than citizens of the United States of America, included in class (a) in Section 2 of Article III of said Treaty, who reside or sojourn in territory under the jurisdiction of the Republic of Panama during the performance of their service with the United States of America or its agencies, even though such goods are intended for their own use and benefit.

#### *Article XIII*

The present Treaty shall be subject to ratification and the instruments of ratification shall be exchanged at Washington. It shall enter into force on the date of the exchange of the instruments of ratification.

<sup>1</sup> League of Nations, *Treaty Series*, Vol. CC, p. 205.

IN WITNESS WHEREOF, the Plenipotentiaries have signed this Treaty in duplicate, in the English and Spanish languages, both texts being authentic, and have hereunto affixed their seals.

DONE at the City of Panamá the 25th day of January 1955.

For the United States of America :

Selden CHAPIN

[SEAL]

For the Republic of Panama :

Octavio FÁBREGA

[SEAL]

AREA RESERVED BY THE GOVERNMENT OF PANAMA IN THE RIO HATO  
DISTRICT FOR MILITARY MANEUVERS AND TRAINING

DESCRIPTION OF BOUNDARIES

*Parcel "A"*

Starting from triangulation station No. 514, the geodetic position of which is  $8^{\circ} 21'$  plus 1,833.011 meters North Latitude and  $80^{\circ} 07'$  plus 558.875 meters West Longitude, thence, in the direction of N- $81^{\circ} 05' 40''$ -W, and at a distance of 554.614 meters, point "1-A" is reached, which is the starting point of Parcel "A", the geodetic position of which is  $8^{\circ} 22'$  plus 75.848 meters North Latitude and  $80^{\circ} 07'$  plus 1106.778 meters West Longitude.

From point "1-A", in the direction of N- $72^{\circ} 53' 02''$ -E, and at a distance of 103.860 meters, point "2-4" is reached, the geodetic position of which is  $8^{\circ} 22'$  plus 106.415 meters North Latitude and  $80^{\circ} 07'$  plus 1007.518 meters West Longitude.

From there, in the direction of N- $59^{\circ} 45' 52''$ -E, and at a distance of 114.625 meters, point "3-A" is reached, the geodetic position of which is  $8^{\circ} 22'$  plus 164.135 meters North Latitude and  $80^{\circ} 07'$  plus 908.486 meters West Longitude.

From there, in the direction of N- $07^{\circ} 01' 52''$ -E, and at a distance of 31.690 meters, point "4-A" is reached, the geodetic position of which is  $8^{\circ} 22'$  plus 195.587 meters North Latitude and  $80^{\circ} 07'$  plus 904.607 meters West Longitude.

From there, in the direction of N- $24^{\circ} 11' 43''$ -W, and at a distance of 45.466 meters, point "5-A" is reached, the geodetic position of which is  $8^{\circ} 22'$  plus 237.059 meters North Latitude and  $80^{\circ} 07'$  plus 923.241 meters West Longitude.

From there, in the direction of N- $18^{\circ} 59' 59'' 43''$ -W, and at a distance of 96.681 meters, point "6-A" is reached, the geodetic position of which is :  $8^{\circ} 22'$  plus 328.475 meters North Latitude and  $80^{\circ} 07'$  plus 954.710 meters West Longitude.

From there, in the direction of N- $19^{\circ} 00' 23''$ -W, and at a distance of 385.681 meters, point "7-A" is reached, the geodetic position of which is  $8^{\circ} 22'$  plus 692.688 meters North Latitude and  $80^{\circ} 07'$  plus 1080.164 meters West Longitude.

From there, in the direction of N-19°-01'-03''-W, and at a distance of 105.443 meters, point "8-A" is reached, the geodetic position of which is 8° 22' plus 792.376 meters North Latitude and 80° 07' plus 1114.523 meters West Longitude.

From there, in the direction of N-30°-07'-23''-W, and at a distance of 116.692 meters, point "9-A" is reached, the geodetic position of which is 8° 22' plus 893.309 meters North Latitude and 80° 07' plus 1173.086 meters West Longitude.

From there, in the direction of N-30°-12'-23''-W, and at a distance of 160.814, point "10-A" is reached, the geodetic position of which is 8° 22' plus 1032.287 meters North Latitude and 80° 07' plus 1253.994 meters West Longitude.

From there, in the direction of N-16°-21'-42''-W, and at a distance of 819.778 meters, point "11-A" is reached, 50.00 meters from the axis of the Inter-American Highway, to the south of the latter, and to the west of "La Venta" highway, the geodetic position of which is 8° 22' plus 1818.866 meters North Latitude and 80° 07' plus 1484.925 meters West Longitude.

The sections described from point "3-A" to point "11-A" constitute the boundaries with the property of the La Venta Agricultural Company, Inc., and are west of La Venta highway.

From point "11-A", in the direction of S-84°-16'-47''-W, and at a distance of 1315.380 meters, point "12-A" is reached, the geodetic position of which is 8° 22' plus 1688.257 meters North Latitude and 80° 08' plus 953.124 meters West Longitude. This section is south of the Inter-American Highway and runs parallel to 50.00 meters of the axis of the said highway.

From point "12-A", in the direction of S-77°-16'-44''-W, and at a distance of 160.998 meters, point "13-A" is reached, the geodetic position of which is 8° 22' plus 1652.804 meters North Latitude and 80° 08' plus 1110.170 meters West Longitude.

From there, in the direction of S-70°-52'-09''-W, and at a distance of 160.996 meters, point "14-A" is reached, the geodetic position of which is 8° 22' plus 1600.041 meters North Latitude and 80° 08' plus 1262.275 meters West Longitude.

From there, in the direction of S-64°-38'-52''-W, and at a distance of 168.310 meters, point "15-A" is reached, the geodetic position of which is 8° 22' plus 1527.974 meters North Latitude and 80° 08' plus 1414.376 meters West Longitude, and is on the central line of the Farallón River south of the Inter-American Highway and 50.00 meters from the latter's axis.

From point "15-A", toward the southeast, south and south-west, the central line of the Farallón River is followed downstream to point "16-A", which is also in the center of the aforesaid river, and the geodetic position of which is 8° 21' plus 1060.752 meters North Latitude and 80° 08' plus 755.600 meters West Longitude.

From there, in the direction of S-78°-57'-58''-E, and at a distance of 34.419 meters, point "17-A" is reached, the geodetic position of which is 8° 21' plus 1054.165 meters North Latitude and 80° 08' plus 721.817 meters West Longitude.

From there, in the direction of S-76°-39'-23''-E, and at a distance of 42.515 meters, point "18-A" is reached, the geodetic position of which is 8° 21' plus 1044.353 meters North Latitude and 80° 08' plus 680.450 meters West Longitude.

From there, in the direction of N-63°-12'-17''-E, and at a distance of 121.053 meters, point "19-A" is reached, the geodetic position of which is 8° 21' plus 1098.924 meters North Latitude and 80° 08' plus 572.395 meters West Longitude.

From there, in the direction of N-63°-27'-57''-E, and at a distance of 88.616 meters, point "20-A" is reached, the geodetic position of which is 8° 21' plus 1138.512 meters North Latitude and 80° 08' plus 493.113 meters West Longitude.

From there, in the direction of N-63°-05'-07''-E, and at a distance of 66.796 meters, point "21-A" is reached, the geodetic position of which is 8° 21' plus 1168.748 meters North Latitude and 80° 08' plus 433.552 meters West Longitude.

From there, in the direction of N-56°-40'-07''-E, and at a distance of 133.414 meters, point "22-A" is reached, the geodetic position of which is 8° 21' plus 1242.056 meters North Latitude and 80° 08' plus 322.084 meters West Longitude.

From there, in the direction of N-69°-03'-57''-E, and at a distance of 92.935 meters, point "23-A" is reached, the geodetic position of which is 8° 21' plus 1275.261 meters North Latitude and 80° 08' plus 235.283 meters West Longitude.

From there, in the direction of N-44°-06'-52''-E, and at a distance of 90.338 meters, point "24-A" is reached, the geodetic position of which is 8° 21' plus 1340.119 meters North Latitude and 80° 08' plus 172.399 meters West Longitude.

From there, in the direction of N-50°-46'-22''-E, and at a distance of 89.670 meters, point "25-A" is reached, the geodetic position of which is 8° 21' plus 1396.826 meters North Latitude and 80° 08' plus 102.937 meters West Longitude.

From there, in the direction of N-55°-51'-32''-E, and at a distance of 75.603 meters, point "26-A" is reached, the geodetic position of which is 8° 21' plus 1439.257 meters North Latitude and 80° 08' plus 40.364 meters West Longitude.

From there, in the direction of N-60°-03'-17''-E, and at a distance of 125.553 meters, point "27-A" is reached, the geodetic position of which is 8° 21' plus 1501.930 meters North Latitude and 80° 07' plus 1767.402 meters West Longitude.

From there, in the direction of N-59°-59'-32''-E, and at a distance of 120.126 meters, point "28-A" is reached, the geodetic position of which is 8° 21' plus 1562.007 meters North Latitude and 80° 07' plus 1663.162 meters West Longitude.

From there, in the direction of N-59°-39'-47''-E, and at a distance of 141.198 meters, point "29-A" is reached, the geodetic position of which is 8° 21' plus 1633.324 meters North Latitude and 80° 07' plus 1541.298 meters West Longitude.

From there, in the direction of N-49°-09'-27''-E, and at a distance of 56.365 meters, point "30-A" is reached, the geodetic position of which is 8° 21' plus 1670.186 meters North Latitude and 80° 07' plus 1498.657 meters West Longitude.

From there, in the direction of N-55°-51'-02''-E, and at a distance of 101.515 meters, point "31-A" is reached, the geodetic position of which is 8° 21' plus 1727.172 meters North Latitude and 80° 07' plus 1414.646 meters West Longitude.

From there, in the direction of N-53°-01'-50''-E, and at a distance of 126.847 meters, point "32-A" is reached, the geodetic position of which is 8° 21' plus 1803.456 meters North Latitude and 80° 07' plus 1313.301 meters West Longitude.

From there, in the direction of N-53°-57'-52''-E, and at a distance of 19.440 meters, point "33-A" is reached, the geodetic position of which is 8° 21' plus 1814.892 meters North Latitude and 80° 07' plus 1297.581 meters West Longitude.

From there, in the direction of N-62°-07'-32''-E, and at a distance of 181.090 meters, point "34-A" is reached, the geodetic position of which is 8° 22' plus 56.378 meters North Latitude and 80° 07' plus 1137.502 meters West Longitude.

From there, in the direction of N-57°-38'-12''-E, and at a distance of 36.374 meters, starting point "1-A" is reached, thus completing the perimeter of Parcel "A".

Points "16-A", "17-A", "18-A", "19-A", "20-A", "21-A", "22-A", and "23-A" were established in that position in order to exclude from Parcel "A" the Pueblo de Pescadores [Fishermen's Village] which is between the mouth of the Farallón River, the coast, and Parcel "A".

The area of Parcel "A", calculated on the basis of surface measurements, is three hundred and twenty-one (321) hectares.

#### *Parcel "B"*

Starting from point "1-B", the geodetic position of which is 8° 22' plus 1614.061 meters North Latitude and 80° 08' plus 1466.230 meters West Longitude, and which is located in the center of the Farallón River north of the Inter-American Highway and at a distance of 50.00 meters from the axis of the latter, a line parallel to the axis of the said highway is followed, in the direction of N-64°-38'-52''-E for a distance of 178.310 meters until point "2-B" is reached, the geodetic position of which is 8° 22' plus 1690.410 meters North Latitude and 80° 08' plus 1305.093 meters West Longitude.

From there, in the direction of N-69°-50'-01''-E, and at a distance of 179.779 meters, point "3-B" is reached, the geodetic position of which is 8° 22' plus 1752.388 meters North Latitude and 80° 08' plus 1136.335 meters West Longitude.

From there, in the direction of N-78°-47'-20''-E, and at a distance of 179.784 meters, point "4-B" is reached, the geodetic position of which is 8° 22' plus 1787.343 meters North Latitude and 80° 08' plus 959.981 meters West Longitude.

Points "2-B", "3-B" and "4-B" are located at a distance of 50.00 meters from the axis of the Inter-American Highway and are north of the latter.

From point "4-B", in the direction of N-84°-16'-47''-E, and at a distance of 2259.382 meters, point "5-B" is reached, the geodetic position of which is 8° 23' plus 169.152 meters North Latitude and 80° 07' plus 549.489 meters West Longitude. This section is located 50.00 meters north of the Inter-American Highway and is parallel to it.

From there, in the direction of N-31°-19'-52''-E, and at a distance of 1605.070 meters, point "6-B" is reached, the geodetic position of which is 8° 23' plus 1540.174 meters North Latitude and 80° 06' plus 1550.520 meters West Longitude.

From there, in the direction of N-55°-38'-52''-E, and at a distance of 85.000 meters, point "7-B" is reached, the geodetic position of which is 8° 23' plus 1588.138 meters North Latitude and 80° 06' plus 1480.345 meters West Longitude.

From there, in the direction of S-67°-51'-08''-E, and at a distance of 155.950 meters, point "8-B" is reached, the geodetic position of which is 8° 23' plus 1529.345 meters North Latitude and 80° 06' plus 1335.902 meters West Longitude.

From there, in the direction of S-35°-21'-08''-E, and at a distance of 250.000 meters, point "9-B" is reached, the geodetic position of which is 8° 23' plus 1325.442 meters North Latitude and 80° 06' plus 1191.252 meters West Longitude.

From there, in the direction of S-43°-21'-08''-E, and at a distance of 175.000 meters, point "10-B" is reached, the geodetic position of which is 8° 23' plus 1198.191 meters North Latitude and 80° 06' plus 1071.118 meters West Longitude.

From there, in the direction of S-46°-51'-08''-E, and at a distance of 280.700 meters, point "11-B" is reached, the geodetic position of which is 8° 23' plus 1006.225 meters North Latitude and 80° 06' plus 866.321 meters West Longitude.

From there, in the direction of S-72°-51'-08''-E, and at a distance of 77.804 meters, point "12-B" is reached, the geodetic position of which is 8° 23' plus 983.285 meters North Latitude and 80° 06' plus 791.976 meters West Longitude.

From there, in the direction of N-62°-34'-52''-E, and at a distance of 325.113 meters, point "13-B" is reached the geodetic position of which is 8° 23' plus 1132.997 meters North Latitude and 80° 06' plus 503.384 meters West Longitude, and which is located on the central line of the Majagual River, 50.00 meters to the north of the axis of the Inter-American Highway.

From point "5-B" to point "12-B", the sections described are to the left of the old Carretera Nacional [National Highway], following the direction as described.

From point "12-B" to point "13-B" the boundary is 50.00 meters north of the axis of the Inter-American Highway and parallel to it.

From point "13-B" the central line of the Majagual River is followed upstream to the river's headwaters, the geodetic position of this point being 8° 31' plus 3.730 meters North Latitude and 80° 07' plus 207.090 meters West Longitude.

From there, in the direction of N-12°-40'-11''-W, and at a distance of 8,044.870 meters, the point called "Farallón" is reached, which is located at the headwaters of the Farallón River, and which is at the geodetic position of 8° 35' plus 479.900 meters North Latitude and 80° 08' plus 136.730 meters West Longitude.

From there, following the central line of the Farallón River downstream, starting point "1-B" is reached, which has already been described, thus completing the perimeter of this parcel.

The area enclosed by the boundaries described is 7,436 hectares plus 8,000.00 square meters.

#### SUMMARY OF AREAS

Parcel "A" . . . . .	321 hectares plus 0,000 square meters
Parcel "B" . . . . .	7,436 hectares plus 8,000 square meters
TOTAL AREA	<u>7,757 hectares plus 8,000 square meters</u>

#### MEMORANDUM OF UNDERSTANDINGS REACHED

In connection with the 1953-1954 negotiations between representatives of the United States of America and the Republic of Panama, which have resulted in the signature of a Treaty between the two countries, the following understandings have been reached :

On the part of the United States of America :

1. Legislation will be sought which will authorize each agency of the United States Government in the Canal Zone to conform its existing wage practices in the Zone to the following principles :

- (a) The basic wage for any given grade level will be the same for any employee eligible for appointment to the position without regard to whether he is a citizen of the United States or of the Republic of Panama.



- (b) In the case of an employee who is a citizen of the United States, there may be added to the base pay an increment representing an overseas differential plus an allowance for those elements, such as taxes, which operate to reduce the disposable income of such an employee as compared with an employee who is a resident of the area.
- (c) The employee who is a citizen of the United States will also be eligible for greater annual leave benefits and travel allowances because of the necessity for periodic vacations in the United States for recuperation purposes and to maintain contact with the employee's home environment.

Legislation will be sought to make the Civil Service Retirement Act uniformly applicable to citizens of the United States and of the Republic of Panama employed by the Government of the United States in the Canal Zone.

The United States will afford equality of opportunity to citizens of Panama for employment in all United States Government positions in the Canal Zone for which they are qualified and in which the employment of United States citizens is not required, in the judgment of the United States, for security reasons.

The agencies of the United States Government will evaluate, classify and title all positions in the Canal Zone without regard to the nationality of the incumbent or proposed incumbent.

Citizens of Panama will be afforded opportunity to participate in such training programs as may be conducted for employees by United States agencies in the Canal Zone.

2. With reference to that part of Article V of the Treaty signed today<sup>1</sup> which deals with the conveyance to the Republic of Panama free of cost of all the right, title and interest held by the United States of America or its agencies in and to certain lands and improvements situated in territory under the jurisdiction of the Republic of Panama, steps will be taken as provided in this Item.

(a) Legislation will be sought to authorize and direct the transfer to the Republic of Panama of all the right, title and interest held by the United States or its agencies in or to the following real property :

1. The J. N. Viallette and Huerta de San Doval tracts in the city of Panamá and the Aspinwall tract on the Island of Taboga.
2. Las Isletas and Santa Catalina Military Reservations on the Island of Taboga. This transfer will include the cable rights-of-way which have

<sup>1</sup> See p. 218 of this volume.

- a width of 20 feet (6.10 meters) and extend between the Ancon Cove Military Reservation and the Santa Catalina Military Reservation, and between the El Vigia Military Reservation and the Las Isletas Military Reservation.
3. The lot in Colón now reserved for consulate purposes.
  4. Certain lands on the westerly shores of the city of Colón described roughly as extending from the southerly boundary of the de Lesseps area (4th Street extended) to the Colón-Canal Zone boundary and bounded on the east by the east wall of the old freight house and, below that structure, by a line 25 feet (7.622 meters) west of the center line of the most westerly railroad track. This transfer will include the certain improvements consisting of the old freight house and Colón Pier Number 3.

(b) Legislation will be sought to authorize and direct the Panama Canal Company to remove its railway terminal operations from the city of Panamá and to transfer to the Republic of Panama free of cost all of the right, title and interest of the Panama Canal Company in and to the lands known as the Panama Railroad Yard, including the improvements thereon and specifically including the railway passenger station. This action will also relieve the Government of the Republic of Panama of its obligation under Point 10 of the General Relations Agreement between the United States of America and the Republic of Panama signed May 18, 1942<sup>1</sup> to make available without cost to the Government of the United States of America a suitable new site for such terminal facilities.

(c) With respect to those areas in the city of Colón known as de Lesseps, Colón Beach and New Cristobal (with the exception of two lots in the de Lesseps area which the United States intends to use for consulate purposes), legislation will be sought to authorize and direct the gradual withdrawal from these areas and the conveyance or transfer to the Republic of Panama free of cost of all the right, title and interest of the United States and of its agency, the Panama Canal Company, in and to the lands and improvements thereon. Under this process of gradual withdrawal the United States Government, and/or its agencies, will not be obligated to install any new structure in such areas and, as severable parts of the areas cease to be needed, the lands and improvements would be conveyed or transferred. The severability of parts of the areas depends upon a number of practical considerations including those having to do with the present obligations of the United States, with respect to the subject areas, concerning water and sewerage facilities, street cleaning and paving, water supply, et cetera, as stipulated in the Instrument of Transfer of Water and Sewerage Systems, executed between the Governor of the Panama Canal and the Foreign Minister of Panama on December 28, 1945.

<sup>1</sup> United Nations, *Treaty Series*, Vol. 124, p. 221.

(d) With respect to the railroad passenger station and site in the city of Colón, legislation will be sought to authorize and direct the withdrawal from such site and structure at such time as the withdrawal from the areas known as de Lesseps, Colón Beach and New Cristobal, contemplated by the next preceding subparagraph, shall have been fully completed, and the conveyance to the Republic of Panama free of cost of all the right, title and interest of the United States and of its agency, the Panama Canal Company, in and to such site and structure. However, the railroad tracks and trackage area in Colón, being required for switching purposes serving the Cristobal piers, will be retained for such purposes.

(e) All transfers or conveyances of lands and improvements contemplated by this Item, subject to legislative authorization and direction, will necessarily be made subject to any leases which may be outstanding in the respective areas, and will also contain provisions fully protecting the Government of the United States of America against any claims by lessees for damages or losses which may arise as a result of such transfers or conveyances.

(f) The transfers or conveyances contemplated by this Item, subject to legislative authorization, are in addition to the conveyance of Paitilla Point as specifically covered by Article V of the Treaty signed today, and to the transfer of real property effected by Article VI of said Treaty.

3. Articles, materials, and supplies that are mined, produced or manufactured in the Republic of Panama, when purchased for use in the Canal Zone, will be exempted from the provisions of the Buy American Act.

4. Referring to the exchange of notes dated March 2, 1936, accessory to the General Treaty between the United States of America and the Republic of Panama signed on that date, relative to the sale to ships of goods imported into the Canal Zone by the Government of the United States of America, the United States of America agrees, effective December 31, 1956, and in benefit of Panamanian commerce, to withdraw wholly from, and thereafter to refrain from, any such sales to ships, provided that nothing in this Item shall apply :

- (a) to sales to ships operated by or for the account of the Government of the United States of America,
- (b) to the sale of fuel or lubricants, or
- (c) to any sale or furnishing of ships stores which is incidental to the performance of ship repair operations by any agency of the Government of the United States of America.

5. Legislative authorization and the necessary appropriations will be sought for the construction of a bridge at Balboa referred to in Point 4 of the General Relations Agreement of 1942.

6. The United States of America agrees, effective December 31, 1956, to withdraw from persons employed by agencies of the Government of the United States of America in the Canal Zone who are not citizens of the United States of America and who do not actually reside in said Zone the privilege of availing themselves of services which are offered within said Zone except those which are essential to health or necessary to permit them to perform their duties.

7. It is and will continue to be the policy of the Panama Canal agencies and of the Armed Forces in the Canal Zone in making purchases of supplies, materials and equipment, so far as permitted under United States legislation, to afford to the economy of the Republic of Panama full opportunity to compete for such business.

8. In general connection with the matter of the importation of items of merchandise for resale in the sales stores in the Canal Zone, it will be the practice of the agencies concerned to acquire such items either from United States sources or Panamanian sources unless, in certain instances, it is not feasible to do so.

9. With respect to the manufacture and processing of goods for sale to or consumption by individuals, now carried on by the Panama Canal Company, it will be the policy of the United States of America to terminate such activities whenever and for so long as such goods, or particular classes thereof, are determined by the United States of America to be available in the Republic of Panama on a continuing basis, in satisfactory qualities and quantities, and at reasonable prices. The United States of America will give prompt consideration to a request in writing on the part of the Government of Panama concerning the termination of the manufacture or processing of any goods covered in this Item as to which the Government of Panama may consider the criteria specified in this Item to have been met.

10. Prompt consideration will be given to withdrawing from the handling of commercial cargo for transshipment on Canal Zone piers so soon as Panamanian port facilities are in satisfactory operation in Colón.

11. The United States agrees that the term "auxiliary works" as used in the Treaty includes the Armed Forces of the United States of America.

On the part of the Republic of Panama :

1. The Republic of Panama will lease to the United States of America, free of all cost save for the recited consideration of one Balboa, for a period of 99 years, two parcels of land contiguous to the present United States Embassy residence site, as designated on the sketch (No. SGN-9-54,<sup>1</sup> dated November

<sup>1</sup> See pocket at the end of this volume.

19, 1954) and accompanying descriptions<sup>1</sup> prepared by the Comisión Catastral of the Republic of Panama, attached hereto.

2. The Republic of Panama assures the United States of America that the property, shown and described on the attached map (No.SGN-6-54,<sup>2</sup> dated October 1954) and accompanying description<sup>3</sup> prepared by the Comisión Catastral of the Republic of Panama, in front of the United States Embassy office building site and between the Bay of Panama and Avenida Balboa as it may be extended between 37th and 39th Streets, will be preserved permanently as a park and not developed for commercial or residential purposes.

3. So long as the United States of America maintains in effect those provisions of Executive Order No. 6997 of March 25, 1935 governing the importation of alcoholic beverages into the Canal Zone, the Republic of Panama will grant a reduction of 75 percent in the import duty on alcoholic beverages which are sold in Panama for importation into the Canal Zone pursuant to such Executive Order.

4. In connection with the authorization granted to the United States of America in Article VIII of the Treaty, the United States shall have free access to the beach areas contiguous to the maneuver area described in said Article VIII for purposes connected with training and maneuvers, subject to the public use of said beach as provided under the Constitution of Panama.

The provisions of this Memorandum of Understandings Reached shall enter into force upon the exchange of instruments of ratification of the Treaty signed this day by the United States of America and the Republic of Panama.

DONE in duplicate in the City of Panamá, in the English and Spanish languages, this 25th day of January 1955.

For the United States of America :

Selden CHAPIN

Ambassador Extraordinary and Plenipotentiary  
of the United States of America to the Republic of Panama

[SEAL]

For the Republic of Panama :

Octavio FÁBREGA

Minister of Foreign Affairs of the Republic of Panama

[SEAL]

<sup>1</sup> See p. 252 of this volume.

<sup>2</sup> See pocket at the end of this volume.

<sup>3</sup> See p. 254 of this volume.

## DESCRIPTION OF PARCEL No. 1 WHICH IS PROPERTY No. 19, 838 (VOLUME 480, PAGE 82)

Starting from the marker indicated on the plat with the letter "J", located at a distance of 30 meters from the central line of the Boyd-Roosevelt Trans-Isthmian Highway, the geodetic position of which is  $8^{\circ} 58'$  plus 1521.041 meters North Latitude and  $79^{\circ} 32'$  plus 688.385 meters West Longitude, and following a line parallel to the center of the Trans-Isthmian Highway in the direction of S- $13^{\circ} 27' 20''$ -W, and at a distance of 62.12 meters, point No. 58 is reached, which is located at a distance of 7.50 meters from the central line of Martín Sosa Street and 30 meters from the central line of the Boyd-Roosevelt Trans-Isthmian Highway, the geodetic position of which is  $8^{\circ} 58'$  plus 1460.621 meters North Latitude and  $79^{\circ} 32'$  plus 702.839 meters West Longitude.

From this point, on a line parallel to the center of Martín Sosa Street in the direction of S- $61^{\circ} 49' 40''$ -E, and at a distance of 44.48 meters, point "C" is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 1439.621 meters North Latitude and  $79^{\circ} 32'$  plus 663.826 meters West Longitude.

From this point, on a line parallel to and 7.50 meters from the central line of Martín Sosa Street, and at a distance of 34.20 meters, point "B" is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 1419.420 meters North Latitude and  $79^{\circ} 32'$  plus 636.148 meters West Longitude.

From this point, in the direction of S- $45^{\circ} 29' 40''$ -E, and at a distance of 29.90 meters, point "A" is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 1398.461 meters North Latitude and  $79^{\circ} 32'$  plus 614.824 meters West Longitude.

From this point, on a line parallel to and 7.50 meters from the central line of Martín Sosa Street, at a distance of 21.62 meters, point No. 50 is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 1385.733 meters North Latitude and  $79^{\circ} 32'$  plus 597.486 meters West Longitude.

From this point, in the direction of N- $18^{\circ} 30' 20''$ -E, and at a distance of 86.00 meters, point No. 49 is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 1467.281 meters North Latitude and  $79^{\circ} 32'$  plus 570.190 meters West Longitude.

From this point, in the direction of N- $65^{\circ} 32' 40''$ -W, and at a distance of 129.86 meters, point "J", the starting point, is reached.

The boundaries described above enclose an area of 8,873.6526 square meters.

## GENERAL BOUNDARIES

On the northeast, with the area occupied by the residence of the Ambassador of the United States of America; on the southwest, with Martín Sosa Street; on the east, with property No. 19,839 belonging to the University of Panama; on the south-east, with the property of the L. Martins Company; and on the northwest, with the Boyd-Roosevelt Trans-Isthmian Highway.

*Note*: The foregoing description differs from that appearing in the Public Register, because of the following reasons:

1. The distance from the central line of the Trans-Isthmian Highway to the boundary of the property has been fixed at 30.00 meters, instead of 30.48 meters.
2. The geodetic positions of the points entered in the Public Register do not agree with the results obtained by the Real Property Tax Commission, the latter having determined the said positions by relating them to broken lines established by the Canal Zone.

DESCRIPTION OF PARCEL No. 2 WHICH IS PROPERTY No. 18, 734 (VOLUME No. 454, PAGE 486)

Starting from the marker indicated on the plat with the letter "J", located at a distance of 30 meters from the central line of the Boyd-Roosevelt Trans-Isthmian Highway, the geodetic position of which is  $8^{\circ} 58'$  plus 1521.041 meters North Latitude and  $79^{\circ} 32'$  plus 688.385 meters West Longitude, and following a line parallel to the center of the Trans-Isthmian Highway in the direction of  $N-13^{\circ}-27'-20''-E$ , and at a distance of 69.28 meters, point "C-1" is reached, which is the starting point of the parcel here described and the geodetic position of which is  $8^{\circ} 58'$  plus 1588.419 meters North Latitude and  $79^{\circ} 32'$  plus 672.264 meters West Longitude.

From this starting point, in the direction of  $N-13^{\circ}-27'-20''-E$ , and at a distance of 16.15 meters, point "M-1" is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 1604.126 meters North Latitude and  $79^{\circ} 32'$  plus 668.505 meters West Longitude.

From there, in the direction of  $N-81^{\circ}-42'-00''-E$ , and at a distance of 296.03 meters, point "L" is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 1646.860 meters North Latitude and  $79^{\circ} 32'$  plus 375.577 meters West Longitude.

From there, in the direction of  $S-28^{\circ}-20'-00''-E$ , and at a distance of 16.04 meters, point "D" is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 1632.742 meters North Latitude and  $79^{\circ} 32'$  plus 367.964 meters West Longitude.

From there, in the direction of  $S-81^{\circ}-42'-00''-W$ , and at a distance of 307.48 meters, the starting point "C-1", which has already been described, is reached.

The area enclosed by the boundaries described above is 4536.9895 square meters.

DESCRIPTION OF PROPERTY No. 2073, VOLUME 34, PAGE 450, OWNED BY THE GOVERNMENT OF PANAMA, LOCATED BETWEEN BALBOA AVENUE AND THE EXTENSION OF EAST 37th STREET AND EAST 39th STREET

Starting at point No. 1, located on the extension of East 37th Street on the eastern sidewalk of Balboa Avenue, the geodetic position of which is  $8^{\circ} 58'$  plus 498.084 meters North Latitude and  $79^{\circ} 32'$  plus 4.055 meters West Longitude, a line parallel to the axis of Balboa Avenue is followed in the direction of  $N-25^{\circ}-31'-10''-E$ , and at a distance of 135.245 meters, until point No. 2 is reached, which is on the extension of East 39th Street on the eastern sidewalk of Balboa Avenue, the geodetic position of which is  $8^{\circ} 58'$  plus 620.139 meters North Latitude and  $79^{\circ} 31'$  plus 1,778.570 meters West Longitude.

From there, in the direction of  $S-60^{\circ}-07'-40''-E$ , and at a distance of 63.493 meters, point No. 3 is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 588.516 meters North Latitude and  $79^{\circ} 31'$  plus 1,723.507 meters West Longitude.

From there, in the direction of  $S-23^{\circ}-31'-20''-W$ , and at a distance of 16.456 meters, point No. 4 is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 573.427 meters North Latitude and  $79^{\circ} 31'$  plus 1,730.075 meters West Longitude.

From there, in the direction of  $S-43^{\circ}-13'-30''-W$ , and at a distance of 14.201 meters, point No. 5 is reached, the geodetic position of which is  $8^{\circ} 58'$  plus 563.079 meters North Latitude and  $79^{\circ} 31'$  plus 1,739.801 meters West Longitude.

From there, in the direction of S-6°-11'-20''-W, and at a distance of 19.149 meters, point No. 6 is reached, the geodetic position of which is 8° 58' plus 544.041 meters North Latitude and 79° 31' plus 1,741.865 meters West Longitude.

From there, in the direction of S-20°-39'-50''-W, and at a distance of 6.339 meters, point No. 7 is reached, the geodetic position of which is 8° 58' plus 538.109 meters North Latitude and 79° 31' plus 1,744.102 meters West Longitude.

From there, in the direction of S-33°-25'-30''-E, and at a distance of 9.212 meters, point No.8 is reached, the geodetic position of which is 8° 58' plus 530.420 meters North Latitude and 79° 31' plus 1,739.027 meters West Longitude.

From there, in the direction of S-55°-01'-50''-W, and at a distance of 10.344 meters, point No. 9 is reached, the geodetic position of which is 8° 58' plus 524.491 meters North Latitude and 79° 31' plus 1,747.504 meters West Longitude.

From there, in the direction of S-46°-04'-20''-W, and at a distance of 29.572 meters, point No. 10 is reached, the geodetic position of which is 8° 58' plus 503.975 meters North Latitude and 79° 31' plus 1,768.803 meters West Longitude.

From there, in the direction of S-40°-35'-20''-W, and at a distance of 12.744 meters, point No. 11 is reached, the geodetic position of which is 8° 58' plus 494.297 meters North Latitude and 79° 31' plus 1,777.095 meters West Longitude.

From there, in the direction of S-83°-54'-20''-W, and at a distance of 14.494 meters, point No. 12 is reached, the geodetic position of which is 8° 58' plus 492.758 meters North Latitude and 79° 31' plus 1,791.508 meters West Longitude.

From there, in the direction of N-17°-08'-00''-W, and at a distance of 4.792 meters, point No.13 is reached, the geodetic position of which is 8° 58' plus 497.338 meters North Latitude and 79° 31' plus 1,792.920 meters West Longitude.

From there, in the direction of N-48°-31'-00''-W, and at a distance of 7.377 meters, point No.14 is reached, the geodetic position of which is 8° 58' plus 502.225 meters North Latitude and 79° 31' plus 1,798.447 meters West Longitude.

From there, in the direction of N-83°-46'-40''-W, and at a distance of 9.588 meters, point No. 15 is reached, the geodetic position of which is 8° 58' plus 503.264 meters North Latitude and 79° 31' plus 1,807.979 meters West Longitude.

From there, in the direction of S-74°-29'-20''-W, and at a distance of 26.519 meters, point No. 16 is reached, the geodetic position of which is 8° 58' plus 496.172 meters North Latitude and 79° 32' plus 0.713 meters West Longitude.

The points from No. 3 to No. 16 are located on the wall that separates this property from the Bay of Panama.

From the aforementioned point No. 16, in the direction of N-60°-13'-20''-W, and at a distance of 3.854 meters, point No. 1, the starting point, is reached.

The boundaries described above enclose an area of 7,529.1605 square meters.

#### GENERAL BOUNDARIES

On the northeast, with the rest of Property No. 2073 belonging to the Government of Panama; on the northwest, with Balboa Avenue; and on the south and southeast, with the Bay of Panama.