5. Notwithstanding any provisions of the Convention, any income and gains derived by a silent partner in respect of a silent partnership (in the case of Japan, Tokumei Kumiai and, in the case of Portugal, associação em participação) contract or other similar contract may be taxed in the Contracting State in which such income and gains arise and according to the laws of that Contracting State.

6. For the purposes of subparagraph a) of paragraph 2 of Article 10 of the Convention:

It is understood that the term "partnership" does not include any entity that is treated as a body corporate for tax purposes in a Contracting State and is a resident of that Contracting State.

7. With reference to Article 10 of the Convention:

The provisions of subparagraph b) of paragraph 2 of that Article shall apply in the case of dividends paid by a company which is entitled to a deduction for dividends paid to its beneficiaries in computing its taxable income in the Contracting State of which the company paying the dividends is a resident.

8. With reference to Article 11 of the Convention, notwithstanding the provisions of paragraphs 2 and 3 of that Article, interest arising in Portugal and beneficially owned by any institution with the objective to promote exports or development, the capital of which is wholly owned by Japan as may be agreed upon from time to time between the competent authorities of the Contracting States shall be taxable only in Japan.

9. With reference to paragraph 3 of Article 11 of the Convention, if Portugal concludes an agreement for the avoidance of double taxation with another state on the exemption at source for interest beneficially owned by a bank which is a resident of that other state:

a) paragraph 3 of Article 11 of the Convention shall be deleted and replaced by the following provisions:

"3. Notwithstanding the provisions of paragraphs 1 and 2, interest arising in a Contracting State and beneficially owned by a bank which is a resident of the other Contracting State and is established and regulated as such under the laws of that other Contracting State shall be taxable only in that other Contracting State.";

b) the provisions of paragraph 3 of Article 11 of the Convention as amended by the provisions of subparagraph a) of this paragraph shall apply:

(i) in the case of Portugal:

(aa) with respect to taxes withheld at source on interest, the fact giving rise to them appearing on or after the first day of January of the calendar year next following the thirtieth day after the date of receipt of the notification as referred to in subparagraph c) of this paragraph; and

(bb) with respect to other taxes, as to interest arising in any taxable year beginning on or after the first day of January of the calendar year next following the thirtieth day after the date of receipt of the notification as referred to in subparagraph c) of this paragraph; and

(ii) in the case of Japan:

(aa) with respect to taxes withheld at source on interest, for amounts taxable on or after 1 January in the calendar year next following the thirtieth day after the date of receipt of the notification as referred to in subparagraph c) of this paragraph; and

(bb) with respect to taxes on interest which are not withheld at source, as regards interest for any taxable year beginning on or after 1 January in the calendar year next following the thirtieth day after the date of receipt of the notification as referred to in subparagraph c) of this paragraph;

c) Portugal shall send Japan through diplomatic channels without delay the notification confirming the entry into force of such an agreement.