PROTOCOL

At the moment of signing the Convention between the Government of Japan and the Government of the Russian Federation for the elimination of double taxation with respect to taxes on income and the prevention of tax evasion and avoidance (hereinafter referred to as "the Convention"), the undersigned have agreed upon the following provisions which shall form an integral part of the Convention.

1. With reference to Articles 10 and 13 of the Convention:

(a) It is understood that the term "investment fund" as used in paragraph 4 of Article 10 and paragraph 4 of Article 13 of the Convention includes mutual investment funds of Russia.

(b) It is understood that the term "dividends" as defined in paragraph 7 of Article 10 of the Convention includes any payments on units of mutual investment funds of Russia.

(c) For the purposes of subparagraphs (a) and (b) of this paragraph, the term "mutual investment funds of Russia" means investment funds which are established under the Federal Law "On Investments Funds" (Law No. 156-FZ on 29 November, 2001), including such as may be amended from time to time without changing the general principle thereof.

2. With reference to Article 23 of the Convention:

It is understood that nothing in Article 23 of the Convention shall be construed as restricting the application of any of the following provisions:

(a) in the case of Japan, Section 4-3 of Chapter II and Sections 7-3, 7-4, 23 and 24 of Chapter III of the Law on Special Measures Concerning Taxation (Law No. 26 of 1957) of Japan;

(b) in the case of Russia, Chapter 3.4 of the Part I of the Tax Code of the Russian Federation (Law No. 146-FZ on 31 July, 1998) and Articles 269 and 309.1 of Chapter 25 of the Part II of the Tax Code of the Russian Federation (Law No. 117-FZ on 5 August, 2000),

including those as may be amended from time to time without changing the general principle thereof.

3. With reference to Article 24 of the Convention:

It is understood that in the event that with respect to an agreement or convention for the avoidance of double taxation concluded with a third jurisdiction after the date of signature of the Convention, Russia agrees to include an arbitration provision in such agreement or convention, the Governments of Japan and the Russian Federation will start negotiations, as soon as possible, in view of concluding an amending protocol aiming at inserting an arbitration provision into the Convention.

4. With reference to Article 25 of the Convention:

It is understood that a Contracting State may decline to supply information relating to confidential communications between attorneys, solicitors or other admitted legal representatives in their role as such and their clients to the extent that the communications are protected from disclosure under the domestic law of that Contracting State.

5. Any document received under Article 25 of the Convention or a certificate of residence issued by the competent authority of a Contracting State shall not require legalisation or apostille for the purposes of its application in the other Contracting State, including its use in the courts and administrative bodies.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by their respective Governments, have signed this Protocol.

DONE at Vladivostok this seventh day of September, 2017 in duplicate, each in the Japanese, Russian and English languages, all three texts being equally authentic. In case of any divergence of interpretations, the English text shall prevail.

For the Government of Japan:

上月豊久

For the Government of the Russian Federation:

ТРУНИН