DONE in duplicate at Quito this fifteenth day of January, 2019, in the Japanese, Spanish and English languages, all texts being equally authentic. In the case of any divergence of interpretation, the English text shall prevail.

For Japan:

首藤祐司

For the Republic of Ecuador:

José Valencia

PROTOCOL

At the signing of the Convention between Japan and the Republic of Ecuador 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"), Japan and the Republic of Ecuador have agreed upon the following provisions which shall form an integral part of the Convention.

1. With reference to Article 5 of the Convention:

It is understood that each of the places of business listed in paragraph 2 of that Article constitutes a permanent establishment as defined in paragraph 1 of that Article only if it meets the requirements of paragraph 1 of that Article.

2. With reference to paragraph 2 of Article 9 of the Convention:

It is understood that a Contracting State is obliged to make an adjustment pursuant to that paragraph only if that Contracting State agrees that the adjustment made by the other Contracting State is justified both in the principle contained in paragraph 1 of that Article and as regards the amount assessed under such principle.

3. With reference to paragraph 4 of Article 13 of the Convention:

The term "recognised stock exchange" means:

(a) any stock exchange established and regulated as such under the laws of either Contracting State; and

(b) any other stock exchange agreed upon by the competent authorities of the Contracting States.