ARTICLE 14

A new paragraph shall be added after paragraph 6 of Article 23 of the Convention as follows:

"7. The provisions of paragraph 3 shall not apply to income derived by a resident of Switzerland where Japan applies the provisions of this Convention to exempt such income from tax or applies the provisions of paragraph 2 of Article 10 or paragraph 2 of Article 11 to such income."

ARTICLE 15

Paragraph 3 of Article 24 of the Convention shall be amended by deleting the words "paragraph 8" and replacing them with the words "paragraph 6".

ARTICLE 16

1. Paragraph 1 of Article 25 of the Convention shall be deleted and replaced by the following:

"1. Where a person considers that the actions of one or both of the Contracting States result or will result for that person in taxation not in accordance with the provisions of this Convention, that person may, irrespective of the remedies provided by the domestic law of those Contracting States, present the case to the competent authority of either Contracting State. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the Convention."

2. New paragraphs shall be added after paragraph 4 of Article 25 of the Convention as follows:

"5. Where,

(a) under paragraph 1, a person has presented a case to the competent authority of a Contracting State on the basis that the actions of one or both of the Contracting States have resulted for that person in taxation not in accordance with the provisions of this Convention, and

(b) the competent authorities are unable to reach an agreement to resolve that case pursuant to paragraph 2 within three years from the date when all the information required by the competent authorities in order to address the case has been provided to both competent authorities,

any unresolved issues arising from the case shall be submitted to arbitration if the person so requests in writing. These unresolved issues shall not, however, be submitted to arbitration if a decision on these issues has already been rendered by a court or administrative tribunal of either Contracting State. Unless a person directly affected by the case does not accept the mutual agreement that implements the arbitration decision, that decision shall be binding on both Contracting States and shall be implemented notwithstanding any time limits in the domestic laws of these Contracting States. The competent authorities of the Contracting States shall by mutual agreement settle the mode of application of this paragraph.

6. (a) Where the competent authority of a Contracting State has suspended the procedure for resolving a case by mutual agreement pursuant to paragraphs 1 and 2 (hereinafter in this Article referred to as the "mutual agreement procedure") because a case with respect to one or more of the same issues is pending before a court or administrative tribunal, the period provided in subparagraph (b) of paragraph 5 shall stop running until the case has been suspended or withdrawn.

(b) Where a person who presented a case and the competent authority of a Contracting State have agreed to suspend the mutual agreement procedure, the period provided in subparagraph (b) of paragraph 5 shall stop running until the suspension has been lifted.