

Translation¹

Agreement

0.672.932.51

Between the Swiss Confederation and the United Arab Emirates for the avoidance of double taxation with respect to taxes on income

Completed on 6 October 2011

Approved by the Federal Assembly on 15 June 2012

Entered into force by exchange of notes on 21 October 2012

(As of October 21, 2012)

The Swiss Federal Council and

the Government of the United Arab Emirates,

Desiring to conclude a Convention for the avoidance of double taxation with respect to taxes on income,

Have agreed as follows:

Article 1 Personal Scope

This Agreement shall apply to persons who are residents of one or both of the Contracting States.

Article 2 Under Taxes covered

1 This Agreement shall apply, ~~without regard to the collection system~~ (irrespective of the manner in which they are levied), to taxes on income imposed on behalf of a Contracting State or of its political subdivisions or local authorities.

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2 ~~As (T)here shall be regarded as)~~ taxes on income all taxes imposed on total income or on elements of income, including taxes on gains from the alienation of movable or immovable property, ~~payroll taxes from wages that are being targeted by the company~~ (taxes on the total amounts of wages or salaries paid by enterprises), as well as taxes on capital appreciation.

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3 The existing taxes to which the Agreement shall apply are in particular:

a) in Switzerland:

Taxes levied by the Confederation, cantons and communes of-income (total income, income from employment, investment income, industrial and commercial income, capital gains and other income);
(Hereinafter referred to as "Swiss tax")

b) in the United Arab Emirates:

(i) the income tax, and
(ii) the tax on company profits
(Hereinafter "UAE tax" called).

4 The Agreement shall apply also to any identical or substantially similar ~~nature (taxes)~~ that are imposed after the signing of the Agreement in addition to, or in place of ~~(the existing)~~ taxes. The competent authorities of the Contracting States shall notify each other ~~(of any)~~ significant changes that have been made in their taxation laws.

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5 The Agreement does not apply to taxes withheld at source on lottery win.

Article 3 General Definitions

I. For the purposes of this Agreement, unless the context otherwise requires:

2 a) (i) the term "Switzerland" means the Swiss Confederation,

(ii) the term "United Arab Emirates" United Arab Emirates and includes, when in a geographical sense is used, its territory, including the territorial waters, airspace and its subsoil, in the United Arab Emirates national after their practice law and in accordance with international law, sovereign rights;

b) the term "person" includes natural persons, legal persons, companies or any other ~~(body of)~~ persons;

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c) the term "company" means any body corporate or any entity which is treated as a body corporate for tax purposes;

d) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State", ~~depending on (mean respectively) a company that is operated (an enterprise carried on)~~ by a resident of a Contracting State and an enterprise carried on by a resident of one of the other Contracting State;

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e) the term "international traffic" means any transport by a ship or aircraft, which is operated by a company ~~with actual books (that has its place of effective management)~~ of a Contracting State, unless the Ship or aircraft is ~~(operated)~~ solely between places in the other Contracting State;

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f) the term "competent authority" means:

(I) in Switzerland, the Director of the Federal Tax Administration or his authorized representative;

(II) in the United Arab Emirates, the Minister of Finance or his authorized representative;

g) the term "national" means:

(I) any individual possessing the nationality of a Contracting State,

(II) any legal person, partnership or other association of persons that has been established under the law in force in a Contracting State.

3 In the application of the Convention ~~(at any time)~~ by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning which it has at that time under the law of that State concerning ~~(for the purposes)~~ the taxes to which the Convention applies, any meaning under the applicable tax laws where the meaning of the tax laws in force in that State prevailing over the meaning given to the term under other laws of that State, under other laws of the same happening.

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Article 4 _____ Resident

1 _____ For the purposes of this Agreement, the term "resident of a Contracting State":

a) in the case of Switzerland, any person who is ~~there un-limited tax liability~~ liable to tax therein by under the laws of Switzerland;

b) in the case of the United Arab Emirates is a natural person resident in the United Arab Emirates, where it has a substantial presence in that country, as well as a company or a legal entity, which was established under the laws of the United Arab Emirates or their actual management is in this state.

2 _____ For the purposes of paragraph 1, the expression "resident":

a) a Contracting State, its local authorities and political ~~Unterabteilungen~~ subdivisions or local authorities;

b) established under public law, state institutions like the central bank, funds, companies, government agencies, foundations, agencies, and all comparable institutions.

3 _____ ~~is referred to in~~ under-paragraph 1 an individual is a resident of both, the following shall apply:

a) the person is considered a resident only of the State in which it has a permanent home, if it has a permanent home in two states it has two states in a permanent home, he is to be regarded as resident of the State in which his personal and economic relations are closer (center of vital interests) ~~so they just considered resident of the State, they are closer to the per- personal and economic relations are closer (center of vital interests).~~

b) if the State in which he has his center of vital interests can not be determined, the State in which he has his center of vital interests, or available to him in he has in either of the two states ~~has a~~ permanent home, it shall be located only in the State in which he has his habitual residence.

c) If the individual has an habitual ~~abode~~ residence in both States or in neither of ~~NEM States~~ them, then ~~it he~~ shall only be considered a resident ~~only of the his State whose nationals they are of citizenship.~~

d) If the person is citizen of both states or none of the states, the competent authorities of the Contracting States shall regulate the question by a mutual agreement. ~~the competent authorities of the Contracting d) If the person nationals of both States or of neither of the States shall settle the question by mutual agreement.~~

4 Where by reason of the provisions of is referred to in paragraph 1 a person other than an individual is a resident of both Contracting States, then it shall be deemed to be a resident only of the State in which its place of effective management is situated.

Article 5 ~~p~~ Permanent Establishment

1 For the purposes of this Agreement, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.

2 The term "permanent establishment" includes especially:

- a) a place of management;
- b) a branch;
- c) an office;
- d) a factory;
- e) a workshop;
- f) a mine, an oil or gas well, a quarry or any-other place of extraction of natural resources.

3 A building site or installation project is only a permanent establishment if it lasts for their ~~For~~ more than twelve months.

4 ~~Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:~~ ~~Notwithstanding the preceding provisions of this Article, the term~~

~~"Premises":~~

- a) Equipment used exclusively for the storage, display or delivery of goods of the company;
- b) a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage, display or delivery;
- c) a stock of goods or merchandise belonging to the enterprise, which are solely for the purpose of ~~being~~ processing by another enterprise;
- d) ~~to obtain the maintenance of~~ a fixed place of business, ~~the entertain-th for of a business which is maintained solely for~~ the purpose ~~is solely to shop for the of purchasing~~ goods or merchandise or ~~collecting~~ information ~~for the enterprise~~;
- e) ~~the maintenance of~~ a fixed place of business, ~~the entertain-th solely~~ for the purpose ~~is solely to of operating the company for~~ advertise ~~for the company, he to share supply of~~ information to conduct scientific research or other activities that have a preparatory or auxiliary character;
- f) an installation that is performed by an enterprise of a Contracting State in connection with the supply of manufactured by this company machinery or equipment in the other Contracting State;
- g) ~~maintenance of~~ a fixed place of business ~~solely~~ for the purpose ~~for any combination of activities mentioned in subparagraphs a-f, of entertain-th is used exclusively, zuüben off several of the conditions under letters a-f activities,~~ provided that the resulting overall activity of the fixed place of business ~~resulting from this combination is~~ of a preparatory nature or auxiliary character.

5 _____ Where a person - other than an ~~Notwithstanding the provisions of agent of an independent status to whom~~ paragraph 6 applies - is acting ~~on behalf of~~ an enterprise and has, ~~and habitually exercises,~~ in a Contracting State an authority to conclude contracts in the name of the company, ~~and exercises the authority habitually,~~ ~~that e-company will,~~ regardless of the paragraphs 1 and 2, shall be deemed to have been in this State ~~in respect of for~~ any activities which that person ~~undertakes~~ for the company ~~activities~~ a permanent establishment, unless these activities are limited to those mentioned in paragraph 4 which, ~~they would by if exercised through~~ a fixed place of business ~~exercised,~~ would not make ~~this facility this fixed place of business a permanent establishment~~ under the provisions ~~of that paragraph of a permanent establishment.~~

6 _____ A company shall not be ~~treated as if it had~~ deemed to have a permanent establishment in a Contracting State merely because it carries on business ~~in that State~~ through a broker, general commission agent or any other agent of an independent ~~status,~~ provided that such persons are acting in the ordinary course of their business.

7 ____ The fact that a company is a resident of a Contracting State controls ~~a company~~ or is controlled by a company which is a resident of the other Contracting State, of which carries on business in that other State~~carries~~ (whether through a permanent establishment or otherwise), ~~their activities, neither company is util~~ permanent establishment of the other, shall not of itself constitute either company a permanent establishment of the other.

Article 6 ____ Income from immovable property

1 ____ Income derived by a resident of a Contracting State from immovable property (including income from agriculture or forestry~~up~~), situated in the other Contracting State may be taxed in that other State.

2 The term "immovable property" shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which they apply the provisions of general law respecting landed property apply, usufruct of immovable chemical property and rights to variable or fixed remuneration for the working of, or the right to work, mineral deposits, sources and other natural resources; ships and aircraft shall not be regarded as immovable property.

3 ____ The provisions of Pparagraph 1 shall apply to income derived from the direct use, letting, or use in any other form of immovable property.

4 ____ The provisions of paragraphs 1 and 3 shall also apply to the income from immovable property of an enterprise and to income from immovable property used for the performance of independent personal services.

Article 7 ____ Business Profits

1 ____ The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State but only so much of them as is attributable to that permanent establishment.

2 ____ Subject to the provisions in paragraph 3, Wwhere an enterprise of a Contracting State carries on business in the other Contracting State by through a permanent establishment situated therein, ~~so that permanent establishment will be subject to paragraph 3 in~~ there shall in each Contracting State be attributed to ~~that permanent establishment~~ the profits which it might be expected to make if it ~~werewhen a distinct and separate enterprise engaged in the~~ under the same or similar activity under the same or similar ~~circumstances conditions would have exercised as an independent company~~ and in

dealing wholly independently with the company whose permanent establishment it is ~~wholly independently~~.

3 ____ In determining the profits of a permanent establishment, there shall be allowed as deduction expenses which are incurred for the purposes of the permanent establishment ~~expenses~~, including executive and general administrative expenses so ~~to deduction incurred~~, regardless of whether they are incurred in the State in which the permanent establishment is situated or elsewhere.

4 ____ Insofar as it has been customary in a Contracting State to determine the profits to, ~~the attributed be attributed~~ to a permanent establishment ~~to determine on~~ basis of an apportionment of the total profits of the enterprise to its various parts, nothing in paragraph 2 shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary, the method of apportionment adopted shall be ~~but must be~~ such that the result shall be in accordance with ~~agrees with~~ the principles of this Article.

5 ____ No profits shall be attributed to a permanent establishment ~~be~~ because of the mere purchase by that permanent establishment of goods or merchandise for the enterprise ~~of a permanent establishment is attributed to no gain~~.

6 ____ For the purposes of the preceding paragraphs, the ~~establishment of computing profits~~ to be attributed to the permanent establishment shall be ~~are attributable to~~ determined every year ~~by~~ the same method year by year ~~way, except unless that there is~~ sufficient reason to the contrary.

7 ____ Where profits include items of income which are dealt with separately in other Articles of this Convention, then the provisions of those Articles shall not be affected by the provisions of this Article.

Article 8 ____ Shipping and Air Transport

1 ____ Profits from the operation of ships or aircraft in international traffic shall be taxable only in the Contracting State in which the place of effective management of the company is situated.

2 ____ If the place of effective management ~~is a Seeschiffahrtspany of a shipping enterprise on is~~ aboard a ship/vessel, then it shall be deemed to be situated in the Contracting State in which the home harbor of the ship or, if no such home harbor exists, in the Contracting State in which the ~~individual operator of the ship~~ individual operator of the ship is a resident ~~is the operator of the ship~~.

3 ~~The provisions of P~~ paragraph 1 shall also apply to profits from the participation in a pool, ~~an operating community joint business~~ or an international operating agency.

Article 9 ____ Associated Enterprises

1 ____ Where:

a) an enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State, or

b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a Contracting State of an enterprise of the other Contracting State;

and in these cases conditions are made or imposed between the two enterprises in their commercial or financial relations ~~made or imposed conditions~~ which differ from those which would be made between independent enterprises, then any profits which would have accrued to one of the companies, ~~but of for~~ those conditions, but, by reason of those conditions, have not so accrued ~~has not achieved because of this~~, may be included in the profits of that enterprise and taxed accordingly.

2, Where a Contracting State includes in the profits of an enterprises of that State – and taxes accordingly - P profits on which an enterprise of a Contracting State has been charged to tax in that State, ~~also included in the profits of an enterprise of the other Contracting State and taxed accordingly,~~ and is it like to profits which would have accrued to the enterprise of the other Contracting State if the two company agreed conditions which would have been the same as they would be made between independent enterprises, then the competent authorities of the Contracting States may communicate with an agreement on the adjustment of profits in the two Contracting consult with.

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3 A State Party shall not rectify the profits of an enterprise in the circumstance referred to to in paragraph 1 ~~above cases~~, if the measures provided for in its national law periods have expired, and not if since the end of the year in which a company of that State the profits the subject of such a correction would be, would have made more than five years have elapsed. This ~~paragraph-paragraph does not apply in is~~ in cases of fraud or willful default ~~not apply~~.

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Article 10 Dividends

1 Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other State.

2 However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident, according to the law of that State ~~but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed: will be taxable, the tax so charged shall, if the use of dividends calculated authorized person is a resident of the other Contracting State, not exceed:~~

a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company that holds directly at least 10 percent of the capital of the company paying the dividends immediately;

b) 15 per cent of the gross amount of the dividends in all other cases.

The competent authorities of the Contracting States shall limit the application of this provision use this description grenzungsbestimmungen by mutual agreement.

This paragraph shall not affect the taxation of the company in relation to the profits out of which the dividends are paid.

3 Notwithstanding the provisions of paragraphs 1 and 2, dividends paid by a company resident in a Contracting State shall be taxable only in the other Contracting State if the actually authorized to use the dividends that other person is a party or of its political sub-divisions or its local authorities or the central bank of that State, a pension fund, an investment authority or other governmental establishment of a political subdivision, a local authority of the other State which has been recognized by the competent authorities of the Parties shall by consensus as an integral part of this government.

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4 The term "dividends" as used in this Article means income from shares, dividend shares or bonus shares, mining shares, founders' shares or other ~~acids~~-rights - except for ~~debt~~-claims - ~~with profit sharing~~participating in profits, as well as income from other corporate rights which is subjected to the same taxation treatment as income from shares by the laws of the State of which the company making the distribution is a resident. ~~units derived income which under the law of the State in which the distributing Society is established are the same taxation treatment as income from shares.~~

5 The provisions of paragraphs 1, 2 and 3 shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, carries on business in the other Contracting State of which the company paying the dividends is a resident through a permanent establishment situated therein or an independent service has a fixed base situated therein and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment or fixed base. In such case the provisions of Article 7 shall apply. ~~beneficial owner in the other Contracting State of which the company paying the dividends is a resident, industrial or commercial activity through a permanent establishment situated therein, or an independent work by applies a fixed base situated therein and the holding in respect of the dividends are paid is effectively connected with such permanent establishment or fixed base. In such a case, depending apply after Article 7 or with Article 14.~~

6 Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other State may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a resident of that other State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment or fixed base situated in that other State ~~a permanent establishment or fixed base~~, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such ~~the~~ other State ~~of profits or income arising.~~

Article 11 Interest

1 Interest arising in a Contracting State and ~~whose beneficial owner paid to is~~ a resident of the other Contracting State may be taxed only in that other State.

2 The term "interest" as used in this Article means income from debt-claims of every kind, with or without security ~~or by mortgage~~ and whether or not carrying a profit-sharing clause of the debtor, and in particular, income from Government securities or from bonds or debentures, including ~~t~~premiums and prizes attaching to such securities, bonds or debentures, those relating thereto then premiums and prizes. Penalty charges for late payment shall not be regarded as interest for the purposes of this ~~A~~article.

3 The provisions of paragraph 1 shall not apply if the beneficial owner of the interest, being a resident of a Contracting State ~~or performs in that other Contracting State in which the interest arises,~~ ~~an~~carries on industrial or commercial activity in the other Contracting State in which the interest arises through exercised by a permanent establishment situated therein, or an independent personal services from a fixed base situated therein, and the debt-claim for which the interest is paid is effectively connected with such permanent establishment or fixed base. In such a case, ~~depending depending apply after the provisions of~~ Article 7 or with Article 14 shall apply.

4 ~~Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon the payer and the beneficial owner in the absence of such relationship, Between the payer and the use authorized person or between two and a third person special relationship and amount of the interest, measured in the underlying claim, the amount, the payer and the beneficial owner the absence of such relationship, the provisions of this Article shall apply only be to the latter amount applied last-mentioned amount. In this such case, the excess amount will be taxed shall remain taxable~~ according to the laws of each Contracting State, due regard to the other provisions of this Agreement.

Article 12 Royalties

1 Royalties arising in a Contracting State and beneficial owned by ~~unauthorized use is~~ a resident of the other Contracting State shall be taxable only in ~~that~~the other Contracting State.

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2 ____ As used in this article "royalties" means payments of any kind ~~or factory for~~ as a consideration for the use of, or the right to use, ~~by copy berrechten~~ any copyright of literary, artistic or scientific work, including cinematograph films, any patent, trademark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience.

3 ____ ~~The provisions of~~ Paragraph 1 shall not apply if beneficial owner of the royalties, being the resident of a Contracting State , carries on actually beneficial owner in the other Contracting State in which the royalties fees, an industrial or commercial activity through a permanent establishment situated therein, or an independent personal services from a fixed base situated therein ~~exercises~~ and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment or fixed base. In such a case, depending ~~the provisions of~~ on Article 7 or Article 14 ~~be applied~~ shall apply.

4 ____ ~~Where, by reason of a special relationship between the~~ ~~Between~~ the payer and the beneficial owner of between both and some other person, the amount of the royalties, having regard to the use, right or information for which they are paid exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, use authorized person or between two and a third person special relationship and therefore exceed the royalties, having regard to the underlying performance, the amount the payer and beneficial owner the absence of such relationship, the provisions of this Article shall only be to the ~~latter amount applied~~ last-mentioned amount. In ~~such~~ this case, the excess part of the payments amount will be taxed ~~shall remain taxable~~ according to the laws of each Contracting State, taking into account the other provisions of this Agreement.

Article 13, ____ Gains from the sale of assets (Capital Gains)

1 ____ Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in Article 6 and situated in the other Contracting State may be taxed in that other State.

2 ____ Gains from the alienation of movable assets of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State, or pertaining to a fixed base available to a resident of a Contracting State ~~person~~ for the performance of independent work in other Contracting State is available, including the gains that can be achieved from the alienation of such a permanent establishment (alone or with the whole enterprise) or of such fixed base, may be taxed in that other State.

3 ____ Gains from the alienation of ships or aircraft operated in international traffic or movable property pertaining to the operation of such ships or aircraft shall be taxable only in the Contracting State in which the place of effective management of the company is situated.

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4 ____ Gains from the alienation of shares of a company whose assets ~~consists~~ directly or indirectly principally consists of immovable property situated in a Contracting State may be taxed in that State.

5 Gains from the alienation of any property, other than that referred to in paragraphs 1, 2, 3 and 4 shall be taxable only in the Contracting State ~~in which the veräußernde Person~~ of which the alienator is a resident.

Article 14 ____ self-employed

1 ____ Income derived by a resident of a Contracting State in respect of professional services or other independent activities shall be taxable only in that State unless the person in the other Contracting State for the exercise of their activity has a fixed base regularly available to . If he has such a fixed base, the income may be taxed in the other State but only ~~so much of them as~~ much as ~~as~~ is attributable to that permanent establishment ~~of~~.

2 The term "professional services" includes especially independent scientific, literary, artistic, educational or teaching activities as well as the independent activities of physicians, lawyers, engineers, architects, dentists and accountants.

Article 15 ____ Dependent work

1 ____ Subject to the provisions of Articles 16, 18 and 19, salaries, wages and other similar remuneration derived by a resident of a Contracting State ~~from in respect of~~ an employment shall be taxable only in that State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration is derived therefrom may be taxed in that other State.

2 ____ Notwithstanding the provisions of paragraph 1, remuneration derived by a resident of a Contracting State ~~of an in respect of an~~ employment exercised in the other Contracting State ~~employment~~ shall be taxable only in the first-mentioned State if:

a) the recipient is present in the other State for a period or periods not exceeding in the aggregate 183 days during the calendar year concerned, and

b) the remuneration from an employer or for an employer to be paid, ~~which is not a resident of the other Contracting State~~ who is not a resident of the other State, and

c) the remuneration is not borne by a permanent establishment or a fixed base which the employer has in the other State.

3 ____ Notwithstanding the preceding provisions of this Article, remuneration derived in work that is being exercised aboard a ship or aircraft operated in international traffic ~~may compensation for non-~~

~~independent work that is being exercised aboard a ship or aircraft operated in international traffic~~ may be taxed in the Contracting State in which the place of effective management of the company .

Article 16 _____ Directors' Fees

Directors' fees and similar payments derived by a resident of a Contracting State in his capacity as a member of the board of directors of a company which is a resident of the other Contracting State may be taxed in that other State.

Article 17 _____ Artistes and Athletes

1 _____ Notwithstanding ~~the provisions of~~ Articles 14 and 15, income derived by a resident of a Contracting State as an entertainer, such as a theater, motion picture, radio or television artist, or a musician, or as a sportsman, from his personally exercised in the other Contracting State ~~State~~, may be taxed in that other State.

2 _____, ~~Where income in respect of personal activities exercised an entertainer or a sportsman in this capacity as such accrues~~ ~~Not to the entertainer or athlete-sportsman himself but to another person,~~ ~~Where income in respect of personal activities exercised an entertainer or a sportsman in this capacity, activity,~~ that income may be taxed in the Contracting State notwithstanding the provisions of Articles 7, 14 and 15, in which the entertainer or sportsman are exercised. The provisions of this paragraph shall ~~not turn on~~ ~~not apply~~, if it is established that neither the entertainer or ~~athlete-sportsman~~ are ~~still involved directly in the profits still involved persons connected with him directly in the profits~~ of this person.

3 _____ The provisions of paragraphs 1 and 2 shall not apply to income from activities of artists and sportsmen in a Contracting State when a large part of this revenue comes directly or indirectly from public funds of the other Contracting State or of its political subdivisions or local authorities.

Article 18 _____ Pensions

Pensions and other similar remuneration ~~paid to a resident of a Contracting State in consideration for~~ ~~of~~ past employment and other retirement benefits, ~~arising in a Contracting State and paid to a resident of the other Contracting States~~ ~~shall~~ ~~may~~ be ~~taxable only~~ ~~ed~~ in that State.

Article 19 _____ Public ~~(Government)~~ Service

1 ____ a) wages, salaries and similar remuneration, other than a pension, paid by a Contracting State or a political subdivision or a local authority thereof to an individual in respect of services rendered to that State or political subdivision or local authority paid, shall be taxable only in that State .

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b) ~~However,~~ the salaries, ~~emoluments-wages~~ and other similar remuneration shall be taxable only in the other Contracting State if the services are rendered in that State and the individual is a resident of that State who:

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(I) is a national of that State, or

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(II) ~~is not only to did not~~ become a resident of that State solely for the purpose of rendering to afford the services.

2 ____ On salaries, wages and other similar remuneration for services rendered in connection with a commercial activity ~~carried on by a~~ Contracting State or a political subdivision or local authority thereof, the ~~provision of A~~articles ~~15 and 16 are to be~~ shall apply ~~15 and 16~~.

Article 20 ____ Students

Payments which a student or business apprentice who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who is present in the first-mentioned State solely for the purpose of his education or training receives for the purpose of his maintenance, education or training shall not be taxed in that State, in a Contracting State exclusively staying to study or training and who is a resident of the other Contracting State or was immediately before visiting the first-mentioned State for his subsistence, his studies or receives training shall not be taxed in that State, provided that such payments arise from sources outside that State.

Article 21 ____ Other Income

1 ____ ~~Ø~~Items of income of a resident of a Contracting State, wherever arising, not dealt with in the ~~previous existing foregoing A~~articles, shall be taxable only in that State ~~irrespective of their origin~~.

2 ____ ~~The provisions of P~~paragraph 1 shall not apply to income, other than from immovable property as defined in Article 6, paragraph 2, where the recipient of such income, being a resident of a Contracting State, ~~carries on in the other Contracting~~ industrial or commercial activity in the other Contracting State through a permanent establishment situated therein, or an independent personal services from ~~a exerts exercising a~~ fixed base situated therein and the right or ~~assets-property in respect~~

~~of for~~ which the income is paid is effectively connected with such permanent establishment or fixed base. In such a case, depending ~~on the provisions of~~ Article 7 or Article 14 shall apply.

Article 22 ~~of the~~ For the avoidance of double taxation

1 _____ In Switzerland, the double taxation shall be avoided as follows:

a) ~~Where a resident of Switzerland derives income which may be taxed under this Agreement in the United Arab Emirates, Switzerland shall, subject to subparagraphs b and c, exempt such income from tax but it may, at the amount of tax on the remaining income of that resident, apply the rate of tax which would apply if the income in question would not be exempted from taxation. On profits and income within the meaning of Article 13, paragraph 4, however, this exemption shall only be of application when the actual taxation of such profits is made in the United Arab Emirates.~~ ~~Where a resident of Switzerland derives income which is taxed under this Agreement in the UAE can tions, Switzerland shall, subject to subparagraphs b and c, such income from tax but it may, at the amount of tax on the remaining income of that resident, apply the rate of tax which would apply if the income in question were not exempt from taxation. On profits and income within the meaning of Article 13, paragraph 4, however, this exemption shall only application when the actual taxation of such profits are made in the United Arab Emirates.~~

~~Switzerland,~~ b) ~~Where a resident of Switzerland derives dividends may be taxed in accordance with Article 10 in the United Arab Emirates, such Swiss resident may be grated on request, a relief. Where a resident of Switzerland derives dividends may be taxed in accordance with Article 10 of the United Arab Emirates, as granted that resident on request, a relief.~~ The relief consists of:

(I) the deduction of the tax levied in the United Arab Emirates in accordance with Article 10 of the amount owed by the income ~~tax~~ of that ~~Swiss resident-resident~~ ~~Swiss tax~~, the deduction may not exceed the ~~part of the income tax, as computed before the deduction of the tax under portion of the computed before the deduction~~ Swiss Code of tax, on the omitted income that may be taxed in the United Arab Emirates, or

(Ii) a lump sum reduction of the Swiss tax, or

(Iii) a partial exemption of such dividends from Swiss tax, but at least the deduction of the tax levied in the United Arab Emirates on the gross amount of the dividends.

Switzerland shall determine the type of relief after the Swiss regula-tions on the implementation of intergovernmental agreements of the Confederation for the avoidance of double taxation and assigns the process.

~~the Switzerland~~ c) ~~Where a resident of Switzerland derives income within the meaning of Article 18 so granted her request to be credited to the Swiss tax payable on that income at the level of the United Arab Emirates in accordance with Article 18 of this he-levied income tax, but the deduction may not~~

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exceed the portion of the Swiss tax, as computed before the deduction is attributable to the income which may be taxed in the United Arab Emirates.

d) A resident of Switzerland company, relates the dividends from a company resident in the United Arab Emirates, enjoys in the collection of the Swiss tax on such dividends the same benefits they would enjoy it if the dividends payable society Switzerland would be the resident.

2 In the United Arab Emirates, the double taxation shall be avoided as follows:

Where a resident of the United Arab Emirates ~~person derives~~ income which, ~~in accordance to the provisions of this Agreement~~ may be taxed ~~in accordance with the provisions of this Agreement~~, in Switzerland, the United Arab Emirates ~~shall to~~ grant a deduction of income tax imposed on such income in Switzerland.

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Article 23 Equality

1 Nationals of a Contracting State may ~~not be subjected~~, in ~~the other another~~ Contracting State to any taxation or any requirement connected therewith ~~subject~~, which is other or more burdensome than the taxation and connected ~~to~~ obligations ~~which are or subjected to to which~~ nationals of that other State in the same circumstances, in particular with respect to residence, are ~~or may be subjected can be~~. This provision shall, notwithstanding ~~the provisions of~~ Article 1 also apply to persons who are residents of either Contracting State.

2 The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favorably ~~levied in the other State e~~ than the taxation ~~of levied on~~ enterprises of that other State carrying on the same activities ~~in the other State~~. This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, ~~advantages in favor~~ ~~reliefs~~ and reductions ~~in grant for taxation purposes on~~ account of civil status or family responsibilities which it grants to its own residents.

3 Except where ~~the provisions of~~ Article 9, Article 11, paragraph 4, or Article 12, paragraph 4, shall apply, interest, royalties and other disbursements paid by an enterprise of a Contracting State to a resident of the other Contracting State shall, in determining the taxable profits of such enterprise, ~~be deductible~~ under the same conditions ~~as to allow payments to if they had been paid to~~ a resident of the first-mentioned State ~~to withdraw~~.

4 Enterprises of a Contracting State, the capital ~~of which~~ is wholly or partly ~~owned or controlled~~, directly or indirectly, ~~by one or more a~~ residents ~~of the other Contracting State~~ ~~of more such persons or controlled~~, ~~may shall not be subjected~~ in the first-mentioned State to any taxation or any requirement connected therewith ~~which is other or more~~ ~~subjected strips, as is other or more~~ burdensome than the taxation and ~~to sammenhängender~~ ~~connected~~ requirements to which other similar enterprises of the first-mentioned State are or may be subjected.

5 ~~The provisions of~~ This Article shall, notwithstanding the provisions of Article 2, apply to taxes of any kind and description.

Article 24 ~~_____~~ Mutual Agreement Procedure

1 ~~_____~~ Where a person considers that the actions of a ~~State Party~~ Contracting State or both Parties ~~will result or will result~~ for him in taxation ~~or cause that does not in accordance with the provisions of not conform to~~ this Agreement, ~~it may he may, notwithstanding the remedies provided by the provisions of national law of those States,~~ present his case to the competent authority, ~~notwithstanding the remedies provided by the provisions of national law of those States,~~ of the Contracting State of which he is a resident or, if his case ~~comes under paragraph 1~~ of Article 23, ~~paragraph 1 is detected,~~ the competent authority of the Contracting State ~~underbrei th of citizenship is of which he is a citizen~~. 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 Agreement, which leads to the agree-ment is not subject to taxation.~~

2 ~~_____~~ ~~The competent authority shall endeavor, if the objection appears to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Agreement.~~ ~~Keeps the complaint appears justified and if it is not itself able to arrive at a satisfactory solution, it tries to resolve the case by mutual agreement with the competent authority of the other Contracting State so that the agreement is not appropriate taxation is avoided.~~

3 ~~_____~~ The competent authorities of the Contracting States shall endeavor to eliminate ~~by mutual agreement~~ any difficulties or doubts arising as to the interpretation or application of the Agreement ~~by mutual agreement. You can They may~~ also consult together for the elimination of double taxation in cases not provided for, ~~which are not covered~~ in the ~~A~~ agreement.

4 ~~_____~~ The competent authorities of the Contracting States may communicate with each other directly, ~~including, including~~ through a joint commission consisting of themselves or their representatives, for the purpose of reaching an agreement in the sense of the preceding paragraphs.

Article 25 Exchange of information

1 ~~_____~~ The competent authorities of the Contracting States shall exchange such information as ~~necessary for carrying out the provisions of this Agreement or of the domestic laws concerning taxes of every kind imposed on behalf of the Contracting States, or of their political subdivisions or local authorities, the taxes covered by the Agreement are expected to implement this Agreement or to the administration or enforcement of the domestic laws concerning significant,~~ insofar as the taxation thereunder is not contrary to the Agreement. The exchange of information is not restricted by Article 1.

2 The information received under paragraph 1 by a Contracting State shall be treated as secret as under the domestic law of that State-managed information and may be disclosed only to persons or

authorities (including courts and administrative bodies), concerned with the assessment or collection of, ~~dealing with~~ the enforcement or prosecution of, or the determination of appeals in relation to the taxes referred to in paragraph 1. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions. Notwithstanding the foregoing, a Party may use the information obtained for other purposes when such information may be used according to the laws of both States and for such other purposes as agreed to the competent authority of the requested State for other use.

3 ____ The provisions of paragraphs 1 and 2 be construed so as to impose on a Contracting State:

~~perform~~ a) to carry out administrative measures at variance with its own laws and administrative practice of that or of the other Contracting State;

b) to supply information which is not obtainable ~~can~~ under the laws or in the normal course of administration of that or of the other Contracting State ~~shall not be procured~~ are the;

c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or be contrary to public policy.

4 ____ Where a contracting state is ordered to provide information under this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other State may not need such information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3, where these are not construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information. ~~Where a State Party to provide information under this Article, the other Contracting State shall use its information gathering measures to procurement of the requested information, even though that other State may not need this information for its own tax purposes. The obligation contained in the preceding sentence is subject to the limitations of paragraph 3, where these are not construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.~~

5 ____ Paragraph 3 shall in no case ~~shall~~ permit a Contracting State to refuse the issuing of information solely because the information ~~is belongs to~~ a bank or other financial institution, nominee, agent or fiduciary capacity or because it is a proprietary interest of a related person in person relate. Notwithstanding paragraph 3 or any contrary provisions of domestic law, the tax authorities have the powers to enforce the disclosure of the information referred to in this paragraph ~~have the tax authorities of the requested State Party~~, provided that this is necessary for the fulfillment of the obligations of this paragraph, ~~the powers to enforce the disclosure of the information referred to in this paragraph~~.

Article 26 ____ Members of diplomatic missions and consular posts

Representations

This Agreement shall ~~NOT~~ affect the fiscal privileges of members of diplomatic missions and consular posts under the general rules of international law or under special agreements.

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Article 27 _____ Entry into force

1 _____ Each Party shall notify the other Contracting State, through diplomatic channels that the domestic legal requirements are met for the entry into force of this Agreement. The Agreement shall enter into force on the date of receipt of the later of these notifications.

2 _____ The provisions of the Agreement shall apply:

a) in respect of tax withheld at source on amounts paid ~~or credited~~ on or after 1st ~~Paid or credited~~ January of the year of entry into force of the Agreement;

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b) in respect of other taxes for taxation years beginning on or after January 1 of the year following the entry into force of the Agreement calendar year

3 Notwithstanding ~~the provision of~~ paragraph 2 of this Article, the information exchange is granted under Article 25 of the Agreement, for tax years beginning on or after 1 January of the year following ~~the beginning of the calendar year of~~ the entry into force of the Agreement ~~calendar year~~ ~~begin~~.

4 _____ The agreement of 8 January 1992~~3~~ between Switzerland and the United Arab Emirates for the avoidance of double taxation of air carrier is no longer applicable from the date on which this Agreement applies.

Article 28 _____ Termination

This Agreement shall remain in force unless it is terminated by a Contracting State. Any Contracting State may terminate the Convention, through diplomatic channels, by giving notice of termination at least six months to the end of a calendar year. In this case, the Agreement shall cease to apply:

a) in ~~respect of taxes withheld at source tax on amounts paid or credited on or after 1st January of the calendar year following the notice~~ ~~respect of tax withheld at source on amounts paid on or after 1~~ ~~Paid or credited January of the following calendar year in which the notice~~;

b) in respect of other taxes for taxation years beginning on or after the 1st January of the following calendar year beginning on the termination.

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IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have signed this Agreement.

Done at Dubai on the 6th October 2011, in duplicate, in French, Arabic and English languages, both texts being equally authentic. For a different interpretation of the French and Arabic version, the English text shall prevail.

For the

Swiss Federal Council:

For the Government

the United Arab Emirates:

Wolfgang Amadeus Bruelhart Younis Haji Al Khoori

Protocol

The Swiss Confederation and

the United Arab Emirates

have at the signing ceremony in Dubai on 6 November 2011, the Agreement between the two States for the avoidance of double taxation with respect to taxes on income agreed on the following provisions which form an integral part of the Agreement.

1 _____ Generally

The competent authorities shall consult together as to what measures should be considered to prevent the unjustified use of the Agreement. These measures may aim namely at the prevention of abusive use of Articles 10 and 11 by non-residents of a Contracting State.

2 _____ To Article 4

In relation to Article 4, paragraphs 1 and 2, the term includes "a resident of a Contracting State to Person", type:

a) in the State established and recognized pension funds and pension institutions, and

b) organizations exclusively for religious ~~exclusively~~, charitable, scientific, cultural or educational purposes (or ~~to be established for several of these purposes, more of these purposes~~) are established and managed in a Contracting State and out and in a Contracting State in accordance with the law legal resident and according to the law residing, and whose income is generally tax-exempted, according to the national law of that State, and their income this according to the national law state are generally exempt from tax.

Concerning point a), the following is agreed: As ~~a~~-recognized pension funds or pension ~~funds~~-scheme of a Contracting State, any pension funds or pension ~~funds~~scheme, which are recognized and controlled by the laws of that State, whose income in the country concerned are generally exempt from tax and manage the mainly pensions or retirement benefits are and align or intended to generate income for these pension systems.

3 To Article 7

With respect to Article 7, paragraphs 1 and 2 is understood that, as far sold an enterprise of a Contracting State has in the other State through a permanent establishment situated therein goods or merchandise or carries a different business activities, the profits of that permanent establishment shall not be determined on the basis of the total amount drawn by the company, but only to that part of the total income to Stay, which can be attributed to the permanent establishment for its effective operation of such sales or transactions.

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If a company with contracts on the monitoring, delivery or installation or construction of industrial, commercial or scientific equipment or premises, or of public facilities as a permanent establishment, the profits of that permanent establishment shall not be determined on the basis of the total amount of the contract, but only because of the part of the contract, ~~is~~-actually satisfied by the permanent establishment in the State in which it lies.

The profits related to that part of the contract that will be settled by the head office of the enterprise may be taxed only in the State in which the company is located.

4 To Articles 7 and 12

It is understood that all payments received as consideration for the user injury or the right to use industrial, commercial or scientific equipment that represent corporate profits in the sense of the provisions of Article 7.

5 ____ To Article 18

It is understood that the term used in Article 18 "~~rest salaries pensions~~" includes not only periodic payments, but also lump sum payments ~~but also in cludes~~.

6 ____ To Article 25

a) ~~It is understood that the requesting Contracting State only asks to share information if it has exhausted all conventional means provided for in its internal control procedures for obtaining the information. It is understood that the requesting State Party, a loading belong to exchange information arises only if he has exhausted all measures provided for in national control method is NEM usual means of procurement of information.~~

b) It is understood that, under Article 25 of the Agreement, the tax authorities of the requesting State have to deliver for the submission of a desire for mutual -assistance have the tax authorities of the requesting State in the position of a desire for assistance to the tax authorities of the requested State, the ~~disclosures below to supply~~ following information:

(i) the identity of the companies included in an audit or investigation person;

(ii) the time period for which information is requested;

(iii) a description of the information sought including the form in which the requesting State wishes to receive the information by the requested State;

(iv) the tax purpose for which the information is sought;

(v) if known, the name and address of the alleged ~~bearer bersowner~~ of the information requested.

c) It is understood that the purpose of the reference to in-formation that ~~are likely to be significant is foreseeable relevant, it consists of is to ensure,~~ as far as possible far-reaching exchange of information ~~to ensure~~ in tax matters, without allowing the parties, "fishing expeditions" to operate or to request information, the relevance of which to the tax affairs of a given taxpayer is unlikely ~~with regard to the tax affairs of a given taxpayer~~. While paragraph 6, letter b contains important procedural requirements that are "fishing expeditions" to avoid the sub-paragraphs (i) to (v) of point b of paragraph 6, be are designed so that they do not impede effective exchange of information.

d) It is also understood that under the provisions of Article 25 of the Agreement, the Parties shall have no obligation, to exchange information on an automatic or spontaneous basis.

e) It is understood that in the case of the exchange of information, the provisions in force in the requested State, in the requested State, the applicable provisions of the Administrative Procedural ~~law e~~ right reserved there are subject to the rights of the taxpayer, before the information is transmitted to the

requesting State. Moreover, it is understood that this provision of the taxable person shall provide an orderly process, and is not intended to prevent the exchange of information or for no reason to delay.

7 To the Agreement

Notwithstanding the other provisions of the Agreement and subject to Articles 24 and 25, the profits of an enterprise of a Contracting State from the exploration or exploitation of mineral resources of the other Contracting State shall be taxable only in that other Contracting State.

Done at Dubai on the 6th October 2011, in duplicate, in French, Arabic and English languages, both texts being equally authentic. For a different interpretation of the French and Arabic version, the English text shall prevail.

For the

Swiss Federal Council:

For the Government

the United Arab Emirates:

Wolfgang Amadeus Bruehlhart Younis Haji Al Khoori