

PROTOCOL

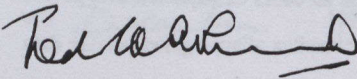
At the moment of signing the Agreement between the Government of Canada and the Government of the Republic of Croatia for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital, the undersigned have agreed that the following provision shall form an integral part of the Agreement.

With reference to Paragraph 1 of Article 4, it is understood that for purposes of the application of the Agreement to:

- (a) income taxes, the term "liable to tax" refers to liability to taxes on income and not to taxes on capital; and
- (b) capital taxes, the term "liable to tax" refers to liability to taxes on capital and not to taxes on income.

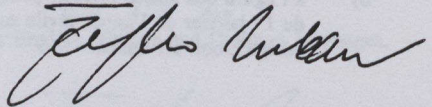
IN WITNESS WHEREOF the undersigned, duly authorized to that effect, have signed this Protocol.

DONE in duplicate at *Ottawa*, this *9th* day
of *December* 1997, in the English, French and Croatian languages,
each version being equally authentic.



**FOR THE GOVERNMENT
OF CANADA**

Ted McWhinney



**FOR THE GOVERNMENT OF
THE REPUBLIC OF CROATIA**

Zeljko Urban