
The competent authorities of the Government of the People’s Republic of China and the Government of the Republic of Korea held negotiation with respect to paragraph 3 of Article 11 and paragraphs 1 and 2 of Article 19 and agreed upon the following with a view to appropriate implementation of the Agreement between the Government of the People’s Republic of China and the Government of the Republic of Korea for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income:

1. For the purpose of paragraph 3 of Article 11, the term “the central bank and financial institution performing functions of a governmental nature” means:

a) in the case of China:
   (i) People’s Bank of China;
   (ii) China Development Bank;
   (iii) Export-Import Bank of China;
   (iv) Agricultural Development Bank of China;
   (v) China Export & Credit Insurance Corporation;
   (vi) National Council for Social Security Fund;
   (vii) Organization comparable to “the Korea Investment Corporation” in terms of its ownership structure and functions performed (the name to be confirmed through exchange of letters by the competent authorities of the Contracting States);
   (viii) Organizations performing banking, insurance and securities supervisory functions; and
   (ix) Other financial institutions which are agreed upon by the competent authorities of the Contracting States through mutual agreements;

b) in the case of Korea:
   (i) Bank of Korea;
   (ii) Korea Development Bank;
   (iii) Export-Import Bank of Korea;
(iv) Korea Investment Corporation;
(v) Korea Export Insurance Corporation;
(vi) Financial Supervisory Service; and
(vii) Other financial institutions which are agreed upon by the competent authorities of the Contracting States through mutual agreements.

2. The provisions of paragraphs 1 and 2 of Article 19 shall likewise apply in respect of remuneration or pensions paid by:

a) in the case of China:
   (i) People’s Bank of China;
   (ii) China Development Bank;
   (iii) Export-Import Bank of China;
   (iv) Agricultural Development Bank of China;
   (v) China Council for the Promotion of International Trade;
   (vi) China Export & Credit Insurance Corporation;
   (vii) National Council for Social Security Fund;
   (viii) Organization comparable to “the Korea Investment Corporation” in terms of its ownership structure and functions performed (the name to be confirmed through exchange of letters by the competent authorities of the Contracting States);
   (ix) Organizations performing banking, insurance and securities supervisory functions; and
   (x) Other financial institutions which are agreed upon by the competent authorities of the Contracting States through mutual agreements;

b) in the case of Korea:
   (i) Bank of Korea;
   (ii) Korea Development Bank;
   (iii) Export-Import Bank of Korea;
   (iv) Korea Trade-Investment Promotion Agency;
   (v) Korea Tourism Organization;
   (vi) Korea Investment Corporation;
   (vii) Korea Export Insurance Corporation;
   (viii) Financial Supervisory Service; and
   (ix) Other financial institutions which are agreed upon by the competent authorities of the Contracting States through mutual agreements.

the Governments of the People’s Republic of China and the Republic of Korea” signed as of 26, November, 1994 shall be replaced by this Memorandum of Understanding, starting from the date when this Memorandum of Understanding is officially signed.

DONE in duplicate at Beijing this 13th day of July, 2007, in the Chinese, Korean and English languages, each text being equally authentic. In case of any divergence, the English text shall prevail.

For the Competent Authority of the Government of the People’s Republic of China

For the Competent Authority of the Government of the Republic of Korea