

## Notes of Exchange

Your Excellency

I have the honour to acknowledge receipt of Your Excellency's Note of today which read as follows:

"I have the honour to refer to the Agreement between the Government of the Kingdom of Sweden and the Government of Malaysia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income which has been signed today and to propose on behalf of the Government of the Kingdom of Sweden that with reference to paragraph 2 of Article 27:

The provisions of this Agreement shall not apply to persons carrying on offshore business activity under the Labuan Offshore Business Activity Tax Act 1990 (as amended).

"Offshore business activity" means an offshore business activity as defined under Section 2(1) of the Labuan Offshore Business Activity Tax Act 1990 (as amended).

If the foregoing proposal is acceptable to the Government of Malaysia, I have the honour to suggest that the present Note and Your Excellency's reply to that effect should be regarded as constituting an Agreement that shall form an integral part of the Agreement for the avoidance of double taxation in this matter, which shall enter into force at the same time as the entry into force of this Agreement."

The above proposal being acceptable to the Government of Malaysia, I have the honour to confirm that Your Excellency's Note and this reply shall be regarded as constituting an Agreement that shall form an integral part of the Agreement for the avoidance of double taxation in this matter, which shall enter into force at the same time as the entry into force of this Agreement.

I take this opportunity to renew to your Excellency the assurances of my highest consideration.

For the Government of  
Malaysia

Your Excellency

I have the honour to refer to the Agreement between the Government of the Kingdom of Sweden and the Government of Malaysia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income which has been signed today and to propose on behalf of the Government of the Kingdom of Sweden that with reference to paragraph 2 of Article 27:

The provisions of this Agreement shall not apply to persons carrying on offshore business activity under the Labuan Offshore Business Activity Tax Act 1990 (as amended).

“Offshore business activity” means an offshore business activity as defined under Section 2(1) of the Labuan Offshore Business Activity Tax Act 1990 (as amended).

If the foregoing proposal is acceptable to the Government of Malaysia, I have the honour to suggest that the present Note and Your Excellency’s reply to that effect should be regarded as constituting an Agreement that shall form an integral part of the Agreement for the avoidance of double taxation in this matter, which shall enter into force at the same time as the entry into force of this Agreement.

I avail myself of this opportunity to extend to your Excellency the assurance of my highest consideration.

For the Government of the  
Kingdom of Sweden

Made 20 June 2003  
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DATO’ DR JAMALUDIN BIN MOHD JARJIS  
Second Minister of Finance