

PROTOCOL

At the signing of the Agreement between the Government of the People's Republic of China and the Government of the Republic of Lithuania for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital (hereinafter referred to as "the Agreement") the undersigned have agreed upon the following provisions which form an integral part of the Agreement.

1. With reference to Article 6:

Where the ownership of shares or other corporate rights in a company entitles the owner of such shares or corporate rights to the enjoyment of immovable property held by the company, the income from direct use, letting, or use in any other form of such right to enjoyment may be taxed in the Contracting State in which the immovable property is situated.

2. With reference to Article 6 paragraph 2:

It is understood that the term "immovable property" as defined in paragraph 2 of Article 6 includes options (agreements granting a right, without imposing any obligation, to purchase or sell immovable property for a determined price within a specified period of time) or similar rights to acquire immovable property.

3. With reference to Article 6 paragraph 3:

It is understood that all income and gains from the alienation of immovable property referred to in Article 6 and situated in a Contracting State may be taxed in that State in accordance with the provisions of Article 13 of this Agreement.

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

DONE at Vilnius this 3rd day of June 1996 in duplicate, each in the Chinese, Lithuanian and English languages, all three texts being equally authentic. In the case of any divergence of interpretation, the English text shall prevail.

**For the Government
of the People's Republic of China**

**For the Government
of the Republic of Lithuania**