

**AGREEMENT BETWEEN
THE GOVERNMENT OF AUSTRALIA AND THE GOVERNMENT OF THE
PRINCIPALITY OF MONACO FOR THE EXCHANGE OF INFORMATION RELATING
TO TAX MATTERS**

The Government of Australia and the Government of the Principality of Monaco ("the Contracting Parties") wishing to establish the terms and conditions governing the exchange of information relating to taxes,

Have agreed as follows:

**Article 1
Scope of the Agreement**

The competent authorities of the Contracting Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Contracting Parties concerning the taxes covered by this Agreement. Such information shall include information that is foreseeably relevant to the determination, assessment, enforcement, recovery or collection of such taxes with respect to persons subject to such taxes, or the investigation or the prosecution of tax matters in relation to such persons. Information shall be exchanged in accordance with the provisions of this Agreement and shall be treated as confidential in the manner provided in Article 8. The rights and safeguards secured to persons by the laws or administrative practice of the Requested Party remain applicable. The Requested Party shall use its best endeavours to ensure that any such rights and safeguards are not applied in a manner that unduly prevents or delays effective exchange of information.

**Article 2
Jurisdiction**

A Requested Party is not obligated to provide information which is neither held by its authorities nor in the possession or control of persons who are within its territorial jurisdiction.

Article 3
Taxes Covered

1 The existing taxes which are the subject of this Agreement are:

- (a) in Australia, taxes of every kind and description imposed under federal laws administered by the Commissioner of Taxation; and
- (b) in the Principality of Monaco, profit tax.

2 This Agreement shall also apply to any identical or substantially similar taxes imposed after the date of signature of this Agreement in addition to, or in place of, the existing taxes. The Agreement shall also apply to such other taxes as may be agreed in an exchange of letters between the Contracting Parties. The competent authority of the Contracting Parties shall notify each other of any substantial changes to the taxation and related information gathering measures covered by this Agreement.

3 This Agreement shall not apply to taxes imposed by states, municipalities, or other political subdivisions, or possessions of a Contracting Party.

Article 4
Definitions

1 For the purpose of this Agreement, unless otherwise defined:

- (a) the term "Australia", when used in a geographical sense, excludes all external territories other than:
 - (i) the Territory of Norfolk Island;
 - (ii) the Territory of Christmas Island;
 - (iii) the Territory of Cocos (Keeling) Islands;
 - (iv) the Territory of Ashmore and Cartier Islands;

(v) the Territory of Heard Island and McDonald Islands; and

(vi) the Coral Sea Islands Territory,

and includes any area adjacent to the territorial limits of Australia (including the Territories specified in this subparagraph) in respect of which there is for the time being in force, consistently with international law, a law of Australia dealing with the exploration for or exploitation of any of the natural resources of the exclusive economic zone or the seabed and subsoil of the continental shelf;

- (b) the term "Monaco" means the Principality of Monaco's land, internal waters, territorial sea including its bed and subsoil, the air space over them, the exclusive economic zone and the continental shelf, over which the Principality of Monaco exercises sovereign rights and jurisdiction in accordance with the provisions of international law and the principality of Monaco's national laws and regulations;
- (c) the term "collective investment fund or scheme" means any pooled investment vehicle, irrespective of legal form. The term "public collective investment fund or scheme" means any collective investment fund or scheme provided the units, shares or other interests in the fund or scheme can be readily purchased, sold or redeemed by the public. Units, shares or other interests in the fund or scheme can be readily purchased, sold or redeemed "by the public" if the purchase, sale or redemption is not implicitly or explicitly restricted to a limited group of investors;
- (d) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
- (e) the term "competent authority" means, in the case of Australia, the Commissioner of Taxation or an authorised representative of the Commissioner and in the case of Monaco, the Counsellor of the Government for Finances and Economy or his authorised representative;
- (f) the term "Contracting Party" means Australia or Monaco as the context requires;
- (g) the term "criminal laws" means all criminal laws designated as such under domestic law irrespective of whether contained in the tax laws, the criminal code or other statutes;
- (h) the term "criminal tax matters" means tax matters involving intentional conduct

which is liable to prosecution under the criminal laws of the Requesting Party;

- (i) the term "information" means any fact, statement, document or record in any form whatever;
- (j) the term "information gathering measures" means laws and administrative or judicial procedures that enable a Contracting Party to obtain and provide the requested information;
- (k) the term "national" means:
 - (i) in relation to Australia, any person who is an Australian citizen or any company deriving its status as such from the laws in force in Australia;
 - (ii) in relation to Monaco any individual possessing the nationality of Monaco or any company deriving its status as such from the laws in force in Monaco;
- (l) the term "person" includes an individual, a company and any other body of persons;
- (m) the term "principal class of shares" means the class or classes of shares representing a majority of the voting power and value of the company;
- (n) the term "publicly traded company" means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold "by the public" if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
- (o) the term "recognised stock exchange" means any stock exchange agreed upon by the competent authorities of the Contracting Parties;
- (p) the term "Requested Party" means the Contracting Party requested to provide information;
- (q) the term "Requesting Party" means the Contracting Party requesting information; and
- (r) the term "tax" means any tax to which this Agreement applies.

2 As regards the application of this Agreement at any time by a Contracting Party, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the laws of that Party, any meaning under the applicable tax laws of that Party prevailing

over a meaning given to the term under other laws of that Party.

Article 5

Exchange of Information Upon Request

1 The competent authority of the Requested Party shall provide upon request information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the Requested Party needs such information for its own tax purposes or the conduct being investigated would constitute a crime under the laws of the Requested Party if such conduct occurred in the territory of the Requested Party. The competent authority of the Requesting Party shall only make a request for information pursuant to this Article when it is unable to obtain information requested by other means, except those that would give rise to disproportionate difficulties.

2 If the information in the possession of the competent authority of the Requested Party is not sufficient to enable it to comply with the request for information, the Requested Party shall use all relevant information gathering measures necessary to provide the Requesting Party with the information requested, notwithstanding that the Requested Party may not need such information for its own tax purposes.

3 If specifically requested by the competent authority of the Requesting Party, the competent authority of the Requested Party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4 Each Contracting Party shall ensure that its competent authority for the purposes specified in Article 1 of this Agreement, has the authority to obtain and provide upon request:

- (a) information held by banks, other financial institutions, and any person acting in an agency or fiduciary capacity including nominees and trustees;
- (b) information regarding the ownership of companies, partnerships, trusts, foundations, "Anstalten" and other persons, including, within the constraints of Article 2, ownership information on all such persons in an ownership chain; in the case of trusts, information

on settlors, trustees, beneficiaries and protectors; and in the case of foundations, information on founders, members of the foundation council and beneficiaries. Further, this Agreement does not create an obligation on the Contracting Parties to obtain or provide ownership information with respect to publicly traded companies or public collective investment funds or schemes unless such information can be obtained without giving rise to disproportionate difficulties.

5 The competent authority of the Requesting Party shall provide the following information to the competent authority of the Requested Party when making a request for information under this Agreement to demonstrate the foreseeable relevance of the information to the request:

- (a) the identity of the person under examination or investigation;
- (b) the period for which the information is requested;
- (c) a statement of the information sought including its nature and the form in which the Requesting Party wishes to receive the information from the Requested Party;
- (d) the tax purpose for which the information is sought and the reason for believing that the information is foreseeably relevant to the administration and enforcement of the domestic laws of the Requesting Party, as prescribed in Article 1 of this Agreement;
- (e) the grounds for believing that the information requested is held in the Requested Party or is in the possession or control of a person within the jurisdiction of the Requested Party;
- (f) to the extent known, the name and address of any person believed to be in possession or control of the requested information;
- (g) a statement that the request is in conformity with the law and administrative practices of the Requesting Party, that if the requested information was within the jurisdiction of the Requesting Party then the competent authority of the Requesting Party would be able to obtain the information under the laws of the Requesting Party or in the normal course of administrative practice and that the information request is in conformity with this Agreement; and
- (h) a statement that the Requesting Party has pursued all means available in its own territory to obtain the information, except those that would give rise to disproportionate difficulties.

6 The competent authority of the Requested Party shall forward the requested information to the Requesting Party as promptly as possible. To ensure a prompt response, the competent authority of the Requested Party shall:

- (a) confirm receipt of a request in writing to the competent authority of the Requesting Party and shall notify the competent authority of the Requesting Party of deficiencies in the request, if any, within 60 days of the receipt of the request; and
- (b) if the competent authority of the Requested Party has been unable to obtain and provide the information within 90 days of receipt of the request, including if it encounters obstacles in furnishing the information or it refuses to furnish the information, it shall immediately inform the Requesting Party, explaining the reason for its inability, the nature of the obstacles or the reasons for its refusal.

Article 6

Tax Examinations Abroad

1 A Contracting Party may allow representatives of the competent authority of the other Contracting Party to enter the territory of the first mentioned Party, to the extent permitted under its domestic laws, to interview individuals and examine records with the prior written consent of the individuals or other persons concerned. The competent authority of the second-mentioned Party shall notify the competent authority of the first mentioned Party of the time and place of the intended meeting with the individuals concerned.

2 At the request of the competent authority of one of the Contracting Party, the competent authority of the other Contracting Party may allow representatives of the competent authority of the first-mentioned Party to be present at the appropriate part of a tax examination in the second mentioned Party.

3 If the request referred to in paragraph 2 is acceded to, the competent authority of the requested Contracting Party conducting the examination shall, as soon as possible, notify the competent authority of the other Party about the time and place of the examination, the authority or official designated to carry out the examination and the procedures and conditions required by the

first-mentioned Party for the conduct of the examination. All decisions with respect to the conduct of the tax examination shall be made by the Requested Party conducting the examination.

Article 7

Possibility of Declining a Request

1 The Requested Party shall not be required to obtain or provide information that the Requesting Party would not be able to obtain under its own laws for purposes of the administration or enforcement of its own tax laws. The competent authority of the Requested Party may decline to assist where the request is not made in conformity with this Agreement.

2 The provisions of this Agreement shall not impose on a Contracting Party the obligation to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process. Notwithstanding the foregoing, information of the type referred to in paragraph 4 of Article 5 shall not be treated as such a secret or trade process merely because it meets the criteria in that paragraph.

3 The provisions of this Agreement shall not impose on a Contracting Party the obligation to obtain or provide information, which would reveal confidential communications between a client and an attorney, solicitor or other admitted legal representative where such communications are:

- (a) produced for the purposes of seeking or providing legal advice; or
- (b) produced for the purposes of use in existing or contemplated legal proceedings.

4 The Requested Party may decline a request for information if the disclosure of the information would be contrary to public policy (ordre public).

5 A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed by the taxpayer.

6 The Requested Party may decline a request for information if the information is requested by the Requesting Party to administer or enforce a provision of the tax law of the Requesting Party, or any requirement connected therewith, which discriminates against a national of the Requested Party

as compared with a national of the Requesting Party in the same circumstances.

Article 8

Confidentiality

1 Any information provided and received by the competent authorities of the Contracting Parties shall be treated as confidential and may be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the purposes specified in Article 1, and used by such persons or authorities only for such purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial proceedings.

2 The information may not be used for any purpose other than for the purposes stated in Article 1 without the express written consent of the competent authority of the Requested Party.

3 Information provided to a Requesting Party under this Agreement may not be disclosed to any other jurisdiction.

Article 9

Prejudicial or restrictive measures

1 Neither of the contracting Parties shall apply prejudicial or restrictive measures based on harmful tax practices to residents, nationals or transactions of either Contracting Party so long as this Agreement is in force and effective.

2 A “prejudicial or restrictive measure based on harmful tax practices” is a measure applied by one Contracting Party to residents, nationals or transactions of either Contracting Party on the basis that the other Contracting Party does not engage in effective exchange of information and/or because it lacks transparency in the operation of its laws, regulations or administrative practices, or on the basis of no or nominal taxes and one of the preceding criteria.

3 Without limiting the generality of paragraph 2 of this article, the term “prejudicial or restrictive measure” includes:

- (a) the introduction of any tax law or administrative arrangements that specifically and

adversely target taxpayers of one Contracting Party conducting business activities or investing in the other Contracting Party; or
(b) the denial of a deduction, credit or exemption, the imposition of a tax, charge or levy, or special reporting requirements.”

Article 10

Costs

Unless the competent authorities of the Contracting Parties otherwise agree, ordinary costs incurred in providing assistance shall be borne by the Requested Party, and extraordinary costs incurred in providing assistance (including reasonable costs of engaging external advisors in connection with litigation or otherwise) shall be borne by the Requesting Party. At the request of either Contracting Party, the competent authorities shall consult as necessary with regard to this Article, and in particular the competent authority of the Requested Party shall consult with the competent authority of the Requesting Party in advance if the costs of providing information with respect to a specific request are expected to be significant.

Article 11

Implementation Legislation

The Contracting Parties shall enact any legislation necessary to comply with, and give effect to, the terms of this Agreement.

Article 12

Mutual Agreement Procedure

1 Where difficulties or doubts arise between the Contracting Parties regarding the implementation or interpretation of this Agreement, the respective competent authorities shall endeavour to resolve the matter by mutual agreement.

2 In addition to the endeavours referred to in paragraph 1, the competent authorities of the Contracting Parties may mutually determine the procedures to be used under Articles 5, 6 and 9.

3 The competent authorities of the Contracting Parties may communicate with each other directly for the purposes of this Article.

4 The Contracting Parties may also agree on other forms of dispute resolution, should this become necessary.

Article 13

Entry into Force

The Contracting Parties shall notify each other in writing through the diplomatic channel of the completion of their constitutional and legal procedures for the entry into force of this agreement. This Agreement shall enter into force on the date of the last notification, and shall thereupon have effect:

- (a) for criminal tax matters from 1 July 2010; and
- (b) for all other matters covered in Article 1 on 1 July 2010, but only in respect of taxable periods beginning on or after that date or, where there is no taxable period, all charges to tax arising on or after that date.

Article 14

Termination

1 This Agreement shall continue in effect indefinitely, but either of the Contracting Parties may, after the expiration of 3 years from the date of its entry into force, give to the other Contracting Party through the diplomatic channel written notice of termination.

2 Such termination shall become effective on the first day of the month following the expiration of a period of 6 months after the date of receipt of notice of termination by the other

Contracting Party. All requests received up to the effective date of termination will be dealt with in accordance with the terms of this Agreement.

3 Notwithstanding any termination of this Agreement, the Contracting Parties shall remain bound by the provisions of Article 8 with respect to any information obtained under this Agreement.

IN WITNESS WHEREOF, the undersigned, duly authorised thereto by their respective Government, have signed this Agreement.

Done at [], [] this [] day of [], 200[], in duplicate in the English and French languages, both texts being equally authentic.

**FOR THE GOVERNMENT OF
AUSTRALIA**

**FOR THE GOVERNMENT OF
THE PRINCIPALITY OF MONACO**