

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE

PORTUGUESE REPUBLIC

AND

SAINT CHRISTOPHER (SAINT KITTS) AND NEVIS

On the 29th July 2010, an Agreement for the Exchange of Information Relating to Tax Matters (the "Agreement") was entered into between the Portuguese Republic and Saint Christopher (Saint Kitts) and Nevis. In order to ensure the appropriate implementation of the Agreement, the competent authorities of the Portuguese Republic and Saint Christopher (Saint Kitts) and Nevis (the "Competent Authorities") agree to the following.

1. Pursuant to Article 9 of the Agreement between the Parties, costs that would be incurred in the ordinary course of administering the domestic tax laws of the requested Party will be borne by the requested Party when such costs are incurred for the purpose of responding to a request for information. Ordinary costs include internal administration costs, any minor external costs and overhead expenses incurred by the requested Party in reviewing and responding to information requests submitted by the requesting Party.
2. Extraordinary costs incurred in providing assistance shall be borne by the requesting Party. Such costs include, but are not limited to, the following:

- a) Reasonable costs of engaging experts, interpreters or translators when necessary;
- b) Reasonable litigation costs of the requested Party in direct relation to a specific request for information, including costs of engaging external counsel and advisers;
- c) Reasonable costs of obtaining depositions or testimony.

3. The competent authorities will consult each other in any particular case where extraordinary costs are likely to exceed 1,000 Euros or the Sterling equivalent to determine whether the requesting Party will continue to pursue the request and bear the cost.

4. The competent authorities of the Parties shall endeavour to resolve by mutual agreement procedure any difficulties or doubts arising as to the classification of expenses to be considered as "extraordinary costs".

For the Portuguese Republic

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For Saint Christopher (Saint
Kitts) and Nevis

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