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PROTOCOL OF EXCHANGE

The undersigned, W. D. Matthews, Minister of Canada to the United States of America, and James E. Webb, Acting Secretary of State of the United States of America, being duly authorized thereto by their respective Governments, have met for the purpose of exchanging the instruments of ratification by their respective Governments of the convention between Canada and the United States of America, signed at Ottawa on June 12, 1950, modifying and supplementing in certain respects the convention and accompanying protocol for the avoidance of double taxation and the prevention of fiscal evasion in the case of income tax signed at Washington on March 4, 1942, and, the respective instruments of ratification of the supplementary convention aforesaid having been compared and found to be in due form, the exchange took place this day.

As recited in the ratification on the part of the United States of America, the Senate of the United States of America, in its resolution of September 17, 1951, advising and consenting to the ratification of the supplementary convention aforesaid, expressed a certain reservation with respect thereto, as follows:

"The Government of the United States of America does not accept paragraph 2 of Article VII, as amended by Article I (d) of the supplementing convention, relating to professional earnings of individuals such as actors, artists, musicians and athletes."

The text of the said reservation was communicated by the Government of the United States of America to the Government of Canada. The Government of Canada has accepted the said reservation. Accordingly, it is understood by the two Governments that the supplementary convention aforesaid, upon entry into force in accordance with its provisions, is modified in accordance with the said reservation, so that, in effect, paragraph 2 of Article VII of the convention of March 4, 1942, as amended by Article I (d) of the aforesaid supplementary convention of June 12, 1950, is deemed to be deleted.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed the present Protocol of Exchange.

DONE in duplicate at Washington this twenty-first day of November, 1951.

For the Government of Canada:

W. D. MATTHEWS

For the Government of the United States of America:

JAMES E. WEBB