

- b) interest arising in Mexico and paid to a resident of Canada who is the beneficial owner thereof shall be taxable only in Canada if it is paid in respect of a loan having a term of not less than three years made, guaranteed or insured, or a credit for such period extended, guaranteed or insured, by Export Development Canada, or by any other institution as may be agreed to from time to time between the competent authorities of the Contracting States;
- c) interest arising in Canada and paid to a resident of Mexico who is the beneficial owner thereof shall be taxable only in Mexico if it is paid in respect of a loan having a term of not less than three years made, guaranteed or insured, or a credit for such period extended, guaranteed or insured, by Banco Nacional de Comercio Exterior, S.N.C. or Nacional Financiera, S.N.C., or by any other institution as may be agreed to from time to time between the competent authorities of the Contracting States;
- d) interest arising in a Contracting State and paid to a resident of the other Contracting State which was constituted and is operated exclusively to administer or provide benefits under one or more pension, retirement or other employee benefits plans shall not be taxable in the first-mentioned State provided that:
 - (i) the resident is the beneficial owner of the interest and is generally exempt from tax in the other State;
 - (ii) the interest is not derived from carrying on a trade or a business; and
 - (iii) the interest is not derived from a related person.

4. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures, as well as income which is subjected to the same taxation treatment as income from money lent by the laws of the State in which the income arises. However, the term "interest" does not include income dealt with in Article 8 or Article 10.