

3. A Contracting State shall not change the profits of an enterprise in the circumstances referred to in paragraph 1 after the expiry of the time limits provided in its national laws and, in any case, after six years from the end of the year in which the profits which would be subject to such change would have accrued to an enterprise of that State.

4. The provisions of paragraphs 2 and 3 shall not apply in the case of fraud, wilful default or neglect including a case where an enterprise has not filed a return within the time limit specified in the laws of the State of which it is a resident.

## ARTICLE X

### *Dividends*

1. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other State.

2. Dividends paid by a company which is a resident of Canada to a resident of Thailand who is the beneficial owner of the dividends, may be taxed in Canada in accordance with the laws of Canada but the tax so charged shall not exceed 15 per cent of the gross amount of the dividends. The provisions of this paragraph shall not affect the taxation of the company on the profits out of which the dividends are paid.

3. Dividends paid by a company which is a resident of Thailand to a resident of Canada who is the beneficial owner of the dividends, may be taxed in Thailand in accordance with the laws of Thailand but, if the recipient of the dividends is a company, excluding a partnership, which holds directly at least 25 per cent of the capital of the Thai company, the tax so charged shall not exceed:

- (a) 15 per cent of the gross amount of the dividends if the Thai company paying the dividends engages in an industrial undertaking;
- (b) 20 per cent of the gross amount of the dividends in all other cases.

The provisions of this paragraph shall not affect the taxation of the company on the profits out of which the dividends are paid.

4. The term "dividends" as used in this Article means income from shares, mining shares, founders' shares or other rights, not being debt-claims, participating in profits, as well as income which is subjected to the same taxation treatment as income from shares by the laws of the State of which the company making the distribution is a resident.

5. The term "industrial undertaking" as used in this Article means:

- (a) any undertaking engaged in
  - (i) manufacturing, assembling and processing,
  - (ii) construction, civil engineering and ship-building,
  - (iii) production of electricity, hydraulic power, gas or the supply of water, or