

## ARTICLE 2

1. Subparagraph (e) of paragraph 1 of Article 3 of the Convention shall be deleted and replaced by the following:
  - "(e) The term "competent authority" means:
    - (i) in the case of Canada, the Minister of National Revenue or his authorized representative;
    - (ii) in the case of France, the Minister in charge of the Budget or his authorized representative;"
2. Paragraph 2 of Article 3 of the Convention shall be deleted and replaced by the following:
  - "2. As regards the application of the Convention by a Contracting State any term not defined therein shall, unless the context otherwise requires, have the meaning which it has under the law of that State concerning the taxes to which the Convention applies, any meaning under the tax laws of that State prevailing over a meaning given to the term under other laws of that State."

## ARTICLE 3

Article 4 of the Convention shall be deleted and replaced by the following:

"Article 4

Resident

1. For the purposes of this Convention, the term "resident of a Contracting State" means:
  - (a) any person who, under the law of that State, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature but the term does not include any person who is liable to tax in that State in respect only of income from sources in that State;
  - (b) that State, its provinces in the case of Canada, the local authorities of that State or of its provinces, and their agencies or instrumentalities;
  - (c) in the case of France, partnerships or other bodies of persons which have their place of effective management in France, and whose partners, shareholders or other members are personally liable to tax therein in respect of their share of the profits under domestic French law; but, with respect to the benefits granted by Canada under the Convention, such partnerships and bodies of persons shall not be treated as residents of France except insofar as their partners, shareholders or other members are liable to French tax on income in respect of which these benefits are granted;
  - (d) any other person constituted and established in that State and exempted from tax in that State, where the competent authorities agree that for the purposes of the Convention such person shall be deemed to be a resident of that State.