

ment exercised in the other territory shall be subjected to tax only in the first-mentioned territory if —

- (a) the recipient is present in the other territory for a period or periods not exceeding in the aggregate 183 days in the Canadian taxation year or the United Kingdom year of assessment concerned, as the case may be; and
- (b) the remuneration is paid by or on behalf of an employer who is not a resident of the other territory; and
- (c) the remuneration is not deducted from the profits of a permanent establishment or a fixed base which the employer has in the other territory.

(3) Notwithstanding the preceding provisions of this Article, remuneration in respect of an employment exercised aboard a ship or aircraft in international traffic may be taxed in the territory in which the place of effective management of the enterprise operating the ship or aircraft is situated.

(4) In relation to remuneration of a director of a company derived from the company the preceding provisions of this Article shall apply as if the remuneration were remuneration of an employee in respect of an employment, and as if references to employers were references to the company.

#### ARTICLE 15.

Notwithstanding anything contained in Articles 13 and 14, income derived by public entertainers, such as theatre, motion picture, radio, or television artists, and musicians, and by athletes, from their personal activities as such may be taxed in the territory in which these activities are exercised.

#### ARTICLE 16.

(1) Any pension (other than a pension referred to in paragraphs (2), (3) or (4) of this Article), or any annuity derived from sources within one of the territories by an individual who is resident of the other territory shall be exempt from tax in the first-mentioned territory.

Provided that this paragraph shall also apply instead of paragraphs (2), (3) and (4) to any pensions referred to in those paragraphs if the provisions of this paragraph are more favourable to the individual to whom the pension is paid.

(2) Subject to the proviso to paragraph (1), any pension paid by one of the Contracting Governments to an individual for services rendered to it in the discharge of governmental functions by that individual shall be exempt from tax in the territory of the other Contracting Government if —

- (a) that individual was a resident of the other territory on the relevant date;
- (b) the first payment period of that pension commenced before the relevant date; and
- (c) that pension would have been exempt from tax in that territory if Article VIII of the Agreement between Canada and the United Kingdom with respect to taxes on income signed in London on 5 June, 1946 were in force.

(3) Subject to the proviso to paragraph (1), any pension paid by one of the Contracting Governments to the surviving spouse or other surviving dependant of an individual who died before the relevant date, in respect of services rendered to it in the discharge of governmental functions by that individual,