

(b) 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 the 5th day of June 1946⁽¹⁾ were in force.

(4) 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 after the relevant date in respect of 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 it relates to a pension paid to that individual which was exempt from tax in the territory of the other Contracting Government by virtue of paragraph (2).

(5) In this Article the term "relevant date" means, in relation to a pension paid to a resident of Canada, 1st day of January 1965 and, in relation to a pension paid to a resident of the United Kingdom, 6th day of April 1965.

ARTICLE VIII

(1) The taxation authorities of the Contracting Governments shall, on request, exchange such information (being information which is at their disposal under their respective taxation laws in the normal course of administration) as is necessary for carrying out the provisions of this Agreement. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons other than those concerned with the assessment and collection of the taxes which are the subject of this Agreement. No information as aforesaid shall be exchanged which would disclose any trade, business, industrial or professional secret or trade process.

(2) The taxation authorities of the Contracting Governments may communicate with each other directly for the purpose of giving effect to the provisions of this Agreement and for resolving any difficulty or doubt as to the application or interpretation of the Agreement.

ARTICLE IX

(1) This Agreement may be extended, either in its entirety or with modifications, to any territory for whose international relations the United Kingdom is responsible, and which imposes taxes substantially similar in character to those which are the subject of this Agreement, and any such extension shall take effect from such date and subject to such modifications and conditions (including conditions as to termination) as may be specified and agreed between the Contracting Governments in notes to be exchanged for this purpose.

(2) The termination of this Agreement under Article XI shall, unless otherwise expressly agreed by both Contracting Governments, terminate the application of the Agreement to any territory to which it has been extended under this Article.

ARTICLE X

This Agreement shall come into force on the date on which the last of all such things shall have been done in the United Kingdom and Canada as are necessary to give the Agreement the force of law in the United Kingdom and Canada respectively, and shall thereupon have effect—