

those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the income of that enterprise and taxed accordingly.

2. Where a Contracting State includes in the income of an enterprise of that State - and taxes accordingly - income on which an enterprise of the other Contracting State has been charged to tax in that other State and the income so included is income which would have accrued to the enterprise of the first-mentioned State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other State shall make an appropriate adjustment to the amount of tax charged therein on that income. In determining such adjustment, due regard shall be had to the other provisions of this Convention and the competent authorities of the Contracting States shall if necessary consult each other. The provisions of this paragraph shall not apply after the expiry of the time limits provided in the national laws of the State requested to make the adjustment.

## Article 10

### 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. However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State the tax so charged shall not exceed:

(a) 5 per cent of the gross amount of the dividends if the beneficial owner is a company that controls directly at least 10 per cent of the voting power, or that holds directly at least 25 per cent of the capital, in the company paying the dividends;

(b) notwithstanding the provisions of subparagraph (a), 10 per cent of the gross amount of the dividends if the dividends are paid by a non-resident owned investment corporation that is a resident of Canada to a beneficial owner that is a resident of Sweden and that controls directly at least 10 per cent of the voting power, or that holds directly at least 25 per cent of the capital, of the corporation paying the dividends; and

(c) 15 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 in respect of the profits out of which the dividends are paid.