

ARTICLE 2

1. Paragraph 3 of Article IV (Residence) of the Convention shall be deleted and replaced by the following:

3. Where by reason of the provisions of paragraph 1, a company is a resident of both Contracting States, then
- (a) If it is created under the laws in force in a Contracting State, but not under the laws in force in the other Contracting State, it shall be deemed to be a resident only of the first-mentioned State; and
 - (b) In any other case, the competent authorities of the Contracting States shall endeavor to settle the question of residency by mutual agreement and determine the mode of application of this Convention to the company. In the absence of such agreement, the company shall not be considered a resident of either Contracting State for purposes of claiming any benefits under this Convention.

2. Article IV (Residence) of the Convention shall be amended by adding the following after paragraph 5:

6. An amount of income, profit or gain shall be considered to be derived by a person who is a resident of a Contracting State where:
- (a) The person is considered under the taxation law of that State to have derived the amount through an entity (other than an entity that is a resident of the other Contracting State); and
 - (b) By reason of the entity being treated as fiscally transparent under the laws of the first-mentioned State, the treatment of the amount under the taxation law of that State is the same as its treatment would be if that amount had been derived directly by that person.