

## III

## CODICIL TO THE AGREEMENT

signed on March 16, 1951  
between France and Canada for  
the avoidance of double taxation and the  
prevention of fiscal evasion with respect  
to income taxes

The Government of the French Republic and the Government of Canada, desiring to complete the Agreement signed on March 16th, 1951 for the avoidance of double taxation and the prevention of fiscal evasion, with respect to income taxes, have agreed as follows:

## Article 1—

Paragraph VI of Article 2 of the Agreement of March 16th, 1951 is to be completed with a new sub-paragraph (iii) which reads as follows:

“(iii). When a company of one of the States derives profits, in accordance with contracts settled in said State, from the sale of goods or merchandise kept in storage within the territory of the other State for the convenience of delivery and not for publicity purposes, such profits are not considered as resulting from a permanent establishment of the company located in the other State, notwithstanding the fact that offers of purchase have been collected by an agent who has transmitted them to the company for final acceptance”.

Former sub-paragraph (iii) of above-mentioned paragraph VI becomes sub-paragraph (iv).

## Article 2—

Both the French and English texts of the present codicil are equally valid.

It shall be part and parcel of the Agreement and shall come and stay in force under the provisions of Articles 22 paragraph II and 23 of said Agreement.

Done at OTTAWA, in duplicate, on October 6th, 1951.

L. B. PEARSON,

For the Government of Canada.

For the Government of  
the French Republic

HUBERT GUÉRIN.