

- "(i) the furnishing of services, including consultancy services, by an enterprise through an employee or other person (other than an agent of an independent status within the meaning of paragraph 6) where the activities continue within a Contracting State for more than 120 days within any twelve month period."

Article VI

1. Paragraph 2 of Article 8 (Shipping and Air Transport) of the Convention shall be deleted and replaced by the following:

"2. Notwithstanding the provisions of paragraph 1 and of Article 7, profits derived from the operation of ships or aircraft used principally to transport passengers or goods between places in a Contracting State may be taxed in that State.

3. The provisions of paragraph 1 shall also apply to profits derived by an enterprise from its participation in a pool, a joint business or in an international operating agency but only to so much of the profits so derived as is allocable to the participant in an international joint venture in proportion to its share in the joint operation."

Article VII

Paragraph 2 of Article 10 (Dividends) of the Convention shall be deleted and replaced by the following:

"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 State, the tax so charged shall not exceed:

- (a) 10 per cent of the gross amount of the dividends if the beneficial owner is a company which holds directly at least 25 per cent of the capital of the company paying the dividends;
- (b) 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 on the profits out of which the dividends are paid."