

*Article II*

In Article 10 the following amendments shall be made:

A. Paragraph 2 shall be deleted and replaced by:

2. However, such dividends may also be taxed in the State of which the company paying the dividends is a resident, and according to the laws of that State, but if the recipient is the beneficial owner of the dividends 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 (other than a partnership), that holds directly or indirectly at least 25 per cent of the capital or at least 10 per cent of the voting power of the company paying the dividends;
- b) notwithstanding 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 the Netherlands and that holds directly or indirectly at least 25 per cent of the capital or at least 10 per cent of the voting power of the corporation paying the dividends; and
- c) 15 per cent of the gross amount of the dividends in all other cases.

B. Immediately after paragraph 7 a new paragraph shall be inserted:

8. The provisions of paragraph 7 shall also apply with respect to earnings derived from the alienation of immovable property in one of the States by a company carrying on a trade in immovable property, whether or not it has a permanent establishment in that State, but only insofar as these earnings may