

- (c) In relation to a Canadian enterprise, the expression "international traffic" means any transport of passengers, cargo and mail by an aircraft. It also means any transport of passengers, cargo and mail by a ship in the course of a voyage that extends over more than one country except to the extent that the ship is used principally to transport passengers, cargo and mail exclusively between places in Mexico.
- (d) In relation to a Mexican enterprise, the expression "international traffic" means any transport of passengers, cargo and mail by an aircraft. It also means any transport of passengers, cargo and mail by a ship in the course of a voyage that extends over more than one country except to the extent that the ship is used principally to transport passengers, cargo and mail exclusively between places in Canada.

5. As regards the application of this Agreement by one of the Contracting Governments, any term not otherwise defined shall, unless the context otherwise requires, have meaning which it has under the laws of that Contracting Government relating to the taxes which are the subject of this Agreement.

6. This Agreement shall become effective with respect to taxation years commencing on or after the first day of January, 1973.

7. This Agreement shall remain in force for an indefinite period but either Government may, on or before June 30 in any calendar year after the year 1974, give notice of termination to the other Government. In such event, the Agreement shall cease to be effective for taxation years beginning on or after the first day of January in the calendar year next following that in which the notice is given.

If the foregoing proposals are acceptable to the Government of the United States of Mexico, I propose that this note, which is authentic in English and French, and your reply, which will be authentic in Spanish, shall constitute an Agreement between our two Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

MITCHELL SHARP
Secretary of State for External Affairs

His Excellency
Lic. Emilio O. Rabasa,
Minister of Foreign Relations,
Tlatelolco, D.F.