

6. Nothing in this Agreement shall be construed as preventing a Contracting State from imposing on the profits of a company attributable to a permanent establishment in that State, a tax in addition to the tax which would be chargeable on the profits of a company which is a resident and, in the case of Canada a national, of that State, provided that any additional tax so imposed shall not exceed:

- (a) in the case of Canada, 15 per cent of the amount of such profits which have not been subjected to such additional tax in previous taxation years and which are attributable to the permanent establishment in a year and previous years after deducting therefrom all taxes, other than the additional tax referred to herein, imposed on such profits by Canada;
- (b) in the case of Turkey, 20 per cent of the profits attributable to the permanent establishment situated in Turkey after deducting therefrom the tax which would be chargeable on the profits of a company which is a resident of Turkey.

ARTICLE 11

Interest

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State.
2. However, such interest may also be taxed in the Contracting State in which it arises, and according to the laws of that State, but if the beneficial owner of the interest is a resident of the other Contracting State, the tax so charged shall not exceed 15 per cent of the gross amount of the interest.
3. Notwithstanding the provisions of paragraph 2, interest arising in:
 - (a) Canada and paid to the Government of Turkey or to the Central Bank of Turkey (Türkiye Cumhuriyet Merkez Bankası) shall be exempt from Canadian tax;
 - (b) Turkey and paid to the Government of Canada or to the Bank of Canada shall be exempt from Turkish tax.