

4. This Agreement shall not apply to any company, trust or partnership that is a resident of a Contracting State and is beneficially owned or controlled directly or indirectly by one or more persons who are not residents of that State, if the amount of the tax imposed on the income or capital of the company, trust or partnership by that State is substantially lower than the amount that would be imposed by that State if all of the shares of the capital stock of the company or all of the interests in the trust or partnership, as the case may be, were beneficially owned by one or more residents of that State.

VII. FINAL PROVISIONS

ARTICLE 29

Entry into Force

1. This Agreement shall be ratified and the instruments of ratification shall be exchanged at Valletta Malta.

2. The Agreement shall enter into force 30 days after the exchange of instruments of ratification and its provisions shall have effect:

(a) in Canada:

(i) in respect of tax withheld at the source on amounts paid or credited to non-residents on or after the first day of January in the calendar year in which the exchange of instruments of ratification takes place; and

(ii) in respect of other Canadian tax for taxation years beginning on or after the first day of January in the calendar year in which the exchange of instruments of ratification takes place;

(b) in Malta, in respect of taxes which are levied for any year of assessment beginning on the first day of January in the calendar year immediately following that in which the exchange of instruments of ratification takes place.

ARTICLE 30

Termination

This Agreement shall continue in effect indefinitely but either Contracting State may, on or before June 30 in any calendar year after the year of the exchange of instruments of ratification, give to the other Contracting State a notice of termination in writing through diplomatic channels; in such event, the Agreement shall cease to have effect:

(a) in Canada:

(i) in respect of tax withheld at the source on amounts paid or credited to non-residents on or after the first day of January in the calendar year immediately following that in which the notice is given; and