

tional traffic may be taxed in the Contracting State or which the operator is a resident.

ARTICLE 15

Directors' Fees

Directors' fees and other similar payments derived by a resident of a Contracting State in his capacity as a member of the board of directors of a company which is a resident of the other Contracting State may be taxed in that other State.

ARTICLE 16

Entertainers and Athletes

1. Notwithstanding anything contained in this Convention, income derived by a resident of a Contracting State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as an athlete, from his personal activities as such exercised in the other Contracting State, may be taxed in that other State.

2. Where the services mentioned in paragraph 1 are provided in a Contracting State by an enterprise of the other Contracting State, then the profits derived from providing those services by such an enterprise may, notwithstanding anything contained in this Convention, be taxed in the first-mentioned State unless the enterprise is substantially supported from the public funds of the other State, including any political subdivision, local authority or statutory body thereof, in connection with the provision of such activities or unless the enterprise is a non-profit organisation no part of the income of which was payable to, or was otherwise available for the personal benefit of, any proprietor, member or shareholder thereof.

ARTICLE 17

Pensions

1. Pensions and annuities arising in a Contracting State and paid to a resident of the other Contracting State shall, subject to the provisions of paragraph 2, be taxable only in that other State.

2. Pensions and annuities arising in a Contracting State and paid to a resident of the other Contracting State may also be taxed in the State in which they arise and according to the laws of that State in any taxation year or income year where they exceed the sum of \$10,000 Canadian dollars in that year; provided that the tax so charged shall not exceed—

- (a) In the case of pensions, the lesser of
 - (i) 15 percent of the gross amount of the payment, and
 - (ii) the rate determined by reference to the amount of tax that the recipient of the payment would otherwise be required to pay for the year on