4. The provisions of paragraphs 1 and 2 shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises through a permanent establishment situated therein and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.

5. Interest shall be deemed to arise in a Contracting State when the payer is a resident of that Contracting State. Where, however, the person paying the interest, whether he is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the indebtedness on which the interest is paid was incurred, and such interest is borne by such permanent establishment, then such interest shall be deemed to arise in the Contracting State in which the permanent establishment is situated."

Article VIII

1. Paragraphs 1, 2, 3, 4 and 5 of Article 12 of the Convention shall be deleted and replaced by the following:

"1. Royalties arising in a Contracting State and beneficially owned by a resident of the other Contracting State shall be taxable only in that other Contracting State.

2. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films and films or tapes for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience.

3. The provisions of paragraph 1 shall not apply if the beneficial owner of the royalties, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties arise through a permanent establishment situated therein and the right or property in respect of which the royalties are paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply."

2. Paragraph 6 of Article 12 of the Convention shall be renumbered as paragraph 4.

Article IX

Paragraph 2 of Article 13 of the Convention shall be deleted and replaced by the following:

"2. Gains from the alienation of any property, other than immovable property, forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State, including such gains from the alienation of such a permanent establishment (alone or together with the whole enterprise), may be taxed in that other Contracting State."

Article X

Article 14 of the Convention shall be deleted and replaced by the following:

"Article 14 (Deleted)"

Article XI

1. Sub-paragraph (a) of paragraph 2 of Article 15 of the Convention shall be deleted and replaced by the following:

"(a) the recipient is present in that other Contracting State for a period or periods not exceeding in the aggregate 183 days in any twelve month period commencing or ending in the taxable year concerned; and"

2. Sub-paragraph (c) of paragraph 2 of Article 15 of the Convention shall be amended by deleting the words "or a fixed base".

Article XII

1. Paragraph 1 of Article 17 of the Convention shall be amended by deleting the words "Articles 14 and 15" and replacing them with the words "Articles 7 and 15".

2. Paragraph 2 of Article 17 of the Convention shall be amended by deleting the words "Articles 7, 14 and 15" and replacing them with the words "Articles 7 and 15".