

SCHEDULE

*ARTICLE VIII*

Article 18 of the Convention shall be deleted and replaced by the following:

*“ARTICLE 18*

***Pensions and similar payments***

(1) Subject to the provisions of paragraph (2) of this Article and paragraph (2) of Article 19, pensions, annuities and other similar remuneration paid to an individual who is a resident of a Contracting State and is subject to tax in respect thereof in that State, shall be taxable only in that State.

(2) In the case of an individual who was a resident of a Contracting State and has become a resident of the other Contracting State, nothing in paragraph (1) of this Article shall affect the right of the first-mentioned State under its national laws to tax pensions, annuities and other similar remuneration arising in that State and paid to that individual.

(3) Notwithstanding the provisions of paragraph (1) of this Article, payments received by an individual who is a resident of a Contracting State, under the social security legislation of the other Contracting State, shall be taxable only in that other State.

(4) The term “annuities” means stated sums payable to an individual periodically at stated times, during his life or during a specified or ascertainable period of time, under an obligation to make the payments in return for adequate and full consideration in money or money’s worth.”