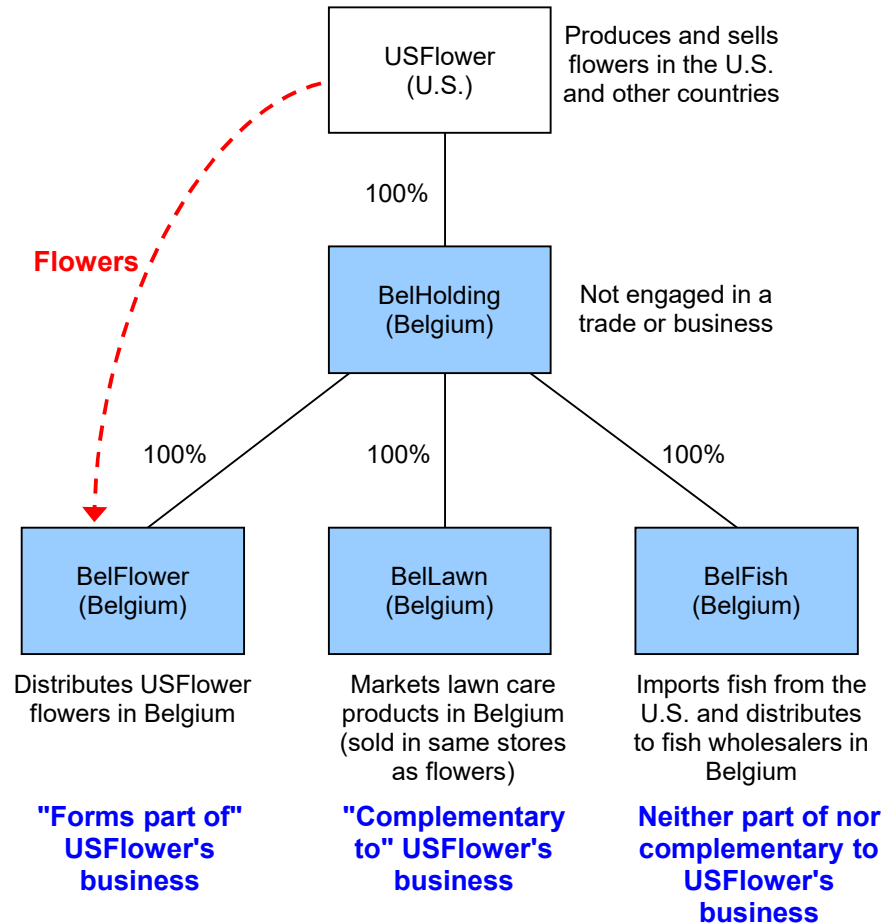


**Belgium Treaty (2006)
Treasury Tech. Explan.,
Article 21, Paragraph 4,
Example 5**

**Flower (Part of),
Lawn (Complem. to),
& Fish (Neither)**

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USFlower is a corporation resident in the United States. USFlower produces and sells flowers in the United States and other countries. USFlower owns all the shares of BelHolding, a corporation resident in Belgium. BelHolding is a holding company that is not engaged in a trade or business. BelHolding owns all the shares of three corporations that are resident in Belgium: BelFlower, BelLawn, and BelFish. BelFlower distributes USFlower flowers under the USFlower trademark in Belgium. BelLawn markets a line of lawn care products in Belgium under the USFlower trademark. In addition to being sold under the same trademark, BelLawn and BelFlower products are sold in the same stores and sales of each company's products tend to generate increased sales of the other's products. BelFish imports fish from the United States and distributes it to fish wholesalers in Belgium. For purposes of paragraph 4, the business of BelFlower forms a part of the business of USFlower, the business of BelLawn is complementary to the business of USFlower, and the business of BelFish is neither part of nor complementary to that of USFlower.



Limitation on benefits:
Active trade or business test ("derived in connection with")