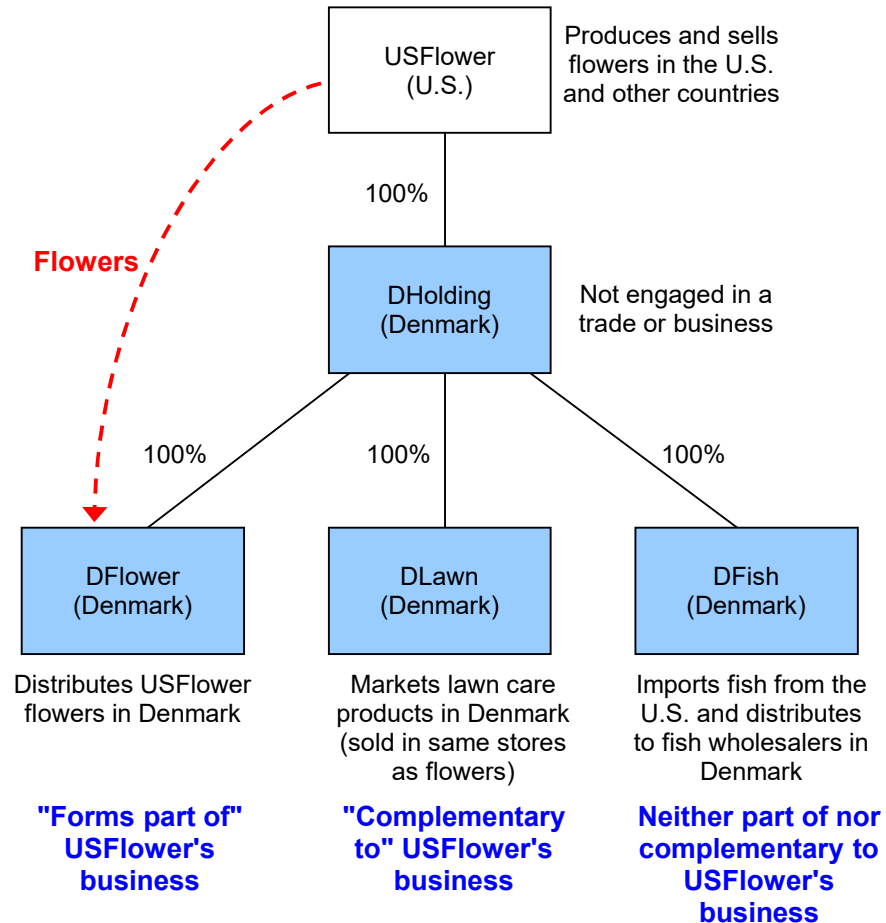


**Denmark Protocol (2006)
Treasury Tech. Explan.,
Article 22, Paragraph 4,
Example 5**

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

Copyright © 2021 Andrew Mitchel LLC
International Tax Services
www.andrewmitchel.com

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



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