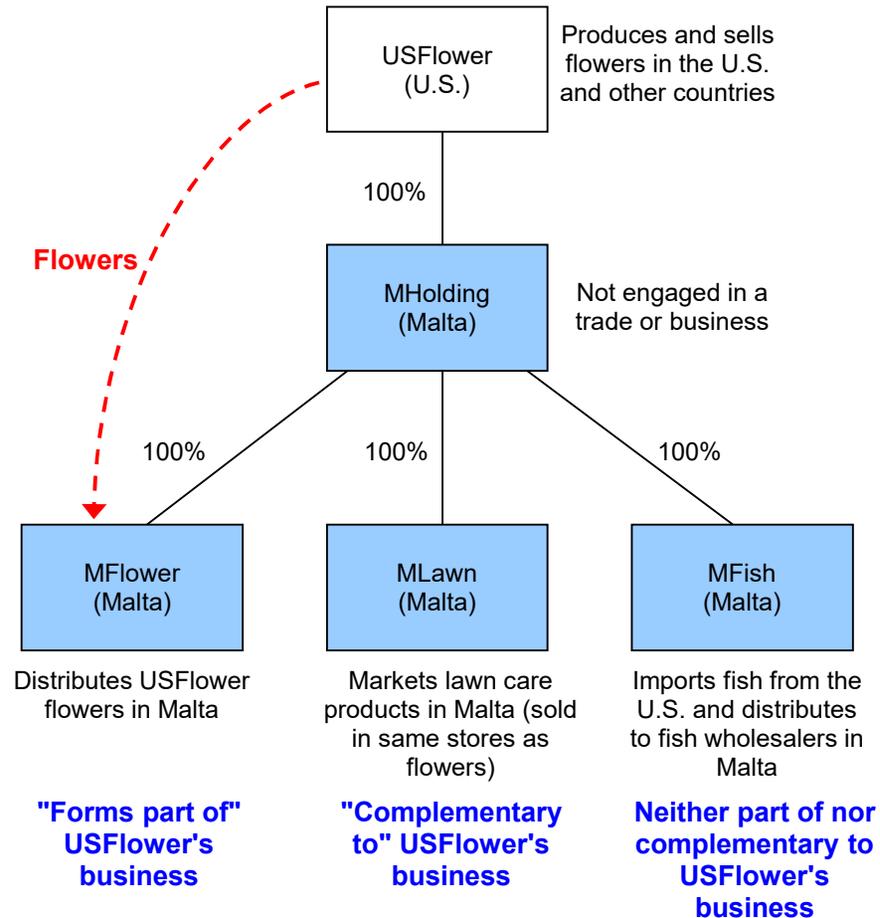


**Malta Treaty (2008)  
Treasury Tech. Explan.,  
Article 22, Paragraph 4,  
Example 5**

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



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