UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2007	COMMISSION FILE NUMBER 1-9608

NEWELL RUBBERMAID INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE (State or other jurisdiction of incorporation or organization)	36-3514169 (I.R.S. Employer Identification No.)
10 B Glenlake Parkway, Suite 300 Atlanta, Georgia (Address of principal executive offices)	30328 (Zip Code)

Registrant's telephone number, including area code: (770) 407-3800

Securities registered pursuant to Section 12(b) of the Act:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock, $1 par value per share	New York Stock Exchange
	Chicago Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes ☑ No o

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.
Yes o No ☑

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☑ No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer ☑	Accelerated Filer o
Non-Accelerated Filer o (Do not check if a smaller reporting company)	Smaller Reporting Company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).
Yes o No ☑

There were 276.7 million shares of the Registrant's Common Stock outstanding (net of treasury shares) as of January 31, 2008. The aggregate market value of the shares of Common Stock (based upon the closing price on the New York Stock Exchange on June 29, 2007) beneficially owned by non-affiliates of the Registrant was approximately $8,152.4 million. For purposes of the foregoing calculation only, which is required by Form 10-K, the Registrant has included in the shares owned by affiliates those shares owned by directors and officers of the Registrant, and such inclusion shall not be construed as an admission that any such person is an affiliate for any purpose.

* * *

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Definitive Proxy Statement for its Annual Meeting of Stockholders to be held May 6, 2008.

TABLE OF CONTENTS

PART I
- ITEM 1. BUSINESS
- ITEM 1A. RISK FACTORS
- ITEM 1B. UNRESOLVED STAFF COMMENTS
- ITEM 2. PROPERTIES
- ITEM 3. LEGAL PROCEEDINGS
- ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS
- SUPPLEMENTARY ITEM — EXECUTIVE OFFICERS OF THE REGISTRANT

PART II
- ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES
- ITEM 6. SELECTED FINANCIAL DATA
- ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
- ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK
- ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA
- ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE
- ITEM 9A. CONTROLS AND PROCEDURES
- ITEM 9B. OTHER INFORMATION

PART III
- ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE
- ITEM 11. EXECUTIVE COMPENSATION
- ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS
- ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE
- ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

PART IV
- ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

SIGNATURES
EXHIBIT INDEX
- Credit Agreement
- 2008 Deferred Compensation Plan
- Supplemental Executive Retirement Plan
- Form of Employment Security Agreement
- Separation Agreement and General Release
- Statement of Computation of Earnings to Fixed Charges
- Significant Subsidiaries
- Consent of Ernst & Young LLP
- 302 Certification of Chief Executive Officer
- 302 Certification of Chief Financial Officer
- 906 Certification of Chief Executive Officer
- 906 Certification of Chief Financial Officer

PART I

ITEM 1. BUSINESS

“Newell Rubbermaid” or the “Company” refers to Newell Rubbermaid Inc. alone or with its wholly owned subsidiaries, as the context requires. When this report uses the words “we” or “our,” it refers to the Company and its subsidiaries unless the context otherwise requires.

WEBSITE ACCESS TO SECURITIES AND EXCHANGE COMMISSION REPORTS

The Company’s Internet website can be found at *www.newellrubbermaid.com*. The Company makes available free of charge on or through its website its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as soon as practicable after the Company files them with, or furnishes them to, the Securities and Exchange Commission.

GENERAL

Newell Rubbermaid is a global marketer of consumer and commercial products that touch the lives of people where they work, live and play. The Company’s strong portfolio of brands includes Sharpie®, Paper Mate®, Dymo®, Expo®, Waterman®, Parker®, Rolodex®, Irwin® , Lenox®, BernzOmatic®, Rubbermaid®, Levolor®, Graco®, Calphalon® and Goody®. The Company’s multi-product offering consists of well known name-brand consumer and commercial products in four business segments: Cleaning, Organization & Décor; Office Products; Tools & Hardware; and Home & Family.

The Company’s vision is to become a global company of consumer-meaningful brands (“Brands That Matter™”) and great people, known for best-in-class results. The Company’s four transformational strategic initiatives are as follows: Create Consumer-Meaningful Brands, Leverage One Newell Rubbermaid, Achieve Best Total Cost and Nurture 360º Innovation.

Create Consumer-Meaningful Brands is the initiative to move from a historical focus on customer push marketing and excelling in manufacturing and distributing products, to a new focus on consumer pull marketing and creating competitive advantage through understanding the Company’s consumers, innovating to deliver great performance and value, investing in advertising and promotion to create demand and leveraging its brands in adjacent categories around the world. Leverage One Newell Rubbermaid is the initiative to lower costs and drive speed to market by leveraging common business activities and best practices of its business units. This will be supported by building a common culture of shared values, with a focus on collaboration and teamwork. Achieve Best Total Cost is the initiative to achieve an optimal balance between manufacturing and sourcing and between high-cost and low-cost manufacturing and to leverage the Company’s size and scale to drive productivity and achieve a best cost position. Nurture 360º Innovation represents the broadened definition of innovation to include consumer driven product invention and the successful commercialization of invention.

The Company’s results depend on the ability of its individual business units to succeed in their respective categories, each of which has some unique consumers, customers and competitors. The Company’s strategic initiatives are designed to enable these business units to generate differentiated products, operate within a best-in-class cost structure and employ superior branding in order to realize premium margins on their products. Premium margins, in turn, fund incremental demand creation by the business units, driving incremental sales and profits for the Company.

Refer to the forward-looking statements section of Management’s Discussion and Analysis of Financial Condition and Results of Operations for a discussion of the Company’s forward-looking statements included in this report.

BUSINESS SEGMENTS

The Company’s four business segments reflect the Company’s focus on building large consumer and commercial brands, promoting organizational integration, achieving operating efficiencies in sourcing and distribution, and leveraging its understanding of similar consumer segments and distribution channels.

The Company's business segments are as follows:

Segment	Description of Products
Cleaning, Organization & Décor	Material handling, cleaning, refuse, indoor/outdoor organization, home storage, food storage, drapery hardware, window treatments
Office Products	Ball point/roller ball pens, markers, highlighters, pencils, correction fluids, office products, art supplies, on-demand labeling products, card-scanning solutions, on-line postage
Tools & Hardware	Hand tools, power tool accessories, manual paint applicators, cabinet, window and convenience hardware, propane torches, soldering tools and accessories
Home & Family	Premium cookware and related kitchenware, beauty and style accessory products, infant and juvenile products, including high chairs, car seats, strollers and play yards, and other products within operating segments that are individually immaterial and do not meet aggregation criteria

During the fourth quarter of 2007, the Company moved to one, common global organizational structure that established the Global Business Unit ("GBU") as the core organizing concept of the business. The move to a GBU structure allows the Company to better leverage its brands, technology, supply chain and other resources on a global basis. The establishment of a GBU structure did not impact the Company's operating business segments.

During 2006 and early 2007, the Company divested its European Cookware, Little Tikes and Home Décor Europe businesses. The results of these businesses are included in discontinued operations. Refer to Footnote 3 of the Notes to Consolidated Financial Statements for additional information.

CLEANING, ORGANIZATION & DÉCOR

The Company's Cleaning, Organization & Décor segment is comprised of the following GBUs: Home Products, Foodservice Products, Commercial Products and Décor. These businesses design, manufacture or source, package and distribute semi-durable products primarily for use in the home and commercial settings. The products include indoor and outdoor organization, home storage, food storage, cleaning, refuse, material handling, drapery hardware, custom and stock horizontal and vertical blinds, as well as pleated, cellular and roller shades.

Home Products, Foodservice Products and Commercial Products primarily sell their products under the trademarks Rubbermaid®, Brute®, Roughneck® and TakeAlongs®. Décor sells its products primarily under the trademarks Levolor® and Kirsch®.

Home Products and Foodservice Products market their products directly and through distributors to mass merchants, home centers, warehouse clubs, grocery/drug stores and hardware distributors. Commercial Products markets its products directly and through distributors to commercial channels and home centers. Décor markets its products directly and through distributors to mass merchants, home centers, department/specialty stores, hardware distributors, industrial/construction outlets, custom shops, select contract customers and other professional customers.

OFFICE PRODUCTS

The Company's Office Products segment is comprised of the following GBUs: Markers, Highlighters & Art Products, Everyday Writing & Coloring, Technology, Fine Writing & Luxury Accessories and Office Organization. The GBUs primarily design, manufacture or source, package and distribute fine/luxury, technical and everyday writing instruments, technology-based products and organization products, including permanent/waterbase markers, dry erase markers, overhead projector pens, highlighters, wood-cased pencils, ballpoint pens and inks, correction fluids, office products, art supplies, on-demand labeling products, card scanning solutions and on-line postage. Office Products also distributes other writing instruments, including roller ball pens and mechanical pencils, for the retail marketplace.

Office Products primarily sells its products under the trademarks Sharpie®, Paper Mate®, Parker®, Waterman®, Eberhard Faber®, Berol®, Reynolds®, Rotring®, Uni-Ball® (used under exclusive license from Mitsubishi Pencil Co. Ltd. and its subsidiaries in North America), Expo®, Sharpie® Accent®, Vis-à-Vis®, Expresso ®, Liquid Paper®, Mongol®, Foohy®, Prismacolor®, Eldon ®, Dymo®, Mimio®, CardScan® and Endicia™.

Office Products markets its products directly and through distributors to mass merchants, warehouse clubs, grocery/drug stores, office superstores, office supply stores, contract stationers, hardware distributors and other retailers.

TOOLS & HARDWARE

The Company's Tools & Hardware segment is comprised of the following GBUs: Industrial Products & Services, Construction Accessories, Construction Tools and Cabinet, Window & Door. The GBUs within the Tools & Hardware segment design, manufacture or source, package and distribute hand tools and power tool accessories, propane torches, soldering tools and accessories, manual paint applicator products, cabinet hardware and window and door hardware.

Tools & Hardware sells its products under the trademarks Irwin®, Vise-Grip®, Marathon®, Twill®, Speedbor ®, Jack ®, Quick-Grip ®, Unibit ®, Strait-Line ®, BernzOmatic ®, Shur-Line ®, Rubbermaid ®, Lenox ®, Sterling ®, Amerock ®, Allison ®, Ashland ® and Bulldog ®.

Tools & Hardware markets its products directly and through distributors to mass merchants, home centers, department/specialty stores, hardware distributors, industrial/construction outlets, custom shops, select contract customers and other professional customers.

HOME & FAMILY

The Company's Home & Family segment is comprised of the following GBUs: Culinary Lifestyle, Baby & Parenting Essentials and Beauty & Style. Culinary Lifestyle primarily designs, manufactures or sources, packages and distributes aluminum and stainless steel cookware, bakeware, cutlery and kitchen gadgets and utensils. Baby & Parenting Essentials designs, manufactures or sources, packages and distributes infant and juvenile products such as swings, high chairs, car seats, strollers and play yards. Beauty & Style designs, manufactures or sources, packages and distributes hair care accessories and grooming products.

Culinary Lifestyle primarily sells its products under the trademarks Calphalon®, Kitchen Essentials®, Cooking with Calphalon™, Calphalon®One™ and Katana™. Baby & Parenting Essentials primarily sells its products under the Graco® trademark. Beauty & Style markets its products primarily under the trademarks Goody®, Ace®, i|m™, Stayput™, Ouchless®, StylingSolutions™, Styling Therapy™ and ColourCollection™.

Culinary Lifestyle markets and sells its products directly to department and specialty stores and through its branded retail outlets. Baby & Parenting Essentials and Beauty & Style market their products directly and through distributors to mass merchants, warehouse clubs and grocery/drug stores.

NET SALES BY BUSINESS SEGMENT

The following table sets forth the amounts and percentages of the Company's net sales for the years ended December 31, 2007, 2006 and 2005 *(in millions, except percentages)* (including sales of acquired businesses from the time of acquisition and excluding sales of businesses that have been divested), for the Company's four business segments.

	2007	% of Total	2006	% of Total	2005	% of Total
Cleaning, Organization & Décor	$2,096.4	32.7%	$1,995.7	32.2%	$1,921.0	33.6%
Office Products	2,042.3	31.9	2,031.6	32.8	1,713.3	30.0
Tools & Hardware	1,288.7	20.1	1,262.2	20.3	1,260.3	22.0
Home & Family	979.9	15.3	911.5	14.7	822.6	14.4
Total Company	$6,407.3	100.0%	$6,201.0	100.0%	$5,717.2	100.0%

Sales to Wal-Mart Stores, Inc. and subsidiaries amounted to approximately 13%, 12%, and 13% of consolidated net sales for the years ended December 31, 2007, 2006 and 2005, respectively, substantially across all segments. Sales to no other customer exceeded 10% of consolidated net sales. For more detailed segment information, including operating income and identifiable assets by segment, refer to Footnote 18 of the Notes to Consolidated Financial Statements.

STRATEGIC INITIATIVES

Create Consumer-Meaningful Brands

The Company is continuing to move from its historical focus on customer push marketing and excelling in manufacturing and distributing products, to a new focus on consumer pull marketing and creating competitive advantage through better understanding its consumers, innovating to deliver great performance and value, investing in advertising and promotion to create demand and leveraging its brands in adjacent categories around the world. Consumer-meaningful brands create more value than products alone, and big brands provide the Company with the economies of scale that can be leveraged in today's marketplace.

In 2007, the Company made incremental investments in strategic brand building for several brands including Sharpie®, Paper Mate®, Rubbermaid®, Graco®, Calphalon® and Goody®. In just two years, the Company has increased its investment in strategic brand building almost 60% to 6.2% of sales. The Company is committed to increasing selective television, print, direct mail and online advertising, and using sampling and product demonstrations where appropriate, to increase brand awareness and trials among end-users of its brands. During 2007, the Company sponsored the #26 Irwin® car in the NASCAR NEXTEL Cup Series, the Sharpie® 500 NASCAR race in Bristol, Tennessee and the Lenox® Industrial Tools 300 NASCAR race in Loudon, New Hampshire. In 2008, the Company anticipates focusing its advertising and sponsorships in similar areas.

The Company continues to employ resources to create best-in-class branding capabilities across the Company. As part of the Company's Marketing Build and Transform initiative, it has created a detailed blueprint and roadmap for achieving brand building excellence over time, complete with annual targets and measures. The Company has added top executive talent from some of the world's leading consumer products companies to its management ranks as well as developed and launched a comprehensive series of Marketing Excellence training programs, covering both basic and advanced curriculums to expand and develop consumer marketing capabilities and further enhance consumer understanding. The Company's brand building initiatives and the increased investments in research, training, and consumer-noticeable spending activities have contributed to the Company realizing market share gains in certain key brands, notably in the Calphalon, Goody, Dymo and Rubbermaid Commercial Products businesses, and global growth in the Irwin and Lenox branded tools businesses.

Leverage One Newell Rubbermaid

The Company is committed to leveraging the common business activities and best practices of its business units, and to build one common culture of shared values, with a focus on collaboration and teamwork. Through this initiative, the Company strives to benefit from the reduction of costs achieved through horizontal integration and economies of scale. For example, the Company continues to explore ways to leverage its common functional capabilities such as Human Resources, Information Technology, Customer Service, Supply Chain Management and Finance to improve efficiency and reduce costs. The Company is also taking significant steps toward achieving low cost logistical excellence, including the centralization and consolidation of the Company's distribution and transportation activities. The centralization of these functions will increase buying power across the Company.

Additionally, certain administrative functions are centralized at the corporate level including cash management, accounting systems, capital expenditure approvals, restructuring approvals, order processing, billing, credit, accounts receivable collections, data processing operations and legal functions. Centralization concentrates technical expertise in one location, making it easier to communicate, observe overall business trends and manage the Company's businesses.

The Company previously accelerated the process of creating shared services for the European businesses and is expanding the scope of shared services in the U.S and Latin America. The transition of services to the Shared Service Center in Europe is approximately 90% complete. In addition, in its move to a consistent GBU structure, the Company has recently created and expanded leadership positions to identify and drive synergies across business units.

On October 1, 2007, the Company's Office Products segment successfully went live with the SAP implementation for its North American operations. This SAP go-live marks the completion of the first major milestone in a multi-year rollout aimed at migrating multiple legacy systems and users to a common SAP global information platform.

This will enable the Company to integrate and manage its worldwide business and reporting processes more efficiently.

Achieve Best Total Cost

The Company's objective is to reduce the cost of manufacturing, sourcing and supplying product on an ongoing basis, and to leverage the Company's size and scale, in order to achieve a best total cost position in relevant product categories. Achieving best cost positions in its categories allows the Company to increase investment in strategic brand building initiatives. To improve productivity, the Company focuses on reducing procurement, material handling and distribution and transportation costs; driving manufacturing efficiencies; and removing excess overhead costs to reduce the overall cost of manufacturing and delivering products. The Company has also shifted a portion of its research and development efforts to focus on ways to design future products that can be manufactured more cost effectively.

A key component of this strategy is the Company's sourcing transformation — restructuring the manufacturing and sourcing footprint to reduce total delivered cost, including increasing capacity utilization and the percentage of manufacturing located in lower-cost countries as well as achieving a balance of company-owned manufacturing and third party sourcing partners. Project Acceleration remains on track to deliver its commitments in cost, savings and timing over the life of the project, and the Company has realized savings in its operating results. Project Acceleration is projected to result in cumulative restructuring costs of approximately $375 million to $400 million ($315 million to $340 million after tax). Approximately 67% of the costs are expected to be cash. Annualized savings from Project Acceleration are expected to exceed $150 million upon conclusion of the project in 2009, with $60 million in annual savings recognized in 2007 and additional benefits of $60 million and $30 million projected for 2008 and 2009, respectively. To date, the Company has announced approximately two-thirds of its anticipated closings and consolidations and has announced the expansion of the program to include certain scale leveraging initiatives with respect to distribution, transportation and shared services.

The Company is also committed to reducing non-strategic selling, general and administrative ("SG&A") costs throughout the organization. The Company is vigilant in creating a leaner organization that is more flexible in its response time, both internally and externally. The Company's efforts to Leverage One Newell Rubbermaid through horizontal integration will help the Company to achieve this goal.

Nurture 360º Innovation

The Company has broadened its definition of innovation beyond product invention. The Company defines innovation as the successful commercialization of invention. It is a rigorous, consumer-centric process that permeates the entire development cycle. It begins with a deep understanding of how consumers interact with the Company's brands and categories, and all the factors that drive their purchase decisions and in-use experience. That understanding must then be translated into innovative products that deliver unique features and benefits, at a best-cost position, providing the consumer with great value. Lastly, innovating how and where to create awareness and trial use, and measuring the effectiveness of advertising and promotion spending, completes the process. The Company has pockets of excellence using this expanded definition of innovation and continues to build on this competency in its effort to create consumer-meaningful brands. Since the beginning of 2007, the Company launched a number of innovative new products including the Sharpie® Chisel Tip, Levolor® Roman Shades, Lenox® Diamond™ saw blades, Graco® iMonitor™, and the Rubbermaid® Premier line of premium food storage containers. Additionally, the Company's Baby and Parenting Essentials business launched the Graco Sweetpeace-Newborn Soothing Center in early 2008. This product reinvents the swing category by offering babies a multi-sensory experience that mimics the actual movements mothers use to soothe their infants and comes programmed with comforting prenatal sounds, such as a heartbeat, that research has proven to be especially comforting to babies. The Company is investing in a targeted multimedia print and web marketing campaign to support the launch of this innovative new product.

GROWTH STRATEGY

The Company's growth strategy includes internal growth and acquisitions. The Company is also increasingly focused on globalization and the significant opportunities to further expand internationally.

Internal Growth

The Company focuses on internal growth principally by understanding consumers, demand creation through marketing, commercializing innovative new products, entering new domestic and international markets, adding new customers, cross-selling existing product lines to current customers and supporting its U.S.-based customers' international expansion. Internal growth is generally defined by the Company as growth from continuing businesses owned more than one year.

Acquisition Strategy

The Company supplements internal growth by selectively acquiring businesses with prominent end-user focused brands and improving the profitability of such businesses through the implementation of the Company's strategic initiatives. Strategic criteria for an acquisition include: the existence of consumer-meaningful brands that reflect differentiation and innovation, global categories, favorable customer and channel dynamics, strong margin and growth potential, focus on non-cyclical, semi-durable products, and synergies with our core categories and competencies.

Globalization

The Company is expanding from a U.S.-centric business model to one that includes international growth as an increasing focus. The growth of consumer goods economies and retail structures in several regions outside the U.S., particularly Central and Eastern Europe, Asia, Mexico and South America, makes them attractive to the Company by providing selective opportunities to acquire businesses, develop partnerships with new foreign customers and extend relationships with the Company's domestic customers whose businesses are growing internationally. As a result, the Company pursues selective international opportunities to further its internal growth and acquisition objectives. The Company's sales outside the U.S. approximated 28%, 26% and 24% of total sales in 2007, 2006 and 2005, respectively.

The Company has made significant strides in structuring itself for successful globalization. In 2007, the Company realigned its businesses under a GBU structure. This realignment positions the businesses to leverage research and development, branding, marketing and innovation on a global basis. The Company has also implemented the process of creating shared services for the European businesses, which is approximately 90% complete. Finally, the Company is in the early stages of migrating multiple legacy systems and users to a common SAP global information platform, which will enable the Company to integrate and manage its worldwide business and reporting processes more efficiently.

DIVESTITURE AND PRODUCT LINE RATIONALIZATION

The Company consistently reviews its businesses and product offerings, assesses their strategic fit and seeks opportunities to divest non-strategic businesses. The criteria used by the Company in assessing the strategic fit include: the existence of consumer-meaningful brands that respond to differentiation and innovation, global categories, favorable customer and channel dynamics, strong margin and growth potential, focus on non-cyclical, semi-durable products, synergies with our core categories and competencies, and the business' actual and potential impact on the operating performance of the Company. While the Company believes that the business units remaining in our portfolio constitute core businesses, the Company will continue to review its businesses and product offerings and assess their strategic fit.

During 2006 and early 2007, the Company divested its European Cookware, Little Tikes and Home Décor Europe businesses. During 2005, the Company divested its Curver business. See Footnote 3 of the Notes to Consolidated Financial Statements for a description of discontinued operations.

In the normal course of business, the Company rationalizes low margin products. The Company's decision to exit these low margin product lines is consistent with its strategy to focus on high margin, high potential opportunities that support the Company's financial objectives.

OTHER INFORMATION

Multi-Product Offering

The Company's broad product coverage in multiple categories permits it to more effectively meet the needs of its customers. With families of leading brand names and profitable and innovative new products, the Company can also assist volume purchasers sell a more profitable product mix. As a potential single source for an entire product line, the Company can use program merchandising to improve product presentation, optimize display space for both sales and income and encourage impulse buying by retail customers.

Customer Marketing and Service

The Company strives to develop long-term, mutually beneficial partnerships with its customers and become their supplier and brand of choice. To achieve this goal, the Company has a value-added marketing program that offers a family of leading brand name staple products, tailored sales programs, innovative merchandising support, in-store services and responsive top management.

The Company strives to enhance its relationships with customers through exceptional customer service. The Company's ability to provide superior customer service is a result of its information technology, marketing and merchandising programs that are designed to enhance the sales and profitability of its customers and provide consistent on-time delivery of its products.

A critical element of the Company's customer service is consistent on-time delivery of products to its customers. Retailers are pursuing a number of strategies to deliver the highest-quality, best-cost products to their customers. Retailers now frequently purchase on a "just-in-time" basis in order to reduce inventory carrying costs and increase returns on investment. As retailers shorten their lead times for orders, manufacturers need to more closely anticipate consumer-buying patterns. The Company supports its retail customers' "just-in-time" inventory strategies through more responsive sourcing, manufacturing and distribution capabilities and electronic communications.

Foreign Operations

Information regarding the Company's 2007, 2006 and 2005 foreign operations and financial information by geographic area is included in Footnote 18 of the Notes to Consolidated Financial Statements and is incorporated by reference herein. Information regarding risks relating to the Company's foreign operations is set forth in Part I, Item 1A of this report and is incorporated by reference herein.

Raw Materials

The Company has multiple foreign and domestic sources of supply for substantially all of its material requirements. The raw materials and various purchased components required for its products have generally been available in sufficient quantities. The Company's product offerings require the purchase of resin, glass, corrugate and metals, including steel, stainless steel, zinc, aluminum and gold. The Company has experienced inflation in raw material prices and expects such inflation pressures to continue in 2008. The Company continues to attempt to reduce the volume of its resin purchases through product line rationalization and strategic divestitures. See Management's Discussion and Analysis of Financial Condition and Results of Operations for further discussion.

Backlog

The dollar value of unshipped factory orders is not material.

Seasonal Variations

The Company's sales and operating income in the first quarter are generally lower than any other quarter during the year, driven principally by reduced demand and volume for the products in the Company's Office Products and Cleaning, Organization & Décor segments in the quarter.

Patents and Trademarks

The Company has many patents, trademarks, brand names and trade names that are, in the aggregate, important to its business. The Company's most significant registered trademarks are "Rubbermaid®," "Sharpie®," "Paper Mate®," "Lenox®," "Irwin®," "Graco®," "Calphalon®", "Levolor®" and "Dymo®."

Customers / Competition

The Company's principal customers are large mass merchandisers, such as discount stores, home centers, warehouse clubs and office superstores, and commercial distributors. The rapid growth of these large mass merchandisers, together with changes in consumer shopping patterns, have contributed to a significant consolidation of the consumer products retail industry and the formation of dominant multi-category retailers that have strong negotiating power with suppliers. This environment limits the Company's ability to recover cost increases through selling prices.

Current trends among retailers include fostering high levels of competition among suppliers, demanding innovative new products and requiring suppliers to maintain or reduce product prices and deliver products with shorter lead times. Other trends, in the absence of a strong new product development effort or strong end-user brands, are for the retailer to import generic products directly from foreign sources and to source and sell products, under their own private label brands, that compete with products of the Company. The combination of these market influences has created an intensely competitive environment in which the Company's principal customers continuously evaluate which product suppliers to use, resulting in pricing pressures and the need for strong end-user brands, the ongoing introduction of innovative new products and continuing improvements in category management and customer service. The Company competes with numerous manufacturers and distributors of consumer products, many of which are large and well established.

The Company's principal methods of meeting its competitive challenges are creating and maintaining consumer-meaningful brands and differentiated products, delivering superior customer service (including innovative "good-better-best" marketing and merchandising programs), consistent on-time delivery, outsourcing certain production to low cost suppliers and lower cost countries where appropriate and experienced management.

The Company has also positioned itself to respond to the competitive challenges in the retail environment by developing strong relationships with large, high-volume purchasers. The Company markets its strong multi-product offering through virtually every category of high-volume retailer, including discount, drug, grocery and variety chains, warehouse clubs, department, hardware and specialty stores, home centers, office superstores, contract stationers and military exchanges. The Company's largest customer, Wal*Mart (which includes Sam's Club), accounted for approximately 13% of net sales in 2007, across substantially all business units. The Company's top ten customers included (*in alphabetical order*): Boise Office, Lowe's, Office Depot, Staples, Target, The Home Depot, Toys 'R' Us, United Stationers, W. W. Grainger and Wal*Mart.

Environmental Matters

Information regarding the Company's environmental matters is included in the Management's Discussion and Analysis of Financial Condition and Results of Operations section of this report and in Footnote 19 of the Notes to Consolidated Financial Statements and is incorporated by reference herein.

Research and Development

Information regarding the Company's research and development costs for each of the past three fiscal years is included in Footnote 1 of the Notes to Consolidated Financial Statements and is incorporated by reference herein.

Employees

As of December 31, 2007, the Company had approximately 22,000 employees worldwide, of whom approximately 3,500 are covered by collective bargaining agreements or are located in certain countries which have collective arrangements decreed by statute.

ITEM 1A. RISK FACTORS

The factors that are discussed below, as well as the matters that are generally set forth in this report on Form 10-K and the documents incorporated by reference herein, could materially and adversely affect the Company's business, results of operations and financial condition.

The Company is subject to risks related to its dependence on the strength of retail economies in various parts of the world.

The Company's business depends on the strength of the retail economies in various parts of the world, primarily in North America and to a lesser extent Europe, Central and South America and Asia. These retail economies are affected primarily by factors such as consumer demand and the condition of the retail industry, which, in turn, are affected by general economic conditions and specific events such as natural disasters, terrorist attacks and political unrest. The impact of these external factors is difficult to predict, and one or more of the factors could adversely impact our business. In recent years, the retail industry in the U.S. and, increasingly, elsewhere has been characterized by intense competition among retailers. Because such competition, particularly in weak retail economies, can cause retailers to struggle or fail, the Company must continuously monitor, and adapt to changes in, the profitability, creditworthiness and pricing policies of its customers.

The Company is subject to intense competition in a marketplace dominated by large retailers.

The Company competes with numerous other manufacturers and distributors of consumer and commercial products, many of which are large and well established. The Company's principal customers are large mass merchandisers, such as discount stores, home centers, warehouse clubs and office superstores, and commercial distributors. The rapid growth of these large mass merchandisers, together with changes in consumer shopping patterns, have contributed to the formation of dominant multi-category retailers that have strong negotiating power with suppliers. Current trends among retailers include fostering high levels of competition among suppliers, demanding innovative new products and requiring suppliers to maintain or reduce product prices and delivering products with shorter lead times. Other trends are for retailers to import products directly from foreign sources and to source and sell products, under their own private label brands, that compete with the Company's products.

The combination of these market influences has created an intensely competitive environment in which the Company's principal customers continuously evaluate which product suppliers to use, resulting in downward pricing pressures and the need for big, consumer-meaningful brands, the ongoing introduction and commercialization of innovative new products, continuing improvements in customer service, and the maintenance of strong relationships with large, high-volume purchasers. The Company also faces the risk of changes in the strategy or structure of its major retailer customers, such as overall store and inventory reductions and retailer consolidation. The resulting risks to the Company include possible loss of sales, reduced profitability and limited ability to recover cost increases through price increases.

To compete successfully, the Company must develop and commercialize a continuing stream of innovative new products that create consumer demand.

The Company's long-term success in the competitive retail environment depends on its ability to develop and commercialize a continuing stream of innovative new products that create consumer demand. The Company also faces the risk that its competitors will introduce innovative new products that compete with the Company's products. The Company's strategy includes increased investment in new product development and increased focus on innovation. There are, nevertheless, numerous uncertainties inherent in successfully developing and commercializing innovative new products on a continuing basis, and new product launches may not deliver expected growth in sales or operating income.

To compete successfully, the Company must develop and maintain big, consumer-meaningful brands.

The Company's ability to compete successfully also depends increasingly on its ability to develop and maintain consumer-meaningful brands so that the Company's retailer customers will need the Company's products to meet consumer demand. Consumer-meaningful brands allow the Company to realize economies of scale in its operations. The development and maintenance of such brands requires significant investment in brand building and marketing initiatives. While the Company is substantially increasing its expenditures for advertising and other brand building and marketing initiatives, the increased investment may not deliver the anticipated results.

Price increases in raw materials could harm the Company's financial results.

The Company purchases some raw materials, including resin, glass, corrugate, steel, gold, zinc, brass and aluminum, which are subject to price volatility and inflationary pressures. The Company attempts to reduce its exposure to increases in those costs through a variety of programs, including periodic purchases, future delivery purchases, long-term contracts and sales price adjustments. Where practical, the Company uses derivatives as part of its risk management process. Raw material price increases may more than offset productivity gains and could materially impact the Company's financial results.

The Company's success depends on its ability to continuously improve productivity and streamline operations.

The Company's success depends on its ability to continuously improve its manufacturing efficiencies, reduce supply chain costs and streamline non-strategic selling, general and administrative expenses in order to produce products at a best-cost position and allow the Company to invest in innovation and brand building. Project Acceleration includes the closure of approximately one-third of the Company's 64 manufacturing facilities (adjusted for the divestiture of Little Tikes and Home Décor Europe). In addition, the Company continuously explores ways to best leverage its functional capabilities such as Human Resources, Information Technology, Customer Service, Supply Chain Management and Finance in order to improve efficiency and reduce costs. The Company runs the risk that Project Acceleration and other corporate initiatives aimed at streamlining operations and processes and cost reduction may not be completed substantially as planned, may be more costly to implement than expected, or may not have the positive effects anticipated, or that other major productivity and streamlining programs may be required after such projects are completed. In addition, disruptions in the Company's ability to supply products on a timely basis, which may be incidental to any problems in the execution of Project Acceleration, could adversely affect the Company's future results.

The Company's ability to make strategic acquisitions and to integrate its acquired businesses is an important factor in the Company's future growth.

Although the Company has in recent years increasingly emphasized internal growth rather than growth by acquisition, the Company's ability to continue to make strategic acquisitions and to integrate the acquired businesses successfully, including obtaining anticipated cost savings and operating income improvements within a reasonable period of time, remain important factors in the Company's future growth. Furthermore, the cost of any future major acquisitions could constrain the Company's access to capital and increase the Company's borrowing costs.

The Company is subject to risks related to its international operations and sourcing model.

Foreign operations, especially in Europe, but also in Asia, Central and South America and Canada, are important to the Company's business. The Company is expanding from a U.S.-centric business model to one that includes international growth as an increasing focus. In addition, as the Company increasingly sources products in low-cost countries, particularly in the Far East, it is exposed to additional risks and uncertainties. Foreign operations can be affected by factors such as currency devaluation, other currency fluctuations, tariffs, nationalization, exchange controls, interest rates, limitations on foreign investment in local business and other political, economic and regulatory risks and difficulties. The Company also faces risks due to the transportation and logistical complexities inherent in increased reliance on foreign sourcing.

The Company faces challenges and uncertainties as it transforms into a company that grows through consumer-meaningful brands and new product innovation.

The Company is undergoing a transformation from a portfolio-holding company that grew through acquisitions to a focused group of leadership platforms that generate internal growth driven by consumer-meaningful brands and new product innovation. Such a transformation will require significant investment in brand-building, marketing and product development and the development of the right methods for understanding how consumers interact with the Company's brands and categories and measuring the effectiveness of advertising and promotion spending. Although the process is well underway, significant challenges and uncertainties remain.

Complications in connection with the Company's current information system initiative may impact its results of operations, financial condition and cash flows.

The Company is in the process of replacing various business information systems worldwide with an enterprise resource planning system from SAP. On October 1, 2007, the Company successfully went live with the SAP implementation at its North American Office Products business unit. This SAP go-live marks the completion of the first major milestone in a multi-year implementation that will occur in several phases, primarily based on geographic region and segment. This activity involves the migration of multiple legacy systems and users to a common SAP information platform. Throughout this process, the Company is changing the way it conducts business and employees' roles in processing and utilizing information. In addition, this conversion will impact certain interfaces with the Company's customers and suppliers, resulting in changes to the tools we use to take orders, procure material, schedule production, remit billings, make payments and perform other business functions. Based upon the complexity of this initiative, there is risk that the Company will be unable to complete the implementation in accordance with its timeline and will incur additional costs. The implementation could result in operating inefficiencies, and the implementation could impact the Company's ability to perform necessary business transactions. All of these risks could adversely impact the Company's results of operations, financial condition and cash flows.

Impairment charges could have a material adverse effect on the Company's financial results.

Future events may occur that would adversely affect the reported value of the Company's assets and require impairment charges. Such events may include, but are not limited to, strategic decisions made in response to changes in economic and competitive conditions, the impact of the economic environment on the Company's customer base, the unfavorable resolution of litigation, including patent infringement litigation involving PSI Systems, Inc., or a material adverse change in the Company's relationship with significant customers or business partners.

Product liability claims or regulatory actions could adversely affect the Company's financial results or harm its reputation or the value of its end-user brands.

Claims for losses or injuries purportedly caused by some of the Company's products arise in the ordinary course of the Company's business. In addition to the risk of substantial monetary judgments, product liability claims or regulatory actions could result in negative publicity that could harm the Company's reputation in the marketplace or adversely impact the value of its end-user brands. The Company could also be required to recall possibly defective products, which could result in adverse publicity and significant expenses. Although the Company maintains product liability insurance coverage, potential product liability claims are subject to a self-insured retention or could be excluded under the terms of the policy.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

The following table shows the location and general character of the principal operating facilities owned or leased by the Company. The properties are listed within their designated business segment: Cleaning, Organization & Décor; Office Products; Tools & Hardware; and Home & Family. These are the primary manufacturing locations, administrative offices and distribution warehouses of the Company. The Company also maintains sales offices throughout the U.S. and the world. The corporate offices are currently located in leased space in Atlanta, Georgia. Construction on a new headquarters building in Atlanta, Georgia, began in January 2007. Completion of the 350,000 square foot, 14-story building is slated for August 2008. Most of the Company's idle facilities, which are excluded from the following list, are subleased, pending lease expiration, or are for sale. The Company's properties are generally in good condition, well maintained, and are suitable and adequate to carry on the Company's business.

BUSINESS SEGMENT	LOCATION	CITY	OWNED OR LEASED	GENERAL CHARACTER
CLEANING, ORGANIZATION & DÉCOR				
	TN	Cleveland	O	Commercial Products
	VA	Winchester	O	Commercial Products

Table of Contents

BUSINESS SEGMENT	LOCATION	CITY	OWNED OR LEASED	GENERAL CHARACTER
	WV	Martinsburg	L	Commercial Products
	PA	Pottsville	L	Commercial Products
	OH	Mogadore	O	Home Products
	OK	Blackwell	L	Home Products
	TX	Mesquite	L	Home Products
	Brazil	Cachoeirinha	O	Home Products
	KS	Winfield	O	Home Products
	OH	Wooster	L	Home Products
	Canada	Mississauga	O	Home Products
	Canada	Calgary	L	Home Products
	TX	Greenville	L/O	Home Products
	MO	Jackson	O	Home Storage Systems
	UK	Staffordshire	L	Window Treatments
	Mexico	Agua Prieta	L	Window Treatments
	IL	Freeport	L	Window Treatments
	NC	High Point	L	Window Treatments
	UT	Ogden	L	Window Treatments
	UT	Salt Lake City	L	Window Treatments
OFFICE PRODUCTS				
	IL	Oakbrook	L	Writing Instruments
	IL	Bellwood	O	Writing Instruments
	TN	Lewisburg	O	Writing Instruments
	TN	Shelbyville	L/O	Writing Instruments
	TN	Vonore	L	Writing Instruments
	WI	Janesville	L	Writing Instruments
	Canada	Oakville	L	Writing Instruments
	Thailand	Bangkok	O	Writing Instruments
	France	St. Herblain	O	Writing Instruments
	India	Tamil Nadu	L	Writing Instruments
	Colombia	Bogota	O	Writing Instruments
	Germany	Hamburg	O	Writing Instruments
	Mexico	Tlalnepantla	O	Writing Instruments
	Mexico	Mexicali	L	Writing Instruments
	UK	Newhaven	O	Writing Instruments
	China	Shanghai	L	Writing Instruments
	TN	Maryville	L/O	Office & Storage Organizers
	Belgium	Sint Niklaas	O	On-Demand Labeling Products
	MA	Cambridge	L	Card-Scanning Products
TOOLS & HARDWARE				
	WI	Saint Francis	O	Paint Applicators
	NY	Medina	L/O	Propane/Oxygen Hand Torches
	IN	Lowell	O	Window Hardware
	NE	DeWitt	O	Tools
	MA	East Longmeadow	O	Tools
	China	Shanghai	L	Tools
	China	Shenzhen	L	Tools
	ME	Gorham	O	Tools
	OH	Wilmington	L	Tools
	Australia	Lyndhurst	L	Tools
	New Zealand	Wellsford	O	Tools
	Brazil	Sao Paulo	O	Tools
	Brazil	Carlos Barbosas	O	Tools
	Mexico	Monterrey	L	Hardware
	MD	Columbia	L	Hardware
	UK	Staffordshire	L	Hardware

BUSINESS SEGMENT	LOCATION	CITY	OWNED OR LEASED	GENERAL CHARACTER
HOME & FAMILY				
	OH	Perrysburg	O	Cookware
	OH	Toledo	L	Cookware
	GA	Columbus	O	Hair Care Products
	OH	Bedford Heights	L	Infant Products
	OH	Macedonia	O	Infant Products
	PA	Exton	L	Infant Products
	Mexico	Piedras Negras	L	Infant Products
CORPORATE				
	GA	Atlanta	L	Office
SHARED FACILITIES				
	CA	Hesperia	L	Shared Services
	CA	Victorville	L	Shared Services
	UK	Lichfield	L	Shared Services

ITEM 3. LEGAL PROCEEDINGS

Information regarding legal proceedings is included in Footnote 19 of the Notes to Consolidated Financial Statements and is incorporated by reference herein.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of the Company's shareholders during the fourth quarter of fiscal year 2007.

SUPPLEMENTARY ITEM — EXECUTIVE OFFICERS OF THE REGISTRANT

Name	Age	Present Position with the Company
Mark D. Ketchum	58	President and Chief Executive Officer
James J. Roberts	49	Executive Group President, Office Products and Cleaning, Organization & Décor
William A. Burke	47	Group President, Tools & Hardware
Jay D. Gould	48	Group President, Home & Family Products
Hartley D. Blaha	42	President, Corporate Development
J. Patrick Robinson	52	Executive Vice President, Chief Financial Officer
James M. Sweet	55	Executive Vice President, Human Resources & Corporate Communications (Chief Human Resources Officer)
Dale L. Matschullat	62	Senior Vice President, General Counsel and Corporate Secretary
Theodore W. Woehrle	46	Senior Vice President, Marketing and Brand Management
Gordon C. Steele	56	Senior Vice President, Program Management Office and Chief Information Officer
Raymond J. Johnson	52	President, Global Manufacturing and Supply Chain
Magnus R. Nicolin	51	President, Newell Rubbermaid Europe, Middle East and Africa
J. Eduardo Senf	49	President, Newell Rubbermaid Latin America
Paul G. Boitmann	46	President, Sales Operations and Global Wal-Mart

Mark D. Ketchum has been President and Chief Executive Officer of the Company since October 2005. Mr. Ketchum joined the Company's Board of Directors in November 2004 and served as a member of the Audit Committee prior to assuming his current role. Prior thereto, he was President of the Global Baby & Family Care business of Procter & Gamble from 1999 through November 2004. From 1971 to 1984, he held a variety of operations positions with Procter & Gamble's paper division. From 1984 to 1999, he transitioned into brand management and general management roles, culminating as President of Global Baby & Family Care.

James J. Roberts has been Executive Group President, Office Products and Cleaning, Organization & Décor since December 2007. From September 2003 to December 2007, he served as the Company's President, Chief Operating

Officer of the Rubbermaid/Irwin Group. He was Group President of the Levolor/Hardware Group from April 2001 until August 2003. From September 2000 until March 2001, he served as President, Worldwide Hand Tools and Hardware at Stanley Works (a supplier of tools, door systems and related hardware). From July 1981 until September 2000, he held a variety of positions with The Black and Decker Corporation (a manufacturer and marketer of power tools and accessories), culminating as President of Worldwide Accessories.

William A. Burke has been Group President, Tools & Hardware since December 2007. Prior thereto, he was President, North American Tools from 2004 through 2006. He served as President of the Company’s Lenox division from 2003 through 2004. From 1992 through 2002, he served in a variety of positions with The Black and Decker Corporation, culminating as Vice President and General Manager of Product Service.

Jay D. Gould has been Group President, Home & Family Products since December 2007. Prior thereto, he served as President of Graco Children’s Products (a subsidiary of the Company) from May 2006 through December 2007. From 2003 through 2006, he served as President of Pepperidge Farm, Inc. (a manufacturer of food products), and from 2002 through 2003, he was Chief Marketing Officer of Pepperidge Farm. He held a variety of executive positions with The Coca-Cola Company from 1995 through 2002, including Vice President Portfolio Development and Innovation from 2000 through 2002.

Hartley D. Blaha has been President, Corporate Development since February 2005. Prior thereto, he was Vice President, Corporate Development from November 2003 to February 2005. Prior thereto, from 1987 to 2003 he held a variety of positions within the Investment Banking Division of Lehman Brothers Inc. (a global investment bank), culminating as Managing Director, Mergers and Acquisitions.

J. Patrick Robinson has been Executive Vice President, Chief Financial Officer since May 2007. Prior thereto, he served as Vice President, Chief Financial Officer from November 2004 through May 2007. He was Vice President, Corporate Controller and Chief Financial Officer from June 2003 until October 2004 and Vice President, Controller and Chief Accounting Officer from May 2001 until May 2003. From March 2000 until May 2001, he was Chief Financial Officer of AirClic Inc. (a web-based software and services platform company for the mobile information market). From 1983 until March 2000, he held a variety of financial positions with The Black and Decker Corporation, culminating as Vice President of Finance, Worldwide Power Tools.

James M. Sweet has been Executive Vice President, Human Resources and Corporate Communications since May 2007. Prior thereto, he served as the Company’s Chief Human Resources Officer from May 2004 through May 2007. He was Group Vice President, Human Resources for the Sharpie/Calphalon Group from January 2004 to April 2004. From 2001 to 2004, he was President of Capital H, Inc., a human resource services company that Mr. Sweet co-founded. From 1999 to 2001, he was Vice President of Human Resources for the Industrial Automation Systems and Rexnord divisions of Invensys PLC (an industrial manufacturing company). Prior thereto, he held executive human resource positions at Kohler Co., Keystone International and Brady Corp.

Dale L. Matschullat has been Senior Vice President, General Counsel since August 2007, having served as Vice President, General Counsel from January 2001 to August 2007. He has served as Corporate Secretary since August 2003. He was Vice President-Finance, Chief Financial Officer and General Counsel from January 2000 until January 2001. From 1989 until January 2000, he was Vice President, General Counsel.

Theodore W. Woehrle has been Senior Vice President, Marketing and Brand Management of the Company since June 2007. Prior thereto, he held a variety of executive positions with Procter & Gamble from 1983 to 2007, culminating as Vice President Marketing, North America.

Gordon C. Steele has been Senior Vice President, Program Management Office and Chief Information Officer since August 2007. Prior thereto, he served as Vice President, Chief Information Officer from August 2005 through August 2007. From 2001 until 2005, he served as Vice President and Chief Information Officer for Global

Information Technology at Nike, Inc. (a global marketer of athletic apparel and equipment). Prior to becoming the Chief Information Officer at Nike, he spent four years as the Senior Director responsible for the Nike Supply Chain project, which involved the complete replacement of all business application systems and included the global rollout of SAP Enterprise Resource Planning, i2 planning and the Siebel Customer Relationship Management system to all of the operating entities of Nike. From 1989 to 1997, he served as Chief Information Officer and in other leadership capacities with Mentor Graphics Corporation (a provider of electronic software and hardware products and consulting services).

Raymond J. Johnson has been President, Global Manufacturing and Supply Chain since February 2005. Prior thereto, he was Group Vice President, Manufacturing from November 2003 to February 2005, and was Vice President, Manufacturing for the Irwin Power Tool Accessories Division from November 2002 to November 2003. From May 2001 to May 2002, he was General Manager of the Golf Grip Business Unit of Eaton Corporation (an industrial manufacturer). From 1999 to May 2001, he was Vice President, Operations of True Temper Sports, Inc. (a manufacturer and marketer of golf shafts). Prior thereto, he was Vice President and General Manager of the Diversified Products Division of Technimark, Inc. (a manufacturer of plastics products for commercial customers) from 1998 to 1999, and he held a variety of positions with The Black and Decker Corporation from 1983 to 1998, culminating as Vice President of Operations for North American Power Tools.

Magnus R. Nicolin has been President, Newell Rubbermaid Europe, Middle East and Africa, since January 2007. Prior thereto, he was a consultant for the Sanford Brands Fine Writing business from May 2006 through August 2006 and served as President, Sanford Brands Europe from September 2006 to December 2006. In 2002, he led in conjunction with J. W. Childs (a private equity firm) the leveraged buyout of Esselte Corporation (a designer, manufacturer and distributor of office products) from the London and Stockholm stock exchanges, taking the company private, then serving as President and Chief Executive Officer. Prior to 2002, he served in leadership positions with Pitney Bowes (a provider of mailstream software, hardware, services and solutions), Bayer Diagnostics (a provider of medical diagnostic equipment) and McKinsey & Co (a global strategic management consulting firm).

J. Eduardo Senf has been President, Latin America since January 2008. Prior thereto, he served as President, Latin America for the Company's Rubbermaid/Irwin Group from November 2004 through December 2007. Prior thereto, he was President, South America for Mars Incorporated (a food products company) from 1996 through 2003.

Paul G. Boitmann has been President, Sales Operations and Global Wal-Mart since February 2007. Mr. Boitmann joined the Company in 2001 as President of its Home Depot Division, bringing more than 18 years of sales, marketing, worldwide recruiting and sales training experience to the Company. He served in that role until January 2005, when he began serving as President, Rubbermaid/Irwin North America Sales Operations, a position he held until he assumed his current role.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES

The Company's common stock is listed on the New York and Chicago Stock Exchanges (symbol: NWL). As of January 31, 2008, there were 16,444 stockholders of record. The following table sets forth the high and low sales prices of the common stock on the New York Stock Exchange Composite Tape (as published in The Wall Street Journal) for the calendar periods indicated:

	2007		2006	
Quarters	High	Low	High	Low
First	$32.00	$28.66	$26.35	$23.25
Second	32.19	28.80	28.63	24.35
Third	29.88	24.22	29.25	24.04
Fourth	29.50	24.69	29.98	27.75

The Company has paid regular cash dividends on its common stock since 1947. The quarterly cash dividend has been $0.21 per share since February 1, 2000. The Company currently expects that comparable cash dividends will continue to be paid to holders of the Company's common stock in the future. However, the payment of dividends to holders of the Company's common stock remains at the discretion of the Board of Directors and will depend upon many factors, including the Company's financial condition, earnings, legal requirements and other factors the Board of Directors deems relevant.

ISSUER PURCHASES OF EQUITY SECURITIES

The following table provides information about the Company's purchases of equity securities during the quarter ended December 31, 2007.

Period	Total Number of Shares Purchased(1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number / Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
10/1/07-10/31/07	—	—	—	—
11/1/07-11/30/07	—	—	—	—
12/1/07-12/31/07	9,438	$26.08	—	—
Total	9,438	$26.08	—	—

(1) None of these transactions were made pursuant to a publicly announced repurchase plan. All shares purchased for the quarter were acquired by the Company to satisfy employees' tax withholding and payment obligations in connection with the vesting of awards of restricted stock, which are repurchased by the Company based on their fair market value on the vesting date.

ITEM 6. SELECTED FINANCIAL DATA

The following is a summary of certain consolidated financial information relating to the Company as of and for the year ended December 31, *(in millions, except per share data)*. The summary has been derived in part from, and should be read in conjunction with, the Consolidated Financial Statements of the Company included elsewhere in this report and the schedules thereto.

	2007(1)	2006(1)	2005(1)	2004	2003
STATEMENTS OF INCOME DATA					
Net sales	$6,407.3	$6,201.0	$5,717.2	$5,707.1	$5,879.8
Cost of products sold	4,150.1	4,131.0	3,959.1	4,050.6	4,174.4
Gross margin	2,257.2	2,070.0	1,758.1	1,656.5	1,705.4
Selling, general and administrative expenses	1,430.9	1,347.0	1,117.7	1,050.1	1,005.5
Impairment charges	—	—	0.4	264.0	29.5
Restructuring costs (2)	86.0	66.4	72.6	28.2	158.4
Operating income	740.3	656.6	567.4	314.2	512.0
Nonoperating expenses:					
Interest expense, net	104.1	132.0	127.1	119.3	134.3
Other expense (income), net	7.3	9.7	(23.1)	(3.0)	17.4
Net nonoperating expenses	111.4	141.7	104.0	116.3	151.7
Income from continuing operations before income taxes	628.9	514.9	463.4	197.9	360.3
Income taxes	149.7	44.2	57.1	92.9	110.1
Income from continuing operations	479.2	470.7	406.3	105.0	250.2
Loss from discontinued operations, net of tax	(12.1)	(85.7)	(155.0)	(221.1)	(296.8)
Net income (loss)	$467.1	$385.0	$251.3	($116.1)	($46.6)
Weighted average shares outstanding:					
Basic	276.0	274.6	274.4	274.4	274.1
Diluted	286.1	275.5	274.9	274.7	274.3
Per common share:					
Basic:					
Income from continuing operations	$1.74	$1.71	$1.48	$0.38	$0.91
Loss from discontinued operations	(0.04)	(0.31)	(0.56)	(0.81)	(1.08)
Net income (loss)	$1.69	$1.40	$0.92	($0.42)	($0.17)
Diluted:					

	2007(1)	2006(1)	2005(1)	2004	2003
Income from continuing operations	$1.72	$1.71	$1.48	$0.38	$0.91
Loss from discontinued operations	(0.04)	(0.31)	(0.56)	(0.80)	(1.08)
Net income (loss)	$1.68	$1.40	$0.91	($0.42)	($0.17)
Dividends	$0.84	$0.84	$0.84	$0.84	$0.84
BALANCE SHEET DATA					
Inventories, net	$940.4	$850.6	$793.8	$813.2	$717.0
Working capital (3)	87.9	580.3	675.3	1,141.1	978.2
Total assets	6,682.9	6,310.5	6,446.1	6,669.5	7,483.7
Short-term debt, including current portion of long-term debt	987.5	277.5	166.8	206.9	35.4
Long-term debt, net of current portion	1,197.4	1,972.3	2,429.7	2,424.3	2,868.6
Stockholders' equity	$2,247.3	$1,890.2	$1,643.2	$1,764.2	$2,016.3

(1) Supplemental data regarding 2007, 2006 and 2005 is provided in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

(2) The restructuring costs include facility and other exit costs, employee severance and termination benefits, asset impairments and other costs.

(3) Working capital is defined as Current Assets less Current Liabilities.

ACQUISITIONS OF BUSINESSES

2007, 2006 and 2005

Information regarding significant businesses acquired in the last three years is included in Footnote 2 of the Notes to Consolidated Financial Statements.

2004

No significant acquisitions occurred during 2004.

2003

Effective January 1, 2003, the Company completed its acquisition of American Saw & Mfg. Co. ("Lenox"), a leading manufacturer of power tool accessories and hand tools marketed under the Lenox brand. The purchase price was approximately $450 million paid for through the issuance of commercial paper, plus transaction costs. The transaction structure permits the deduction of goodwill for tax purposes, which was approximately $85 million at the time of acquisition. This acquisition and the acquisition of American Tool Companies, Inc. ("Irwin") in 2002 marked a significant expansion and enhancement of the Company's product lines and customer base, launching it squarely into the estimated $10 billion-plus global markets for hand tools and power tool accessories. Both of these acquisitions are reported in the Company's Tools & Hardware business segment. The purchase price of the Lenox acquisition was allocated to the acquired assets and liabilities based on their fair values, with the excess recorded as goodwill.

QUARTERLY SUMMARIES

Summarized quarterly data for the last two years is as follows *(in millions, except per share data)* (unaudited):

Calendar Year	1st	2nd	3rd	4th	Year
2007					
Net sales	$1,384.4	$1,693.1	$1,687.3	$1,642.5	$6,407.3
Gross margin	474.7	605.6	601.0	575.9	2,257.2
Income from continuing operations	65.1	143.2	169.9	101.0	479.2
(Loss) income from discontinued operations	(15.8)	(1.0)	0.3	4.4	(12.1)
Net income	$ 49.3	$ 142.2	$ 170.2	$ 105.4	$ 467.1
Earnings (loss) per share:					
Basic:					
Income from continuing operations	$ 0.24	$ 0.52	$ 0.62	$ 0.37	$ 1.74
(Loss) income from discontinued operations	(0.06)	—	—	0.02	(0.04)

Calendar Year	1st	2nd	3rd	4th	Year
Net income	$ 0.18	$ 0.52	$ 0.62	$ 0.38	$ 1.69
Diluted:					
Income from continuing operations	$ 0.23	$ 0.51	$ 0.61	$ 0.36	$ 1.72
(Loss) income from discontinued operations	(0.05)	—	—	0.02	(0.04)
Net income	$ 0.18	$ 0.51	$ 0.61	$ 0.38	$ 1.68
2006					
Net sales	$1,342.6	$1,634.1	$1,586.1	$1,638.2	$6,201.0
Gross margin	432.1	563.0	535.2	539.7	2,070.0
Income from continuing operations	130.2	135.5	112.7	92.3	470.7
(Loss) income from discontinued operations	(75.4)	(16.0)	(4.2)	9.9	(85.7)
Net income	$ 54.8	$ 119.5	$ 108.5	$ 102.2	$ 385.0
Earnings (loss) per share:					
Basic:					
Income from continuing operations	$ 0.47	$ 0.49	$ 0.41	$ 0.34	$ 1.71
(Loss) income from discontinued operations	(0.27)	(0.06)	(0.02)	0.04	(0.31)
Net income	$ 0.20	$ 0.44	$ 0.39	$ 0.37	$ 1.40
Diluted:					
Income from continuing operations	$ 0.47	$ 0.49	$ 0.41	$ 0.33	$ 1.71
(Loss) income from discontinued operations	(0.27)	(0.06)	(0.02)	0.04	(0.31)
Net income	$ 0.21	$ 0.43	$ 0.39	$ 0.37	$ 1.40

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of the Company's consolidated results of operations and financial condition. The discussion should be read in conjunction with the accompanying Consolidated Financial Statements and Notes thereto.

Executive Overview

Newell Rubbermaid is a global marketer of consumer and commercial products that touch the lives of people where they work, live and play. The Company's multi-product offering consists of well known name-brand consumer and commercial products in four business segments as follows:

Segment	Description of Products
Cleaning, Organization & Décor	Material handling, cleaning, refuse, indoor/outdoor organization, home storage, food storage, drapery hardware, window treatments
Office Products	Ball point/roller ball pens, markers, highlighters, pencils, correction fluids, office products, art supplies, on-demand labeling products, card-scanning solutions, on-line postage
Tools & Hardware	Hand tools, power tool accessories, manual paint applicators, cabinet, window and convenience hardware, propane torches, soldering tools and accessories
Home & Family	Premium cookware and related kitchenware, beauty and style accessory products, infant and juvenile products, including high chairs, car seats, strollers and play yards, and other products within businesses that are individually immaterial and do not meet aggregation criteria

The Company's vision is to become a global company of Brands That Matter™ and great people, known for best-in-class results. The Company remains committed to investing in strategic brands and new product development, strengthening its portfolio of businesses, reducing its supply chain costs and streamlining non-strategic selling, general and administrative expenses (SG&A).

The key tenets of the Company's strategy include building large, consumer-meaningful brands ("Brands That Matter™"), leveraging one Newell Rubbermaid, achieving a best total cost position and commercializing innovation across the enterprise. The Company's results depend on the ability of its individual business units to succeed in their respective categories, each of which has some unique consumers, customers and competitors. The Company's strategic initiatives are designed to help enable these business units generate differentiated products, operate within a best-in-class cost structure and employ superior branding in order to realize premium margins on their products. The business units use the premium margins to fund incremental demand creation initiatives, driving incremental sales and profits for the Company.

The following section details the Company's performance in each of its transformational initiatives:

Create Consumer-Meaningful Brands

The Company is continuing to move from its historical focus on push marketing and excellence in manufacturing and distributing products, to a new focus on consumer pull marketing and creating competitive advantage through better understanding its consumers, innovating to deliver great performance, investing in advertising and promotion to create demand and leveraging its brands in adjacent categories around the world. This effort is creating and expanding core competencies and processes centered on consumer understanding, innovation and demand creation, to drive sustainable top line growth. The Company's progress in implementing this brand building and marketing initiative is exhibited by the following:

- The Company's Tools & Hardware segment achieved low single digit sales growth in 2007, due largely to continued strength in its international Irwin and Lenox businesses. One of the primary drivers of the growth in the Lenox business is its marketing efforts and the expansion of its team of trained professionals who work with end users to educate them on the benefits, use, installation, and servicing of its band saws.
- In the Company's Beauty and Style business, Goody has introduced a major marketing campaign to support the introduction of its innovative Styling Therapy line of brushes that are infused with special substances that help control dandruff, add shine, and protect hair color. Sales of Styling Therapy products have doubled since the launch of the consumer driven advertising and promotion campaign.
- In the Company's Office Products segment, the Dymo labeling technology business' sales have increased in 2007 due largely to aggressive television marketing campaigns in Europe. Additionally, the Office Products segment is launching the Sharpie Ultra Fine Retractable Marker in early 2008. This distinct product, developed based on consumer understanding and demand, allows for precise permanent marking and writing with an easy one-handed operation.

Leverage One Newell Rubbermaid

The Company strives to leverage the common business activities and best practices of its business units, and to build one common culture of shared values, with a focus on collaboration and teamwork. The Company continuously explores ways to leverage common functional capabilities, such as Human Resources, Information Technology, Customer Service, Supply Chain Management and Finance, to improve efficiency and reduce costs. This broad reaching initiative already includes projects such as the corporate consolidation of the distribution and transportation function and consolidating Company-wide purchasing efforts. Additionally, during 2007, the Company streamlined its organizational structure in its move to a consistent GBU structure throughout the Company. As part of the transition to the new GBU structure, the Company recently created and expanded leadership positions to identify and drive synergies across business units.

The Company also accelerated the process of creating shared services for the European businesses and is expanding the scope of shared services in the U.S and Latin America. The transition of services to the Shared Service Center in Europe is approximately 90% complete.

On October 1, 2007, the Company's Office Products segment successfully went live with the SAP implementation for its North American operations. This SAP go-live marks the completion of the first major milestone in a multi-year rollout aimed at migrating multiple legacy systems and users to a common SAP global information platform. This will enable the Company to integrate and manage its worldwide business and reporting processes more efficiently.

Achieve Best Total Cost

The Company's objective is to reduce the cost of manufacturing, sourcing and supplying product on an ongoing basis, and to leverage the Company's size and scale, in order to achieve a best total cost position. Achieving best cost positions in its categories allows the Company to increase investment in strategic brand building initiatives.

Through Project Acceleration and other initiatives, the Company has made significant progress in reducing its supply chain costs and delivering productivity savings. Project Acceleration includes the closure of approximately one-third of the Company's 64 manufacturing facilities, optimizing the Company's geographic manufacturing footprint. Since the inception of Project Acceleration, the Company has announced the closure of 16 manufacturing facilities and expects that approximately eight additional facilities will be closed under this program. Project Acceleration is projected to result in cumulative restructuring costs of approximately $375 million to $400 million ($315 million to $340 million after tax). Approximately 67% of the costs are expected to be cash. Annualized savings are now projected to exceed $150 million upon conclusion of the project in 2009. Additionally, the Company has broadened its supply chain efforts to include the realization of efficiencies in purchasing and distribution and transportation in its move toward logistical excellence. For example, the Company has consolidated the warehousing and logistics for all product groups in the United Kingdom at a single site near Birmingham, England and has also opened a new, 400,000 square foot consolidated Newell Rubbermaid distribution center in Victorville, California.

Nurture 360º Innovation

The Company has broadened its definition of innovation beyond product invention. The Company defines innovation as the successful commercialization of invention. It is a rigorous, consumer centric process that permeates the entire development cycle. It begins with a deep understanding of how consumers interact with the Company's brands and categories, and all the factors that drive their purchase decisions and in-use experience. That understanding must then be translated into innovative products that deliver unique features and benefits, at a best-cost position, providing the consumer with great value. Lastly, innovating how and where to create awareness and trial use, and measuring the effectiveness of advertising and promotion spending, completes the process. The Company has pockets of excellence using this expanded definition of innovation, and continues to build on this competency in its effort to create consumer meaningful brands. Since the beginning of 2007, the Company has launched a number of innovative new products including the Sharpie® Chisel Tip, Levolor® Roman Shades, Lenox® Diamond™ saw blades, Graco® iMonitor™, and the Rubbermaid® Premier line of premium food storage containers. Additionally, the Company's Baby and Parenting Essentials business launched the Graco Sweetpeace-Newborn Soothing Center in early 2008, which was developed based on comprehensive research, with moms and pediatric professionals, to understand what works best to calm babies.

Consolidated Results of Operations

The following table sets forth for the periods indicated items from the Consolidated Statements of Income as reported and as a percentage of net sales for the year ended December 31, (*in millions, except percentages*):

	2007		2006		2005	
Net sales	$6,407.3	100.0%	$6,201.0	100.0%	$5,717.2	100.0%
Cost of products sold	4,150.1	64.8	4,131.0	66.6	3,959.1	69.2
Gross margin	2,257.2	35.2	2,070.0	33.4	1,758.1	30.8
Selling, general and administrative expenses (SG&A)	1,430.9	22.3	1,347.0	21.7	1,117.7	19.5
Impairment charges	—	—	—	—	0.4	—
Restructuring costs	86.0	1.3	66.4	1.1	72.6	1.3
Operating income	740.3	11.6	656.6	10.6	567.4	9.9
Nonoperating expenses:						
Interest expense, net	104.1	1.6	132.0	2.1	127.1	2.2
Other expense (income), net	7.3	0.1	9.7	0.2	(23.1)	(0.4)
Net nonoperating expenses	111.4	1.7	141.7	2.3	104.0	1.8
Income from continuing operations before income taxes	628.9	9.8	514.9	8.3	463.4	8.1
Income taxes	149.7	2.3	44.2	0.7	57.1	1.0

	2007		2006		2005	
Income from continuing operations	479.2	7.5	470.7	7.6	406.3	7.1
Loss from discontinued operations, net of tax	(12.1)	(0.2)	(85.7)	(1.4)	(155.0)	(2.7)
Net income	$467.1	7.3%	$385.0	6.2%	$251.3	4.4%

Results of Operations — 2007 vs. 2006

Net sales for 2007 were $6,407.3 million, representing an increase of $206.3 million, or 3.3%, from $6,201.0 million for 2006. Positive currency translation contributed approximately 2.0% of the 3.3% improvement. Excluding the effects of currency translation, sales increased 1.3%. The increase was primarily related to Home & Family sales growth of 6.0% and Cleaning, Organization & Décor sales growth of 4.1%, partially offset by a decrease in Office Products sales.

Gross margin, as a percentage of net sales, for 2007 was 35.2%, or $2,257.2 million, versus 33.4%, or $2,070.0 million, for 2006. Ongoing productivity initiatives, favorable mix, and savings from Project Acceleration, which contributed approximately $45 million to gross margin, drove the 185 basis point improvement year over year, with pricing offsetting raw material inflation.

SG&A expenses for 2007 were 22.3% of net sales, or $1,430.9 million, versus 21.7% of net sales, or $1,347.0 million, for 2006. Approximately 38% of the increase is attributable to foreign currency, with the remainder due to investments in brand building, product development and other corporate initiatives, including SAP and Shared Services. These investments were partially offset by $15 million in savings from Project Acceleration and other structural overhead reductions.

The Company recorded restructuring costs of $86.0 million and $66.4 million for 2007 and 2006, respectively. The Company expects cumulative pre-tax restructuring costs of $375 to $400 million, approximately 67% of which are expected to be cash costs, over the life of the initiative, which began in 2005 and is expected to conclude in 2009. Annualized savings are projected to exceed $150 million upon completion of the project, with an approximate $60 million of savings realized in 2007, of which an estimated $45 million in savings is included in the improvement in gross margin. The Company projects an additional benefit from Project Acceleration of $60 million in 2008 and $30 million in 2009. The 2007 restructuring costs included $27.7 million of facility and other exit costs, $36.4 million of employee severance and termination benefits and $21.9 million of exited contractual commitments and other restructuring costs. Since the inception of Project Acceleration, the Company has announced the closure of 16 manufacturing facilities and expects that approximately eight additional facilities will be closed under this program. The 2006 restructuring costs included $14.9 million of facility and other exit costs, $44.7 million of employee severance and termination benefits and $6.8 million of exited contractual commitments and other restructuring costs. See Footnote 4 of the Notes to Consolidated Financial Statements for further information.

Operating income for 2007 was $740.3 million, or 11.6% of net sales, versus $656.6 million, or 10.6% of net sales, in 2006. This increase was driven by sales and gross margin expansion, partially offset by the increased investment in brand building and product development initiatives, expansion of shared services and implementation of SAP.

Net nonoperating expenses for 2007 were 1.7% of net sales, or $111.4 million, versus 2.3% of net sales, or $141.7 million, for 2006. The decrease in net nonoperating expenses was mainly attributable to a decrease in interest expense, reflecting a reduction in average debt outstanding year over year and slightly lower average borrowing rates. See Footnote 17 of the Notes to Consolidated Financial Statements for further information.

The effective tax rate was 23.8% for 2007 versus 8.6% for 2006. The change in the effective tax rate is primarily related to the $41.3 million of income tax benefits recorded in 2007 compared to $102.8 million income tax benefits recorded in 2006. The income tax benefits in 2007 and 2006 resulted from the favorable resolution of certain tax positions, the expiration of the statute of limitations on certain deductions, and the reorganization of certain legal entities in Europe. See Footnote 16 of the Notes to Consolidated Financial Statements for further information.

The loss from discontinued operations for 2007 was $12.1 million, compared to $85.7 million for 2006. The loss on the disposal of discontinued operations for 2007 was $11.9 million, net of tax, compared to a gain of $0.7 million, net of tax, for 2006. The 2007 loss related primarily to the disposal of the remaining operations of the Home Décor Europe business. The 2006 gain related primarily to the disposal of the Little Tikes business, partially offset by the loss recognized on the disposal of portions of the Home Décor Europe business. The loss from operations of discontinued operations for 2007 was $0.2 million, net of tax, compared to $86.4 million, net of tax, for 2006. The 2007 loss related only to the results of the remaining operations of the Home Décor Europe business, while the 2006 loss included a $50.9 million impairment charge to write off goodwill of the Home Décor Europe business. See Footnote 3 of the Notes to Consolidated Financial Statements for further information.

Results of Operations — 2006 vs. 2005

Net sales for 2006 were $6,201.0 million, representing an increase of $483.8 million, or 8.5%, from $5,717.2 million for 2005. Excluding sales related to the Dymo acquisition, sales were up approximately $268 million, or 4.7%, driven by core sales growth of approximately 2.6%. The impact of positive currency translation and favorable pricing contributed approximately two points of additional improvement.

Gross margin, as a percentage of net sales, for 2006 was 33.4%, or $2,070.0 million, versus 30.8%, or $1,758.1 million, for 2005. The 260 basis point improvement in gross margin was driven by productivity, favorable pricing, and favorable mix, which more than offset the impact of raw material inflation.

SG&A expenses for 2006 were 21.7% of net sales, or $1,347.0 million, versus 19.5%, or $1,117.7 million, for 2005. Approximately 40% of the increase is related to the impact of acquisitions, 40% represented increased investment in strategic brand building, and the remainder resulted from the impact of foreign currency and stock option accounting and the pension curtailment benefit recognized in 2005 that did not repeat in 2006.

The Company recorded restructuring costs of $66.4 million and $72.6 million for 2006 and 2005, respectively. The 2006 restructuring costs included $14.9 million of facility and other exit costs, $44.7 million of employee severance and termination benefits and $6.8 million of exited contractual commitments and other restructuring costs. The 2005 restructuring costs included $51.3 million in non-cash facility restructuring costs relating to Project Acceleration and $21.3 million relating to restructuring actions approved prior to the commencement of Project Acceleration. The $21.3 million of pre-Project Acceleration costs included $7.9 million of facility and other exit costs, $11.1 million of employee severance and termination benefits and $2.3 million of exited contractual commitments and other restructuring costs. See Footnote 4 of the Notes to Consolidated Financial Statements for further information.

Operating income for 2006 was $656.6 million, or 10.6% of net sales, versus $567.4 million, or 9.9% of net sales, in 2005. The improvement in operating margins is the result of increased sales and gross margin expansion partially offset by increased investment in strategic brand building.

Net nonoperating expenses for 2006 were 2.3% of net sales, or $141.7 million, versus 1.8% of net sales, or $104.0 million, for 2005. The increase in net nonoperating expenses is mainly attributable to gains recognized in 2005 on the sale of property, plant and equipment and the liquidation of a foreign subsidiary that did not repeat in 2006, along with an increase in net interest expense, $132.0 million for 2006 compared to $127.1 million for 2005. The increase in net interest expense was primarily due to higher borrowing rates and higher average debt balances. See Footnote 17 of the Notes to Consolidated Financial Statements for further information.

The effective tax rate was 8.6% for 2006 versus 12.3% for 2005. The change in the effective tax rate is primarily related to $102.8 million income tax benefits recorded in 2006 compared to income tax benefits of $73.9 million recorded in 2005, as a result of favorable resolution of certain tax positions and the expiration of the statute of limitations on other deductions. See Footnote 16 of the Notes to Consolidated Financial Statements for further information.

The loss from discontinued operations for 2006 was $85.7 million, compared to $155.0 million for 2005. The (gain) loss on the disposal of discontinued operations for 2006 was ($0.7) million, net of tax, compared to $96.8 million, net of tax, for 2005. The 2006 gain was primarily related to the disposal of the Little Tikes business, which was partially offset by the loss recognized on disposal of portions of the Home Décor Europe business. The 2005 loss related primarily to the disposal of the Curver and the European Cookware businesses. The loss from operations of discontinued operations for 2006 was $86.4 million, net of tax, compared to $58.2 million, net of tax, for 2005. See Footnote 3 of the Notes to Consolidated Financial Statements for further information.

Business Segment Operating Results

2007 vs. 2006 Business Segment Operating Results

Net sales by segment were as follows for the year ended December 31, *(in millions, except percentages)*:

	2007	2006	% Change
Cleaning, Organization & Décor	$2,096.4	$1,995.7	5.0%
Office Products	2,042.3	2,031.6	0.5
Tools & Hardware	1,288.7	1,262.2	2.1
Home & Family	979.9	911.5	7.5
Total Net Sales	$6,407.3	$6,201.0	3.3%

Operating income by segment was as follows for the year ended December 31, *(in millions, except percentages)*:

	2007	2006	% Change
Cleaning, Organization & Décor	$273.3	$209.1	30.7%
Office Products	317.9	287.0	10.8
Tools & Hardware	181.5	185.0	(1.9)
Home & Family	135.6	117.9	15.0
Corporate	(82.0)	(76.0)	(7.9)
Restructuring costs	(86.0)	(66.4)	
Total Operating Income	$740.3	$656.6	12.7%

Cleaning, Organization & Décor

Net sales for 2007 were $2,096.4 million, an increase of $100.7 million, or 5.0%, from $1,995.7 million in 2006, driven by double digit sales growth in Rubbermaid Commercial Products, resulting from new product launches during the year, mid single digit growth in Rubbermaid Home Products due to growth in sales of home organization and insulated products, and low single digit growth in the Rubbermaid Food and Levolor branded businesses.

Operating income for 2007 was $273.3 million, or 13.0% of sales, an increase of $64.2 million, or 30.7%, from $209.1 million in 2006. The improvement in operating income was the result of sales growth driven by strategic SG&A investments and gross margin expansion, resulting from productivity gains and favorable mix.

Office Products

Net sales for 2007 were $2,042.3 million, an increase of $10.7 million, or 0.5% from $2,031.6 million in 2006. Growth in the Office Technology business, driven by increased sales in the Dymo business and the acquisition of Endicia, along with favorable foreign currency, was offset by overall softness in the U.S. resulting from weaker foot traffic in the North American office retailers and inventory corrections taken within that same channel.

Operating income for 2007 was $317.9 million, or 15.6% of sales, an increase of $30.9 million, or 10.8%, from $287.0 million in 2006. This increase primarily resulted from gross margin expansion, resulting from favorable mix and pricing initiatives, partially offset by increased investment in brand building activities.

Tools & Hardware

Net sales for 2007 were $1,288.7 million, an increase of $26.5 million, or 2.1%, from $1,262.2 million in 2006. The successful commercialization of certain products, particularly bandsaws, and favorable foreign currency drove sales growth in Europe and Latin America, which more than offset continued softness in the domestic tool and hardware businesses affected primarily by the U.S. residential construction market. The Company continues to experience solid growth in the Irwin and Lenox branded products which combined yielded mid single digit growth for the year.

Operating income for 2007 was $181.5 million, or 14.1% of sales, a decrease of $3.5 million, or 1.9%, from $185.0 million in 2006. Top line growth and productivity initiatives were more than offset by investments in strategic brand building.

Home & Family

Net sales for 2007 were $979.9 million, an increase of $68.4 million, or 7.5%, from $911.5 million in 2006. Broad based success in all three business units was fueled by new product launches and better sell-through resulting from demand creation activities.

Operating income for 2007 was $135.6 million, or 13.8% of sales, an increase of $17.7 million, or 15.0%, from $117.9 million in 2006. The increase was primarily driven by top line sales growth supported by increased SG&A investments.

2006 vs. 2005 Business Segment Operating Results

Net sales by segment were as follows for the year ended December 31, *(in millions, except percentages)*:

	2006	2005	% Change
Cleaning, Organization & Décor	$1,995.7	$1,921.0	3.9%
Office Products	2,031.6	1,713.3	18.6
Tools & Hardware	1,262.2	1,260.3	0.2
Home & Family	911.5	822.6	10.8
Total Net Sales	$6,201.0	$5,717.2	8.5%

Operating income by segment was as follows for the year ended December 31, *(in millions, except percentages)*:

	2006	2005	% Change
Cleaning, Organization & Décor	$209.1	$145.8	43.4%
Office Products	287.0	266.0	7.9
Tools & Hardware	185.0	171.1	8.1
Home & Family	117.9	103.5	13.9
Corporate	(76.0)	(46.0)	(65.2)
Impairment charge	—	(0.4)	
Restructuring costs	(66.4)	(72.6)	
Total Operating Income	$656.6	$567.4	15.7%

Cleaning, Organization & Décor

Net sales for 2006 were $1,995.7 million, an increase of $74.7 million, or 3.9%, from $1,921.0 million in 2005, driven by mid single-digit growth in Rubbermaid Commercial Products and Rubbermaid Home Products. New product innovation, a strong back to campus season, a successful year in insulated products and strong sales in the size in store and custom blind products drove the sales improvement over 2005. Partially offsetting this increase were low margin product line exits, specifically related to basic drapery hardware.

Operating income for 2006 was $209.1 million, an increase of $63.3 million, or 43.4%, from $145.8 million in 2005. The increase in operating income was driven by the sales volume increases described above coupled with productivity initiatives and pricing actions put in place to offset raw material inflation.

Office Products

Net sales for 2006 were $2,031.6 million, an increase of $318.3 million, or 18.6% from $1,713.3 million in 2005. Excluding sales related to the Dymo acquisition, sales increased approximately 6%, led by strong performance in the Everyday Writing and Marker businesses.

Operating income for 2006 was $287.0 million, an increase of $21.0 million, or 7.9%, from $266.0 million in 2005. Additional income from the Dymo acquisition and the sales volume increase described above were partially offset by strategic brand building spending, restructuring related inefficiencies and acquisition related start-up costs.

Tools & Hardware

Net sales for 2006 were $1,262.2 million, an increase of $1.9 million, or 0.2%, from $1,260.3 million in 2005, as mid single-digit growth in the Irwin and Lenox branded tools businesses was offset by the decline in the consumer electronic tools business. Sales of other product lines increased approximately 3% in the segment, despite the challenging housing and retail environment.

Operating income for 2006 was $185.0 million, an increase of $13.9 million, or 8.1%, from $171.1 million in 2005. Productivity initiatives were partially offset by strategic brand building investment and raw material inflation, particularly in aluminum, zinc and brass.

Home & Family

Net sales for 2006 were $911.5 million, an increase of $88.9 million, or 10.8%, from $822.6 million in 2005. Broad based success in all three business units was fueled by sales of new products and consumer demand driven by targeted strategic SG&A investment.

Operating income for 2006 was $117.9 million, an increase of $14.4 million, or 13.9%, from $103.5 million in 2005, driven by an increase in sales and productivity, partially offset by increased SG&A investment.

Liquidity and Capital Resources

Cash and cash equivalents increased (decreased) as follows for the year ended December 31, *(in millions)*:

	2007	2006	2005
Cash provided by operating activities	$655.3	$643.4	$641.6
Cash used in investing activities	(265.6)	(11.9)	(766.7)
Cash used in financing activities	(266.8)	(550.1)	(257.2)
Exchange rate effect on cash and cash equivalents	5.3	4.1	(7.8)
Increase (decrease) in cash and cash equivalents	$128.2	$85.5	($390.1)

Sources

Historically, the Company's primary sources of liquidity and capital resources have included cash provided by operations, proceeds from divestitures and use of available borrowing facilities.

Cash provided by operating activities for the year ended December 31, 2007 was $655.3 million compared to $643.4 million for the comparable period of 2006. The increase in cash provided by operating activities is primarily a result of increased net income, offset by increased investments in working capital, including cash restructuring costs.

In 2007, the Company received proceeds from the issuance of debt of $420.8 million compared to $177.0 million in 2006. Proceeds in 2007 reflect the issuance of commercial paper to fund the acquisition of PSI Systems, Inc. ("Endicia"), a provider of Endicia Internet postage, and to pay off a $250.0 million, 6.0% fixed rate medium-term note that matured.

On November 14, 2005, the Company entered into a $750.0 million five-year syndicated revolving credit facility (the "Revolver"). On an annual basis, the Company may request an extension of the Revolver (subject to lender approval) for additional one-year periods. The Company elected to extend the Revolver for additional one-year periods in both October 2006 and October 2007, and, as a result, the Revolver will now expire in November 2012. All but one lender approved the 2006 and 2007 extensions. Accordingly, the Company has a $750.0 million facility through November 2010, and a $725.0 million facility from November 2010 to November 2012. At December 31, 2007 and 2006, there were no borrowings under the Revolver.

In lieu of borrowings under the Revolver, the Company may issue up to $750.0 million of commercial paper through 2010 and $725.0 million thereafter through 2012. The Revolver provides the committed backup liquidity required to issue commercial paper. Accordingly, commercial paper may only be issued up to the amount available for borrowing under the Revolver. The Revolver also provides for the issuance of up to $100.0 million of standby letters of credit so long as there is a sufficient amount available for borrowing under the Revolver. At December 31, 2007, there was $197.0 million of commercial paper outstanding, classified as current long-term debt, and no standby letters of credit issued under the Revolver. At December 31, 2006, there was no commercial paper outstanding and there were no standby letters of credit issued under the Revolver.

The Revolver permits the Company to borrow funds on a variety of interest rate terms and requires, among other things, that the Company maintain certain Interest Coverage and Total Indebtedness to Total Capital Ratio, as defined in the agreement. The Revolver also limits Subsidiary Indebtedness, as defined in the agreement. As of December 31, 2007 and 2006, the Company was in compliance with the terms of the agreement governing the Revolver.

Under a 2001 receivables facility with a financial institution, the Company created a financing entity that is consolidated in the Company's financial statements. Under this facility, the Company regularly enters into transactions with the financing entity to sell an undivided interest in substantially all of the Company's U.S. trade receivables to the financing entity. In 2001, the financing entity issued $450.0 million in preferred debt securities to the financial institution. Certain levels of accounts receivable write-offs and other events would permit the financial institution to terminate the receivables facility. On September 18, 2006, in accordance with the terms of the receivables facility, the financing entity caused the preferred debt securities to be exchanged for cash of $2.2 million, a two year floating rate note in an aggregate principal amount of $448.0 million and a cash premium of $5.2 million. Because this debt matures in September 2008, the entire amount is considered to be short-term at December 31, 2007. At any time prior to maturity of the note, the holder may elect to convert it into new preferred debt securities of the financing entity with a par value equal to the outstanding principal amount of the note. The note must be repaid and any preferred debt securities into which the note is converted must be retired or redeemed before the Company can have access to the financing entity's receivables. As of December 31, 2007 and December 31, 2006, the aggregate amount of outstanding receivables sold under this facility was $643.3 million and $696.7 million, respectively. The receivables and the preferred debt securities or note, as applicable, are recorded in the consolidated financial statements of the Company.

The Company believes that available cash, cash flows generated from future operations, access to debt markets and availability under its revolving credit facility, including issuing commercial paper, will be adequate to fund the Company's short-term and long-term financing needs.

Uses

Historically, the Company's primary uses of liquidity and capital resources have included acquisitions, dividend payments, capital expenditures and payments on debt.

In 2007, the Company made payments on notes payable, commercial paper and long-term debt of $478.3 million compared to $511.0 million in 2006. In 2007, the Company issued commercial paper to fund the acquisition of Endicia and to retire a $250.0 million, 6.0% fixed rate medium-term note that matured. In 2006, the Company used available cash to pay off commercial paper and retire a $150.0 million, 6.6% fixed rate medium-term note that matured. See Footnote 10 of the Notes to Consolidated Financial Statements for additional information on these transactions.

Aggregate dividends paid were $234.7 million and $232.8 million in 2007 and 2006, respectively. In 2008, the Company expects to make similar dividend payments.

Capital expenditures were $157.3 million and $138.3 million in 2007 and 2006, respectively. The increase in capital expenditures was driven by spending related to the Company's SAP initiative. Capital expenditures, including SAP, for 2008 are expected to be in the range of $160 million to $180 million.

Cash used for acquisitions was $106.0 million in 2007, compared to $60.6 million in 2006. In 2007, the Company acquired Endicia for $51.2 million. In 2006, the Company did not invest in significant acquisitions. See Footnote 2 of the Notes to Consolidated Financial Statements for additional information.

Cash used for restructuring activities was $53.1 million and $26.1 million in 2007 and 2006, respectively. These payments relate primarily to employee termination benefits. In 2008, the Company expects to use approximately $100 million of cash on restructuring activities related to Project Acceleration. See Footnote 4 of the Notes to Consolidated Financial Statements for additional information.

In 2007, the Company used net cash of $2.3 million for the disposals of businesses and assets. The amount included payments for transaction fees relating to the divestiture of the Home Décor Europe and Little Tikes businesses, partially offset by proceeds received from the sale of facilities. The Company generated cash proceeds from the disposal of noncurrent assets and sale of businesses of $187.0 million in 2006 relating primarily to the sale of the European Cookware and Little Tikes businesses, as well as the largest portion of its Home Décor Europe business.

Liquidity Metrics

Working capital at December 31, 2007 was $87.9 million compared to $580.3 million at December 31, 2006. The current ratio at December 31, 2007 was 1.03:1 compared to 1.31:1 at December 31, 2006. The decrease in working capital is due to an increase of approximately $700 million in current portion of long-term debt. See Footnote 10 of the Notes to Consolidated Financial Statements for additional information.

Total debt to total capitalization (total debt is net of cash and cash equivalents, and total capitalization includes total debt and stockholders' equity) was .45:1 at December 31, 2007 and ..52:1 at December 31, 2006.

The Company believes that cash provided from operations and available borrowing facilities will continue to provide adequate support for the cash needs of existing businesses on a short-term basis; however, certain events, such as significant acquisitions, could require additional external financing on a long-term basis.

Resolution of Income Tax Contingencies

In 2007 and 2006, the Company recorded $41.3 million and $102.8 million, respectively, in income tax benefits as a result of favorable resolution of certain tax matters with the IRS, the expiration of the statute of limitations on certain tax matters and the reorganization of certain legal entities in Europe. These benefits are reflected in the Company's 2007 and 2006 Consolidated Statements of Income.

Contractual Obligations, Commitments and Off-Balance Sheet Arrangements

The Company has various contractual obligations that are recorded as liabilities in its consolidated financial statements. Certain other items, such as purchase commitments and other executory contracts, are not recognized as liabilities in the Company's consolidated financial statements but are required to be disclosed. Examples of items not recognized as liabilities in the Company's consolidated financial statements are commitments to purchase raw materials or inventory that has not yet been received as of December 31, 2007 and future minimum lease payments for the use of property and equipment under operating lease agreements.

The following table summarizes the effect that lease and other material contractual obligations listed below are expected to have on the Company's cash flow in the indicated period. In addition, the table reflects the timing of principal and interest payments on borrowings outstanding as of December 31, 2007. Additional details regarding these obligations are provided in the Notes to Consolidated Financial Statements *(in millions):*

	Payments Due by Period				
	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
Debt (1)	$2,169.6	$ 972.2	$505.1	$253.2	$439.1
Interest on debt (2)	635.1	112.2	106.8	71.7	344.4
Operating lease obligations (3)	363.1	81.7	111.1	70.8	99.5
Purchase obligations (4)	306.3	275.8	30.5	—	—
Total contractual obligations (5)	$3,474.1	$1,441.9	$753.5	$395.7	$883.0

(1) Amounts represent contractual obligations based on the earliest date that the obligation may become due, excluding interest, based on borrowings outstanding as of December 31, 2007. For further information relating to these obligations, see Footnotes 9 and 10 of the Notes to Consolidated Financial Statements.

(2) Amounts represent estimated interest expense on borrowings outstanding as of December 31, 2007 based on the earliest date that the obligation may become due. Interest on floating debt was estimated using the index rate in effect as of December 31, 2007. For further information, see Footnotes 9 and 10 of the Notes to Consolidated Financial Statements.

(3) Amounts represent contractual minimum lease obligations on operating leases as of December 31, 2007. For further information relating to this obligation, see Footnote 12 of the Notes to Consolidated Financial Statements.

(4) Primarily consists of purchase commitments entered into as of December 31, 2007 for finished goods, raw materials, components and services and joint venture interests pursuant to legally enforceable and binding obligations, which include all significant terms. The Company is obligated to purchase the minority interest of a majority owned subsidiary in 2009. The estimated purchase price of that commitment is included in the purchase obligations amount shown in the table above.

(5) Total does not include contractual obligations reported on the December 31, 2007 balance sheet as current liabilities, except for current portion of long-term debt.

The Company also has liabilities for uncertain tax liabilities and unrecognized tax benefits. As a large taxpayer, the Company is under continual audit by the Internal Revenue Service and other taxing authorities on several open tax positions, and it is possible that the amount of the liability for uncertain tax liabilities and unrecognized tax benefits could change in the coming year. While it is possible that one or more of these examinations may be resolved in the next year, the Company is not able to reasonably estimate the timing or the amount by which the liability will increase or decrease over time; therefore, the $164.4 million in unrecognized tax benefits at December 31, 2007 is excluded from the preceding table. See Footnote 16 of the Notes to Consolidated Financial Statements for additional information.

Additionally, the Company has obligations with respect to its pension and postretirement medical benefit plans. See Footnote 13 of the Notes to Consolidated Financial Statements for additional information.

As of December 31, 2007, the Company had $87.6 million in standby letters of credit primarily related to the Company's self-insurance programs, including workers' compensation, product liability and medical. See Footnote 19 of the Notes to Consolidated Financial Statements for further information.

As of December 31, 2007, the Company did not have any significant off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of SEC Regulation S-K.

Critical Accounting Policies

The Company's accounting policies are more fully described in Footnote 1 of the Notes to Consolidated Financial Statements. As disclosed in that footnote, the preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying footnotes. Future events and their effects cannot be determined with absolute certainty. Therefore, the determination of estimates requires the exercise of judgment. Actual results inevitably will differ from those estimates, and such differences may be material to the Consolidated Financial Statements. The following sections describe the Company's critical accounting policies.

Sales Recognition

Sales of merchandise and freight billed to customers are recognized when title passes and all substantial risks of ownership change, which generally occurs either upon shipment or upon delivery based upon contractual terms. Sales are net of provisions for cash discounts, returns, customer discounts (such as volume or trade discounts), cooperative advertising and other sales related discounts.

Recovery of Accounts Receivable

The Company evaluates the collectibility of accounts receivable based on a combination of factors. When aware of a specific customer's inability to meet its financial obligations, such as in the case of bankruptcy filings or deterioration in the customer's operating results or financial position, the Company records a specific reserve for bad debt to reduce the related receivable to the amount the Company reasonably believes is collectible. The Company also records reserves for bad debt for all other customers based on a variety of factors, including the length of time the receivables are past due and historical collection experience. Accounts are reviewed for potential write-off on a case by case basis. Accounts deemed uncollectible are written off, net of expected recoveries. If circumstances related to specific customers change, the Company's estimates of the recoverability of receivables could be further adjusted. As of December 31, 2007, the Company had allowances for doubtful accounts of $26.1 million on $1,192.5 million of accounts receivable.

Inventory Reserves

The Company reduces its inventory value for estimated obsolete and slow moving inventory in an amount equal to the difference between the cost of inventory and the net realizable value based upon assumptions about future demand and market conditions. If actual market conditions are less favorable than those projected by management, additional inventory write-downs may be required.

Goodwill and Other Indefinite-Lived Intangible Assets

The Company conducts its annual test for impairment of goodwill and indefinite-lived intangible assets in the third quarter because it coincides with its annual strategic planning process.

The Company evaluates goodwill for impairment annually at the operating segment level (herein referred to as the reporting unit). The Company also tests for impairment if events and circumstances indicate that it is more likely than not that the fair value of a reporting unit is below its carrying amount. If the carrying amount of the reporting unit is greater than the fair value, impairment may be present. The Company assesses the fair value of its reporting units for its goodwill based on discounted cash flow models, earnings multiples or an actual sales offer received from a prospective buyer, if available. The use of a discounted cash flow model involves several assumptions, and changes in our assumptions could materially impact our fair value estimates. Assumptions critical to the Company's fair value estimates under the discounted cash flow model include the discount rate, projected average revenue growth, projected long-term growth rates in the determination of terminal values, and product costs. A one percentage point increase in the discount rate used to determine the fair values of our reporting units, which were not deemed to be impaired based on the testing of goodwill in the third quarter as described above, would not cause the carrying value of any reporting unit to exceed its fair value.

The Company measures the amount of any goodwill impairment based upon the estimated fair value of the underlying assets and liabilities of the reporting unit, including any unrecognized intangible assets, and estimates the implied fair value of goodwill. An impairment charge is recognized to the extent the recorded goodwill exceeds the implied fair value of goodwill.

The Company also evaluates indefinite-lived intangible assets (primarily trademarks and trade names) for impairment annually. The Company also tests for impairment if events and circumstances indicate that it is more likely than not that the fair value of an indefinite-lived intangible asset is below its carrying amount. Assumptions critical to the Company's evaluation of indefinite-lived intangible assets for impairment include: the discount rate, royalty rates used in its evaluation of trade names, projected average revenue growth, and projected long-term growth rates in the determination of terminal values. An impairment charge is recorded if the carrying amount of an indefinite-lived intangible asset exceeds the estimated fair value on the measurement date.

No impairment charges were recorded by the Company as a result of the annual impairment testing performed in the third quarter of 2007 and 2006.

The Company cannot predict the occurrence of events that might adversely affect the reported value of goodwill and other intangible assets. Such events may include, but are not limited to, strategic decisions made in response to economic and competitive conditions, the impact of the economic environment on the Company's customer base, or a material negative change in its relationships with significant customers.

Capitalized Software Costs

The Company capitalizes costs associated with internal-use software during the application development stage after both the preliminary project stage has been completed and the Company's management has authorized and committed to funding for further project development. Capitalized internal-use software costs include: (i) external direct costs of materials and services consumed in developing or obtaining the software; (ii) payroll and payroll-related costs for employees who are directly associated with and who devote time directly to the project; and (iii) interest costs incurred while developing the software. Capitalization of these costs ceases no later than the point at which the project is substantially complete and ready for its intended purpose. The Company expenses as incurred research and development, general and administrative and indirect costs associated with internal-use software. In addition, the Company expenses as incurred training, maintenance and other internal-use software costs incurred during the post-implementation stage. Costs associated with upgrades and enhancements of internal-use software are only capitalized if such modifications result in additional functionality of the software. Capitalized software costs were $131.4 million and $86.3 million at December 31, 2007 and 2006, respectively. Capitalized interest costs included in capitalized software were not material as of December 31, 2007 or 2006.

The Company amortizes internal-use software costs using the straight-line method over the estimated useful life of the software. Capitalized software costs are evaluated annually for indicators of impairment including but not limited to a significant change in available technology or the manner in which the software is being used. Impaired items are written down to their estimated fair values at the date of evaluation.

Other Long-Lived Assets

The Company continuously evaluates if impairment indicators related to its property, plant and equipment and other long-lived assets are present. These impairment indicators may include a significant decrease in the market price of a long-lived asset or asset group, a significant adverse change in the extent or manner in which a long-lived asset or asset group is being used or in its physical condition, or a current-period operating or cash flow loss combined with a history of operating or cash flow losses or a forecast that demonstrates continuing losses associated with the use of a long-lived asset or asset group. If impairment indicators are present, the Company estimates the future cash flows for the asset or group of assets. The sum of the undiscounted future cash flows attributable to the asset or group of assets is compared to their carrying amount. The cash flows are estimated utilizing various assumptions regarding future revenue and expenses, working capital, and proceeds from asset disposals on a basis consistent with the Company’s strategic plan. If the carrying amount exceeds the sum of the undiscounted future cash flows, the Company discounts the future cash flows using a discount rate required for a similar investment of like risk and records an impairment charge as the difference between the fair value and the carrying value of the asset group. Generally, the Company performs its testing of the asset group at the product-line level, as this is the lowest level for which identifiable cash flows are available.

Product Liability Reserves

The Company has a self-insurance program for product liability that includes reserves for self-retained losses and certain excess and aggregate risk transfer insurance. The Company uses historical loss experience combined with actuarial evaluation methods, review of significant individual files and the application of risk transfer programs in determining required product liability reserves. The Company’s actuarial evaluation methods take into account claims incurred but not reported when determining the Company’s product liability reserve. The Company has product liability reserves of $34.4 million as of December 31, 2007. While the Company believes that it has adequately reserved for these claims, the ultimate outcome of these matters may exceed the amounts recorded by the Company, and such additional losses may be material to the Company’s Consolidated Financial Statements.

Legal and Environmental Reserves

The Company is subject to losses resulting from extensive and evolving federal, state, local and foreign laws and regulations, as well as contract and other disputes. The Company evaluates the potential legal and environmental losses relating to each specific case and determines the probable loss based on historical experience and estimates of cash flows for certain environmental matters. The estimated losses take into account anticipated costs associated with investigative and remediation efforts where an assessment has indicated that a probable liability has been incurred and the cost can be reasonably estimated. No insurance recovery is taken into account in determining the Company’s cost estimates or reserve, nor do the Company’s cost estimates or reserve reflect any discounting for present value purposes, except with respect to long-term operations and maintenance Comprehensive Environmental Response, Compensation and Liability (“CERCLA”) matters which are estimated at present value. The Company’s estimate of environmental response costs associated with these matters as of December 31, 2007 ranged between $14.5 million and $33.9 million. As of December 31, 2007, the Company had a reserve of $18.8 million for such environmental response costs in the aggregate, which is included in other accrued liabilities and other noncurrent liabilities in the Consolidated Balance Sheets.

Income Taxes

In accordance with Statement of Financial Accounting Standards No. 109, “Accounting for Income Taxes”, the Company accounts for deferred income taxes using the asset and liability approach. Under this approach, deferred income taxes are recognized based on the tax effects of temporary differences between the financial statement and tax bases of assets and liabilities, as measured by current enacted tax rates. Valuation allowances are recorded to reduce the deferred tax assets to an amount that will more likely than not be realized. No provision is made for the U.S. income taxes on the undistributed earnings of non-U.S. subsidiaries as substantially all such earnings are permanently reinvested.

The Company's income tax provisions are based on calculations and assumptions that are subject to examination by the Internal Revenue Service and other tax authorities. Although the Company believes that the positions taken on previously filed tax returns are reasonable, it has established tax and interest reserves in recognition that various taxing authorities may challenge the positions taken, which could result in additional liabilities for taxes and interest. The Company regularly reviews its deferred tax assets for recoverability considering historical profitability, projected future taxable income, the expected timing of the reversals of existing temporary differences and tax planning strategies.

The Company adopted the provisions of Financial Accounting Standards Board ("FASB") Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48"), on January 1, 2007. FIN 48 requires application of a "more likely than not" threshold to the recognition and derecognition of tax positions. The Company's ongoing assessments of the more-likely-than-not outcomes of tax authority examinations and related tax positions require significant judgment and can increase or decrease the Company's effective tax rate, as well as impact operating results. The adoption of FIN 48 did not result in an adjustment to beginning retained earnings; however it did result in the reclassification of certain income tax assets and liabilities from current to long-term in the Company's Consolidated Balance Sheet. See Footnote 16 of the Notes to Consolidated Financial Statements for further information.

Pensions and Other Postretirement Benefits

Pension and other postretirement benefit costs and liabilities are dependent on assumptions used in calculating such amounts. The primary assumptions include factors such as discount rates, health care cost trend rates, expected return on plan assets, mortality rates and rate of compensation increase, discussed below:

- *Discount rates:* The Company generally estimates the discount rate for its pension and other postretirement benefit obligations using an iterative process based on a hypothetical investment in a portfolio of high-quality bonds that approximate the estimated cash flows of the pension and other postretirement benefit obligations. The Company believes this approach permits a matching of future cash outflows related to benefit payments with future cash inflows associated with bond coupons and maturities.

- *Health care cost trend rate:* The Company's health-care cost trend rate is based on historical retiree cost data, near term health care outlook, and industry benchmarks and surveys.

- *Expected return on plan assets:* The Company's expected return on plan assets is derived from reviews of asset allocation strategies and anticipated future long-term performance of individual asset classes. The Company's analysis gives appropriate consideration to recent plan performance and historical returns; however, the assumptions are primarily based on long-term, prospective rates of return.

- *Mortality rates:* Mortality rates are based on actual and projected plan experience.

- *Rate of compensation increase:* The rate of compensation increase reflects the Company's long-term actual experience and its outlook, including consideration of expected rates of inflation.

In accordance with generally accepted accounting principles, actual results that differ from the assumptions are accumulated and amortized over future periods, and therefore, generally affect recognized expense and the recorded obligation in future periods. While management believes that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect the Company's pension and other postretirement plan obligations and future expense. See Footnote 13 of the Notes to Consolidated Financial Statements for additional information on the assumptions used. The following tables summarize the Company's pension and other postretirement plan assets and obligations included in the Consolidated Balance Sheet as of December 31, 2007 (*in millions*):

	U.S.	International
Pension plan assets and obligations, net:		
Prepaid benefit cost	$—	$1.9
Accrued current benefit cost	(6.7)	(4.2)
Accrued noncurrent benefit cost	(98.2)	(113.2)
Net liability recognized in the Consolidated Balance Sheet	($104.9)	($115.5)

	U.S.
Other postretirement benefit obligations:	
Accrued current benefit cost	($17.6)
Accrued noncurrent benefit cost	(142.9)
Liability recognized in the Consolidated Balance Sheet	($160.5)

The following table summarizes the net pre-tax cost (benefit) associated with pensions and other postretirement benefit obligations in the Consolidated Statement of Income for the year ended December 31, (*in millions*):

	2007	2006	2005
Net pension cost (benefit)	$14.4	$15.7	($7.8)
Net postretirement benefit costs	10.1	10.1	16.3
Total	$24.5	$25.8	$8.5

New Accounting Pronouncements

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 141 (Revised 2007), "Business Combinations" ("SFAS 141(R)"). SFAS 141(R) significantly changes the accounting for business combination transactions by requiring an acquiring entity to recognize all the assets acquired and liabilities assumed in a transaction at the acquisition-date fair value. Additionally, SFAS 141(R) modifies the accounting treatment for certain specified items related to business combinations and requires a substantial number of new disclosures. SFAS 141(R) is effective for business combinations with an acquisition date in fiscal years beginning on or after December 15, 2008 and earlier adoption is prohibited. The Company expects to prospectively adopt SFAS 141(R) on January 1, 2009.

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 160, "Noncontrolling Interests in Consolidated Financial Statements — An Amendment of ARB No. 51" ("SFAS 160"). SFAS 160 establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, the amount of consolidated net income attributable to the parent and to the noncontrolling interest, changes in a parent's ownership interest and the valuation of retained noncontrolling equity investments when a subsidiary is deconsolidated. SFAS 160 also establishes reporting requirements that require sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS 160 is effective for fiscal years beginning on or after December 15, 2008 and earlier adoption is prohibited. SFAS 160 is effective for the Company on January 1, 2009. The Company is still in the process of evaluating the impact SFAS 160 will have on the Company's consolidated financial statements.

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("SFAS 157"). SFAS 157 defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles, and requires expanded disclosures about fair value measurements. SFAS 157 emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and states that a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. SFAS 157 applies under other accounting pronouncements that require or permit fair value measurements, the FASB having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, SFAS 157 does not require any new fair value measurements. In February 2008, the FASB issued Staff Positions 157-1 and 157-2 which remove certain leasing transactions from the scope of SFAS 157 and partially defer the effective date of SFAS 157 for one year for certain nonfinancial assets and liabilities. SFAS 157 is effective for fiscal years beginning after November 15, 2007. The Company prospectively adopted the effective provisions of SFAS 157 on January 1, 2008. The adoption is not expected to have a material impact on the Company's consolidated financial statements.

International Operations

For the years ended December 31, 2007, 2006 and 2005, the Company's non-U.S. businesses accounted for approximately 28%, 26% and 24% of net sales, respectively (see Footnote 18 of the Notes to Consolidated Financial Statements). Changes in both U.S. and non-U.S. net sales are shown below for the year ended December 31, *(in millions, except percentages)*:

	2007	2006	2005	2007 vs. 2006 % Change	2006 vs. 2005 % Change
U.S.	$4,624.3	$4,603.4	$4,338.5	0.5%	6.1%
Non-U.S	1,783.0	1,597.6	1,378.7	11.6	15.9
	$6,407.3	$6,201.0	$5,717.2	3.3%	8.5%

Forward-Looking Statements

Forward-looking statements in this Report are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may relate to, but are not limited to, information or assumptions about the effects of Project Acceleration, sales (including pricing), income/(loss), earnings per share, operating income or gross margin improvements, return on equity, return on invested capital, capital expenditures, working capital, cash flow, dividends, capital structure, debt to capitalization ratios, interest rates, internal growth rates, restructuring, impairment and other charges, potential losses on divestitures, impact of changes in accounting standards, pending legal proceedings and claims (including environmental matters), future economic performance, costs and cost savings (including raw material inflation, productivity and streamlining), synergies, management's plans, goals and objectives for future operations, performance and growth or the assumptions relating to any of the forward-looking statements. These statements generally are accompanied by words such as "intend," "anticipate," "believe," "estimate," "project," "target," "plan," "expect," "will," "should," "would" or similar statements. The Company cautions that forward-looking statements are not guarantees because there are inherent difficulties in predicting future results. Actual results could differ materially from those expressed or implied in the forward-looking statements. Factors that could cause actual results to differ include, but are not limited to, those matters set forth in this Report generally and Item 1A to this Report. Some of these factors are described as criteria for success. The Company's failure to achieve, or limited success in achieving, these objectives could result in actual results differing materially from those expressed or implied in the forward-looking statements. In addition, there can be no assurance that the Company has correctly identified and assessed all of the factors affecting the Company or that the publicly available and other information the Company receives with respect to these factors is complete or correct.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk

The Company's market risk is impacted by changes in interest rates, foreign currency exchange rates and certain commodity prices. Pursuant to the Company's policies, natural hedging techniques and derivative financial instruments may be utilized to reduce the impact of adverse changes in market prices. The Company does not hold or issue derivative instruments for trading purposes.

The Company manages interest rate exposure through its conservative debt ratio target and its mix of fixed and floating rate debt. Interest rate swaps may be used to adjust interest rate exposures when appropriate based on market conditions, and, for qualifying hedges, the interest differential of swaps is included in interest expense.

The Company's foreign exchange risk management policy emphasizes hedging anticipated intercompany and third party commercial transaction exposures of one-year duration or less. The Company focuses on natural hedging techniques of the following form: 1) offsetting or netting of like foreign currency flows, 2) structuring foreign subsidiary balance sheets with appropriate levels of debt to reduce subsidiary net investments and subsidiary cash flows subject to conversion risk, 3) converting excess foreign currency deposits into U.S. dollars or the relevant functional currency and 4) avoidance of risk by denominating contracts in the appropriate functional currency. In addition, the Company primarily utilizes forward contracts and purchased options to hedge commercial and intercompany transactions. Gains and losses related to qualifying hedges of commercial and intercompany transactions are deferred and included in the basis of the underlying transactions. Derivatives used to hedge intercompany loans are marked to market with the corresponding gains or losses included in the Company's Consolidated Statements of Income.

The Company purchases certain raw materials, including resin, corrugate, steel, stainless steel, aluminum and other metals, which are subject to price volatility caused by unpredictable factors. While future movements of raw material costs are uncertain, a variety of programs, including periodic raw material purchases, purchases of raw materials for future delivery and customer price adjustments help the Company address this risk. Where practical, the Company uses derivatives as part of its risk management process.

The amounts shown below represent the estimated potential economic loss that the Company could incur from adverse changes in either interest rates or foreign exchange rates using the value-at-risk estimation model. The value-at-risk model uses historical foreign exchange rates and interest rates to estimate the volatility and correlation of these rates in future periods. It estimates a loss in fair market value using statistical modeling techniques that are based on a variance/covariance approach and includes substantially all market risk exposures (specifically excluding equity-method investments). The fair value losses shown in the table below have no impact on results of operations or financial condition, but are shown as an illustration of the impact of potential adverse changes in interest and foreign currency exchange rates. The following table indicates the calculated amounts for each of the years ended December 31, 2007 and 2006 *(dollars in millions)*:

Market Risk (1)	2007 Average	December 31, 2007	2006 Average	December 31, 2006	Confidence Level
Interest rates	$8.8	$10.2	$8.0	$7.5	95%
Foreign exchange	$4.9	$7.1	$5.0	$3.5	95%

(1) Commodity price risk is not shown because the amounts are not material.

The 95% confidence interval signifies the Company's degree of confidence that actual losses would not exceed the estimated losses shown above. The amounts shown here disregard the possibility that interest rates and foreign currency exchange rates could move in the Company's favor. The value-at-risk model assumes that all movements in these rates will be adverse. Actual experience has shown that gains and losses tend to offset each other over time, and it is highly unlikely that the Company could experience losses such as these over an extended period of time. These amounts should not be considered projections of future losses, because actual results may differ significantly depending upon activity in the global financial markets.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS AND ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Newell Rubbermaid Inc. is responsible for the accuracy and internal consistency of the preparation of the consolidated financial statements and footnotes contained in this annual report.

The Company's management is also responsible for establishing and maintaining adequate internal control over financial reporting. Newell Rubbermaid Inc. operates under a system of internal accounting controls designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of published financial statements in accordance with generally accepted accounting principles. The internal accounting control system is evaluated for effectiveness by management and is tested, monitored and revised as necessary. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2007. In making its assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control—Integrated Framework. Based on the results of its evaluation, the Company's management concluded that, as of December 31, 2007, the Company's internal control over financial reporting is effective based on those criteria.

The Company's independent registered public accounting firm, Ernst & Young LLP, have audited the financial statements prepared by the management of Newell Rubbermaid Inc. and the effectiveness of Newell Rubbermaid Inc.'s internal control over financial reporting. Their reports on the financial statements and on the effectiveness of Newell Rubbermaid Inc.'s internal control over financial reporting are presented below.

NEWELL RUBBERMAID INC.

Atlanta, Georgia
February 29, 2008

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
Newell Rubbermaid Inc.

We have audited the accompanying consolidated balance sheets of Newell Rubbermaid Inc. and subsidiaries as of December 31, 2007 and 2006, and the related consolidated statements of income, stockholders' equity and comprehensive income, and cash flows for each of the three years in the period ended December 31, 2007. Our audits also included the financial statement schedule listed in the Index at Item 15(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Newell Rubbermaid Inc. and subsidiaries at December 31, 2007 and 2006, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2007, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

As discussed in Note 16, in 2007 the Company adopted the provisions of Financial Accounting Standards Board Interpretation No. 48, "Accounting for Uncertainty in Income Taxes." Also, as discussed in Notes 1 and 13, in 2006 the Company adopted the provisions of Statement of Financial Accounting Standards No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans," and the provisions of Statement of Financial Accounting Standards No. 123(R), "Share-Based Payment."

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Newell Rubbermaid Inc.'s internal control over financial reporting as of December 31, 2007, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 28, 2008 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Baltimore, Maryland
February 28, 2008

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
Newell Rubbermaid Inc.

We have audited Newell Rubbermaid Inc.'s internal control over financial reporting as of December 31, 2007, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Newell Rubbermaid Inc.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Responsibility for Financial Statements and Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Newell Rubbermaid Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2007, based on the COSO criteria**.**

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Newell Rubbermaid Inc. as of December 31, 2007 and 2006, and the related consolidated statements of income, stockholders' equity and comprehensive income, and cash flows for each of the three years in the period ended December 31, 2007 of Newell Rubbermaid Inc. and our report dated February 28, 2008 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Baltimore, Maryland
February 28, 2008

Table of Contents

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Amounts in millions, except per share data)

Year Ended December 31,	2007	2006	2005
Net sales	$6,407.3	$6,201.0	$5,717.2
Cost of products sold	4,150.1	4,131.0	3,959.1
Gross margin	2,257.2	2,070.0	1,758.1
Selling, general and administrative expenses	1,430.9	1,347.0	1,117.7
Impairment charges	—	—	0.4
Restructuring costs	86.0	66.4	72.6
Operating income	740.3	656.6	567.4
Nonoperating expenses:			
Interest expense, net of interest income of $27.6, $23.0, and $15.0 in 2007, 2006, and 2005, respectively	104.1	132.0	127.1
Other expense (income), net	7.3	9.7	(23.1)
Net nonoperating expenses	111.4	141.7	104.0
Income from continuing operations before income taxes	628.9	514.9	463.4
Income taxes	149.7	44.2	57.1
Income from continuing operations	479.2	470.7	406.3
Loss from discontinued operations, net of tax	(12.1)	(85.7)	(155.0)
Net income	$467.1	$385.0	$251.3
Weighted average shares outstanding:			
Basic	276.0	274.6	274.4
Diluted	286.1	275.5	274.9
Per common share:			
Basic:			
Income from continuing operations	$1.74	$1.71	$1.48
Loss from discontinued operations	(0.04)	(0.31)	(0.56)
Net income	$1.69	$1.40	$0.92
Diluted:			
Income from continuing operations	$1.72	$1.71	$1.48
Loss from discontinued operations	(0.04)	(0.31)	(0.56)
Net income	$1.68	$1.40	$0.91
Dividends per share	$0.84	$0.84	$0.84

See Notes to Consolidated Financial Statements.

Table of Contents

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions, except par value)

December 31,	2007	2006
Assets		
Current Assets:		
Cash and cash equivalents	$329.2	$201.0
Accounts receivable, net of allowances of $39.1 for 2007 and $38.2 for 2006	1,166.4	1,113.6
Inventories, net	940.4	850.6
Deferred income taxes	102.0	110.1
Prepaid expenses and other	113.7	133.5
Current assets of discontinued operations	—	68.1
Total Current Assets	2,651.7	2,476.9
Property, plant and equipment, net	688.6	746.9
Deferred income taxes	29.4	1.3
Goodwill	2,608.7	2,435.7
Other intangible assets, net	501.8	458.8
Other assets	202.7	190.9
Total Assets	$6,682.9	$6,310.5
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	$616.9	$549.9
Accrued compensation	170.7	177.9
Other accrued liabilities	744.7	710.9
Income taxes payable	44.0	144.3
Notes payable	15.3	23.9
Current portion of long-term debt	972.2	253.6
Current liabilities of discontinued operations	—	36.1
Total Current Liabilities	2,563.8	1,896.6
Long-term debt	1,197.4	1,972.3
Other noncurrent liabilities	674.4	551.4
Stockholders' Equity:		
Common stock, authorized shares, 800.0 at $1.00 par value;	292.6	291.0
Outstanding shares, before treasury:		
2007 — 292.6		
2006 — 291.0		
Treasury stock, at cost;	(415.1)	(411.6)
Shares held:		
2007 — 15.9		
2006 — 15.7		
Additional paid-in capital	570.3	505.0
Retained earnings	1,922.7	1,690.4
Accumulated other comprehensive loss	(123.2)	(184.6)
Total Stockholders' Equity	2,247.3	1,890.2
Total Liabilities and Stockholders' Equity	$6,682.9	$6,310.5

See Notes to Consolidated Financial Statements.

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in millions)

Year Ended December 31,	2007	2006	2005
Operating Activities			
Net income	$467.1	$385.0	$251.3
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	177.0	193.3	191.6
Non-cash restructuring costs	27.7	27.2	56.2
Deferred income taxes	(0.9)	(5.0)	(63.9)
Gain on sale of assets	—	(4.5)	(20.0)
Impairment charges	—	50.9	34.4
Loss (gain) on disposal of discontinued operations	11.9	(0.7)	96.8
Stock-based compensation expense	36.4	44.0	6.1
Income tax benefits	(41.3)	(102.8)	(73.9)
Other	(3.4)	(12.9)	(23.9)
Changes in operating assets and liabilities, excluding the effects of acquisitions:			
Accounts receivable	(7.9)	25.1	(51.5)
Inventories	(53.6)	(32.2)	32.3
Accounts payable	54.0	(51.0)	27.3
Accrued liabilities and other	(11.7)	96.9	118.5
Discontinued operations	—	30.1	60.3
Net Cash Provided by Operating Activities	$655.3	$643.4	$641.6
Investing Activities			
Acquisitions, net of cash acquired	($106.0)	($60.6)	($740.0)
Capital expenditures	(157.3)	(138.3)	(92.2)
Disposals of noncurrent assets and sales of businesses	(2.3)	187.0	65.5
Net Cash Used in Investing Activities	($265.6)	($11.9)	($766.7)
Financing Activities			
Proceeds from issuance of debt	$420.8	$177.0	$337.0
Payments on notes payable and long-term debt	(478.3)	(511.0)	(360.1)
Cash dividends	(234.7)	(232.8)	(231.5)
Proceeds from exercised stock options and other	25.4	16.7	(2.6)
Net Cash Used in Financing Activities	($266.8)	($550.1)	($257.2)
Exchange rate effect on cash and cash equivalents	5.3	4.1	(7.8)
Increase (Decrease) in Cash and Cash Equivalents	128.2	85.5	(390.1)
Cash and Cash Equivalents at Beginning of Year	201.0	115.5	505.6
Cash and Cash Equivalents at End of Year	$329.2	$201.0	$115.5
Supplemental cash flow disclosures — cash paid during the year for:			
Income taxes, net of refunds	$99.0	$19.5	$84.9
Interest	$135.5	$160.9	$136.8

See Notes to Consolidated Financial Statements.

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME
(Amounts in millions)

	Common Stock	Treasury Stock	Add'l Paid-In Capital	Retained Earnings	Accumulated Other ComprehensiveLoss	Total Stockholders' Equity
Balance at December 31, 2004	$290.1	($411.6)	$437.5	$1,518.6	($70.4)	$1,764.2
Net income	—	—	—	251.3	—	251.3
Foreign currency translation	—	—	—	—	(107.6)	(107.6)
Minimum pension liability adjustment, net of ($29.3) tax	—	—	—	—	(59.8)	(59.8)
Gain on derivative instruments, net of $6.8 tax	—	—	—	—	11.1	11.1
Total comprehensive income						$95.0
Cash dividends on common stock	—	—	—	(231.5)	—	(231.5)
Exercise of stock options	0.1	—	0.4	—	—	0.5
Stock-based compensation and other	—	—	15.1	—	—	15.1
Balance at December 31, 2005	$290.2	($411.6)	$453.0	$1,538.3	($226.7)	$1,643.2
Net income	—	—	—	385.0	—	385.0
Foreign currency translation	—	—	—	—	28.8	28.8
Minimum pension liability adjustment, net of $27.1 tax	—	—	—	—	50.0	50.0
Loss on derivative instruments, net of ($2.6) tax	—	—	—	—	(4.3)	(4.3)
Total comprehensive income						$459.5
Cash dividends on common stock	—	—	—	(232.8)	—	(232.8)
Exercise of stock options	0.8	—	19.1	—	—	19.9
Adjustment to initially apply SFAS 158, net of ($15.4) tax	—	—	—	—	(32.4)	(32.4)
Stock-based compensation and other	—	—	32.9	(0.1)	—	32.8
Balance at December 31, 2006	$291.0	($411.6)	$505.0	$1,690.4	($184.6)	$1,890.2
Net income	—	—	—	467.1	—	467.1
Foreign currency translation	—	—	—	—	28.2	28.2
Unrecognized pension and other postretirement benefits, net of $17.8 tax	—	—	—	—	26.3	26.3
Gain on derivative instruments, net of $23.3 tax	—	—	—	—	6.9	6.9
Total comprehensive income						$528.5
Cash dividends on common stock	—	—	—	(234.7)	—	(234.7)
Exercise of stock options	0.9	—	21.6	—	—	22.5
Stock-based compensation and other	0.7	(3.5)	43.7	(0.1)	—	40.8
Balance at December 31, 2007	$292.6	($415.1)	$570.3	$1,922.7	($123.2)	$2,247.3

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOOTNOTE 1

Description of Business and Significant Accounting Policies

Description of Business: Newell Rubbermaid is a global marketer of consumer and commercial products that touch the lives of people where they work, live and play. The Company’s strong portfolio of brands includes Sharpie®, Paper Mate®, Dymo®, Expo®, Waterman®, Parker®, Rolodex ®, Irwin®, Lenox®, BernzOmatic®, Rubbermaid®, Levolor®, Graco®, Calphalon ® and Goody®. The Company’s multi-product offering consists of well known name-brand consumer and commercial products in four business segments: Cleaning, Organization & Décor; Office Products; Tools & Hardware; and Other (Home & Family).

Principles of Consolidation: The Consolidated Financial Statements include the accounts of the Company, its majority owned subsidiaries and variable interest entities where the Company is the primary beneficiary, after elimination of intercompany transactions.

Use of Estimates: The preparation of these financial statements requires the use of certain estimates by management in determining the Company’s assets, liabilities, revenues and expenses and related disclosures. Actual results could differ from those estimates.

Reclassifications: Certain 2006 and 2005 amounts have been reclassified to conform to the 2007 presentation.

Concentration of Credit Risk: The Company sells products to customers in diversified industries and geographic regions and, therefore, has no significant concentrations of credit risk. The Company continuously evaluates the creditworthiness of its customers and generally does not require collateral.

The Company evaluates the collectibility of accounts receivable based on a combination of factors. When aware of a specific customer’s inability to meet its financial obligations, such as in the case of bankruptcy filings or deterioration in the customer’s operating results or financial position, the Company records a specific reserve for bad debt to reduce the related receivable to the amount the Company reasonably believes is collectible. The Company also records reserves for bad debt for all other customers based on a variety of factors, including the length of time the receivables are past due and historical collection experience. Accounts are also reviewed for potential write-off on a case by case basis. Accounts deemed uncollectible are written off, net of expected recoveries. If circumstances related to specific customers change, the Company’s estimates of the recoverability of receivables could be further adjusted.

The Company’s forward exchange contracts, long-term cross currency interest rate swaps, and option contracts do not subject the Company to risk due to foreign exchange rate movement, because gains and losses on these instruments generally offset gains and losses on the assets, liabilities, and other transactions being hedged. The Company is exposed to credit-related losses in the event of non-performance by counterparties to certain derivative financial instruments. The Company does not obtain collateral or other security to support derivative financial instruments subject to credit risk, but monitors the credit standing of the counterparties.

The credit exposure that results from commodity, interest rate, and foreign exchange risk is the fair value of contracts with a positive fair value as of the reporting date. The credit exposure on the Company’s interest rate derivatives and foreign currency derivatives at December 31, 2007 was $1.2 million and $2.1 million, respectively. The credit exposure on the Company’s commodity derivatives at December 31, 2007 was immaterial.

Sales Recognition: Sales of merchandise and freight billed to customers are recognized when title passes and all substantial risks of ownership change, which generally occurs either upon shipment or upon delivery based upon contractual terms. Sales are net of provisions for cash discounts, returns, customer discounts (such as volume or trade discounts), cooperative advertising and other sales related discounts.

Cash and Cash Equivalents: Cash and cash equivalents include cash on-hand and highly-liquid investments that have a maturity of three months or less when purchased.

Inventories: Inventories are stated at the lower of cost or market value using the last-in, first-out (LIFO) or first-in, first-out (FIFO) methods (see Footnote 5 for additional information). The Company reduces its inventory value for estimated obsolete and slow moving inventory in an amount equal to the difference between the cost of inventory and the net realizable value based upon assumptions about future demand and market conditions. If actual market conditions are less favorable than those projected by management, additional inventory write-downs may be required.

Property, Plant and Equipment: Property, plant, and equipment are stated at cost. Expenditures for maintenance and repairs are expensed as incurred. Depreciation expense is calculated principally on the straight-line basis. Useful lives determined by the Company are as follows: buildings and improvements (20-40 years) and machinery and equipment (3-12 years).

Goodwill and Other Indefinite-Lived Intangible Assets: The Company conducts its annual test for impairment of goodwill and indefinite-lived intangible assets in the third quarter because it coincides with its annual strategic planning process.

The Company evaluates goodwill for impairment annually at the operating segment level (herein referred to as the reporting unit). The Company also tests for impairment if events and circumstances indicate that it is more likely than not that the fair value of a reporting unit is below its carrying amount. If the carrying amount of the reporting unit is greater than the fair value, impairment may be present. The Company assesses the fair value of its reporting units for its goodwill based on discounted cash flow models, earnings multiples or an actual sales offer received from a prospective buyer, if available. Assumptions critical to the Company's fair value estimates under the discounted cash flow model include the discount rate, projected average revenue growth, projected long-term growth rates in the determination of terminal values, and product costs.

The Company measures the amount of any goodwill impairment based upon the estimated fair value of the underlying assets and liabilities of the reporting unit, including any unrecognized intangible assets, and estimates the implied fair value of goodwill. An impairment charge is recognized to the extent the recorded goodwill exceeds the implied fair value of goodwill.

The Company also evaluates indefinite-lived intangible assets (primarily trademarks and trade names) for impairment annually. The Company also tests for impairment if events and circumstances indicate that it is more likely than not that the fair value of an indefinite-lived intangible asset is below its carrying amount. Assumptions critical to the Company's evaluation of indefinite-lived intangible assets for impairment include the discount rate, royalty rates used in its evaluation of trade names, projected average revenue growth, and projected long-term growth rates in the determination of terminal values. An impairment charge is recorded if the carrying amount of an indefinite-lived intangible asset exceeds the estimated fair value on the measurement date.

See Footnote 7 for additional detail on goodwill and other intangible assets.

Other Long-Lived Assets: The Company tests its other long-lived assets for impairment in accordance with Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." The Company evaluates if impairment indicators related to its property, plant and equipment and other long-lived assets are present. These impairment indicators may include a significant decrease in the market price of a long-lived asset or asset group, a significant adverse change in the extent or manner in which a long-lived asset or asset group is being used or in its physical condition, or a current-period operating or cash flow loss combined with a history of operating or cash flow losses or a forecast that demonstrates continuing losses associated with the use of a long-lived asset or asset group. If impairment indicators are present, the Company estimates the future cash flows for the asset or group of assets. The sum of the undiscounted future cash flows attributable to the asset or group of assets is compared to their carrying amount. The cash flows are estimated utilizing various assumptions regarding future revenue and expenses, working capital, and proceeds from asset disposals on a basis consistent with the strategic plan. If the carrying amount exceeds the sum of the undiscounted future cash flows, the Company determines the assets' fair value by discounting the future cash flows using a discount rate required for a similar investment of like risk and records an impairment charge as the difference between the fair value and the carrying value of the asset group. Generally, the Company performs its testing of the asset group at the product-line level, as this is the lowest level for which identifiable cash flows are available.

Shipping and Handling Costs: The Company records shipping and handling costs as a component of costs of products sold.

Product Liability Reserves: The Company has a self-insurance program for product liability that includes reserves for self-retained losses and certain excess and aggregate risk transfer insurance. The Company uses historical loss experience combined with actuarial evaluation methods, review of significant individual files and the application of risk transfer programs in determining required product liability reserves. The Company's actuarial evaluation methods take into account claims incurred but not reported when determining the Company's product liability reserve. While the Company believes that it has adequately reserved for these claims, the ultimate outcome of these matters may exceed the amounts recorded by the Company, and such additional losses may be material to the Company's Consolidated Financial Statements.

Product Warranties: In the normal course of business, the Company offers warranties for a variety of its products. The specific terms and conditions of the warranties vary depending upon the specific product and markets in which the products were sold. The Company accrues for the estimated cost of product warranty at the time of sale based on historical experience.

Advertising Costs: The Company expenses advertising costs as incurred. Cooperative advertising with customers is recorded in the Consolidated Financial Statements as a reduction of net sales and totaled $149.5 million, $153.3 million and $147.4 million for 2007, 2006 and 2005, respectively. All other advertising costs are recorded in selling, general and administrative expenses and totaled $216.5 million, $199.9 million and $135.6 million in 2007, 2006 and 2005, respectively.

Research and Development Costs: Research and development costs relating to both future and current products are charged to selling, general and administrative expenses as incurred. These costs aggregated $111.2 million, $102.0 million and $92.5 million in 2007, 2006 and 2005, respectively.

Derivative Financial Instruments: The Company follows SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended. Derivative financial instruments are generally used to manage certain commodity, interest rate and foreign currency risks. These instruments include commodity swaps, interest rate swaps, long-term cross currency interest rate swaps, forward exchange contracts and options. The Company's forward exchange contracts, options and long-term cross currency interest rate swaps do not subject the Company to risk due to foreign exchange rate movement because gains and losses on these instruments generally offset gains and losses on the assets, liabilities, and other transactions being hedged.

On the date in which the Company enters into a derivative, the derivative is designated as a hedge of the identified exposure. The Company measures effectiveness of its hedging relationships both at hedge inception and on an ongoing basis. No ineffectiveness was recorded on designated hedges in 2007, 2006 or 2005.

Interest Rate Risk Management: Gains and losses on interest rate swaps designated as cash flow hedges, to the extent that the hedge relationship has been effective, are deferred in other comprehensive income and recognized in interest expense over the period in which the Company recognizes interest expense on the related debt instrument. Any ineffectiveness on these instruments is immediately recognized in interest expense in the period that the ineffectiveness occurs.

The Company also has designated certain interest rate swaps as fair value hedges, which have been structured to be 100% effective. These hedging instruments include interest rate swaps, long-term cross currency interest rate swaps and forward exchange contracts. See foreign currency management below for discussion of cross currency interest rate swaps and forward exchange contracts Gains or losses resulting from the early termination of interest rate swaps are deferred as an increase or decrease to the carrying value of the related debt and amortized as an adjustment to the yield of the related debt instrument over the remaining period originally covered by the swap. The cash received or paid relating to the termination of interest rate swaps is included in Other as an operating activity in the Consolidated Statements of Cash Flows.

Foreign Currency Management: The Company utilizes forward exchange contracts and options to manage foreign exchange risk related to both known and anticipated intercompany transactions and third-party commercial transaction exposures of approximately one year in duration or less. The effective portion of the changes in fair value of these instruments is reported in other comprehensive income and reclassified into earnings in the same period or periods in which the hedged transactions affect earnings. Any ineffective portion is immediately recognized in earnings.

The Company also utilizes long-term cross currency interest rate swaps to hedge long-term intercompany financing transactions. Gains and losses related to qualifying forward exchange contracts, which hedge certain anticipated transactions are recognized in other comprehensive income as an asset or liability until the underlying transaction occurs.

The asset or liability related to these transactions is recorded in the captions Prepaid expenses and other, Other assets, Other accrued liabilities or Other noncurrent liabilities on the Consolidated Balance Sheet depending on the maturity of the Company's cross currency interest rate swaps and forward contracts at December 31, 2007 and 2006. The earnings impact of cash flow hedges relating to forecasted purchases of inventory is generally reported in cost of products sold to match the underlying transaction being hedged. For hedged forecasted transactions, hedge accounting is discontinued if the forecasted transaction is no longer probable of occurring, in which case previously deferred hedging gains or losses would be recorded to earnings immediately. The gains and losses reported in accumulated other comprehensive income will be reclassified to earnings upon completion of the underlying transaction being hedged.

The fair value of foreign currency hedging instruments is recorded in the captions Prepaid expenses and other, Other assets, Other accrued liabilities or Other noncurrent liabilities on the Consolidated Balance Sheets depending on the maturity of the Company's cross currency interest rate swaps and forward contracts at December 31, 2007 and 2006. The earnings impact of cash flow hedges relating to forecasted purchases of inventory is generally reported in cost of products sold to match the underlying transaction being hedged. For hedged forecasted transactions, hedge accounting is discontinued if the forecasted transaction is no longer probable of occurring, in which case previously deferred hedging gains or losses would be recorded to earnings immediately.

Disclosures about Fair Value of Financial Instruments: The Company's financial instruments include cash and cash equivalents, accounts receivable, notes payable and short and long-term debt. The fair value of these instruments approximates carrying values due to their short-term duration, except as follows:

Qualifying Derivative Instruments: The fair value of the Company's qualifying derivative instruments is recorded in the Consolidated Balance Sheets and is described in more detail in Footnote 11.

Long-term Debt: The fair values of the Company's long-term debt issued under the medium-term note program and the junior convertible subordinated debentures are based on quoted market prices and are as follows as of December 31, *(in millions)*:

	2007	2006
Medium-term note program	$1,085.2	$1,321.7
Junior convertible subordinated debentures	$390.7	$398.1

All other significant long-term debt is pursuant to floating rate instruments whose carrying amounts approximate fair value.

Foreign Currency Translation: Assets and liabilities of foreign subsidiaries are translated into U.S. dollars at the rates of exchange in effect at year-end. The related translation adjustments are made directly to accumulated other comprehensive income. Income and expenses are translated at the average monthly rates of exchange in effect during the year. Gains and losses from foreign currency transactions of these subsidiaries are included in net income. International subsidiaries operating in highly inflationary economies translate nonmonetary assets at historical rates, while net monetary assets are translated at current rates, with the resulting translation adjustment included in net income as other expense (income), net.

Income Taxes: In accordance with SFAS No. 109, "Accounting for Income Taxes", the Company accounts for deferred income taxes using the asset and liability approach. Under this approach, deferred income taxes are recognized based on the tax effects of temporary differences between the financial statement and tax bases of assets and liabilities, as measured by current enacted tax rates. Valuation allowances are recorded to reduce the deferred tax assets to an amount that will more likely than not be realized. No provision is made for the U.S. income taxes on the undistributed earnings of non-U.S. subsidiaries that are considered to be permanently invested.

The Company's income tax provisions are based on calculations and assumptions that are subject to examination by the Internal Revenue Service and other tax authorities. Although the Company believes that the positions taken on previously filed tax returns are reasonable, it has established tax and interest reserves in recognition that various taxing authorities may challenge the positions taken, which could result in additional liabilities for taxes and interest. The Company regularly reviews its deferred tax assets for recoverability considering historical profitability, projected future taxable income, the expected timing of the reversals of existing temporary differences and tax planning strategies.

The Company adopted the provisions of Financial Accounting Standards Board ("FASB") Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48"), on January 1, 2007. FIN 48 requires application of a "more likely than not" threshold to the recognition and derecognition of tax positions. The Company's ongoing assessments of the more-likely-than-not outcomes of tax authority examinations and related tax positions require significant judgment and can increase or decrease the Company's effective tax rate, as well as impact operating results. The adoption of FIN 48 did not result in an adjustment to beginning retained earnings; however, it did result in the reclassification of certain income tax assets and liabilities from current to long-term in the Company's Consolidated Balance Sheet. See Footnote 16 for additional information on income taxes.

Stock-Based Compensation: Prior to January 1, 2006, the Company recognized stock-based compensation expense by applying the intrinsic value method in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"). Under APB 25, the Company generally recognized compensation expense only for restricted stock grants. The Company recognized the compensation expense associated with the restricted stock ratably over the associated service period.

Effective January 1, 2006, the Company adopted the provisions of SFAS No. 123 (revised 2004), "Share-Based Payment" ("SFAS 123(R)"), using the modified prospective transition method, and therefore has not restated the results of prior periods. Under this transition method, stock-based compensation expense for 2007 and 2006 includes (i) compensation expense for all stock-based compensation awards granted prior to, but not yet vested as of January 1, 2006, based on the grant date fair value estimated in accordance with the original provisions of SFAS No. 123, "Accounting for Stock-Based Compensation," and (ii) compensation expense for all share-based payment awards granted after January 1, 2006 based on estimated grant-date fair values estimated in accordance with the provisions of SFAS 123(R). Compensation expense is adjusted for estimated forfeitures and is recognized on a straight-line basis over the requisite service period of the award, which is generally five years for stock options and three years for restricted stock. The Company estimates future forfeiture rates based on its historical experience. See Footnote 15 for additional information.

The following table is a reconciliation of the Company's net income and earnings per share to pro forma net income and pro forma earnings per share as if the Company had adopted the provisions of SFAS No. 123 with respect to options granted under the Company's stock option plans in 2005 *(in millions, except per share data):*

Net income:	
As reported	$251.3
Fair value option expense, net of income taxes of $6.7 million	(11.0)
Pro forma	$240.3
Basic earnings per share:	
As reported	$0.92
Pro forma	$0.88
Diluted earnings per share:	
As reported	$0.91
Pro forma	$0.87

Accumulated Other Comprehensive Loss: The following table displays the components of accumulated other comprehensive loss *(in millions)*:

	Foreign Currency Translation Gain	Unrecognized Pension & Other Postretirement Costs, net of tax	After-tax Derivative Hedging Gain	Accumulated Other Comprehensive Loss
Balance at December 31, 2006	$41.6	($228.7)	$2.5	($184.6)
Current year change	28.2	26.3	6.9	61.4
Balance at December 31, 2007	$69.8	($202.4)	$9.4	($123.2)

Recent Accounting Pronouncements: In December 2007, the FASB issued SFAS No. 141 (Revised 2007), "Business Combinations" ("SFAS 141(R)"). SFAS 141(R) significantly changes the accounting for business combination transactions by requiring an acquiring entity to recognize all the assets acquired and liabilities assumed in a transaction at the acquisition-date fair value. Additionally, SFAS 141(R) modifies the accounting treatment for certain specified items related to business combinations and requires a substantial number of new disclosures. SFAS 141(R) is effective for business combinations with an acquisition date in fiscal years beginning on or after December 15, 2008, and earlier adoption is prohibited. The Company expects to prospectively adopt SFAS 141(R) on January 1, 2009.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements — An Amendment of ARB No. 51" ("SFAS 160"). SFAS 160 establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, the amount of consolidated net income attributable to the parent and to the noncontrolling interest, changes in a parent's ownership interest and the valuation of retained noncontrolling equity investments when a subsidiary is deconsolidated. SFAS 160 also establishes reporting requirements that require sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS 160 is effective for fiscal years beginning on or after December 15, 2008 and earlier adoption is prohibited. SFAS 160 is effective for the Company on January 1, 2009. The Company is still in the process of evaluating the impact SFAS 160 will have on the Company's consolidated financial statements.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements" ("SFAS 157"). SFAS 157 defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS 157 emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and states that a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. SFAS 157 applies under other accounting pronouncements that require or permit fair value measurements, the FASB having previously concluded in those accounting pronouncements that fair value is the relevant measurement attribute. Accordingly, SFAS 157 does not require any new fair value measurements. In February 2008, the FASB issued Staff Positions 157-1 and 157-2 which remove certain leasing transactions from its scope and partially defer the effective date of SFAS 157 for one year for certain nonfinancial assets and liabilities. SFAS 157 is effective for fiscal years beginning after November 15, 2007. The Company prospectively adopted the effective provisions of SFAS 157 on January 1, 2008. The adoption is not expected to have a material impact on the Company's consolidated financial statements.

FOOTNOTE 2

Acquisition of Endicia

On July 1, 2007, the Company acquired all of the outstanding equity interests of PSI Systems, Inc. ("Endicia"), provider of Endicia Internet Postage, for $51.2 million plus related acquisition costs and contingent payments of up to $25.0 million based on future revenues. The acquisition of Endicia, a leading provider of online postage, increases the Company's ability to leverage its other technology brands by developing a full range of innovative and integrated solutions for small and medium-sized businesses. This acquisition was accounted for using the purchase method of accounting and accordingly, based on a preliminary purchase price allocation, the Company recorded goodwill of $46.2 million in the Consolidated Balance Sheet at December 31, 2007. Pro forma results of operations would not be materially different as a result of this acquisition and therefore are not presented.

Endicia is party to a lawsuit filed against it alleging patent infringement. In this case, Stamps.com seeks injunctive relief in order to prevent Endicia from continuing to engage in activities that are alleged to infringe on Stamps.com's patents. An unfavorable outcome in this litigation, which management does not believe is probable, could materially adversely affect the Endicia business.

Acquisition of Dymo

On November 23, 2005, the Company acquired Dymo, a global leader in designing, manufacturing and marketing on-demand labeling solutions, from Esselte AB. The purchase price of $699.2 million was finalized in 2006, after consideration of certain working capital and other adjustments. The Company funded the purchase payment through a combination of available cash of $480.2 million and debt of $219.0 million from pre-existing credit facilities. In 2006, the Company finalized the purchase price allocation of $699.2 million to the identifiable assets and liabilities. The purchase price allocation was based on management's estimate of fair value using the assistance of third party appraisals at the date of acquisition as follows *(in millions)*:

Current assets	$33.8
Property, plant & equipment, net	21.5
Goodwill	609.3
Other intangible assets, net	118.9
Other assets	0.2
Total assets	$783.7
Current liabilities	$38.1
Deferred income taxes	42.9
Other noncurrent liabilities	3.5
Total liabilities	$84.5

The allocation of the purchase price resulted in the recognition of $609.3 million of goodwill, primarily related to the anticipated future earnings and cash flows of the Dymo business including the estimated effects of the integration of this business into the Office Products segment. The transaction resulted in the recognition of $118.9 million in intangible assets consisting primarily of customer lists, patents and trademarks. Approximately $77.4 million were indefinite-lived intangible assets related to trademarks and $41.5 million related to finite-lived intangible assets that will be amortized over periods of 3 to 10 years with a weighted average amortization period of 5.3 years.

The transaction summarized above was accounted for using the purchase method of accounting and the results of operations are included in the Company's Consolidated Financial Statements since the acquisition date. The acquisition costs included in the purchase price were allocated to goodwill.

The unaudited consolidated results of operations on a pro forma basis, as though the November 23, 2005 acquisition of Dymo had been completed on January 1, 2005, are as follows for the year ended December 31, *(in millions, except per share amounts):*

	2005
Net sales	$5,923.2
Income from continuing operations	$417.0
Net income	$262.0
Basic earnings per share:	
Income from continuing operations	$1.52
Net income	$0.95
Diluted earnings per share:	
Income from continuing operations	$1.52
Net income	$0.95

These pro forma financial results have been prepared for comparative purposes only and include certain adjustments, such as increased interest expense on acquisition debt. They do not reflect the effect of synergies that are expected to result from integration.

FOOTNOTE 3

Discontinued Operations

The following table summarizes the results of businesses reported as discontinued operations for the years ended December 31, *(in millions)*:

	2007	2006	2005
Net sales	$3.6	$508.5	$798.2
Loss from operations of discontinued operations, net of income tax expense of $- million, $8.6 million and $5.7 million for 2007, 2006 and 2005, respectively	($0.2)	($86.4)	($58.2)
(Loss) gain on disposal of discontinued operations, net of income tax benefit (expense) of $3.0 million, ($6.5) million and $- million for 2007, 2006 and 2005, respectively	(11.9)	0.7	(96.8)
Loss from discontinued operations, net of tax	($12.1)	($85.7)	($155.0)

No amounts related to interest expense have been allocated to discontinued operations.

As of December 31, 2006, the assets and liabilities of the discontinued operations consist of the remaining portions of the Home Décor Europe business. The following table presents summarized balance sheet information of the remaining portions of the Home Décor Europe business as of December 31, 2006 (*in millions*):

Accounts receivable, net	$35.8
Inventories, net	18.8
Prepaid expenses and other	1.0
Property, plant and equipment, net	12.5
Total Assets	$68.1
Accounts payable	$11.6
Accrued compensation	4.1
Other accrued liabilities	15.3
Other noncurrent liabilities	5.1
Total Liabilities	$36.1

Home Décor Europe

The Home Décor Europe business designed, manufactured and sold drapery hardware and window treatments in Europe under Gardinia ® and other local brands and was previously classified in the Company's former Home Fashions segment. In 2005, Home Décor Europe had net sales of approximately $377 million.

In the first quarter of 2006, as a result of a revised corporate strategy and an initiative to improve the Company's portfolio of businesses to focus on those that are best aligned with the Company's strategies of differentiated products, best cost and consumer branding, the Company began exploring various options for its Home Décor Europe business. Those options included marketing the business for potential sale. As a result of this effort, the Company received a preliminary offer from a potential buyer which gave the Company a better indication of the business' fair value. Based on this offer, the Company determined that the business had a net book value in excess of its fair value. Due to the apparent decline in value, the Company conducted an impairment test and recorded a $50.9 million impairment charge in the first quarter of 2006. This charge, as well as the operations of this business during 2006 and 2005, are included in the loss from operations of discontinued operations in the table above.

In September 2006, the Company entered into an agreement for the intended sale of portions of the Home Décor Europe business to a global manufacturer and marketer of window treatments and furnishings. The Central and Eastern European, Nordic and Portuguese operations of this business were sold on December 1, 2006. The sale of the operations in Poland and the Ukraine closed on February 1, 2007.

In October 2006, the Company received a binding offer for the intended sale of the Southern European region of the Home Décor Europe business to another party, which represented the remaining operations of the Home Décor Europe business. The sale of operations in France and Spain closed on January 1, 2007 and in Italy on January 31, 2007.

In connection with these transactions, the Company recorded a loss of $11.3 million, net of tax, in 2006. In 2007, the Company recorded a loss of $10.0 million, net of tax, to complete the divestiture of Home Décor Europe. The net loss for 2007 and 2006 are reported in the table above as part of the gain (loss) on disposal of discontinued operations.

Little Tikes

In September 2006, the Company entered into an agreement for the intended sale of its Little Tikes business unit to a global family and children's entertainment company. Little Tikes is a global marketer and manufacturer of children's toys and furniture for consumers. The transaction closed in the fourth quarter of 2006, resulting in a gain of $16.0 million, net of tax, in 2006. This business was previously included in the Company's Other (Home & Family) segment. The operations of the business for 2006 and 2005 are included in loss from operations of discontinued operations in the table above. In 2005, Little Tikes had net sales of approximately $250 million.

European Cookware

In October 2005, the Company entered into an agreement for the intended sale of its European Cookware business. The Company completed this divestiture on January 1, 2006. This business included the brands Pyrex ® (used under exclusive license from Corning Incorporated and its subsidiaries in Europe, the Middle East and Africa only) and Vitri ® and was previously included in the Company's Other (Home & Family) segment. In connection with this transaction, the Company recorded a loss related to the sale of $33.9 million in 2005 and an additional loss of $1.6 million upon completion of the sale in 2006. The losses are reported in the table above as loss on disposal of discontinued operations. In 2005, the European Cookware business had net sales of approximately $115 million.

Curver

In January 2005, the Company entered into an agreement for the intended sale of the Company's Curver business. In June 2005, the Company completed the sale of its Curver business. The Curver business included the Company's European indoor organization and home storage division and was previously reported in the former Cleaning & Organization segment. The sales price, which was subject to reduction for working capital adjustments, was $5 million, paid at closing, plus a note receivable for $5 million, payable within 12 years from closing. The Company may also receive contingent payments, up to an aggregate maximum of $25 million, based on the adjusted earnings before interest and taxes of the Curver business for the five years ending December 31, 2009. Due to anticipated shortfalls in working capital, the Company does not expect to collect any of the $5 million note receivable. In addition, the Company has not included the contingent payments in the calculation of the loss on disposal of discontinued operations. In connection with this transaction, the Company recorded a loss related to the sale of $62.0 million, net of tax, in 2005. This loss is included in the gain (loss) on disposal of discontinued operations in the table above.

FOOTNOTE 4

Restructuring Costs

Project Acceleration Restructuring Activities

In the third quarter of 2005, the Company announced a global initiative referred to as Project Acceleration aimed at strengthening and transforming the Company's portfolio. In connection with Project Acceleration, the Board of Directors of the Company approved a restructuring plan (the "Plan") that commenced in the fourth quarter of 2005. The Plan is designed to reduce manufacturing overhead to achieve best cost positions and to allow the Company to increase investment in new product development, brand building and marketing. Project Acceleration includes the anticipated closures of approximately one-third of the Company's 64 manufacturing facilities, thereby optimizing the Company's geographic manufacturing footprint. Since the Plan's inception, the Company has announced the closure of 16 manufacturing facilities and approximately eight additional facilities remain to be closed. In total through December 31, 2007, the Company has recorded $203.7 million of costs related to Project Acceleration, which excludes restructuring costs associated with discontinued operations. The Company recorded restructuring costs of $86.0 million and $66.4 million related to Project Acceleration in 2007 and 2006, respectively. In 2005, the Company recorded restructuring costs of $72.6 million, of which $51.3 million related to Project Acceleration and $21.3 million related to restructuring actions approved prior to the commencement of Project Acceleration (see below for details). The Plan is expected to result in cumulative restructuring costs over the life of the initiative of approximately $375 million to $400 million ($315 million to $340 million after tax), with between $150 million and $160 million ($120 million to $130 million after tax) expected to be incurred in 2008 (unaudited). Approximately 67% of the cumulative costs are expected to be cash costs.

The table below summarizes the restructuring costs recognized for Project Acceleration restructuring activities for continuing operations for the years ended December 31 *(in millions)*:

	2007	2006	2005
Facility exit costs	$27.7	$14.9	$51.3
Employee severance and termination benefits	36.4	44.7	—
Exited contractual commitments and other	21.9	6.8	—
Restructuring costs	$86.0	$66.4	$51.3

Restructuring provisions were determined based on estimates prepared at the time the restructuring actions were approved by management and are periodically updated for changes, and also include amounts recognized as incurred. A summary of the Company's accrued restructuring reserves for continuing operations as of and for the years ended December 31, 2007 and 2006, respectively, is as follows (*in millions*):

	12/31/06 Balance	Provision	Costs Incurred	12/31/07 Balance
Facility exit costs	$—	$27.7	($27.7)	$—
Employee severance and termination benefits	28.9	36.4	(42.8)	22.5
Exited contractual commitments and other	2.0	21.9	(7.7)	16.2
	$30.9	$86.0	($78.2)	$38.7

	12/31/05 Balance	Provision	Costs Incurred	12/31/06 Balance
Facility exit costs	$ —	$14.9	($14.9)	$—
Employee severance and termination benefits	—	44.7	(15.8)	28.9
Exited contractual commitments and other	—	6.8	(4.8)	2.0
	$ —	$66.4	($35.5)	$30.9

Costs incurred include cash payments and the impairment of assets associated with vacated facilities.

The following table depicts the changes in accrued restructuring reserves for the Plan for the period ended December 31, 2007 and 2006, respectively, aggregated by reportable business segment *(in millions)*:

Segment	12/31/06 Balance	Provision	Costs Incurred	12/31/07 Balance
Cleaning, Organization & Décor	$4.4	$4.5	($8.1)	$0.8
Office Products	25.4	45.0	(47.3)	23.1
Tools & Hardware	0.4	29.7	(16.2)	13.9
Other (Home & Family)	0.3	1.7	(2.0)	—
Corporate	0.4	5.1	(4.6)	0.9
	$30.9	$86.0	($78.2)	$38.7

Segment	12/31/05 Balance	Provision	Costs Incurred	12/31/06 Balance
Cleaning, Organization & Décor	$ —	$22.0	($17.6)	$4.4
Office Products	—	38.7	(13.3)	25.4
Tools & Hardware	—	3.6	(3.2)	0.4
Other (Home & Family)	—	1.3	(1.0)	0.3
Corporate	—	0.8	(0.4)	0.4
	$ —	$66.4	($35.5)	$30.9

During 2006, the Company received a better indication of the value of assets being disposed of in the Other (Home & Family) segment and also made changes to a disposal group of assets in the former Cleaning & Organization segment. These assets were previously written down to estimated net realizable value during the fourth quarter of 2005 as part of Project Acceleration. As a result, the Company reversed $4.8 million of restructuring costs in 2006 due to a combination of higher proceeds and changes made to a disposal group of assets.

Project Acceleration commenced in December 2005 and resulted in non-cash facility restructuring costs in 2005, aggregated by reportable business segment, as follows (*in millions*):

Segment	Provision
Cleaning, Organization & Décor	$29.3
Office Products	8.6
Tools & Hardware	6.8
Other (Home & Family)	6.6
	$51.3

Pre-Project Acceleration Restructuring Activities

The Company announced a restructuring plan (the “2001 Plan”) in 2001. The specific objectives of the 2001 Plan were to streamline the Company’s supply chain to become the best-cost global provider throughout the Company’s portfolio by reducing worldwide headcount and consolidating duplicative manufacturing facilities. Under the 2001 Plan, the Company exited 84 facilities, of which 31 pertain to discontinued operations, and reduced headcount by approximately 12,000. The Company recorded $461.7 million in restructuring costs under the 2001 Plan, including $179.2 million for discontinued operations. Restructuring provisions were determined based on estimates prepared at the time the specific restructuring actions were approved by management, and also include amounts recognized as incurred. In 2005, the Company reduced its restructuring reserve by approximately $5.7 million, primarily as a result of higher proceeds received from the sale of property, plant and equipment and favorable negotiations on exited contracts. Approximately $1.0 million of pre-Acceleration restructuring reserves remain as of December 31, 2007. While the accounting charges associated with the 2001 Plan were completed in the second quarter of 2004, the Company continued to selectively approve individual restructuring plans. The following table shows the restructuring costs, net of reversals, recognized under the terms of the 2001 Plan and for the selective restructuring actions prior to Project Acceleration for the year ended December 31, 2005, excluding restructuring costs related to discontinued operations *(in millions*):

	2005
Facility and other exit costs	$7.9
Employee severance and termination benefits	11.1
Exited contractual commitments and other	2.3
Restructuring costs	$21.3

Cash paid for restructuring activities, including Pre-Project Acceleration and Project Acceleration restructuring activities, was $53.1 million, $26.1 million and $34.3 million for 2007, 2006 and 2005, respectively.

FOOTNOTE 5

Inventories, Net

The components of net inventories were as follows as of December 31, (*in millions*):

	2007	2006
Materials and supplies	$178.8	$172.8
Work in process	179.8	158.6
Finished products	581.8	519.2
	$940.4	$850.6

Inventory costs include direct materials, direct labor and manufacturing overhead, or when finished goods are sourced, the cost is the amount paid to the third-party. Cost of certain domestic inventories (approximately 59.2% and 59.6% of gross inventory costs at December 31, 2007 and 2006, respectively) was determined by the LIFO method; for the balance, cost was determined using the FIFO method. As of December 31, 2007 and 2006, LIFO reserves were $40.0 million and $38.1 million, respectively. The Company recognized a gain (loss) of $3.6 million, ($2.7) million, and $0.1 million in 2007, 2006 and 2005, respectively, related to the liquidation of LIFO based inventories.

FOOTNOTE 6

Property, Plant & Equipment, Net

Property, plant and equipment, net consisted of the following as of December 31, (*in millions*):

	2007	2006
Land	$36.5	$34.1
Buildings and improvements	446.0	452.9
Machinery and equipment	1,844.9	1,876.7
	2,327.4	2,363.7
Accumulated depreciation	(1,638.8)	(1,616.8)
	$688.6	$746.9

Depreciation expense was $143.2 million, $159.5 million and $180.4 million in 2007, 2006 and 2005, respectively.

FOOTNOTE 7

Goodwill and Other Intangible Assets, Net

A summary of changes in the Company's goodwill is as follows *(in millions)*:

	2007	2006
Balance at January 1,	$2,435.7	$2,304.4
Acquisitions (1)	71.8	68.9
Other, primarily foreign currency translation	101.2	62.4
Balance at December 31,	$2,608.7	$2,435.7

The following table summarizes goodwill by reportable segment as of December 31, *(in millions)*. Management considers goodwill a corporate asset and does not consider goodwill and changes to goodwill balances in evaluating reportable segment performance. As a result, goodwill has been reflected as a corporate asset in the segment information included in Footnote 18.

	2007	2006
Cleaning, Organization & Décor	$245.2	$219.9
Office Products	1,338.9	1,198.6
Tools & Hardware	736.8	730.4
Other (Home & Family)	287.8	286.8
Total Goodwill	$2,608.7	$2,435.7

Other intangible assets, net consisted of the following as of December 31, (*in millions*):

	2007	2006	Weighted Average Amortization Period	Amortization Periods
Trade names — indefinite life	$279.4	$274.8	N/A	N/A
Trade names — other	45.2	49.2	9 years	2—20 years
Other (2)	271.0	219.9	8 years	3—14 years
	595.6	543.9		
Accumulated amortization	(93.8)	(85.1)		
	$501.8	$458.8		

(1) Represents Endicia ($46.2 million) and other individually immaterial acquisitions ($25.6 million) in 2007 and Dymo ($28.5 million), CardScan ($16.0 million) and other individually immaterial acquisitions ($24.4 million) in 2006.

(2) Other consists primarily of capitalized software, non-compete agreements, patents and customer lists.

Other intangible amortization expense, including capitalized software amortization, was $33.8 million in both 2007 and 2006 and $14.6 million in 2005.

As of December 31, 2007, the aggregate estimated intangible amortization amounts for the succeeding five years are as follows (*in millions*):

2008	2009	2010	2011	2012
$37.5	$32.9	$27.0	$18.8	$15.9

Actual amortization expense to be reported in future periods could differ materially from these estimates as a result of acquisitions, changes in useful lives and other relevant factors.

FOOTNOTE 8

Other Accrued Liabilities

Accrued liabilities included the following as of December 31, (*in millions*):

	2007	2006
Customer accruals	$304.0	$277.1
Accrued self-insurance liability	82.1	86.9
Accrued restructuring (See Footnote 4)	39.7	31.8
Accrued pension, defined contribution and other postretirement benefits	49.9	49.2
Accruals for manufacturing expenses, including inventory received	122.0	118.2
Accrued medical and life insurance	11.4	14.7
Accrued interest and interest rate swaps	31.5	43.1
Accrued contingencies, primarily legal, environmental and warranty	27.4	35.5
Other	76.7	54.4
Other accrued liabilities	$744.7	$710.9

Customer accruals are promotional allowances and rebates, including cooperative advertising, given to customers in exchange for their selling efforts. The self-insurance accrual is primarily casualty liabilities such as workers' compensation, general and product liability and auto liability and is estimated based upon historical loss experience combined with actuarial evaluation methods, review of significant individual files and the application of risk transfer programs.

FOOTNOTE 9

Credit Arrangements

The Company has short-term foreign and domestic uncommitted lines of credit with various banks that are available for short-term financing. Borrowings under the Company's uncommitted lines of credit are subject to the discretion of the lender. As of December 31, 2007 and 2006, the Company had notes payable to banks in the amount of $15.3 million and $23.9 million, respectively, with weighted average interest rates of 10.9% and 6.3%, respectively.

On November 14, 2005, the Company entered into a $750.0 million five-year syndicated revolving credit facility (the "Revolver"). On an annual basis, the Company may request an extension of the Revolver (subject to lender approval) for additional one-year periods. The Company elected to extend the Revolver for additional one-year periods in both October 2006 and October 2007, and, as a result, the Revolver will now expire in November 2012. All but one lender approved the extension in 2006. Accordingly, the Company has a $750.0 million facility through November 2010, and a $725.0 million facility from November 2010 to November 2012. At both December 31, 2007 and 2006, there were no borrowings under the Revolver.

In lieu of borrowings under the Revolver, the Company may issue up to $750.0 million of commercial paper through 2010 and $725.0 million thereafter, through 2012. The Revolver provides the committed backup liquidity required to issue commercial paper. Accordingly, commercial paper may only be issued up to the amount available for borrowing under the Revolver. The Revolver also provides for the issuance of up to $100.0 million of standby letters of credit so long as there is a sufficient amount available for borrowing under the Revolver. At December 31, 2007, there was $197.0 million of commercial paper outstanding and no standby letters of credit issued under the Revolver. At December 31, 2006, there was no commercial paper outstanding and there were no standby letters of credit issued under the Revolver.

The Revolver permits the Company to borrow funds on a variety of interest rate terms. The Revolver requires, among other things, that the Company maintain certain interest coverage and total indebtedness to total capital ratios, as defined in the agreement. The Revolver also limits the amount of indebtedness subsidiaries may incur. As of December 31, 2007 and 2006, the Company was in compliance with the provisions of the agreement governing the Revolver.

FOOTNOTE 10

Long-Term Debt

The following is a summary of long-term debt as of December 31, (*in millions*):

	2007	2006
Medium-term notes (original maturities ranging from 7 to 30 years, average interest rate of 5.48%)	$1,075.0	$1,325.0
Commercial paper	197.0	—
Floating rate note	448.0	448.0
Junior convertible subordinated debentures	436.7	436.7
Terminated interest rate swaps	8.5	11.9
Other long-term debt	4.4	4.3
Total debt	2,169.6	2,225.9
Current portion of long-term debt	(972.2)	(253.6)
Long-term debt	$1,197.4	$1,972.3

The following table summarizes the Company's average commercial paper obligations and interest rate for the year ended December 31, (*in millions, except percentages*):

	2007	2006
Borrowing	$147.3	$178.4
Average interest rate	5.3%	5.0%

The aggregate maturities of long-term debt outstanding, based on the earliest date the obligation may become due, are as follows as of December 31, 2007 (*in millions*):

2008	2009	2010	2011	2012	Thereafter	Total
$972.2	$252.7	$252.4	$2.4	$250.8	$439.1	$2,169.6

The medium-term notes, revolving credit agreement (and related commercial paper), floating rate note and junior convertible subordinated debentures are all unsecured.

Medium-Term Notes: In July 1998, the Company issued $250.0 million of medium-term notes. The notes mature in July 2028 and interest is paid semi-annually. The notes have a coupon rate reset feature through a remarketing agreement that occurs at two ten year intervals, July 2008 and July 2018. The notes currently have a coupon rate of 6.35% through the first interest reset date of July 2008. In addition, the notes have an embedded call option pursuant to which a third party may call the debt at par at each ten-year remarketing interval, and the third party would remarket the notes if the call option is exercised. Should the call option at each remarketing interval not be exercised, the note holders are required to put the notes back to the Company at a price of par. If the third party exercises the call option, remarketing of the notes will occur, which may result in the Company paying an increased coupon rate in the future.

In July 1998, the Company also issued $75.0 million of medium-term notes. The notes mature in July 2028, and interest is paid semi-annually. The notes have a coupon rate of 6.11%, which is fixed through maturity. The note holders have a put option which entitles the holders of the notes to require the Company to repay the notes at par in July 2008.

The Company has issued three additional series of medium-term notes with aggregate principal amounts of $250.0 million each. The medium-term notes have coupon rates ranging from 4% to 6.75% and mature at various dates between 2009 and 2012.

Floating Rate Note: Under a 2001 receivables facility with a financial institution, the Company created a financing entity that is consolidated in the Company's financial statements. Under this facility, the Company regularly enters into transactions with the financing entity to sell an undivided interest in substantially all of the Company's U.S. trade receivables to the financing entity. In 2001, the financing entity issued $450.0 million in preferred debt securities to the financial institution. Certain levels of accounts receivable write-offs and other events would permit the financial institution to terminate the receivables facility. On September 18, 2006, in accordance with the terms of the receivables facility, the financing entity caused the preferred debt securities to be exchanged for cash of $2.2 million, a two year floating rate note in an aggregate principal amount of $448.0 million and a cash premium of $5.2 million. Because this debt matures in 2008, the entire amount is considered to be short-term at December 31, 2007. At any time prior to maturity of the note, the holder may elect to convert it into new preferred debt securities of the financing entity with a par value equal to the outstanding principal amount of the note. The note must be repaid and any preferred debt securities into which the note is converted must be retired or redeemed before the Company can have access to the financing entity's receivables. As of December 31, 2007 and December 31, 2006, the aggregate amount of outstanding receivables sold under this facility was $643.3 million and $696.7 million, respectively. The receivables and the note are recorded in the consolidated financial statements of the Company.

Junior Convertible Subordinated Debentures: In 1997, a 100% owned finance subsidiary (the "Subsidiary") of the Company issued 10.0 million shares of 5.25% convertible preferred securities (the "Preferred Securities"). Holders of the Preferred Securities are entitled to cumulative cash dividends of 5.25% of the liquidation preference of $50 per Preferred Security, or $2.625 per year. Each of these Preferred Securities is convertible into 0.9865 of a share of the Company's common stock. In 2005 and 2004, the Company purchased 750,000 shares and 825,000 shares, respectively, of its Preferred Securities from holders at an average price of $47.075 per share ($35.3 million) and $43.6875 per share ($36.0 million), respectively. As of December 31, 2007, 8.4 million shares of Preferred Securities were outstanding which were convertible into 8.3 million shares of the Company's common stock. As of December 31, 2007, the Company fully and unconditionally guarantees 8.4 million shares of the Preferred Securities issued by the Subsidiary, which are callable at 100.0% of the liquidation preference.

The proceeds received by the Subsidiary from the issuance of the Preferred Securities were invested in the Company's 5.25% Junior Convertible Subordinated Debentures (the "Debentures"). In addition, the Subsidiary received approximately $15.5 million of the Company's Debentures as payment for a $15.5 million loan the Company borrowed from the Subsidiary to purchase 100% of the common equity interests in the Subsidiary. As a result, the Company issued an aggregate of $515.5 million of Debentures, and the Subsidiary is the sole holder of the Debentures. The Debentures are the sole assets of the Subsidiary, mature on December 1, 2027, bear interest at an annual rate of 5.25%, are payable quarterly and became redeemable by the Company beginning in December 2001. The Company may defer interest payments on the Debentures for a period of up to 20 consecutive quarters, during which period distribution payments on the Preferred Securities are also deferred. Under this circumstance, the Company may not declare or pay any cash distributions with respect to its common or preferred stock or debt securities that do not rank senior to the Debentures. The Preferred Securities are mandatorily redeemable upon the repayment of the Debentures at maturity or upon acceleration of the Debentures. As of December 31, 2007, the Company has not elected to defer interest payments. In connection with the Company's purchase of the Preferred Securities in 2005 and 2004, the Company negotiated the early retirement of the corresponding Debentures with the Subsidiary. The Company accounted for these transactions as extinguishments of debt, which resulted in $436.7 million of Debentures outstanding as of December 31, 2007. The Company recorded a net gain of $1.7 million in 2005 associated with the 2005 purchases of Preferred Securities, which was included in other expense (income), net.

Terminated Interest Rate Swaps: At December 31, 2007 and 2006, the carrying amount of long-term debt and current maturities thereof includes $8.5 million and $11.9 million (of which $2.0 million and $3.4 million is classified as current), respectively, relating to terminated interest rate swap agreements.

FOOTNOTE 11

Derivative Financial Instruments

Interest Rate Risk Management: At December 31, 2007, the Company had interest rate swaps designated as fair value hedges with an outstanding notional principal amount of $250.0 million, with a net accrued interest payable of $0.2 million. There was $1.2 million of credit exposure on the Company's interest rate derivatives at December 31, 2007.

At December 31, 2007, the Company had long-term cross currency interest rate swaps with an outstanding notional principal amount of $312.4 million, with a net accrued interest receivable of $1.7 million. The maturities on these long-term cross currency interest rate swaps are three years.

Foreign Currency Management: The Company's foreign exchange risk management policy emphasizes hedging anticipated intercompany and third party commercial transaction exposures of generally one-year duration or less. The following table summarizes the Company's forward exchange contracts, long-term cross currency interest rate swaps and option contracts in U.S. dollars by major currency and contractual amount. The "buy" amounts represent the U.S. equivalent of commitments to purchase foreign currencies, and the "sell" amounts represent the U.S. equivalent of commitments to sell foreign currencies according to the local needs of the subsidiaries. The contractual amounts of significant forward exchange contracts, long-term cross currency interest rate swaps and option contracts and their fair values as of December 31, were as follows (*in millions*):

	2007		2006	
	Buy	Sell	Buy	Sell
British Pounds	$485.6	$221.7	$429.8	$207.2
Canadian Dollars	1.2	296.7	0.9	263.6
Euro	3.6	871.2	2.5	735.0
Other	40.6	14.4	21.0	21.6
Contractual Value	$531.0	$1,404.0	$454.2	$1,227.4
Fair Value	($35.9)	$36.7	($3.4)	$0.7

The net loss recognized in 2007, 2006 and 2005 for matured cash flow forward exchange contracts, option contracts and commodity swaps was $6.6 million, $4.2 million and $4.5 million, net of tax, respectively, which was recognized in the Consolidated Statements of Income. The Company estimates that a loss of $1.3 million, net of tax, deferred in accumulated other comprehensive income will be recognized in earnings in 2008.

See Footnote 17 for information regarding the termination of a cross currency interest rate swap.

FOOTNOTE 12

Commitments

Lease Commitments

The Company leases manufacturing, warehouse and other facilities, real estate, transportation, and data processing and other equipment under leases that expire at various dates through the year 2020. Rent expense, which is recognized on a straight-line basis over the life of the lease term, was $90.2 million, $84.4 million and $103.6 million in 2007, 2006 and 2005, respectively.

Future minimum rental payments for operating leases with initial or remaining terms in excess of one year are as follows as of December 31, 2007 (*in millions*):

2008	2009	2010	2011	2012	Thereafter	Total
$81.7	$63.8	$47.3	$35.9	$34.9	$99.5	$363.1

Purchase Obligations

The Company enters into certain obligations to purchase finished goods, raw materials, components and services pursuant to legally enforceable and binding obligations, which include all significant terms. The Company is also obligated to purchase the minority interest of a majority owned subsidiary in 2009, the estimated purchase price of which is included in the purchase obligations amount shown in the table below.

As of December 31, 2007, the Company's future estimated total purchase obligations are as follows (*in millions*):

2008	2009	Total
$275.8	$30.5	$306.3

FOOTNOTE 13

Employee Benefit and Retirement Plans

Effective December 31, 2006, the Company adopted the recognition and disclosure provisions of SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans — an amendment of FASB Statements No. 87, 88, 106 and 132(R)" ("SFAS 158"). SFAS 158 required the Company to recognize the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its pension plans in the consolidated balance sheet, with a corresponding adjustment of $32.4 million to accumulated other comprehensive loss, net of tax. The adjustment to accumulated other comprehensive loss at adoption represented the net unrecognized actuarial losses, unrecognized prior service costs, and unrecognized transition obligation remaining from the initial adoption of SFAS No. 87, "Employers' Accounting for Pensions" (SFAS 87). Further, actuarial gains and losses in subsequent periods that are not recognized as net periodic pension cost will be recognized as a component of accumulated other comprehensive loss, net of tax. Those amounts will be subsequently recognized as a component of net periodic pension cost on the same basis as the amounts recognized in accumulated other comprehensive loss upon adoption of SFAS 158. SFAS 158 also requires the measurement of defined benefit plan assets and obligations as of the date of the employer's fiscal year end statement of financial position beginning December 31, 2008. The Company has historically measured defined benefit plan assets and liabilities for the majority of its plans on September 30 and has adopted the measurement date provisions of SFAS 158 beginning January 1, 2008. The impact on the Consolidated Financial Statements of the adoption of the change in measurement date to December 31 will result in an adjustment to beginning retained earnings that is not material.

Included in accumulated other comprehensive loss at December 31, 2007 is $314.3 million ($202.4 million net of tax) related to net unrecognized actuarial losses and unrecognized prior service credit that have not yet been recognized in net periodic pension or benefit cost. The Company expects to recognize $9.8 million ($6.4 million net of tax) of costs in 2008 associated with net actuarial losses and prior service credit.

Effective December 31, 2004, the Company froze its defined benefit pension plan for its entire non-union U.S. workforce. As a result of this curtailment, the Company reduced its pension obligation by $50.3 million and recorded a curtailment gain related to negative prior service cost in 2005 of $15.8 million. In conjunction with this action, the Company offered special termination benefits to certain employees who accepted early retirement. The Company replaced the defined benefit pension plan with an additional defined contribution benefit, whereby the Company will make additional contributions to the Company sponsored profit sharing plan. The new defined contribution plan has a three year cliff-vesting schedule, but allows credit for service rendered prior to the inception of the defined contribution benefit arrangement. The Company recorded $19.9 million, $19.6 million and $21.4 million in expense for the defined contribution benefit arrangement for the years ended December 31, 2007, 2006 and 2005, respectively. The liability associated with the defined contribution benefit arrangement as of December 31, 2007 and 2006 is $19.9 million and $19.6 million, respectively, and is included in other accrued liabilities on the Consolidated Balance Sheets.

As of December 31, 2007 and 2006, the Company maintained various non-qualified deferred compensation plans with varying terms. The total liability associated with these plans was $77.8 million and $75.1 million as of

December 31, 2007 and 2006, respectively. These liabilities are included in other noncurrent liabilities in the Consolidated Balance Sheets. These plans are partially funded with asset balances of $44.1 million and $38.9 million as of December 31, 2007 and 2006, respectively. These assets are included in other assets in the Consolidated Balance Sheets.

The Company has a Supplemental Executive Retirement Plan ("SERP"), which is a nonqualified defined benefit plan pursuant to which the Company will pay supplemental pension benefits to certain key employees upon retirement based upon the employees' years of service and compensation. The SERP is partially funded through a trust agreement with the Northern Trust Company, as trustee, that owns life insurance policies on key employees. At December 31, 2007 and 2006, the life insurance contracts had a cash surrender value of $78.8 million and $77.7 million, respectively. These assets are included in other assets in the Consolidated Balance Sheets. The projected benefit obligation was $85.1 million and $78.2 million at December 31, 2007 and 2006, respectively. The SERP liabilities are included in the pension table below; however, the Company's investment in the life insurance contracts is excluded from the table as they do not qualify as plan assets under SFAS No. 87, "Employers' Accounting for Pensions."

The Company and its subsidiaries have noncontributory pension, profit sharing and contributory 401(k) plans covering substantially all of their foreign and domestic employees. Plan benefits are generally based on years of service and/or compensation. The Company's funding policy is to contribute not less than the minimum amounts required by the Employee Retirement Income Security Act of 1974, as amended, the Internal Revenue Code of 1986, as amended, or foreign statutes to assure that plan assets will be adequate to provide retirement benefits.

The Company's matching contributions to the contributory 401(k) plans were $15.6 million, $15.9 million, and $15.4 million for the years ended December 31, 2007, 2006 and 2005, respectively.

The Company used a September 30 measurement date for the majority of its pension plans in 2007 and 2006. The following provides a reconciliation of benefit obligations, plan assets and funded status of the Company's noncontributory defined benefit pension plans, including the SERP, as of December 31, (*in millions, except percentages*):

	U.S.		International	
	2007	2006	2007	2006
Change in benefit obligation:				
Benefit obligation at January 1	$ 855.8	$ 896.4	$ 543.7	$ 482.5
Service cost	3.8	2.8	7.3	7.3
Interest cost	51.2	51.4	27.7	24.5
Contributions	—	—	0.8	—
Amendments	1.6	0.4	—	—
Actuarial loss (gain)	18.8	(38.8)	0.4	(6.0)
Acquisitions and other	—	—	(0.9)	(4.4)
Currency translation	—	—	19.8	64.7
Benefits paid	(62.6)	(56.5)	(24.4)	(24.9)
Curtailments, settlement costs	—	0.1	(5.6)	—
Benefit obligation at December 31	$ 868.6	$ 855.8	$ 568.8	$ 543.7
Change in plan assets:				
Fair value of plan assets at January 1	$ 711.4	$ 693.7	$ 410.7	$ 340.5
Actual return on plan assets	103.3	68.0	28.8	26.9
Acquisitions and other	—	—	—	(1.1)
Contributions	11.6	6.2	29.7	21.1
Currency translation	—	—	10.8	48.3
Benefits paid	(62.6)	(56.5)	(24.4)	(24.9)
Settlement charges and other	—	—	(2.3)	(0.1)
Fair value of plan assets at December 31	$ 763.7	$ 711.4	$ 453.3	$ 410.7
Funded status at December 31	($104.9)	($144.4)	($115.5)	($133.0)
Amounts recognized in the Consolidated Balance Sheets:				
Prepaid benefit cost (1)	$ —	$ —	$ 1.9	$ 5.7

	U.S. 2007	U.S. 2006	International 2007	International 2006
Accrued current benefit cost (2)	(6.7)	(6.5)	(4.2)	(3.8)
Accrued noncurrent benefit cost (3)	(98.2)	(137.9)	(113.2)	(134.9)
Total	($104.9)	($144.4)	($115.5)	($133.0)
Amounts recognized in Accumulated Other Comprehensive Loss:				
Prior service cost	($14.1)	($13.7)	$ —	$ —
Net loss	(215.5)	(248.9)	(95.6)	(100.1)
Accumulated other comprehensive loss, pre-tax	($229.6)	($262.6)	($95.6)	($100.1)
Accumulated benefit obligation	$ 861.9	$ 845.7	$ 556.4	$ 530.9

(1) Recorded in other assets

(2) Recorded in other accrued liabilities

(3) Record in other noncurrent liabilities

	U.S. 2007	U.S. 2006	International 2007	International 2006
Weighted-average assumptions used to determine benefit obligation:				
Discount rate	6.25%	6.00%	5.53%	5.11%
Long-term rate of return on plan assets	8.50%	8.50%	5.89%	6.69%
Long-term rate of compensation increase	4.00%	4.50%	4.24%	3.90%

Net pension cost (benefit) includes the following components for the years ended December 31, (*in millions*):

	U.S. 2007	U.S. 2006	U.S. 2005	International 2007	International 2006	International 2005
Service cost-benefits earned during the year	$ 3.8	$ 2.8	$ 2.2	$ 7.3	$ $ 7.3	$ 7.8
Interest cost on projected benefit obligation	51.2	51.4	51.7	27.7	24.5	23.5
Expected return on plan assets	(58.6)	(59.5)	(64.6)	(27.4)	(24.7)	(21.0)
Amortization of:						
Prior service cost	1.1	1.0	1.1	—	—	—
Actuarial loss	7.6	7.8	4.9	4.5	4.9	3.9
Curtailment, settlement and special termination benefit costs	—	0.2	(16.5)	(2.8)	—	(0.8)
Net pension cost (benefit)	$ 5.1	$ 3.7	($21.2)	$ 9.3	$ 12.0	$ 13.4

	U.S. 2007	U.S. 2006	International 2007	International 2006
Weighted-average assumptions used to determine net periodic benefit cost:				
Discount rate	6.00%	5.75%	5.16%	4.90%
Long-term rate of return on plan assets	8.50%	8.50%	6.33%	6.91%
Long-term rate of compensation increase	4.50%	4.50%	3.85%	3.71%

The Company's defined benefit pension plan weighted-average asset allocation at December 31, 2007 and 2006, by asset category, are as follows:

	U.S. 2007	U.S. 2006	International 2007	International 2006
Equity securities	69.1%	65.6%	21.8%	51.5%
Debt securities	20.5%	22.9%	52.5%	40.4%
Real estate	4.5%	4.5%	2.4%	2.0%
Cash and other	5.9%	7.0%	23.3%	6.1%
Total	100.0%	100.0%	100.0%	100.0%

The Company employs a total return investment approach whereby a mix of equities and fixed income investments is used to maximize the long-term return of plan assets for a prudent level of risk. Risk tolerance is established through careful consideration of plan liabilities, plan funded status, and corporate financial condition. The investment portfolio is comprised of a diversified blend of equity, real estate, fixed income investments, and cash investments. Equity investments include large and small market capitalization stocks as well as growth, value and international stock positions.

The Company employs a building block approach in determining the long-term rate of return for plan assets. Historical markets are studied and long-term historical relationships between equities and fixed-income are preserved consistent with the widely accepted capital market principle that assets with higher volatility generate a greater return over the long run. Current market factors, such as inflation and interest rates, are evaluated before long-term capital market assumptions are determined. The long-term portfolio return is established via a building block approach with proper consideration of diversification and rebalancing. Peer data and historical returns are reviewed to check for reasonableness and appropriateness.

The Company expects to make cash contributions of approximately $23.8 million to its defined benefit pension plans in 2008.

Other Postretirement Benefit Plans

Several of the Company's subsidiaries currently provide retiree health care and life insurance benefits for certain employee groups. The following provides a reconciliation of benefit obligations and funded status of the Company's other postretirement benefit plans as of December 31, (*in millions, except percentages*):

	2007	2006
Change in benefit obligation:		
Benefit obligation at beginning of plan year	$ 178.7	$ 173.4
Service cost	1.7	2.6
Interest cost	10.7	10.0
Actuarial (gain) loss	(8.6)	16.5
Benefits paid	(18.0)	(23.8)
Benefit obligation at end of plan year	$ 164.5	$ 178.7
Funded Status:		
Funded status at end of plan year	($164.5)	($178.7)
Contributions made between measurement date and December 31	4.0	5.8
Net liability recognized at December 31	($160.5)	($172.9)
Amounts recognized in the Consolidated Balance Sheets:		
Accrued current benefit cost (1)	($17.6)	($18.4)
Accrued noncurrent benefit cost (2)	(142.9)	(154.5)
Total	($160.5)	($172.9)
Amounts recognized in Accumulated Other Comprehensive Income (Loss):		
Prior service credit	$ 21.2	$ 23.6
Net loss	(10.3)	(18.9)
Accumulated other comprehensive income, pre-tax	$ 10.9	$ 4.7

(1) Recorded in other accrued liabilities

(2) Recorded in other noncurrent liabilities

There are no plan assets associated with the Company's other postretirement benefit plans.

The weighted average discount rate at the measurement dates for the Company's other postretirement benefit plans is developed using a spot interest yield curve based upon a broad population of corporate bonds rated AA or higher, adjusted to match the duration of each plan's benefits. The following are the weighted-average assumptions used to determine net periodic benefit cost for the other postretirement benefit plans:

	2007	2006
Discount rate	6.00%	5.75%
Long-term health care cost trend rate	6.00%	6.00%

Other postretirement benefit costs include the following components as of December 31, (*in millions*):

	2007	2006	2005
Service cost-benefits earned during the year	$ 1.7	$ 2.6	$ 3.8
Interest cost on projected benefit obligation	10.7	10.0	13.6
Amortization of:			
Prior service benefit	(2.4)	(2.4)	(2.4)
Actuarial loss	0.1	—	1.3
Curtailments	—	(0.1)	—
Net postretirement benefit costs	$10.1	$10.1	$16.3

Assumed health care cost trends have been used in the valuation of the benefit obligations for postretirement benefits. The trend rate used to measure the benefit obligation was 9% for all retirees in 2007, declining by 0.5% each year to 5% in 2016 and thereafter.

The health care cost trend rate significantly affects the reported postretirement benefit costs and obligations. A one-percentage point change in the assumed rate would have the following effects (*in millions*):

	1% Increase	1% Decrease
Effect on total of service and interest cost components	$ 1.1	($1.0)
Effect on postretirement benefit obligations	$11.8	($10.5)

Estimated future benefit payments under the Company's defined benefit pension plans and other post-retirement benefit plans are as follows as of December 31, 2007 (*in millions*):

	2008	2009	2010	2011	2012	2013-2017
Pension Benefits (1)	$75.7	$76.8	$78.6	$80.6	$83.4	$464.0
Other Postretirement Benefits	$17.6	$16.9	$16.4	$15.9	$15.2	$ 69.8

(1) Certain pension benefit payments will be funded by plan assets.

The estimated other postretirement benefit payments are net of annual Medicare Part D subsidies of approximately $2.2 million per year.

FOOTNOTE 14

Earnings per Share

The calculation of basic and diluted earnings per share for the years ended December 31 is shown below *(in millions, except per share data):*

	2007	2006	2005
Numerator for basic earnings per share:			
Income from continuing operations	$479.2	$470.7	$ 406.3
Loss from discontinued operations	(12.1)	(85.7)	(155.0)

	2007	2006	2005
Net income for basic earnings per share	$467.1	$385.0	$251.3
Numerator for diluted earnings per share:			
Income from continuing operations	$479.2	$470.7	$406.3
Effect of convertible preferred securities, net of tax (1)	14.2	—	—
Income from continuing operations for diluted earnings per share	493.4	470.7	406.3
Loss from discontinued operations	(12.1)	(85.7)	(155.0)
Net income for diluted earnings per share	$481.3	$385.0	$251.3
Denominator:			
Denominator for basic earnings per share – weighted-average shares	276.0	274.6	274.4
Dilutive securities (2)	1.8	0.9	0.5
Convertible preferred securities (1)	8.3	—	—
Denominator for diluted earnings per share	286.1	275.5	274.9
Basic earnings (loss) per share:			
Earnings from continuing operations	$1.74	$1.71	$1.48
Loss from discontinued operations	(0.04)	(0.31)	(0.56)
Earnings per share	$1.69	$1.40	$0.92
Diluted earnings (loss) per share:			
Earnings from continuing operations	$1.72	$1.71	$1.48
Loss from discontinued operations	(0.04)	(0.31)	(0.56)
Earnings per share	$1.68	$1.40	$0.91

(1) The convertible preferred securities are anti-dilutive for 2006 and 2005, and therefore have been excluded from diluted earnings per share. Had the convertible preferred securities been included in the diluted earnings per share calculation, net income would be increased by $14.2 million and $14.4 million for 2006 and 2005, respectively. Weighted average shares outstanding would have increased by 8.3 million shares and 8.4 million shares for 2006 and 2005, respectively.

(2) Dilutive securities include “in the money options” and restricted stock awards. The weighted-average shares outstanding for 2007, 2006 and 2005 exclude the effect of approximately 9.5 million, 11.1 million and 9.6 million stock options, respectively, because such options were anti-dilutive.

FOOTNOTE 15

Stock-Based Compensation

The Company offers stock-based compensation to its employees that includes stock options, restricted stock awards, performance share awards and an employee stock purchase plan, as follows:

Stock Options

The Company’s stock plans include plans adopted in 1993 and 2003. The Company has issued both non-qualified and incentive stock options at exercise prices equal to the Company’s common stock price on the date of grant with contractual terms of ten years that generally vest and are expensed ratably over five years. Stock option grants are generally subject to forfeiture if employment terminates prior to vesting.

Restricted Stock

Restricted stock awards are independent of stock option grants and are subject to forfeiture if employment terminates prior to vesting. The awards generally cliff-vest three years from the date of grant. Prior to vesting, ownership of the shares cannot be transferred. The restricted stock has the same dividend and voting rights as the common stock. The Company expenses the cost of these awards ratably over the vesting period.

Performance Shares

Performance share awards issued under the 2003 Stock Plan represent the right to receive unrestricted shares of stock based on the achievement of Company performance objectives and/or individual performance goals established by the Organizational Development & Compensation Committee and the Board of Directors. The

Company awarded performance shares in February 2007 based on 2006 performance and awarded performance shares in 2006 related to a transition grant as the Company moved to a new cash bonus structure.

Employee Stock Purchase Plan

The Company established an Employee Stock Purchase Plan (“ESPP”) effective August 1, 2006. The ESPP allows all employees the ability to purchase shares of the Company’s $1.00 par value per share common stock at a 5% discount at the end of each quarter. Pursuant to the ESPP, $0.9 million of shares were purchased during 2007.

Prior to January 1, 2006, the Company recognized stock-based compensation expense by applying the intrinsic value method in accordance with APB 25. Under APB 25, the Company generally recognized compensation expense only for restricted stock grants. The Company recognized the compensation expense associated with the restricted stock ratably over the associated service period.

Effective January 1, 2006, the Company adopted the provisions of SFAS 123(R) using the modified prospective transition method, and therefore has not restated the results of prior periods. Under this transition method, stock-based compensation expense for 2007 and 2006 includes (i) compensation expense for all stock-based compensation awards granted prior to, but not yet vested as of January 1, 2006, based on the grant date fair value estimated in accordance with the original provisions of SFAS No. 123, “Accounting for Stock-Based Compensation,” and (ii) compensation expense for all share-based payment awards granted after January 1, 2006 based on estimated grant-date fair values estimated in accordance with the provisions of SFAS 123(R).

The table below highlights the expense related to share-based payments for the years ended December 31, *(in millions)*:

	2007	2006	2005
Stock options	$17.2	$17.8	$0.4
Restricted stock	19.2	14.3	5.7
Performance shares	—	11.9	—
Stock-based compensation	$36.4	$44.0	$6.1
Stock-based compensation, net of income tax benefit of $13.8 million, $16.7 million and $2.3 million in 2007, 2006 and 2005, respectively	$22.6	$27.3	$3.8

The fair value of stock option awards granted during the years ended December 31, was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2007	2006	2005
Risk-free interest rate	4.7%	4.6%	3.9%
Dividend yield	2.8%	3.0%	3.0%
Expected volatility	25%	33%	33%
Expected life (in years)	5.5	6.5	6.5

The Company utilized its historical experience to estimate the expected life of the options and volatility.

The following summarizes the changes in the number of shares of common stock under option for the following periods (*shares and aggregate intrinsic value in millions*):

	Shares	Weighted Average Exercise Price	Exercisable at End of Year	Weighted Average Exercise Price	Weighted Average Fair Value of Options Granted During the Year	Aggregate Intrinsic Value
Outstanding at December 31, 2004	11.5	$28	5.0	$30		
Granted	3.2	23			$ 6	
Exercised	—	23				$—
Forfeited / expired	(1.5)	29				

	Shares	Weighted Average Exercise Price	Exercisable at End of Year	Weighted Average Exercise Price	Weighted Average Fair Value of Options Granted During the Year	Aggregate Intrinsic Value
Outstanding at December 31, 2005	13.2	$27	5.8	$29		
Granted	3.2	25			$7	
Exercised	(0.8)	24				$3.5
Forfeited / expired	(1.5)	27				
Outstanding at December 31, 2006	14.1	$26	6.8	$28		$52.2
Granted	4.3	30			$7	
Exercised	(0.9)	25				$3.4
Forfeited / expired	(1.5)	29				
Outstanding at December 31, 2007	16.0	$27	7.3	$27		$19.7
Vested and expected to vest at December 31, 2007	12.8	$27				

At December 31, 2007, the aggregate intrinsic value of exercisable options was $9.2 million.

Options outstanding and exercisable as of December 31, 2007 are as follows (*shares in millions*):

	Options Outstanding			Options Exercisable		
Range of Exercise Prices	Number Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Number Exercisable	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
$19.00 – $22.49	2.0	$22	6.9	0.8	$22	6.5
$22.50 – $27.49	6.9	24	6.3	3.6	24	4.8
$27.50 – $34.99	6.1	30	7.7	1.9	30	4.9
$35.00 – $50.00	1.0	38	2.5	1.0	38	2.5
$19.00 – $50.00	16.0	$27	6.6	7.3	$27	4.7

The following table summarizes the changes in the number of shares of restricted stock for the following periods (*shares in millions*):

	Shares	Weighted-average grant date fair value
Outstanding at December 31, 2004	0.4	$23
Granted	0.7	22
Forfeited	(0.1)	24
Outstanding at December 31, 2005	1.0	$23
Granted	1.5	24
Forfeited	(0.3)	24
Outstanding at December 31, 2006	2.2	$24
Granted	1.2	30
Vested	(0.5)	23
Forfeited	(0.3)	24
Outstanding at December 31, 2007	2.6	$26
Expected to vest at December 31, 2007	2.4	$26

The following table summarizes the Company's total unrecognized compensation cost related to stock-based compensation as of December 31, 2007 (*in millions*):

	Unrecognized Compensation Cost	Weighted Average Period of Expense Recognition (in years)
Stock options	$47.9	2
Restricted stock	34.4	2
Total	$82.3	

FOOTNOTE 16

Income Taxes

The Company adopted the provisions of FIN 48, on January 1, 2007. The adoption of FIN 48 did not result in an adjustment to beginning retained earnings. However, the adoption of FIN 48 did result in the reclassification of certain income tax assets and liabilities from current to long-term in the Company's Consolidated Balance Sheet.

As of January 1, 2007, the Company had unrecognized tax benefits of $161.8 million, of which $160.7 million, if recognized, would affect the effective tax rate. As of December 31, 2007, the Company had unrecognized tax benefits of $145.8 million, all of which, if recognized, would affect the effective tax rate. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits as a component of income tax expense. As of December 31, 2007 and January 1, 2007, the Company had recorded accrued interest expense related to the unrecognized tax benefits of up to $18.6 million and $12.6 million, respectively. Due to statute expirations and examinations by various worldwide taxing authorities, $18.8 million of the unrecognized tax benefits could reasonably change in the coming year.

A reconciliation of the beginning and ending balances of the total amounts of gross unrecognized tax benefits, including interest, is as follows (*in millions*):

Unrecognized tax benefits balance at January 1, 2007	$161.8
Increases in tax positions for prior years	29.6
Decreases in tax positions for prior years	(1.3)
Increases in tax positions for current year	19.2
Settlements with taxing authorities	(34.9)
Lapse of statute of limitations	(28.6)
Unrecognized tax benefits balance at December 31, 2007	$145.8

The provision for income taxes consists of the following as of December 31, (*in millions*):

	2007	2006	2005
Current:			
Federal	$ 81.3	($8.8)	$29.7
State	4.0	1.0	5.4
Foreign	66.7	67.2	50.1
Total current	152.0	59.4	85.2
Deferred	(2.3)	(15.2)	(28.1)
Total provision	$149.7	$44.2	$57.1

The non-U.S. component of income from continuing operations before income taxes was $223.4 million in 2007, $231.2 million in 2006, and $201.4 million in 2005.

A reconciliation of the U.S. statutory rate to the effective income tax rate is as follows for the years ended December 31:

	2007	2006	2005
Statutory rate	35.0%	35.0%	35.0%
Add (deduct) effect of:			
State income taxes, net of federal income tax effect	0.4	0.1	0.8
Foreign tax credit	(1.5)	(1.5)	(0.3)
Foreign rate differential and other	1.1	(5.1)	(9.0)
Resolution of tax contingencies	(11.2)	(4.8)	(15.9)
Tax basis differential on goodwill impairment	—	—	1.7
Impact of legal entity restructuring	—	(15.1)	—
Effective rate	23.8%	8.6%	12.3%

The Company files numerous consolidated and separate income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. The statute of limitations for the Company's U.S. federal income tax returns has expired for years prior to 2004, and the Internal Revenue Service ("IRS") has completed its examination of the Company's 2004 federal income tax return. The Company's Canadian income tax returns are subject to examination for years after 2000. With few exceptions, the Company is no longer subject to other income tax examinations for years before 2004.

At December 31, 2007, the Company had foreign net operating loss ("NOL") carryforwards of approximately $619.5 million, most of which carryforward without expiration. The potential tax benefits associated with those foreign NOLs are approximately $201.8 million. The valuation allowance on NOLs decreased $10.1 million during 2007 to $199.8 million at December 31, 2007. This decrease is primarily due to foreign NOLs utilized during the year.

The components of net deferred tax assets are as follows as of December 31, (*in millions*):

	2007	2006
Deferred tax assets:		
Accruals not currently deductible for tax purposes	$132.1	$144.6
Postretirement liabilities	62.9	65.0
Inventory reserves	2.0	11.9
Pension liabilities	62.4	86.4
Self-insurance liability	7.9	8.7
Foreign net operating losses	201.8	214.4
Other	155.3	32.2
Total gross deferred tax assets	624.4	563.2
Less valuation allowance	(272.6)	(246.4)
Net deferred tax assets after valuation allowance	$351.8	$316.8
Deferred tax liabilities:		
Accelerated depreciation	($68.9)	($73.5)
Amortizable intangibles	(146.1)	(127.0)
Other	(5.4)	(4.9)
Total gross deferred tax liabilities	(220.4)	(205.4)
Net deferred tax assets	$131.4	$111.4
Current deferred income tax assets	$102.0	$110.1
Noncurrent deferred income tax assets	29.4	1.3
	$131.4	$111.4

No U.S. deferred taxes have been provided on the undistributed non-U.S. subsidiary earnings that are considered to be indefinitely invested. At December 31, 2007, the estimated amount of total unremitted non-U.S. subsidiary earnings is $544.6 million.

Resolution of Tax Contingencies

2007

In 2007, the Company recorded a benefit of $35.0 million due to the Company entering into an agreement with the IRS relating to the appropriate treatment of a specific deduction included in the Company's 2006 U.S. federal income tax return. The Company requested accelerated review of the transaction under the IRS' Pre-Filing Agreement Program that resulted in affirmative resolution in 2007.

The Company recorded a $4.4 million net benefit due to certain accrual reversals for which the statute of limitations has expired partially offset by provisions required for tax deductions recorded in prior periods.

The Company recorded a benefit of $1.9 million due to the receipt of an income tax refund, resulting in a reduction in the valuation allowance for deferred tax assets.

2006

In 2006, the Company determined that it would be able to utilize certain capital loss carryforwards that it previously believed would expire unused. Accordingly, the Company reversed an income tax valuation reserve of $3.6 million.

The Company completed the reorganization of certain legal entities in Europe which resulted in the recognition of an income tax benefit of $78.0 million.

In 2006, the statute of limitations on certain tax positions for which the Company had provided tax reserves, in whole or in part, expired resulting in the reversal of the provisions and interest accrued thereon in the amount of $21.2 million.

2005

In January 2005, the Company reached agreement with the IRS relating to the appropriate treatment of a specific deduction included in the Company's 2003 U.S. federal income tax return. The Company requested accelerated review of the transaction under the IRS' Pre-Filing Agreement Program that resulted in affirmative resolution in late January 2005. A $58.6 million benefit was recorded in income taxes for 2005 related to this issue.

In 2005, the statute of limitations on certain tax positions for which the Company had provided tax reserves, in whole or in part, expired resulting in the reversal of the provisions and interest accrued thereon in the amount of $15.3 million.

FOOTNOTE 17

Other Expense (Income), Net

Other expense (income), net consists of the following for the years ended December 31, (*in millions*):

	2007	2006	2005
Equity earnings	($0.1)	($0.9)	($0.9)
Minority interest	3.1	3.6	2.8
Currency transaction loss	4.2	3.0	0.3
Gain on disposal of fixed assets	—	—	(14.8)
Liquidation of foreign entity (1)	—	—	(10.3)
Gain on debt extinguishment (2)	—	—	(1.7)
Other	0.1	4.0	1.5
	$ 7.3	$ 9.7	($23.1)

(1) In December 2005, the Company liquidated a foreign subsidiary and terminated a cross currency interest rate swap that was designated as a hedge of the Company's net investment in the subsidiary. In connection with these actions, the Company recognized a net gain of $10.3 million in other income. The cash paid to terminate the swap was reflected in Other in the Company's cash flow from operations.

(2) See Footnote 10 for further information regarding debt extinguishment.

Table of Contents

FOOTNOTE 18

Industry Segment Information

The Company's reporting segments reflect the Company's focus on building large consumer brands, promoting organizational integration, achieving operating efficiencies in sourcing and distribution and leveraging its understanding of similar consumer segments and distribution channels. The reportable segments are as follows:

Segment	Description of Products
Cleaning, Organization & Décor	Material handling, cleaning, refuse, indoor/outdoor organization, home storage, food storage, drapery hardware, window treatments
Office Products	Ball point/roller ball pens, markers, highlighters, pencils, correction fluids, office products, art supplies, on-demand labeling products, card-scanning solutions, on-line postage
Tools & Hardware	Hand tools, power tool accessories, manual paint applicators, cabinet, window and convenience hardware, propane torches, soldering tools and accessories
Other (Home & Family)	Premium cookware and related kitchenware, beauty and style accessory products, infant and juvenile products, including high chairs, car seats, strollers and play yards, and other products within operating segments that are individually immaterial and do not meet aggregation criteria

The Company's segment results are as follows as of and for the years ended December 31, *(in millions)*:

	2007	2006	2005
Net Sales (1)			
Cleaning, Organization & Décor	$2,096.4	$1,995.7	$1,921.0
Office Products	2,042.3	2,031.6	1,713.3
Tools & Hardware	1,288.7	1,262.2	1,260.3
Other (Home & Family)	979.9	911.5	822.6
	$6,407.3	$6,201.0	$5,717.2
Operating Income (2)			
Cleaning, Organization & Décor	$ 273.3	$ 209.1	$ 145.8
Office Products	317.9	287.0	266.0
Tools & Hardware	181.5	185.0	171.1
Other (Home & Family)	135.6	117.9	103.5
Corporate	(82.0)	(76.0)	(46.0)
Impairment Charges	—	—	(0.4)
Restructuring Costs	(86.0)	(66.4)	(72.6)
	$ 740.3	$ 656.6	$ 567.4
Depreciation & Amortization			
Cleaning, Organization & Décor	$ 57.8	$ 67.9	$ 85.2
Office Products	52.2	55.9	46.7
Tools & Hardware	33.6	34.2	31.7
Other (Home & Family)	10.1	11.7	14.1
Corporate	23.3	23.6	13.9
	$ 177.0	$ 193.3	$ 191.6
Capital Expenditures (3)			
Cleaning, Organization & Décor	$ 40.8	$ 22.1	$ 22.0
Office Products	25.4	29.7	24.0
Tools & Hardware	13.1	15.6	18.5
Other (Home & Family)	9.3	7.7	7.3

	2007	2006	2005
Corporate	68.7	62.1	1.8
	$157.3	$137.2	$73.6

Identifiable Assets		
Cleaning, Organization & Décor	$ 785.3	$ 788.4
Office Products	1,352.7	1,264.6
Tools & Hardware	712.2	712.7
Other (Home & Family)	344.6	293.7
Corporate (4)	3,488.1	3,183.0
Discontinued Operations	—	68.1
	$6,682.9	$6,310.5

Geographic Area Information

	2007	2006	2005
Net Sales			
U.S.	$4,624.3	$4,603.4	$4,338.5
Canada	425.7	387.9	352.2
North America	5,050.0	4,991.3	4,690.7
Europe	879.5	781.0	639.8
Central and South America	250.2	239.3	224.8
Other	227.6	189.4	161.9
	$6,407.3	$6,201.0	$5,717.2
Operating Income (2), (5)			
U.S.	$ 572.4	$ 517.4	$ 434.9
Canada	108.5	78.8	65.8
North America	680.9	596.2	500.7
Europe	10.9	15.4	24.0
Central and South America	11.9	5.3	12.9
Other	36.6	39.7	29.8
	$ 740.3	$ 656.6	$ 567.4
Property, Plant and Equipment, Net			
U.S.	$ 479.5	$ 533.5	
Canada	15.7	14.8	
North America	495.2	548.3	
Europe	121.1	123.7	
Central and South America	30.7	31.1	
Other	41.6	43.8	
	$ 688.6	$ 746.9	

(1) All intercompany transactions have been eliminated. Sales to Wal-Mart Stores, Inc. and subsidiaries amounted to approximately 13%, 12% and 13% of consolidated net sales for the years ended December 31, 2007, 2006 and 2005, respectively, substantially across all segments. Sales to no other customer exceeded 10% of consolidated net sales for any year.

(2) Operating income is net sales less cost of products sold and selling, general and administrative expenses. Certain headquarters expenses of an operational nature are allocated to business segments and geographic areas primarily on a net sales basis.

(3) Capital expenditures associated with discontinued businesses have been excluded. Corporate capital expenditures in 2007 and 2006 are mainly related to the SAP implementation.

(4) Corporate assets primarily include tradenames and goodwill, capitalized software, equity investments and deferred tax assets.

(5) The restructuring and impairment charges have been reflected in the appropriate geographic regions.

FOOTNOTE 19

Litigation and Contingencies

The Company is involved in legal proceedings in the ordinary course of its business. These proceedings include claims for damages arising out of use of the Company's products, allegations of infringement of intellectual property, commercial disputes and employment matters as well as environmental matters described below. Some of the legal proceedings include claims for punitive as well as compensatory damages, and certain proceedings purport to be class actions.

The Company, using current product sales data and historical trends, actuarially calculates the estimate of its exposure for product liability. As a result of the most recent analysis, the Company has product liability reserves of $34.4 million as of December 31, 2007. The Company is insured for product liability claims for amounts in excess of established deductibles and accrues for the estimated liability as described up to the limits of the deductibles. All other claims and lawsuits are handled on a case-by-case basis.

On July 1, 2007, the Company acquired all of the outstanding equity interest of PSI System, Inc. (“Endicia”), provider of Endicia Internet Postage, for $51.2 million plus related acquisition costs and contingent payments of up to $25.0 million based on future revenues. Endicia is party to a lawsuit filed against it alleging patent infringement. In this case, Stamps.com seeks injunctive relief in order to prevent Endicia from continuing to engage in activities that are alleged to infringe on Stamps.com’s patents. An unfavorable outcome in this litigation, which management does not believe is probable, could materially adversely affect the Endicia business.

As of December 31, 2007, the Company was involved in various matters concerning federal and state environmental laws and regulations, including matters in which the Company has been identified by the U.S. Environmental Protection Agency and certain state environmental agencies as a potentially responsible party (“PRP”) at contaminated sites under the Federal Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) and equivalent state laws.

In assessing its environmental response costs, the Company has considered several factors, including the extent of the Company’s volumetric contribution at each site relative to that of other PRPs; the kind of waste; the terms of existing cost sharing and other applicable agreements; the financial ability of other PRPs to share in the payment of requisite costs; the Company’s prior experience with similar sites; environmental studies and cost estimates available to the Company; the effects of inflation on cost estimates; and the extent to which the Company’s, and other parties’, status as PRPs is disputed.

The Company’s estimate of environmental response costs associated with these matters as of December 31, 2007 ranged between $14.5 million and $33.9 million. As of December 31, 2007, the Company had a reserve equal to $18.8 million for such environmental response costs in the aggregate, which is included in other accrued liabilities and other noncurrent liabilities in the Consolidated Balance Sheets. No insurance recovery was taken into account in determining the Company’s cost estimates or reserve, nor do the Company’s cost estimates or reserve reflect any discounting for present value purposes, except with respect to four long-term (30 year) operations and maintenance CERCLA matters which are estimated at their present value of $8.6 million.

Because of the uncertainties associated with environmental investigations and response activities, the possibility that the Company could be identified as a PRP at sites identified in the future that require the incurrence of environmental response costs and the possibility that sites acquired in business combinations may require environmental response costs, actual costs to be incurred by the Company may vary from the Company’s estimates.

Although management of the Company cannot predict the ultimate outcome of these legal proceedings with certainty, including the items discussed above, it believes that the ultimate resolution of the Company’s legal proceedings, including any amounts it may be required to pay in excess of amounts reserved, will not have a material effect on the Company’s Consolidated Financial Statements.

In the normal course of business and as part of its acquisition and divestiture strategy, the Company may provide certain representations and indemnifications related to legal, environmental, product liability, tax or other types of issues. Based on the nature of these representations and indemnifications, it is not possible to predict the maximum potential payments under all of these agreements due to the conditional nature of the Company’s obligations and the unique facts and circumstances involved in each particular agreement. Historically, payments made by the Company under these agreements did not have a material effect on the Company’s business, financial condition or results of operations.

As of December 31, 2007, the Company had $87.6 million in standby letters of credit primarily related to the Company’s self-insurance programs, including workers’ compensation, product liability, and medical.

FOOTNOTE 20

Subsequent Events

On February 21, 2008, the Company entered into a definitive agreement to acquire substantially all of the assets of Aprica Childcare Institute Aprica Kassai, Inc. (“Aprica”), a leading maker of strollers, car seats and other children’s products, headquartered in Osaka, Japan. Complementing the Company’s Graco brand and its recent acquisition of

Germany's Teutonia, the addition of Aprica would give the Company strong brands and distribution channels in Asia Pacific, Europe and North America. For the most recent fiscal year ended July 31, 2007, Aprica reported net sales of approximately $122 million (unaudited). The transaction, which is subject to certain customary and other closing conditions, is expected to close in the first half of 2008.

On February 27, 2008, the Company announced that it had entered into a definitive agreement to acquire Technical Concepts Holdings, LLC, ("Technical Concepts"), a leading global provider of innovative hygiene systems for several high-growth segments of the away-from-home washroom category for approximately $445 million, subject to post-closing adjustments for working capital and other matters. For the year ended December 31, 2007, Technical Concepts reported net sales of approximately $137 million (unaudited). The transaction, which is subject to regulatory approval and customary closing conditions, is expected to close in the first half of 2008.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures. As of December 31, 2007, an evaluation was performed by the Company's management, under the supervision and with the participation of the Company's chief executive officer and chief financial officer, of the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the chief executive officer and the chief financial officer concluded that the Company's disclosure controls and procedures were effective.

(b) Management's Report on Internal Control Over Financial Reporting. The Company's management's annual report on internal control over financial reporting is set forth under Item 8 of this annual report and is incorporated herein by reference.

(c) Attestation Report of the Independent Registered Public Accounting Firm. The attestation report of Ernst & Young LLP, the Company's independent registered public accounting firm, on the Company's internal control over financial reporting is set forth under Item 8 of this annual report and is incorporated herein by reference.

(d) Changes in Internal Control Over Financial Reporting. The internal control over financial reporting at the Company's North American Office Products business changed during the quarter ended December 31, 2007 due to the implementation of SAP. The implementation was successful and did not have an adverse effect on the Company's internal control over financial reporting. There were no other material changes in internal control over financial reporting at the Company's other businesses that occurred during the quarter ended December 31, 2007. The implementation of SAP at the Company's North American Office Products business is the first step in the Company's plan to replace various business information systems worldwide with an enterprise resource planning system from SAP. Implementation will continue to occur over several years in phases, primarily based on geographic region and segment. This activity involves the migration of multiple legacy systems and users to a common SAP information platform. In addition, this conversion will impact certain interfaces with the Company's customers and suppliers, resulting in changes to the tools the Company uses to take orders, procure material, schedule production, remit billings, make payments and perform other business functions.

ITEM 9B. OTHER INFORMATION

Separation Agreement and General Release with Steven G. Marton

On February 28, 2008, the Company entered into a Separation Agreement and General Release (the "Separation Agreement") with Steven G. Marton, President, Special Assignments, whereby his employment with the Company ended. A copy of the Separation Agreement is attached to this Annual Report on Form 10-K as Exhibit 10.25 and incorporated herein by reference.

The material terms of the Separation Agreement are as follows: (i) base salary continuation for 52 weeks which may be extended up to an additional 26 weeks, or until Mr. Marton finds alternative employment whichever comes first (such salary continuation period may be extended up to an additional 4 weeks); (ii) in the event Mr. Marton finds alternative employment during the salary continuation period, payment of the remaining value attributable to the first 52 weeks of the salary continuation period, plus a lump sum payment equal to 50% of the value remaining with respect to the 26 week salary continuation period; (iii) continued coverage under the Company's health and dental programs during the first 72 weeks of the salary continuation period, at active employee rates; (iv) his stock options that were vested as of February 29, 2008 will remain exercisable for 180 days, unless they expire earlier by their own terms; (v) continued use of a Company leased vehicle for up to 78 weeks; (vi) reimbursement of 2007 tax preparation services; (vii) reimbursement of up to $7,000 of legal fees and expenses incurred in obtaining legal consultation with respect to the Separation Agreement; and (viii) in the event he moves more than 100 miles from his current residence, and at the sole discretion of the Company, reimbursement of an amount up to the loss, if any, on the sale of such residence provided that (A) the sale of the residence occurs prior to his acceptance of alternative employment, or (B) if the sale occurs after his acceptance of alternative employment, any loss is not reimbursed by that employer's policy or practice. The Separation Agreement does not affect any vested rights Mr. Marton has in the Company's Management Bonus Plan, deferred compensation plans, pension plan or 401(k) plan.

Until February 28, 2010, Mr. Marton is prohibited from competing in the US with the Company's Office Products business, from soliciting or hiring certain Company employees and from soliciting certain customers and suppliers of the Company. In the event Mr. Marton breaches his obligations under the Separation Agreement, the Company is entitled to stop his supplemental unemployment payments and recover the supplemental unemployment already paid to him and to obtain all other relief provided by law or equity. The Separation Agreement also contains a release of claims provision. Mr. Marton has seven days in which to revoke his acceptance of the Separation Agreement. If he does not revoke his acceptance, the Separation Agreement shall become effective the day after the seven day revocation period.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required under this Item with respect to Directors will be contained in the Company's Proxy Statement for the Annual Meeting of Stockholders to be held May 6, 2008 (the "Proxy Statement") under the captions "Election of Directors" and "Information Regarding Board of Directors and Committees and Corporate Governance," which information is incorporated by reference herein.

Information required under this Item with respect to Executive Officers of the Company is included as a supplemental item at the end of Part I of this report.

Information required under this Item with respect to compliance with Section 16(a) of the Exchange Act will be included in the Proxy Statement under the caption "Section 16(a) Beneficial Ownership Compliance Reporting," which information is incorporated by reference herein.

Information required under this Item with respect to the Company's Code of Ethics for Senior Financial Officers will be included in the Proxy Statement under the caption "Information Regarding Board of Directors and Committees and Corporate Governance — Code of Ethics," which information is incorporated by reference herein.

Information required under this Item with respect to the audit committee and audit committee financial experts will be included in the Proxy Statement under the caption "Information Regarding Board of Directors and Committees and Corporate Governance — Committees — Audit Committee," which information is incorporated by reference herein.

Information required under this Item with respect to communications between security holders and Directors will be included in the Proxy Statement under the caption "Information Regarding Board of Directors and Committees and Corporate Governance — Director Nomination Process," and "Information Regarding Board of Directors and Committees and Corporate Governance — Communications with the Board of Directors," which information is incorporated by reference herein.

ITEM 11. EXECUTIVE COMPENSATION

Information required under this Item will be included in the Proxy Statement under the captions "Organizational Development & Compensation Committee Report" and "Executive Compensation," which information is incorporated by reference herein.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required under this Item will be included in the Proxy Statement under the captions "Certain Beneficial Owners" and "Equity Compensation Plan Information," which information is incorporated by reference herein.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required under this Item with respect to certain relationships and related transactions will be included in the Proxy Statement under the caption "Certain Relationships and Related Transactions," which information is incorporated by reference herein.

Information required under this Item with respect to director independence will be included in the Proxy Statement under the caption "Information Regarding Board of Directors and Committees and Corporate Governance — Director Independence," which information is incorporated by reference herein.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required under this Item will be included in the Proxy Statement under the caption "Ratification of Appointment of Independent Registered Public Accounting Firm," which information is incorporated by reference herein.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) The following is a list of the financial statements of Newell Rubbermaid Inc. included in this report on Form 10-K, which are filed herewith pursuant to Item 8:

Report of Independent Registered Public Accounting Firm

Consolidated Statements of Income — Years Ended December 31, 2007, 2006 and 2005

Consolidated Balance Sheets — December 31, 2007 and 2006

Consolidated Statements of Cash Flows — Years Ended December 31, 2007, 2006 and 2005

Consolidated Statements of Stockholders' Equity and Comprehensive Income — Years Ended December 31, 2007, 2006 and 2005

Notes to Consolidated Financial Statements — December 31, 2007, 2006 and 2005

(2) The following consolidated financial statement schedule of the Company included in this report on Form 10-K is filed herewith pursuant to Item 15(c) and appears immediately following the Exhibit Index:

SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS

All other financial schedules are not required under the related instructions or are inapplicable and, therefore, have been omitted.

(3) The exhibits filed herewith are listed on the Exhibit Index filed as part of this report on Form 10-K. Each management contract or compensatory plan or arrangement of the Company listed on the Exhibit Index is separately identified by an asterisk.

(b) EXHIBIT INDEX

		Exhibit Number	Description of Exhibit
Item 3.	Articles of Incorporation and By-Laws	3.1	Restated Certificate of Incorporation of Newell Rubbermaid Inc., as amended as of April 5, 2001 (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2001).
		3.2	By-Laws of Newell Rubbermaid Inc., as amended (incorporated by reference to Exhibit 3.1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2007).
Item 4.	Instruments Defining the Rights of Security Holders, Including Indentures	4.1	Restated Certificate of Incorporation of Newell Rubbermaid Inc., as amended as of April 5, 2001, is included in Item 3.1.
		4.2	By-Laws of Newell Rubbermaid Inc., as amended, are included in Item 3.2.
		4.3	Indenture dated as of April 15, 1992, between the Company and The Chase Manhattan Bank (now known as JPMorgan Chase Bank), as Trustee (incorporated by reference to Exhibit 4.4 to the Company's Report on Form 8 amending the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 1992, File No. 001-09608).
		4.4	Indenture dated as of November 1, 1995, between the Company and The Chase Manhattan Bank (now known as JPMorgan Chase Bank), as Trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated May 3, 1996, File No. 001-09608).

Table of Contents

		Exhibit Number	Description of Exhibit
		4.5	Junior Convertible Subordinated Indenture for the 5.25% Convertible Subordinated Debentures, dated as of December 12, 1997, between the Company and The Chase Manhattan Bank (now known as JPMorgan Chase Bank), as Indenture Trustee (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-3, File No. 333-47261, filed March 3, 1998 (the "1998 Form S-3")).
		4.6	Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.7 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2006).
		4.7	Credit Agreement, dated as of November 14, 2005, by and among, the Company, JPMorgan Chase Bank, N.A., as administrative agent, and each lender a signatory thereto as amended October 10, 2006, and October 12, 2006 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated November 14, 2005 and Exhibit 4.7 to the Company's Annual Report on Form 10-K for the year ended December 31, 2006), and as further amended as of October 17, 2007 (which amendment is included as Exhibit 4.7 to this Report).
			Pursuant to item 601(b)(4)(iii)(A) of Regulation S-K, the Company is not filing certain documents. The Company agrees to furnish a copy of each such document upon the request of the Commission.
Item 10.	Material Contracts	*10.1	Newell Rubbermaid Inc. Management Cash Bonus Plan, effective January 1, 2002, as amended effective November 9, 2005 (incorporated by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002, and to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006).
		*10.2	Newell Rubbermaid Inc. Management Cash Bonus Plan, effective January 1, 2008 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated February 13, 2008).
		*10.3	Newell Co. Deferred Compensation Plan, as amended and restated effective January 1, 1997 (incorporated by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 1998, File No. 001-09608).
		*10.4	Newell Rubbermaid Inc. 2008 Deferred Compensation Plan.
		*10.5	Newell Rubbermaid Inc. 2002 Deferred Compensation Plan, as amended and restated as of January 1, 2004 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2004).
		*10.6	Rubbermaid Incorporated 1993 Deferred Compensation Plan (incorporated by reference to Exhibit A of the Rubbermaid Incorporated Proxy Statement for the April 27, 1993 Annual Meeting of Shareholders, File No. 001-04188).
		*10.7	Newell Rubbermaid Supplemental Executive Retirement Plan, effective January 1, 2008.

Table of Contents

Exhibit Number	Description of Exhibit
*10.8	Newell Rubbermaid Supplemental Executive Retirement Plan, effective January 1, 2004 (incorporated by reference to Exhibit 10.3 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2004), as amended effective January 1, 2007 (which amendment is included as Exhibit 10.5 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2006).
*10.9	Newell Rubbermaid Inc. 1993 Stock Option Plan, effective February 9, 1993, as amended May 26, 1999 and August 15, 2001 (incorporated by reference to Exhibit 10.12 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1999, File No. 001-09608, and Exhibit 10 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2001).
*10.10	Newell Rubbermaid Inc. 2003 Stock Plan, as amended and restated effective February 8, 2006, and as amended effective August 9, 2006 (incorporated by reference to Appendix B to the Company’s Proxy Statement, dated April 3, 2006, and Exhibit 10.2 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2006).
*10.11	Forms of Stock Option Agreement under the Newell Rubbermaid Inc. 2003 Stock Plan, as revised February 13, 2008 (incorporated by reference to Exhibits 10.3 and 10.4 to the Company’s Current Report on Form 8-K dated February 13, 2008).
*10.12	Form of Stock Option Agreement for Chief Executive Officer under Newell Rubbermaid Inc. 2003 Stock Plan, prior to its amendment and restatement effective February 8, 2006 (incorporated by reference to Exhibit 10.6 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006).
*10.13	Stock Option Agreement granted to Mark D. Ketchum November 9, 2005 under the Newell Rubbermaid Inc. 2003 Stock Plan, prior to its amendment and restatement effective February 8, 2006 (incorporated by reference to Exhibit 10.3 to the Company’s Current Report on Form 8-K dated November 9, 2005).
*10.14	Form of Restricted Stock Award Agreement under the Newell Rubbermaid Inc. 2003 Stock Plan, as revised February 13, 2008 (incorporated by reference to Exhibit 10.5 to the Company’s Current Report on Form 8-K dated February 13, 2008).
*10.15	Form of Performance Share Award Agreement under the Newell Rubbermaid Inc. 2003 Stock Plan, as amended and restated effective February 8, 2006 (incorporated by reference to Exhibit 10.12 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2006).
*10.16	Performance Share Award Agreement granted to Mark D. Ketchum March 22, 2006 under the Newell Rubbermaid Inc. 2003 Stock Plan, as amended and restated effective February 8, 2006 (incorporated by reference to Exhibit 10.4 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2006).

Exhibit Number	Description of Exhibit
*10.17	2005 Long Term Incentive Plan under the Newell Rubbermaid Inc. 2003 Stock Plan (incorporated by reference to Exhibit 10.1 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2005).
*10.18	Amended 2006 Long Term Incentive Plan under the Newell Rubbermaid Inc. 2003 Stock Plan (incorporated by reference to Exhibit 10.1 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006).
*10.19	Newell Rubbermaid Inc. Long Term Incentive Plan under the Newell Rubbermaid Inc. 2003 Stock Plan adopted February 13, 2008 (incorporated by reference to Exhibit 10.2 to the Company’s Current Report on Form 8-K dated February 13, 2008).
*10.20	Newell Rubbermaid Inc. 2007 Supplemental Transition Bonus Plan (incorporated by reference to Exhibit 10.16 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2006).
*10.21	Form of Employment Security Agreement with certain of the Company’s Executive Officers and a limited number of other senior management employees entered into prior to November 1, 2007 (incorporated by reference to Exhibit 10 to the Company’s Current Report on Form 8-K dated November 10, 2004).
*10.22	Form of Employment Security Agreement with certain of the Company’s Executive Officers and a limited number of other senior management employees entered into after November 1, 2007.
*10.23	Compensation Arrangement for Mark D. Ketchum dated February 13, 2006 (incorporated by reference to Exhibit 10.3 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006).
*10.24	Newell Rubbermaid Inc. EMEA Special Bonus Plan Agreement dated May 9, 2007, for Magnus Nicolin, President, Newell Rubbermaid Europe, Middle East & Africa (incorporated by reference to Exhibit 10.1 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007).
*10.25	Separation Agreement and General Release dated February 28, 2008, between the Company and Steven G. Marton.
10.26	Amended and Restated Trust Agreement, dated as of December 12, 1997, among the Company, as Depositor, The Chase Manhattan Bank (now known as JPMorgan Chase Bank), as Property Trustee, Chase Manhattan Delaware, as Delaware Trustee, and the Administrative Trustees (incorporated by reference to Exhibit 4.2 to the Company’s Registration Statement on Form S-3, File No. 333-47261, filed March 3, 1998).
10.27	Indenture dated as of April 15, 1992, between the Company and The Chase Manhattan Bank (now known as JPMorgan Chase Bank), as Trustee, is included in Item 4.3.
10.28	Indenture dated as of November 1, 1995, between the Company and The Chase Manhattan Bank (now known as JPMorgan Chase Bank), as Trustee, is included in Item 4.4.

Table of Contents

		Exhibit Number	Description of Exhibit
		10.29	Junior Convertible Subordinated Indenture for the 5.25% Convertible Subordinated Debentures, dated as of December 12, 1997, between the Company and The Chase Manhattan Bank (now known as JPMorgan Chase Bank), as Indenture Trustee, is included in Item 4.5.
		10.30	Credit Agreement, dated as of November 14, 2005, by and among, the Company, JPMorgan Chase Bank, N.A., as administrative agent, and each lender a signatory thereto, as amended effective October 10, 2006, and as further amended as of October 12, 2006 and October 17, 2007, is included in Item 4.7.
Item 12.	Statement re Computation of Ratios	12	Statement of Computation of Earnings to Fixed Charges.
Item 14.	Code of Ethics	14	Code of Ethics for Senior Financial Officers (incorporated by reference to Exhibit 14 of the Company's Annual Report on Form 10-K for the year ended December 31, 2003).
Item 21.	Subsidiaries of the Registrant	21	Significant Subsidiaries of the Company.
Item 23.	Consent of experts and counsel	23.1	Consent of Ernst & Young LLP.
Item 31.	Rule13a-14(a)/15d-14 (a) Certifications	31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
		31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Item 32.	Section 1350 Certifications	32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
		32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Management contract or compensatory plan or arrangement of the Company.

Table of Contents

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NEWELL RUBBERMAID INC.
Registrant

By	/s/ J. Patrick Robinson
Title	Executive Vice President — Chief Financial Officer
Date	February 29, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on February 29, 2008 by the following persons on behalf of the Registrant and in the capacities indicated.

Signature	Title
/s/ Mark D. Ketchum Mark D. Ketchum	President, Chief Executive Officer and Director
/s/ J. Patrick Robinson J. Patrick Robinson	Executive Vice President — Chief Financial Officer
/s/ Rick T. Dillon Rick T. Dillon	Vice President — Corporate Controller and Chief Accounting Officer
/s/ William D. Marohn William D. Marohn	Chairman of the Board and Director
/s/ Thomas E. Clarke Thomas E. Clarke	Director
/s/ Scott S. Cowen Scott S. Cowen	Director
/s/ Michael T. Cowhig Michael T. Cowhig	Director
/s/ Domenico De Sole Domenico De Sole	Director
/s/ Elizabeth Cuthbert Millett Elizabeth Cuthbert Millett	Director
/s/ Cynthia A. Montgomery Cynthia A. Montgomery	Director
/s/ Steven J. Strobel Steven J. Strobel	Director
/s/ Gordon R. Sullivan Gordon R. Sullivan	Director
/s/ Michael A. Todman Michael A. Todman	Director
/s/ Raymond G. Viault Raymond G. Viault	Director

Schedule II

Newell Rubbermaid Inc. and subsidiaries
Valuation and Qualifying Accounts

(In millions)	Balance at Beginning of Period	Provision	Charges to Other Accounts (1)	Write-offs (2)	Balance at End of Period
Reserve for Doubtful Accounts and Cash Discounts:					
Year ended December 31, 2007	$38.2	$80.9	$1.1	($81.1)	$39.1
Year ended December 31, 2006	41.3	73.7	1.0	(77.8)	38.2
Year ended December 31, 2005	53.1	71.5	0.9	(84.2)	41.3

(1) Represents recovery of accounts previously written off, currency translation adjustments and net reserves of acquired or divested businesses.

(2) Represents accounts written off during the year and cash discounts taken by customers.

(In millions)	Balance at Beginning of Period	Provision	Other (3)	Write-offs	Balance at End of Period
Inventory Reserves:					
Year ended December 31, 2007	$68.2	$41.8	$0.8	($42.8)	$68.0
Year ended December 31, 2006	74.1	47.1	—	(53.0)	68.2
Year ended December 31, 2005	76.3	61.0	2.0	(65.2)	74.1

(3) Represents net reserves of acquired and divested businesses, including provisions for product line rationalization.

Exhibit 4.7

EXTENSION AGREEMENT

JPMorgan Chase Bank, N.A.,
as Administrative Agent
under the Credit Agreement
referred to below
270 Park Avenue
New York, NY 10017

Gentlemen:

The undersigned hereby agrees to extend, effective October 17, 2007, the Commitment Termination Date under the Credit Agreement dated as of November 14, 2005 (the "**Credit Agreement**") among Newell Rubbermaid Inc., a Delaware corporation (the "**Company**"), the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent (the "**Administrative Agent**"), for one year to November 14, 2012. Terms defined in the Credit Agreement are used herein with the same meaning.

This Extension Agreement shall be construed in accordance with and governed by the law of the State of New York.

By: ____________________
Name:
Title:

Agreed and accepted:

NEWELL RUBBERMAID INC.

By: /s/ Douglas L. Martin
Name: Douglas L. Martin
Title: Vice President — Treasurer

JPMORGAN CHASE BANK, N.A., as
Administrative Agent

By: /s/ Anthony W. White
Name: Anthony W. White
Title: Vice President

This Extension Agreement was countersigned by the following parties:

JPMORGAN CHASE BANK, N.A.

By: /s/ Anthony W. White
Name: Anthony W. White
Title: Vice President

BANK OF AMERICA, N.A.

By: /s/ David L. Catherall
Name: David L. Catherall
Title: Senior Vice President

BARCLAYS BANK PLC

By: /s/ Nicolas A. Bell
Name: Nicolas A. Bell
Title: Director

BNP P ARIBAS

By: /s/ Wendy Breuder
Name: Wendy Breuder
Title: Managing Director

By: /s/ Michael Pearce
Name: Michael Pearce
Title: Director

CITICORP USA, INC.

By: /s/ Richard M. Levin
Name: Richard M. Levin
Title: Vice President

LEHMAN COMMERCIAL PAPER INC.

By: /s/ Ahuva Schwager
Name: Ahuva Schwager
Title: Authorized Signatory

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: /s/ Victor Pierzcnalski
Name: Victor Pierzcnalski
Title: Vice President & Manager

WILLIAM STREET COMMITMENT CORPORATION (Recourse only to assets of William Street Commitment Corporation)

By: /s/ Mark Walton
Name: Mark Walton
Title: Assistant Vice President

ING BANK, N.V., DUBLIN BRANCH

By: /s/ Emma Condon
Name: Emma Condon
Title: Vice President

By: /s/ Aidan Neill
Name: Aidan Neill
Title: Vice President

THE NORTHERN TRUST COMPANY

By: /s/ Jason J. Simon
Name: Jason J. Simon
Title: Officer

NATIONAL AUSTRALIA BANK LIMITED

By: /s/ Courtney Cloe
Name: Courtney Cloe
Title: Director

U.S. BANK NATIONAL ASSOCIATION

By: /s/ James N. DeVries
Name: James N. DeVries
Title: Senior Vice President

Exhibit 10.4

NEWELL RUBBERMAID INC.
2008 DEFERRED COMPENSATION PLAN

Newell Rubbermaid Inc. hereby establishes, effective as of January 1, 2008 (the "Effective Date"), the Newell Rubbermaid Inc. 2008 Deferred Compensation Plan on the terms and conditions set forth. The Plan provides certain eligible employees and directors with the opportunity to defer portions of their base salary, incentive compensation and director fees and, in conjunction with the Newell Rubbermaid Supplemental Executive Retirement Plan, receive certain other retirement benefits, all in accordance with the provisions of the Plan. The Plan is adopted to comply with the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code").

The Plan shall govern deferrals of compensation and retirement benefits earned on and after the Effective Date. The Plan shall also govern certain deferrals of compensation and retirement benefits that were previously maintained under the Newell Rubbermaid Inc. 2002 Deferred Compensation Plan (the "Prior Plan"). Specifically, in order to comply with Section 409A of the Code, any "amounts deferred" (within the meaning of Section 409A of the Code) in taxable years beginning on or after January 1, 2005 and credited to either a retirement sub-account or an in-service sub-account under the Prior Plan, and any earnings thereon, shall be governed by the terms and conditions of the Plan, and it is intended that such amounts and any earnings thereon be subject to the application of Section 409A of the Code. Moreover, all amounts credited to a SERP cash sub-account under the Prior Plan (regardless of when credited), and any earnings thereon, shall be governed by the terms and conditions of the Plan, and it is intended that such amounts and any earnings thereon be subject to the application of Section 409A of the Code.

The Prior Plan will remain in effect and will govern certain deferrals of compensation earned prior to January 1, 2005. Specifically, any "amounts deferred" (within the meaning of Section 409A of the Code) in taxable years beginning before January 1, 2005 and credited to either a retirement sub-account or an in-service sub-account under the Prior Plan, and any earnings thereon, shall continue to be governed by the terms of the Prior Plan as in effect on October 3, 2004, and it is intended that such amounts and any earnings thereon be exempt from the application of Section 409A of the Code. Immediately prior to the Effective Date, the Prior Plan shall be frozen, and neither the Company, its affiliates nor any individual shall make or permit to be made any additional contributions or deferrals under the Prior Plan (other than earnings) on or after the Effective Date. Nothing contained herein is intended to materially enhance a benefit or right existing under the Prior Plan as of October 3, 2004 or add a new material benefit or right to such Prior Plan.

ARTICLE I
DEFINITIONS

For purposes of the Plan, the following words and phrases shall have the meanings set forth below, unless their context clearly requires a different meaning:

“**Account**” means the bookkeeping account maintained by the Committee on behalf of each Participant pursuant to this Plan. The sum of each Participant’s Sub-Accounts, in the aggregate, shall constitute his Account. The Account and each and every Sub-Account shall be a bookkeeping entry only and shall be used solely as a device to measure and determine the amounts, if any, to be paid to a Participant or his Beneficiary under the Plan.

“**Affiliated Group**” means (i) the Company, and (ii) all entities with whom the Company would be considered a single employer under Sections 414(b) and 414(c) of the Code, provided that in applying Section 1563(a)(1), (2), and (3) for purposes of determining a controlled group of corporations under Section 414(b) of the Code, the language “at least 50 percent” is used instead of “at least 80 percent” each place it appears in Section 1563(a)(1), (2), and (3), and in applying Treasury Regulation Section 1.414(c)-2 for purposes of determining trades or businesses (whether or not incorporated) that are under common control for purposes of Section 414(c), “at least 50 percent” is used instead of “at least 80 percent” each place it appears in that regulation. Such term shall be interpreted in a manner consistent with the definition of “service recipient” contained in Section 409A of the Code.

“**Assumed Amounts**” has the meaning given to such term in Section 10.1(d).

“**Base Salary**” means the annual base rate of cash compensation payable by the Affiliated Group to a Participant during a calendar year, excluding Incentive Compensation, bonuses, commissions, severance payments, Company Contributions, qualified plan contributions or benefits, expense reimbursements, fringe benefits and all other payments, and prior to reduction for any deferrals under this Plan or any other plan of the Affiliated Groups under Sections 125 or 401(k) of the Code. For purposes of this Plan, Base Salary payable after the last day of a calendar year solely for services performed during the final payroll period described in Section 3401(b) of the Code containing December 31 of such year shall be treated as earned during the subsequent calendar year.

“**Beneficiary**” or “**Beneficiaries**” means the person or persons, including one or more trusts, designated by a Participant in accordance with the Plan to receive payment of the remaining balance of the Participant’s Account in the event of the death of the Participant prior to the Participant’s receipt of the entire vested amount credited to his Account.

“**Beneficiary Designation Form**” means the form established from time to time by the Committee (in a paper or electronic format) that a Participant completes, signs and returns to the Committee to designate one or more Beneficiaries.

“**Board**” means the Board of Directors of the Company.

“**Change in Control**” means the occurrence of a “change in the ownership,” a “change in the effective control” or a “change in the ownership of a substantial portion of the assets” of the Company within the meaning of Section 409A of the Code.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Commencement Date**” has the meaning given to such term in Section 2.3.

“**Committee**” means the committee appointed to administer the Plan. Unless and until otherwise specified, the Committee under the Plan shall be the Company’s Benefit Plans Administrative Committee (or its designee), as established by the Board by resolution dated October 1, 2004.

“**Company**” means Newell Rubbermaid Inc. and its successors, including, without limitation, the surviving corporation resulting from any merger or consolidation of Newell Rubbermaid Inc. with any other corporation, limited liability company, joint venture, partnership or other entity or entities.

“**Company Contributions**” has the meaning given to such term in Section 4.1.

“**Company Contribution Sub-Account**” means the bookkeeping Company Contribution Sub-Account maintained by the Committee on behalf of each Participant pursuant to Section 2.4.

“**Deferral Election**” means the Participant’s election on a form approved by the Committee to defer a portion of his Base Salary, Incentive Compensation or Director Fees in accordance with the provisions of Article III.

“**Director**” means any individual who is a member of the Board and who is not an employee of the Company or its Affiliated Group.

“**Director Fees**” means the annual cash retainer for Board and committee service, special assignment fees, meeting fees, committee chair or presiding director fees, and other cash amounts payable to a Participant for service to the Company as a Director.

“**Effective Date**” means January 1, 2008.

“**Eligible Employee**” has the meaning given to such term in Section 2.1.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

“**Incentive Compensation**” means cash compensation payable pursuant to an incentive compensation or retention plan, including but not limited to an annual or long-term incentive compensation plan, whether such plan is now in effect or hereafter established by the Affiliated Group, which the Committee may designate from time to time.

“**In-Service Sub-Account**” means each bookkeeping In-Service Sub-Account maintained by the Committee on behalf of each Participant pursuant to Section 2.4.

“**Matching Credit**” means any Company Contribution designated by the Committee as a Matching Credit in accordance with Section 4.1(b).

“**Newly Eligible Participant**” means any Eligible Employee or Director who (i) has a Commencement Date after January 1, 2008, (ii) as of his Commencement Date, is not eligible to participate in an “aggregated plan”, and (iii) if he previously participated in the Plan or an “aggregated plan”, has either (A) received payments of all amounts previously deferred under the Plan and any “aggregated plan” as of the Commencement Date, and on or before the last payment was not eligible to continue participation in the Plan or any “aggregated plan” for periods after the last payment, or (B) regardless of whether he has received full payment of all amounts deferred under the Plan or an “aggregated plan”, ceased to be eligible to participate in the Plan and any “aggregated plan” (other than the accrual of earnings) for a period of at least 24 consecutive months prior to his new Commencement Date. For purposes of this definition, an “aggregated plan” is any plan that is required to be aggregated with the Plan under Section 409A of the Code. For purposes of clarity, the portion of the Plan consisting of the right to defer Base Salary, Incentive Compensation and Director Fees shall be treated as separate and apart from, and shall not aggregated with, the portion of the Plan consisting of the right to receive credits of Company Contributions.

“**Participant**” means any Eligible Employee or Director who (i) at any time elected to defer the receipt of Base Salary, Incentive Compensation or Director Fees in accordance with the Plan or received a credit to his Account pursuant to Section 4.1, and (ii) in conjunction with his Beneficiary, has not received a complete payment of the vested amount credited to his Account. Moreover, any individual with respect to whom Assumed Amounts are credited hereunder shall automatically participate, and be a “Participant,” in the Plan with respect to such Assumed Amounts.

“**Payment Election**” means the Participant’s election on a form approved by the Committee that sets forth the form of payment of the Company Contribution Account as provided in Section 4.2.

“**Performance-Based Compensation**” means that portion of a Participant’s Incentive Compensation the amount of which, or the entitlement to which, is contingent on the satisfaction of pre-established organizational or individual performance criteria relating to a Performance Period of at least twelve (12) consecutive months, and which satisfies the requirements for “performance-based compensation” under Section 409A of the Code, including the requirement that the performance criteria be established in writing by not later than (i) ninety (90) days after the commencement of the period of service to which the criteria relates and (ii) the date the outcome ceases to be substantially uncertain. Where a portion of an amount of Incentive Compensation would qualify as Performance-Based Compensation if the portion were the sole amount available under a designated incentive plan, that portion of the award will not fail to qualify as Performance-Based Compensation if that portion is designated separately by the Committee on the Deferral Election or is otherwise separately identifiable under the terms of the designated incentive plan, and the amount of each portion is determined independently of the other.

“**Performance Period**” means, with respect to any Incentive Compensation, the period of time during which such Incentive Compensation is earned.

“**Plan**” means this deferred compensation plan, which shall be known as the Newell Rubbermaid Inc. 2008 Deferred Compensation Plan.

“**Post-2008 Participant**” has the meaning given to such term in Section 4.2(d).

“**Prior Plan**” means the Newell Rubbermaid Inc. 2002 Deferred Compensation Plan.

“**Retirement Savings Credit**” means any Company Contribution designated by the Committee as a Retirement Savings Credit in accordance with Section 4.1(b).

“**Retirement Sub-Account**” means the bookkeeping Retirement Sub-Account maintained by the Committee on behalf of each Participant pursuant to Section 2.4.

“**Separation from Service**” means a termination of employment or service with the Affiliated Group in such a manner as to constitute a “separation from service” as defined under Section 409A of the Code. Upon a sale or other disposition of the assets of the Company or any member of the Affiliated Group to an unrelated purchaser, the Committee reserves the right, to the extent permitted by Section 409A of the Code, to determine whether Participants providing services to the purchaser after and in connection with the purchase transaction have experienced a Separation from Service.

“**SERP Cash Account Credit**” means any Company Contribution designated by the Committee as a SERP Cash Account Credit in accordance with Section 4.1(b).

“**Sub-Account**” means each bookkeeping In-Service Sub-Account, Retirement Sub-Account and Company Contribution Sub-Account maintained by the Committee on behalf of each Participant pursuant to the Plan.

“**Subsequent Payment Election**” has the meaning given to such term in Section 6.1(c).

“**Unforeseeable Emergency**” means an “unforeseeable emergency” as defined under Section 409A of the Code.

“**Years of Credited Service**” has the meaning provided in the Newell Rubbermaid Supplemental Executive Retirement Plan, unless otherwise determined by the Committee.

ARTICLE II
ELIGIBILITY; SUB-ACCOUNTS

2.1. Selection by Committee. Participation in the Plan is limited to (a) those employees of the Affiliated Group who are (i) expressly selected by the Committee, in its sole discretion, to participate in the Plan, and (ii) a member of a “select group of management or highly compensated employees,” within the meaning of Sections 201, 301 and 401 of ERISA (the “Eligible Employees”), and (b) Directors. In lieu of expressly selecting Eligible Employees for Plan participation, the Committee may establish eligibility criteria (consistent with the requirements of paragraph (a)(ii) of this Section) providing for participation of all Eligible Employees who satisfy such criteria. The Committee may at any time, in its sole discretion, change the eligibility criteria for Eligible Employees, or determine that one or more Participants will cease to be an Eligible Employee.

2.2. Enrollment Requirements. As a condition to participation, each selected Eligible Employee and each Director shall complete, execute and return to the Committee a Deferral Election, Payment Election (if applicable) and Beneficiary Designation Form no later than the date or dates specified by the Committee. In addition, the Committee may establish from time to time such other enrollment requirements as it determines in its sole discretion are necessary.

2.3. Commencement Date

(a) Each Eligible Employee and each Director shall commence participation on the date designated by the Committee (the "Commencement Date"). If an Eligible Employee or Director has not satisfied the applicable enrollment requirements of Section 2.2 within thirty (30) days of his Commencement Date (or such earlier date as specified by the Committee), such individual's Commencement Date shall instead be the first day of the calendar year next following the date that he or she satisfies such enrollment requirements. An Eligible Employee and Director shall have no right to defer Base Salary, Director Fees or Incentive Compensation under the Plan prior to his Commencement Date.

(b) Any Eligible Employee as of the Effective Date with respect to whom Assumed Amounts are credited hereunder shall have a Commencement Date of January 1, 2008.

2.4. Sub-Accounts.

(a) Establishment. The Committee shall establish and maintain separate Retirement Sub-Accounts, Company Contribution Sub-Accounts and one or more In-Service Sub-Accounts for each Participant. The Committee, in its sole discretion, shall specify the maximum number (including zero) of permitted In-Service Sub-Accounts for each Participant. Amounts credited to a Retirement Sub-Account and Company Contribution Sub-Account shall commence to be paid to a Participant or his Beneficiary following the Participant's Separation from Service as provided in Article VI. Amounts credited to an In-Service Sub-Account shall commence to be paid in a year specified by the Participant as provided in Section 3.4(a) and Article VI below.

(b) Adjustments.

(i) A Participant's Retirement Sub-Account and In-Service Sub-Account shall be credited with deferrals of Base Salary, Incentive Compensation or Director Fees in accordance with Article III. Base Salary, Incentive Compensation or Director Fees that a Participant elects to defer shall be treated as if it were set aside in the Retirement Sub-Account or, if applicable, one or more In-Service Sub-Accounts on the date the Base Salary, Incentive Compensation or Director Fees would otherwise have been paid to the Participant.

(ii) A Participant's Company Contribution Sub-Account shall be credited with Company Contributions, if any, in accordance with Article IV. Company Contributions shall be treated as if they were set aside in the Company Contribution Sub-Account on the date specified by the Committee in its sole discretion.

(iii) A Participant's Sub-Accounts shall be credited with gains, losses and earnings as provided in Article V and shall be debited for any payments made to the Participant as provided in Article VI.

2.5. Termination.

(a) Deferrals. An individual's right to defer Base Salary, Incentive Compensation and Director Fees shall cease with respect to the calendar year (or the Performance Period, as the case may be) following the calendar year (or the Performance Period, as the case may be) in which he ceases to be an Eligible Employee or Director, although such individual shall continue to be subject to all of the terms and conditions of the Plan for as long as he remains a Participant.

(b) Company Contributions. An individual's right to receive credits of Company Contributions shall cease on the date provided by the Committee in its sole discretion.

ARTICLE III
DEFERRAL ELECTIONS

3.1. New Participants.

(a) Application. This Section 3.1 applies to each Eligible Employee or Director who is a Newly Eligible Participant in the portion of the Plan relating to the right to defer Base Salary, Incentive Compensation and Director Fees and whose Commencement Date occurs after the first day of a calendar year but prior to September 1 of such calendar year (or such earlier or later date as specified by the Committee from time to time).

(b) Deferral Election. An Eligible Employee described in Section 3.1(a) may elect to defer his Base Salary earned during such calendar year or his Incentive Compensation earned during a Performance Period that commences in such calendar year, and a Director described in Section 3.1(a) may elect to defer his Director Fees earned during such calendar year, as the case may be, by filing a Deferral Election with the Committee in accordance with the following rules:

(i) *Timing; Irrevocability*. The Deferral Election must be filed with the Committee by, and shall become irrevocable as of, the thirtieth (30th) day following the Participant's Commencement Date (or such earlier date as specified by the Committee on the Deferral Election).

(ii) *Base Salary*. The Deferral Election shall only apply to Base Salary earned during such calendar year beginning with the first payroll period that begins immediately after the date that the Deferral Election becomes irrevocable in accordance with Section 3.1(b)(i).

(iii) *Incentive Compensation*. Where a Deferral Election is made in the first year of eligibility but after the commencement of a Performance Period, then, except as otherwise provided in Section 3.2 below, the Deferral Election shall only apply to that portion of Incentive Compensation earned for such Performance Period equal to the total amount of the Incentive Compensation earned during such Performance Period multiplied by a fraction, the numerator of which is the number of days beginning on the day immediately after the date that the Deferral Election becomes irrevocable in accordance with Section 3.1(b)(i) and ending on the last day of the Performance Period, and the denominator of which is the total number of days in the Performance Period.

(iv) *Director Fees*. The Deferral Election shall only apply to Director Fees earned after the date that the Deferral Election becomes irrevocable in accordance with Section 3.1(b)(i).

3.2. Annual Deferral Elections. Unless Section 3.1 applies, each Eligible Employee may elect to defer Base Salary for a calendar year or his Incentive Compensation for a Performance Period, and each Director may elect to defer Director Fees, as the case may be, by filing a Deferral Election with the Committee in accordance with the following rules:

(a) Base Salary. The Deferral Election with respect to Base Salary must be filed with the Committee by, and shall become irrevocable as of, December 31 (or such earlier date as specified by the Committee on the Deferral Election) of the calendar year next preceding the calendar year for which such Base Salary would otherwise be earned.

(b) Incentive Compensation. The Deferral Election with respect to Incentive Compensation must be filed with the Committee by, and shall become irrevocable as of, December 31 (or such earlier date as specified by the Committee on the Deferral Election) of the calendar year next preceding the first day of the Performance Period for which such Incentive Compensation would otherwise be earned.

(c) Performance-Based Compensation.

(i) Notwithstanding anything contained in this Section 3.2 to the contrary, and only to the extent permitted by the Committee, the Deferral Election with respect to Incentive Compensation that constitutes Performance-Based Compensation must be filed with the Committee by, and shall become irrevocable as of, the date that is 6 months before the end of the applicable Performance Period (or such earlier date as specified by the Committee on the Deferral Election), provided that in no event may such Deferral Election be made after such Incentive Compensation has become "readily ascertainable" within the meaning of Section 409A of the Code.

(ii) In order to make a Deferral Election under this Section 3.2(c), the Participant must perform services continuously from the later of the beginning of the Performance Period or the date the performance criteria are established through the date a Deferral Election becomes irrevocable under this Section 3.2(c).

(iii) A Deferral Election made under this Section 3.2(c) shall not apply to any portion of the Performance-Based Compensation that is actually earned by a Participant regardless of satisfaction of the performance criteria.

(iv) To the extent permitted by the Committee, an Eligible Employee described in Section 3.1(a) shall be permitted to make a Deferral Election with respect to Performance-Based Compensation in accordance with this Section 3.2(c) provided that the Eligible Employee satisfies all of the other requirements of this Section.

(d) Director Fees. The Deferral Election with respect to Director Fees must be filed with the Committee by, and shall become irrevocable as of, December 31 (or such earlier date as specified by the Committee on the Deferral Election) of the calendar year next preceding the calendar year for which such Director Fees would otherwise be earned.

3.3. Amount Deferred. A Participant shall designate on the Deferral Election the portion of his Base Salary, Incentive Compensation or, if applicable, Director Fees that is to be deferred in accordance with this Article III. Unless otherwise determined by the Committee, a Participant may defer (in 1% increments) up to 50% of his Base Salary, up to 100% of his Director Fees and up to 100% of his Incentive Compensation for any Plan Year; provided, however, that the Participant shall not be permitted to defer less than 1% of each of his Base Salary, Director Fees or Incentive Compensation during any one calendar year or Performance Period, as the case may be, and any such attempted deferral shall not be effective.

3.4. Elections as to Time and Form of Payment

(a) Time of Payment.

(i) *Allocation to Sub-Accounts*. The Deferral Election shall contain the Participant’s allocation of deferrals of Base Salary, Incentive Compensation and/or Director Fees among a Retirement Sub-Account and, to the extent permitted by the Committee from time to time, one or more In-Service Sub-Accounts. A Participant may designate, on the first Deferral Election that he delivers to the Committee in which deferrals of Base Salary, Incentive Compensation or Director Fees are credited to an In-Service Sub-Account, the year in which payments will commence to be paid from that Sub-Account, which year must be at least two years after the year in which such Deferral Election becomes irrevocable. The year designated on that first Deferral Election will apply to all amounts credited to that In-Service Sub-Account under the Plan (including with respect to all subsequent calendar years) unless changed in accordance with the rules of Section 6.1(c). A Participant shall not be entitled to allocate deferrals of Base Salary, Incentive Compensation and/or Director Fees to the Company Contribution Sub-Account.

(ii) *Default*. To the extent that a Participant does not designate the Sub-Account to which deferrals of Base Salary, Incentive Compensation or Director Fees shall be credited on a Deferral Election as provided in this Section 3.4(a) (or such designation does not comply with the terms of the Plan), such deferrals shall be credited to the Participant’s Retirement Sub-Account. Any attempt to allocate deferrals of Base Salary or Incentive Compensation to an In-Service Sub-Account with a payment date that is less than two years after the year in which the Deferral Election becomes irrevocable shall be void, and such amounts shall instead be credited to the Participant’s Retirement Sub-Account.

(b) Form of Payment.

(i) *Retirement Sub-Account*. A Participant may elect, on the first Deferral Election that he delivers to the Committee pursuant to which deferrals of Base Salary, Incentive Compensation or Director Fees are credited to the Retirement Sub-Account, to receive the Retirement Sub-Account in cash in a single lump sum or in a number of approximately equal annual installments over a specified period not exceeding ten years. The form of payment designated on that first Deferral Election will apply to all amounts credited to the Retirement Sub-Account under the Plan (including with respect to all subsequent calendar years) unless changed in accordance with the rules of Section 6.1(c).

(ii) *In-Service Sub-Account*. A Participant may elect, on the first Deferral Election that he delivers to the Committee in which deferrals of Base Salary, Incentive Compensation or Director Fees are credited to an In-Service Sub-Account, to receive the In-Service Sub-Account in cash in a single lump sum or in a number of approximately equal annual installments over a specified period not exceeding five years. The form of payment designated on that first Deferral Election will apply to all amounts credited to that In-Service Sub-Account under the Plan (including with respect to all subsequent calendar years) unless changed in accordance with the rules of Section 6.1(c). A Participant may choose different forms of payment for each separate In-Service Sub-Account in accordance with this Section 3.4(b).

3.5. Duration and Cancellation of Deferral Elections.

(a) Duration. Once irrevocable, a Deferral Election shall only be effective for the calendar year or Performance Period with respect to which such election was timely filed with the Committee. Notwithstanding the preceding sentence, the Committee may provide, in its sole discretion, that any Deferral Elections shall apply from calendar year to calendar year, or Performance Period to Performance Period, until terminated or modified prospectively by a Participant in accordance with the terms of Section 3.2. Such "evergreen" Deferral Elections will become effective with respect to an item of Base Salary, Incentive Compensation or Director Fees on the date such election becomes irrevocable under Section 3.2. Except as provided in Section 3.4(b), a Deferral Election, once irrevocable, cannot be cancelled during a calendar year or Performance Period.

(b) Cancellation.

(i) The Committee may, in its sole discretion, cancel a Participant's Deferral Election where such cancellation occurs by the later of the end of the Participant's taxable year or the 15th day of the third month following the date the Participant incurs a "disability." For purposes of this Section 3.5(b)(i), a disability refers to any medically determinable physical or mental impairment resulting in the Participant's inability to perform the duties of his or her position or any substantially similar position, where such impairment can be expected to result in death or can be expected to last for a continuous period of not less than six months.

(ii) The Committee may, in its sole discretion, cancel a Participant's Deferral Election due to an Unforeseeable Emergency or a hardship distribution pursuant to Treasury Regulation Section 1.401(k)-1(d)(3).

(iii) If a Participant's Deferral Election is cancelled with respect to a particular calendar year or Performance Period in accordance with this Section 3.5(b), he may make a new Deferral Election for a subsequent calendar year or Performance Period, as the case may be, only in accordance with Section 3.2.

3.6. Vested Interest in Deferrals. Each Participant shall at all times have a fully vested and nonforfeitable interest in his Retirement Sub-Account and his In-Service Sub-Account balance.

ARTICLE IV
COMPANY CONTRIBUTIONS

4.1. Company Contributions. For each calendar year, any entity in the Affiliated Group, in its sole discretion, may, but is not required to, credit any amount it desires to any Participant's Company Contribution Sub-Account ("Company Contributions"), subject to the following rules:

(a) The amount of Company Contributions credited to a Participant may be smaller or larger than an amount credited to any other Participant, and the amount credited to any Participant for a year may be zero even though one or more Participants receive a Company Contribution for that year.

(b) The Committee shall designate at the time a Company Contribution is credited to a Participant's Company Contribution Sub-Account whether the credit is a SERP Cash Account Credit, a Retirement Savings Credit or a Matching Credit for purposes of the vesting provisions of Section 4.3.

(c) A Participant shall become eligible to receive Matching Credits no earlier than the calendar year immediately following the calendar year in which the Payment Election becomes irrevocable as provided in Section 4.2(a).

(d) Unless provided otherwise by the Committee, a Participant shall not be entitled to receive a credit to his Company Contribution Sub-Account with respect to a calendar year unless he is employed by the Affiliated Group on the day that such amount is credited to his Company Contribution Sub-Account.

(e) The Committee may not credit Company Contributions to a Participant's Retirement Sub-Account or In-Service Sub-Accounts.

4.2. Payment Elections. Except as otherwise provided in Section 4.2(d), a Participant shall file a Payment Election for his Company Contribution Sub-Account in accordance with the following rules:

(a) *Timing; Irrevocability*. The Payment Election with respect to the Company Contribution Sub-Account shall be filed with the Committee by, and shall become irrevocable as of, December 31, 2007 (or such earlier date as specified by the Committee on the Payment Election). Once irrevocable, and except as provided in Section 10.2, a Payment Election may only be changed in accordance with Section 6.1(c).

(b) *Form of Payment*. The Participant shall designate on the Payment Election whether to receive the Company Contribution Sub-Account in cash in a single lump sum or in a number of approximately equal annual installments over a specified period not exceeding ten years. The form of payment designated on that first Payment Election will apply to all amounts credited to the Company Contribution Sub-Account under the Plan (including with respect to all subsequent calendar years) unless changed in accordance with the rules of Section 6.1(c). Notwithstanding the foregoing, any amounts credited to a Participant's Company Contribution Sub-Account pursuant to Section 4.8 of the Newell Rubbermaid Supplemental Executive Retirement Plan (or its successor), and related earnings, shall be segregated from all other amounts credited to the Company Contribution Sub-Account for bookkeeping account purposes and shall be paid in a single lump sum notwithstanding any Payment Election or Subsequent Payment Election to the contrary.

(c) *Default*. To the extent that a Participant does not designate the form of payment of a Company Contribution Sub-Account on a Payment Election as provided in Section 4.2(b) (or such designation either does not comply with the terms of the Plan), such Sub-Account shall be paid in cash in a single lump sum.

(d) *Special rules for Post-2008 Participants*. Notwithstanding anything contained in the Plan to the contrary, or any other plan, policy, practice or program, contract or agreement with the Company or the Affiliated Group (unless otherwise specifically provided therein in a specific reference to this Plan), a Participant whose Commencement Date is after December 31, 2008 (a "Post-2008 Participant") shall have no right to choose a form of payment for his Company Contribution Sub-Account. Instead, the Company Contribution Sub-Account of a Post-2008 Participant shall be paid in cash in a single lump sum.

4.3. Vesting

(a) SERP Cash Account Credits.

(i) Except as provided Sections 4.3(a)(ii) and 4.3(a)(iii), a Participant shall have a vested interest in any SERP Cash Account Credits (and any related earnings) only if he has six (6) Years of Credited Service, at which time he shall acquire a ten percent (10%) vested interest therein. Upon completion of each additional Year of Credited Service, a Participant shall acquire additional vesting in the SERP Cash Account Credits (and any related earnings) according to the following schedule:

Years of Credited Service	Vested Percentage in the SERP Cash Account Credits
5 years or less	0%
6 years but less than 7 years	10%
7 years but less than 8 years	20%
8 years but less than 9 years	30%
9 years but less than 10 years	40%
10 years but less than 11 years	50%
11 years but less than 12 years	60%
12 years but less than 13 years	70%
13 years but less than 14 years	80%
14 years but less than 15 years	90%
15 or more years	100%

(ii) A Participant shall become fully vested in his SERP Cash Account Credits (and any related earnings) if he remains continuously employed by the Affiliated Group until the earliest to occur of the following events: (i) the Participant's 60th birthday; (ii) the Participant's death; (iii) the Participant's "disability" (as defined in the long-term disability plan of the Affiliated Group, as applicable to the Participant, or if no such plan exists, as determined by the Committee); or (iv) a change in control (as defined in the Newell Rubbermaid Inc. 2003 Stock Plan, as amended from time to time, or its successor).

(iii) Subject to the provisions of this Section 4.3(a)(iii), a Participant shall also become fully vested in his SERP Cash Account Credits (and any related earnings) if he remains continuously and actively employed by the Affiliated Group until the date on which (i) he is at least age 55 and (ii) the sum of his whole and fractional years of age and his whole years and fractional years of "credited service" equals or exceeds 75. The term "credited service" means the amount of time the Participant spent working for the Affiliated Group (including any predecessor company or business acquired by the Affiliated Group, provided he was immediately employed by the Affiliated Group), as determined by the Company. Fractional years of age and credited service shall be determined in fully completed months, measured as each continuous period of 30 days of age or credited service. Any Participant that vests in his SERP Cash Account Credits under this Section 4.3(a)(iii) must comply with the following requirements:

(1) The Participant must execute and deliver to the Company an agreement, in a form prescribed by the Company, that he or she will not directly or indirectly, individually or on behalf of any person or entity, solicit or induce, or assist in any manner in the solicitation or inducement of: (x) employees of the Affiliated Group; (y) customers of the Affiliated Group to purchase from another person or entity products and services that compete with those offered and provided by the Affiliated Group; and (z) suppliers of the Affiliated Group to supply another person or entity providing competitive products to the exclusion or detriment of the Affiliated Group.

(2) The Participant must execute and deliver to the Company an agreement, in a form prescribed by the Company, that he or she will not perform the same or substantially the same job duties on behalf of a business or organization that competes with the Affiliated Group.

(3) The Participant must execute and deliver to the Company an agreement, in a form prescribed by the Company, releasing all claims against the Affiliated Group.

Each agreement described in (1), (2) and (3) above must become effective and irrevocable in accordance with its terms no later than the first business day of the seventh month following the Participant's Separation from Service. If the Participant fails to furnish any such agreement, or if the agreement furnished by the Participant has not become effective and irrevocable by the first business day of the seventh month after the Participant's Separation from Service, the Participant will not be entitled to any payment of the SERP Cash Account Credits that vested as provided in this Section 4.3(a)(iii).

No Participant terminated by the Company for "Cause" shall be eligible to receive the SERP Cash Account Credits that vested as provided in this Section 4.3(a)(iii). The term "Cause" means the termination of the Participant due to unsatisfactory performance or conduct detrimental to the Company, as solely determined by the Company.

(b) Retirement Savings Credits. A Participant shall have a fully vested and nonforfeitable interest in his Retirement Savings Credits (and any related earnings) if he remains continuously employed by the Affiliated Group until the earliest to occur of the following: (i) the date that the Participant has three (3) Years of Credited Service, (ii) the Participant's death, (iii) the Participant's termination of employment due to disability (as defined in the Newell Rubbermaid 401(k) Savings and Retirement Plan), or (iv) the Participant's 65th birthday.

(c) Matching Credits. Each Participant shall at all times have a fully vested and nonforfeitable interest in his Matching Credits.

(d) Forfeiture Events for SERP Cash Account Credits. Even if a Participant is vested in his SERP Cash Account Credits under this Article, he shall cease to be vested, and thereafter shall not be entitled to payment of any SERP Cash Account Credits (and related earnings), under any following circumstance:

(i) At any time because of any act or failure to act on his part which constitutes fraud, misappropriation, theft or embezzlement of funds of the Company or a member of the Affiliated Group or an intentional breach of fiduciary duty, including a breach of the Company or the Affiliated Group's Code of Business Conduct involving the Company or a member of the Affiliated Group.

(ii) At any time he engages in competition with, or work for another business entity in competition with, the Company or a member of the Affiliated Group in the areas that it serves.

(iii) At any time he makes any unauthorized disclosure of any trade or business secrets or privileged information acquired during his employment with the Company or any member of the Affiliated Group.

(iv) At any time he is convicted of a felony connected with his employment by the Company or any member of the Affiliated Group.

(v) At any time he made a material misrepresentation in any form or document provided by him to or for the benefit of the Company or any member of the Affiliated Group.

In the event a Participant ceases to be vested under this Section, or fails to comply with the agreements in Section 4.3(a)(iii)(1), (2) or (3), and he has received payment of SERP Cash Account Credits from the Plan (including a lump sum payment), the Participant (or, if applicable, his Beneficiary) shall repay to the Company the full amount of the SERP Cash Account Credits previously received (with interest based on the interest rate(s) under the definition of "Actuarial Assumptions" contained in the Newell Rubbermaid Supplemental Executive Retirement Plan) within 30 days of written demand by the Committee. The foregoing written demand shall contain the forfeiture event or agreement violated by the Participant, the factual circumstances supporting such violation and his appeal rights under Section 7.3. Following repayment, the Participant may appeal the forfeiture of his SERP Cash Account Credits pursuant to Section 7.3.

ARTICLE V
CREDITING OF GAINS, LOSSES AND EARNINGS TO ACCOUNTS

To the extent provided by the Committee in its sole discretion, each Participant's Account will be credited with gains, losses and earnings based on investment directions made by the Participant in accordance with investment deferral crediting options and procedures established from time to time by the Committee. The Committee specifically retains the right in its sole discretion to change the investment deferral crediting options and procedures from time to time. By electing to defer any amount under the Plan (or by receiving or accepting any benefit under the Plan), each Participant acknowledges and agrees that the Affiliated Group is not and shall not be required to make any investment in connection with the Plan, nor is it required to follow the Participant's investment directions in any actual investment it may make or acquire in connection with the Plan or in determining the amount of any actual or contingent liability or obligation of the Company or any other member of the Affiliated Group thereunder or relating thereto. Any amounts credited to a Participant's Account with respect to which a Participant does not provide investment direction shall be credited with gains, losses and earnings as if such amounts were invested in an investment option to be selected by the Committee in its sole discretion.

ARTICLE VI
PAYMENTS

6.1. Date of Payment of Sub-Accounts. Except as otherwise provided in this Article VI, a Participant's Sub-Accounts shall commence to be paid as follows:

(a) Retirement Sub-Account; Company Contribution Sub-Account. The amounts credited to a Participant's Retirement Sub-Account and the vested amounts credited to a Participant's Company Contribution Sub-Account shall commence to be paid in the calendar year next following the calendar year of the Participant's Separation from Service in accordance with the following rules: (i) if the Separation from Service occurs on or after January 1 of a calendar year but before July 1 of the year, then payment shall commence on the first business day of January of the calendar year next following the calendar year in which the Separation from Service occurs; and (ii) if the Separation from Service occurs on or after July 1 of a calendar year, then payment shall commence on the first business day of July of the calendar year next following the calendar year in which the Separation from Service occurs. If a Participant Separates from Service on or after attaining age 55, then the amounts credited to his Retirement Sub-Account shall be paid in the form of payment selected by the Participant in accordance with Section 3.4(b) and the vested amounts credited to the Company Contribution Sub-Account shall be paid in the form of payment selected by the Participant in accordance with Section 4.2 (or, with respect to Post-2008 Participants, in a single lump sum as provided in Section 4.2(d)). If a Participant Separates from Service prior to attaining age 55, then the amounts credited to his Retirement Sub-Account and the vested amounts credited to his Company Contribution Sub-

Account shall be paid in a single lump sum. Subject to Section 6.2, the Committee has the discretion to establish administrative procedures for designating the date within the applicable calendar year upon which payments shall commence.

(b) In-Service Sub-Account.

(i) In general, the vested amounts credited to a Participant's In-Service Sub-Account shall commence to be paid in January of the year specified by the Participant for such Sub-Account in accordance with Section 3.4(a). Each In-Service Sub-Account shall be paid in the form of payment selected by the Participant with respect to that In-Service Sub-Account in accordance with Section 3.4(b)(ii).

(ii) If a Participant's Separation from Service occurs after payment of his In-Service Sub-Account has commenced, the remaining balance of his In-Service Sub-Account will continue to be paid to him in accordance with the payment schedule that has already commenced. If, however, a Participant's Separation from Service occurs prior to the commencement of one or more In-Service Sub-Accounts, then amounts credited to such In-Service Sub-Accounts shall immediately be transferred to the Participant's Retirement Sub-Account and payment of the transferred amounts shall thereafter be governed by the terms and conditions applicable to the Retirement Sub-Account, including, without limitation, Section 6.2.

(c) Subsequent Payment Elections. A Participant may elect on a form provided by the Committee to change the time and or form of payment with respect to one or more of his Sub-Accounts (a "Subsequent Payment Election"). The Subsequent Payment Election shall become irrevocable upon receipt by the Committee and shall be made in accordance with the following rules:

(i) *In General*. The Subsequent Payment Election may not take effect until at least twelve (12) months after the date on which it is accepted by the Committee. The Subsequent Payment Election most recently accepted by the Committee and that satisfies the requirements of this Section 6.1(c) shall govern the payout of the Sub-Accounts notwithstanding anything contained in Section 6.1(a) or (b) to the contrary.

(ii) *Retirement Sub-Account; Company Contribution Sub-Account*. A Participant may make a one-time election to change the form of payment of his Retirement Sub-Account and a one-time election to change the form of payment of his Company Contribution Sub-Account to a form otherwise permitted under the Plan. Except in the event of the death or Unforeseeable Emergency of the Participant, the payment of such Sub-Account will be delayed until the fifth (5th) anniversary of the first day of the calendar year within which the Sub-Account would otherwise have been paid under the Plan if such Subsequent Payment Election had not been made (or, in the case of installment payments, which are treated as a single payment for purposes of this Section, on the fifth (5th) anniversary of the first day of the calendar year within which the first installment payment was scheduled to be made).

(iii) *In-Service Sub-Account*. A Participant may make one or more elections to delay the payment date or change the form of payment of one or more In-Service Sub-Account(s) to a payment date or form permitted for In-Service Sub-Accounts under the

Plan. Such Subsequent Payment Election must be filed with the Committee at least twelve (12) months prior to the first day of the calendar year within which the Sub-Account would otherwise have been paid under the Plan (or, in the case of installment payments, at least twelve (12) months from the first day of the calendar year within which the first installment payment was scheduled to be made). On such Subsequent Payment Election, the Participant must delay the payment date for a period of at least five (5) years after the first day of the calendar year within which the Sub-Account would otherwise have been paid under the Plan (or, in the case of installment payments, at least five (5) years from the first day of the calendar year within which the first installment payment was scheduled to be made).

(iv) *Acceleration Prohibited*. The Committee shall disregard any Subsequent Payment Election by a Participant to the extent such election would result in an acceleration of the time or schedule of any payment or amount scheduled to be paid under the Plan within the meaning of Section 409A of the Code.

(d) <u>Calculation of Installment Payments</u>. In the event that a Sub-Account is paid in installments: (i) the first installment shall commence on the date specified in Section 6.1 (subject to Section 6.2), and each subsequent installment shall be paid on the commencement anniversary date until the Sub-Account has been fully paid; (ii) the amount of each installment shall equal the quotient obtained by dividing the Participant's vested Sub-Account balance as of the end of the month immediately preceding the month of such installment payment by the number of installment payments remaining to be paid at the time of the calculation; and (iii) the amount of such Sub-Account remaining unpaid shall continue to be credited with gains, losses and earnings as provided in Article V. By way of example, if the Participant elects to receive payments of a Sub-Account in equal annual installments over a period of ten (10) years, the first payment shall equal 1/10 of the vested Sub-Account balance, calculated as described in this Section 6.1(d). The following year, the payment shall be 1/9 of the vested Sub-Account balance, calculated as described in this Section 6.1(d). Notwithstanding the foregoing, in the event that a Sub-Account is paid in installments and the balance of the remaining amounts to be paid in installments falls below $25,000 (as of the date that the installment payments commence to be paid or on any measurement date thereafter as set forth in (ii) above), then the remaining installments shall be paid to the Participant in a single lump sum within 30 days.

6.2. Mandatory Six-Month Delay. Except as otherwise provided in Sections 6.6(a), 6.6(b) and 6.6(c), in no event may payments from a Retirement Sub-Account or Company Contribution Sub-Account commence prior to the first business day of the seventh month following the Participant's Separation from Service (or if earlier, upon the Participant's death).

6.3. Death of Participant.

(a) Each Participant shall file a Beneficiary Designation Form with the Committee at the time the Participant files an initial Deferral Election. A Participant's Beneficiary Designation Form may be changed at any time prior to his death by the execution and delivery of a new Beneficiary Designation Form. The Beneficiary Designation Form on file with the Committee that bears the latest date at the time of the Participant's death shall govern. If a Participant fails to properly designate a Beneficiary in accordance with this Section 6.3(a), then his Beneficiary shall be his estate.

(b) In the event of the Participant's death, the remaining amount of the Participant's vested Sub-Accounts shall be paid to the Beneficiary or Beneficiaries designated on a Beneficiary Designation Form, in accordance with the following rules: (i) if a Participant dies after payment of a Sub-Account has commenced, the remaining balance of such Sub-Account will continue to be paid to his Beneficiary or Beneficiaries in accordance with the payment schedule that has already commenced; and (ii) if a Participant dies before payments from a Sub-Account have commenced, such Sub-Account will be paid to his Beneficiary or Beneficiaries in accordance with the rules of Section 6.1.

6.4. Change in Control. Notwithstanding any Payment Election to the contrary, if a Change in Control occurs and a Participant incurs a Separation from Service during the period beginning on the date of the Change in Control and ending on the second anniversary of the Change in Control, then the remaining amount of the Participant's vested Account shall be paid to the Participant or his Beneficiary in a single lump sum on the first business day of the seventh month following the Participant's Separation from Service (or if earlier, upon the Participant's death).

6.5. Withdrawal Due to Unforeseeable Emergency. A Participant shall have the right to request, on a form provided by the Committee, an accelerated payment of all or a portion of his Account in a lump sum if he experiences an Unforeseeable Emergency. The Committee shall have the sole discretion to determine whether to grant such a request and the amount to be paid pursuant to such request.

(a) Determination of Unforeseeable Emergency. Whether a Participant is faced with an unforeseeable emergency permitting a payment under this Section 6.5 is to be determined based on the relevant facts and circumstances of each case, but, in any case, a payment on account of an Unforeseeable Emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of such assets would not cause severe financial hardship, or by cessation of deferrals under the Plan. Payments because of an Unforeseeable Emergency must be limited to the amount reasonably necessary to satisfy the emergency need (which may include amounts necessary to pay any Federal, state, local, or foreign income taxes or penalties reasonably anticipated to result from the payment). Determinations of amounts reasonably necessary to satisfy the emergency need must take into account any additional compensation that is available if the Plan provides for cancellation of a Deferral Election upon a payment due to an Unforeseeable Emergency. However, the determination of amounts reasonably necessary to satisfy the emergency need is not required to take into account any additional compensation that due to the Unforeseeable Emergency is available under another nonqualified deferred compensation plan but has not actually been paid, or that is available due to the Unforeseeable Emergency under another plan that would provide for deferred compensation except due to the application of the effective date provisions of Section 409A of the Code.

(b) Payment of Account. Payment shall be made within thirty (30) days following the determination by the Committee that a withdrawal will be permitted under this Section 6.5, or such later date as may be required under Section 6.2.

6.6. Discretionary Acceleration of Payments. To the extent permitted by Section 409A of the Code, the Committee may, in its sole discretion, accelerate the time or schedule of a payment under the Plan as provided in this Section. The provisions of this Section are intended to comply with the exception to accelerated payments under Treasury Regulation Section 1.409A-3(j) and shall be interpreted and administered accordingly.

(a) Domestic Relations Orders. The Committee may, in its sole discretion, accelerate the time or schedule of a payment under the Plan to an individual other than the Participant as may be necessary to fulfill a domestic relations order (as defined in Section 414(p)(1)(B) of the Code).

(b) Conflicts of Interest. The Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to the extent necessary for any Federal officer or employee in the executive branch to comply with an ethics agreement with the Federal government. Additionally, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to the extent reasonably necessary to avoid the violation of an applicable Federal, state, local, or foreign ethics law or conflicts of interest law (including where such payment is reasonably necessary to permit the Participant to participate in activities in the normal course of his or her position in which the Participant would otherwise not be able to participate under an applicable rule).

(c) Employment Taxes. The Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to pay the Federal Insurance Contributions Act (FICA) tax imposed under Sections 3101, 3121(a), and 3121(v)(2) of the Code, or the Railroad Retirement Act (RRTA) tax imposed under Sections 3201, 3211, 3231(e)(1), and 3231(e)(8) of the Code, where applicable, on compensation deferred under the Plan (the FICA or RRTA amount). Additionally, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment, to pay the income tax at source on wages imposed under Section 3401 of the Code or the corresponding withholding provisions of applicable state, local, or foreign tax laws as a result of the payment of the FICA or RRTA amount, and to pay the additional income tax at source on wages attributable to the pyramiding Section 3401 of the Code wages and taxes. However, the total payment under this acceleration provision must not exceed the aggregate of the FICA or RRTA amount, and the income tax withholding related to such FICA or RRTA amount.

(d) Limited Cash-Outs. Subject to Section 6.2, the Committee may, in its sole discretion, require a mandatory lump sum payment of amounts deferred under the Plan that do not exceed the applicable dollar amount under Section 402(g)(1)(B) of the Code, provided that the payment results in the termination and liquidation of the entirety of the Participant's interest under the Plan, including all agreements, methods, programs, or other arrangements with respect to which deferrals of compensation are treated as having been deferred under a single nonqualified deferred compensation plan under Section 409A of the Code.

(e) Payment Upon Income Inclusion Under Section 409A. Subject to Section 6.2, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan at any time the Plan fails to meet the requirements of

Section 409A of the Code. The payment may not exceed the amount required to be included in income as a result of the failure to comply with the requirements of Section 409A of the Code.

(f) Certain Payments to Avoid a Nonallocation Year Under Section 409(p). Subject to Section 6.2, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to prevent the occurrence of a nonallocation year (within the meaning of Section 409(p)(3) of the Code) in the plan year of an employee stock ownership plan next following the plan year in which such payment is made, provided that the amount paid may not exceed 125 percent of the minimum amount of payment necessary to avoid the occurrence of a nonallocation year.

(g) Payment of State, Local, or Foreign Taxes. Subject to Section 6.2, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to reflect payment of state, local, or foreign tax obligations arising from participation in the Plan that apply to an amount deferred under the Plan before the amount is paid or made available to the participant (the state, local, or foreign tax amount). Such payment may not exceed the amount of such taxes due as a result of participation in the Plan. The payment may be made in the form of withholding pursuant to provisions of applicable state, local, or foreign law or by payment directly to the Participant. Additionally, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to pay the income tax at source on wages imposed under Section 3401 of the Code as a result of such payment and to pay the additional income tax at source on wages imposed under Section 3401 of the Code attributable to such additional wages and taxes. However, the total payment under this acceleration provision must not exceed the aggregate of the state, local, and foreign tax amount, and the income tax withholding related to such state, local, and foreign tax amount.

(h) Certain Offsets. Subject to Section 6.2, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan as satisfaction of a debt of the Participant to the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code), where such debt is incurred in the ordinary course of the service relationship between the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) and the Participant, the entire amount of reduction in any of the taxable years of the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) does not exceed $5,000, and the reduction is made at the same time and in the same amount as the debt otherwise would have been due and collected from the Participant.

(i) Bona Fide Disputes as to a Right to a Payment. Subject to Section 6.2, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan where such payments occur as part of a settlement between the Participant and the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) of an arm’s length, bona fide dispute as to the Participant’s right to the deferred amount.

(j) Plan Terminations and Liquidations. Subject to Section 6.2, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan as provided in Section 8.2.

(k) Other Events and Conditions. Subject to Section 6.2, a payment may be accelerated upon such other events and conditions as the Internal Revenue Service may prescribe in generally applicable guidance published in the Internal Revenue Bulletin.

Except as otherwise specifically provided in this Plan, including but not limited to Section 3.5(b), Section 6.1(c), this Section 6.6 and Section 8.2, the Committee may not accelerate the time or schedule of any payment or amount scheduled to be paid under the Plan within the meaning of Section 409A of the Code.

6.7. Delay of Payments. To the extent permitted under Section 409A of the Code, the Committee may, in its sole discretion, delay payment under any of the following circumstances, provided that the Committee treats all payments to similarly situated Participants on a reasonably consistent basis:

(a) Payments Subject to Section 162(m). A payment may be delayed to the extent that the Committee reasonably anticipates that if the payment were made as scheduled, the Company's deduction with respect to such payment would not be permitted due to the application of Section 162(m) of the Code. If a payment is delayed pursuant to this Section 6.7(a), then the payment must be made either (i) during the Company's first taxable year in which the Committee reasonably anticipates, or should reasonably anticipate, that if the payment is made during such year, the deduction of such payment will not be barred by application of Section 162(m) of the Code, or (ii) during the period beginning with the first business day of the seventh month following the Participant's Separation from Service (the "six month anniversary") and ending on the later of (x) the last day of the taxable year of the Company in which the six month anniversary occurs or (y) the 15th day of the third month following the six month anniversary. Where any scheduled payment to a specific Participant in a Company's taxable year is delayed in accordance with this paragraph, all scheduled payments to that Participant that could be delayed in accordance with this paragraph must also be delayed. The Committee may not provide the Participant an election with respect to the timing of the payment under this Section 6.7(a). For purposes of this Section 6.7(a), the term Company includes any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code.

(b) Federal Securities Laws or Other Applicable Law. A Payment may be delayed where the Committee reasonably anticipates that the making of the payment will violate federal securities laws or other applicable law; provided that the delayed payment is made at the earliest date at which the Committee reasonably anticipates that the making of the payment will not cause such violation. For purposes of the preceding sentence, the making of a payment that would cause inclusion in gross income or the application of any penalty provision or other provision of the Code is not treated as a violation of applicable law.

(c) Other Events and Conditions. A payment may be delayed upon such other events and conditions as the Internal Revenue Service may prescribe in generally applicable guidance published in the Internal Revenue Bulletin.

6.8. Actual Date of Payment. To the extent permitted by Section 409A of the Code, the Committee may delay payment in the event that it is not administratively possible to make payment on the date (or within the periods) specified in this Article VI, or the making of the payment would jeopardize the ability of the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) to continue as a going concern. Notwithstanding the foregoing, payment must be made no later than the latest possible date permitted under Section 409A of the Code.

6.9. Discharge of Obligations. The payment to a Participant or his Beneficiary of a his Sub-Account in a single lump sum or the number of installments elected by the Participant pursuant to this Article VI shall discharge all obligations of the Affiliated Group to such Participant or Beneficiary under the Plan with respect to that Sub-Account.

ARTICLE VII
ADMINISTRATION

7.1. General. The Company, through the Committee, shall be responsible for the general administration of the Plan and for carrying out the provisions hereof. In general, the Committee shall have the full power, discretion and authority to carry out the provisions of the Plan; in particular, the Committee shall have full discretion to (a) interpret all provisions of the Plan, (b) resolve all questions relating to eligibility for participation in the Plan and the amount in the Account of any Participant and all questions pertaining to claims for benefits and procedures for claim review, (c) resolve all other questions arising under the Plan, including any factual questions and questions of construction, (d) determine all claims for benefits, and (e) take such further action as the Company shall deem advisable in the administration of the Plan. The actions taken and the decisions made by the Committee hereunder shall be final, conclusive, and binding on all persons, including the Company, its shareholders, the other members of the Affiliated Group, employees, Participants, and their estates and Beneficiaries.

7.2. Compliance with Section 409A of the Code.

(a) It is intended that the Plan comply with the provisions of Section 409A of the Code, so as to prevent the inclusion in gross income of any amounts deferred hereunder in a taxable year that is prior to the taxable year or years in which such amounts would otherwise actually be paid or made available to Participants or Beneficiaries. This Plan shall be construed, administered, and governed in a manner that effects such intent, and the Committee shall not take any action that would be inconsistent with such intent.

(b) Although the Committee shall use its best efforts to avoid the imposition of taxation, interest and penalties under Section 409A of the Code, the tax treatment of deferrals under this Plan is not warranted or guaranteed. Neither the Company, the other members of the Affiliated Group, the Board, nor the Committee (nor its designee) shall be held liable for any taxes, interest, penalties or other monetary amounts owed by any Participant, Beneficiary or other taxpayer as a result of the Plan.

(c) Any reference in this Plan to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section 409A by the U.S. Department of Treasury or the Internal Revenue Service. For purposes of the Plan, the phrase "permitted by Section 409A of the Code," or words or phrases of similar import, shall mean that the event or circumstance shall only be permitted to the extent it would not cause an amount deferred or payable under the Plan to be includible in the gross income of a Participant or Beneficiary under Section 409A(a)(1) of the Code.

7.3. Claims Procedure.

(a) Any Participant or Beneficiary (a "Claimant") who believes that he is entitled to a benefit under the Plan which he has not received may submit a claim to the Committee. Claims for benefits under this Plan shall be made in writing, signed by the Claimant or his authorized representative, and must specify the basis of the Claimant's complaint and the facts upon which he relies in making such claim. A claim shall be deemed filed when received by the Committee.

(b) In the event a claim for benefits is wholly or partially denied by the Committee, the Committee shall notify the Claimant in writing of the denial of the claim within a reasonable period of time, but not later than ninety (90) days after receipt of the claim, unless special circumstances require an extension of time for processing, in which case the ninety (90) day period may be extended to 180 days. The Committee shall notify the Claimant in writing of any such extension. A notice of denial shall be written in a manner reasonably calculated to be understood by the Claimant, and shall contain (a) the specific reason or reasons for denial of the claim; (b) a specific reference to the pertinent Plan provisions upon which the denial is based; (c) a description of any additional material or information necessary for the Claimant to perfect the claim, together with an explanation of why such material or information is necessary; and (d) an explanation of the Plan's review procedure.

(c) Within sixty (60) days of the receipt by the Claimant of the written notice of denial of the claim, the Claimant may appeal by filing with the Committee a written request for a full and fair review of the denial of the Claimant's claim for benefits. Appeal requests under this Plan shall be made in writing, signed by the Claimant or his authorized representative, and must specify the basis of the Claimant's complaint and the facts upon which he relies in making such appeal. An appeal request shall be deemed filed when received by the Committee.

(d) The Committee shall render a decision on the claim appeal promptly, but not later than sixty (60) days after the receipt of the Claimant's request for review, unless special circumstances (such as the need to hold a hearing, if necessary), require an extension of time for processing, in which case the sixty (60) day period may be extended to 120 days. The Committee shall notify the Claimant in writing of any such extension. The decision upon review shall be written in a manner reasonably calculated to be understood by the Claimant, and shall contain (a) the specific reason or reasons for denial of the claim; (b) a specific reference to the pertinent Plan provisions upon which the denial is based; (c) a statement that the Claimant shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim for benefits; and (d) a statement of the Claimant's right to bring an action under Section 502(a) of ERISA, if the adverse benefit determination is sustained on appeal.

(e) No lawsuit by a Claimant may be filed prior to exhausting the Plan's administrative appeal process. Any lawsuit must be filed no later than the earlier of one year after the Claimant's claim for benefit was denied or the date the cause of action first arose.

ARTICLE VIII
AMENDMENT AND TERMINATION

8.1. Amendment. The Company reserves the right to amend, terminate or freeze the Plan, in whole or in part, at any time by action of the Board. Moreover, the Committee may amend the Plan at any time in its sole discretion to ensure that the Plan complies with the requirements of Section 409A of the Code or other applicable law; provided, however, that such amendments, in the aggregate, may not materially increase the benefit costs of the Plan to the Company. In no event shall any such action by the Board or Committee adversely affect any Participant or Beneficiary who has an Account (to the extent vested), or result in any change in the timing or manner of payment of the amount of any Account (except as otherwise permitted under the Plan), without the consent of the Participant or Beneficiary, unless the Board or the Committee, as the case may be, determines in good faith that such action is necessary to ensure compliance with Section 409A of the Code. To the extent permitted by Section 409A of the Code, the Committee may, in its sole discretion, modify the rules applicable to Deferral Elections, Payment Elections and Subsequent Payment Elections to the extent necessary to satisfy the requirements of the Uniformed Service Employment and Reemployment Rights Act of 1994, as amended, 38 U.S.C. 4301-4334.

8.2. Payments Upon Termination of Plan. In the event that the Plan is terminated, the vested amounts allocated to a Participant's Sub-Accounts shall be distributed to the Participant or his Beneficiary on the dates on which the Participant or his Beneficiary would otherwise receive payments hereunder without regard to the termination of the Plan. Notwithstanding the preceding sentence, and to the extent permitted under Section 409A of the Code, the Company, by action taken by its Board or its designee, may terminate the Plan and accelerate the payment of the vested Account subject to the following conditions and Section 6.2:

(a) Company's Discretion. The termination does not occur "proximate to a downturn in the financial health" of the Company (within the meaning of Treasury Regulation Section 1.409A-3(j)(4)(ix)), and all other arrangements required to be aggregated with the Plan under Section 409A of the Code are also terminated and liquidated. In such event, the entire vested Account shall be paid at the time and pursuant to the schedule specified by the Committee, so long as all payments are required to be made no earlier than twelve (12) months, and no later than twenty-four (24) months, after the date the Board or its designee irrevocably approves the termination of the Plan. Notwithstanding the foregoing, any payment that would otherwise be paid pursuant to the terms of the Plan prior to the twelve (12) month anniversary of the date that the Board or its designee irrevocably approves the termination shall continue to be paid in accordance with the terms of the Plan. If the Plan is terminated pursuant to this Section 8.2(a), the Company shall be prohibited from adopting a new plan or arrangement that would be aggregated with this Plan under Section 409A of the Code within three (3) years following the date that the Board or its designee irrevocably approves the termination and liquidation of the Plan.

(b) Change in Control. The termination occurs pursuant to an irrevocable action of the Board or its designee that is taken within the thirty (30) days preceding or the twelve (12) months following a Change in Control, and all other plans sponsored by the Company (determined immediately after the Change in Control) that are required to be aggregated with this Plan under Section 409A of the Code are also terminated with respect to each participant therein who experienced the Change in Control ("Change in Control Participant"). In such event, the vested Account of each Participant under the Plan and each Change in Control Participant under all aggregated plans shall be paid at the time and pursuant to the schedule specified by the Committee, so long as all payments are required to be made no later than twelve (12) months after the date that the Board or its designee irrevocably approves the termination.

(c) Dissolution; Bankruptcy Court Order. The termination occurs within twelve (12) months after a corporate dissolution taxed under Section 331 of the Code, or with the approval of a bankruptcy court pursuant to 11 U.S.C. §503(b)(1)(A). In such event, the vested Account of each Participant shall be paid at the time and pursuant to the schedule specified by the Committee, so long as all payments are required to be made by the latest of: (A) the end of the calendar year in which the Plan termination occurs, (B) the first calendar year in which the amount is no longer subject to a substantial risk of forfeiture, or (C) the first calendar year in which payment is administratively practicable.

(d) Transition Relief. The termination occurs during calendar year 2008 pursuant to the terms and conditions of the transition relief set forth in Notice 2007-86 and the applicable proposed and final Treasury Regulations issued under Section 409A of the Code. In such event, the vested Account of each Participant shall be paid at the time and pursuant to the schedule specified by the Committee, subject to the following rules: (i) any payment that would otherwise be paid during 2008 pursuant to the terms of the Plan shall be paid in accordance with such terms, and (ii) any payment that would otherwise be paid after 2009 pursuant to the terms of the Plan shall not be accelerated into 2008.

(e) Other Events. The termination occurs upon such other events and conditions as the Internal Revenue Service may prescribe in generally applicable guidance published in the Internal Revenue Bulletin.

The provisions of paragraphs (a), (b), (c) and (e) of this Section 8.2 are intended to comply with the exception to accelerated payments under Treasury Regulation Section 1.409A-3(j)(4)(ix) and shall be interpreted and administered accordingly. The term "Company" as used in paragraphs (a) and (b) of this Section 8.2 shall include the Company and any entity which would be considered to be a single employer with the Company under Code Sections 414(b) or Section 414(c).

ARTICLE IX
MISCELLANEOUS

9.1. Non-alienation of Deferred Compensation. Except as permitted by the Plan, no right or interest under the Plan of any Participant or Beneficiary shall, without the written consent of the Company, be (i) assignable or transferable in any manner, (ii) subject to alienation, anticipation, sale, pledge, encumbrance, attachment, garnishment or other legal process or (iii) in any manner liable for or subject to the debts or liabilities of the Participant or Beneficiary. Notwithstanding the foregoing, to the extent permitted by Section 409A of the Code and subject to Section 6.6(a), the Committee shall honor a judgment, order or decree from a state domestic relations court which requires the payment of part or all of a Participant's or Beneficiary's interest under this Plan to an "alternate payee" as defined in Section 414(p) of the Code.

9.2. Participation by Employees of Affiliated Group Members. Any member of the Affiliated Group may, by action of its board of directors or equivalent governing body and with the consent of the Company's Board of Directors, adopt the Plan; provided that the Company's Board of Directors may waive the requirement that such board of directors or equivalent governing body effect such adoption. By its adoption of or participation in the Plan, the adopting member of the Affiliated Group shall be deemed to appoint the Company its exclusive agent to exercise on its behalf all of the power and authority conferred by the Plan upon the Company and accept the delegation to the Committee of all the power and authority conferred upon it by the Plan. The authority of the Company to act as such agent shall continue until the Plan is terminated as to the participating affiliate. An Eligible Employee who is employed by a member of the Affiliated Group and who elects to participate in the Plan shall participate on the same basis as an Eligible Employee of the Company. The Account of a Participant employed by a participating member of the Affiliated Group shall be paid in accordance with the Plan solely by such member to the extent attributable to Base Salary, Incentive Compensation or Director Fees that would have been paid by such participating member in the absence of deferral pursuant to the Plan, unless the Board otherwise determines that the Company shall be the obligor.

9.3. Interest of Participant.

(a) The obligation of the Company and any other participating member of the Affiliated Group under the Plan to make payment of amounts reflected in an Account merely constitutes the unsecured promise of the Company (or, if applicable, the participating members of the Affiliated Group) to make payments from their general assets and no Participant or Beneficiary shall have any interest in, or a lien or prior claim upon, any property of the Affiliated Group. Nothing in the Plan shall be construed as guaranteeing future employment to Eligible Employees. It is the intention of the Affiliated Group that the Plan be unfunded for tax purposes and for purposes of Title I of ERISA. The Company may create a trust to hold funds to be used in payment of its and the Affiliated Group's obligations under the Plan, and may fund such trust; provided, however, that any funds contained therein shall remain liable for the claims of the general creditors of the Company and the other participating members of the Affiliated Group.

(b) In the event that, in the sole discretion of the Committee, the Company and/or the other members of the Affiliated Group purchases an insurance policy or policies insuring the life of any Participant (or any other property) to allow the Company and/or the other members of the Affiliated Group to recover the cost of providing the benefits, in whole or in part, hereunder, neither the Participants nor their Beneficiaries or other distributees shall have nor acquire any rights whatsoever therein or in the proceeds therefrom. The Company and/or the other members of the Affiliated Group shall be the sole owner and beneficiary of any such policy or policies and, as such, shall possess and may exercise all incidents of ownership therein. A Participant's participation in the underwriting or other steps necessary to acquire such policy or policies may be required by the Company and, if required, shall not be a suggestion of any beneficial interest in such policy or policies to such Participant or any other person.

9.4. Claims of Other Persons. The provisions of the Plan shall in no event be construed as giving any other person, firm or corporation any legal or equitable right as against the Affiliated Group or the officers, employees or directors of the Affiliated Group, except any such rights as are specifically provided for in the Plan or are hereafter created in accordance with the terms and provisions of the Plan.

9.5. Severability. The invalidity and unenforceability of any particular provision of the Plan shall not affect any other provision hereof, and the Plan shall be construed in all respects as if such invalid or unenforceable provision were omitted.

9.6. Governing Law. Except to the extent preempted by federal law, the provisions of the Plan shall be governed and construed in accordance with the laws of the State of Delaware.

9.7. Relationship to Other Plans. The Plan is intended to serve the purposes of and to be consistent with any incentive compensation plan approved by the Committee for purposes of the Plan.

9.8. Successors. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business and/or assets of the Company expressly to assume this Plan. This Plan shall be binding upon and inure to the benefit of the Company and any successor of or to the Company, including without limitation any persons acquiring directly or indirectly all or substantially all of the business and/or assets of the Company whether by sale, merger, consolidation, reorganization or otherwise (and such successor shall thereafter be deemed the "Company" for the purposes of this Plan), and the heirs, beneficiaries, executors and administrators of each Participant.

9.9. Withholding of Taxes. Subject to Section 6.6, to the extent required by the law in effect at the time payments are made, the Affiliated Group may withhold or cause to be withheld from any amounts deferred or payable under the Plan all federal, state, local and other taxes as shall be legally required. The Affiliated Group shall have the right in its sole discretion to (i) require a Participant to pay or provide for payment of the amount of any taxes that the Affiliated Group may be required to withhold with respect to amounts that the Company credits to a Participant's Account or (ii) deduct from any amount of salary, bonus, incentive compensation or other payment otherwise payable in cash to the Participant the amount of any taxes that the Company may be required to withhold with respect to amounts that the Company credits to a Participant's Account.

9.10. Electronic or Other Media. Notwithstanding any other provision of the Plan to the contrary, including any provision that requires the use of a written instrument, the Committee may establish procedures for the use of electronic or other media in communications and transactions between the Plan or the Committee and Participants and Beneficiaries. Electronic or other media may include, but are not limited to, e-mail, the Internet, intranet systems and automated telephonic response systems.

9.11. Headings; Interpretation. Headings in this Plan are inserted for convenience of reference only and are not to be considered in the construction of the provisions hereof. Unless the context clearly requires otherwise, the masculine pronoun wherever used herein shall be construed to include the feminine pronoun.

9.12. Participants Deemed to Accept Plan. By accepting any benefit under the Plan, each Participant and each person claiming under or through any such Participant shall be conclusively deemed to have indicated his acceptance and ratification of, and consent to, all of the terms and conditions of the Plan and any action taken under the Plan by the Board, the Committee or the Company or the other members of the Affiliated Group, in any case in accordance with the terms and conditions of the Plan.

ARTICLE X
PRIOR PLAN AND TRANSITION RULES

10.1. Prior Plan.

(a) Any "amounts deferred" (within the meaning of Section 409A of the Code) in taxable years beginning before January 1, 2005 and credited to either a retirement sub-account or an in-service sub-account under the Prior Plan, and any earnings thereon, shall be governed by the terms of the Prior Plan as in effect on October 3, 2004, and it is intended that such amounts and any earnings thereon be exempt from the application of Section 409A of the Code. Immediately prior to the Effective Date, the Prior Plan shall be frozen, and neither the Company, its Affiliated Group nor any individual shall make or permit to be made any additional contributions or deferrals under the Prior Plan (other than earnings) on or after the Effective Date. Nothing contained herein is intended to materially enhance a benefit or right existing under the Prior Plan as of October 3, 2004 or add a new material benefit or right to such Prior Plan.

(b) Any "amounts deferred" (within the meaning of Section 409A of the Code) in taxable years beginning on or after January 1, 2005 and credited to either a retirement sub-account or an in-service sub-account under the Prior Plan, and any earnings thereon, shall be governed by the terms and conditions of the Plan, and it is intended that such amounts and any earnings thereon be subject to the application of Section 409A of the Code.

(c) Any amounts credited to a SERP cash sub-account under the Prior Plan (regardless of when credited), and any earnings thereon, shall be governed by the terms and conditions of the Plan and considered SERP Cash Account credits for purposes of the vesting provisions of Section 4.3. It is intended that such amounts and any earnings thereon be subject to the application of Section 409A of the Code.

(d) The amounts described in Sections 10.1(b) and (c) shall be the Assumed Amounts. The Committee shall transfer all of the Assumed Amounts from the Prior Plan to this Plan and credit those amounts to the appropriate Sub-Accounts under this Plan, as selected by the Committee in its sole discretion, on or before December 31, 2007. As a result of such transfer and crediting, all of the Company's obligations and Participant's rights with respect to the Assumed Amounts under the Prior Plan shall automatically be extinguished and become obligations and rights under this Plan without further action.

10.2. Transition Relief for Payment Elections. A Participant designated by the Committee may, no later than a date specified by the Committee (provided that such date occurs no later than December 31, 2008) elect on a form provided by the Committee to (i) change the date of payment of his Sub-Accounts to a date otherwise permitted for that Sub-Account under the Plan; or (ii) change the form of payment of his Sub-Accounts to a form of payment otherwise permitted for that Sub-Account under the Plan, without complying with the special timing requirements of Section 6.1(c). The Committee may also take any action that it deems necessary, in its sole discretion, to amend prior Payment Elections of a Participant, without the Participant's consent, to conform such elections to the terms of this Plan. A Participant designated by the Committee may, no later than a date specified by the Committee (provided that such date occurs no later than December 31, 2008) elect on a form provided by the Committee to defer any Incentive Compensation designated by the Committee in its sole discretion without complying with the special timing requirements for Deferral Elections under Article III. Any change or election described in this Section 10.2 shall be subject to such terms and conditions as the Committee may specify in its sole discretion. This Section 10.2 is intended to comply with the requirements of Notice 2007-86 and the applicable proposed and final Treasury Regulations issued under Section 409A of the Code and shall be interpreted in a manner consistent with such intent.

EXECUTED on this 21st day of December, 2007

NEWELL RUBBERMAID INC.

By: /s/ Jim Sweet

Jim Sweet, Executive Vice President —
Human Resources (CHRO)

Exhibit 10.7

<u>Final</u>

NEWELL RUBBERMAID
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

<u>Traditional SERP Benefit</u>

Effective January 1, 2008

NEWELL RUBBERMAID
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Traditional SERP Benefit
(Effective January 1, 2008)

TABLE OF CONTENTS

INTRODUCTION & HISTORY		1
ARTICLE I	NAME, PURPOSE, LEGAL STATUS	3
ARTICLE II	GENERAL DEFINITIONS	4
ARTICLE III	PARTICIPATION	7
ARTICLE IV	SERP FORMULA	8
ARTICLE V	VESTING	11
ARTICLE VI	RETIREMENT BENEFIT (President or Above)	14
ARTICLE VII	RETIREMENT BENEFIT (Vice President)	16
ARTICLE VIII	PRERETIREMENT DEATH BENEFIT (President or Above)	19
ARTICLE IX	PRERETIREMENT DEATH BENEFIT (Vice President)	21
ARTICLE X	SPECIAL PROVISIONS	23
ARTICLE XI	ADMINISTRATION AND FINANCING	28
ARTICLE XII	AMENDMENT AND TERMINATION	31
ARTICLE XIII	MISCELLANEOUS	33
ARTICLE XIV	2004 PLAN	35

NEWELL RUBBERMAID
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Traditional SERP Benefit
(Effective January 1, 2008)

INTRODUCTION & HISTORY

The Plan

Effective January 1, 1982, Newell Operating Company (the "Company") originally established the Supplemental Retirement Plan for Key Executives (the "1982 Plan"), which was established to provide supplemental retirement benefits for an eligible Vice President or an eligible President or Above, and was subsequently amended and restated several times thereafter.

Effective January 1, 2004, the Company renamed the 1982 Plan as the Newell Rubbermaid Supplemental Executive Retirement Plan (the "2004 Plan") and its benefit as the "Traditional SERP Benefit" and adopted the Newell Rubbermaid Retirement Choice Program (described below).

Effective January 1, 2007, the Company amended the 2004 Plan to (i) suspend participation of future executives in the 2004 Plan and (ii) modify the determination of a Participant's bonus for purposes of the SERP benefit formula.

Effective January 1, 2008, the Company hereby amends and restates the 2004 Plan to incorporate changes required by Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and the final regulations thereunder (described below), as provided in the plan hereunder (the "Plan").

Newell Rubbermaid Retirement Choice Program (2004)

Effective January 1, 2004, the Company adopted the Newell Rubbermaid Retirement Choice Program (the "Program") regarding the Traditional SERP Benefit under the 2004 Plan and established the SERP Cash Account benefit under the Newell Rubbermaid Inc. 2002 Deferred Compensation Plan (the "2002 Deferred Compensation Plan").

Under the Program, each existing Vice President (a corporate non-Executive Vice President of Newell Rubbermaid Inc., and a subsidiary Vice President, as designated by the Company) participating in the 1982 Plan as of December 31, 2003 made a one-time, irrevocable election to (i) remain in the 2004 Plan for the Traditional SERP Benefit or (ii) cease participation in the Traditional SERP Benefit and participate in the new SERP Cash Account benefit under the 2002 Deferred Compensation Plan. If the Vice President elected to participate in the SERP Cash Account, the equivalent lump sum amount of his benefit under the 1982 Plan was transferred to his SERP Cash Account under the 2002 Deferred Compensation Plan (and he therefore ceased to have any benefit under the 2004 Plan).

Further, each existing President or Above (the Chief Executive Officer and an Executive Vice President or Senior Vice President of Newell Rubbermaid Inc., and a Division President, as designated by the Company) participating in the 1982 Plan as of December 31, 2003 (i) remained in the 2004 Plan for the Traditional SERP Benefit and (ii) began participation in the SERP Cash Account. His opening balance under the SERP Cash Account was equal to the equivalent lump sum amount of his benefit under the 1982 Plan (with such SERP Cash Account used as an offset of the Traditional SERP Benefit).

Thereafter, a President or Above who became eligible for the 2004 Plan as a President or Above on or after January 1, 2004 (including therefore any previous or future Vice President promoted to President or Above) participated in both the (i) 2004 Plan for the Traditional SERP Benefit (but with a 50% SERP formula, except that a Vice President who elected to remain in the Traditional SERP Benefit continued to participate in the 67% SERP formula) and (ii) 2002 Deferred Compensation Plan for the SERP Cash Account benefit, with prospective benefits as provided thereunder.

The Traditional SERP Benefit of each President or Above under the 2004 Plan is offset by any amounts in his SERP Cash Account. The Vice Presidents who elected to remain in the 2004 Plan for the Traditional SERP Benefit do not participate in the SERP Cash Account benefit under the 2002 Deferred Compensation Plan.

Section 409A Compliance (2008)

Effective January 1, 2008, the 2004 Plan is hereby amended and restated to comply with Section 409A of the Code and, in connection therewith, the Traditional SERP Benefit for a (i) President or Above will be paid in a lump sum payment or installments at the same time and form of payment as his SERP Cash Account and (ii) Vice President will be paid independently of the Newell Rubbermaid Pension Plan.

ARTICLE I
NAME, PURPOSE, LEGAL STATUS

1.1 Name. The Plan hereunder shall be known as the Newell Rubbermaid Supplemental Executive Retirement Plan (the “Plan”), providing the Traditional SERP Benefit thereunder effective January 1, 2008.

1.2 Purpose. The purpose of the Plan and its Traditional SERP Benefit is to provide supplemental retirement and death benefits for an eligible Vice President or President or Above who had become a participant of the 2004 Plan before January 1, 2007.

1.3 Plan. Effective January 1, 2008, the Plan shall apply to each Covered Executive. The Plan shall supersede the 2004 Plan for each Covered Executive and, therefore, shall exclusively govern the vesting, entitlement, calculation and payment of the benefit of a Covered Executive under the Plan and 2004 Plan.

1.4 2004 Plan. Effective January 1, 2008, the 2004 Plan shall continue to apply to each participant or beneficiary of the 2004 Plan who is not a Covered Executive. The 2004 Plan, therefore, shall govern the benefits payable to a Grandfathered Participant and Interim Participant, as such terms are defined in Article XIV, except that (i) the 2004 Plan shall be considered amended as provided in Article XIV for each Interim Participant to comply with Section 409A of the Code for the period from January 1, 2005 through December 31, 2007 and as otherwise provided in Article XIV and (ii) the Plan shall apply regarding the reemployment of any Interim Participant.

1.5 ERISA Status. The Company intends the Plan to be an unfunded deferred compensation plan for a select group of management or highly compensated employees, within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA.

1.6 Code Section 409A. The Company intends the Plan to comply with Section 409A of the Code, but does not warrant or guarantee compliance therewith, in accordance with Section 10.9.

ARTICLE II
GENERAL DEFINITIONS

2.1 “Actuarial Assumptions” means the interest rate and mortality assumptions as defined in (i) Section 6.5, for a President or Above or (ii) Section 7.8, for a Vice President.

2.2 “Affiliate” means each entity with whom the Company would be considered a single employer under Sections 414(b) and 414(c) of the Code, provided that in applying Section 1563(a)(1), (2), and (3) for purposes of determining a controlled group of corporations under Section 414(b) of the Code, the language “at least 50 percent” is used instead of “at least 80 percent” each place it appears in Section 1563(a)(1), (2), and (3), and in applying Treasury Regulation Section 1.414(c)-2 for purposes of determining trades or businesses (whether or not incorporated) that are under common control for purposes of Section 414(c), “at least 50 percent” is used instead of “at least 80 percent” each place it appears in that regulation. Such term shall be interpreted in a manner consistent with the definition of “service recipient” contained in Section 409A of the Code.

2.3 “Affiliated Group” means (i) the Company and (ii) all Affiliates.

2.4 “Board” means the Board of Directors of the Company.

2.5 “Change in Control” means the occurrence of a “change in the ownership,” a “change in the effective control” or a “change in the ownership of a substantial portion of the assets” of the Company or an Affiliate within the meaning of Section 409A of the Code.

2.6 “Code” means the Internal Revenue Code of 1986, as amended.

2.7 “Commencement Effective Date” refers to the effective date of commencement of the SERP retirement benefit under Article VII of a Participant who is a Vice President and means the first day of the month after the later of (i) the age elected by him for the commencement of his retirement benefit under Section 7.10 or (ii) his Separation from Service.

2.8 “Committee” means the Newell Rubbermaid Benefit Plans Administrative Committee, or its designee.

2.9 “Company” means Newell Operating Company, a Delaware corporation, and its successors, including, without limitation, the surviving corporation resulting from any merger or consolidation of Newell Operating Company with any other corporation, limited liability company, joint venture, partnership or other entity or entities.

2.10 “Covered Executive” means each individual who was a participant of the 2004 Plan and (i) had not Separated from Service by December 31, 2007 and continues to be eligible for the Plan as determined by the Committee or (ii) was employed by the Company or an Affiliate on or after January 1, 2005, had Separated from Service by December 31, 2007, was vested under the 2004 Plan and had not commenced benefits under the 2004 Plan by December 31, 2007.

2.11 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

2.12 “Early Retirement Date” of a Participant who is a Vice President means the first day of the month coincident with or next following the date he has both (i) reached his 60th birthday and (ii) been credited with at least 15 Years of Early Retirement Service.

2.13 "New High Level Executive" means a Participant who had first became eligible (or reeligible) for the 2004 Plan as a President or Above on or after January 1, 2004 and before January 1, 2007. A New High Level Executive, therefore, may have included any Vice President promoted to President or Above, including a Vice President who elected under the Newell Rubbermaid Retirement Choice Program effective January 1, 2004 to (i) continue to participate in the 2004 Plan for the Traditional SERP Benefit or (ii) participate in the SERP Cash Account.

2.14 "1982 Plan" means the Newell Rubbermaid Supplemental Retirement Plan for Key Executives, as in effect prior to January 1, 2004.

2.15 "Normal Retirement Date" of a Participant means the first day of the month coincident with or next following the later of his (i) 65th birthday or (ii) Separation from Service.

2.16 "Participant" means each Covered Executive who becomes a Participant in the Plan under Section 3.1 and continues to be a Participant under Section 3.3.

2.17 "Participating Affiliate" means Newell Rubbermaid Inc. or an Affiliate which adopts the Plan with the consent of the Company.

2.18 "Pension Plan" means the Newell Rubbermaid Pension Plan.

2.19 "Plan" or "SERP" means the Newell Rubbermaid Supplemental Executive Retirement Plan, as provided in the plan hereunder and as the successor to the 2004 Plan effective January 1, 2008.

2.20 "Plan Year" means the calendar year.

2.21 "Preretirement Date" means the first day of the month coincident with or next following the date of a Participant's death (regardless, in the case of a Vice President, of whether he has reached his Early Retirement Date).

2.22 "President or Above" means the Chief Executive Officer and an Executive Vice President or Senior Vice President of Newell Rubbermaid Inc., and a Division President of the Affiliated Group, as designated by the Company.

2.23 "SERP Cash Account" means the Company Contribution Sub-Account maintained for a Participant under the 2008 Deferred Compensation Plan.

2.24 "SERP Accrued Monthly Benefit" means the benefit amount of a Participant determined under Section 4.1 (as the amount payable as of his Normal Retirement Date, as provided thereunder), calculated as of his Separation from Service (or, if earlier, date of death), except as otherwise provided by the Plan.

2.25 "SERP Transfer Date" refers to the effective date of the calculation and transfer of the SERP retirement benefit under Article VI or preretirement death benefit under Article VIII of a Participant who is a President or Above to the 2008 Deferred Compensation Plan and means the January 1st immediately following his (i) Separation from Service, with respect to his SERP retirement benefit under Article VI or (ii) death, with respect to his SERP preretirement death benefit under Article VIII.

2.26 "Separation from Service" (or any derivation thereof) means a termination of employment or service with the Affiliated Group in such a manner as to constitute a "separation from service" as defined under Section 409A of the Code. Upon a sale or other disposition of the assets of the Company or any Affiliate to an unrelated purchaser, the Committee reserves the right, to the extent permitted by Section 409A of the Code, to determine whether Participants providing services to the purchaser after and in connection with the purchase transaction have experienced a Separation from Service.

2.27 "Traditional SERP Benefit" means the benefit provided in the Plan hereunder, effective January 1, 2008.

2.28 "2002 Deferred Compensation Plan" means the Newell Rubbermaid Inc. 2002 Deferred Compensation Plan.

2.29 "2004 Plan" means the Newell Rubbermaid Supplemental Executive Retirement Plan, as in effect from January 1, 2004 through December 31, 2007.

2.30 "2008 Deferred Compensation Plan" means the Newell Rubbermaid Inc. 2008 Deferred Compensation Plan, which succeeded the 2002 Deferred Compensation Plan and pays benefits originally accrued thereunder.

2.31 "Vice President" means a corporate non-Executive Vice President of Newell Rubbermaid Inc., and a Vice President of the Affiliated Group, as designated by the Company.

2.32 "Years of Credited Service" of a Participant means his years as defined in Section 4.3, unless otherwise determined by the Committee or provided under the terms of his employment agreement with the Company or an Affiliate.

2.33 "Years of Early Retirement Service" of a Participant who is a Vice President means his years of vesting service under the Pension Plan, unless otherwise determined by the Committee or provided under the terms of his employment agreement with the Company or an Affiliate.

ARTICLE III
PARTICIPATION

3.1 Covered Executive. Effective as of January 1, 2008, each Covered Executive shall become a Participant in the Plan. No further individual shall become a Participant in the Plan (or otherwise re-participate therein). (Effective January 1, 2007, the 2004 Plan suspended the participation of any new executive, or re-participation of any previous participant, in the 2004 Plan.)

3.2 Payment Elections. A Participant shall make the following elections regarding the time and form of payment of his benefit under the Plan (as applicable):

(a) President or Above. A Participant who is a President or Above as of December 31, 2007 shall make an election regarding the form of payment of his SERP Cash Account under the 2008 Deferred Compensation Plan, which election will govern the form of payment of his SERP retirement benefit under Article VI.

(b) Vice President. A Participant who is a Vice President as of December 31, 2007 shall make an election under Section 7.10 to specify an age under his Commencement Effective Date for the payment of his SERP retirement benefit under Article VII.

Each Participant shall make the foregoing elections at such times prescribed by the Committee therefor, provided each election and the time and manner of such elections comply with Section 409A of the Code.

3.3 Continued Participation. A Participant's active participation in the Plan shall be suspended upon his employment status change under Section 4.7 or Separation from Service. Further, a Participant shall cease to be a Participant upon his non-vested Separation from Service under Section 5.3 or the complete transfer or payment of his benefit under the Plan. Thereafter, in any foregoing case, the Participant shall not reparticipate in the Plan under any circumstances, including upon his reemployment with the Affiliated Group.

ARTICLE IV
SERP FORMULA

4.1 SERP Accrued Monthly Benefit. A Participant's "SERP Accrued Monthly Benefit" means the following monthly amount, payable as of his Normal Retirement Date:

(a) Gross Benefit: 67% times his Final Average Monthly Pay (under Section 4.2), times his Years of Credited Service (under Section 4.3) up to 25 divided by 25;

(b) less his Pension Plan Benefit (under Section 4.4); and

(c) less his Social Security Benefit (under Section 4.5),

(d) Equals his SERP Accrued Monthly Benefit (but not below zero).

However, in the case of a Participant who is a New High Level Executive (other than a Vice President under the 2004 Plan who elected under the Newell Rubbermaid Retirement Choice Program effective January 1, 2004 to continue to participate in the 2004 Plan for the Traditional SERP Benefit), "50%" shall be substituted for "67%" in the foregoing formula.

4.2 Final Average Monthly Pay. For purposes of this Article, a Participant's "Final Average Monthly Pay" is the sum of his Annual Compensation (as defined herein) during the five consecutive calendar years in which his Annual Compensation was the highest, divided by 60 months. If the Participant has not been employed with the Company and Participating Affiliates for five full calendar years, his Final Average Monthly Pay is the monthly average of his Annual Compensation while employed with the Company and Participating Affiliates. For purposes of this Section:

(a) Annual Compensation. A Participant's "Annual Compensation" is his base salary and bonus from the Company and Participating Affiliates paid during a calendar year (including any years prior to his participation in the Plan or 2004 Plan). The Participant's Annual Compensation, therefore, is not reduced by any elective contributions from his base salary or bonus made under the Newell Rubbermaid 401(k) Savings and Retirement Plan, 2008 Deferred Compensation Plan, 2002 Deferred Compensation Plan or any Code Section 125 plan maintained by the Company or a Participating Affiliate.

(b) Cash Bonus Plan. For purposes of subsection (a), a Participant's "bonus" is the actual amount of a bonus paid to him under a cash bonus plan or program of the Company or a Participating Affiliate. However, effective for a Participant whose initial employment date with the Company or a Participating Affiliate precedes January 1, 2006 and with respect to a bonus paid to him in any year beginning on or after January 1, 2007, his "bonus" shall be the amount of the bonus which would have been paid to him in such year if the bonus formula in effect for calendar year 2005 with respect to his current job classification under the Newell Rubbermaid Inc. Management Cash Bonus Plan or such other cash bonus plan or program of the Company or Participating Affiliate which was or would be applicable to him (for purposes of this Section, a "Cash Bonus Plan") was applied to determine the bonus paid to him in such year, as determined by the Company.

(c) Transition Stock Awards. Notwithstanding subsection (a), a Participant's "base salary and bonus" in any event shall not include restricted stock awards made in 2005 and 2006 under the Newell Rubbermaid Inc. Long-Term Incentive Plan in connection with the reduction of his target bonus opportunity under a Cash Bonus Plan.

4.3 Years of Credited Service. For purposes of this Article and the Plan, a Participant's "Years of Credited Service" are his whole and fractional years of continuous service which begin and end on the following dates:

(a) Begins. A Participant's Years of Credited Service begin on his "credited service date," i.e., the date of his initial employment as an employee with the Company or an Affiliate, but starting no sooner than the date any such Affiliate is owned by the Company or an Affiliate. The Participant's credited service date, therefore, may precede the date of his participation in the 2004 Plan or promotion to Vice President or President or Above.

(b) Ends. A Participant's Years of Credited Service end on the date of his Separation from Service (or, if earlier, the suspension of his participation in the Plan under Section 3.3).

A Participant shall receive a (i) whole year for each 365 days of continuous service (or, for leap years, 366 days) and (ii) fractional year equal to his days of continuous service divided by 365 days (or, for leap years, 366 days).

4.4 Pension Plan Benefit. For purposes of this Article, a Participant's "Pension Plan Benefit" means his following monthly amount under the Pension Plan, determined using the benefit formula(s) in effect under the Pension Plan as of December 31, 2004, and as applicable or would be applicable to the Participant if the Pension Plan had not suspended future benefit accruals and new participants effective December 31, 2004 (as such benefit formula(s) are incorporated herein by reference), based on his marital status on his (i) SERP Transfer Date, for a President or Above or (ii) Commencement Effective Date, for a Vice President; as follows:

(a) Married Participant. If the Participant is married (and has been married to the same spouse for the one year period ending on his SERP Transfer Date or Commencement Effective Date, as applicable), the Pension Plan Benefit is the monthly amount from the Pension Plan payable as of his Normal Retirement Date in a qualified joint and 50% survivor annuity with his spouse as the beneficiary under the Pension Plan (and without regard to the amount, if any, actually being paid as of his Normal Retirement Date).

(b) Single Participant. If the Participant is not so married under subsection (a), the Pension Plan Benefit is the monthly amount from the Pension Plan payable as of his Normal Retirement Date in a single life annuity under the Pension Plan (and without regard to the amount, if any, actually being paid as of his Normal Retirement Date).

A Participant's Pension Plan Benefit, therefore, (i) includes the benefit he would have received from the Pension Plan had the Pension Plan not been frozen or suspended for new participants effective December 31, 2004 and (ii) is determined without regard to his vested status under the Pension Plan. Further, a Participant's Pension Plan Benefit, to the extent applicable, shall be based on the actuarial assumptions under the Pension Plan as in effect on December 31, 2007 (regardless if subsequently changed).

4.5 Social Security Benefit. For purposes of this Article, a Participant's "Social Security Benefit" means the monthly amount of his primary Social Security benefit payable as of his Normal Retirement Date, based on his service and earnings under the Social Security Act as of his Separation from Service, projected with level earnings thereunder based on his most recent compensation with the Company and Participating Affiliates and assuming no increases in the Taxable Wage Base under the Social Security Act. A Participant's Social Security Benefit, therefore, is determined without regard to the actual amount of his monthly Social Security benefit as of his Normal Retirement Date.

4.6 SERP Cash Account. A Participant's SERP Accrued Monthly Benefit shall be offset in the manner provided under Article VI or VIII or as otherwise provided under the Plan for the amount of his SERP Cash Account (if any), determined without regard to his vested status in the SERP Cash Account. Further, the foregoing reduction for the Participant's SERP Cash Account shall apply to his entire SERP Cash Account, including, therefore, the portion thereof attributable to (i) in the case of a New High Level Executive who was a Vice President that elected to join the SERP Cash Account effective January 1, 2004, his benefit under the 2004 Plan transferred as an equivalent lump sum amount to the SERP Cash Account or (ii) in the case of a President or Above, the opening balance under the SERP Cash Account equal to his benefit under the 2004 Plan as an equivalent lump sum amount.

4.7 Suspension Upon Employment Status Change. Upon a Participant's employment status change while remaining employed with the Affiliated Group (other than his promotion from a Vice President to a President or Above under Section 4.8), including but not limited to his (i) transfer from a President or Above or Vice President to a lesser status, (ii) transfer to a non-Participating Affiliate or (iii) cessation of eligibility for the Plan, in each foregoing case as determined by the Company, he shall cease to accrue further increases to his SERP Accrued Monthly Benefit and the amount thereof shall be calculated as if he Separated from Service on the date of his employment status change, but his vested status and the payment of his benefit under the Plan will be subject to the remaining provisions of the Plan (including, in the case of a President or Above, the offset for his SERP Cash Account). Further, the Participant shall continue to be credited with (i) Years of Credited Service to determine his vested status for involuntary termination purposes under Section 5.1(b) and (ii) Years of Early Retirement Service for purposes of his Early Retirement Date (as applicable only to a Vice President).

4.8 Promotion to President or Above. If, after January 1, 2008, a Participant who is a Vice President is promoted to a President or Above, his SERP Accrued Monthly Benefit as of his SERP Transfer Date shall be reduced by his SERP Accrued Monthly Benefit calculated as of the date of his promotion to President or Above (his "Vice President Accrued Benefit") to reach his remaining SERP Accrued Monthly Benefit (his "President Accrued Benefit"). The Participant's (i) Vice President Accrued Benefit shall be paid to him under the terms of Article VII or IX (as applicable), substituting his Vice President Accrued Benefit for his SERP Accrued Monthly Benefit thereunder and (ii) President Accrued Benefit (less his SERP Cash Account) shall be transferred to the 2008 Deferred Compensation Plan pursuant to the terms of Article VI or VIII (as applicable), by substituting his President Accrued Benefit for his SERP Accrued Monthly Benefit thereunder, but the SERP Lump Sum Amount under Article VI or VIII (as applicable) shall be paid solely in a lump sum payment (notwithstanding any contrary provision of the 2008 Deferred Compensation Plan).

ARTICLE V
VESTING

5.1 Vesting Requirements. A Participant shall become “vested” in his Traditional SERP Benefit under any following circumstance:

(a) Employment At Age 60. He is employed as an employee on or after his 60th birthday with the Company or any Affiliate (regardless of his Years of Credited Service).

(b) Involuntary Termination With 15 Years. He (i) is involuntarily terminated from employment with all members of the Affiliated Group before his 60th birthday and (ii) has at least 15 Years of Credited Service; subject to Section 5.6.

(c) Rule of 75 Vesting. He qualifies for “rule of 75” vesting under Section 5.2.

(d) Change In Control. Upon a change in control (as defined in the Newell Rubbermaid Inc. 2003 Stock Plan, as amended from time to time).

(e) Employee of Sold Business. He (i) has been credited with at least 15 Years of Credited Service, (ii) is employed with a member or division of the Affiliated Group on the date of the sale of such member or division to an independent person and (iii) continues employment with the member or division immediately following thereafter.

(f) Death During Employment. He dies before his Separation from Service (regardless of the number of his Years of Credited Service).

(g) Employment Agreement. If and as provided under the terms of his employment agreement with the Company or an Affiliate, including upon termination following a change in control as provided thereunder.

(h) Committee Discretion. Under such other circumstances as determined by the Committee in its sole and absolute discretion.

Once vested, the Participant shall be entitled to a retirement benefit from the Plan under Article VI or VII (as applicable) or a preretirement death benefit under Article VIII or IX (as applicable). Notwithstanding any provision of the Plan, a Participant must be vested under this Section in order for he or his spouse or beneficiary to be entitled to receive benefits from the Plan.

5.2 Rule of 75 Vesting. Subject to the requirements set forth below, a Participant shall become fully vested in his Traditional SERP Benefit if, as of the date of his retirement with the Affiliated Group without Cause, as determined by Newell Rubbermaid Inc. (in this Section, Company), (i) he is at least age 55, (ii) he has at least five years of credited service (as defined herein) and (iii) the sum of his whole and fractional years of age and credited service equals or exceeds 75.

For purposes of this Section, the term “credited service” means his period of employment with the Affiliated Group (including any predecessor company or business acquired by the Affiliated Group, provided he was immediately employed by the Affiliated Group), as defined by the Company. Age and credited service shall be determined in fully completed years and months, with each month being measured as a continuous period of 30 days. The term “Cause” means the

Participant's unsatisfactory performance or conduct detrimental to the Affiliated Group, as solely determined by the Company.

As a condition to becoming vested under this Section, a Participant must execute and deliver to the Company an agreement, in the form prescribed by the Company, an in accordance with procedures established by the Company, that he will not solicit employees, customers or suppliers of the Affiliated Group, or compete with the Affiliated Group, and that he releases all claims against the Affiliated Group. The foregoing agreement must become effective and irrevocable in accordance with its terms no later than the first business day of the seventh month following the Participant's Separation from Service. If he fails to furnish any such agreement, or if the agreement furnished by him has not become effective and irrevocable by the first business day of the seventh month after his Separation from Service, he will not be entitled to the payment of his Traditional SERP Benefit that would become vested under this Section.

5.3 Non-Vested Separation From Service. If a Participant Separates from Service with the Affiliated Group before becoming vested under this Article, his benefit under the Plan shall be immediately forfeited. If he is ever reemployed with the Affiliated Group, his benefit under the Plan (or under the 2004 Plan or 1982 Plan) will not be reinstated thereunder.

5.4 Forfeiture Events. Even if a Participant is vested under this Article, he shall cease to be vested, and thereafter not be entitled to any benefit from the Plan (regardless of whether it commenced, was paid or transferred from the Plan), under any following circumstance:

(a) At any time because of any act or failure to act on his part which constitutes fraud, misappropriation, theft or embezzlement of funds of the Company or an Affiliate or an intentional breach of fiduciary duty, including a breach of the Company or Affiliate's Code of Business Conduct involving the Company or an Affiliate.

(b) At any time he engages in competition with, or work for another business entity in competition with, the Company or an Affiliate in the areas that it serves.

(c) At any time he makes any unauthorized disclosure of any trade or business secrets or privileged information acquired during his employment with the Company or an Affiliate.

(d) At any time he is convicted of a felony connected with his employment by the Company or an Affiliate.

(e) At any time he makes a material misrepresentation in any form or document provided by him to or for the benefit of the Company or an Affiliate.

5.5 Repayment of Benefits. In the event a Participant ceases to be vested under Section 5.4, or fails to comply with the agreement required under Section 5.2, and he has received benefits from the Plan or the 2008 Deferred Compensation Plan (including a lump sum payment), the Participant (or, if applicable, his estate or beneficiary) shall repay to the Company the full amount of the Plan benefits (with interest based on the interest rate(s) under the definition of Actuarial Assumptions under Section 7.8 for the year(s) benefits were made to the Participant) within 30 days of written demand by the Committee. The foregoing written demand shall contain the forfeiture event or agreement violated by the Participant, the factual circumstances supporting such violation and his appeal rights under Section 11.2. Following repayment, the Participant may appeal the forfeiture of his Plan benefit pursuant to Section 11.2.

5.6 Release For Involuntary Termination. The payment of any benefit under the SERP to a Participant who becomes vested in such benefit pursuant to Section 5.1(b) before attaining age 60, and before his date of death, is conditioned upon the prior execution by such Participant of a release, in a form satisfactory to the Company, whereby the Participant fully releases the Company, all of its Affiliates, the Committee and all of their respective officers, employees, directors and agents, from any and all rights and claims that such Participant, or his heirs, representatives, successors and assigns, may at any time have with respect to the receipt of benefits under the SERP. The release must become effective and irrevocable in accordance with its terms no later than the first business day of the seventh month following the Participant's Separation from Service. If he fails to furnish the release, or if the release furnished by him has not become effective and irrevocable by the first business day of the seventh month after his Separation from Service, then he will not be entitled to any payment under the Plan.

ARTICLE VI
RETIREMENT BENEFIT
(President or Above)

6.1 Retirement Benefit. If a Participant is a President or Above, is vested under Article V and incurs a Separation from Service (in this Article, a "Participant"), he shall be entitled to a "retirement benefit" from the Plan payable to him at the same time and form of payment as the Participant's SERP Cash Account under the 2008 Deferred Compensation Plan.

6.2 Transfer To 2008 Plan. To effect the payment under Section 6.1, the Participant's SERP Lump Sum Amount (under Section 6.3) shall be credited to his SERP Cash Account under the 2008 Deferred Compensation Plan effective as of his SERP Transfer Date. The payment or commencement of the Participant's retirement benefit from the 2008 Deferred Compensation Plan shall be subject to the terms and conditions of the 2008 Deferred Compensation Plan.

6.3 SERP Lump Sum Amount. For purposes of this Article, a Participant's "SERP Lump Sum Amount" shall equal the following amount as of his SERP Transfer Date:

(a) The actuarial present value of his SERP Accrued Monthly Benefit payable in his Normal Annuity Form (under Section 6.4), using the Actuarial Assumptions in effect for the calendar year of his Separation from Service, and calculated as a "deferred annuity" (i.e., as the actuarial present value of the foregoing benefit commencing as of his Normal Retirement Date, then discounted to the SERP Transfer Date); and

(b) less the amount of his SERP Cash Account as of the SERP Transfer Date,

(c) Equals his SERP Lump Sum Amount (but not below zero).

However, if the Participant's SERP Transfer Date is on or after his Normal Retirement Date, the actuarial present value of the benefit under subsection (a) shall be calculated as an "immediate annuity" (i.e., as the actuarial present value of the benefit commencing as of the Normal Retirement Date), with an increase for interest from the Normal Retirement Date to the SERP Transfer Date using the interest rate from the Actuarial Assumptions in effect for the calendar year of his Separation from Service.

6.4 Normal Annuity Form. For purposes of this Article, a Participant's "Normal Annuity Form" is based on his marital status as of his SERP Transfer Date:

(a) Married Participant. If the Participant is married (and has been married to the same spouse for the one year period ending on his SERP Transfer Date), his Normal Annuity Form is a qualified joint and 50% survivor annuity with his spouse.

(b) Single Participant. If the Participant is not so married under subsection (a), his Normal Annuity Form is a single life annuity.

6.5 Actuarial Assumptions. For purposes of this Article and the Plan, the "Actuarial Assumptions" for a President or Above means the following assumptions:

(a) The interest rate assumption in effect for the calendar year specified by the Plan for financial statement reporting purposes in the Form 10-K of Newell Rubbermaid Inc. under Financial Accounting Standards Board (FASB) Statement 87 for the calendar year, using the methodology for the determination of such interest rate as in effect therefor as of December 31, 2007.

(b) The mortality assumption in effect for the calendar year specified by the Plan for financial statement reporting purposes in the Form 10-K of Newell Rubbermaid Inc. under Financial Accounting Standards Board (FASB) Statement 87 for the calendar year, using the methodology for the determination of such mortality assumption as in effect therefor as of December 31, 2007; provided, however, that the (i) mortality table shall be blended 50%/50% for males and females and (ii) mortality assumption shall be applied without any reduction for death before a Participant's Normal Retirement Date.

6.6 Preretirement Death Benefit. Notwithstanding the provisions of this Article, if the Participant dies before his SERP Transfer Date, the Plan shall not pay a retirement benefit under this Article to any person with respect to his benefit under the Plan. Instead, the Participant shall be eligible for a preretirement death benefit from the Plan under Article VIII.

ARTICLE VII
RETIREMENT BENEFIT
(Vice President)

7.1 Retirement Benefit. If a Participant is a Vice President, is vested under Article V and incurs a Separation from Service (in this Article, a "Participant"), he shall be entitled to a "retirement benefit" from the Plan payable to him under the terms of this Article.

7.2 Payment. A Participant's retirement benefit shall (i) commence monthly to him as of his Commencement Date (under Section 7.3), with payments beginning within 90 days thereof, (ii) equal his Benefit Amount (under Section 7.4) and (iii) be paid in his Normal Annuity Form (under Section 7.5) or an Alternative Annuity Form (under Section 7.6).

7.3 Commencement Date. For purposes of this Article and the Plan, a Participant's "Commencement Date" means the later of the following dates:

(a) His Commencement Effective Date; or

(b) The first day of the month after the six-month anniversary of his Separation from Service.

Notwithstanding Section 7.2, if a Participant's retirement benefit payments commence as a result of subsection (b) hereof, the first monthly payment of his Benefit Amount also shall include any monthly payments (without interest) that would have been made had his retirement benefit commenced on his Commencement Effective Date.

7.4 Benefit Amount. For purposes of this Article, a Participant's "Benefit Amount" shall equal his SERP Accrued Monthly Benefit. However, if his Commencement Effective Date precedes his Normal Retirement Date, his SERP Accrued Monthly Benefit shall be reduced by .5% for each month (or 6% per year) for which his Commencement Effective Date precedes his Normal Retirement Date.

7.5 Normal Annuity Form. For purposes of this Article, a Participant's "Normal Annuity Form" is based on his marital status as of his Commencement Effective Date, as follows:

(a) Married Participant. If the Participant is married (and has been married to the same spouse for the one year period ending on his Commencement Effective Date), his Benefit Amount is payable in a qualified joint and 50% survivor annuity with his spouse.

(b) Single Participant. If the Participant is not so married under subsection (a), his Benefit Amount is payable in a single life annuity.

Accordingly, if the Participant elects to receive his retirement benefit in his foregoing "married" or "single" Normal Annuity Form, the amount of his retirement benefit payments under Section 7.2 shall equal his exact Benefit Amount.

7.6 Alternative Annuity Form. In lieu of his Normal Annuity Form, a Participant may elect at any time before his Commencement Date to receive his retirement benefit in an "Alternative Annuity Form" which, for purposes of this Article, shall include the following annuity forms:

(a) A single life annuity.

(b) A joint and 50% survivor annuity.

(c) A joint and 100% survivor annuity.

(d) A single life and 10 year certain annuity.

If the Participant elects an Alternative Annuity Form, the Benefit Amount of his retirement benefit under Section 7.2 shall be the actuarial equivalent amount, using the Actuarial Assumptions (under Section 7.8) in effect for the Plan Year of his Commencement Effective Date, of his Benefit Amount payable in his “married” or “single” Normal Annuity Form.

7.7 Spousal Consent. The Participant may receive or elect his Normal Annuity Form or an Alternative Annuity Form, and designate his spouse or any other person as his survivor beneficiary under such Annuity Form, provided his spouse as of his Commencement Effective Date (if he has been married to the same spouse for the one year period ending on his Commencement Effective Date) consents to such Annuity Form and beneficiary designation within the time prescribed by the Committee prior to his Commencement Date.

7.8 Actuarial Assumptions. For purposes of this Article and the Plan, the “Actuarial Assumptions” for a Vice President means the following assumptions:

(a) The published interest rate under Section 430(h)(2)(C)(iii) (known as the third segment rate) of the Code as in effect for the Plan Year specified under the Plan, based on the fourth applicable month which precedes the Plan Year.

(b) The published mortality table under Section 430(h)(3) of the Code, blended 50%/50% for males and females, as in effect for the Plan Year specified under the Plan, applied without any reduction for death before a Participant’s Normal Retirement Date.

The foregoing interest rate and mortality table shall be applied without regard to any transition provisions under Section 430(h) of the Code.

7.9 Preretirement Death Benefit. Notwithstanding the provisions of this Article, if the Participant dies before his Commencement Date, the Plan shall not pay a retirement benefit under this Article to any person with respect to his benefit under the Plan. Instead, the Participant shall be eligible for a preretirement death benefit from the Plan under Article IX.

7.10 Transition Relief for Time of Payment Election. A Participant shall, no later than a date specified by the Committee (provided that such date occurs no later than December 31, 2008) on a form provided by the Committee, elect an age in years and months between age 60 and 65 for his Commencement Effective Date. If a Participant does not make the foregoing election in accordance with the terms of this Section, or if he makes such election but the Committee determines that at the time of his election he will not have been credited with at least 15 Years of Early Retirement Service as of the designated age, then he shall be deemed to have elected age 65. The Committee may also take any action that it deems necessary, in its sole discretion, to amend any such election of a Participant, without his consent, to conform the election to the terms of the Plan. This Section is intended to comply with IRS Notice 2007-86, any subsequent notice or guidance, and the applicable proposed and final Treasury Regulations issued under Section 409A of the Code and shall be interpreted in a manner consistent with such intent.

7.11 Subsequent Deferral Election. Notwithstanding Section 7.10, a Participant who elects his 60th birthday in his Commencement Effective Date under Section 7.10 (and currently has, or will then at age 60 have, at least 15 Years of Early Retirement Service) may make a one-time, irrevocable “subsequent deferral election” to change his age election under his Commencement Effective

Date to his 65th birthday, provided he makes such election under rules prescribed by the Committee at least 12 months before his 60th birthday. The Committee shall disregard any subsequent deferral election by a Participant to the extent such election would result in an acceleration of the time or schedule of any payment or amount scheduled to be paid under the Plan within the meaning of Section 409A of the Code.

7.12 Reemployment. If a Participant is receiving annuity payments under this Article (or if any participant is receiving annuity payments under the 2004 Plan or 1982 Plan) and he is subsequently reemployed by the Affiliated Group, the annuity payments shall continue to be paid at the same time and form as in effect before his reemployment.

ARTICLE VIII
PRERETIREMENT DEATH BENEFIT
(President or Above)

8.1 Preretirement Death Benefit. If a Participant is a President or Above, is vested under Article V and dies before his SERP Transfer Date (in this Article, a “Participant”), his beneficiary under the 2008 Deferred Compensation Plan shall be entitled to a “preretirement death benefit” from the Plan payable to the beneficiary at the same time and form of payment as the Participant’s SERP Cash Account under the 2008 Deferred Compensation Plan.

8.2 Transfer To 2008 Plan. To effect the payment under Section 8.1, the Participant’s SERP Lump Sum Amount (under Section 8.3) shall be credited to his SERP Cash Account under the 2008 Deferred Compensation Plan effective as of his SERP Transfer Date.

8.3 SERP Lump Sum Amount. For purposes of this Article, a Participant’s “SERP Lump Sum Amount” shall equal the following amount as of his SERP Transfer Date:

(a) The actuarial present value of his applicable SERP Death Benefit (under Section 8.4), using the Actuarial Assumptions in effect for the calendar year of the Participant’s death, and calculated as an “immediate annuity” (i.e., as the actuarial present value of the foregoing benefit commencing as of his Preretirement Date), with an increase for interest from the Preretirement Date to the SERP Transfer Date using the interest rate from the Actuarial Assumptions in effect for the calendar year of his death; and

(b) less the amount of his SERP Cash Account as of the SERP Transfer Date,

(c) Equals his SERP Lump Sum Amount (but not below zero).

8.4 SERP Death Benefit. For purposes of this Article, a Participant’s “SERP Death Benefit” means whichever of the following benefit amounts would produce a higher lump sum value under Section 8.3(a) (as applicable):

(a) Adjusted SERP Accrued Monthly Benefit. The Participant’s Adjusted SERP Accrued Monthly Benefit (under Section 8.5), without any reduction for commencement before his Normal Retirement Date, and payable commencing on his Preretirement Date and ending with the month of his 65th birthday (or, if later, the 15th anniversary of his death).

(b) Spouse 50% Survivor Benefit. If the Participant has a surviving spouse (and has been married to the same spouse for the one year period ending on the date of his death), his spouse’s 50% survivor benefit amount of his “married” Normal Annuity Form under Section 6.4(a), without any reduction for commencement before his Normal Retirement Date, and payable commencing on his Preretirement Date and for only 15 years.

8.5 Adjusted SERP Accrued Monthly Benefit. For purposes of this Article, a Participant’s “Adjusted SERP Accrued Monthly Benefit” means the amount of his SERP Accrued Monthly Benefit, except as follows:

(a) Gross Benefit. In Section 4.1(a), (i) 33.5% shall be substituted for 67% and 25% for 50% and (ii) no proration shall apply for less than 25 Years of Credited Service.

(b) Pension Plan Benefit. In Section 4.1(b), the offset for the Pension Plan Benefit shall equal the surviving spouse’s death benefit(s) under the Pension Plan, expressed as a single life annuity for the life of the surviving spouse commencing on the Participant's Normal Retirement Date (including, if necessary, after any actuarial conversion using applicable actuarial assumptions under the Pension Plan as in effect as of December 31, 2007). The foregoing surviving spouse's death benefit shall be based on (i) the Participant's surviving spouse (if he has been married to the same spouse for the one year period ending on the date of his death) or, if the Participant is not so married, a spouse having the same age and (ii) the benefit to which the Participant would have been entitled had the Pension Plan not been frozen for future benefit accruals and suspended for new participants effective December 31, 2004.

(c) Social Security Benefit. In Section 4.1(c), no offset will apply for the Participant's Social Security Benefit.

8.6 2008 Plan. Consistent with the provisions of this Article, if a Participant dies on or after his SERP Transfer Date, the Participant's SERP retirement benefit under Article VI will have been transferred to the 2008 Deferred Compensation Plan and no preretirement death benefit will be payable from the Plan. In this case, the Plan will pay the death benefit applicable to the Participant's SERP Cash Account under the terms of the 2008 Deferred Compensation Plan.

ARTICLE IX
PRERETIREMENT DEATH BENEFIT
(Vice President)

9.1 Preretirement Death Benefit. If a Participant is a Vice President, is vested under Article V and dies before his Commencement Date (under Section 7.3) (in this Article, a "Participant"), his surviving spouse, if married to him for at least the one year period ending on the date of his death (in this Article, the "Spouse"), or his Dependent Children (under Section 9.7) or Surviving Children (under Section 9.8), shall be entitled to a "preretirement death benefit" from the Plan payable under the terms of this Article. If the Participant dies without a Spouse, Dependent Children or Surviving Children, his preretirement death benefit is not paid to any person.

9.2 Payment. A Participant's preretirement death benefit shall (i) commence monthly to the Spouse (or, if applicable, to the Participant's Surviving Children under Section 9.6) as of the Participant's Preretirement Date, with payments beginning within 90 days thereof, (ii) equal his Benefit Amount (under Section 9.3) and (iii) be paid for 15 years.

9.3 Benefit Amount. For purposes of this Article, a Participant's "Benefit Amount" shall equal the greater of the following amounts:

(a) Adjusted SERP Accrued Monthly Benefit. The Participant's Adjusted SERP Accrued Monthly Benefit (as calculated for him under Section 8.5 as if he were a President or Above), without reduction for commencement before his Normal Retirement Date.

(b) Spouse 50% Survivor Benefit. If the Participant has a Spouse, the 50% survivor benefit the Spouse would receive if the Participant received his SERP retirement benefit under Article VII in his "married" Normal Annuity Form under Section 7.5(a) commencing on his Normal Retirement Date, without reduction for commencement before his Normal Retirement Date.

9.4 Remarriage of Spouse. If at the remarriage of the Spouse the Participant has Dependent Children, any remaining benefit payments under Section 9.2 being paid to his Spouse shall continue to be paid instead to his Dependent Children (in equal shares) for as long as they are Dependent Children. When the Participant's Dependent Children are no longer Dependent Children, any remaining benefit payments under Section 9.2 shall resume to his remarried Spouse.

9.5 Death of Spouse. If at the death of the Spouse the Participant has Surviving Children, any remaining benefit payments under Section 9.2 being paid to his Spouse (or his Dependent Children under Section 9.4) shall continue to be paid instead to his Surviving Children (in equal shares), per stirpes.

9.6 Death Without Spouse. If the Participant dies without a Spouse but with Surviving Children, the preretirement death benefit under Section 9.2 shall be paid to the Participant's Surviving Children (in equal shares), per stirpes.

9.7 Dependent Children. For purposes of this Article, a Participant's "Dependent Children" means his unmarried children under (i) age 18 or (ii) age 22, if a full-time student at an elementary or secondary school, a vocational or professional school or an accredited college or university as an undergraduate or graduate student.

9.8 Surviving Children. For purposes of this Article, a Participant's "Surviving Children" means his living children on the date of his death. If a Participant's child has predeceased the Participant with issue, the predeceased child shall be considered a Surviving Child.

9.9 Retirement Benefit. Consistent with the provisions of this Article, if a Participant dies on or after his Commencement Date (under Section 7.3), no preretirement death benefit will be payable from the Plan. In this case, the Plan will pay the death benefit applicable to the Participant's SERP retirement benefit under Article VII.

ARTICLE X
SPECIAL PROVISIONS

10.1 Disability During Employment. If a Participant becomes disabled or unable to work due to injury or sickness while an employee with the Affiliated Group, his participation in the Plan shall not be suspended until the date of his Separation from Service and, thereafter, he shall cease to accrue further increases to his SERP Accrued Monthly Benefit, and his SERP Accrued Monthly Benefit shall be calculated as of the date of his Separation from Service. The Participant's vested status and the payment of his benefit under the Plan will be subject to the remaining provisions of the Plan (including, in the case of a President or Above, the offset for his SERP Cash Account). However, if approved by the Committee, while the Participant is receiving salary continuation benefits, he shall continue to be credited with (i) Years of Credited Service to determine his vested status for involuntary termination purposes under the SERP under Section 5.1(b) and (ii) Years of Early Retirement Service for purposes of his Early Retirement Date (as applicable only to a Vice President).

10.2 Leaves of Absence, Severance Pay. A Participant's annual compensation and Years of Credited Service shall include leaves of absence authorized by the Company and such other periods of employment as determined by the Committee. However, the Participant's annual compensation and Years of Credited Service shall not include any period following his Separation from Service during which he receives severance pay.

10.3 Actuarial Assumptions. The Company may amend the Plan to change the Actuarial Assumptions, subject to applicable law and the requirements of Section 409A of the Code. A Participant or any beneficiary shall not be entitled to any grandfathering of benefits in the event of any change in Actuarial Assumptions, subject to applicable law and the requirements of Section 409A of the Code. For purposes of actuarially equivalent Alternative Annuity Forms under Section 7.6, at any given time the same Actuarial Assumptions and methods must be used in valuing each Alternative Annuity Form in determining whether the payments are actuarially equivalent and such Actuarial Assumptions and methods must be reasonable. The foregoing requirement applies over the entire term of the Participant's participation in the Plan, such that the Alternative Annuity Form's payments must be actuarially equivalent at all times. The same Actuarial Assumptions and methods need not be used over the term of a Participant's participation in the Plan. Accordingly, the Company may amend the Plan to change the Actuarial Assumptions and methods used to determine the payments under the Alternative Annuity Forms, provided that all of the Actuarial Assumptions and methods are reasonable.

10.4 Discretionary Acceleration of Payments. The provisions of the 2008 Deferred Compensation Plan shall govern the discretionary acceleration of payments for a Participant who is a President or Above. For a Participant who is a Vice President, to the extent permitted by Section 409A of the Code, the Committee may, in its sole discretion, accelerate the time or schedule of a payment under the Plan as provided in this Section. The provisions of this Section are intended to comply with the exception to accelerated payments under Treasury Regulation Section 1.409A-3(j) and shall be interpreted and administered accordingly.

(a) Domestic Relations Orders. The Committee may, in its sole discretion, accelerate the time or schedule of a payment under the Plan to an individual other than the Participant as may be necessary to fulfill a domestic relations order (as defined in Section 414(p)(1)(B) of the Code).

(b) Conflicts of Interest. The Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to the extent necessary for any Federal officer or employee in the executive branch to comply with an ethics agreement with the Federal government. Additionally, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to the extent reasonably necessary to avoid the violation of an applicable Federal, state, local, or foreign ethics law or conflicts of interest law (including where such payment is reasonably necessary to permit the Participant to participate in activities in the normal course of his position in which the Participant would otherwise not be able to participate under an applicable rule).

(c) Employment Taxes. The Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to pay the Federal Insurance Contributions Act (FICA) tax imposed under Sections 3101, 3121(a), and 3121(v)(2) of the Code, or the Railroad Retirement Act (RRTA) tax imposed under Sections 3201, 3211, 3231(e)(1), and 3231(e)(8) of the Code, where applicable, on compensation deferred under the plan (the FICA or RRTA amount). Additionally, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment, to pay the income tax at source on wages imposed under Section 3401 of the Code or the corresponding withholding provisions of applicable state, local, or foreign tax laws as a result of the payment of the FICA or RRTA amount, and to pay the additional income tax at source on wages attributable to the pyramiding Section 3401 of the Code wages and taxes. However, the total payment under this acceleration provision must not exceed the aggregate of the FICA or RRTA amount, and the income tax withholding related to such FICA or RRTA amount.

(d) Limited Cash-Outs. Subject to the mandatory six month delay provisions of the Plan following a Participant's Separation from Service, the Committee may, in its sole discretion, require a mandatory lump sum payment of amounts deferred under the Plan that do not exceed the applicable dollar amount under Section 402(g)(1)(B) of the Code, provided that the payment results in the termination and liquidation of the entirety of the Participant's interest under the Plan, including all agreements, methods, programs, or other arrangements with respect to which deferrals of compensation are treated as having been deferred under a single nonqualified deferred compensation plan under Section 409A of the Code.

(e) Payment Upon Income Inclusion Under Section 409A. Subject to the mandatory six month delay provisions of the Plan following a Participant's Separation from Service, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan at any time the plan fails to meet the requirements of Section 409A of the Code. The payment may not exceed the amount required to be included in income as a result of the failure to comply with the requirements of Section 409A of the Code.

(f) Certain Payments to Avoid a Nonallocation Year Under Section 409(p). Subject to the mandatory six month delay provisions of the Plan following a Participant's Separation from Service, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to prevent the occurrence of a nonallocation year (within the meaning of Section 409(p)(3) of the Code) in the plan year of an employee stock ownership plan next following the plan year in which such payment is made, provided that the amount paid may not exceed 125 percent of the minimum amount of payment necessary to avoid the occurrence of a nonallocation year.

(g) Payment of State, Local, or Foreign Taxes. Subject to the mandatory six month delay provisions of the Plan following a Participant's Separation from Service, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to reflect payment of state, local, or foreign tax obligations arising from participation in the Plan that apply to an amount deferred under the Plan before the amount is paid or made available to the participant (the state, local, or foreign tax amount). Such payment may not exceed the amount of such taxes due as a result of participation in the Plan. The payment may be made in the form of withholding pursuant to provisions of applicable state, local, or foreign law or by payment directly to the Participant. Additionally, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan to pay the income tax at source on wages imposed under Section 3401 of the Code as a result of such payment and to pay the additional income tax at source on wages imposed under Section 3401 of the Code attributable to such additional wages and taxes. However, the total payment under this acceleration provision must not exceed the aggregate of the state, local, and foreign tax amount, and the income tax withholding related to such state, local, and foreign tax amount.

(h) Certain Offsets. Subject to the mandatory six month delay provisions of the Plan following a Participant's Separation from Service, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan as satisfaction of a debt of the Participant to the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code), where such debt is incurred in the ordinary course of the service relationship between the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) and the Participant, the entire amount of reduction in any of the service recipient's (as defined in Section 409A of the Code) taxable years does not exceed $5,000, and the reduction is made at the same time and in the same amount as the debt otherwise would have been due and collected from the Participant.

(i) Bona Fide Disputes As To A Right To A Payment. Subject to the mandatory six month delay provisions of the Plan following a Participant's Separation from Service, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan where such payments occur as part of a settlement between the Participant and the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) of an arm's length, bona fide dispute as to the Participant's right to the deferred amount.

(j) Plan Terminations and Liquidations. Subject to the mandatory six month delay provisions of the Plan following a Participant's Separation from Service, the Committee may, in its sole discretion, provide for the acceleration of the time or schedule of a payment under the Plan as provided in Section 12.2.

(k) Other Events and Conditions. Subject to the mandatory six month delay provisions of the Plan following a Participant's Separation from Service, a payment may be accelerated upon such other events and conditions as the Internal Revenue Service may prescribe in generally applicable guidance published in the Internal Revenue Bulletin.

Except as otherwise specifically provided in the Plan, the Committee may not accelerate the time or schedule of any payment or amount scheduled to be paid under the Plan within the meaning of Section 409A of the Code.

10.5 Delay of Payments. The provisions of the 2008 Deferred Compensation Plan shall govern the delay of payments for a Participant who is a President or Above. For a Participant who is a Vice President, to the extent permitted under Section 409A of the Code, the Committee may, in its sole discretion, delay payment under any of the following circumstances, provided that the Committee treats all payments to similarly situated Participants on a reasonably consistent basis:

(a) Payments Subject To Section 162(m). A payment may be delayed to the extent that the Committee reasonably anticipates that if the payment were made as scheduled, the Company’s deduction with respect to such payment would not be permitted due to the application of Section 162(m) of the Code. If a payment is delayed pursuant to this Section, then the payment must be made either (i) during the Company’s first taxable year in which the Committee reasonably anticipates, or should reasonably anticipate, that if the payment is made during such year, the deduction of such payment will not be barred by application of Section 162(m) of the Code, or (ii) during the period beginning with the first business day of the seventh month following the Participant’s Separation from Service (the “six month anniversary”) and ending on the later of (I) the last day of the taxable year of the Company in which the six month anniversary occurs or (II) the 15th day of the third month following the six month anniversary. Where any scheduled payment to a specific Participant in a Company’s taxable year is delayed in accordance with this paragraph, all scheduled payments to that Participant that could be delayed in accordance with this paragraph must also be delayed. The Committee may not provide the Participant an election with respect to the timing of the payment under this Section. For purposes of this Section, the term Company includes any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code.

(b) Federal Securities Laws or Other Applicable Law. A Payment may be delayed where the Committee reasonably anticipates that the making of the payment will violate federal securities laws or other applicable law; provided that the delayed payment is made at the earliest date at which the Committee reasonably anticipates that the making of the payment will not cause such violation. For purposes of the preceding sentence, the making of a payment that would cause inclusion in gross income or the application of any penalty provision or other provision of the Code is not treated as a violation of applicable law.

(c) Other Events and Conditions. A payment may be delayed upon such other events and conditions as the Internal Revenue Service may prescribe in generally applicable guidance published in the Internal Revenue Bulletin.

10.6 Actual Date of Payment. The provisions of the 2008 Deferred Compensation Plan shall govern the actual date of payment for a Participant who is a President or Above. For a Participant who is a Vice President, to the extent permitted by Section 409A of the Code, the Committee may delay payment in the event that it is not administratively possible to make payment on the date (or within the periods) specified in the Plan, or the making of the payment would jeopardize the ability of the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) to continue as a going concern.

Notwithstanding the foregoing, payment must be made no later than the latest possible date permitted under Section 409A of the Code.

10.7 Discharge of Obligations. The payment to a Participant who is a Vice President or his beneficiary of his entire benefit under the Plan, or the transfer of the entire Plan benefit of a Participant who is a President or Above to the 2008 Deferred Compensation Plan, shall discharge all obligations of the Affiliated Group to such Participant or beneficiary under the Plan with respect to that Plan benefit.

10.8 USERRA. To the extent permitted by Section 409A of the Code, the Committee may, in its sole discretion, modify the rules applicable to payment elections and subsequent deferral elections to the extent necessary to satisfy the requirements of the Uniformed Service Employment and Reemployment Rights Act of 1994, as amended, 38 U.S.C. 4301-4334.

10.9 Compliance with Section 409A of the Code. It is intended that the Plan comply with the provisions of Section 409A of the Code, so as to prevent the inclusion in gross income of any amounts deferred hereunder in a taxable year that is prior to the taxable year or years in which such amounts would otherwise actually be paid or made available to Participants or beneficiaries. The Plan shall be construed, administered, and governed in a manner that effects such intent, and the Committee shall not take any action that would be inconsistent with such intent.

Although the Committee shall use its best efforts to avoid the imposition of taxation, interest and penalties under Section 409A of the Code, the tax treatment of deferrals under the Plan is not warranted or guaranteed. Neither the Company, an Affiliate, the Board, nor the Committee (nor any of its designees) shall be held liable for any taxes, interest, penalties or other monetary amounts owed by any Participant, beneficiary or other taxpayer as a result of the Plan.

Any reference in the Plan to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section 409A by the U.S. Department of Treasury or the Internal Revenue Service. For purposes of the Plan, the phrase “permitted by Section 409A of the Code,” or words or phrases of similar import, means that the event or circumstance shall only be permitted to the extent it would not cause an amount deferred or payable under the Plan to be includible in the gross income of a Participant or beneficiary under Section 409A(a)(1) of the Code.

ARTICLE XI
ADMINISTRATION AND FINANCING

11.1 Plan Administration. The SERP is administered by the Committee. The Committee is responsible for the administration of the SERP and may also delegate certain administrative functions to other persons. The Committee possesses the sole and absolute discretionary authority to interpret and construe the provisions of the SERP, as well as to make all determinations under the SERP, such as eligibility, benefits, service credit and distributions. The Committee's interpretations and determinations are conclusive on all interested parties.

11.2 Claims Procedures. Any Participant or beneficiary (a "Claimant") who believes that he is entitled to a benefit under the Plan which he has not received may submit a claim to the Committee. Claims for benefits under the Plan shall be made in writing, signed by the Claimant or his authorized representative, and must specify the basis of the Claimant's complaint and the facts upon which he relies in making such claim. A claim shall be deemed filed when received by the Committee.

In the event a claim for benefits is wholly or partially denied by the Committee, the Committee shall notify the Claimant in writing of the denial of the claim within a reasonable period of time, but not later than ninety (90) days after receipt of the claim, unless special circumstances require an extension of time for processing, in which case the ninety (90) day period may be extended to 180 days. The Committee shall notify the Claimant in writing of any such extension. A notice of denial shall be written in a manner reasonably calculated to be understood by the Claimant, and shall contain (i) the specific reason or reasons for denial of the claim, (ii) a specific reference to the pertinent Plan provisions upon which the denial is based, (iii) a description of any additional material or information necessary for the Claimant to perfect the claim, together with an explanation of why such material or information is necessary and (iv) an explanation of the Plan's review procedure.

Within sixty (60) days of the receipt by the Claimant of the written notice of denial of the claim, the Claimant may appeal by filing with the Committee a written request for a full and fair review of the denial of the Claimant's claim for benefits. Appeal requests under the Plan shall be made in writing, signed by the Claimant or his authorized representative, and must specify the basis of the Claimant's complaint and the facts upon which he relies in making such appeal. An appeal request shall be deemed filed when received by the Committee.

The Committee shall render a decision on the claim appeal promptly, but not later than sixty (60) days after the receipt of the Claimant's request for review, unless special circumstances (such as the need to hold a hearing, if necessary), require an extension of time for processing, in which case the sixty (60) day period may be extended to 120 days. The Committee shall notify the Claimant in writing of any such extension. The decision upon review shall be written in a manner reasonably calculated to be understood by the Claimant, and shall contain (i) the specific reason or reasons for denial of the claim, (ii) a specific reference to the pertinent Plan provisions upon which the denial is based, (iii) a statement that the Claimant shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim for benefits and (iv) a statement of the Claimant's right to bring an action under Section 502(a) of ERISA, if the adverse benefit determination is sustained on appeal.

No lawsuit by a Claimant may be filed prior to exhausting the Plan's administrative appeal process. Any lawsuit must be filed no later than the earlier of one year after the Claimant's claim for benefit was denied or the date the cause of action first arose.

11.3 Committee Authority. The Committee shall have the authority to make, amend, interpret, and enforce all appropriate rules and regulations for the administration of the SERP and decide or resolve any and all questions including interpretations of the SERP, as provided under Section 11.1. A majority vote of the Committee members shall control any decision. Members of the Committee may be Participants under the SERP.

11.4 Agents. The Committee may, from time to time, employ other agents and delegate to them such administrative duties as it sees fit, and may from time to time consult with counsel who may be counsel to the Company or Committee.

11.5 Binding Effect of Decisions. The decision or action of the Committee in respect of any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.

11.6 Indemnity of Committee. The Company and each Participating Affiliate shall indemnify and hold harmless the members of the Committee against any and all claims, loss, damage, expense or liability arising from any action or failure to act with respect to the Plan on account of such member's service on the Committee, except in the case of gross negligence or willful misconduct.

11.7 Plan Financing. The Company and the Participating Affiliates are responsible for providing retirement benefits. All benefits payable under the Plan are paid from the general assets of a Participant's employer, whether the Company or a Participating Affiliate, and shall be a general unsecured claim of the employer. A trust, which is considered part of his employer's general assets, may be established to pay benefits for the Traditional SERP Benefit pursuant to Section 11.11. In the event of a change in control (as defined in the Newell Rubbermaid Inc. 2003 Stock Plan, as amended from time to time), assets in the trust shall be used to pay his benefit. If the Participant's employer, whether the Company or a Participating Affiliate, therefore, ever experiences bankruptcy or insolvency, he shall be an unsecured creditor thereof. The Participant's claim against the employer's assets shall be considered together with its other unsecured general creditors.

11.8 Unfunded Plan. The SERP is an unfunded plan maintained primarily to provide deferred compensation benefits for a select group of "management or highly compensated employees" within the meaning of Sections 201, 301, and 401 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and therefore is exempt from the provisions of Parts 2, 3 and 4 of Title I of ERISA. Accordingly, the Company or Participating Affiliate may terminate the SERP and make no further benefit payments, or remove certain employees as Participants if it is determined by the United States Department of Labor, a court of competent jurisdiction, or an opinion of counsel that the SERP constitutes an employee pension benefit plan within the meaning of Section 3(2) of ERISA (as currently in effect or hereafter amended) which is not so exempt, subject to the requirements of Section 409A of the Code.

11.9 Company Obligation. The obligation to make benefit payments to any Participant under the SERP shall be an obligation solely of the Company or a Participating Affiliate with respect to the benefit receivable from the Company or a Participating Affiliate and shall not be an obligation of another company.

11.10 Unsecured General Creditor. A Participant and his beneficiaries shall have no legal or equitable rights, interest or claims in any property or assets of the Company or a Participating Affiliate, nor shall they be beneficiaries of, or have any rights, claims or interests in, any life insurance policies, annuity contracts or the proceeds therefrom owned or which may be acquired by the Company or a Participating Affiliate. Such policies or other assets shall not be held for the benefit of Participants and their beneficiaries, or held in any way as collateral security for the fulfilling of the obligations of the Company or a Participating Affiliate under the SERP. Any and all of the assets of the Company and a Participating Affiliate shall be, and remain, the general, unpledged, unrestricted assets thereof. The Company and Participating Affiliate's obligations under the SERP shall be that of an unfunded and unsecured promise to pay money in the future.

11.11 Trust Fund. The Company or a Participating Affiliate shall be responsible for the payment of all benefits provided under the SERP regarding a Participant employed by the Company or Participating Affiliate. At its discretion, the Company may establish one or more trusts, with such trustees as the Company may approve, for the purpose of providing for the payment of such benefits. Such trust or trusts may be irrevocable, but the assets thereof shall be subject to the claims of the Company or Participating Affiliate's creditors. To the extent any benefits provided under the SERP are actually paid from any such trust, the Company or Participating Affiliate shall have no further obligation with respect thereto, but to the extent not so paid, such benefits shall remain the obligation of, and shall be paid by, the Company or Participating Affiliate.

ARTICLE XII
AMENDMENT AND TERMINATION

12.1 Amendment. The plan sponsor of the Plan is the Company, which has the right to terminate or amend the provisions of the Plan for any reason and at any time, including the reduction of accrued benefits and optional forms of payment under the Plan. Any amendment may provide different benefits or amounts of benefits from those set forth hereunder. However, the termination or amendment of the Plan shall not violate applicable law or the requirements of Section 409A of the Code.

12.2 Payments Upon Termination of Plan. In the event that the Plan is terminated, the vested benefits of a Participant shall be paid to the Participant or his beneficiary on the dates on which the Participant or his beneficiary would otherwise receive payments hereunder (or, if applicable, under the 2008 Deferred Compensation Plan) without regard to the termination of the Plan. Notwithstanding the preceding sentence, and subject to the mandatory six month delay provisions of the Plan following a Participant's Separation from Service:

(a) Liquidation; Bankruptcy. The Board shall have the authority, in its sole discretion, to terminate the Plan and pay each Participant's entire vested benefit to the Participant or, if applicable, his beneficiary within twelve (12) months of a corporate dissolution taxed under Section 331 of the Code or with the approval of a bankruptcy court pursuant to 11 U.S.C. 503(b)(1)(A), provided that the amounts are included in the Participant's gross income in the latest of the following years (or, if earlier, the taxable year in which the amount is actually or constructively received): (i) the calendar year in which the Plan termination and liquidation occurs; (ii) the first calendar year in which the amount is no longer subject to a substantial risk of forfeiture as defined under Section 409A of the Code; or (iii) the first calendar year in which the payment is administratively practicable.

(b) Change in Control. The Board shall have the authority, in its sole discretion, to terminate the Plan and pay each Participant's entire vested benefit to the Participant or, if applicable, his beneficiary pursuant to an irrevocable action taken by the Board within the 30 days preceding or the 12 months following a Change in Control, provided that this subsection will only apply if all agreements, methods, programs, and other arrangements sponsored by the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) immediately after the time of the Change in Control event with respect to which deferrals of compensation are treated as having been deferred under a single plan under Section 409A of the Code are terminated and paid with respect to each Participant that experienced the Change in Control event, so that under the terms of the termination and payment all such Participants are required to receive all amounts of compensation deferred under the terminated agreements, methods, programs, and other arrangements within 12 months of the date the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) irrevocably takes all necessary action to terminate and liquidate the agreements, methods, programs, and other arrangements.

(c) Discretionary Terminations. The Board shall have the authority, in its sole discretion, to terminate the Plan and pay each Participant's entire vested benefit to the Participant or, if applicable, his beneficiary, provided that: (i) the termination and liquidation does not occur proximate to a downturn in the financial health of the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code); (ii) the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) terminates and liquidates all agreements, methods, programs, and other arrangements sponsored by the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) that would be aggregated with any terminated and liquidated agreements, methods, programs, and other arrangements under Section 409A of the Code if the same Participant had deferrals of compensation under all of the agreements, methods, programs, and other arrangements that are terminated and liquidated; (iii) no payments in liquidation of the Plan are made within 12 months of the date the Board takes all necessary action to irrevocably terminate and liquidate the Plan other than payments that would be payable under the terms of the Plan if the action to terminate and liquidate the Plan had not occurred; (iv) all payments are made within 24 months of the date the Board takes all necessary action to irrevocably terminate and liquidate the Plan; and (v) the Company (or any entity which would be considered to be a single employer with the Company under Section 414(b) or Section 414(c) of the Code) does not adopt a new plan that would be aggregated with any terminated and liquidated plan under Section 409A of the Code if the same Participant participated in both plans, at any time within three years following the date the Board takes all necessary action to irrevocably terminate and liquidate the Plan.

(d) Other Events. The Board shall have the authority, in its sole discretion, to terminate the Plan and pay each Participant's entire vested benefit to the Participant or, if applicable, his beneficiary upon such other events and conditions as the Internal Revenue Service may prescribe in generally applicable guidance published in the Internal Revenue Bulletin.

ARTICLE XIII
MISCELLANEOUS

13.1 Nonalienation of Deferred Compensation. Except as permitted by the Plan, no right or interest under the Plan of any Participant or beneficiary shall, without the written consent of the Company, be (i) assignable or transferable in any manner, (ii) subject to alienation, anticipation, sale, pledge, encumbrance, attachment, garnishment or other legal process or (iii) in any manner liable for or subject to the debts or liabilities of the Participant or beneficiary. Notwithstanding the foregoing, to the extent permitted by Section 409A of the Code and subject to Section 10.4(a), the Committee may honor a judgment, order or decree from a state domestic relations court which requires the payment of part or all of a Participant’s or beneficiary’s interest under the Plan to an “alternate payee” as defined in Section 414(p) of the Code.

13.2 Protective Provisions. A Participant will cooperate with the Company by furnishing any and all information requested by the Company, in order to facilitate the payment of benefits hereunder and by taking such physical examinations as the Company may deem necessary and taking such other action as may be requested by the Company.

13.3 Gender and Number. Whenever any words are used herein in the masculine, they shall be construed as though they were used in the feminine and the neuter in all cases where they would so apply; and, wherever any words are used herein in the singular or in the plural, they shall be construed as though they were used in the plural or the singular, as the case may be, in all cases where they would so apply.

13.4 Captions. The captions of the articles, sections and paragraphs of the SERP are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

13.5 Governing Law. The provisions of the SERP shall be construed and interpreted according to the laws of the State of Delaware, except to the extent preempted by ERISA.

13.6 Validity. In case any provision of the SERP shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof and the SERP shall be construed and enforced as if such illegal and invalid provision had never been inserted herein.

13.7 Notice. Any notice or filing required or permitted to be given to the Committee under the SERP shall be sufficient if in writing and hand delivered, or sent by registered or certified mail to any member of the Committee or the Secretary of the Company. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Mailed notice to the Committee shall be directed to the Company’s address. Mailed notice to a Participant, eligible spouse, surviving spouse or beneficiary shall be directed to the individual’s last known address in the Company’s records.

13.8 Successors. The provisions of the SERP shall bind and inure to the benefit of the Company and its successors and assigns. The term successors as used herein shall include any corporate or other business entity which shall, whether by merger, consolidation, purchase or otherwise, acquire all or substantially all of the business and assets of the Company or a Participating Affiliate, and successors of any such corporation or other business entity.

13.9 Withholding. The Company shall withhold from payments made hereunder to any Participant or beneficiary any taxes required to be withheld from such payments under federal, state or local law.

13.10 Payment to Guardian. If a SERP benefit is payable to a minor or a person declared incompetent or to a person incapable of handling the disposition of property, the Committee may direct payment of such SERP benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or person. The Committee may require proof of incompetency, minority, incapacity or guardianship as it may deem appropriate prior to distribution of the SERP benefit. Such distribution shall completely discharge the Company and Participating Affiliate from all liability with respect to such benefit.

13.11 Miscellaneous Employment. The establishment of the SERP does not give a Participant the legal right to be continued as an employee. The Company or any Affiliate may terminate a Participant’s employment whenever, in its judgment, it becomes necessary to do so, subject to the applicable terms of an employment agreement. Further, a Participant’s eligibility or his right to benefits under the SERP should not be interpreted as any guarantee of employment.

13.12 Reclassification. In the event that any lawsuit or any settlement thereof or any claim, or if any governmental agency, court or other governing body, requires the Company to reclassify the employment status of any individual who is excluded from participation under the SERP, such reclassified individual nevertheless shall not be considered an eligible employee or otherwise eligible for the SERP and, therefore, shall not be entitled to accrue benefits under the SERP as a result thereof.

ARTICLE XIV
2004 PLAN

14.1 Grandfathered Participant. The 2004 Plan as in existence on October 3, 2004 shall exclusively govern the benefits payable to any participant of the 2004 Plan who was vested as of December 31, 2004, ceased to be an employee of the Affiliated Group prior to January 1, 2005 and otherwise accrued no further benefit under the 2004 Plan after December 31, 2004 (a “Grandfathered Participant”). A Grandfathered Participant, therefore, includes an individual who was in pay status under the 2004 Plan as of December 31, 2004 or who ceased to be an employee of the Affiliated Group prior to January 1, 2005 and who was entitled to a vested benefit under the 2004 Plan (even if the benefit had not begun by December 31, 2004). The 2004 Plan as in existence on October 3, 2004 has not been modified with respect to any Grandfathered Participant. Accordingly, pursuant to the foregoing, the 2004 Plan as in existence on October 3, 2004 shall continue to apply by its terms to each Grandfathered Participant, without regard to any provision of Section 409A of the Code.

14.2 Interim Participant. The 2004 Plan as amended after October 3, 2004 (under which benefits commenced at the same time as the Pension Plan) shall govern the benefits payable to each participant of the 2004 Plan who was an employee of the Affiliated Group at any time on or after January 1, 2005 but not on and after January 1, 2008 and had commenced receipt of benefits by December 31, 2007 (an “Interim Participant”). An Interim Participant, therefore, includes an individual who ceased to be an employee of the Affiliated Group prior to January 1, 2008 and commenced his benefit under the 2004 Plan. Accordingly, pursuant to the foregoing, the 2004 Plan shall apply to each Interim Participant and the Plan hereunder shall not apply to the benefit of the Interim Participant, except as provided by Section 14.3 and under the provisions of the Plan regarding the reemployment of any Interim Participant. Further, the benefit of an Interim Participant being paid under the 2004 Plan shall be fixed and not change, except as permitted under Section 409A of the Code.

14.3 2004 Plan, Retroactive Section 409A Amendment. The Company’s adoption of the Plan hereunder shall be considered an amendment to the 2004 Plan as in effect on January 1, 2005, to be effective as of January 1, 2005, to comply with Section 409A of the Code with respect to any Participant of the Plan hereunder who was a participant of the 2004 Plan and an employee of the Affiliated Group at any time on or after January 1, 2005 and, therefore, including an Interim Participant (together, a “2004 Plan Participant”).

The foregoing amendment to the 2004 Plan regarding a 2004 Plan Participant shall include compliance with Section 409A of the Code in the manner provided under Section 10.9 and any other Section of the Plan which refers to Section 409A of the Code which was in effect under Section 409A of the Code during the period through December 31, 2007, subject to the application of any transition relief available under Section 409A of the Code.

The foregoing amendment to the 2004 Plan to effect compliance with Section 409A of the Code, as applicable solely to a 2004 Plan Participant, therefore, shall not include a Grandfathered Participant. The 2004 Plan as in existence on October 3, 2004 shall not be considered amended to comply with Section 409A of the Code for any Grandfathered Participant and, therefore, the provisions of such 2004 Plan shall hereafter continue to apply to each Grandfathered Participant in the manner provided under Section 14.1.

IN WITNESS WHEREOF, Newell Operating Company has caused this instrument to be executed by its duly authorized officer on this 25th day of February, 2008.

NEWELL OPERATING COMPANY

By: /s/ James M. Sweet
James M. Sweet, Executive Vice President —
Human Resources (CHRO)

Exhibit 10.22

EMPLOYMENT SECURITY AGREEMENT

This Employment Security Agreement ("Agreement"), is entered into as of this _____st day of ___________, 200___, by and between Newell Rubbermaid Inc., a Delaware corporation ("Employer"), and ____ ("Executive").

WITNESSETH:

WHEREAS, Executive is currently employed by Employer as the

;

WHEREAS, Employer desires to provide certain security to Executive in connection with Executive's employment with Employer;

WHEREAS, Executive and Employer desire to enter into this Agreement pertaining to the terms of the security Employer is providing to Executive with respect to his employment.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. **Definitions**. For purposes of this Agreement.

(a) "Affiliate" shall have the meaning set forth in Rule 12b-2 under the Securities Exchange Act of 1934.

(b) "Base Salary" shall mean Executive's annual base salary at the rate in effect on the date of a Change in Control, or if greater, the rate in effect immediately prior to Executive's termination of employment with Employer.

(c) "Bonus" shall mean an amount determined by multiplying Executive's Base Salary by the payout percentage that would apply to Executive based on (i) the job position held by Executive on the date of a Change in Control or the date of Executive's termination of employment with Employer (whichever position is higher at the time) and (ii) attainment of the targeted performance goals at a 100% level, as determined under the Management Cash Bonus Plan of Employer, or any prior or successor plan or arrangement covering Executive (such amount to be determined regardless of whether Executive would otherwise be eligible for a Bonus under the terms of any such plan or arrangement or the extent to which the performance goals are actually met).

(d) "Code" means the Internal Revenue Code of 1986, as amended.

(e) "Change in Control" shall mean the occurrence of any of the following events:

(i) any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity (other than Employer or a trustee or other fiduciary holding securities under an employee benefit plan of Employer), or any syndicate or group deemed to be a person under Section 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is or becomes the “beneficial owner” (as defined in Rule 13d-3 of the General Rules and Regulations under the Exchange Act), directly or indirectly, of securities of Employer representing 25% or more of the combined voting power of Employer’s then outstanding securities entitled to vote generally in the election of directors;

(ii) Employer is party to a merger, consolidation, reorganization or other similar transaction with another corporation or other legal person unless, following such transaction, more than 50% of the combined voting power of the outstanding securities of the surviving, resulting or acquiring corporation or person or its parent entity entitled to vote generally in the election of directors (or persons performing similar functions) is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners of Employer’s outstanding securities entitled to vote generally in the election of directors immediately prior to such transaction, in substantially the same proportions as their ownership, immediately prior to such transaction, of Employer’s outstanding securities entitled to vote generally in the election of directors;

(iii) Employer sells all or substantially all of its business and/or assets to another corporation or other legal person unless, following such sale, more than 50% of the combined voting power of the outstanding securities of the acquiring corporation or person or its parent entity entitled to vote generally in the election of directors (or persons performing similar functions) is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners of Employer’s outstanding securities entitled to vote generally in the election of directors immediately prior to such sale, in substantially the same proportions as their ownership, immediately prior to such sale, of Employer’s outstanding securities entitled to vote generally in the election of directors; or

(iv) during any period of two consecutive years or less, individuals who at the beginning of such period constituted the Board of Directors of Employer (and any new Directors, whose appointment or election by the Board of Directors or nomination for election by Employer’s stockholders was approved by a vote of at least two-thirds of the Directors then still in office who either were Directors at the beginning of the period or whose appointment, election or nomination for election was so approved) cease for any reason to constitute a majority of the Board of Directors.

(f) “Good Cause” shall exist if, and only if:

(i) Executive willfully engages in misconduct in the performance of his duties that causes material harm to Employer; or

(ii) Executive is convicted of a criminal violation involving fraud or dishonesty.

Without limiting the generality of the foregoing, the following shall not constitute Good Cause: the failure by Executive and/or Employer to attain financial or other business objectives; any personal or policy disagreement between Executive and Employer or any member of the Board of Directors of Employer; or any action taken by Executive in connection with his duties if Executive acted in good faith and in a manner he reasonably believed to be in, and not opposed to, the best interest of Employer and had no reasonable cause to believe his conduct was improper. Notwithstanding anything herein to the contrary, in the event Employer terminates the employment of Executive for Good Cause hereunder, Employer shall give Executive at least 30 days prior written notice specifying in detail the reason or reasons for Executive's termination.

(g) "Good Reason" shall exist if, without the Executive's written consent:

(i) there is a material change in the nature or the scope of Executive's authority or duties;

(ii) Executive is required to report (A) to an officer with a materially lesser position or title than the officer to whom Executive reported on the date of the Change in Control, if Executive is not the Chief Executive Officer of Employer, or (B) to other than the entire Board, if Executive is the Chief Executive Officer of Employer;

(iii) there is a material reduction in Executive's rate of base salary;

(iv) Employer changes by 50 miles or more the principal location in which Executive is required to perform services;

(v) Employer terminates or materially amends, or terminates or materially restricts Executive's participation in, any Incentive Plan or Retirement Plan so that, when considered in the aggregate with any substitute Plan or Plans, the Incentive Plans and Retirement Plans in which he is participating materially fail to provide him with a level of benefits provided in the aggregate by such Incentive Plans or Retirement Plans prior to such termination or amendment; or

(vi) Employer materially breaches the provisions of this Agreement;

A termination of Executive's employment by Executive shall not be deemed to be for Good Reason unless (1) Executive gives notice to Employer of the existence of the event or condition constituting Good Reason within thirty (30) days after such event or condition initially occurs or exists, (2) the Employer fails to cure such event or condition within thirty (30) days after receiving such notice, and (3) Executive's "separation from service" within the meaning of Section 409A of the Code occurs not later than ninety (90) days after such event or condition initially occurs or exists (or, if earlier, the last day of the Term).

(h) "Incentive Plan" shall mean any incentive, bonus, equity-based or similar plan or arrangement currently or hereafter made available by Employer or an Affiliate in which Executive is eligible to participate.

(i) "Retirement Plan" shall mean any qualified or supplemental defined benefit retirement plan or defined contribution retirement plan, currently or hereinafter made available by Employer or an Affiliate in which Executive is eligible to participate.

(j) "Severance Period" shall mean the period beginning on the date the Executive's employment with Employer terminates under circumstances described in Section 3 and ending on the date 24 months thereafter.

(k) "Welfare Plan" shall mean any plan or arrangement providing health, prescription drug, vision, dental, disability, survivor income or life insurance benefits that is currently or hereafter made available by Employer or an Affiliate in which Executive is eligible to participate.

2. **Term**. The term of this Agreement shall be the period beginning on the date hereof and terminating on the date 24 months after the date of Executive's termination of employment (the "Term").

3. **Termination of Employment**. If a Change in Control occurs, Executive shall be entitled to the benefits described in Section 4 if at any time during the 24-month period following the Change in Control (i) the employment of Executive with Employer is terminated by Employer for any reason other than Good Cause, or (ii) Executive terminates his employment with Employer for Good Reason.

4. **Benefits Upon Termination of Employment**. Upon termination of Executive's employment with Employer under circumstances described in Section 3 above:

(a) Employer shall pay Executive a lump sum payment equal to two times the aggregate of (i) and (ii):

(i) Executive's Base Salary; and

(ii) Executive's Bonus.

Such lump sum payment shall be made as soon as practicable following Executive's termination of employment, but in no event later than 30 days following such termination.

(b) Executive shall be entitled to receive any and all benefits accrued under any other Incentive Plans to the date of termination of employment, the amount, entitlement to, form and time of payment of such benefits to be determined by the terms of such Incentive Plans. For purposes of calculating Executive's benefits under the Incentive Plans, Executive's employment shall be deemed to have terminated by reason of retirement under circumstances that have the most favorable result for Executive thereunder.

(c) Executive's benefits accrued or credited through the date of termination of employment under the Newell Rubbermaid Supplemental Executive Retirement Plan, or its successor ("SERP") and the Newell Rubbermaid Inc. 2008 Deferred Compensation Plan, or its successor (the "2008 Deferred Compensation Plan") that are not vested as of the date of termination of employment shall be fully vested and paid in accordance with the terms of the applicable plan (subject to any forfeiture provisions applicable to the plans). Employer shall also pay to the Executive, in a lump sum as soon as practicable following Executive's termination of employment, but in no event later than 30 days following such termination, the sum of:

(i) the excess, if any, of (A) the actuarial equivalent of the benefit under the SERP (utilizing actuarial assumptions no less favorable to the Executive than the most favorable of those in effect under the SERP at any time from the day immediately prior to the Change in Control) that the Executive would receive if the Executive's employment continued for the entire Severance Period, assuming for this purpose that: (1) all accrued benefits are fully vested, (2) the Executive's age and years of service is increased by the number of years that the Executive is deemed to be so employed, (3) for purposes of determining the Executive's compensation during each year of the Severance Period, the base salary and bonus for each year shall be at the rate set forth in Sections 1(b) and 1(c) (and shall exclude any of the severance benefits provided under this Agreement), subject to any special adjustment provisions in the applicable plan and (4) solely for purposes of calculating the benefit under this Section 4(c)(i)(A), the benefit under the Newell Rubbermaid Pension Plan and the 2008 Deferred Compensation Plan shall be calculated without regard to the additional age and service credit provided under this Section 4(c)(i) or Section 4(c)(ii), over (B) the actuarial equivalent of the Executive's actual benefit, if any, under the SERP as of the Executive's date of termination, plus

(ii) an amount equal to the sum of Employer matching or other Company contributions (but not the Executive's voluntary deferrals) under Employer's qualified defined contribution plans in which the Executive participates and the 2008 Deferred Compensation Plan that the Executive would receive if the Executive's employment continued during the Severance Period, assuming for this purpose that (A) the Executive's benefits under such plans are fully vested, (B) the Executive's age and years of service is increased by the number of years that the Executive is deemed to be so employed, (C) Employer's rate of matching or other contribution is equal to the greater of the rate in effect on the date of the Change in Control, or if greater, the rate in effect immediately prior to the Executive's termination of employment, (D) for purposes of determining the Executive's compensation during each year of the Severance Period, the base salary and bonus for each year shall be at the rate set forth in Sections 1(b) and 1(c) (and shall exclude any of the severance benefits provided under this Agreement), subject to any special adjustment provisions in the applicable plan, and (E) to the extent that Employer matching or other contributions are determined based on the contributions or deferrals of the Executive, that the Executive's contribution or deferral elections, as appropriate, are those in effect immediately prior to the Executive's termination of employment, plus

(iii) an amount equal to the Executive's benefits accrued or credited through the date of termination of employment under the Employer's qualified defined contribution plans that are not vested as of the date of termination of employment.

(d) If upon the date of termination of Executive's employment, Executive holds any awards with respect to securities of Employer, (i) all such awards that are options shall immediately become exercisable upon such date and shall be exercisable thereafter until the earlier of the third anniversary of Executive's termination of employment or the expiration of the term of the options; (ii) all restrictions on any awards of restricted securities shall terminate or lapse; and (iii) all performance goals applicable to any performance-based awards shall be deemed satisfied at the highest level and paid in accordance with the terms of the applicable award agreement.

(e) During the Severance Period, Executive and his spouse and eligible dependents shall continue to be covered by all Welfare Plans in which he or his spouse or eligible dependents were participating immediately prior to the date of his termination of employment, as if he continued to be an active employee of Employer, and Employer shall continue to pay the costs of such coverage under such Welfare Plans on the same basis as is applicable to active employees covered thereunder; provided that, if participation in any one or more of such Welfare Plans is not possible under the terms thereof, Employer shall provide substantially identical benefits. Such coverage shall cease if and when Executive obtains employment with another employer during the Severance Period and becomes eligible for coverage under any substantially similar plans provided by his new employer. If Executive or his spouse or eligible dependents are covered under any Welfare Plan that is a group health plan as defined in Title I, Part 6 of the Employee Retirement Income Security Act of 1974 ("COBRA") pursuant to this subsection (e), Executive and his spouse and eligible dependents shall be eligible for COBRA continuation coverage. Executive shall be responsible for paying the full cost of such coverage. The 18-month (or 29-month, if the COBRA disability extension is applicable) COBRA period shall be measured beginning on the day after the end of the Severance Period (or on such earlier date that the continuation coverage provided under this subsection (e) otherwise ceases to apply).

(f) During the Severance Period, Employer shall reimburse Executive for the expenses of an automobile in accordance with the arrangement, if any, in effect at the time of the termination of Executive's employment. Such reimbursement shall cease if and when Executive obtains employment with another employer during the Severance Period and receives such reimbursement from his new employer.

(g) Executive shall be entitled to payment for any accrued but unused vacation in accordance with Employer's policy in effect at Executive's termination of employment in a lump sum as soon as practicable following Executive's termination of employment, but in no event later than 30 days following such termination. Executive shall not be entitled to receive any payments or other compensation attributable to vacation he would have earned had his employment continued during the Severance Period, and Executive waives any right to receive such compensation.

(h) Employer shall, at Employer's expense, provide Executive with six months of executive outplacement services with a professional outplacement firm selected by Employer; provided that the outplacement services must be used by the Executive by no later than the second calendar year following the calendar year in which the termination of employment occurred.

(i) Executive shall not be entitled to reimbursement for fringe benefits during the Severance Period, such as dues and expenses related to club memberships, automobile telephones, expenses for professional services and other similar perquisites.

5. **Setoff**. Employer's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which Employer or any of its affiliated companies may have against the Executive or others. In no event shall the

Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not the Executive obtains other employment, except as expressly provided in subsections 4(e) and 4(f).

6. **Death**. If Executive dies during the Severance Period, all amounts payable hereunder to Executive shall, to the extent not paid, be paid to his surviving spouse or his designated beneficiary, or if none, then to his estate. Executive's surviving spouse and eligible dependents shall continue to be covered under all applicable Welfare Plans during the remainder of the Severance Period. On the death of the surviving spouse and eligible dependants, no further Welfare Plan coverage shall be provided (other than any coverage required pursuant to Title I, Part 6 of COBRA), and no further benefits shall be paid, except for benefits accrued under any Incentive Plans and Retirement Plans to the date of Executive's termination of employment, to the extent such benefits continue following Executive's death pursuant to the term of such Plans.

7. **Excise Tax Gross-Up Payment**.

(a) In the event that it is determined that any payment to or for the benefit of Executive under the terms of this Agreement, or under any other agreement, plan or arrangement with Employer (a "Payment"), would be subject to any excise tax imposed pursuant to Section 4999 of the Internal Revenue Code of 1986, as amended, or any comparable provision of state or local law (an "Excise Tax"), Employer agrees that it shall pay to Executive, in addition to any other payments required to be made pursuant to this Agreement, an additional cash amount (a "Gross-Up Payment") equal to the sum of (i) the amount of such Excise Tax plus (ii) all Attributable Taxes and Penalties. For purposes of this Agreement, "Attributable Taxes and Penalties" means all taxes, interest and penalties, including, without limitation, any federal, state and local income taxes and any Excise Taxes, which become payable by Executive as a result of the receipt of the Gross-Up Payment or the assessment of any Excise Tax against Executive. It is intended that under this provision Employer shall indemnify Executive in such a manner that Executive shall not suffer any loss or expense by reason of the assessment of any Excise Tax or the reimbursement of Executive for payment of any such Excise Tax. Employer's obligation to make Gross-Up Payments under this Section 7 shall not be conditioned upon Executive's termination of employment.

(b) In determining the amount of any Gross-Up Payment payable pursuant to subsection (a) above, Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation in the calendar year in which the Gross-Up Payment is to be made, and state and local taxes at the highest marginal rates of taxation for such year in the state and locality of Executive's residence. For such purposes, federal income taxes shall be determined net of the maximum reduction in such federal income taxes that could be obtained from the deduction of such state and local taxes.

(c) Within 30 days after Executive provides written notice to Employer that there has been a Payment, a nationally recognized accounting firm selected by Employer ("Accounting Firm") shall make a determination as to whether any Excise Tax should be reported and paid by Executive, and if applicable, the amount of such Excise Tax and the related Gross-Up Payment. Employer shall pay the amount of such Gross-Up Payment to Executive, and

Executive shall report and pay such Excise Tax as provided in Section 7(f). Employer shall be responsible for all fees and expenses connected with the determinations by the Accounting Firm. All determinations required to be made under this Section 7, including whether and when a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be utilized in arriving at such determination, shall be made by the Accounting Firm.

(d) In the event that Executive is at any time required to pay any Excise Tax (or any related interest or penalties) in addition to any amount determined pursuant to subsection (c), Employer shall pay Executive a Gross-Up Payment determined with respect to such additional Excise Tax (and any such additional interest and penalties) pursuant to the same notice and calculation procedures outlined in subsection (c). In the event that Executive receives any refund of any Excise Tax with respect to which Executive has previously received a Gross-Up Payment hereunder, Executive shall promptly pay to Employer the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto).

(e) Executive agrees to notify Employer in the event of any audit or other proceeding by the IRS or any taxing authority in which the IRS or other taxing authority asserts that any Excise Tax should be assessed against Executive and to cooperate with Employer in contesting any such proposed assessment with respect to such Excise Tax (a "Proposed Assessment"). Executive agrees not to settle any Proposed Assessment without the consent of Employer. If Employer does not settle the Proposed Assessment, or does not consent to allow Executive to settle the Proposed Assessment, within 30 days following such demand therefor, Employer shall indemnify and hold harmless Executive (i) with respect to any additional interest and/or penalties that Executive is required to pay by reason of the delay in finally resolving Executive's tax liability, (ii) with respect to any taxes, interest and penalties that Executive is required to pay by reason of any indemnification payment under this subsection (e), and (iii) all costs and expenses incurred by Executive in connection with such audit or proceeding.

(f) Any Gross-Up Payment shall be paid by Employer within 30 calendar days of receipt of the Accounting Firm's determination as described in this Section 7, or such later date as provided in Section 14, provided that Executive submits written notice of a Payment no later than 75 calendar days prior to the end of the calendar year next following the calendar year in which the Excise Tax on a Payment is remitted to the Internal Revenue Service or any other applicable taxing authority, so that Employer can make the payment within the time period required by Section 409A of the Code. The Gross-Up Payment, if any, shall be paid to the Executive; provided that Employer, in its sole discretion, may withhold and pay over to the Internal Revenue Service or any other applicable taxing authority, for the benefit of the Executive, all or any portion of any Gross-Up Payment, and the Executive hereby consents to such withholding. Any reimbursement or payment by Employer of expenses incurred by the Executive in connection with a tax audit or litigation relating to the Excise Tax, as provided for in this Section 7, shall be paid within 30 calendar days of written request by the Executive, or such later date as provided in Section 14, provided that Executive submits the written request no later than 75 calendar days prior to the end of the calendar year following the calendar year in which the Excise Taxes that are subject to the audit or litigation are remitted to the Internal Revenue Service or any other applicable taxing authority, or where as a result of the audit or litigation, no Excise Taxes are remitted, the end of the calendar year next following the calendar year in which the audit is completed or there is a final and nonappealable settlement or other resolution of the litigation, so that Employer can make the payment within the time period required by Section 409A of the Code.

8. **Restrictive Covenants**. During the Term of this Agreement, Executive shall not be associated, directly or indirectly, as an employee, proprietor, stockholder, partner, agent, representative, officer, or otherwise, with the operation of any business that is competitive with any line of business of Employer or any Affiliate for which Executive has provided substantial services without the prior written consent of Employer, which shall not unreasonably be withheld, except that Executive's ownership (or that of his wife and children) of publicly-traded securities of any such business having a cost of not more than $250,000 shall not be considered a violation of this Section. For purposes of the preceding sentence, Executive shall be considered as the "stockholder" of any equity securities owned by his spouse and all relatives and children residing in Executive's principal residence.

9. **No Solicitation of Representatives and Employees**. Executive agrees that he shall not, during the Term of this Agreement, directly or indirectly, in his individual capacity or otherwise, induce, cause, persuade, or attempt to do any of the foregoing in order to cause, any representative, agent or employee of Employer or any Affiliate to terminate such person's employment relationship with Employer or any Affiliate, or to violate the terms of any agreement between said representative, agent or employee and Employer or any Affiliate.

10. **Confidentiality**. Executive acknowledges that preservation of a continuing business relationship between Employer or its Affiliates and their respective customers, representatives, and employees is of critical importance to the continued business success of Employer and that it is the active policy of Employer and its Affiliates to guard as confidential the identity of its customers, trade secrets, pricing policies, business affairs, representatives and employees. In view of the foregoing, Executive agrees that he shall not, during the Term of this Agreement and thereafter, without the prior written consent of Employer (which consent shall not be withheld unreasonably), disclose to any person or entity any information concerning the business of, or any customer, representative, agent or employee of, Employer or its Affiliates which was obtained by Executive in the course of his employment by Employer. This section shall not be applicable if and to the extent Executive is required to testify in a legislative, judicial or regulatory proceeding pursuant to an order of Congress, any state or local legislature, a judge, or an administrative law judge.

11. **Executive Assignment**. No interest of Executive or his spouse or any other beneficiary under this Agreement, or any right to receive any payment or distribution hereunder, shall be subject in any manner to sale, transfer, assignment, pledge, attachment, garnishment, or other alienation or encumbrance of any kind, nor may such interest or right to receive a payment or distribution be taken, voluntarily or involuntarily, for the satisfaction of the obligations or debts of, or other claims against, Executive or his spouse or other beneficiary, by operation of law or otherwise, other than pursuant to the terms of a qualified domestic relations order to which Executive is a party.

12. **Funding**.

(a) Prior to a Change in Control, all rights of Executive and his spouse or other beneficiary under this Agreement shall at all times be entirely unfunded and no provision shall at any time be made with respect to segregating any assets of Employer for payment of any amounts due hereunder. Neither Executive nor his spouse or other beneficiary shall have any interest in or rights against any specific assets of Employer, and Executive and his spouse or other beneficiary shall have only the rights of a general unsecured creditor of Employer.

(b) No later than five days following a Change in Control, Employer shall establish an irrevocable grantor trust, substantially in the form of the model trust agreement set forth in Internal Revenue Service Revenue Procedure 96-24, or any subsequent Revenue Procedure, and shall make a contribution to the trust in an amount equal to the cash payments that would be made to Executive pursuant to Sections 4 and 7 upon a termination of his employment under circumstances described in Section 3, such amount to be determined as if Executive's termination of employment occurred on the date of the Change in Control. At six-month intervals commencing from the date of the Change in Control, Employer shall recalculate the amount necessary to fully fund the above-described benefits and, if the amount exceeds the fair market value of the assets then held in the trust, Employer shall promptly deposit an amount equal to such excess. Employer shall not terminate the trust until the Term of the Agreement has ended and all cash payments described in Section 4 to which Executive is entitled have been made to Executive. Employer shall provide Executive with written confirmation of the establishment of the trust and the deposit of the required amount on his behalf, including a written accounting of the calculation of such amounts. Employer's failure to establish a trust and provide such written notice shall constitute a material breach of this Agreement. Notwithstanding the foregoing, this Section 12(b) shall be construed and applied in a manner so as to avoid the application of Section 409A(b)(3) of the Code.

13. **Legal Expenses**. Employer shall pay as incurred (within 10 calendar days following Employer's receipt of an invoice from the Executive) Executive's out-of-pocket expenses, including attorney's fees, incurred by Executive at any time from the date of this Agreement through the Executive's remaining lifetime or, if longer, through the 20th anniversary of the date of the Change of Control, in connection with any action taken to enforce this Agreement or construe or determine the validity of this Agreement or otherwise in connection herewith, including any claim or legal action or proceeding, whether brought by Executive or Employer or another party, and whether or not Executive is successful with respect to such action taken; provided, that the Executive shall have submitted an invoice for such fees and expenses at least 15 calendar days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred. The amount of such legal fees and expenses that Employer is obligated to pay in any given calendar year shall not affect the legal fees and expenses that Employer is obligated to pay in any other calendar year, and the Executive's right to have Employer pay such legal fees and expenses may not be liquidated or exchanged for any other benefit. Employer's obligation to pay Executive's eligible legal fees and expenses under this Section 13 shall not be conditioned upon Executive's termination of employment.

14. **Section 409A**.

(a) The amounts payable pursuant to Section 4 above are intended to be separate payments that are exempt from Section 409A of the Code by reason of the “short-term deferral” exception or the separation pay exceptions set forth in Section 1.409A-1(b)(9)(iii) or Section 1.409A-1(b)(9)(v) of the Treasury Regulations. To the extent that an amount payable under Section 4 does not comply with any of these exceptions, then they shall be subject to the following rules:

(i) Notwithstanding anything contained in this Agreement to the contrary, if the Executive is a “specified employee,” as determined under Employer’s policy for determining specified employees on the date of his termination of employment, then to the extent required in order to comply with Section 409A of the Code, all payments, benefits or reimbursements paid or provided under this Agreement that constitute a “deferral of compensation” within the meaning of Section 409A of the Code, that are provided as a result of a “separation from service” within the meaning of Section 409A and that would otherwise be paid or provided during the first six months following the date of such termination of employment shall be accumulated through and paid or provided (together with interest at the applicable federal rate under Section 7872(f)(2)(A) of the Code in effect on the date of termination of employment) within 30 days after the first business day following the six month anniversary of such termination of employment (or, if the Executive dies during such six-month period, within 30 days after the Executive’s death).

(ii) The benefits described in paragraphs (e), (f) and (h) of this Section 4 that are taxable benefits (and that are not disability pay or death benefit plans within the meaning of Section 409A of the Code) are intended to comply, to the maximum extent possible, with the exception to Section 409A of the Code set forth in Section 1.409A-1(b)(9)(v) of the Treasury Regulations. To the extent that any of those benefits either do not qualify for that exception, or are provided beyond the applicable time periods set forth in Section 1.409A-1(b)(9)(v) of the Treasury Regulations, then they shall be subject to the following additional rules: (1) any reimbursement of eligible expenses shall be paid within 60 calendar days following Executive’s written request for reimbursement, or such later date set forth in Section 14(a)(i); provided that the Executive provides written notice no later than 75 calendar days prior to the last day of the calendar year following the calendar year in which the expense was incurred so that Employer can make the reimbursement within the time periods required by Section 409A of the Code; (2) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during any calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefits to be provided, during any other calendar year; and (3) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(b) For purposes of this Agreement, the phrase “termination of employment” or words or phrases of similar import shall mean a “separation from service” with the Employer within the meaning of Section 409A of the Code. In this regard, Employer and the Executive shall take all steps necessary (including with regard to any post-termination services by the Executive) to ensure that (i) any termination of employment under this Agreement constitutes a “separation from service” within the meaning of Section 409A of the Code, and (ii) the date on which such separation from service takes place shall be the date of the termination of employment for purposes of this Agreement.

(c) It is intended that the payments and benefits provided under this Agreement shall either be exempt from the application of, or comply with, the requirements of Section 409A of the Code. This Agreement shall be construed, administered, and governed in a manner that effects such intent, and the Employer shall not take any action that would be inconsistent with such intent. Without limiting the foregoing, the payments and benefits provided under this Agreement may not be deferred, accelerated, extended, paid out or modified in a manner that would result in the imposition of an additional tax under Section 409A of the Code upon Executive. Although the Employer shall use its best efforts to avoid the imposition of taxation, interest and penalties under Section 409A of the Code, the tax treatment of the benefits provided under this Agreement is not warranted or guaranteed. Neither the Employer, its Affiliates nor their respective directors, officers, employees or advisers shall be held liable for any taxes, interest, penalties or other monetary amounts owed by the Executive or other taxpayer as a result of the Agreement.

15. **Waiver**. No waiver by any party at any time of any breach by any other party of, or compliance with, any condition or provision of this Agreement to be performed by any other party shall be deemed a waiver of any other provisions or conditions at the same time or at any prior or subsequent time.

16. **Applicable Law**. This Agreement shall be construed and interpreted pursuant to the laws of Delaware.

17. **Entire Agreement**. This Agreement contains the entire Agreement between Employer and Executive and supersedes any and all previous agreements, written or oral, between the parties relating to severance benefits in the event of a Change in Control, including any previous Employment Security Agreement between Executive and Employer. No amendment or modification of the terms of this Agreement shall be binding upon the parties hereto unless reduced to writing and signed by Employer and Executive.

18. **No Employment Contract**. Nothing contained in this Agreement shall be construed to be an employment contract between Executive and Employer. Executive is employed at will and Employer may terminate his employment at any time, with or without cause.

19. **Severability**. In the event any provision of this Agreement is held illegal or invalid, the remaining provisions of this Agreement shall not be affected thereby.

20. **Employment with an Affiliate**. If Executive is employed by Employer and an Affiliate, or solely by an Affiliate, on the date of termination of employment of Executive under circumstances described in Section 3, then (a) employment or termination of employment as used in this Agreement shall mean employment or termination of employment of Executive with Employer and such Affiliate, or with such Affiliate, as applicable, and related references to Employer shall also include Affiliate, as applicable, and (b) the obligations of Employer hereunder shall be satisfied by Employer and/or such Affiliate as Employer, in its discretion,

shall determine; provided that Employer shall remain liable for such obligations to the extent not satisfied by such Affiliate.

21. **Successors**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives and successors. Any reference in this Agreement to Employer shall be deemed a reference to any successor (whether direct or indirect, by purchase of stock or assets, merger or consolidation or otherwise) to all or substantially all of the business and/or assets of Employer; provided that Executive's employment by a successor Employer shall not be deemed a termination of Executive's employment with Employer (unless otherwise required in order to comply with the definition of "separation from service" under Section 409A of the Code).

22. **Non-exclusivity**. Except with respect to agreements regarding severance payments described in Section 16, the provisions of this Agreement shall not reduce any amounts otherwise payable, or in any way diminish Executive's existing rights, or rights which would accrue solely as a result of the passage of time, under any other employment agreement or other contract, plan or arrangement with Employer or an Affiliate.

23. **Notice**. Notices required under this Agreement shall be in writing and sent by registered mail, return receipt requested, to the following addresses or to such other address as the party being notified may have previously furnished to the others by written notice.

If to Employer:	Newell Rubbermaid Inc. 10B Glenlake Parkway, Suite 600 Atlanta, Georgia 30328 Attention: General Counsel
If to Executive:	____________________ ____________________ ____________________ ____________________

24. **Counterparts**. This Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties have executed this Employment Security Agreement as of the day and year written above.

NEWELL RUBBERMAID INC.

By: ____________________
Title: ____________________

____
EXECUTIVE

EXHIBIT 10.25

February 28, 2008

Steve Marton

Re: Separation Agreement and General Release

Dear Steve:

This letter when signed by you, will constitute the full agreement between you and Newell Rubbermaid, Inc. ("the Company") on the terms of your separation from employment ("Agreement"). By entering into this Agreement, neither you nor the Company makes any admission of any failing or wrongdoing. Rather, the parties have merely agreed to resolve amicably any existing or potential disputes arising out of your employment with the Company and the separation thereof.

1. If you accept this Agreement, your employment with the Company will be considered involuntarily terminated effective 11:59 P.M. February 29, 2008 ("Separation Date"). You agree to work in whatever capacity as directed by the Company until the Separation Date. You will be paid your accrued, but unused vacation, if any, in the ordinary course of business.

2. In consideration of your acceptance of this Agreement, you will be entitled to the following items:

   (a) As supplemental unemployment pay, the Company will provide you with 52 weeks of pay at your present base salary, less ordinary and necessary payroll deductions ("Salary Continuation Period One"). The supplemental unemployment pay, less unemployment compensation and less ordinary and necessary payroll deductions, will continue for an additional 26 weeks or until you find other employment, including self-employment ("Alternative Employment"), whichever event occurs first ("Salary Continuation Period Two"). Alternative Employment excludes any employment related income up to and including $4,167.00 per calendar month. The supplemental unemployment payments, however, will not commence until after the effective date of this Agreement and after the Separation Date, and they will be made on regularly scheduled pay dates. Notwithstanding any language in this Agreement to the contrary and assuming you do not breach this Agreement, you are guaranteed under this Agreement to receive 15 months of pay at your present base salary, less unemployment compensation where applicable and less ordinary and necessary payroll deductions.

   (b) Your Separation Date shall be considered a "qualifying event" for purposes of triggering your right to continue your group health and dental insurance pursuant to federal law (commonly referred to as "COBRA"). However, as additional consideration for your acceptance of this Agreement, the Company will continue to provide group health and dental insurance benefits to you and, if applicable, your dependents, at the same cost it charges its employees for the duration of Salary Continuation Periods One and Two. After said Salary Continuation Periods, you will have the right to continue COBRA coverage at your own expense for the remaining duration, if any, of the COBRA period. You will receive, under separate cover, information regarding your rights to such continuation coverage.

(c) As further consideration for your acceptance of this Agreement, if you find Alternative Employment prior to the end of either Salary Continuation Period, the Company, in addition to any remaining obligation under Salary Continuation Period One, will provide you with a lump sum payment equal to fifty percent (50%) of the remaining supplemental unemployment pay for Salary Continuation Period Two, as defined above ("Alternative Employment Bonus Payment"). This payment will be made, if known, on or before March 15, 2009 or if not known at that time, as soon as is administratively practicable.

(d) As additional consideration for your acceptance of this Agreement, if you have not found Alternative Employment by the end of Salary Continuation Period Two, the Company will extend Salary Continuation Period Two until you find Alternative Employment, or for four (4) weeks, whichever occurs first, if it determines that you have been searching for Alternative Employment in good faith.

(e) All vested stock options held by you pursuant to the Newell Rubbermaid, Inc. Amended 1993 or 2003 Stock Option Plans as of the Separation Date, remain exercisable until one hundred and eighty (180) days following the Separation Date or, if earlier, the expiration of their terms. All non-vested stock options, restricted shares or other awards granted under the Plans will be forfeited as of the Separation Date. As to restricted shares, however, if you are an employee as of the date that that the BOD declares is dividend eligible, you will receive said dividends regardless if the declared payment date is after the Separation Date.

(f) You will be allowed to continue to use the Company-leased car pursuant to the terms of the leased automobile program through Salary Continuation Period One and then through Salary Continuation Period Two. You may purchase said vehicle at any time prior thereto at the buy-out price as established by said program. If your lease expires during either Salary Continuation Period, the Company will extend that lease for the duration of said Periods.

(g) The Company will reimburse you for 2007 income tax preparation services.

(h) You will be allowed to keep your Blackberry and Laptop computer after the Company's IT department has sanitized the devices of all pertinent Company information.

(i) If you experience a loss on the sale of your current Georgia residence and you move at least 100 miles from said residence, the Company, at its discretion, will provide you with up to the difference between your purchase price and your subsequent net selling price of said property (Net selling price defined as actual selling price less real estate commissions) provided that said sale closes prior to your acceptance of Alternative Employment or to the extent that the sale occurs after acceptance of Alternative Employment, you have not been, nor will be per that employer's standing policy and practice, reimbursed for these same expenses. For purposes of this section only, "purchase price" means the summation of the original price that you paid for said property plus your subsequent capital improvements, if any, that were made prior to January 1, 2008 and that were either included in your original mortgage or equaled or exceeded $25,000.00.

(j) Except as stated above, all other benefits, bonuses and compensation end on the Separation Date. However, this Agreement does not affect any existing vested rights that you may have in the Company's bonus, deferred compensation, pension, retirement and/or 401(k) plans. You will receive, under separate cover, information regarding your rights and options, if any, under said plans.

3. In consideration of the payments and benefits provided to you above, to which you are not otherwise entitled and the sufficiency of which you acknowledge, you do, on behalf of yourself and your heirs,

administrators, executors and assigns, hereby fully, finally and unconditionally release and forever discharge the Company and its parent, subsidiary and affiliated entities and all their former and present officers, directors, shareholders, employees, trustees, fiduciaries, administrators, attorneys, consultants, agents, and other representatives, and all their respective predecessors, successors and assigns (collectively "Released Parties"), in their corporate, personal and representative capacities, from any and all obligations, rights, claims, damages, costs, attorneys' fees, suits and demands, of any and every kind, nature and character, known or unknown, liquidated or unliquidated, absolute or contingent, in law and in equity, enforceable under any local, state or federal common law, constitution, statute or ordinance, which arise from or relate to your past employment with the Company or the termination thereof, or any past actions or omissions of the Company or any of the Released Parties, including without limitation, rights and claims arising under the Family and Medical Leave Act, Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act of 1990, as amended, the Age Discrimination in Employment Act of 1967, as amended. Subject to applicable law, you also warrant that you have not filed or sued and will not sue or file any actions against the Company or any of the Released Parties with respect to claims covered by this release.

You recognize and understand that the foregoing is a general release by which you are giving up the opportunity to obtain compensation, damages, and other forms of relief for yourself. By signing this Agreement, you waive any right to personally recover against the Released Parties, and you give up the opportunity to obtain compensation, damages or other forms of relief for you other than that provided in this Agreement.

This Agreement, however, is not intended to and does not interfere with:

(a) the right of any governmental agency to enforce laws or seek relief that may benefit the general public, or your rights to assist with or participate in that process;

(b) as long as you were acting within the course and scope of your employment with the Company, any right to indemnification from the Company for any and all claims, causes of action, damages and/or liabilities of any kind, nature, description or character arising out of, relating to, or in connection with your employment with the Company; or

(c) any right arising under any directors and officers' liability insurance provided the Company.

4. <u>Non-Competition and Non-Solicitation</u>

(a) <u>The Company</u>. The Company is a global marketer of consumer and commercial products**.**

(b) <u>Your Job Duties</u>. You agree that your job duties during your tenure with the Company included the following: As the Group President of the Office Products segment of the Company and reporting to the CEO of the Company, your responsibilities included all aspects of executive management of that segment.

(c) <u>Your Obligations</u>. Until February 28, 2010:

(i) <u>Non-Competition</u>. You agree that you will not perform the same or substantially the same job duties on behalf of a business or organization that competes with the Company in Office Products. This non-competition covenant is limited to the United States.

(ii) <u>Non-Solicitation</u>. You agree that you will not directly or indirectly, individually or on behalf of any person or entity, solicit or induce, or assist in any manner in the solicitation or inducement of: (i) employees of the

Company, other than those in clerical or secretarial positions, to leave their employment with the Company (this restriction is limited to employees with whom you have had contact for the purpose of performing your job duties and responsibilities and does not include employee letters of reference); (ii) customers of the Company to purchase from another person or entity products and services that compete with those offered and provided by the Company (“Competitive Products”) (this restriction is limited to customers with whom you have contact through performance of your job duties and responsibilities or through otherwise performing services on behalf of the Company); or (iii) suppliers of the Company to supply another person or entity providing Competitive Products to the exclusion or detriment of the Company (this restriction is limited to suppliers with whom you have had contact through performance of your job duties and responsibilities or through otherwise performing services on behalf of the Company.)

(d) Reasonableness. You hereby acknowledge and agree that: (i) the restrictions provided in this section are reasonable in time and scope in light of the necessity for the protection of the business and good will of the Company and the consideration provided to you under this Agreement; and (ii) your ability to work and earn a living will not be unreasonably restrained by the application of these restrictions.

(e) Injunctive Relief. You also recognize and agree that should you fail to comply with the restrictions set forth above regarding Non-Competition and/or Non-Solicitation, which restrictions you recognize are vital to the success of the Company’s business, the Company would suffer substantial damage for which there is no adequate remedy at law due to the impossibility of ascertaining exact money damages. Therefore, you agree that in the event of the breach or threatened breach by you of any of the terms and conditions of this Agreement, the Company shall be entitled, in addition to any other rights or remedies available to it, to institute proceedings in a federal or state court and to secure immediate temporary, preliminary and permanent injunctive relief. In the event the enforceability of any of the covenants in this section are challenged in court, the applicable time period as to such covenant shall be deemed tolled upon the filing of the lawsuit challenging the enforceability of this Agreement until the dispute is finally resolved and all periods of appeal have expired.

5. You understand and agree that this Agreement contemplates and memorializes an unequivocal, complete and final dissolution of your employment relationship with the Company, and that, therefore, you have no right to be reinstated to employment with or rehired by the Company, and that in the future, the Company and its affiliated and related entities and their successors and assigns shall have no obligation to consider you for employment.

6. You further understand and agree that should another Newell Rubbermaid, Inc. entity offer you employment and you accept the same and commence employment within either Salary Continuation Period, the Company will discontinue the remaining supplemental unemployment payments and benefits without affecting the release and covenant not to sue or any other provision of this Agreement.

7. You agree to return to the Company all of the Company’s property, including, without limit, any electronic or paper documents and records and copies thereof that you received or acquired during your employment regarding the Company’s practices, procedures, trade secrets, customer lists, or product marketing, and that you will not use the same for your own purpose. Unless required or otherwise permitted by law, you further agree that while you are considering this Agreement and for two (2) years following your Separation Date, you will not disclose to any person, firm, or corporation or use for your own benefit any information regarding the following:

(a) Any secret or confidential information obtained or learned by you in the course of your employment with Company with regard to the operational, financial, business or other affairs of Company or its subsidiaries, divisions, or parent companies including, without limitation, proprietary trade “know how” and secrets, financial information and models, customer lists, business, marketing, sales and acquisition plans, identity and qualifications of Company’s employees, sources of supply, pricing policies, proprietary operational methods, product specifications or technical processes; and

(b) The terms of this Agreement or the amount of supplemental unemployment pay being paid pursuant to this Agreement, except that you may disclose this information to your spouse and your attorney, accountant or other professional advisor to whom you must make the disclosure in order for them to render professional services to you, provided that you first advise them of this confidentiality provision and they also agree to maintain the confidentiality of the supplemental unemployment pay and benefits and terms of this Agreement.

8. Subject to applicable law, in the event that you breach any of your obligations under this Agreement, the Company is entitled to stop your supplemental unemployment payments and recover the supplemental unemployment already paid you and to obtain all other relief provided by law or equity.

9. It is agreed that neither you nor the Company, or any of its officers, directors or employees, make any admission of any failing or wrongdoing or violation of any local, state or federal law by entering into this Agreement, and that the parties have entered into this Agreement simply to resolve your employment relationship in an amicable manner. While considering this Agreement and at all times thereafter, you agree to act in a professional manner and not make any disparaging or negative statements regarding the Company and its officers, directors and employees or to otherwise act in any manner that would damage the business reputation of the Company. The Company agrees that it will direct its Board of Directors, Officers and direct reports to the CEO not to make any defamatory statements regarding you.

10. Throughout both Salary Continuation Periods and thereafter, you agree, upon reasonable notice, to advise and assist the Company and its counsel in preparing such operational, financial and other reports, or other filings and documents, as the Company may reasonably request, and otherwise cooperate with the Company and its affiliates with any request for information. Upon reasonable notice, you also agree during both Salary Continuation Periods and at any time in the future to assist the Company and its counsel in prosecuting or defending against any litigation, complaints or claims against or involving the Company or its affiliates. The Company shall pay your necessary travel costs and expenses in the event it requires you to assist it under this paragraph.

11. You understand and agree that the payments and benefits provided to you under this Agreement have been structured and will be administered to comply with or be exempt from Section 409A of the Internal Revenue Code (the “Code”). Accordingly, the benefits provided under this Agreement will be subject to the following rules:

(a) The supplemental unemployment payments payable during Salary Continuation Period One described in Section 2(a) shall be paid in accordance with Section 2(a), provided that all such payments shall be paid on or before March 15, 2009. It is intended that the supplemental unemployment payments paid during that Salary Continuation Period satisfy the requirements of the short-term deferral rule described in Treasury Regulation Section 1.409A-1(b)(4). The supplemental unemployment payments payable during Salary Continuation Period Two described in Sections 2(a) and (d) and the Alternative Employment Bonus Payment described in Section 2(c) shall be treated as a single payment for purposes of Section 409A of the Code and shall be paid in accordance with Sections 2(a), (c) and (d), respectively. It is intended that the benefits payable either as supplemental unemployment payments during Salary Continuation Period Two (including the four week extension) or as the Alternative Employment Bonus shall constitute separation pay within the meaning of Treasury Regulation Section 1.409A-1(b)(9). The payments paid during Salary Continuation Period One shall constitute a separate payment under Section 409A of the Code and the payments paid during Salary Continuation Period

Two and the Alternative Employment Bonus shall constitute a separate payment for purposes of Section 409A of the Code.

(b) The taxable benefits described in Section 2(b) (other than any disability benefit or death benefit) are intended to be exempt from Section 409A of the Code as provided in Treasury Regulation Section 1.409A-1(b)(9)(v). In the event these benefits are not so exempt from Section 409A of the Code, then the benefits provided in Section 2(b) shall be subject to the following additional rules: (i) any reimbursement of eligible expenses shall be paid within 60 calendar days following your written request for reimbursement, or such later date set forth in subsection (f) below; provided that you provide written notice no later than 75 calendar days prior to the last day of the calendar year following the calendar year in which the expense was incurred so that the Company can make the reimbursement within the time periods required by Section 409A of the Code; (ii) except as may be required in order to apply a lifetime maximum under the medical and dental benefits, the amount of expenses eligible for reimbursement during any calendar year shall not affect the amount of expenses eligible for reimbursement during any other calendar year; and (iii) the right to reimbursement shall not be subject to liquidation or exchange for another benefit.

(c) The ability to use the Company-leased car as described in Section 2(f) during Salary Continuation Period One is intended to be considered a "separate payment" from the ability to use such car during Salary Continuation Period Two, such that the use of the car during Salary Continuation Period One will qualify for the "short term deferral" exception from Section 409A of the Code set forth in Treasury Regulation Section 1.409A-1(b)(4). The use of the car during Salary Continuation Period Two is intended to qualify, to the extent possible, for the exception from Section 409A of the Code for involuntary separation pay plans set forth in Treasury Regulation Section 1.409A-1(b)(9)(iii). To the extent the use of the Company-leased car is not exempt from Section 409A of the Code, it shall be subject to the following additional rules: (i) the use of the car during any calendar year shall not affect the ability to use the car during any other calendar year and (ii) the use of the car shall not be subject to liquidation or exchange for another benefit.

(d) In order to comply with the requirements of Treasury Regulation Section 1.409A-1(b)(9)(v)(D) and to qualify under that section for the limited separation payments exception from Section 409A of the Code, the value of the reimbursement for income tax preparation services described in Section 2(g) and the Blackberry and Laptop computer described in Section 2(i) must not exceed, in the aggregate, $15,500.

(e) The home sale loss reimbursement described in Section 2(j) is intended to be exempt from Section 409A of the Code by reason of the separation pay exception set forth in Treasury Regulation Section 1.409A-1(b)(9)(v)(A). Accordingly, in order to comply with the requirements of Treasury Regulation Section 1.409A-1(b)(9)(v)(A), this payment shall only be made if the loss is incurred by the last day of the second calendar year following the calendar year in which you have a "separation from service," within the meaning of Section 409A of the Code, and any such payment shall be made no later than the last day of the third calendar year following the calendar year in which you have a "separation from service."

(f) Notwithstanding anything contained in this Agreement to the contrary, if you are a "specified employee," as determined under the Company's policy for determining specified employees on the date of your termination of employment, then to the extent required in order to comply with Section 409A of the Code, all payments, benefits or reimbursements paid or provided under this Agreement that constitute a "deferral of compensation" within the meaning of Section 409A of the Code, that are provided as a result of a "separation from service" within the meaning of Section 409A of the Code and that would otherwise be paid or provided during the first six months following the date of such termination of employment shall be accumulated through and paid or provided (together with interest at the applicable federal rate under Section 7872(f)(2)(A) of the Code in effect on the date of termination of employment) within 30 days after the first business day following the six month anniversary of such termination of employment (or, if you die during such six-month period, within 30 days after your death).

(g) For purposes of this Agreement, the phrase “termination of employment” or words or phrases of similar import shall mean a “separation from service” with the Company within the meaning of Section 409A of the Code. In this regard, you and the Company shall take all steps reasonably necessary (including with regard to any post-termination services) to ensure that (i) any termination of employment under this Agreement constitutes a “separation from service” within the meaning of Section 409A of the Code, and (ii) the date on which such separation from service takes place is the date of the termination of employment for purposes of this Agreement.

(h) The payments and benefits provided under this Agreement may not be deferred, accelerated, extended, paid out or modified in a manner that would result in the imposition of an additional tax under Section 409A of the Code.

Although the Company has used and will continue to use its best efforts to avoid the imposition of taxation, interest and penalties under Section 409A of the Code, the tax treatment of the payments and benefits provided under this Agreement is not warranted or guaranteed. Subject to the terms of section 3, you agree not to hold the Company, its affiliates or their respective directors, officers, employees or advisers liable for any taxes, interest, penalties or other monetary amounts owed by you as a result of this Agreement.

12. You acknowledge and agree that this Agreement sets forth the entire understanding between the parties concerning the matters discussed herein, that no promise or inducement has been offered to you to enter into this Agreement except as expressly set forth herein, and that the provisions of this Agreement are severable such that if any part of the Agreement is found to be unenforceable, the other parts shall remain fully valid and enforceable.

13. This Agreement supersedes and replaces all prior agreements regarding the same subject matter.

14. You agree to notify the Company within five (5) business days after accepting Alternative Employment.

15. You acknowledge receipt of the Summary Plan Descriptions of Newell Rubbermaid, Inc.’s Supplemental Unemployment Pay Plan and Excess Severance Pay Plan.

16. The Company will reimburse your legal fees and expenses (up to $7,000.00) incurred in obtaining legal consultation as advised by the company in section 19. These fees and expenses must be submitted via billing invoices from the attorney(s) and will be processed pursuant to the Company’s legal billing procedures.

17. This Agreement will be governed and interpreted in accordance with Georgia law.

18. You and the Company agree that any dispute regarding this agreement will be submitted to mediation prior to commencement of any legal action. The cost of mediation will be split among the parties.

19. You are hereby advised in writing to consult an attorney prior to executing this Agreement. You have twenty-one (21) days from your receipt of this letter to accept the terms of this Agreement. You may accept and execute this Agreement within those 21 days.

If you accept the terms of this Agreement, please date and sign this letter and return it to me. Once you execute this Agreement, you have seven (7) days in which to revoke in writing your acceptance by providing the same to me, and such revocation will render this Agreement null and void. If you do not revoke your acceptance in writing and provide it to me by midnight on the seventh day, this Agreement shall be effective the day after the seven-day revocation period has elapsed.

Sincerely,

/s/ Jim Sweet
Jim Sweet
Executive Vice President — Human Resources (CHRO)

By signing this letter, I represent and warrant that I have not been the victim of age or other discrimination or wrongful treatment in my employment and the termination thereof. I further acknowledge that the Company advised me in writing to consult with an attorney, that I had at least twenty-one (21) days to consider this Agreement, that I received all information necessary to make an informed decision and I had the opportunity to request and receive additional information, that I understand and agree to the terms of this Agreement, that I have seven (7) days in which to revoke my acceptance of this Agreement, and that I am signing this Agreement voluntarily with full knowledge and understanding of its contents.

Dated: 2/28/08 Name: /s/ Steven G. Marton

EXHIBIT 12

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
STATEMENT OF COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

(dollars in millions)	YEAR ENDED DECEMBER 31, 2007	2006	2005	2004	2003
EARNINGS AVAILABLE TO FIXED CHARGES:					
Income from continuing operations before income taxes	$628.9	$514.9	$463.4	$197.9	$360.3
Adjustment - - equity in earnings of affiliates	(0.1)	(0.9)	(0.9)	(0.9)	—
Fixed charges -					
Interest expense	131.7	155.0	142.1	129.7	140.1
Portion of rent determined to be interest (1)	29.8	27.9	34.2	33.4	31.9
	$790.3	$696.9	$638.8	$360.1	$532.3
FIXED CHARGES:					
Interest expense	$131.7	$155.0	$142.1	$129.7	$140.1
Portion of rent determined to be interest (1)	29.8	27.9	34.2	33.4	31.9
	$161.5	$182.9	$176.3	$163.1	$172.0
RATIO OF EARNINGS TO FIXED CHARGES	4.89	3.81	3.62	2.21	3.09

(1) A standard ratio of 33% was applied to gross rent expense to approximate the interest portion of short-term and long-term leases.

EXHIBIT 21

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
SIGNIFICANT SUBSIDIARIES

NAME	STATE OR JURISDICTION OF ORGANIZATION
Berol Corporation	Delaware
Berol Pen Company	North Carolina
Brickhouse Collection Company	Delaware
Calphalon Corporation	Ohio
Ember Investment Corporation	Delaware
Furth Corporation	Delaware
Goody Products, Inc.	Delaware
Graco Children’s Products Inc.	Delaware
Irwin Industrial Tool Company	Delaware
Loral Corporation	Delaware
Marsty Holdings Inc.	Delaware
Marsty L.L.C	Delaware
Newell Finance Company	Delaware
Newell Investments Inc.	Delaware
Newell Operating Company	Delaware
Newell Rubbermaid Finance LLC	Delaware
Newell Window Furnishings, Inc.	Delaware
NRI Insurance Company	Vermont
Rubbermaid Europe Holding Inc.	Delaware
Rubbermaid Incorporated	Ohio
Rubbermaid Texas Limited	Texas
Rubfinco Inc.	Delaware
Sanford Brands Venezuela, L.L.C.	Delaware
Sanford, L.P.	Illinois
Terbal Corporation	Delaware
Irwin Industrial Tool Company Pty. Ltd.	Australia
Newell Australia Pty. Ltd.	Australia
DYMO BVBA	Belgium
DYMO Finance SPRL	Belgium
DYMO Holdings SPRL	Belgium
Irwin Industrial Tool Ferramentas do Brasil Ltda.	Brazil
Newell Industries Canada Inc.	Canada
NR Capital Co.	Canada

NR Investment Co.	Canada
Newell Rubbermaid Caymans Holding Co.	Cayman Islands
Sanford Colombia S.A.	Colombia
Irwin Industrial Tool Company A/S	Denmark
Newell Investments France SAS	France
Reynolds SAS	France
Sanford Ecriture SAS	France
Waterman SAS	France
Irwin Industrial Tools GmbH	Germany
Sanford GmbH	Germany
Sanford Italy S.r.l.	Italy
Mirado SA	Luxembourg
Newell Luxembourg Finance S.a.r.l.	Luxembourg
Newell Mauritius Holding Company	Mauritius

NAME	STATE OR JURISDICTION OF ORGANIZATION
Comercial Berol, S. de R.L. de C.V.	Mexico
Newell Rubbermaid Nederland B.V.	Netherlands
Newell Tools Netherlands B.V.	Netherlands
Newell Rubbermaid Poland SA	Poland
Newell International Finance Co.	Scotland
Newell (1995)	United Kingdom
Newell Holdings Limited	United Kingdom
Newell Limited	United Kingdom
Parker Pen Company	United Kingdom
Parker Pen Holdings	United Kingdom
Polyhedron Holdings Limited	United Kingdom
Sanford Brands Venezuela	Venezuela

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements listed below of our reports dated February 28, 2008, with respect to the consolidated financial statements and schedule of Newell Rubbermaid Inc. and the effectiveness of internal control over financial reporting of Newell Rubbermaid Inc., included in this Annual Report (Form 10-K) for the year ended December 31, 2007.

Form	Number	Registration Description
S-8	33-25196	Newell Long-Term Savings and Investment Plan
S-8	33-40641	Newell Long-Term Savings and Investment Plan
S-8	33-67632	Newell Co. 1993 Stock Option Plan
S-8	33-62047	Newell Long-Term Savings and Investment Plan
S-8	333-38621	Newell Long-Term Savings and Investment Plan
S-8	333-71747	Amended and Restated 1989 Stock Incentive and Option Plan
S-8	333-105113	Newell Rubbermaid Inc. 2003 Stock Plan
S-8	333-105177	Newell Rubbermaid Inc. 2002 Deferred Compensation Plan
S-8	333-105178	Newell Rubbermaid Inc. 401(k) Savings Plan
S-8	333-12514	Newell Rubbermaid Inc. 401(k) Savings Plan
S-8	333-135152	Newell Rubbermaid Inc. Employee Stock Purchase Plan
S-8	333-135153	Newell Rubbermaid Inc. 2003 Stock Plan (as amended and restated effective February 8, 2006)
S-3	333-103773	Debt securities, preferred stock, common stock, warrants, stock purchase contracts and stock purchase units totaling $1 billion
S-8	333-149133	Newell Rubbermaid Inc. 2008 Deferred Compensation Plan

/s/ Ernst & Young LLP

Baltimore, Maryland
February 28, 2008

EXHIBIT 31.1

CERTIFICATION

I, Mark D. Ketchum, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2007 of Newell Rubbermaid Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 29, 2008

/s/ Mark D. Ketchum

Mark D. Ketchum
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, J. Patrick Robinson, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2007 of Newell Rubbermaid Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 29, 2008

/s/ J. Patrick Robinson

J. Patrick Robinson
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Newell Rubbermaid Inc. (the "Company") on Form 10-K for the period ending December 31, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark D. Ketchum, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark D. Ketchum

Mark D. Ketchum
Chief Executive Officer
February 29, 2008

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Newell Rubbermaid Inc. (the “Company”) on Form 10-K for the period ending December 31, 2007 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, J. Patrick Robinson, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ J. Patrick Robinson

J. Patrick Robinson
Chief Financial Officer
February 29, 2008