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

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

for the Quarterly Period Ended June 30, 2010

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.)

Three Glenlake Parkway
Atlanta, Georgia 30328
(Address of principal executive offices)
(Zip Code)

(770) 418-7000
(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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 Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

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

Number of shares of common stock outstanding (net of treasury shares) as of June 30, 2010: 278.3 million.

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PART I. FINANCIAL INFORMATION**Item 1. Financial Statements****NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)***(Amounts in millions, except per share data)*

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net sales	\$1,496.2	\$1,504.3	\$2,802.6	\$2,708.2
Cost of products sold	908.9	946.0	1,743.6	1,727.1
GROSS MARGIN	587.3	558.3	1,059.0	981.1
Selling, general and administrative expenses	362.6	329.3	688.2	640.8
Restructuring costs	21.2	29.5	37.2	60.0
OPERATING INCOME	203.5	199.5	333.6	280.3
Nonoperating expenses:				
Interest expense, net	33.2	40.3	65.2	70.9
Other (income) expense, net	(5.9)	1.2	(6.2)	1.9
Net nonoperating expenses	27.3	41.5	59.0	72.8
INCOME BEFORE INCOME TAXES	176.2	158.0	274.6	207.5
Income taxes	45.8	52.3	85.8	68.1
NET INCOME	\$ 130.4	\$ 105.7	\$ 188.8	\$ 139.4
Weighted average shares outstanding:				
Basic	281.5	280.8	281.3	280.7
Diluted	315.4	286.8	311.6	283.7
Earnings per share:				
Basic	\$ 0.46	\$ 0.38	\$ 0.67	\$ 0.50
Diluted	\$ 0.41	\$ 0.37	\$ 0.61	\$ 0.49
Dividends per share	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.16

See Notes to Condensed Consolidated Financial Statements (Unaudited).

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CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)*(Amounts in millions, except par values)*

	June 30, 2010	December 31, 2009
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 259.8	\$ 278.3
Accounts receivable, net	1,037.6	894.1
Inventories, net	802.4	688.2
Deferred income taxes	195.7	183.8
Prepaid expenses and other	105.3	137.7
TOTAL CURRENT ASSETS	2,400.8	2,182.1
PROPERTY, PLANT AND EQUIPMENT, NET	536.3	578.1
GOODWILL	2,701.7	2,754.3
OTHER INTANGIBLE ASSETS, NET	636.6	646.2
OTHER ASSETS	289.1	263.2
TOTAL ASSETS	\$ 6,564.5	\$ 6,423.9
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 597.2	\$ 433.6
Accrued compensation	122.0	176.4
Other accrued liabilities	651.0	656.0
Short-term debt	1.0	0.6
Current portion of long-term debt	393.0	492.9
TOTAL CURRENT LIABILITIES	1,764.2	1,759.5
LONG-TERM DEBT	2,049.3	2,015.3
DEFERRED INCOME TAXES	25.7	0.3
OTHER NONCURRENT LIABILITIES	826.4	866.6
STOCKHOLDERS' EQUITY:		
Preferred stock, authorized shares, 10.0 at \$1.00 par value	0	0
None issued and outstanding		
Common stock, authorized shares, 800.0 at \$1.00 par value	294.9	294.0
Outstanding shares, before treasury:		
2010 – 294.9		
2009 – 294.0		
Treasury stock, at cost:	(424.0)	(420.6)
Shares held:		
2010 – 16.6		
2009 – 16.2		
Additional paid-in capital	688.1	669.8
Retained earnings	1,981.5	1,820.7
Accumulated other comprehensive loss	(645.1)	(585.2)
STOCKHOLDERS' EQUITY ATTRIBUTABLE TO PARENT	1,895.4	1,778.7
STOCKHOLDERS' EQUITY ATTRIBUTABLE TO NONCONTROLLING INTERESTS	3.5	3.5
TOTAL STOCKHOLDERS' EQUITY	1,898.9	1,782.2
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 6,564.5	\$ 6,423.9

See Notes to Condensed Consolidated Financial Statements (Unaudited).

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)*(Amounts in millions)*

	Six Months Ended June 30,	
	2010	2009
OPERATING ACTIVITIES:		
Net income	\$ 188.8	\$ 139.4
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	86.9	83.9
Deferred income taxes	16.7	14.8
Non-cash restructuring costs	1.9	13.3
Stock-based compensation expense	18.8	16.6
Other, net	12.7	12.9
Changes in operating assets and liabilities:		
Accounts receivable	(165.1)	(115.3)
Inventories	(131.8)	78.3
Accounts payable	172.4	(77.8)
Accrued liabilities and other	(17.9)	(78.1)
NET CASH PROVIDED BY OPERATING ACTIVITIES	183.4	88.0
INVESTING ACTIVITIES:		
Acquisitions and acquisition related activity	(1.5)	(12.1)
Capital expenditures	(69.3)	(70.7)
Disposals of non-current assets	8.7	5.7
Other	(2.0)	0
NET CASH USED IN INVESTING ACTIVITIES	(64.1)	(77.1)
FINANCING ACTIVITIES:		
Proceeds from issuance of debt, net of debt issuance costs	2.4	759.8
Proceeds from issuance of warrants	0	32.7
Purchase of call options	0	(69.0)
Payments on notes payable and debt	(108.4)	(517.2)
Cash dividends	(28.0)	(43.4)
Purchases of noncontrolling interests in consolidated subsidiaries	0	(29.0)
Other, net	(3.1)	(4.1)
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	(137.1)	129.8
Currency rate effect on cash and cash equivalents	(0.7)	2.0
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(18.5)	142.7
Cash and cash equivalents at beginning of period	278.3	275.4
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 259.8	\$ 418.1

See Notes to Condensed Consolidated Financial Statements (Unaudited).

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Footnote 1 — Basis of Presentation and Significant Accounting Policies

The accompanying unaudited condensed consolidated financial statements of Newell Rubbermaid Inc. (collectively with its subsidiaries, the “Company”) have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) and do not include all the information and footnotes required by U.S. generally accepted accounting principles (“U.S. GAAP”) for complete financial statements. In the opinion of management, the unaudited condensed consolidated financial statements include all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the financial position and the results of operations. It is recommended that these unaudited condensed consolidated financial statements be read in conjunction with the financial statements and the footnotes thereto included in the Company’s latest Annual Report on Form 10-K.

Seasonal Variations: Sales of the Company’s products tend to be seasonal, with sales and operating income in the first quarter generally lower than any other quarter during the year, driven principally by reduced volume and the mix of products sold in the first quarter. Generally, the Company earns more than 60 percent of its annual operating income during the second and third quarters of the year. The seasonality of the Company’s sales volume combined with the accounting for fixed costs, such as depreciation, amortization, rent, personnel costs and interest expense, impacts the Company’s results on a quarterly basis. Accordingly, the Company’s results for the three and six months ended June 30, 2010 may not necessarily be indicative of the results that may be expected for the full year ending December 31, 2010.

Recent Accounting Pronouncements: Changes to U.S. GAAP are established by the Financial Accounting Standards Board (“FASB”) in the form of accounting standards updates (“ASU’s”) to the FASB’s Accounting Standards Codification. The Company considers the applicability and impact of all ASU’s. Recently issued ASU’s were assessed and determined to be either not applicable or are expected to have a minimal impact on the Company’s consolidated financial position and results of operations.

Venezuelan Operations: The Company applies to the Venezuelan government’s Foreign Exchange Administrative Commission, CADIVI, for the conversion of local currency to U.S. Dollars at the official exchange rate. Until May 2010, the Company used the parallel exchange market for its U.S. Dollar needs exceeding conversions obtained through CADIVI, and the parallel exchange market had rates less favorable than the official exchange rate.

As of December 31, 2009, the Company had changed the rate it used to translate its Venezuelan subsidiary’s transactions and balances from the official exchange rate to the parallel exchange rate. The resulting foreign currency translation adjustment of approximately \$29.4 million increased accumulated other comprehensive loss within stockholders’ equity as of December 31, 2009. The Company’s considerations for changing the rate included indications that the Venezuelan government is not likely to continue to provide substantial currency exchange at the official rate for companies importing nonessential products and difficulties in obtaining approval for the conversion of local currency to U.S. Dollars at the official exchange rate (for imported products, royalties and distributions).

Effective January 1, 2010, the Company accounted for Venezuela as a highly inflationary economy as the three-year cumulative inflation rate for Venezuela, using a blend of the Consumer Price Index associated with the city of Caracas and the National Consumer Price Index (developed commencing in 2008 and covering the entire country of Venezuela), exceeded 100%. Accounting standards require the functional currency of the foreign operations operating in highly inflationary economies to be the same as the reporting currency of the Company. Accordingly, the Company’s Venezuelan subsidiary began using the U.S. Dollar as its functional currency on January 1, 2010. As a result of the change to a U.S. Dollar functional currency, monetary assets and liabilities denominated in Bolivar Fuertes generate income or expense for changes in value associated with parallel exchange rate fluctuations against the U.S. Dollar. The Company’s Venezuelan subsidiary had approximately \$22.5 million of net monetary assets denominated in Bolivar Fuertes as of June 30, 2010.

In May 2010, the Venezuelan government enacted reforms to its foreign currency exchange control regulations to close down the parallel exchange market. In early June 2010, the Venezuelan government introduced a newly regulated foreign currency exchange system, Transaction System for Foreign Currency Denominated Securities (“SITME”). Foreign currency exchange through SITME is allowed within a specified band of 4.5 to 5.3 Bolivar Fuerte to U.S. Dollar, but most of the exchanges have been executed at the rate of 5.3 Bolivar Fuerte to U.S. Dollar. The Company began applying the SITME rate of 5.3 Bolivar Fuerte to U.S. Dollar in May 2010. The transition to the SITME rate resulted in a foreign exchange gain of \$5.6 million, which is recognized in other income for the three and six months ended June 30, 2010.

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During the three and six months ended June 30, 2010, the Company's Venezuelan subsidiary generated less than 1% of consolidated net sales. Net sales and operating income for the six months ended June 30, 2010 declined approximately \$26.1 million and \$9.6 million, respectively, compared to the six months ended June 30, 2009 due to the change in the exchange rate used to convert the Company's Venezuela results to U.S. Dollars.

Reclassifications: Certain 2009 amounts have been reclassified to conform to the 2010 presentation.

Footnote 2 — Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss is recorded within stockholders' equity and encompasses foreign currency translation adjustments, gains (losses) on derivative instruments and unrecognized pension and other postretirement costs.

The following table displays the components of accumulated other comprehensive loss for the six months ended June 30, 2010 (*in millions*):

	Foreign Currency Translation Loss	Unrecognized Pension & Other Postretirement Costs, net of tax	Derivative Hedging (Loss) Gain, net of tax	Accumulated Other Comprehensive Loss
Balance at December 31, 2009	\$(166.3)	\$(418.4)	\$(0.5)	\$(585.2)
Current period change	(77.8)	16.8	1.1	(59.9)
Balance at June 30, 2010	\$(244.1)	\$(401.6)	\$ 0.6	\$(645.1)

Comprehensive income amounted to the following for the three and six months ended June 30, (*in millions*):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net income	\$ 130.4	\$ 105.7	\$ 188.8	\$ 139.4
Foreign currency translation	(44.8)	112.6	(77.8)	106.5
Unrecognized pension and other postretirement costs, net of tax (expense) benefit of \$(2.0) and \$5.3 for the three and six months ended June 30, 2010, respectively, and income tax benefit of \$4.3 and \$3.6 for the three and six months ended June 30, 2009, respectively, and including translation effects	2.3	(7.5)	16.8	(6.4)
Derivative hedging gain (loss), net of tax expense of \$1.3 and \$1.0 for the three and six months ended June 30, 2010, respectively, and tax expense of \$35.8 and \$47.1 for the three and six months ended June 30, 2009, respectively	1.3	(41.7)	1.1	(47.6)
Comprehensive income (1)	\$ 89.2	\$ 169.1	\$ 128.9	\$ 191.9

(1) Comprehensive income was primarily attributable to controlling interests. Comprehensive income (loss) attributable to noncontrolling interests was not material for disclosure purposes.

Footnote 3 — Restructuring Costs

European Transformation Plan

In June 2010, the Company announced a program to simplify and centralize its European business (the "European Transformation Plan"). The European Transformation Plan includes initiatives designed to transform the European organizational structure and processes to centralize certain operating activities, improve performance, leverage the benefits of scale and to contribute to a more efficient and cost effective implementation of an enterprise resource planning program in Europe.

The European Transformation Plan is expected to be completed by 2012 and is expected to result in cumulative restructuring charges totaling between \$40 and \$45 million, substantially all of which are employee-related cash costs, including severance, retirement, and other termination benefits and relocation costs. The Company also expects to incur an additional \$50 to \$55 million of selling, general and administrative expenses to implement the European Transformation Plan. During the three months ended June 30, 2010, restructuring and related charges incurred in connection with the European Transformation Plan were not material.

Project Acceleration

In 2005, the Company commenced a multi-year, global initiative referred to as Project Acceleration aimed at strengthening and transforming the Company's portfolio. Project Acceleration is designed to reduce manufacturing overhead, better align the Company's distribution and transportation processes to achieve logistical excellence, and reorganize the Company's overall business structure to align with the Company's core organizing concept, the global business unit, to achieve best total cost. In 2008, the Company expanded Project Acceleration to include initiatives to exit certain product categories to create a more focused and more profitable platform for

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growth by eliminating selected low-margin, commodity like, mostly resin-intensive product categories and reduce the Company's exposure to volatile commodity markets, particularly resin. Project Acceleration is expected to be fully implemented in 2010 and is expected to result in cumulative restructuring costs over the life of the initiative totaling between \$475 and \$500 million.

The table below summarizes the restructuring costs recognized for Project Acceleration restructuring activities for the periods indicated (*in millions*):

	Three Months Ended June 30,		Six Months Ended June 30,		Since inception through June 30, 2010
	2010	2009	2010	2009	
Facility and other exit costs	\$ 0.8	\$ 8.7	\$ 1.7	\$ 13.3	\$ 174.1
Employee severance, termination benefits and relocation costs	18.4	11.5	32.2	32.4	219.6
Exited contractual commitments and other	2.0	9.3	3.3	14.3	64.4
	<u>\$ 21.2</u>	<u>\$ 29.5</u>	<u>\$ 37.2</u>	<u>\$ 60.0</u>	<u>\$ 458.1</u>

Restructuring provisions were determined based on estimates prepared at the time the restructuring actions were approved by management, are periodically updated for changes and also include amounts recognized as incurred. Costs incurred include cash payments and the impairment of assets associated with vacated facilities. A summary of the Company's accrued restructuring reserves as of and for the six months ended June 30, 2010 is as follows (*in millions*):

	December 31, 2009 Balance	Provision	Costs Incurred	June 30, 2010 Balance
Facility and other exit costs	\$ —	\$ 1.7	\$ (1.7)	\$ —
Employee severance, termination benefits and relocation costs	23.3	32.2	(33.9)	21.6
Exited contractual commitments and other	11.8	3.3	(6.6)	8.5
	<u>\$ 35.1</u>	<u>\$ 37.2</u>	<u>\$ (42.2)</u>	<u>\$ 30.1</u>

The following table depicts the changes in accrued restructuring reserves for the six months ended June 30, 2010 aggregated by reportable business segment (*in millions*):

Segment	December 31, 2009 Balance	Provision	Costs Incurred	June 30, 2010 Balance
Home & Family	\$ 8.0	\$ 6.4	\$ (10.0)	\$ 4.4
Office Products	15.7	11.2	(13.9)	13.0
Tools, Hardware & Commercial Products	3.9	3.6	(4.6)	2.9
Corporate	7.5	16.0	(13.7)	9.8
	<u>\$ 35.1</u>	<u>\$ 37.2</u>	<u>\$ (42.2)</u>	<u>\$ 30.1</u>

The table below shows restructuring costs recognized for Project Acceleration restructuring activities for the periods indicated, aggregated by reportable business segment (*in millions*):

Segment	Three Months Ended June 30,		Six Months Ended June 30,		Since inception through June 30, 2010
	2010	2009	2010	2009	
Home & Family	\$ 3.1	\$ 6.1	\$ 6.4	\$ 14.8	\$ 137.5
Office Products	5.8	11.7	11.2	17.2	173.9
Tools, Hardware & Commercial Products	2.3	7.8	3.6	16.9	82.5
Corporate	10.0	3.9	16.0	11.1	64.2
	<u>\$ 21.2</u>	<u>\$ 29.5</u>	<u>\$ 37.2</u>	<u>\$ 60.0</u>	<u>\$ 458.1</u>

Cash paid for all restructuring activities was \$15.2 million and \$31.3 million for the three and six months ended June 30, 2010, respectively, and \$21.0 million and \$41.0 million for the three and six months ended June 30, 2009, respectively.

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Footnote 4 — Inventories, Net

Inventories are stated at the lower of cost or market value. The components of net inventories were as follows (*in millions*):

	June 30, 2010	December 31, 2009
Materials and supplies	\$ 158.7	\$ 118.5
Work in process	129.8	141.6
Finished products	513.9	428.1
	<u>\$ 802.4</u>	<u>\$ 688.2</u>

Footnote 5 — Debt

The following is a summary of outstanding debt (*in millions*):

	June 30, 2010	December 31, 2009
Medium-term notes	\$1,357.3	\$ 1,426.6
Term loan	350.0	350.0
Convertible notes	290.2	284.3
Junior convertible subordinated debentures	436.7	436.7
Other debt	9.1	11.2
Total debt	<u>2,443.3</u>	<u>2,508.8</u>
Short-term debt	(1.0)	(0.6)
Current portion of long-term debt	<u>(393.0)</u>	<u>(492.9)</u>
Long-term debt	<u>\$2,049.3</u>	<u>\$ 2,015.3</u>

Interest Rate Swaps

As of June 30, 2010, the Company had entered into fixed-for-floating interest rate swaps designated as fair value hedges. The interest rate swaps relate to \$1.0 billion of the principal amount of the medium-term notes and result in the Company effectively paying a floating rate of interest on the medium-term notes subject to the interest rate swaps. The medium-term notes balance at June 30, 2010 and December 31, 2009 include mark-to-market adjustments of \$54.0 million and \$18.4 million, respectively, to record the fair value of the hedges of the fixed-rate debt, and the mark-to-market adjustments had the effect of increasing the reported value of the medium-term notes.

Term Loan

In September 2008, the Company entered into a \$400.0 million credit agreement (the "Agreement"), under which the Company received an unsecured three-year term loan in the amount of \$400.0 million (the "Term Loan"). As of June 30, 2010, the Company is required to repay the outstanding principal amount of the Term Loan of \$350.0 million according to the following schedule: \$100.0 million in September 2010 and \$250.0 million in September 2011, the maturity date. Borrowings under the Agreement bear interest at a rate of LIBOR plus a spread that is determined based on the credit rating of the Company, and interest is payable no less frequently than monthly. The \$350.0 million of outstanding borrowings under the Agreement at June 30, 2010 bear interest at a weighted-average interest rate of 2.5%.

Convertible Notes

In March 2009, the Company issued \$345.0 million convertible senior notes (the "Convertible Notes"). The Convertible Notes bear interest at a rate of 5.5% per year, which is payable semi-annually, and mature on March 15, 2014. The Convertible Notes are convertible at a conversion rate of 116.198 shares of the Company's common stock per \$1,000 principal amount of Convertible Notes (representing a conversion price of approximately \$8.61 per share of common stock), subject to adjustment in certain circumstances. Upon conversion, a holder will receive cash up to the aggregate principal amount of the Convertible Notes converted, and cash, shares of common stock or a combination thereof (at the Company's election) in respect of the conversion value above the Convertible Notes' principal amount, if any.

The Convertible Notes will be convertible only in the following circumstances: (i) during any calendar quarter (and only during such calendar quarter), if the last reported sale price of the Company's common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price (currently \$11.19) in effect on each applicable trading day; (ii) during the five business day period after any 10 consecutive trading day period in which the trading price per \$1,000 principal amount of Convertible Notes for each trading day of the period was less than 98% of the product of the last reported sale price of the Company's common stock and the applicable conversion rate on each such day; (iii) upon the occurrence of specified corporate events; and (iv) at any time from, and including, November 15, 2013 through the second scheduled trading day immediately preceding March 15, 2014, the maturity date of the Convertible Notes.

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Because the last reported sale price of the Company's common stock exceeded \$11.19 for at least 20 of the last 30 consecutive trading days in the three months ended June 30, 2010, the Convertible Notes are convertible at the election of the holders of the Convertible Notes at any time during the three months ending September 30, 2010. Accordingly, the Convertible Notes are classified as current portion of long-term debt in the Condensed Consolidated Balance Sheet at June 30, 2010. Based on the closing price of the Company's common stock on June 30, 2010 of \$14.64 per share, approximately \$241.9 million (in addition to the principal amount) would be due to the holders of the Convertible Notes upon conversion if the holders elected to convert the Convertible Notes. The amount could be paid in cash or shares of the Company's stock or a combination thereof, at the Company's option, in respect of the conversion value above the Convertible Notes' principal amount. The Company entered into convertible note hedge transactions to reduce the Company's cost of the conversion option. See Footnote 6 for more information.

The Company has separately accounted for the liability and equity components of the Convertible Notes in a manner that reflects the Company's nonconvertible debt borrowing rate at the date of issuance. The Company allocated \$69.0 million of the \$345.0 million principal amount of the Convertible Notes to the equity component, which represents a discount to the debt and is being amortized into interest expense using the effective interest method through March 2014. Accordingly, the Company's effective interest rate on the Convertible Notes is 10.8%, so the Company will recognize interest expense during the twelve months ending June 30, 2011 on the Convertible Notes in an amount that approximates 10.8% of \$290.2 million, the liability component of the Convertible Notes at June 30, 2010. The interest expense recognized for the Convertible Notes in subsequent periods will be greater as the discount is amortized and the effective interest method is applied.

Receivables Facility

In September 2009, the Company completed a 364-day receivables facility that provides for borrowings of up to \$200.0 million and expires in September 2010. Under this facility, the Company and certain operating subsidiaries (collectively, "the Originators") sell their receivables to a financing subsidiary as the receivables are originated. The financing subsidiary is wholly owned by the Company and is the owner of the purchased receivables and the borrower under the facility. The assets of the financing subsidiary are restricted as collateral for the payment of debt or other obligations arising under the facility, and the financing subsidiary's assets and credit are not available to satisfy the debts and obligations owed to the Company's or any other Originator's creditors. As of June 30, 2010, \$705.9 million of outstanding accounts receivable were owned by the financing subsidiary, and these amounts are included in accounts receivable, net in the Company's Condensed Consolidated Balance Sheet at June 30, 2010. As of June 30, 2010, no amounts were outstanding under the facility and \$200.0 million was available for borrowing.

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"). Each of these Preferred Securities is convertible into 0.9865 of a share of the Company's common stock. As of June 30, 2010, the Company fully and unconditionally guarantees the 8.4 million shares of the Preferred Securities issued by the Subsidiary that were outstanding as of that date, which are callable at 100% of the liquidation preference of \$421.2 million. 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"), which mature on December 1, 2027. The Preferred Securities are mandatorily redeemable upon the repayment of the Debentures at maturity or upon acceleration of the Debentures. As of June 30, 2010, the Company has not elected to defer interest payments on the \$436.7 million of outstanding Debentures.

Footnote 6 — Convertible Note Hedge and Warrant Transactions

In connection with the issuance of the Convertible Notes, the Company entered into separate convertible note hedge transactions and warrant transactions with respect to the Company's common stock to minimize the impact of the potential dilution upon conversion of the Convertible Notes. The Company purchased call options in private transactions to cover 40.1 million shares of the Company's common stock at a strike price of \$8.61 per share, subject to adjustment in certain circumstances, for \$69.0 million. The call options generally allow the Company to receive shares of the Company's common stock from counterparties equal to the number of shares of common stock payable to the holders of the Convertible Notes upon conversion. These call options will terminate the earlier of the maturity dates of the related Convertible Notes or the first day all of the related Convertible Notes are no longer outstanding due to conversion or otherwise. The credit exposure associated with the convertible note hedge transactions is the estimated fair value of the purchased call options, which was \$281.2 million as of June 30, 2010.

The Company also sold warrants permitting the purchasers to acquire up to 40.1 million shares of the Company's common stock at an exercise price of \$11.59 per share, subject to adjustment in certain circumstances, in private transactions for total proceeds of \$32.7 million. The warrants expire over a period of seventy-five trading days beginning on June 13, 2014 and are European-style warrants (exercisable only upon expiration). For each warrant that is exercised, the Company will deliver to the counterparties a number of shares of the Company's common stock equal to the amount by which the Company's stock price exceeds the exercise price, divided by the stock price. The Company will not be required to deliver a number of the Company's shares in connection with the net settlement of the warrants in excess of the aggregate number of shares subject to the warrants, or 40.1 million shares of the Company's common stock. As of June 30, 2010, the estimated fair value of the warrants was \$213.7 million.

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The Company has analyzed the convertible note hedge transactions and warrant transactions under the applicable authoritative guidance, and the Company determined that they meet the criteria for classification as equity transactions. As a result, the Company does not recognize subsequent changes in the fair value of the instruments in its financial statements.

Footnote 7 — Derivatives

The use of financial instruments, including derivatives, exposes the Company to market risk related to changes in interest rates, foreign currency exchange rates and commodity prices. The Company enters into interest rate swaps related to debt obligations with maturity dates ranging from five to ten years. The Company uses interest rate swap agreements to manage its interest rate exposure and to achieve a desired proportion of variable and fixed-rate debt. These derivatives are designated as fair value hedges based on the nature of the risk being hedged. The Company also uses derivative instruments, such as forward contracts, to manage the risk associated with the volatility of future cash flows denominated in foreign currencies and changes in fair value resulting from changes in foreign currency exchange rates. The Company's foreign exchange risk management policy generally emphasizes hedging transaction exposures of one-year duration or less and hedging foreign currency intercompany financing activities with derivatives with maturity dates of one year or less. Additionally, the Company purchases certain raw materials which are subject to price volatility caused by unpredictable factors. Where practical, the Company uses derivatives as part of its commodity risk management process. The Company reports its derivative positions in the Condensed Consolidated Balance Sheets on a gross basis and does not net asset and liability derivative positions with the same counterparty. The Company monitors its positions with, and the credit quality of, the financial institutions that are parties to its financial transactions.

Derivative instruments are accounted for at fair value. The accounting for changes in the fair value of a derivative depends on the intended use and designation of the derivative instrument. For a derivative instrument that is designated and qualifies as a fair value hedge, the gain or loss on the derivative as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in current earnings. For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative is initially reported as a component of accumulated other comprehensive income (loss) ("AOCI"), net of tax, and is subsequently reclassified into earnings when the hedged transaction affects earnings. The ineffective portion of the gain or loss is recognized in current earnings. Gains and losses from changes in fair values of derivatives that are not designated as hedges for accounting purposes are recognized currently in earnings, and such amounts were not material for the three and six months ended June 30, 2010 and 2009.

The following table summarizes the Company's outstanding derivative instruments and their effects on the Condensed Consolidated Balance Sheets as of June 30, 2010 and December 31, 2009 (*in millions*):

Derivatives designated as hedging instruments	Assets		Liabilities	
	Balance Sheet Location	Fair Value at June 30, 2010	Balance Sheet Location	Fair Value at June 30, 2010
Interest rate swaps	Other assets	\$ 54.0	Other noncurrent liabilities	\$ —
Foreign exchange contracts on inventory related purchases	Prepaid expenses and other	2.5	Other accrued liabilities	1.2
Foreign exchange contracts on intercompany borrowings	Prepaid expenses and other	0.7	Other accrued liabilities	—
	Total assets	\$ 57.2	Total liabilities	\$ 1.2

Derivatives designated as hedging instruments	Assets		Liabilities	
	Balance Sheet Location	Fair Value at December 31, 2009	Balance Sheet Location	Fair Value at December 31, 2009
Interest rate swaps	Other assets	\$ 20.9	Other noncurrent liabilities	\$ 2.5
Foreign exchange contracts on inventory related purchases	Prepaid expenses and other	0.6	Other accrued liabilities	1.5
Foreign exchange contracts on intercompany borrowings	Prepaid expenses and other	0.7	Other accrued liabilities	—
	Total assets	\$ 22.2	Total liabilities	\$ 4.0

The fair values of outstanding derivatives that are not designated as hedges for accounting purposes were not material as of June 30, 2010 and December 31, 2009.

The Company is a party to an interest rate swap in an asset position; in the event the interest rate swap is in a liability position, settlement could be accelerated if the Company's credit rating falls below investment grade. The Company is not a party to any derivatives that require collateral to be posted prior to settlement.

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Fair Value Hedges

The following table presents the pretax effects of derivative instruments designated as fair value hedges on the Company's Condensed Consolidated Statement of Income for the three and six months ended June 30, 2010 and 2009 (*in millions*):

Derivatives in fair value relationships	Location of gain (loss) recognized in income	Amount of gain (loss) recognized in income			
		Three Months Ended June 30,		Six Months Ended June 30,	
		2010	2009	2010	2009
Interest rate swaps	Interest expense, net	\$ 21.2	\$ (37.7)	\$ 35.6	\$ (45.9)
Fixed-rate debt	Interest expense, net	\$ (21.2)	\$ 37.7	\$ (35.6)	\$ 45.9

The Company did not record any ineffectiveness related to fair value hedges during the three and six months ended June 30, 2010 and 2009.

Cash Flow Hedges

The following table presents the pretax effects of derivative instruments designated as cash flow hedges on the Company's Condensed Consolidated Statement of Income and AOCI for the three and six months ended June 30, 2010 and 2009 (*in millions*):

Derivatives in cash flow hedging relationships	Location of gain (loss) recognized in income	Amount of gain (loss) reclassified from AOCI into income			
		Three Months Ended June 30,		Six Months Ended June 30,	
		2010	2009	2010	2009
Foreign exchange contracts on inventory related purchases	Cost of products sold	\$ (0.1)	\$ 0.3	\$ (0.2)	\$ 4.1
Foreign exchange contracts on intercompany borrowings	Interest expense, net	0.1	0.8	0.2	1.8
		\$ —	\$ 1.1	\$ —	\$ 5.9

Derivatives in cash flow hedging relationships	Location of gain (loss) recognized in income	Amount of gain (loss) recognized in AOCI			
		Three Months Ended June 30,		Six Months Ended June 30,	
		2010	2009	2010	2009
Foreign exchange contracts on inventory related purchases	Cost of products sold	\$ 2.6	\$ (7.5)	\$ 2.0	\$ (2.8)
Foreign exchange contracts on intercompany borrowings	Interest expense, net	3.7	1.8	6.1	23.0
		\$ 6.3	\$ (5.7)	\$ 8.1	\$ 20.2

The Company did not record any ineffectiveness related to cash flow hedges during the three and six months ended June 30, 2010 and 2009.

The Company estimates that during the next 12 months it will reclassify gains of approximately \$1.2 million included in the pretax amount recorded in AOCI as of June 30, 2010 into earnings, as the anticipated cash flows occur.

Footnote 8 — Employee Benefit and Retirement Plans

The following table presents the components of the Company's pension cost, including supplemental retirement plans, for the three months ended June 30, (*in millions*):

	U.S.		International	
	2010	2009	2010	2009
Service cost-benefits earned during the period	\$ 0.7	\$ 1.7	\$ 1.3	\$ 1.3
Interest cost on projected benefit obligation	12.4	13.1	7.0	5.6
Expected return on plan assets	(14.6)	(13.6)	(6.4)	(5.0)
Amortization of:				
Prior service cost	0.3	0.5	—	—
Actuarial loss	2.9	2.5	0.5	—
Curtailement and special termination benefit gains and losses, net	—	—	—	0.6
Net periodic pension cost	\$ 1.7	\$ 4.2	\$ 2.4	\$ 2.5

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The following table presents the components of the Company's pension cost, including supplemental retirement plans, for the six months ended June 30, (*in millions*):

	U.S.		International	
	2010	2009	2010	2009
Service cost-benefits earned during the period	\$ 2.0	\$ 3.2	\$ 2.8	\$ 2.5
Interest cost on projected benefit obligation	25.3	26.5	14.2	11.3
Expected return on plan assets	(28.7)	(27.3)	(12.7)	(10.0)
Amortization of:				
Prior service cost	0.7	0.8	—	—
Actuarial loss	5.7	4.8	1.0	—
Curtailement and special termination benefit gains and losses, net	—	—	—	0.6
Net periodic pension cost	\$ 5.0	\$ 8.0	\$ 5.3	\$ 4.4

The following table presents the components of the Company's other postretirement benefit costs for the three and six months ended June 30, (*in millions*):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Service cost-benefits earned during the period	\$ 0.3	\$ 0.4	\$ 0.7	\$ 0.9
Interest cost on projected benefit obligation	2.3	2.5	4.6	4.9
Amortization of prior service benefit and actuarial loss, net	(0.3)	(0.6)	(0.7)	(1.2)
Net other postretirement benefit costs	\$ 2.3	\$ 2.3	\$ 4.6	\$ 4.6

The Company made a cash contribution to the Company-sponsored profit sharing plan of \$17.1 million and \$19.0 million during the six months ended June 30, 2010 and 2009, respectively.

Footnote 9 — Income Taxes

As of June 30, 2010, there were no significant changes to the Company's unrecognized tax benefits as reported in its Form 10-K for the year ended December 31, 2009, other than as noted below.

The Company's income tax expense and resulting effective tax rate are based upon the respective estimated annual effective tax rates applicable for the respective periods adjusted for the effect of items required to be treated as discrete to the period, including adjustments to write down deferred tax assets determined not to be realizable due to the vesting or cancellation of equity-based compensation awards, changes in tax laws, changes in estimated exposures for uncertain tax positions, and other items. The effective tax rate for the three months ended June 30, 2010 was favorably impacted by a one-time benefit of \$8.2 million due to the reversal of certain tax reserves upon resolution of a tax examination.

In addition to the items impacting the three months ended June 30, 2010 noted above, the Company's effective tax rate for the six months ended June 30, 2010 was adversely affected by \$6.7 million due primarily to the write-off of deferred tax assets determined not to be realizable upon the vesting of restricted stock. In addition, the tax rate for the six months ended June 30, 2010 was adversely impacted by the expiration of certain U.S. tax incentives, including credits for certain research and development activities. Interim period effective tax rates also reflect the application of applicable accounting guidance to losses generated in countries where the Company is projecting annual losses for which a deferred tax asset is not anticipated to be recognized. The Company's effective tax rate differs from the U.S. federal corporate income tax rate primarily due to foreign tax rate differentials and other items.

As disclosed at December 31, 2009, the Company has received an IRS Revenue Agent Report for tax years 2005 and 2006, assessing additional tax and interest relating to the Company's 2005 and 2006 U.S. federal income tax returns. The Company filed a protest against certain adjustments within the Revenue Agent Report and requested a conference with the IRS Appeals Office. The Company is currently in on-going settlement discussions with the Appeals Office that may resolve this dispute and finalize the examination of these returns. If resolved, the Company may reduce its unrecognized tax benefits balance and related accruals, the aggregate amount of which may be material, although a reasonable estimate of the range cannot be made. The Company does not expect to make additional material cash payments upon settlement of the examination. However, there can be no assurance that the Company will be able to finalize the examination on the terms currently under discussion, or on any terms that would result in a reduction in the Company's unrecognized tax benefits balance and reversal of related accruals.

Footnote 10 — Earnings per Share

The calculation of basic and diluted earnings per share is shown below for the three and six months ended June 30, *(in millions, except per share data)*:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Numerator for basic and diluted earnings per share:				
Net income	\$ 130.4	\$ 105.7	\$ 188.8	\$ 139.4
Dividends and equivalents for share-based awards expected to be forfeited	0.1	—	0.1	0.1
Net income for basic earnings per share	\$ 130.5	\$ 105.7	\$ 188.9	\$ 139.5
Effect of Preferred Securities (1)	—	—	—	—
Net income for diluted earnings per share	\$ 130.5	\$ 105.7	\$ 188.9	\$ 139.5
Denominator:				
Weighted-average shares outstanding	278.3	277.7	278.2	277.6
Share-based payment awards classified as participating securities	3.2	3.1	3.1	3.1
Denominator for basic earnings per share	281.5	280.8	281.3	280.7
Dilutive securities (2)	2.8	1.0	2.3	0.5
Convertible Notes (3)	19.2	5.0	17.8	2.5
Warrants (4)	11.9	—	10.2	—
Preferred Securities (1)	—	—	—	—
Denominator for diluted earnings per share	315.4	286.8	311.6	283.7
Basic earnings per share	\$ 0.46	\$ 0.38	\$ 0.67	\$ 0.50
Diluted earnings per share	\$ 0.41	\$ 0.37	\$ 0.61	\$ 0.49

(1) The Preferred Securities are anti-dilutive for each of the three and six months ended June 30, 2010 and 2009, and therefore have been excluded from diluted earnings per share. Had the Preferred Securities been included in the diluted earnings per share calculation, net income for each three month period ended June 30, 2010 and 2009 would be increased by \$3.5 million and net income for each six month period ended June 30, 2010 and 2009 would be increased by \$7.0 million. Weighted-average shares outstanding would be increased by 8.3 million shares for each of the three and six month periods.

(2) Dilutive securities include “in the money” options, non-participating restricted stock units and performance share awards. The weighted-average shares outstanding exclude the effect of approximately 12.4 million and 14.2 million stock options for the three months ended June 30, 2010 and 2009, respectively, and 12.8 million and 15.7 million stock options for the six months ended June 30, 2010 and 2009, respectively, because such options were anti-dilutive.

(3) The Convertible Notes are dilutive to the extent the average price during the period is greater than \$8.61, the conversion price of the Convertible Notes, and the Convertible Notes are only dilutive for the “in the money” portion of the Convertible Notes that could be settled with the Company’s stock. The Convertible Notes were dilutive for the three months ended June 30, 2010, as the average price of the Company’s common stock during the three months ended June 30, 2010 was greater than \$8.61. The shares of common stock issuable to satisfy the “in the money” portion of the Convertible Notes that could be settled with the Company’s stock based on the average stock price for the three months ended June 30, 2010 was 19.2 million. The dilutive effect of the Convertible Notes for the six months ended June 30, 2010 was based on the average of the dilutive effect for each of the three months ended March 31, 2010 and June 30, 2010.

The call options purchased in connection with the convertible note hedge transactions have an equal and offsetting impact to the dilution associated with the Convertible Notes. However, because the impact of the purchased call options would reduce weighted average shares outstanding by 19.2 million and 17.8 million shares for the three and six months ended June 30, 2010, respectively, the purchased call options are considered anti-dilutive securities. The authoritative accounting guidance does not permit anti-dilutive securities to be included in weighted average shares outstanding despite their characteristics and economic impacts.

(4) The warrants issued in March 2009 were dilutive for the three and six months ended June 30, 2010, as the average price of the Company’s common stock during the three and six months ended June 30, 2010 was greater than \$11.59, the exercise price of the warrants. The average price of the Company’s stock during the three and six months ended June 30, 2009 was less than \$11.59 and, as a result, the warrants were not dilutive for those periods.

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Footnote 11 — Stock-Based Compensation

The Company accounts for stock-based compensation pursuant to certain authoritative guidance which requires measurement of compensation cost for all stock awards at fair value on the date of grant and recognition of compensation, net of estimated forfeitures, over the requisite service period for awards expected to vest. The Company recognized \$8.3 million and \$7.8 million of pre-tax stock-based compensation during the three months ended June 30, 2010 and 2009, respectively, and \$18.8 million and \$16.6 million during the six months ended June 30, 2010 and 2009, respectively.

In determining the fair value of stock options granted during the six months ended June 30, 2010, the Company utilized its historical experience to estimate the expected life of the options and volatility.

The following table summarizes the changes in the number of shares of common stock under option for the six months ended June 30, 2010 (*shares in millions*):

	Shares	Weighted Average Exercise Price	Exercisable at Period End	Aggregate Intrinsic Value Exercisable
Outstanding at December 31, 2009	16.3	\$ 22	7.6	\$ 0.2
Granted	1.5	14		
Exercised	(0.1)	8		
Forfeited / expired	(0.7)	24		
Outstanding at June 30, 2010	17.0	\$ 22	9.0	\$ 0.4

The following table summarizes the changes in the number of shares of restricted stock and restricted stock units for the six months ended June 30, 2010 (*shares in millions*):

	Shares	Weighted-Average Grant Date Fair Value
Outstanding at December 31, 2009	4.6	\$ 15
Granted	1.9	14
Vested	(0.8)	27
Forfeited	(0.2)	13
Outstanding at June 30, 2010	5.5	\$ 13

During the six months ended June 30, 2010, the Company awarded 0.9 million performance-based restricted stock units which entitle recipients to shares of the Company's stock at the end of a three-year vesting period if specified market conditions are achieved. The performance-based restricted stock units entitle recipients to shares of common stock equal to 0% up to 200% of the number of units granted at the vesting date depending on the level of achievement of the specified conditions. As of June 30, 2010, 1.9 million performance-based restricted stock units were outstanding, and based on performance through June 30, 2010, recipients of performance-based restricted stock units would be entitled to 3.2 million shares at the vesting date. The performance-based restricted stock units are included in the preceding table as if the participants earn shares equal to 100% of the units granted.

Footnote 12 — Fair Value Disclosures

Financial Instruments

The Company's financial instruments include cash and cash equivalents, accounts receivable, accounts payable, derivative instruments, convertible note hedge instruments, notes payable and short and long-term debt. The carrying values for current financial assets and liabilities, including cash and cash equivalents, accounts receivable and accounts payable, approximate fair value due to the short maturity of such instruments. The fair values of the Company's derivative instruments are recorded in the Condensed Consolidated Balance Sheets and are disclosed in Footnote 7. The fair values of the Company's convertible note hedge instruments are disclosed in Footnote 6. The fair values of certain of the Company's short and long-term debt are based on quoted market prices and are as follows (*in millions*):

	June 30, 2010		December 31, 2009	
	Fair Value	Book Value	Fair Value	Book Value
Medium-term notes	\$1,498.4	\$ 1,357.3	\$1,520.7	\$1,426.6
Preferred securities underlying junior convertible subordinated debentures	294.9	421.2	307.5	421.2
Convertible Notes	631.8	290.2	660.3	284.3

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The carrying amounts of all other significant debt, including the term loan, approximate fair value. The term loan is not publicly traded and accordingly, the fair value of this instrument was determined using a discounted cash flow model and market rates of interest as of June 30, 2010.

Recurring Fair Value Measurements

The following tables present the Company's non-pension financial assets and liabilities which are measured at fair value on a recurring basis as of June 30, 2010 and December 31, 2009 (in millions):

Description	Fair Value at June 30, 2010	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Money market fund investments (1)	\$ 16.3	\$ —	\$ 16.3	\$ —
Investment securities, including mutual funds (2)	32.2	6.7	25.5	—
Interest rate swaps	54.0	—	54.0	—
Foreign currency derivatives	3.2	—	3.2	—
Total	\$ 105.7	\$ 6.7	\$ 99.0	\$ —
Liabilities				
Foreign currency derivatives	\$ 1.2	\$ —	\$ 1.2	\$ —
Total	\$ 1.2	\$ —	\$ 1.2	\$ —

Description	Fair Value at December 31, 2009	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Money market fund investments (1)	\$ 14.6	\$ —	\$ 14.6	\$ —
Investment securities, including mutual funds (2)	31.6	6.6	25.0	—
Interest rate swaps	20.9	—	20.9	—
Foreign currency derivatives	1.3	—	1.3	—
Total	\$ 68.4	\$ 6.6	\$ 61.8	\$ —
Liabilities				
Interest rate swaps	\$ 2.5	\$ —	\$ 2.5	\$ —
Foreign currency derivatives	1.5	—	1.5	—
Total	\$ 4.0	\$ —	\$ 4.0	\$ —

- Investments in money market funds are classified as cash equivalents due to their short-term nature and the ability for them to be readily converted into cash. Investments in money market funds are valued at the net asset value per share or unit multiplied by the number of shares or units held as of the measurement date and, accordingly, have been classified as Level 2 investments.
- The values of investment securities, including mutual funds, are classified as cash and cash equivalents (\$17.6 million and \$16.9 million at June 30, 2010 and December 31, 2009, respectively) and other assets (\$14.6 million and \$14.7 million at June 30, 2010 and December 31, 2009, respectively). For mutual funds that are publicly traded, fair value is determined on the basis of quoted market prices and, accordingly, these investments have been classified as Level 1. Other investment securities are valued at the net asset value per share or unit multiplied by the number of shares or units held as of the measurement date and have been classified as Level 2.

Non-recurring Fair Value Measurements

The Company's nonfinancial assets which are measured at fair value on a nonrecurring basis include property, plant and equipment, goodwill, intangible assets and certain other assets. During the six months ended June 30, 2010, impairments associated with plans to dispose of certain property, plant and equipment were not material. The Company generally uses projected cash flows, discounted as necessary, to estimate the fair values of the impaired assets using key inputs such as management's projections of cash flows on a held-and-used basis (if applicable), management's projections of cash flows upon disposition and discount rates. Accordingly, these fair value measurements fall in Level 3 of the fair value hierarchy. These assets and certain liabilities are measured at fair value on a nonrecurring basis as part of the Company's impairment assessments and as circumstances require.

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Footnote 13 — Segment Information

The Company's reportable segments are as follows:

Segment	Key Brands	Description of Products
Home & Family	Rubbermaid®, Graco®, Aprica®, Levolor®, Kirsch®, Amerock®, Calphalon®, Goody®	Infant and juvenile products such as car seats, strollers, highchairs, and playards; gourmet cookware, bakeware, cutlery and small kitchen electrics; hair care accessories; cabinet hardware, drapery hardware and window treatments; and indoor/outdoor organization, food storage, and home storage products
Office Products	Sharpie®, Paper Mate®, Dymo®, Parker®, Waterman®, Expo®, Mimio®	Writing instruments, including markers, highlighters, pens, pencils, and fine writing instruments; office technology solutions such as label makers and printers, interactive teaching solutions, card-scanning solutions, and on-line postage; and art products
Tools, Hardware & Commercial Products	Lenox®, Irwin®, Rubbermaid®, Commercial Products, Technical Concepts™, Shur-line®, Bulldog®, BernzOmatic®	Hand tools, power tool accessories, industrial bandsaw blades, propane torches, convenience hardware, and manual paint applicators; window hardware; cleaning and refuse products, hygiene systems and material handling solutions

The Company's segment results are as follows (*in millions*):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net Sales (1)				
Home & Family	\$ 592.0	\$ 617.2	\$1,148.9	\$1,174.9
Office Products	483.5	496.9	835.1	815.1
Tools, Hardware & Commercial Products	420.7	390.2	818.6	718.2
	<u>\$1,496.2</u>	<u>\$1,504.3</u>	<u>\$2,802.6</u>	<u>\$2,708.2</u>
Operating Income (Loss) (2)				
Home & Family	\$ 75.6	\$ 80.4	\$ 144.4	\$ 140.7
Office Products	99.4	99.2	146.7	130.3
Tools, Hardware & Commercial Products	70.1	67.6	121.7	105.6
Corporate	(20.4)	(18.2)	(42.0)	(36.3)
Restructuring Costs	(21.2)	(29.5)	(37.2)	(60.0)
	<u>\$ 203.5</u>	<u>\$ 199.5</u>	<u>\$ 333.6</u>	<u>\$ 280.3</u>
Identifiable Assets			June 30, 2010	December 31, 2009
Home & Family			\$ 961.3	\$ 878.8
Office Products			1,053.2	970.3
Tools, Hardware & Commercial Products			934.8	892.2
Corporate (3)			3,615.2	3,682.6
			<u>\$6,564.5</u>	<u>\$ 6,423.9</u>

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Geographic Area Information

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net Sales				
United States	\$1,042.0	\$1,071.7	\$1,946.6	\$1,933.0
Canada	88.0	85.5	166.0	147.0
Total North America	1,130.0	1,157.2	2,112.6	2,080.0
Europe, Middle East and Africa	215.2	208.8	404.0	368.4
Latin America	67.2	61.7	122.9	115.4
Asia Pacific	83.8	76.6	163.1	144.4
Total International	366.2	347.1	690.0	628.2
	\$1,496.2	\$1,504.3	\$2,802.6	\$2,708.2
Operating Income (Loss) (2), (4)				
United States	\$ 150.8	\$ 176.3	\$ 252.5	\$ 248.3
Canada	20.0	16.9	35.3	24.7
Total North America	170.8	193.2	287.8	273.0
Europe, Middle East and Africa	20.0	2.7	20.1	(5.4)
Latin America	1.6	0.8	3.9	7.8
Asia Pacific	11.1	2.8	21.8	4.9
Total International	32.7	6.3	45.8	7.3
	\$ 203.5	\$ 199.5	\$ 333.6	\$ 280.3

- (1) All intercompany transactions have been eliminated. Sales to Wal-Mart Stores, Inc. and subsidiaries amounted to approximately 12% of consolidated net sales in the three and six months ended June 30, 2010, and approximately 13% of consolidated net sales in the three and six months ended June 30, 2009.
- (2) Operating income (loss) by segment is net sales less cost of products sold and SG&A expenses. Operating income (loss) by geographic area is net sales less cost of products sold, SG&A expenses, and restructuring costs. Certain headquarters expenses of an operational nature are allocated to business segments and geographic areas primarily on a net sales basis.
- (3) Corporate assets primarily include goodwill, capitalized software, cash and deferred tax assets.
- (4) The following table summarizes the restructuring costs by region included in operating income (loss) above:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Restructuring Costs:				
United States	\$ 4.1	\$ 7.8	\$ 10.4	\$ 22.7
Canada	5.1	1.0	5.1	5.4
Total North America	9.2	8.8	15.5	28.1
Europe, Middle East and Africa	7.3	10.6	15.6	16.2
Latin America	2.1	2.8	2.1	5.1
Asia Pacific	2.6	7.3	4.0	10.6
Total International	12.0	20.7	21.7	31.9
	\$ 21.2	\$ 29.5	\$ 37.2	\$ 60.0

Footnote 14 — 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. Some of the legal proceedings include claims for punitive as well as compensatory damages, and certain proceedings may purport to be class actions.

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.

In July 2007, the Company acquired all of the outstanding equity interests of PSI Systems, Inc. ("Endicia"), provider of Endicia Internet Postage. Endicia is party to a lawsuit against it alleging patent infringement which was filed on November 22, 2006 in the U.S. District Court for the Central District of California. In this case, Stamps.com seeks unspecified damages, attorneys' fees and injunctive relief in order to prevent Endicia from continuing to engage in activities that are alleged to infringe on Stamps.com's patents. In the first quarter of 2010, the Court entered a judgment in favor of the Company terminating the action on summary judgment, and Stamps.com has appealed that judgment. A separate case, in which Endicia and Stamps.com each claim infringement of different patents, remains pending in the same court. There can be no assurance the Company can prevail on appeal or will otherwise be successful in defending itself in these matters.

The City of Sao Paulo's Green and Environmental Office (the "Sao Paulo G&E Office") is seeking fines of up to approximately \$4.0 million related to alleged improper storage of hazardous materials at the Company's tool manufacturing facility located in Sao Paulo, Brazil. The Company has obtained a stay of enforcement of a notice of fine due October 1, 2009 issued by the Sao Paulo G&E Office. The Company plans to continue to contest the fines.

The Company (through two of its affiliates) has been involved in litigation in the U.S. District Court for the Western District of North Carolina with Worthington Cylinders (the "Supplier") over breach of a supply contract and price increases levied by the Supplier after having wrongfully terminated the contract prior to its expiration. In February 2010, a jury determined that the Supplier: (a) breached the supply agreement; (b) illegally traded upon the goodwill of the Company; and (c) committed deceptive trade practices in violation of relevant laws. The jury awarded damages of \$13.0 million to the Company, and the Company will be seeking approximately an additional \$3.0 million in pre-judgment interest and attorney fees. The Supplier intends to appeal the judgment. Under the relevant authoritative accounting guidance, the Company has not recorded any gains in the results for the three or six months ended June 30, 2010 due to the favorable jury verdict and intends to withhold such action until all contingencies relating to this matter have been resolved.

Footnote 15 — Subsequent Events

Except as noted below, no significant events occurred subsequent to the balance sheet date but prior to the issuance of the financial statements that would have a material impact on the Company's condensed consolidated financial statements.

Capital Structure Optimization Plan

On August 2, 2010 the Company announced a Capital Structure Optimization Plan (the "Plan"), which is intended to simplify the Company's capital structure, lower interest costs and reduce potential future dilution from the Convertible Notes and the associated hedge and warrant transactions. The Plan includes the issuance of \$550.0 million of new 4.70% senior notes due 2020. The Company plans to use the proceeds from the sale of the new notes, cash on hand, and short-term borrowings to fund the repurchase of \$500.0 million of shares of its common stock through an accelerated stock buyback program and to complete a cash tender offer for any and all of the \$300.0 million principal amount of outstanding 10.60% notes due 2019. The Company estimates that it will repurchase approximately 32.3 million shares under the accelerated stock buyback, although the final number of shares repurchased is subject to change based on changes in the Company's stock price.

The Company also announced that it intends, subject to market conditions, to launch an offer to exchange common stock and cash for any and all of its Convertible Notes prior to September 30, 2010. To the extent Convertible Notes are exchanged, the Company intends to settle, for cash, the convertible note hedge and warrant transactions which were entered into concurrent with the issuance of the Convertible Notes.

The Company expects to incur up to \$200.0 million in charges during the three months ending September 30, 2010 associated with the Plan.

Item 2. 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 condensed consolidated financial statements and notes thereto.

Business Overview

Newell Rubbermaid (the “Company”) is a global marketer of consumer and commercial products that touch the lives of people where they work, live and play. The Company’s products are sold in more than 90 countries around the world and are marketed under a strong portfolio of brands, including Rubbermaid®, Graco®, Aprica®, Levolor®, Calphalon®, Goody®, Sharpie®, Paper Mate®, Dymo®, Parker®, Waterman®, Irwin®, Lenox® and Technical Concepts™. The Company’s multi-product offering consists of well-known name-brand consumer and commercial products in three business segments: Home & Family; Office Products; and Tools, Hardware & Commercial Products.

Business Strategy

Newell Rubbermaid’s vision is to become a global company of Brands That Matter™ and great people, known for best-in-class results. The Company is committed to building consumer-meaningful brands through understanding the needs of consumers and using those insights to create innovative, highly differentiated product solutions that offer performance and value. To support its multi-year transformation into a best-in-class global consumer branding and marketing organization, the Company has adopted a strategy that focuses on optimizing the business portfolio, building consumer-meaningful brands, and achieving best cost and efficiency in its operations. The Company’s strategy is designed to achieve simultaneous net sales growth, gross margin expansion and increased earnings per share.

The Company’s core organizing concept is the global business unit (“GBU”). The Company is organized into 13 GBUs, and each of the GBUs supports one or more of the Company’s key brands worldwide, with a focus on developing and marketing differentiated products designed to meet consumers’ needs. The GBU structure positions the business units to leverage research and development, branding, marketing and innovation on a global basis and facilitates the Company’s objective of optimizing working capital and shared resources. The Company’s 13 GBUs are aggregated into three operating segments, which are as follows:

Segment	GBU	Key Brands	Description of Primary Products
Home & Family	Rubbermaid Consumer	Rubbermaid®	Indoor/outdoor organization, food storage, and home storage products
	Baby & Parenting	Graco®, Aprica®	Infant and juvenile products such as car seats, strollers, highchairs, and playards
	Décor	Levolor®, Kirsch®, Amerock®	Drapery hardware, window treatments and cabinet hardware
	Culinary Lifestyle Beauty & Style	Calphalon® Goody®	Gourmet cookware, bakeware, cutlery and small kitchen electrics Hair care accessories
Office Products	Markers, Highlighters, Art & Office Organization Technology	Sharpie®, Expo® Dymo®, Mimio®	Writing instruments, including markers and highlighters, and art products Office technology solutions such as label makers and printers, interactive teaching solutions and on-line postage
	Everyday Writing Fine Writing & Luxury Accessories	Paper Mate® Parker®, Waterman®	Writing instruments, including pens and pencils Fine writing instruments and leather goods
	Tools, Hardware & Commercial Products	Industrial Products & Services	Lenox®
Rubbermaid Commercial Products		Rubbermaid® Commercial Products, Technical Concepts™	Cleaning and refuse products, hygiene systems and material handling solutions
Construction Tools & Accessories Hardware		Irwin® Shur-line®, Bulldog®, BernzOmatic®	Hand tools and power tool accessories Manual paint applicators, window hardware, convenience hardware and propane torches

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Market Overview

The Company operates in the consumer and commercial products markets, which are generally impacted by overall economic conditions in the regions in which the Company operates. During the first six months of 2010, the Company's operating results improved compared to the prior year due to an increase in net sales and the expansion of gross margins. The Company's results for the first six months of 2010 were impacted by the following factors:

- Increased demand in the commercial and industrial channels contributed to the year-over-year core sales increase of more than 4%. Core sales represent net sales excluding the impacts of acquisitions, currency and product line exits.
- Improvement in economic conditions internationally, particularly in emerging markets, which contributed to a year-over-year net sales increase of more than 9% in the Company's international businesses, excluding the impact of currency.
- Productivity gains and favorable product mix, which more than offset the adverse impact of input cost inflation, resulting in a 160 basis point expansion in gross margins.
- Continued selective investment in strategic SG&A activities to drive sales, enhance the new product pipeline and develop growth platforms. During the first six months of 2010, the Company's selective investments in strategic brand-building and consumer demand creation included investments in the following:
 - MimioClassroom™ system, an integrated suite of interactive teaching tools and services for educators;
 - Expo Washable markers formulated to easily wash off of skin and most washable fabrics;
 - Advertising for Paper Mate's Biodegradable, Design Metallic and Gel pen lines;
 - Dedicated Parker "Shop-in-Shops" in key retail locations to enhance in-store merchandising;
 - Goody's Simple Styles collection of hair accessories that make it easy to achieve salon-quality hair styles with only a few simple steps;
 - Rubbermaid Commercial Products' new line of ergonomically designed material handling carts and trucks, which includes a broad range of solutions that provide enhanced maneuverability and durability; and
 - Lenox's Q88 bimetal bandsaw blade with a patent-protected design that maximizes blade life while delivering superior cutting performance.
- Increased earnings and continued working capital management contributed to the generation of \$183.4 million in operating cash flow compared to \$88.0 million in the first six months of last year, as the Company continues to focus on optimizing cash flow and debt reduction to improve its overall credit metrics.

Ongoing Initiatives

European Transformation Plan

In June 2010, the Company announced a program to simplify and centralize its European business (the "European Transformation Plan"). The European Transformation Plan includes initiatives designed to transform the European organizational structure and processes to centralize certain operating activities, improve performance, leverage the benefits of scale and to contribute to a more efficient and cost effective implementation of an enterprise resource planning program in Europe.

The European Transformation Plan is expected to result in aggregate restructuring and other plan-related costs of \$90 to \$100 million, to be substantially incurred by the end of 2011. The European Transformation Plan is expected to be completed in 2012 and is expected to result in cumulative restructuring charges totaling between \$40 and \$45 million, substantially all of which are employee-related cash costs, including severance, retirement, and other termination benefits and relocation costs. The Company also expects to incur an additional \$50 to \$55 million of selling, general and administrative expenses to implement the European Transformation Plan, of which approximately \$15 million are expected to be incurred in 2010. The Company expects to realize annual savings of \$50 to \$60 million (net of tax) upon completion of the implementation of the European Transformation Plan.

In the first six months of 2010, restructuring and restructuring-related charges associated with the European Transformation Plan were not material.

Project Acceleration

Project Acceleration is designed to reduce manufacturing overhead, better align the Company's distribution and transportation processes, and reorganize the overall business structure to align with the Company's core organizing concept, the GBU, to achieve best total cost. Through the Project Acceleration restructuring program and other initiatives, the Company has made significant

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progress in improving capacity utilization rates to deliver productivity savings and in increasing the use of strategic sourcing partners. In the first half of 2010, the Company began implementing a number of restructuring programs as part of Project Acceleration to reduce and realign its manufacturing footprint, including two programs in its Home & Family segment in North America and one program in its Home & Family segment internationally. Since the inception of Project Acceleration, the Company has reduced its manufacturing footprint by more than 50%, including the closure or disposition of 24 manufacturing facilities and the transfer of 19 manufacturing facilities to purchasers in connection with divestitures of businesses. Upon completion of Project Acceleration, the Company expects to have reduced its manufacturing footprint by more than 60% based on the manufacturing facilities in service at the inception of Project Acceleration.

As part of Project Acceleration, the Company evaluates its supply chain to identify opportunities to realize efficiencies in purchasing, distribution and transportation. In the first half of 2010, the Company began implementing projects to reduce and realign its distribution footprint, including one project in the Home & Family segment in North America and one project in the Tools, Hardware & Commercial Products segment's international operations.

Project Acceleration also includes initiatives to exit and rationalize certain product categories to create a more focused and more profitable platform for growth by eliminating selected low-margin, commodity like, mostly resin-intensive product categories and reduce the Company's exposure to volatile commodity markets, particularly resin. The product line exits and rationalizations were substantially completed in 2009 and primarily impacted products in the Company's Rubbermaid Consumer and Markers, Highlighters, Art & Office Organization GBUs. Because these product line exits and rationalizations took place throughout 2009, the product line exits and rationalizations are expected to result in a 1% to 2% decline in net sales in 2010 compared to 2009.

The Company expects to have completed implementation of its Project Acceleration restructuring initiative by the end of 2010, and the total costs incurred over the life of the initiative are expected to be between \$475 and \$500 million, including \$250 to \$270 million of employee-related costs, \$155 to \$175 million in non-cash asset-related costs, and \$50 to \$70 million in other associated restructuring costs. Approximately 67% of the total Project Acceleration restructuring costs are expected to be cash charges. The Company expects to incur between \$60 and \$80 million of costs during the year ending December 31, 2010 to complete Project Acceleration. Cumulative annualized savings expected to be realized from the implementation of Project Acceleration are in excess of \$200 million once completed, with more than \$180 million in annualized savings realized to date.

One Newell Rubbermaid

The Company strives to leverage the common business activities and best practices of its GBUs, and to build one common culture of shared values with a focus on collaboration and teamwork. Through this initiative, the Company has established regional shared service centers to leverage nonmarket-facing functional capabilities to reduce costs. In addition, the Company has consolidated the leadership and strategic operations of five of the Company's GBUs into the Company's headquarters facilities to facilitate the sharing of knowledge and better leverage best practices.

The Company is also migrating multiple legacy systems and users to a common SAP global information platform in a phased, multi-year rollout. SAP is expected to enable the Company to integrate and manage its worldwide business and reporting processes more efficiently. Through June 30, 2010, the North American operations of 12 of the Company's 13 GBUs have successfully gone live with their SAP implementation efforts, including the North American operations of the Rubbermaid Consumer and Rubbermaid Commercial Products GBUs in April 2010. Additional SAP go-lives for certain of the Company's North American operations are scheduled for later in 2010 and 2011.

Foreign Currency – Venezuela

The Company began accounting for its Venezuelan operations using highly inflationary accounting in January 2010. Under highly inflationary accounting, the Company remeasures assets, liabilities, sales and expenses denominated in Bolivar Fuertes into U.S. Dollars using the applicable exchange rate, and the resulting translation adjustments are included in earnings. As of June 30, 2010, the Company's Venezuelan subsidiary had approximately \$22.5 million of net monetary assets denominated in Bolivar Fuertes. For every \$10 million of net monetary assets denominated in Bolivar Fuertes, a 5% increase/(decrease) in the applicable exchange rate would decrease/(increase) the Company's pre-tax income by \$0.5 million.

In May 2010, the Venezuelan government enacted reforms to its foreign currency exchange control regulations to close down the parallel exchange market. In early June 2010, the Venezuelan government introduced a newly regulated foreign currency exchange system, Transaction System for Foreign Currency Denominated Securities ("SITME"). Foreign currency exchange through SITME is allowed within a specified band of 4.5 to 5.3 Bolivar Fuerte to U.S. Dollar, but most of the exchanges have been executed at the rate of 5.3 Bolivar Fuerte to U.S. Dollar. The Company began applying the SITME rate of 5.3 Bolivar Fuerte to U.S. Dollar in May 2010. The transition to the SITME rate from the parallel rate did not have a material impact on the Company's consolidated net sales or operating income for the six months ended June 30, 2010, compared to using the parallel rate for the same period. The transition to the SITME rate did result in a foreign exchange gain of \$5.6 million, which is recognized in other income for the three and six months ended June 30, 2010.

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Prior to the use of the SITME rate, the Company's results in Venezuela in 2010 were being reflected in the consolidated financial statements at the parallel exchange rate, and during substantially all of 2009, the Company used the official rate of 2.15 to 1 U.S. Dollar to report the results of its Venezuelan operations. Although the SITME rate is generally more favorable than recent parallel rates, consolidated net sales and operating income are expected to decline an estimated 1% and 3%, respectively, for the year ending December 31, 2010 compared to the year ended December 31, 2009 due solely to the change in exchange rates used to translate the results of the Company's Venezuelan operations. The change in the rate does not impact reported changes in core sales, which exclude the impact of foreign currency.

Results of Operations

The following table sets forth for the periods indicated items from the Condensed Consolidated Statements of Income as reported and as a percentage of net sales for the three and six months ended June 30, (in millions, except percentages):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2010		2009		2010		2009	
Net sales	\$ 1,496.2	100.0%	\$ 1,504.3	100.0%	\$ 2,802.6	100.0%	\$ 2,708.2	100.0%
Cost of products sold	908.9	60.7	946.0	62.9	1,743.6	62.2	1,727.1	63.8
Gross margin	587.3	39.3	558.3	37.1	1,059.0	37.8	981.1	36.2
Selling, general and administrative expenses	362.6	24.2	329.3	21.9	688.2	24.6	640.8	23.7
Restructuring costs	21.2	1.4	29.5	2.0	37.2	1.3	60.0	2.2
Operating income	203.5	13.6	199.5	13.3	333.6	11.9	280.3	10.4
Nonoperating expenses:								
Interest expense, net	33.2	2.2	40.3	2.7	65.2	2.3	70.9	2.6
Other (income) expense, net	(5.9)	(0.4)	1.2	0.1	(6.2)	(0.2)	1.9	0.1
Net nonoperating expenses	27.3	1.8	41.5	2.8	59.0	2.1	72.8	2.7
Income before income taxes	176.2	11.8	158.0	10.5	274.6	9.8	207.5	7.7
Income taxes	45.8	3.1	52.3	3.5	85.8	3.1	68.1	2.5
Net income	\$ 130.4	8.7%	\$ 105.7	7.0%	\$ 188.8	6.7%	\$ 139.4	5.1%

Three Months Ended June 30, 2010 vs. Three Months Ended June 30, 2009

Consolidated Operating Results:

Net sales for the three months ended June 30, 2010 were \$1,496.2 million, representing a decrease of \$8.1 million, or 0.5%, from \$1,504.3 million for the three months ended June 30, 2009. The following table sets forth an analysis of changes in consolidated net sales for the three months ended June 30, 2010 as compared to the three months ended June 30, 2009 (in millions, except percentages):

Core sales	\$ 22.8	1.5 %
Foreign currency	(2.2)	(0.1)
Product line exits and rationalizations	(28.7)	(1.9)
Total change in net sales	\$ (8.1)	(0.5)%

Core sales increased 1.5% compared to the prior year driven by increased demand in international markets led by Latin America and Asia Pacific. Additionally, the Company estimates that core sales growth in the three months ended June 30, 2010 was negatively impacted by 200 to 300 basis points due to customer purchases in the first quarter of 2010 ahead of the April 2010 SAP launch in the North American operations of the Rubbermaid Consumer and Rubbermaid Commercial Products GBUs. Foreign currency had the impact of reducing net sales by 0.1%, while last year's product line exits reduced year-over-year net sales by 1.9%. Excluding foreign currency, sales of the Company's domestic businesses decreased approximately 3.3% versus the prior year, and sales of the Company's international businesses increased approximately 9.2% versus the prior year. The customer purchases in the first quarter of 2010 ahead of the April 2010 SAP launch adversely impacted North American quarter-over-quarter sales growth by an estimated 300 basis points.

Gross margin, as a percentage of net sales, for the three months ended June 30, 2010 was 39.3%, or \$587.3 million, versus 37.1%, or \$558.3 million, for the three months ended June 30, 2009. The primary drivers of the 220 basis point gross margin improvement were productivity gains from several initiatives, including Project Acceleration, and favorable product mix, partially offset by input cost inflation experienced during the quarter. On an annualized basis, commodities consumed as raw materials generally represent approximately 10% to 15% of annual cost of products sold, with no single type of commodity representing more than 10% of cost of products sold.

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SG&A expenses for the three months ended June 30, 2010 were 24.2% of net sales, or \$362.6 million, versus 21.9% of net sales, or \$329.3 million, for the three months ended June 30, 2009. In constant currency, SG&A expense increased \$32.1 million mainly due to the Company's continued investment in brand building and other strategic SG&A activities such as marketing initiatives, advertising and promotions, sales force increases and the implementation of SAP.

The Company recorded restructuring costs of \$21.2 million and \$29.5 million for the three months ended June 30, 2010 and 2009, respectively. The year-over-year decrease in restructuring costs was largely attributable to lower costs associated with restructuring programs focused on streamlining the organizational structure to reduce structural SG&A costs. The year-over-year decrease in restructuring costs was also due to lower restructuring costs associated with reducing the Company's manufacturing and distribution footprint, as the Company is completing the remaining projects under Project Acceleration prior to the end of 2010. The restructuring costs for the three months ended June 30, 2010 included \$0.8 million of facility and other exit costs, \$18.4 million of employee severance, termination benefits and employee relocation costs, and \$2.0 million of exited contractual commitments and other restructuring costs. The restructuring costs for the three months ended June 30, 2009 included \$8.7 million of facility and other exit costs, \$11.5 million of employee severance, termination benefits and employee relocation costs, and \$9.3 million of exited contractual commitments and other restructuring costs. See Footnote 3 of the Notes to Condensed Consolidated Financial Statements for further information.

Operating income for the three months ended June 30, 2010 was \$203.5 million, or 13.6% of net sales, versus \$199.5 million, or 13.3% of net sales, for the three months ended June 30, 2009. The 30 basis point improvement in operating margin is primarily attributable to productivity gains and improved product mix combined with lower restructuring costs, which more than offset increases in SG&A expenses associated with investments in brand building and other strategic SG&A activities.

Net nonoperating expenses for the three months ended June 30, 2010 were \$27.3 million versus \$41.5 million for the three months ended June 30, 2009. The decrease in net nonoperating expenses is attributable to lower outstanding debt levels partially offset by higher interest rates as well as a foreign exchange gain of \$5.6 million during the three months ended June 30, 2010 associated with the Company's transition to the SITME rate for remeasuring the Company's Venezuelan assets and liabilities denominated in Bolivar Fuerte.

The Company recognized income tax expense of \$45.8 million for the three months ended June 30, 2010, compared to \$52.3 million for the three months ended June 30, 2009. The Company's effective tax rate was 26.0% for the three months ended June 30, 2010, compared to 33.1% for the three months ended June 30, 2009. The decrease in the effective tax rate was primarily due to a one-time benefit of \$8.2 million due to the reversal of certain tax reserves upon resolution of a foreign tax examination. See Footnote 9 of the Notes to Condensed Consolidated Financial Statements for further information.

Business Segment Operating Results:

Net sales by segment were as follows for the three months ended June 30, (in millions, except percentages):

	2010	2009	% Change
Home & Family	\$ 592.0	\$ 617.2	(4.1)%
Office Products	483.5	496.9	(2.7)
Tools, Hardware & Commercial Products	420.7	390.2	7.8
Total Net Sales	<u>\$1,496.2</u>	<u>\$1,504.3</u>	(0.5)%

The following table sets forth an analysis of changes in net sales in each segment for the three months ended June 30, 2010 as compared to the three months ended June 30, 2009:

	Home & Family	Office Products	Tools, Hardware & Commercial Products
Core sales	(2.6)%	3.1%	6.1%
Foreign currency	0.8	(2.8)	1.7
Product line exits and rationalizations	(2.3)	(3.0)	—
Total change in net sales	<u>(4.1)%</u>	<u>(2.7)%</u>	<u>7.8%</u>

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Operating income (loss) by segment was as follows for the three months ended June 30, *(in millions, except percentages)*:

	2010	2009	% Change
Home & Family	\$ 75.6	\$ 80.4	(6.0)%
Office Products	99.4	99.2	0.2
Tools, Hardware & Commercial Products	70.1	67.6	3.7
Corporate	(20.4)	(18.2)	(12.1)
Restructuring costs	(21.2)	(29.5)	28.1
Total Operating Income	\$203.5	\$199.5	2.0%

Home & Family

Net sales for the three months ended June 30, 2010 were \$592.0 million, a decrease of \$25.2 million, or 4.1%, from \$617.2 million for the three months ended June 30, 2009. Core sales declined 2.6%, which was primarily attributable to customer purchases ahead of the April 2010 SAP launch in the North American operations of the Rubbermaid Consumer GBU. The Company estimates that excluding the negative impact of SAP pre-buy, core sales for the three months ended June 30, 2010 remained largely unchanged year-over-year. Product line exits and rationalizations reduced sales another 2.3% while foreign currency had a favorable impact of 0.8%.

Operating income for the three months ended June 30, 2010 was \$75.6 million, or 12.8% of net sales, a decrease of \$4.8 million, or 6.0%, from \$80.4 million, or 13.0% of net sales, for the three months ended June 30, 2009. The 20 basis point decrease in operating margin is primarily attributable to constant SG&A expenses quarter-over-quarter, including a marginal increase in strategic SG&A spending. The constant SG&A expenses combined with a decline in net sales resulted in a decrease in operating margins of more than 100 basis points. Gross margins improved as productivity gains more than offset input cost inflation.

Office Products

Net sales for the three months ended June 30, 2010 were \$483.5 million, a decrease of \$13.4 million, or 2.7%, from \$496.9 million for the three months ended June 30, 2009. Core sales increased 3.1%, which was primarily attributable to higher volumes in the Fine Writing, Technology and Markers, Highlighters, Art & Office Organization GBUs. Product line exits and foreign currency reduced net sales by 3.0% and 2.8%, respectively.

Operating income for the three months ended June 30, 2010 was \$99.4 million, or 20.6% of net sales, an increase of \$0.2 million, or 0.2%, from \$99.2 million, or 20.0% of net sales, for the three months ended June 30, 2009. The 60 basis point improvement in operating margin is attributable to productivity gains and product mix partially offset by input cost inflation, which combined contributed 480 basis points of improvement. The gross margin improvement was partially offset by increased SG&A costs as a percentage of net sales due to increased volume building, brand building and other strategic SG&A costs.

Tools, Hardware & Commercial Products

Net sales for the three months ended June 30, 2010 were \$420.7 million, an increase of \$30.5 million, or 7.8%, from \$390.2 million for the three months ended June 30, 2009. Core sales increases accounted for 6.1% of the year-over-year increase, which was primarily a result of increased sales volumes, especially in the industrial channel. The increased sales volumes were a result of increases in demand, particularly in international markets. Additionally, the Company estimates that core sales increases for the three months ended June 30, 2010 were negatively impacted by 400 to 500 basis points due to customer purchases ahead of the April 2010 SAP launch in the North American operations of the Rubbermaid Commercial Products GBU. Favorable foreign currency accounted for 1.7% of the year-over-year net sales increase.

Operating income for the three months ended June 30, 2010 was \$70.1 million, or 16.7% of net sales, an increase of \$2.5 million, or 3.7%, from \$67.6 million, or 17.3% of net sales, for the three months ended June 30, 2009. The 60 basis point decrease in operating margin is primarily attributable to input cost inflation and a 150 basis point increase in SG&A costs as a percentage of net sales in constant currency due to increased investments in brand building and other strategic SG&A activities. These increases were partially offset by productivity gains.

Six Months Ended June 30, 2010 vs. Six Months Ended June 30, 2009**Consolidated Operating Results:**

Net sales for the six months ended June 30, 2010 were \$2,802.6 million, representing an increase of \$94.4 million, or 3.5%, from \$2,708.2 million for the six months ended June 30, 2009. The following table sets forth an analysis of changes in consolidated net sales for the six months ended June 30, 2010 as compared to the six months ended June 30, 2009 (*in millions, except percentages*):

Core sales	\$110.0	4.1%
Foreign currency	27.4	1.0
Product line exits and rationalizations	(43.0)	(1.6)
Total change in net sales	\$ 94.4	3.5%

Core sales increased 4.1% compared to the prior year resulting from higher volumes primarily due to increases in demand, particularly internationally and in the industrial and commercial channels, and restocking by customers in anticipation of future increases in consumer demand, particularly in the geographic regions and channels where inventories were reduced in late 2008 and early 2009. Foreign currency contributed an additional 1.0% to the increase in net sales, while last year's product line exits reduced year-over-year sales by 1.6%. Excluding foreign currency, sales at the Company's domestic and international businesses increased approximately 0.5% and 9.1%, respectively, versus the prior year.

Gross margin, as a percentage of net sales, for the six months ended June 30, 2010 was 37.8%, or \$1,059.0 million, versus 36.2% of net sales, or \$981.1 million, for the six months ended June 30, 2009. The primary drivers of the 160 basis point gross margin improvement were productivity gains from several initiatives, including Project Acceleration, and improved product mix, partially offset by input cost inflation.

SG&A expenses for the six months ended June 30, 2010 were 24.6% of net sales, or \$688.2 million, versus 23.7% of net sales, or \$640.8 million, for the six months ended June 30, 2009. In constant currency, SG&A expenses increased \$38.3 million mainly due to the Company's continued investment in brand building and other strategic SG&A activities, such as marketing initiatives, advertising and promotions, sales force increases and the implementation of SAP.

The Company recorded restructuring costs of \$37.2 million and \$60.0 million for the six months ended June 30, 2010 and 2009, respectively. The decrease in restructuring costs for the six months ended June 30, 2010 compared to the prior year is largely attributable to lower costs associated with reducing the Company's manufacturing and distribution footprint, as the Company is completing the remaining projects under Project Acceleration prior to the end of 2010. In addition, the Company incurred lower restructuring costs associated with restructuring programs focused on streamlining the organizational structure to reduce structural SG&A costs. The restructuring costs for the six months ended June 30, 2010 included \$1.7 million of facility and other exit costs, \$32.2 million of employee severance, termination benefits and employee relocation costs, and \$3.3 million of exited contractual commitments and other restructuring costs. The restructuring costs for the six months ended June 30, 2009 included \$13.3 million of facility and other exit costs, \$32.4 million of employee severance, termination benefits and employee relocation costs, and \$14.3 million of exited contractual commitments and other restructuring costs. See Footnote 3 of the Notes to Condensed Consolidated Financial Statements for further information.

Operating income for the six months ended June 30, 2010 was 11.9% of net sales, or \$333.6 million, versus 10.4% of net sales, or \$280.3 million, for the six months ended June 30, 2009. The 150 basis point improvement in operating margin is primarily attributable to productivity gains and improved product mix combined with lower restructuring costs and better leverage of structural SG&A as a result of increased sales, partially offset by increased investments in brand building and other strategic SG&A activities and input cost inflation.

Net nonoperating expenses for the six months ended June 30, 2010 were \$59.0 million versus \$72.8 million for the six months ended June 30, 2009. The decrease in net nonoperating expenses is attributable to lower outstanding debt levels partially offset by higher interest rates as well as a foreign exchange gain of \$5.6 million during the six months ended June 30, 2010 associated with the Company's transition to the SITME rate for remeasuring the Company's Venezuelan assets and liabilities denominated in Bolivar Fuerte.

The Company recognized income tax expense of \$85.8 million for the six months ended June 30, 2010, compared to \$68.1 million for the six months ended June 30, 2009. The Company's effective tax rate was 31.2% for the six months ended June 30, 2010, compared to 32.8% for the six months ended June 30, 2009. The decrease in the effective tax rate was primarily a result of a one-time benefit of \$8.2 million due to the reversal of certain tax reserves upon resolution of a foreign tax examination during the six months ended June 30, 2010. The aforementioned benefit was partially offset by the expiration of certain U.S. tax incentives, including credits for certain

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research and development activities, and other items including non-cash tax charges associated with the vesting of equity-based compensation. Based on the accounting required for the income tax impacts associated with stock-based compensation, the Company's effective tax rate in future periods may be adversely impacted as a result of cancellations and exercises of employee stock options and vestings of restricted stock awards and restricted stock units. See Footnote 9 of the Notes to Condensed Consolidated Financial Statements for further information.

Business Segment Operating Results:

Net sales by segment were as follows for the six months ended June 30, (in millions, except percentages):

	2010	2009	% Change
Home & Family	\$1,148.9	\$1,174.9	(2.2)%
Office Products	835.1	815.1	2.5
Tools, Hardware & Commercial Products	818.6	718.2	14.0
Total Net Sales	\$2,802.6	\$2,708.2	3.5%

The following table sets forth an analysis of changes in net sales in each segment for the six months ended June 30, 2010 as compared to the six months ended June 30, 2009:

	Home & Family	Office Products	Tools, Hardware & Commercial Products
Core sales	(2.2)%	7.0%	11.0%
Foreign currency	1.4	(1.3)	3.0
Product line exits and rationalizations	(1.4)	(3.2)	—
Total change in net sales	(2.2)%	2.5%	14.0%

Operating income (loss) by segment was as follows for the six months ended June 30, (in millions, except percentages):

	2010	2009	% Change
Home & Family	\$144.4	\$140.7	2.6%
Office Products	146.7	130.3	12.6
Tools, Hardware & Commercial Products	121.7	105.6	15.2
Corporate	(42.0)	(36.3)	(15.7)
Restructuring Costs	(37.2)	(60.0)	38.0
Total Operating Income	\$333.6	\$280.3	19.0%

Home & Family

Net sales for the six months ended June 30, 2010 were \$1,148.9 million, a decrease of \$26.0 million, or 2.2%, from \$1,174.9 million for the six months ended June 30, 2009. Core sales declined 2.2%, which was primarily attributable to softness in the Baby & Parenting GBU, particularly in the Asian markets, partially offset by growth in the Beauty & Style and Culinary Lifestyle GBUs. The year-over-year impact of product line exits and rationalizations reduced sales another 1.4% while foreign currency had a favorable impact of 1.4%.

Operating income for the six months ended June 30, 2010 was \$144.4 million, or 12.6% of net sales, an increase of \$3.7 million, or 2.6%, from \$140.7 million, or 12.0% of net sales, for the six months ended June 30, 2009. The 60 basis point improvement in operating margin is attributable to productivity gains and mix, partially offset by the impacts of input cost inflation. In constant currency, SG&A costs as a percentage of net sales were relatively unchanged.

Office Products

Net sales for the six months ended June 30, 2010 were \$835.1 million, an increase of \$20.0 million, or 2.5%, from \$815.1 million for the six months ended June 30, 2009. Core sales increased 7.0%, which was primarily attributable to higher volumes, including customer inventory restocking, particularly in the Markers, Highlighters, Art & Office Organization and Technology GBUs. Product line exits and foreign currency reduced net sales 3.2% and 1.3%, respectively.

Operating income for the six months ended June 30, 2010 was \$146.7 million, or 17.6% of net sales, an increase of \$16.4 million, or 12.6%, from \$130.3 million, or 16.0% of net sales, for the six months ended June 30, 2009. The 160 basis point improvement in operating margin is attributable to productivity gains, product mix and product line exits, partially offset by the impacts of input cost inflation and higher SG&A costs due to investments in strategic brand and volume building SG&A activities.

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Tools, Hardware & Commercial Products

Net sales for the six months ended June 30, 2010 were \$818.6 million, an increase of \$100.4 million, or 14.0%, from \$718.2 million for the six months ended June 30, 2009. Core sales increases accounted for 11.0% of the year-over-year increase, which was primarily a result of increased sales volumes, especially in the industrial and commercial channels. The increased sales volumes were a result of increases in demand and customer inventory restocking, particularly in international markets. Favorable foreign currency accounted for 3.0% of the net sales increase.

Operating income for the six months ended June 30, 2010 was \$121.7 million, or 14.9% of net sales, an increase of \$16.1 million, or 15.2%, from \$105.6 million, or 14.7% of net sales, for the six months ended June 30, 2009. The 20 basis point improvement in operating margin is primarily attributable to better leveraging SG&A costs as a result of increased net sales.

Liquidity and Capital Resources

Cash and cash equivalents (decreased) increased as follows for the six months ended June 30, (*in millions*):

	<u>2010</u>	<u>2009</u>
Cash provided by operating activities	\$ 183.4	\$ 88.0
Cash used in investing activities	(64.1)	(77.1)
Cash (used in) provided by financing activities	(137.1)	129.8
Currency effect on cash and cash equivalents	(0.7)	2.0
(Decrease) increase in cash and cash equivalents	<u>\$ (18.5)</u>	<u>\$ 142.7</u>

In the cash flow statement, the changes in operating assets and liabilities are presented excluding the effects of changes in foreign currency exchange rates. Accordingly, the amounts in the cash flow statement differ from changes in the operating assets and liabilities that are presented in the balance sheet.

Sources

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

Cash provided by operating activities for the six months ended June 30, 2010 was \$183.4 million compared to \$88.0 million for the six months ended June 30, 2009. This improvement is primarily attributable to increased earnings and continued working capital improvement, as the operating cash flows for the six months ended June 30, 2009 are net of \$96.2 million of payments to settle foreign exchange contracts and cross-currency interest rate swaps on intercompany financing arrangements.

In the six months ended June 30, 2010, the Company did not engage in any significant debt issuance activity in contrast with \$759.8 million net proceeds from the issuance of debt and borrowings under its syndicated revolving credit facility (the "Revolver") in the six months ended June 30, 2009.

Uses

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

The Company made payments on medium-term notes and other debt of \$108.4 million during the six months ended June 30, 2010 compared to \$517.2 million in payments on notes payable, the term loan, medium-term notes and the Revolver during the six months ended June 30, 2009.

Aggregate dividends paid were \$28.0 million and \$43.4 million for the six months ended June 30, 2010 and 2009, respectively. The Company continues to maintain quarterly dividends of \$0.05 per share so operating cash flows can be used to repay outstanding debt to improve the Company's investment grade credit rating.

Capital expenditures were \$69.3 million and \$70.7 million for the six months ended June 30, 2010 and 2009, respectively. The largest single capital project in both six month periods was the implementation of SAP, which represented \$19.5 million and \$23.8 million of capital expenditures for the six months ended June 30, 2010 and 2009, respectively.

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Cash used for restructuring activities was \$31.3 million and \$41.0 million for the six months ended June 30, 2010 and 2009, respectively, and is included in the cash flows from operating activities. These payments relate primarily to employee termination benefits.

Financial Position

The Company is committed to maintaining a strong financial position through maintaining sufficient levels of available liquidity, managing working capital, and monitoring the Company's overall capitalization.

- Cash and cash equivalents at June 30, 2010 were \$259.8 million, and the Company had \$690.0 million and \$200.0 million of borrowing capacity under its Revolver and receivables facility, respectively.
- Working capital at June 30, 2010 was \$636.6 million compared to \$422.6 million at December 31, 2009, and the current ratio at June 30, 2010 was 1.36:1 compared to 1.24:1 at December 31, 2009. The increase in working capital and the current ratio is primarily due to increases in accounts receivable and inventory due to the seasonality of the business.
- The Company monitors its overall capitalization by evaluating total debt to total capitalization. For this purpose, the Company defines total debt to total capitalization as the sum of short-term and long-term debt, less cash, divided by the sum of total debt and stockholders' equity, less cash. Total debt to total capitalization was 0.53:1 at June 30, 2010 and 0.56:1 at December 31, 2009.

Over the long-term, the Company plans to improve its current ratio and total debt to total capitalization by improving operating results, managing working capital and using cash generated from operations to repay outstanding debt. The Company has from time to time refinanced, redeemed or repurchased its debt and taken other steps to reduce its debt or lease obligations or otherwise improve its overall financial position and balance sheet. Going forward, depending on market conditions, its cash positions and other considerations, the Company may continue to take such actions.

Borrowing Arrangements

The Company's Revolver expires in November 2012. As of June 30, 2010, there were no borrowings outstanding under the Revolver, and the Company had \$690.0 million of borrowing capacity (in November 2010, the borrowing capacity is reduced to \$665.0 million). In lieu of borrowings under the Revolver, the Company may use the borrowing capacity under the Revolver to provide 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. However, the Company's current short-term debt credit ratings, coupled with continued uncertainty in the credit markets, may limit or preclude it from accessing the commercial paper market. 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. As of June 30, 2010, no commercial paper was outstanding, and there were no borrowings or standby letters of credit outstanding under the Revolver.

The Company's 364-day receivables financing facility provides for maximum borrowings of up to \$200.0 million, all of which was available for borrowing and no amounts were outstanding at June 30, 2010. Unless extended, the receivables financing facility will expire on September 14, 2010.

The indentures governing the Company's medium-term and convertible senior notes contain usual and customary nonfinancial covenants. The Company's borrowing arrangements other than the medium-term and convertible senior notes contain usual and customary nonfinancial covenants and certain financial covenants, including minimum interest coverage and maximum debt to total capitalization ratios. As defined by the agreements governing the borrowing arrangements, minimum interest coverage ratio is computed as adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA") divided by adjusted interest expense for the four most recent quarterly periods. Generally, maximum debt to total capitalization is calculated as the sum of short-term and long-term debt, excluding the junior convertible subordinated debentures, divided by the sum of (i) total debt, (ii) total stockholders' equity and (iii) \$550.0 million. As of June 30, 2010, the Company had complied with all covenants under the indentures and its other borrowing arrangements, and the Company could access the full borrowing capacity available under the Revolver and the receivables facility and utilize the \$890.0 million for general corporate purposes without exceeding the debt to total capitalization limits in its financial covenants. A failure to maintain the financial covenants would impair the Company's ability to borrow under the Revolver and the receivables facility and may result in the acceleration of the repayment of certain indebtedness.

Debt

The Company has varying needs for short-term working capital financing as a result of the seasonal nature of its business. The volume and timing of production impacts the Company's cash flows and has historically involved increased production in the first quarter of the year to meet increased customer demand through the remainder of the year. Working capital fluctuations have historically been financed through short-term financing arrangements, such as borrowings under the Revolver or commercial paper supported by the Revolver.

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Total debt was \$2.4 billion and \$2.5 billion as of June 30, 2010 and December 31, 2009, respectively. During the six months ended June 30, 2010, the Company repaid \$105.1 million of medium-term notes that matured in May 2010.

As of June 30, 2010, the current portion of long-term debt and short-term debt totaled \$394.0 million, including a \$100.0 million principal payment due on its term loan in September 2010. In addition, because the closing sale price of the Company's common stock exceeded \$11.19 for more than 20 of the last 30 consecutive trading days in the three months ended June 30, 2010, the convertible senior notes due 2014 (the "Convertible Notes") are convertible at the election of the holders of the notes at any time during the three months ending September 30, 2010. Since conversion of the Convertible Notes is outside the control of the Company, the carrying value of the Convertible Notes, \$290.2 million, is classified as current portion of long-term debt in the Condensed Consolidated Balance Sheet at June 30, 2010.

Capital Structure Optimization Plan

On August 2, 2010 the Company announced a Capital Structure Optimization Plan (the "Plan"). The Plan includes the issuance of \$550.0 million of new 4.70% senior notes due 2020. The Company plans to use the proceeds from the sale of the new notes, cash on hand, and short-term borrowings to fund the repurchase of \$500.0 million of shares of its common stock through an accelerated stock buyback program and to complete a cash tender offer for any and all of the \$300.0 million principal amount of outstanding 10.60% notes due 2019. The offering of the notes due 2020, the tender offer for the notes due 2019 and the delivery of the initial 25.8 million shares of common stock under the accelerated stock buyback program are all currently expected to settle on August 10, 2010. The Company also announced that it intends, subject to market conditions, to launch prior to September 30, 2010 an offer to exchange common stock and cash for any and all of its Convertible Notes (the "Proposed Exchange Offer"). To the extent the Convertible Notes are exchanged, the Company intends to settle, for cash, the convertible note hedge and warrant transactions, which were entered into concurrent with the issuance of the Convertible Notes. The series of transactions is intended to simplify the Company's capital structure, lower interest costs and reduce potential future dilution from the Convertible Notes and the associated hedge and warrant transactions.

Assuming 32.3 million shares are purchased in the accelerated stock buyback (which reflects the closing price of the common stock on the business day prior to announcement of the buyback), all the notes due 2019 are tendered in the tender offer and all the Convertible Notes are tendered in the Proposed Exchange Offer, the net result of the transactions making up the Plan will be the refinancing of approximately \$600.0 million in long-term debt at lower interest rates, a net increase of approximately 8 million shares of outstanding common stock, and the elimination of potential future share count dilution resulting from the Convertible Notes and hedge transactions.

If completed as planned, the series of transactions (i) is not expected to have a material impact on the Company's leverage ratio, (ii) is expected to be accretive to future periods' earnings per share, and (iii) is expected to result in a cumulative pre-tax charge to earnings in 2010 of up to \$200.0 million.

Pension and Other Obligations

The Company has adopted and sponsors pension plans in the U.S. and in various other countries. The Company's ongoing funding requirements for its pension plans are largely dependent on the value of each of the plan's assets, the investment returns realized on plan assets and interest rates.

Future increases or decreases in pension liabilities and required cash contributions are highly dependent on changes in interest rates and the actual return on plan assets. The Company determines its plan asset investment mix, in part, on the duration of each plan's liabilities. To the extent each plan's assets decline in value or do not generate the returns expected by the Company or interest rates decline further, the Company may be required to make contributions to the pension plans to ensure the pension obligations are adequately funded as required by law or mandate.

As previously reported, the Company has received an IRS Revenue Agent Report for tax years 2005 and 2006, assessing additional tax and interest relating to the Company's 2005 and 2006 U.S. federal income tax returns. The Company filed a protest against certain adjustments within the Revenue Agent Report and requested a conference with the IRS Appeals Office. The Company is currently in on-going settlement discussions with the Appeals Office that may resolve this dispute and finalize the examination of these returns. If resolved, the Company may reduce its unrecognized tax benefits balance and related accruals, the aggregate amount of which may be material, although a reasonable estimate of the range cannot be made. The Company does not expect to make additional material cash payments upon settlement of the examination. However, there can be no assurance that the Company will be able to finalize the examination on the terms currently under discussion, or on any terms that would result in a reduction in the Company's unrecognized tax benefits balance and reversal of related accruals.

Dividends

The Company intends to maintain a dividend of \$0.05 per share in the short-term so operating cash flows can be used to repay outstanding debt and improve its investment grade credit rating.

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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.

Credit Ratings

The Company's credit ratings are periodically reviewed by rating agencies. The Company's current senior and short-term debt credit ratings from three credit rating agencies are listed below:

	<u>Senior Debt Credit Rating</u>	<u>Short-term Debt Credit Rating</u>
Moody's Investors Service	Baa3	P-3
Standard & Poor's	BBB-	A-3
Fitch Ratings	BBB	F-2

Moody's and Standard & Poor's have a stable outlook while Fitch maintains a higher rating, with a negative outlook. Changes in the Company's operating results, cash flows or financial position could impact the ratings assigned by the various rating agencies, and changes in the ratings may impact the rate of interest payable on certain of the Company's indebtedness. The ratings from credit agencies are not recommendations to buy, sell or hold the Company's securities, and each rating should be evaluated independently of any other rating.

Outlook

For the year ending December 31, 2010, the Company continues to expect to generate cash flows from operations in excess of \$500 million after restructuring cash payments of approximately \$70 to \$100 million. The Company plans to fund capital expenditures of approximately \$160 to \$170 million, which include expenditures associated with the implementation of SAP.

Critical Accounting Policies

There have been no significant changes to the Company's critical accounting policies since the filing of its Form 10-K for the year ended December 31, 2009.

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, the European Transformation Plan, the Capital Structure Optimization Plan, sales (including pricing), income/(loss), earnings per share, operating income or gross margin improvements or declines, return on equity, return on invested capital, capital and other expenditures, working capital, cash flow, dividends, capital structure, debt to capitalization ratios, availability of financing, interest rates, restructuring, impairment and other charges, potential losses on divestitures, impacts of changes in accounting standards, pending legal proceedings and claims (including environmental matters), future economic performance, costs and cost savings (including raw material and sourced product 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. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the Company's dependence on the strength of retail, commercial and industrial sectors of the economy in light of the global economic slowdown; currency fluctuations; competition with other manufacturers and distributors of consumer products; major retailers' strong bargaining power; changes in the prices of raw materials and sourced products and the Company's ability to obtain raw materials and sourced products in a timely manner from suppliers; the Company's ability to develop innovative new products and to develop, maintain and strengthen its end-user brands; the Company's ability to expeditiously close facilities and move operations while managing foreign regulations and other impediments; the Company's ability to manage successfully risks associated with divesting or discontinuing businesses and product lines; the Company's ability to implement successfully information technology solutions throughout its organization; the Company's ability to improve productivity and streamline operations; the Company's ability to refinance short term debt on terms acceptable to it, particularly given the uncertainties in the global credit markets; changes to the Company's credit ratings; significant increases in the funding obligations related to the Company's pension plans due to declining asset values or otherwise; the imposition of tax liabilities greater than the Company's provisions for such matters; significant increases in costs to comply with changes in legal, employment, tax, environmental and other laws and regulations; the risks inherent in the Company's foreign operations and those matters set forth in this Report generally and Exhibit 99.1 to this Report.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The Company has no material changes to the disclosure on this matter made in its Annual Report on Form 10-K for the year ended December 31, 2009.

Item 4. Controls and Procedures

As of June 30, 2010, 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.

The internal control over financial reporting at certain North American operations of the Company's Rubbermaid Consumer and Rubbermaid Commercial Products Global Business Units changed during the quarter ended June 30, 2010 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 changes in the Company's internal control over financial reporting at the Company's other businesses that occurred during the quarter ended June 30, 2010 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. The Company is in the process of replacing various business information systems worldwide with an enterprise resource planning system from SAP. Implementation will continue to occur over several years in phases, primarily focused 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 materials, schedule production, remit billings, make payments and perform other business functions.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Information required under this Item is contained above in Part I. Financial Information, Item 1 and is incorporated herein by reference.

Item 1A. Risk Factors

The information presented below updates and supplements the risk factors set forth in the Company's 2009 Form 10-K.

Conversion of the Company's convertible senior notes due 2014 may dilute the ownership interests of stockholders at the time of conversion, and the Company's stock price may be impacted by note hedge and warrant transactions it entered into in connection with the issuance of the convertible notes.

Upon conversion of some or all of the Company's convertible senior notes due 2014 (the "Convertible Notes"), the ownership interests of stockholders may be diluted. Any sales in the public market of the common stock issuable upon such conversion could adversely affect prevailing market prices of the Company's common stock. In addition, the Company entered into note hedge transactions with various financial institutions, at the time of issuance of the Convertible Notes, with the objective of reducing the potential dilutive effect of issuing common stock upon conversion of the notes. The Company also entered into separate warrant transactions with the same financial institutions. The warrant transactions could separately have a dilutive effect to the extent that the market value per share of common stock exceeds the strike price of the warrants.

In connection with establishing an initial hedge for the note hedge and warrant transactions, these financial institutions or their affiliates entered into various derivative transactions with respect to the Company's common stock. These entities or their affiliates are likely to modify their hedge positions from time to time prior to conversion or maturity of the Convertible Notes by entering into or unwinding various derivative transactions with respect to the Company's common stock and/or purchasing and selling shares of the Company's common stock. In particular, these entities or their affiliates are likely to modify their hedge positions in connection with the partial unwind of the note hedge and warrant transactions that the Company expects would follow its recently announced intent, subject to market conditions, to offer to exchange common stock and cash for any and all of its Convertible Notes (the "Proposed Exchange Offer"). Any of these transactions and activities could adversely affect the value of the Company's common stock.

The ownership interests of stockholders may be diluted by the Proposed Exchange Offer despite the reduction in outstanding shares that will result from the Company's recently announced accelerated stock buyback.

Although the Company entered into the accelerated stock buyback in order to reduce the future dilution that would occur upon successful completion of the Proposed Exchange Offer, the accelerated stock buyback is not conditioned on the occurrence or success of the Proposed Exchange Offer, which may not even occur.

In the Proposed Exchange Offer the Company would offer to exchange properly tendered outstanding Convertible Notes for shares of the Company's common stock and an amount of cash to be determined by the Company. Although the response to the Proposed Exchange Offer, if commenced, cannot be predicted, the number of shares of common stock to be issued in the Proposed Exchange Offer could be substantial and could exceed the number of shares that the Company expects to acquire in the accelerated stock buyback.

In any event, the number of shares of the Company's common stock to be issued in the Proposed Exchange Offer, if commenced, would exceed the number of shares that would be issued on conversion of the Convertible Notes. Holders of the outstanding notes who tender Convertible Notes in the Proposed Exchange Offer would primarily receive shares of common stock. In contrast, holders would receive, upon conversion of the Convertible Notes, cash in the aggregate principal amount of the notes (\$1,000 per note) and either cash, shares of common stock or a combination, at the Company's election, in respect of the remainder of the Company's conversion obligation. Any sales in the public market of the common stock issued in the Proposed Exchange Offer could adversely affect prevailing market prices of the Company's common stock.

Actions by the Company's counterparty to the accelerated stock buyback may affect the market for the Company's common stock.

In connection with the Company's accelerated stock buyback, the Company expects that its counterparty will purchase shares (or otherwise acquire long positions in shares) of Company common stock in the open market until it has acquired (or otherwise has long positions in) the number of shares the Company has agreed to purchase under the accelerated stock buyback contract. We expect that these acquisitions (and other transactions) will include covering purchases to close out stock borrow positions taken on by the

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counterparty to make its initial deliveries of shares to the Company. In addition, we expect that the counterparty may be purchasing or selling, or both purchasing and selling (and possibly taking on other long and/or short positions in Company common stock), in other hedging transactions related to the accelerated stock buyback. All of these market transactions in the Company's shares (or in derivative or other transactions related to Company shares) would be for the counterparty's own account. Although the magnitude and effect of such activities on the market price of the Company's common stock cannot be determined at this time, such activities may increase, or prevent a decrease in, the market price of the common stock.

If the Company does not complete the tender offer for its 2019 notes or the Proposed Exchange Offer, or if the amount of 2019 notes and Convertible Notes that the Company purchases is significantly less than anticipated, the Company may significantly increase its leverage.

As announced on August 2, 2010, the Company (i) has agreed to sell an aggregate of \$550.0 million of new notes pursuant to an underwritten public offering, (ii) is making a tender offer for its 10.60% notes due 2019 (the "Tender Offer"), (iii) has agreed to pay for \$500.0 million of its common stock pursuant to an accelerated stock buyback, and (iv) announced its intention, subject to market conditions, to make the Proposed Exchange Offer for outstanding Convertible Notes. The success of the Company's plan to complete all these transactions without significantly increasing its leverage depends, however, on completion of the Tender Offer, the accelerated stock buyback and the Proposed Exchange Offer, as well as the holders' response to the Tender Offer and the Proposed Exchange Offer.

By issuing the new notes and entering into the accelerated stock buyback, the Company is incurring substantial additional debt in anticipation of a reduction of debt pursuant to the Tender Offer and the Proposed Exchange Offer. As a result of this sequence of events, the Company's leverage will increase until and unless the notes due 2019 and Convertible Notes are tendered and it purchases and retires sufficient notes due 2019 and Convertible Notes pursuant to the Tender Offer and the Proposed Exchange Offer, respectively, and issues additional equity in the Proposed Exchange Offer. The planned reduction in debt will depend on the success of the Tender Offer, which is on-going at the date of this Report, and the Proposed Exchange Offer, which the Company does not intend to commence until after the offering of the new notes has closed and which, like the Tender Offer, may not reduce the Company's outstanding debt as much as the Company anticipates.

If the Company does not reduce its leverage as anticipated, it may need to obtain additional debt or equity financing, which may not be available on favorable terms. A failure to reduce the Company's leverage also could result in adverse ratings changes from the credit rating agencies.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

ISSUER PURCHASES OF EQUITY SECURITIES

The following table provides information about the Company's purchases of equity securities during the quarter ended June 30, 2010:

<u>Period</u>	<u>Total Number of Shares Purchased (1)</u>	<u>Average Price Paid per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u>	<u>Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs</u>
4/1/10-4/30/10	4	\$ 13.84	—	—
5/1/10-5/31/10	4,451	15.55	—	—
6/1/10-6/30/10	8,113	16.96	—	—
Total	12,568	\$ 16.46	—	—

- (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 and restricted stock units, which are repurchased by the Company based on their fair market value on the vesting date.

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Item 6. Exhibits

10.1	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 (amendments to the Credit Agreement dated October 10, 2006 and October 12, 2006 are incorporated by reference to Exhibit 4.7 to the Company's Annual Report on Form 10-K for the year ended December 31, 2006 and an amendment to the Credit Agreement dated October 17, 2007 is incorporated by reference to Exhibit 4.7 to the Company's Annual Report on Form 10-K for the year ended December 31, 2007).
10.2	\$400,000,000 Term Loan Credit Agreement, dated as of September 19, 2008, by and among, the Company, Bank of America, N.A., as administrative agent, and each lender a signatory thereto (the First Amendment to the Term Loan Credit Agreement dated as of June 30, 2009 is incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009).
10.3	Newell Rubbermaid Inc. 2010 Stock Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated May 11, 2010).
10.4	Form of Restricted Stock Unit Agreement under the 2010 Stock Plan.
10.5	Form of Restricted Stock Unit Agreement under the 2010 Stock Plan for Non-Employee Directors.
10.6	Form of Stock Option Agreement under the 2010 Stock Plan.
10.7	Form of Stock Option Agreement for Chief Executive Officer under the 2010 Stock Plan.
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.
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.
99.1	Safe Harbor Statement.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

SIGNATURES

Pursuant to the requirements 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

Date: August 6, 2010

/s/ Juan R. Figuero

Juan R. Figuero
Chief Financial Officer

Date: August 6, 2010

/s/ John B. Ellis

John B. Ellis
Vice President – Corporate Controller and
Chief Accounting Officer

NEWELL RUBBERMAID INC.

CREDIT AGREEMENT

Dated as of November 14, 2005

\$750,000,000

JPMORGAN CHASE BANK, N.A.
as Administrative Agent

J.P. MORGAN SECURITIES INC.,
as Sole Lead Arranger and Sole Bookrunner

BANK OF AMERICA, N.A.
BARCLAYS BANK PLC
BNP PARIBAS
and
CITICORP USA, INC.,
as Co-Syndication Agents

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CREDIT AGREEMENT dated as of November 14, 2005, between NEWELL RUBBERMAID INC., a corporation duly organized and validly existing under the laws of the State of Delaware (together with its successors, the "Company"); each of the lenders which is a signatory hereto (together with its successors and permitted assigns, individually, a "Lender" and, collectively, the "Lenders"); and JPMORGAN CHASE BANK, N.A., as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the "Administrative Agent").

The Company has requested that the Lenders make loans to it and the other Borrowers (as hereinafter defined) in an aggregate principal amount not exceeding \$750,000,000 at any one time outstanding. The Lenders are prepared to make such loans upon the terms and conditions hereof, and, accordingly, the parties agree as follows:

SECTION 1. DEFINITIONS AND ACCOUNTING MATTERS.

1.01 Certain Defined Terms.

As used herein, the following terms shall have the following meanings (all terms defined in this Section 1 or in other provisions of this Agreement in the singular to have the same meanings when used in the plural and vice versa):

"Additional Commitment Lender" shall have the meaning assigned to that term in Section 2.12.

"Adjusted LIBO Rate" shall mean, for any LIBO Rate Loan for any Interest Period, a rate per annum (rounded upwards, if necessary, to the nearest 1/16 of 1%) determined by the Administrative Agent to be equal to the LIBO Rate for the Interest Period for such Loan divided by 1 minus the Reserve Requirement for such Loan for such Interest Period.

"Administrative Agent's Account" shall mean, in respect of any Currency, such account as the Administrative Agent shall designate in a notice to the Company and the Lenders.

"Administrative Questionnaire" shall mean an Administrative Questionnaire in the form supplied by the Administrative Agent.

"Affiliate" shall mean, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Alternative Currency" shall mean at any time (a) Euros and (b) any currency (other than Dollars and Euros) so long as at such time, (i) such currency is dealt with in the London interbank deposit market, (ii) such currency is freely transferable and convertible into Dollars in the London foreign exchange market and (iii) no central bank or other governmental authorization in the country of issue of such currency is required to permit use of such currency by any Lender for making any Loan hereunder and/or to permit the relevant Borrower to borrow and repay the principal thereof and to pay the interest thereon, unless such authorization has been obtained and is in full force and effect.

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“Applicable Facility Fee Rate”, “Applicable Margin” and “Additional Margin” shall mean, during any period when the Rating is at one of the Rating Groups specified below, the percentage set forth below opposite the reference to such fee or to the relevant Type of Committed Loan:

	<u>Rating Group I</u>	<u>Rating Group II</u>	<u>Rating Group III</u>	<u>Rating Group IV</u>	<u>Rating Group V</u>	<u>Rating Group VI</u>
Applicable Facility Fee Rate	0.06%	0.07%	0.08%	0.10%	0.125%	0.20%
Applicable Margin for Committed LIBOR Loans	0.19%	0.23%	0.27%	0.40%	0.525%	0.70%
Applicable Margin for Base Rate Loans	0%	0%	0%	0%	0%	0%
Additional Margin (Utilization > 50%)	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%

Any change in the Applicable Facility Fee Rate, the Applicable Margin or the Additional Margin by reason of a change in the Moody’s Rating, the Standard & Poor’s Rating or the Fitch Rating shall become effective on the date of announcement or publication by the respective Rating Agency of a change in such Rating or, in the absence of such announcement or publication, on the effective date of such changed rating.

“Applicable Lending Office” shall mean for each Lender and for each Type and Currency of Loan the lending office of such Lender (or of an Affiliate of such Lender) designated for such Type and Currency of Loan in the Administrative Questionnaire submitted by such Lender or such other office of such Lender (or of an Affiliate of such Lender) as such Lender may from time to time specify to the Administrative Agent and the Company.

“Applicable Percentage” shall mean, with respect to any Lender, the percentage of the total Commitments represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments.

“Approved Designated Borrower” shall mean (i) any Domestic Subsidiary that is a Wholly-Owned Subsidiary of the Company as to which a Designation Letter has been delivered to the Administrative Agent and as to which a Termination Letter shall not have been

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delivered to the Administrative Agent, which Subsidiary has been approved as a borrower hereunder by all of the Lenders, all in accordance with Section 2.05, and (ii) for the purposes of Section 5.06, also the Company.

“Approved Fund” shall mean any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Assignment and Assumption” shall mean an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 12.05), and accepted by the Administrative Agent, in the form of Exhibit F or any other form approved by the Administrative Agent.

“Assuming Lender” shall have the meaning assigned to that term in Section 2.06(d)(i).

“Assumption Agreement” shall mean an assumption agreement entered into by the Company and an Assuming Lender pursuant to Section 2.06(d), and accepted by the Administrative Agent, in the form of Exhibit G or any other form approved by the Administrative Agent.

“Bankruptcy Code” means the United States Bankruptcy Code of 1978, as amended from time to time.

“Base Rate” shall mean, with respect to any Base Rate Loan, for any day, the higher of (a) the Federal Funds Rate for such day plus 1/2 of 1% and (b) the Prime Rate for such day.

“Base Rate Loans” shall mean Loans which bear interest based upon the Base Rate.

“Borrowers” shall mean the Company, each Approved Designated Borrower and each Designated Borrower.

“Business Day” shall mean any day (a) that is not a Saturday, Sunday or other day on which commercial banks are authorized or required to close in New York City, (b) if such day relates to the giving of notices or quotes in connection with a LIBOR Auction or to a borrowing of, a payment or prepayment of principal of or interest on, Conversion of or into, or an Interest Period for, a LIBO Rate Loan or a notice by the Company with respect to any such borrowing, payment, prepayment, Conversion or Interest Period, also on which dealings in deposits are carried out in the London interbank market and (c)(i) if such day relates to the date on which the LIBO Rate is determined under this Agreement for the Interest Period of any Loan denominated in Euros, that is also a TARGET Day or (ii) if such day relates to a borrowing of, a payment or prepayment of principal of or interest on, or an Interest Period for, any Loan denominated in an Alternative Currency (other than Euros), or a notice by the Company with respect to any such

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borrowing, payment, prepayment or Interest Period, also a day commercial banks and the London foreign exchange market settle payments for such Alternative Currency in the principal finance center where such currency is cleared and settled (as determined by the Administrative Agent).

“Capital Lease Obligations” shall mean, as to any Person, the obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) real and/or personal property which obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under GAAP (including Statement of Financial Accounting Standards No. 13 of the Financial Accounting Standards Board) and, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with GAAP (including such Statement No. 13).

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Commitment” shall mean, as to each Lender, the obligation of such Lender to make Committed Loans and to acquire participations in Letters of Credit in an aggregate amount at any one time outstanding equal to the amount set opposite such Lender’s name on Annex I hereto under the caption “Commitment”, or in the Assignment and Assumption, an Assumption Agreement or any agreement entered into under Section 2.12 pursuant to which such Lender shall have assumed its Commitment, as applicable (as the same may be reduced or increased from time to time pursuant to this Agreement). The original aggregate principal amount of the Commitments is \$750,000,000.

“Commitment Termination Date” shall mean November 14, 2010; provided that, if such date is not a Business Day, the Commitment Termination Date shall be the next preceding Business Day), subject to extension (in the case of each Lender consenting thereto) as provided in Section 2.12.

“Commitment Utilization Day” shall mean (a) so long as the Commitments are in effect, each day that the sum of the aggregate outstanding principal amount of the Committed Loans and the aggregate LC Exposures exceeds 50% of the sum of the Commitments and (b) following the termination of the Commitments hereunder, each day on which any Loans are outstanding hereunder.

“Committed Credit Exposure” shall mean, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s Committed Loans and its LC Exposure at such time.

“Committed Loans” shall mean the loans provided for by Section 2.01.

“Committed LIBOR Loans” shall mean Committed Loans the interest rates on which are determined on the basis of Adjusted LIBO Rates.

“Competitive Affiliate Loan” shall mean a Competitive Loan to be made by an Affiliate of a Lender pursuant to Section 2.03(h).

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“Competitive Bid” shall have the meaning assigned to that term in Section 2.03(c)(i).

“Competitive Bid Rate” shall have the meaning assigned to that term in Section 2.03(c)(ii)(D).

“Competitive Bid Request” shall have the meaning assigned to that term in Section 2.03(b).

“Competitive Borrowing” shall have the meaning assigned to that term in Section 2.03(b).

“Competitive LIBOR Loans” shall mean Competitive Loans the interest rates on which are determined on the basis of Adjusted LIBO Rates pursuant to a LIBOR Auction.

“Competitive Loan Limit” shall have the meaning assigned to that term in Section 2.03(c)(ii).

“Competitive Loans” shall mean the loans provided for by Section 2.03.

“Consolidated EBITDA” shall mean, for any period, Consolidated Net Income for such period plus, without duplication and to the extent deducted in determining such Consolidated Net Income for such period, the sum of (a) income tax expense, (b) interest expense, amortization or writeoff of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness (including the Loans), (c) depreciation and amortization expense, (d) amortization of intangibles (including, but not limited to, goodwill) and organization costs and (e) any extraordinary, unusual or non-recurring charges or losses, and minus, to the extent included in determining such Consolidated Net Income for such period, the sum of (a) interest income, (b) any extraordinary, unusual or non-recurring income or gains (including, whether or not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, gains on the sales of assets outside of the ordinary course of business) and (c) any other non-cash income, all as determined on a consolidated basis.

“Consolidated Interest Expense” shall mean, for any period and without duplication, total interest expense (including that attributable to Capital Lease Obligations) of the Company and its Subsidiaries for such period with respect to all outstanding Indebtedness of the Company and its Subsidiaries accrued or capitalized during such period (whether or not actually paid during such period) (including all commissions, discounts and other fees and charges owed with respect to standby letters of credit and bankers’ acceptance financing and net costs under Swap Agreements in respect of interest rates to the extent such net costs are allocable to such period in accordance with GAAP), but excluding any interest expense for such period relating to quarterly or monthly income preferred securities, quarterly income capital securities or other similar securities.

“Consolidated Net Income” shall mean, for any period, the consolidated net income (or loss) of the Company and its Subsidiaries, determined on a consolidated basis in

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accordance with GAAP; provided that there shall be excluded (a) the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary of the Company or is merged into or consolidated with the Company or any of its Subsidiaries, (b) the income (or deficit) of any Person (other than a Subsidiary of the Company) in which the Company or any of its Subsidiaries has an ownership interest, except to the extent that any such income is actually received by the Company or such Subsidiary in the form of dividends or similar distributions and (c) the undistributed earnings of any Subsidiary of the Company to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary is not at the time permitted by the terms of any security issued by the Company or any of its Subsidiaries or of any agreement, instrument or other undertaking to which the Company or any of its Subsidiaries is a party or by which any of them or their respective property is bound (other than under any Credit Document) or Requirement of Law applicable to such Subsidiary.

“Control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Convert”, “Conversion” and “Converted” shall refer to a conversion pursuant to Section 2.11(b) of one Type of Committed Loans into the other Type of Committed Loans, which may be accompanied by a transfer by a Lender (at its sole discretion) of a Committed Loan from one Applicable Lending Office to another).

“Continue”, “Continuation” and “Continued” shall refer to a continuation pursuant to Section 2.11(b) of a Committed LIBOR Loan from one Interest Period to the next Interest Period.

“Credit Documents” shall mean this Agreement, the Notes, if any, each Designation Letter and each Termination Letter.

“Credit Extension” shall mean the making of any Loan or the issuance, amendment, renewal or extension of any Letter of Credit hereunder.

“Currency” shall mean Dollars or any Alternative Currency.

“Default” shall mean an Event of Default or an event which with notice or lapse of time or both would become an Event of Default.

“Designated Borrower” shall mean any Wholly-Owned Subsidiary of the Company as to which a Designation Letter has been delivered to the Administrative Agent and as to which a Termination Letter shall not have been delivered to the Administrative Agent in accordance with Section 2.05; and the term “Designated Borrower” shall include any Approved Designated Borrower. As of the Effective Date, there are no Designated Borrowers hereunder.

“Designation Letter” shall have the meaning assigned to that term in Section 2.05(a).

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“Determination Date” shall mean, for any Disposition, the last day of the fiscal quarter ending on or immediately preceding the date of such Disposition.

“Disposition” shall have the meaning assigned to that term in Section 8.07(vi).

“Disposition Period” shall mean, for any Disposition, a period of twelve months ending on the date of such Disposition.

“Dollar Equivalent” shall mean, with respect to any Loan denominated in an Alternative Currency, the amount of Dollars that would be required to purchase the amount of the Alternative Currency of such Loan on the date such Loan is requested (or, (a) in the case of Competitive Loans, the date of the related Competitive Bid Request and (b) in the case of any redenomination under Section 3.03, on the date of such redenomination), based upon the arithmetic mean (rounded upwards, if necessary, to the nearest 1/100 of 1%), as determined by the Administrative Agent, of the spot selling rate at which the Reference Banks offer to sell such Alternative Currency for Dollars in the London foreign exchange market at approximately 11:00 a.m. London time for delivery two Business Days later.

“Dollars” and “\$” shall mean lawful money of the United States of America.

“Domestic Subsidiary” shall mean any Subsidiary of the Company that is incorporated under the laws of the United States of America or any State thereof or the District of Columbia.

“Effective Date” shall mean the date on which the conditions specified in Section 6.01 are satisfied (or waived in accordance with Section 12.04).

“Environmental Affiliate” shall mean, as to any Person, any other Person whose liability (contingent or otherwise) for any Environmental Claim such Person may have retained, assumed or otherwise become liable (contingently or otherwise), whether by contract, operation of law or otherwise; provided that each Subsidiary of such Person, and each former Subsidiary or division of such Person transferred to another Person, shall in any event be an “Environmental Affiliate” of such Person.

“Environmental Claim” shall mean, with respect to any Person, any notice, claim, demand or other communication (whether written or oral) by any other Person alleging or asserting liability of such Person for investigatory costs, cleanup costs, governmental response costs, damages to natural resources or other Property, personal injuries, fines or penalties arising out of, based on or resulting from (a) the presence, or release into the environment, of any hazardous material at any location, whether or not owned by such Person, or (b) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law.

“Environmental Laws” shall mean any and all Federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes into the

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environment, including, without limitation, ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate” shall mean any trade or business (whether or not incorporated) that, together with the Company, is treated as a single employer under Section 414(b) or (c) of the Code, or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“Euro” shall mean the single currency of Participating Member States of the European Union.

“Event of Default” shall have the meaning assigned to that term in Section 9.

“Extension Date” shall have the meaning assigned to that term in Section 2.12.

“Extension Request” shall have the meaning assigned to that term in Section 2.12.

“Federal Funds Rate” shall mean, for any day, the weighted average (rounded upwards, if necessary, to the nearest 1/100th of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, provided that (i) if the day for which such rate is to be determined is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if such rate is not so published for any day, the Federal Funds Rate for such day shall be the average (rounded upwards, if necessary, to the next 1/100th of 1%) of the quotations for such day for transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“Fitch” shall mean Fitch Investors Services, Inc. or any successor thereto.

“Fitch Rating” shall mean, as of any date, the rating most recently published by Fitch relating to the unsecured, long-term, senior debt securities of the Company.

“Foreign Currency Equivalent” shall mean, with respect to any amount in Dollars, the amount of any Alternative Currency that could be purchased with such amount of Dollars using the reciprocal of foreign exchange rate(s) specified in the definition of the term “Dollar Equivalent”, as determined by the Administrative Agent.

“Foreign Subsidiary” shall mean any Subsidiary of the Company that is not a Domestic Subsidiary.

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“GAAP” shall mean generally accepted accounting principles applied on a basis consistent with those which, in accordance with the last sentence of Section 1.02(a), are to be used in making the calculations for purposes of determining compliance with the provisions of this Agreement.

“Governmental Authority” shall mean any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

“Guarantee” of any Person shall mean any guarantee, endorsement, contingent agreement to purchase or to furnish funds for the payment or maintenance of, or any other contingent liability on or with respect to, the Indebtedness, other obligations, net worth, working capital or earnings of any other Person (including, without limitation, the liability of such Person in respect of the Indebtedness of any partnership of which such Person is a general partner), or the guarantee by such Person of the payment of dividends or other distributions upon the stock of any other Person, or the agreement by such Person to purchase, sell or lease (as lessee or lessor) property, products, materials, supplies or services primarily for the purpose of enabling any other Person to make payment of its obligations or to assure a creditor against loss, and the verb “Guarantee” shall have a correlative meaning, provided that the term “Guarantee” shall not include endorsements for collection or deposits in the ordinary course of business.

“Increasing Lender” shall have the meaning assigned to that term in Section 2.06(d)(i).

“Indebtedness” shall mean, as to any Person at any date (without duplication): (i) indebtedness created, issued, incurred or assumed by such Person for borrowed money or evidenced by bonds, debentures, notes or similar instruments; (ii) all obligations of such Person to pay the deferred purchase price of property or services, excluding, however, trade accounts payable (other than for borrowed money) arising in, and accrued expenses incurred in, the ordinary course of business of such Person so long as such trade accounts payable are paid within 120 days of the date the respective goods are delivered or the services are rendered; (iii) all Indebtedness of others secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; (iv) all Indebtedness of others Guaranteed by such Person; (v) all Capital Lease Obligations; (vi) reimbursement obligations of such Person (whether contingent or otherwise) in respect of bankers acceptances, surety or other bonds and similar instruments (other than commercial, standby or performance letters of credit); (vii) unpaid reimbursement obligations of such Person (other than contingent obligations) in respect of commercial, standby or performance letters of credit; and (viii) debt securities or obligations (including preferred debt securities) issued in connection with Permitted Securitizations included as indebtedness in accordance with GAAP on a consolidated balance sheet of such Person.

“Interest Coverage Ratio” shall mean, as at any date of determination thereof, the ratio of (a) Consolidated EBITDA for the period of four consecutive fiscal quarters ending on or most recently ended prior to such date to (b) Consolidated Interest Expense for such period.

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“Interest Period” shall mean:

(a) with respect to any Committed LIBOR Loan, each period commencing on the date such Committed LIBOR Loan is made or Converted from a Committed Loan of another Type or the last day of the next preceding Interest Period for such Loan and ending on the numerically corresponding day in the first, second, third or sixth calendar month thereafter, as the Company (on its own behalf and on behalf of any other Borrower) may select as provided in Section 2.02, except that each Interest Period that commences on the last Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month;

(b) with respect to any Set Rate Loan, the period commencing on the date such Set Rate Loan is made and ending on any Business Day up to 180 days thereafter, as the Company may select as provided in Section 2.03(b); and

(c) with respect to any Competitive LIBOR Loan, the period commencing on the date such Competitive LIBOR Loan is made and ending on the numerically corresponding day in the first, second, third or sixth calendar month thereafter, as the Company may select as provided in Section 2.03(b), except that each Interest Period which commences on the last Business Day of a calendar month (or any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month.

Notwithstanding the foregoing: (i) if any Interest Period would otherwise commence before and end after the Commitment Termination Date, such Interest Period shall not be available hereunder; (ii) each Interest Period which would otherwise end on a day which is not a Business Day shall end on the next succeeding Business Day (or, in the case of an Interest Period for any LIBO Rate Loans, if such next succeeding Business Day falls in the next succeeding calendar month, on the next preceding Business Day); and (iii) notwithstanding clause (i) above, no Interest Period for any LIBO Rate Loans shall have a duration of less than one month and, if the Interest Period for any such Loans would otherwise be a shorter period, such Loans shall not be available hereunder.

“Issuing Bank” shall mean Bank of America, N.A., BNP Paribas and/or any other Lender acceptable to the Administrative Agent and the Company that has agreed to issue Letters of Credit hereunder, in its capacity as an issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.04(i). Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by its respective Affiliates, in which case the term “Issuing Bank” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

“JPMCB” shall mean JPMorgan Chase Bank, N.A.

“Jurisdiction” shall mean, with respect to any Borrower, the country or countries (including any political subdivision or taxing authority thereof or therein) under whose laws such Borrower is organized or where such Borrower is domiciled, resident or licensed or otherwise qualified to do business or where any significant part of the Property of such Borrower is located.

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“LC Disbursement” shall mean a payment made by an Issuing Bank pursuant to a Letter of Credit.

“LC Exposure” shall mean, at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Company at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

“Lender Affiliate” shall have the meaning assigned to that term in Section 2.03(h).

“Letter of Credit” shall mean any standby letter of credit issued pursuant to this Agreement.

“LIBO Rate” shall mean, for any Interest Period for any LIBO Rate Loan, the rate for deposits in the relevant Currency with a maturity comparable to such Interest Period commencing on the first day of such Interest Period appearing on Page 3750 of the Telerate Service (or on any successor or substitute page of such Service, or any successor to or substitute for such Service, providing rate quotations comparable to those currently provided on such page for such Service, as determined by the Administrative Agent, with written notice to the Company, from time to time for purposes of providing quotations of interest rates applicable to such Currency deposits in the London interbank market) at approximately 11:00 a.m., London time, on the Quotation Date for such Currency; provided that the LIBO Rate for any LIBO Rate Loan denominated in Pounds Sterling for any Interest Period shall be increased by any Mandatory Costs (but only to the extent applicable to any Lender). In the event that such rate is not available for any reason, the LIBO Rate shall mean, with respect to such LIBO Rate Loan for such Interest Period, the rate at which deposits of \$1,000,000 (or, in the case where a LIBO Rate Loan is a Currency other than Dollars, the Foreign Currency Equivalent thereof) and for a maturity comparable to such Interest Period are offered by the Reference Banks to leading banks in the London interbank market as of the 11:00 a.m., London time, on the Quotation Date for such Currency; provided that (i) if any Reference Bank is not participating in any borrowing of LIBO Rate Loans, the LIBO Rate for such Loans shall be determined by reference to the amount of the Loan which such Reference Bank would have made had it been participating in such Loans, (ii) in determining the LIBO Rate with respect to any Competitive LIBOR Loan, each Reference Bank shall be deemed to have made a Competitive LIBOR Loan in an amount equal to \$1,000,000, (iii) each Reference Bank agrees to use its best efforts to furnish timely information to the Administrative Agent for purposes of determining the LIBO Rate and (iv) if any Reference Bank does not furnish such timely information for determination of the LIBO Rate, the Administrative Agent shall determine such interest rate on the basis of timely information furnished by the remaining Reference Banks.

“LIBO Rate Loans” shall mean Committed LIBOR Loans and Competitive LIBOR Loans.

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“LIBOR Auction” shall mean a solicitation of Competitive Bids setting forth Margins based on the Adjusted LIBO Rate pursuant to Section 2.03.

“Lien” shall mean, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset. For the purposes of this Agreement, the Company or any Subsidiary shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

“Loans” shall mean Committed Loans and Competitive Loans.

“Majority Lenders” shall mean, at any time, Lenders having Committed Credit Exposures and unused Commitments representing at least 51% of the sum of the total Committed Credit Exposures and unused Commitments at such time; provided that, for purposes of declaring the Loans to be due and payable pursuant to Section 9, and for all purposes after the Loans become due and payable pursuant to Section 9 or the Commitments expire or terminate, the outstanding Competitive Loans of the Lenders shall be included in their respective Committed Credit Exposures in determining the Majority Lenders.

“Mandatory Cost” shall mean, with respect to any Lender, the cost, if any, imputed to such Lender of compliance with the cash ratio and special deposit requirements of the Bank of England and/or the banking supervision or other costs imposed by the Financial Services Authority during the relevant period, as determined by the Bank of England and/or Financial Services Authority during such relevant period.

“Margin” shall have the meaning assigned to that term in Section 2.03(c)(ii)(C).

“Material Adverse Effect” shall mean a material adverse effect on (i) the consolidated financial condition, operations, business or prospects of the Company and its Subsidiaries (taken as a whole), (ii) the ability of the Company or any Approved Designated Borrower that is a Significant Subsidiary to perform its obligations under any of the Credit Documents to which it is a party or (iii) the validity or enforceability of any of the Credit Documents.

“Moody's” shall mean Moody's Investors Service, Inc. or any successor thereto.

“Moody's Rating” shall mean, as of any date, the rating most recently published by Moody's relating to the unsecured, long-term, senior debt securities of the Company.

“Multiemployer Plan” shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Net Worth” shall mean, at any time, the consolidated stockholders' equity of the Company and its Subsidiaries determined on a consolidated basis without duplication in accordance with GAAP.

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“Non-Strategic Property” shall mean (a) Property related to the Company’s Newell Cookware Europe business and (b) Property acquired as part of the acquisition of a business that is designated by resolution of the Board of Directors of the Company adopted no later than six months after such acquisition as non-strategic Property.

“Notes” shall mean the promissory notes provided for by Section 2.10(d).

“Obligor” shall mean the Company, in its capacity as a Borrower hereunder and in its capacity as a guarantor of Loans made to any other Borrower under Section 11, and each other Borrower.

“PBGC” shall mean the Pension Benefit Guaranty Corporation or any entity succeeding to any or all its functions under ERISA.

“Participating Member State” shall mean any member of the European Union that adopts or has adopted the Euro as its lawful currency in accordance with the legislation of the European Union relating to the European Monetary Union.

“Permitted Securitization” shall mean any transaction or series of transactions that may be entered into by the Company or any of its Subsidiaries pursuant to which the Company or such Subsidiary, as the case may be, may sell, convey or otherwise transfer, or grant a security interest in, any receivables (whether now existing or arising in the future) of the Company or any of its Subsidiaries and any assets related thereto, including all collateral securing such receivables, all contracts and all guarantees or other obligations in respect of such receivables and the proceeds of such receivables; provided that (a) there shall be no recourse under such securitization to the Company or any of its other Subsidiaries other than pursuant to Standard Securitization Undertakings and (b) the Administrative Agent shall be reasonably satisfied that the terms of such securitization are in compliance with the terms of this Agreement.

“Person” shall mean an individual, a corporation, a company, a limited liability company, a voluntary association, a partnership, a trust, an unincorporated organization or a government or any agency, instrumentality or political subdivision thereof.

“Plan” shall mean any employee pension benefit plan (other than a Multiemployer Plan) which is or was established, sponsored, maintained or contributed to, by the Company or any ERISA Affiliate and is or was subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA.

“Post-Default Rate” shall mean, in respect of any principal of any Loan or any other amount payable by any Borrower under this Agreement or any Note which is not paid when due (whether at stated maturity, by acceleration or otherwise), a rate per annum during the period commencing on the due date until such amount is paid in full equal to the sum of 2% plus the Base Rate as in effect from time to time plus the Applicable Margin for Base Rate Loans (provided that, if such amount in default is principal of a LIBO Rate Loan or a Set Rate Loan and the due date is a day other than the last day of the Interest Period therefor, the “Post-Default Rate” for such principal shall be, for the period commencing on the due date and ending on the last day of the Interest Period therefor, 2% above the interest rate for such Loan as provided in Section 3.02 and, thereafter, the rate provided for above in this definition).

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“Pounds Sterling” shall mean lawful money of England.

“Prime Rate” shall mean the rate of interest publicly announced from time to time by JPMCB as its prime rate in effect at the Principal Office.

“Principal Office” shall mean the principal office of JPMCB, located on the date hereof at 270 Park Avenue, New York, New York 10017.

“Property” shall mean any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible (including, without limitation, shares of capital stock).

“Quarterly Dates” shall mean the last Business Day of each March, June, September and December, the first of which shall be the first such day after the Effective Date.

“Quotation Date” shall mean, for any Interest Period, (a) for any Currency other than Pounds Sterling, the date two Business Days prior to the commencement of such Interest Period and (b) for Pounds Sterling, the first day of such Interest Period, provided that if market practice differs in the relevant interbank market for any Currency, the “Quotation Date” for such Currency shall be determined by the Administrative Agent in accordance with market practice in the relevant interbank market (and if quotations would normally be given by leading banks in the relevant interbank market on more than one day, the “Quotation Date” shall be the last of such days).

“Rating” shall mean the Moody’s Rating, the Standard & Poor’s Rating or the Fitch Rating.

“Rating Agency” shall mean Moody’s, Standard & Poor’s or Fitch.

“Rating Group I” shall mean any two of the following: the Moody’s Rating is at or above A2, the Standard & Poor’s Rating is at or above A or the Fitch Rating is at or above A; “Rating Group II” shall mean (a) any two of the following: the Moody’s Rating is at or above A3, the Standard & Poor’s Rating is at or above A- or the Fitch Rating is at or above A- and (b) Rating Group I is not in effect; “Rating Group III” shall mean (a) any two of the following: the Moody’s Rating is at or above Baa1, the Standard & Poor’s Rating is at or above BBB+ or the Fitch Rating is at or above BBB+ and (b) neither Rating Group I nor Rating Group II is in effect; “Rating Group IV” shall mean (a) any two of the following: the Moody’s Rating is at or above Baa2, the Standard & Poor’s Rating is at or above BBB or the Fitch Rating is at or above BBB and (b) neither Rating Group I, Rating Group II nor Rating Group III is in effect; “Rating Group V” shall mean (a) any two of the following: the Moody’s Rating is at or above Baa3, the Standard & Poor’s Rating is at or above BBB- or the Fitch Rating is at or above BBB- and (b) neither Rating Group I, Rating Group II, Rating Group III nor Rating Group IV is in effect; “Rating Group VI” shall mean none of Rating Group I, Rating Group II, Rating Group III, Rating Group IV and Rating Group V is in effect; provided that (i) if at any time the Company has two or three

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Ratings falling within two different Rating Groups that are one Rating Group apart, the relevant Rating Group for purposes of determining the Applicable Facility Fee Rate, the Applicable Margin and the Additional Margin shall be the Rating Group for the higher of the Moody's Rating (if any) or the Standard & Poor's Rating (if any), (ii) if at any time the Company has two or three Ratings falling within different Rating Groups that are two or more Rating Groups apart, the relevant Rating Group for purposes of determining the Applicable Facility Fee Rate, the Applicable Margin and the Additional Margin shall be the Rating Group that is one level above the Rating Group for the lower (or the lowest, as the case may be) of such Ratings and (iii) for this purpose of this proviso, Rating Group I is higher than Rating Group II, Rating Group II is higher than Rating Group III, Rating Group III is higher than Rating Group IV, Rating Group IV is higher than Rating Group V and Rating Group V is higher than Rating Group VI).

“Reference Banks” shall mean JPMCB and Bank of America, N.A.

“Register” shall have the meaning assigned to that term in Section 12.05.

“Regulation D” shall mean Regulation D of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended or supplemented from time to time.

“Regulatory Change” shall mean, with respect to any Lender, any change after the date hereof (or, in the case of any Competitive LIBOR Loan, the date of the Competitive Bid therefor), in United States Federal, state or foreign law or regulations (including Regulation D) or the adoption or making after such date of any interpretations, directives or requests applying to a class of banks including such Lender of or under any United States Federal, state or foreign law or regulations (whether or not having the force of law) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

“Requirement of Law” shall mean, as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Reserve Requirement” shall mean, for any Interest Period for any LIBO Rate Loan, the effective maximum rate at which reserves (including any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the Federal Reserve System in New York City with deposits exceeding one billion Dollars against “Eurocurrency liabilities” (as such term is used in Regulation D). Without limiting the effect of the foregoing, the Reserve Requirement shall reflect any other reserves required to be maintained by such member banks by reason of any Regulatory Change against (i) any category of liabilities which includes deposits by reference to which the LIBO Rate is to be determined or (ii) any category of extensions of credit or other assets which includes LIBO Rate Loans.

“Set Rate Auction” shall mean a solicitation of Competitive Bids setting forth Competitive Bid Rates pursuant to Section 2.03.

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“Set Rate Loans” shall mean Competitive Loans the interest rates on which are determined on the basis of Competitive Bid Rates pursuant to a Set Rate Auction.

“Significant Subsidiary” shall mean, at any time, any Subsidiary of the Company if the revenues of such Subsidiary and its Subsidiaries for the four consecutive fiscal quarters of such Subsidiary most recently ended (determined on a consolidated basis without duplication in accordance with GAAP and whether or not such Person was a Subsidiary of the Company during all or any part of the fiscal period of the Company referred to below) exceed an amount equal to 7-1/2% of the revenues of the Company and its Subsidiaries for the four consecutive fiscal quarters of the Company most recently ended (determined on a consolidated basis without duplication in accordance with GAAP and including such Subsidiary and its Subsidiaries on a pro forma basis if such Subsidiary was not a Subsidiary of the Company).

“Standard & Poor’s” shall mean Standard & Poor’s Ratings Services, or any successor thereto.

“Standard and Poor’s Rating” shall mean, as of any date, the rating most recently published by Standard & Poor’s relating to the unsecured, long-term, senior debt securities of the Company.

“Standard Securitization Undertakings” shall mean representations, warranties, covenants and indemnities entered into by the Company or any Subsidiary that are reasonably customary in the non-recourse securitization of receivables transactions.

“Subsidiary” of any Person shall mean any corporation, partnership, limited liability company or other entity of which at least a majority of the outstanding shares of stock or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership, limited liability company or other entity (irrespective of whether or not at the time stock or other ownership interests of any other class or classes of such corporation, partnership, limited liability company or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person and/or one or more of the Subsidiaries of such Person. “Wholly-Owned Subsidiary” shall mean any such corporation, partnership, limited liability company or other entity of which all such shares or other ownership interests, other than directors’ qualifying shares or shares held by nominees to satisfy any requirement as to minimum number of shareholders, are so owned or controlled.

“Swap Agreement” shall mean any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Company or any of its Subsidiaries shall be a “Swap Agreement”.

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“TARGET Day” shall mean any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system (or any successor settlement system as determined by the Administrative Agent) is open for settlement of payments in Euros.

“Taxes” shall have the meaning assigned to that term in Section 5.06(a).

“Termination Letter” shall have the meaning assigned to that term in Section 2.05(a).

“Total Capital” shall mean the sum of (i) Net Worth plus (ii) Total Indebtedness.

“Total Consolidated Assets” shall mean, as at any time, the total of all the assets appearing on a consolidated balance sheet of the Company and its Subsidiaries determined in accordance with generally accepted accounting principles applicable to the type of business in which the Company and such Subsidiaries are engaged, and may be determined as of a date, selected by the Company, not more than sixty days prior to the happening of the event for which such determination is being made.

“Total Indebtedness” shall mean, as at any time, the total Indebtedness of the Company and its Subsidiaries determined on a consolidated basis without duplication.

“Type” shall have the meaning assigned to that term in Section 1.03.

“Wholly-Owned Subsidiary” shall have the meaning assigned to that term in the definition of the term “Subsidiary”.

1.02 Accounting Terms and Determinations.

(a) All accounting terms used herein shall be interpreted, and, unless otherwise disclosed to the Lenders in writing at the time of delivery thereof in the manner described in subsection (b) below, all financial statements and certificates and reports as to financial matters required to be delivered to the Lenders hereunder shall be prepared, in accordance with generally accepted accounting principles applied on a basis consistent with those used in the preparation of the latest financial statements furnished to the Lenders hereunder after the date hereof (or, until such financial statements are furnished, consistent with those used in the preparation of the financial statements referred to in Section 7.02(a)). All calculations made for the purposes of determining compliance with the terms of Sections 8.07(a)(vi), 8.10 and 8.11 shall, except as otherwise expressly provided herein, be made by application of generally accepted accounting principles applied on a basis consistent with those used in the preparation of the annual or quarterly financial statements furnished to the Lenders pursuant to Section 8.01 (or, until such financial statements are furnished, consistent with those used in the preparation of the financial statements referred to in Section 7.02(a)) unless (i) the Company shall have objected to determining such compliance on such basis at the time of delivery of such financial statements or (ii) the Majority Lenders shall so object in writing within 30 days after delivery of such financial statements, in either of which events such calculations shall be made on a basis consistent with those used in the preparation of the latest financial statements as to which such objection shall not have been made (which, if objection is made in respect of the first financial statements delivered under Section 8.01, shall mean the financial statements referred to in Section 7.02(a)).

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(b) The Company shall deliver to the Lenders at the same time as the delivery of any annual or quarterly financial statement under Section 8.01 (i) a description in reasonable detail of any material variation between the application of accounting principles employed in the preparation of such statement and the application of accounting principles employed in the preparation of the next preceding annual or quarterly financial statements as to which no objection has been made in accordance with the last sentence of subsection (a) above and (ii) reasonable estimates of the difference between such statements arising as a consequence thereof.

(c) To enable the ready and consistent determination of compliance with the covenants set forth in Section 8, the Company shall not change the last day of its fiscal year from December 31, or the last days of the first three fiscal quarters in each of its fiscal years from March 31, June 30 and September 30, respectively.

1.03 Types of Loans.

Loans hereunder are distinguished by “Type” and by “Currency”. The “Type” of a Loan refers to whether such Loan is a Base Rate Loan, a Committed LIBOR Loan, a Competitive LIBOR Loan or a Set Rate Loan, each of which constitutes a Type. Loans may be identified by both Type and Currency.

1.04 Terms Generally.

The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections, Annexes, Exhibits and Schedules shall be construed to refer to Sections of, and Annexes, Exhibits and Schedules to, this Agreement and (e) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

1.05. Currencies; Currency Equivalents; Provisions Relating to European Monetary Union.

(a) At any time, any reference in the definition of the term “Alternative Currency” or in any other provision of this Agreement to the currency of any particular nation

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means the lawful currency of such nation at such time whether or not the name of such currency is the same as it was on the date hereof. For purposes of determining (i) whether the amount of any borrowing of Loans, together with all other Loans then outstanding or to be borrowed at the same time as such borrowing, would exceed the aggregate amount of the Commitments, (ii) the aggregate unutilized amount of the Commitments and (iii) the aggregate outstanding principal amount of the Loans, the outstanding principal amount of any Loan that is denominated in any Alternative Currency shall be deemed to be the Dollar Equivalent of the principal amount of such Loan determined as of the date of such borrowing or thereafter as of the date such Loan is Converted or Continued.

(b) Wherever in this Agreement in connection with any Loan an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Loan is denominated in an Alternative Currency, such amount shall be the relevant Foreign Currency Equivalent of such Dollar amount (rounded to the nearest 1,000 units of such Alternative Currency), as determined by the Administrative Agent.

(c) Each obligation hereunder of any party hereto that is denominated in the currency of a state that is not a Participating Member State on the date hereof shall, effective from the date on which such state becomes a Participating Member State, be redenominated in Euro in accordance with the legislation of the European Union applicable to the European Monetary Union; provided that, if and to the extent that any such legislation provides that any such obligation of any such party payable within such Participating Member State by crediting an account of the creditor can be paid by the debtor either in Euros or such currency, such party shall be entitled to pay or repay such amount either in Euros or in such currency. If the basis of accrual of interest or fees expressed in this Agreement with respect to an Alternative Currency of any country that becomes a Participating Member State after the date on which such currency becomes an Alternative Currency shall be inconsistent with any convention or practice in the interbank market for the basis of accrual of interest or fees in respect of the Euro, such convention or practice shall replace such expressed basis effective as of and from the date on which such state becomes a Participating Member State; provided that, with respect to any borrowing denominated in such currency that is outstanding immediately prior to such date, such replacement shall take effect at the end of the Interest Period therefor. Without prejudice to the respective liabilities of the Company to the Lenders and the Lenders to the Company under or pursuant to this Agreement, each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time reasonably specify to be necessary or appropriate to reflect the introduction or changeover to the Euro in any country that becomes a Participating Member State after the date hereof.

SECTION 2. COMMITMENTS.

2.01 Committed Loans.

Each Lender severally agrees, on the terms of this Agreement, to make loans to the Company and any Approved Designated Borrower in Dollars during the period from and including the Effective Date to and including the Commitment Termination Date in an aggregate principal amount at any one time outstanding up to but not exceeding the amount of such

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Lender's Commitment as then in effect. Subject to the terms of this Agreement, during such period the Company and the Approved Designated Borrowers may borrow, repay and reborrow the amount of the Commitments by means of Base Rate Loans and Committed LIBOR Loans and may Convert Committed Loans of one Type into Committed Loans of the other Type (as provided in Section 2.11(b)) or Continue Committed LIBOR Loans (as provided in Section 2.11(b)); provided that the total Committed Credit Exposures at any one time shall not exceed the total Commitments at such time; and provided, further, that there may be no more than 30 different Interest Periods for both Committed Loans and Competitive Loans outstanding at the same time (for which purpose Interest Periods described in different lettered clauses of the definition of the term "Interest Period" shall be deemed to be different Interest Periods even if they are coterminous).

2.02 Borrowings of Committed Loans.

The Company (on its own behalf and on behalf of any other Approved Designated Borrower) shall give the Administrative Agent (which shall promptly notify the Lenders) notice of each borrowing hereunder of Committed Loans, which notice shall be irrevocable and effective only upon receipt by the Administrative Agent, shall specify with respect to the Committed Loans to be borrowed (i) the aggregate amount to be borrowed, which shall be at least \$5,000,000 (or an integral multiple of \$1,000,000 in excess thereof) in the case of Base Rate Loans (provided that a Base Rate Loan may be in an aggregate amount that is equal to the entire unused balance of the total Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.04(e)) and \$5,000,000 in the case of Committed LIBOR Loans (or in either case an integral multiple of \$1,000,000 in excess thereof), (ii) the Type and date (which shall be a Business Day) and (iii) (in the case of Committed LIBOR Loans) the duration of the Interest Period therefor, and each such notice shall be given not later than 11:00 a.m. New York time on the day which is not less than the number of Business Days prior to the date of such borrowing specified below opposite the Type of such Loans:

<u>Type</u>	<u>Number of Business Days</u>
Base Rate Loans	0
Committed LIBOR Loans	3

Not later than 2:00 p.m. New York time on the date specified for each borrowing of Committed Loans hereunder, each Lender shall, subject to Section 4.01(a), make available the amount of the Committed Loan or Loans to be made by it on such date to the Administrative Agent, at the Administrative Agent's Account for Dollars in immediately available funds, for account of the relevant Borrower, provided that Base Rate Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.04(e) shall be remitted by the Administrative Agent to the relevant Issuing Bank. The amount so received by the Administrative Agent shall, subject to the terms and conditions of this Agreement, promptly be made available to the relevant Borrower by depositing the same, in immediately available funds, in an account of the relevant Borrower designated by the Company.

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2.03 Competitive Loans.

(a) In addition to borrowings of Committed Loans, the Company (on its own behalf and on behalf of any other Borrower) may, as set forth in this Section 2.03, request the Lenders to make offers to make Competitive Loans to such Borrower in Dollars or in any Alternative Currency. The Lenders may, but shall have no obligation to, make such offers and such Borrower may, but shall have no obligation to, accept any such offers in the manner set forth in this Section 2.03. Competitive Loans may be Competitive LIBOR Loans or Set Rate Loans, provided that there may be no more than 30 different Interest Periods for both Committed Loans and Competitive Loans outstanding at the same time (for which purpose Interest Periods described in different lettered clauses of the definition of the term "Interest Period" shall be deemed to be different Interest Periods even if they are coterminous). Competitive Loans shall not constitute a utilization of the Commitments.

(b) When any Borrower wishes to request offers to make Competitive Loans, the Company (on its own behalf and on behalf of any other Borrower) shall give the Administrative Agent (which shall promptly notify the Lenders) notice in the form of Exhibit C hereto (a "Competitive Bid Request") so as to be received no later than 11:00 a.m. New York time on (x) the fifth Business Day prior to the date of borrowing proposed therein in the case of a LIBOR Auction or (y) the Business Day next preceding the date of borrowing proposed therein, in the case of a Set Rate Auction, specifying:

- (i) the name of the Borrower, the Currency of such borrowing and the proposed date of such borrowing (a "Competitive Borrowing"), which shall be a Business Day;
- (ii) the aggregate amount of such Competitive Borrowing, which shall be at least \$5,000,000 or, in the case of Competitive Loans in an Alternative Currency, the Foreign Currency Equivalent thereof, and in an integral multiple of \$1,000,000 in excess thereof (or the Foreign Currency Equivalent thereof, as applicable);
- (iii) the duration of the Interest Period applicable thereto; and
- (iv) whether the Competitive Bids requested are to set forth a Margin or a Competitive Bid Rate.

The Company (on its own behalf and on behalf of any other Borrower) may request offers to make Competitive Loans for up to 15 different Interest Periods in a single Competitive Bid Request; provided that the request for each separate Interest Period shall be deemed to be a separate Competitive Bid Request for a separate Competitive Borrowing. Except as otherwise provided in the preceding sentence, no Competitive Bid Request shall be given within five Business Days of any other Competitive Bid Request.

(c) (i) Any Lender may, by notice to the Administrative Agent in the form of Exhibit D hereto (a "Competitive Bid"), submit an offer to make a Competitive Loan in response to any Competitive Bid Request; provided that, if the request under Section 2.03(b) specified more than one Interest Period, such Lender may make a single submission containing a separate offer for each such Interest Period and each such separate offer shall be deemed to be a separate

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Competitive Bid. Each Competitive Bid must be submitted to the Administrative Agent not later than (x) 2:00 p.m. (or, in the case of Competitive Loans in an Alternative Currency, 11:00 a.m.) New York time on the fourth Business Day prior to the proposed date of borrowing, in the case of a LIBOR Auction or (y) 11:00 a.m. New York time on the proposed date of borrowing, in the case of a Set Rate Auction; provided that any Competitive Bid submitted by JPMCB (or its Applicable Lending Office) may be submitted, and may only be submitted, if JPMCB (or such Applicable Lending Office) notifies the Company of the terms of the offer contained therein not later than (x) 1:00 p.m. (or, in the case of Competitive Loans in an Alternative Currency, 10:00 a.m.) New York time on the fourth Business Day prior to the proposed date of borrowing, in the case of a LIBOR Auction or (y) 10:45 a.m. New York time on the proposed date of borrowing, in the case of a Set Rate Auction. Subject to Sections 5.03 and 9, any Competitive Bid so made shall be irrevocable except with the written consent of the Administrative Agent given on the instructions of the Company.

(ii) Each Competitive Bid shall specify:

(A) the name of the Borrower, the Currency of such borrowing, the proposed date of borrowing and the Interest Period therefor;

(B) the principal amount of the Competitive Loan for which each such offer is being made, which principal amount (x) may be greater than or less than the Commitment of the quoting Lender, (y) must be at least \$1,000,000 or, in the case of a Competitive Loan in an Alternative Currency, the Foreign Currency Equivalent thereof, and in an integral multiple of \$1,000,000 (or the Foreign Currency Equivalent thereof, as applicable), and (z) may not exceed the principal amount of the Competitive Borrowing for which offers were requested;

(C) in the case of a LIBOR Auction, the margin above or below the applicable Adjusted LIBO Rate (the "Margin") offered for each such Competitive Loan, expressed as a percentage (rounded to the nearest 1/10,000th of 1%) to be added to or subtracted from the applicable Adjusted LIBO Rate;

(D) in the case of a Set Rate Auction, the rate of interest per annum (rounded to the nearest 1/10,000th of 1%) (the "Competitive Bid Rate") offered for each such Competitive Loan; and

(E) the identity of the quoting Lender.

No Competitive Bid shall contain qualifying, conditional or similar language or propose terms other than or in addition to those set forth in the applicable Competitive Bid Request and, in particular, no Competitive Bid may be conditioned upon acceptance by the Company of all (or some specified minimum) of the principal amount of the Competitive Loan for which such Competitive Bid is being made; provided that the submission of any Lender containing more than one Competitive Bid may be conditioned on the Company not accepting offers contained in such submission that would result in such Lender making Competitive Loans pursuant thereto in excess of a specified aggregate amount (the "Competitive Loan Limit").

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(d) The Administrative Agent shall (x) in the case of a Set Rate Auction, as promptly as practicable after the Competitive Bid is submitted (but in any event not later than 11:15 a.m. New York time) or (y) in the case of a LIBOR Auction, by 4:00 p.m. (or, in the case of Competitive Loans in an Alternative Currency, noon) New York time on the day a Competitive Bid is submitted, notify the Company (which will promptly notify the relevant Borrower if it is not the Company) of the terms (i) of any Competitive Bid submitted by a Lender that is in accordance with Section 2.03(c) and (ii) of any Competitive Bid that amends, modifies or is otherwise inconsistent with a previous Competitive Bid submitted by such Lender with respect to the same Competitive Bid Request. Any such subsequent Competitive Bid shall be disregarded by the Administrative Agent unless such subsequent Competitive Bid is submitted solely to correct a manifest error in such former Competitive Bid. The Administrative Agent's notice to the Company shall specify (A) the aggregate principal amount of the Competitive Borrowing for which offers have been received and (B) the respective principal amounts and Margins or Competitive Bid Rates, as the case may be, so offered by each Lender (identifying the Lender that made each Competitive Bid).

(e) Not later than (x) 11:00 a.m. New York time on the third Business Day (or, in the case of Competitive Loans in an Alternative Currency, 2:00 p.m. New York time on the fourth Business Day) prior to the proposed date of borrowing, in the case of a LIBOR Auction or (y) 12:00 p.m. noon New York time on the proposed date of borrowing, in the case of a Set Rate Auction, the Company shall notify the Administrative Agent of its or the relevant Borrower's, if the Borrower is not the Company, acceptance or nonacceptance of the offers so notified to the Company pursuant to Section 2.03(d) (which notice shall specify the aggregate principal amount of offers from each Lender for each Interest Period that are accepted; and the failure of the Company to give such notice by such time shall constitute non-acceptance) and the Administrative Agent shall promptly notify each affected Lender of the acceptance or non-acceptance of its offers. The notice by the Administrative Agent shall also specify the aggregate principal amount of offers for each Interest Period that were accepted. The Company (on its own behalf and on behalf of any other Borrower) may accept any Competitive Bid in whole or in part (provided that any Competitive Bid accepted in part from any Lender shall be in an integral multiple of \$1,000,000 or, in the case of a Competitive Loan in an Alternative Currency, the Foreign Currency Equivalent thereof (rounded to the nearest 1,000 units of such Alternative Currency)); provided that:

- (i) the aggregate principal amount of each Competitive Borrowing may not exceed the applicable amount set forth in the related Competitive Bid Request;
- (ii) the aggregate principal amount of each Competitive Borrowing shall be at least \$5,000,000 or, in the case of a borrowing of Competitive Loans in an Alternative Currency, the Foreign Currency Equivalent thereof, and in an integral multiple of \$1,000,000 in excess thereof (or the Foreign Currency Equivalent thereof, as applicable);
- (iii) acceptance of offers may, subject to clause (v) below, only be made in ascending order of Margins or Competitive Bid Rates, as the case may be; provided that the Company need not accept on behalf of any Designated Borrower the offer of any Lender if payment of the interest on the relevant Competitive Loan would subject such

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Designated Borrower to the requirement of paying any additional amounts under Section 5.06(a) or if such interest payment would be subject to greater restrictions on deductibility for income tax purposes than the restriction applicable to interest payments made to other Lenders whose offers are accepted;

(iv) the Company (on its own behalf and on behalf of any other Borrower) may not accept any offer where the Administrative Agent has advised the Company that such offer fails to comply with Section 2.03(c)(ii) or otherwise fails to comply with the requirements of this Agreement (including, without limitation, Section 2.03(a)); and

(v) the aggregate principal amount of each Competitive Borrowing from any Lender may not exceed any applicable Competitive Loan Limit of such Lender.

If offers are made by two or more Lenders with the same Margins or Competitive Bid Rates, as the case may be, for a greater aggregate principal amount than the amount in respect of which offers are accepted for the related Interest Period, the principal amount of Competitive Loans in respect of which such offers are accepted shall be allocated by the Company among such Lenders as nearly as possible (in an integral multiple of \$1,000,000 or, in the case of a borrowing of Competitive Loans in an Alternative Currency, the Foreign Currency Equivalent thereof) in proportion to the aggregate principal amount of such offers. Determinations by the Company of the amounts of Competitive Loans shall be conclusive in the absence of manifest error.

(f) Any Lender whose offer to make any Competitive Loan has been accepted in accordance with the terms and conditions of this Section 2.03 shall, not later than 2:00 p.m. New York time (in the case of Loans denominated in Dollars) or 11:00 a.m. local time in the location of the Administrative Agent's Account (in the case of Loans denominated in an Alternative Currency) on the date specified for the making of such Loan, make the amount of such Loan available to the Administrative Agent at the Administrative Agent's Account for the Currency of such Loan in immediately available funds. The amount so received by the Administrative Agent shall, subject to the terms and conditions of this Agreement, promptly be made available to the relevant Borrower on such date by depositing the same, in immediately available funds, in an account of the relevant Borrower designated by the Company.

(g) The amount of any Competitive Loan made by any Lender shall not constitute a utilization of such Lender's Commitment.

(h) Subject to the terms and conditions of this Agreement, each Foreign Subsidiary that is a Designated Borrower agrees that any Competitive Loan to be made hereunder by any Lender that has an Affiliate (a "Lender Affiliate") in such Designated Borrower's Jurisdiction may be satisfied by such Lender Affiliate at its sole discretion (such Loans are hereinafter referred to as "Competitive Affiliate Loans"). The Company and each Designated Borrower hereby acknowledge and agree that any Lender Affiliate that makes a Competitive Affiliate Loan shall have made such Loan in reliance upon, and shall be entitled to the benefits of, this Agreement (including, without limitation, Section 11) and shall be entitled to enforce rights hereunder in respect of such Loan as fully as though it were a Lender party hereto.

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2.04. Letters of Credit.

(a) General. Subject to the terms and conditions set forth herein, the Company may request the issuance of Letters of Credit denominated in Dollars for its own account, in a form reasonably acceptable to the Administrative Agent and each Issuing Bank, at any time and from time to time during the period from and including the Effective Date to and including the Commitment Termination Date. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Company to, or entered into by the Company with, an Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Company shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the relevant Issuing Bank) to the relevant Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by the relevant Issuing Bank, the Company also shall submit a letter of credit application on such Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Company shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension (i) the LC Exposure shall not exceed \$100,000,000, (ii) the total Committed Credit Exposures shall not exceed the total Commitments and (iii) if the Commitment Termination Date shall have been extended pursuant to Section 2.12 with respect to some of but not all of the Lenders, the portion of the LC Exposure attributable to Letters of Credit with expiry dates after any Existing Commitment Termination Date (as defined in Section 2.12) will not exceed the portion of the total Commitments represented by the Commitments of the Lenders (including the Additional Commitment Lenders) with respect to which the Commitment Termination Date shall have been extended beyond such Existing Commitment Termination Date.

(c) Expiration Date. Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension) and (ii) the date that is five Business Days prior to the Commitment Termination Date; provided that any Letter of Credit may provide for the automatic renewal thereof for additional one-year periods so long as such automatic renewal does not extend the expiration thereof beyond the date described in clause (ii); and provided, further that no Letter of Credit may expire after the date that is five Business Days prior to an Existing Commitment

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Termination Date in respect of any non-extending Lenders under Section 2.12 if, after giving effect to such Letter of Credit, the total Commitments of the extending Lenders (and any Additional Commitment Lenders) under Section 2.12 for the period following such Existing Commitment Termination Date would be less than the LC Exposure following such Existing Commitment Termination Date.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the relevant Issuing Bank or the Lenders, such Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of such Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement made by such Issuing Bank and not reimbursed by the Company on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Company for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If an Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Company shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement not later than 12:00 noon, New York City time, on the date that such LC Disbursement is made, if the Company shall have received notice of such LC Disbursement prior to 10:00 a.m., New York City time, on such date, or, if such notice has not been received by the Company prior to such time on such date, then not later than 12:00 noon, New York City time, on (i) the Business Day that the Company receives such notice, if such notice is received prior to 10:00 a.m., New York City time, on the day of receipt, or (ii) the Business Day immediately following the day that the Company receives such notice, if such notice is not received prior to such time on the day of receipt; provided that the Company may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.02 that such payment be financed with a Base Rate Loan in an equivalent amount and, to the extent so financed, the Company's obligation to make such payment shall be discharged and replaced by the resulting Base Rate Loan. If the Company fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Company in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Company, in the same manner as provided in Section 2.02 with respect to Committed Loans made by such Lender (and Section 4.04 shall apply, mutatis mutandis, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the relevant Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Company pursuant to this paragraph, the

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Administrative Agent shall distribute such payment to the relevant Issuing Bank or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, then to such Lenders and such Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the relevant Issuing Bank for any LC Disbursement (other than the funding of Base Rate Loans as contemplated above) shall not constitute a Loan and shall not relieve the Company of its obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Company's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the relevant Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Company's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Banks shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Banks; provided that the foregoing shall not be construed to excuse the Issuing Banks from liability to the Company to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Company to the extent permitted by applicable law) suffered by the Company that are caused by the relevant Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the relevant Issuing Bank (as finally determined by a court of competent jurisdiction), such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, each Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. Each Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. Such Issuing Bank shall promptly notify the Administrative Agent and the

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Company by telephone (confirmed by telecopy) of such demand for payment and whether such Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Company of its obligation to reimburse such Issuing Bank and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If an Issuing Bank shall make any LC Disbursement, then, unless the Company shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Company reimburses such LC Disbursement, at the rate per annum then applicable to Base Rate Loans; provided that, if the Company fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 3.02(a) (with respect to the Post-Default Rate) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the relevant Issuing Bank, except that interest accrued on and after the date of payment by any Lender pursuant to paragraph (e) of this Section to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement of an Issuing Bank. Each Issuing Bank may be replaced at any time by written agreement among the Company, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement of an Issuing Bank. At the time any such replacement shall become effective, the Company shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 4.04. From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of such Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(j) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the Company receives notice from the Administrative Agent or the Majority Lenders (or, if the maturity of the Loans has been accelerated, Lenders with LC Exposure representing greater than 50% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph, the Company shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders, an amount in cash equal to the LC Exposure as of such date plus any accrued and unpaid interest thereon; provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Company described in clause (g) or (h) of Section 9. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the obligations of the Company under this Agreement. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest

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earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Company's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the relevant Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Company for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Lenders with LC Exposure representing greater than 50% of the total LC Exposure), be applied to satisfy other obligations of the Company under this Agreement. If the Company is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Company within three Business Days after all Events of Default have been cured or waived.

2.05 Borrowings by Designated Borrowers.

(a) The Company may, at any time or from time to time, designate one or more Wholly-Owned Subsidiaries as Borrowers hereunder by furnishing to the Administrative Agent a letter (a "Designation Letter") in duplicate, substantially in the form of Exhibit E-1 hereto, duly completed and executed by the Company and such Subsidiary. Any such designation of a Foreign Subsidiary shall, and any such designation of a Domestic Subsidiary may, restrict such Wholly-Owned Subsidiary to Competitive Loans, as set forth in the relevant Designation Letter. Upon any such designation of a Subsidiary, such Subsidiary shall be a Borrower entitled to borrow Competitive Loans only; and upon approval by all of the Lenders (which approval shall not be unreasonably withheld) of any Domestic Subsidiary as an Approved Designated Borrower (which approval shall be evidenced by the Administrative Agent signing and returning to the Company a copy of such Designation Letter) such Domestic Subsidiary shall be an Approved Designated Borrower entitled to borrow both Committed Loans and Competitive Loans. So long as all principal and interest on all Loans of any Borrower (other than the Company) hereunder have been paid in full, the Company may terminate the status of such Borrower as a Borrower hereunder by furnishing to the Administrative Agent a letter (a "Termination Letter"), substantially in the form of Exhibit E-2 hereto, duly completed and executed by the Company and such Borrower. Any Termination Letter furnished in accordance with this Section 2.05 shall be effective upon receipt by the Administrative Agent (which shall promptly notify the Lenders), whereupon the Lenders shall promptly deliver to the Company (through the Administrative Agent) the Notes, if any, of such former Borrower. Notwithstanding the foregoing, the delivery of a Termination Letter with respect to any Borrower shall not terminate any obligation of such Borrower theretofore incurred (including, without limitation, obligations under Sections 5.01, 5.05 and 5.06) or the obligations of the Company under Section 11 with respect thereto.

(b) No Designation Letter with respect to an Approved Designated Borrower may be amended, supplemented or otherwise modified without the approval of the Majority Lenders.

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2.06 Changes of Commitments.

(a) Unless theretofore reduced to such amount pursuant to paragraphs (b) and (c) below, the aggregate amount of the Commitments shall automatically be reduced to zero on the Commitment Termination Date.

(b) The Company shall have the right to terminate or reduce permanently the amount of the Commitments at any time or from time to time upon not less than three Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders) of each such termination or reduction, which notice shall specify the effective date thereof and the amount of any such reduction (which shall be in an integral multiple of \$5,000,000) and shall be irrevocable and effective only upon receipt by the Administrative Agent; provided that the Company may not at any time (i) terminate the Commitments in whole if Committed Loans are then outstanding or (ii) reduce the aggregate amount of the Commitments below the aggregate outstanding principal amount of the Committed Loans.

(c) The Commitments once terminated or reduced may not be reinstated.

(d) (i) Requests for Increase by Company. The Company may at any time (but in no event more frequently than once during any three month period) propose that the aggregate amount of the Commitments hereunder be increased (each such proposed increase being a "Commitment Increase"), by notice to the Administrative Agent specifying the name of the Person or Persons that will provide additional Commitments (which may be either an existing Lender (each an "Increasing Lender") and/or any Person not then a Lender (each an "Assuming Lender"), in each case with the consent of Administrative Agent and each Issuing Bank (which such consent shall not be unreasonably withheld) and the date on which such increase is to be effective (the "Commitment Increase Date"), which shall be a Business Day at least three Business Days after delivery of such notice and prior to the Commitment Termination Date; provided that:

(A) immediately after giving effect to such Commitment Increase, the aggregate amount of the Commitments hereunder shall not exceed the Commitments as of the Effective Date plus \$500,000,000;

(B) each proposed Commitment Increase hereunder shall be in an aggregate minimum amount of \$50,000,000, provided that the minimum amount of the Commitment of any Assuming Lender as part of such Commitment Increase shall be at least \$25,000,000;

(C) no Default shall have occurred and be continuing on such Commitment Increase Date or shall result from the proposed Commitment Increase;

(D) the representations and warranties contained in Section 7 shall be correct on and as of the Commitment Increase Date as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date); and

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(E) immediately after giving effect to such Commitment Increase, no Lender shall hold more than 20% of the aggregate amount of the Commitments.

(ii) Effectiveness of Commitment Increase by Company. The Assuming Lender, if any, shall become a Lender hereunder as of such Commitment Increase Date and the Commitment of such Assuming Lender and/or the increase in the Commitment of any Increasing Lender shall become effective as of such Commitment Increase Date; provided that:

(A) the Administrative Agent shall have received on or prior to 9:00 a.m., New York City time, on such Commitment Increase Date a certificate of a duly authorized officer of the Company stating that each of the applicable conditions to such Commitment Increase set forth in this Section 2.06(d) has been satisfied;

(B) with respect to each Assuming Lender, the Administrative Agent shall have received, on or prior to 9:00 a.m., New York City time, on such Commitment Increase Date, an appropriate Assumption Agreement in substantially the form of Exhibit G, duly executed by such Assuming Lender and the Company and acknowledged by the Administrative Agent; and

(C) each Increasing Lender shall have delivered to the Administrative Agent, on or prior to 9:00 a.m., New York City time, on such Commitment Increase Date, confirmation in writing satisfactory to the Administrative Agent as to its increased Commitment, with a copy of such confirmation to the Company.

(iii) Recordation into Register. Upon its receipt of confirmation from a Lender that it is increasing its Commitment hereunder, together with the certificate referred to in clause (ii)(A) above, the Administrative Agent shall (A) record the information contained therein in the Register and (B) give prompt notice thereof to the Company. Upon its receipt of an Assumption Agreement executed by an Assuming Lender, together with the certificate referred to in clause (ii)(A) above, the Administrative Agent shall, if such Assumption Agreement has been completed and is in substantially the form of Exhibit G, (c) accept such Assumption Agreement, (y) record the information contained therein in the Register and (z) give prompt notice thereof to the Company.

(iv) Adjustments of Borrowings upon Effectiveness of Increase. In the event that the Administrative Agent shall have received notice from the Company as to any agreement with respect to a Commitment Increase on or prior to the Commitment Increase Date and the actions provided for in clause (ii) above shall have occurred by 9:00 a.m., New York City time, on such Commitment Increase Date, the Administrative Agent shall notify the Lenders (including any Assuming Lenders) of the occurrence of such Commitment Increase Date promptly on such date by facsimile transmission or electronic messaging system. On the date of such Commitment Increase, the Borrowers

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shall (A) prepay the outstanding Committed Loans (if any) in full, (B) if so required in accordance with the terms hereof, simultaneously borrow new Committed Loans hereunder in an amount equal to such prepayment, so that, after giving effect thereto, the Committed Loans are held ratably by the Lenders in accordance with their respective Commitments of such Lenders (after giving effect to such Commitment Increase) and (C) pay to the Lenders the amounts, if any, payable under Section 5.05.

2.07 Fees.

(a) Facility Fee. The Company agrees to pay to the Administrative Agent for account of each Lender a facility fee on the amount of such Lender's Commitment (whether or not utilized) for the period from and including the date hereof to but not including the earlier of the date such Commitment is terminated and the Commitment Termination Date, at a rate per annum equal to the Applicable Facility Fee Rate; provided that, if such Lender continues to have any Committed Credit Exposure after the termination of its Commitment, then such facility fee shall continue to accrue on the aggregate daily amount of such Lender's Committed Credit Exposure from and including the date its Commitment terminates to but excluding the date such Lender ceased to have any Committed Credit Exposure. Accrued facility fees shall be payable on each Quarterly Date in arrears and on the earlier of the date the Commitments are terminated and the Commitment Termination Date.

(b) Letter of Credit Fees. The Company agrees to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Margin and Additional Margin (if any) used to determine the interest rate applicable to LIBOR Committed Loans on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender's Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to each Issuing Bank a fronting fee, which shall accrue at the rate or rates per annum separately agreed upon between the Company and each Issuing Bank on the average daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure, as well as each Issuing Bank's standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the third Business Day following such last day, commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the date on which the Commitments terminate and any such fees accruing after the date on which the Commitments terminate shall be payable on demand. Any other fees payable to an Issuing Bank pursuant to this paragraph shall be payable within 10 days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

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2.08 Lending Offices. The Loans of each Type and Currency made by each Lender shall be made and maintained at such Lender's Applicable Lending Office for Loans of such Type and Currency.

2.09 Several Obligations; Remedies Independent. The failure of any Lender to make any Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its Loan on such date, and no Lender shall be responsible for the failure of any other Lender to make a Loan to be made by such other Lender. The amounts payable by any Borrower at any time hereunder and under its Notes to each Lender shall be a separate and independent debt and each Lender shall be entitled to protect and enforce its rights arising out of this Agreement and the Notes, and it shall not be necessary for any other Lender or the Administrative Agent to consent to, or be joined as an additional party in, any proceedings for such purposes.

2.10 Evidence of Debt.

(a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Administrative Agent shall maintain accounts in which it shall record (i) the date, amount, maturity date and interest rate of each Loan made hereunder, the Type and Currency thereof and the Interest Period (if any) applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(c) The entries made in the accounts maintained pursuant to clause (a) or (b) of this Section 2.10 shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans in accordance with the terms of this Agreement.

(d) Any Lender may request that Loans made by it to any Borrower be evidenced by a promissory note of the appropriate Borrower. In such event, the appropriate Borrower shall prepare, execute and deliver to such Lender one or more promissory notes payable to the order of such Lender and in a form approved by the Administrative Agent.

2.11 Prepayments; Conversions and Continuations.

(a) Loans may be prepaid without premium or penalty upon not less than (a) (in the case of Base Rate Loans) one Business Day's, and (b) (in the case of LIBOR Loans) three Business Days', prior notice to the Administrative Agent (which shall promptly notify the Lenders), which notice shall specify the prepayment date (which shall be a Business Day) and the amount of the prepayment (which, in the case of partial prepayments, shall be in an integral multiple of \$1,000,000) and shall be irrevocable and effective only upon receipt by the

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Administrative Agent not later than 11:00 a.m. New York time on the number of Business Days specified above prior to the relevant date of prepayment, provided that interest on the principal of any Loans prepaid, accrued to the prepayment date, shall be paid on the prepayment date.

If at any time the total Committed Credit Exposures shall exceed the total Commitments, the Borrowers shall forthwith prepay the Loans in an aggregate amount equal to any such excess.

(b) The Company (on its own behalf and on behalf of any other Approved Designated Borrower) shall have the right to Convert Committed Loans of one Type into Committed Loans of another Type or Continue Committed LIBOR Loans as such at any time or from time to time, upon not less than (i) (in the case of any Conversion into Base Rate Loans) one Business Day's, and (b) (in the case of any Conversion into, or Continuation as, LIBO Rate Loans), three Business Days', prior notice to the Administrative Agent (which shall promptly notify the Lenders), which notice shall specify the amount (which shall be in an integral multiple of \$1,000,000) and Type of each Committed Loan to be Converted or Continued (and, in the case of a Conversion, the Type of Loan to result from such Conversion), the duration of the Interest Period for any LIBO Rate Loans to be Continued or to result from such Conversion, and the date of Conversion or Continuation (which shall be a Business Day) and shall be irrevocable and effective only upon receipt by the Administrative Agent not later than 11:00 a.m. New York time on the number of Business Days specified above prior to the relevant date of Conversion or Continuation. In the event that the Company fails to select the Type of Loan or the duration of any Interest Period for any LIBO Rate Loan, within the time period specified above, such Loan (if outstanding as a LIBO Rate Loan) will be automatically Converted into a Base Rate Loan on the last day of the then current Interest Period for such Loan or (if outstanding as a Base Rate Loan) will remain as, or (if not then outstanding) will be made as, a Base Rate Loan.

2.12. Extension of Commitment Termination Date.

(a) Request for Extension. The Company may, by notice to the Administrative Agent (which shall promptly notify the Lenders) not more than 60 days and not less than 30 days prior to each anniversary of the Effective Date (such anniversary date, the "Extension Date"), request (each, an "Extension Request") that the Lenders extend the Commitment Termination Date then in effect (the "Existing Commitment Termination Date") for an additional one year. Each Lender, acting in its sole discretion, shall, by notice to the Company and the Administrative Agent given not later than the 20th day (or such later day as shall be acceptable by the Company) following the date of the Company's notice, advise the Company and the Administrative Agent whether or not such Lender agrees to such extension; provided that any Lender that does not so advise the Company shall be deemed to have denied such Extension Request. The election of any Lender to agree to such extension shall not obligate any other Lender to so agree.

(b) Replacement of Non-extending Lenders. The Company shall have the right at any time on or prior to the relevant Extension Date to replace any non-extending Lender with, and otherwise add to this Agreement, one or more other lenders (which may include any Lender) (each an "Additional Commitment Lender") in each case with the consent of the Administrative Agent and each Issuing Bank (such consent in each case not to be unreasonably withheld). Each

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Additional Commitment Lender which has been so approved shall enter into an agreement in form and substance satisfactory to the Company and the Administrative Agent pursuant to which such Additional Commitment Lender shall, effective as of the Extension Date, undertake a Commitment and (if not already a Lender under this Agreement) become a Lender hereunder (and, if such Additional Commitment Lender is already a Lender, agree to increase its Commitment hereunder) in the agreed amount as long as each non-extending Lender being replaced is paid in full.

(c) Effectiveness of Extension. If (and only if) the total of the Commitments of the Lenders that have agreed in connection with any Extension Request to extend the Existing Commitment Termination Date and the additional Commitments of the Additional Commitment Lenders shall be at least 50% of the total Commitments in effect immediately prior to the Extension Date, then, effective as of the Extension Date, the Commitment Termination Date, with respect to the Commitment of each Lender that has agreed to so extend its Commitment and of each Additional Commitment Lender shall be extended to the date falling one year after the Existing Commitment Termination Date (or, if such date is not a Business Day, such Commitment Termination Date as so extended shall be the next preceding Business Day) and each Additional Commitment Lender shall thereupon become a "Lender" for all purposes of this Agreement.

Notwithstanding the foregoing, the extension of the Existing Commitment Termination Date shall not be effective with respect to any Lender unless as of the relevant Extension Date (i) no Default shall have occurred and be continuing and (ii) the representations and warranties of the Borrowers set forth in Section 7 and in the other Credit Documents shall be true and complete on and as of such date with the same force and effect as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date) (and the Administrative Agent shall have received a certification to such effect from a financial officer of the Company, together with such evidence and other related documents as the Administrative Agent may reasonably request with respect to the Obligors' authorization of the extension and their respective obligation's hereunder).

Notwithstanding anything herein to the contrary, with respect to the Commitment of any Lender that has not approved any Extension Request, the Commitment Termination Date shall remain unchanged.

SECTION 3. PAYMENTS OF PRINCIPAL AND INTEREST.

3.01 Repayment of Loans.

(a) Each Borrower hereby promises to pay to the Administrative Agent for account of each Lender the principal amount of each Committed Loan made by such Lender to such Borrower in the Currency of such Committed Loan, and each Committed Loan shall mature, on the Commitment Termination Date.

(b) Each Borrower hereby promises to pay to the Administrative Agent for account of each Lender the principal amount of each Competitive Loan made by such Lender to such Borrower in the Currency of such Competitive Loan, and each Competitive Loan shall mature, on the last day of the Interest Period therefor.

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(c) The Company hereby promises to pay to each Issuing Bank the amounts as expressly provided in Section 2.04.

3.02 Interest.

(a) Each Borrower hereby promises to pay to the Administrative Agent for account of each Lender interest on the unpaid principal amount of each Loan made by such Lender to such Borrower, in the Currency of such Loan, for the period commencing on the date of such Loan to but excluding the date such Loan shall be paid in full, at the following rates per annum:

- (i) during such period as such Loan is a Base Rate Loan, the Base Rate (as in effect from time to time) plus, for each Commitment Utilization Day, the Additional Margin;
- (ii) during such period as such Loan is a Committed LIBOR Loan, for each Interest Period relating thereto, the Adjusted LIBO Rate for such Loan for such Interest Period plus the Applicable Margin plus, for each Commitment Utilization Day, the Additional Margin;
- (iii) if such Loan is a Competitive LIBOR Loan, the Adjusted LIBO Rate for such Loan for the Interest Period therefor plus (or minus) the Margin quoted by the Lender making such Loan in accordance with Section 2.03; and
- (iv) if such Loan is a Set Rate Loan, the Competitive Bid Rate for such Loan for the Interest Period therefor quoted by the Lender making such Loan in accordance with Section 2.03.

Notwithstanding the foregoing, each Borrower hereby promises to pay to the Administrative Agent for account of each Lender interest at the applicable Post-Default Rate on any principal of any Loan made by such Lender to such Borrower, and (to the fullest extent permitted by law) on any other amount payable by such Borrower hereunder or under the Note of such Borrower held by such Lender to or for account of such Lender, which shall not be paid in full when due (whether at stated maturity, by acceleration or otherwise), for the period commencing on the due date thereof until the same is paid in full.

(b) Accrued interest on each Loan shall be payable (i) (in the case of a Base Rate Loan) quarterly on the Quarterly Dates, (ii) in the case of a LIBOR Rate Loan, on the last day of each Interest Period therefor and, if such Interest Period is longer than three months, at three-month intervals following the first day of such Interest Period and (iii) (in the case of any Committed LIBOR Loan Converted into a Base Rate Loan pursuant to Section 2.11(b)) on the date of Conversion (but only on the principal amount so Converted), except that interest payable at the Post-Default Rate shall be payable from time to time on demand.

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(c) Promptly after the determination of any Adjusted LIBO Rate provided for herein, the Administrative Agent shall (i) notify the Lenders to which interest at such Adjusted LIBO Rate is payable and the Company thereof and (ii) at the request of the Company, furnish to the Company a copy of Page 3750 of the Telerate Service (or such successor or substitute page of such Service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page for such Service) on the basis of which the relevant LIBO Rate was determined. At any time that the Administrative Agent determines the Adjusted LIBO Rate on a basis other than using Page 3750 of the Telerate Service, the Administrative Agent shall promptly notify the Company.

3.03 Redenomination. Anything in Section 3.01 or 3.02 to the contrary notwithstanding, if any Borrower shall fail to pay any principal or interest denominated in any Alternative Currency on the original due date therefor (without giving effect to any acceleration under Section 9), the amount so in default shall automatically be redenominated in Dollars on such original due date therefor in an amount equal to the Dollar Equivalent therefor.

SECTION 4. PAYMENTS; PRO RATA TREATMENT; COMPUTATIONS; ETC.

4.01 Payments.

(a) Except to the extent otherwise provided herein, all payments of principal of and interest on Loans made in Dollars and all reimbursement obligations in respect of Letters of Credit, and other amounts (other than the principal of and interest on Loans made in an Alternative Currency) payable by any Obligor under this Agreement and the Notes, shall be made in Dollars, and all payments of principal of and interest on Loans made in an Alternative Currency shall (except as otherwise provided in Section 3.03) be made in such Alternative Currency, in immediately available funds, without deduction, set-off or counterclaim, to the Administrative Agent's Account for such Currency, for account of the Lenders, not later than 2:00 p.m. New York time (in the case of Loans denominated in Dollars) or 11:00 a.m. local time in the location of the Administrative Agent's Account (in the case of Loans denominated in an Alternative Currency), on the date on which such payment shall become due (each such payment made after such time on such due date to be deemed to have been made on the next succeeding Business Day).

(b) If any Borrower shall default in the payment when due of any principal, interest or other amounts to be made by such Borrower under this Agreement or the Notes, any Lender for whose account any such payment is to be made may (but shall not be obligated to) debit the amount of any such payment due such Lender which is not made by such time to any ordinary deposit account of such Borrower with such Lender (with notice to the Company and the Administrative Agent).

(c) The Company on its behalf and on behalf of any other Borrower shall, at the time of making each payment under this Agreement or any Note for account of any Lender, specify to the Administrative Agent the Loans or other amounts payable by such Borrower hereunder to which such payment is to be applied (and in the event that the payor fails to so specify, or if an Event of Default has occurred and is continuing, such Lender may apply such payment received by it from the Administrative Agent to such amounts then due and owing to such Lender as such Lender may determine).

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(d) Each payment received by the Administrative Agent under this Agreement or any Note for account of any Lender shall be paid promptly to such Lender, in immediately available funds.

(e) If the due date of any payment under this Agreement or any Note would otherwise fall on a day which is not a Business Day such date shall be extended to the next succeeding Business Day and interest shall be payable for any principal so extended for the period of such extension.

4.02 Pro Rata Treatment. Except to the extent otherwise provided herein: (a) each borrowing from the Lenders of Committed Loans under Section 2.01 shall be made from the Lenders, each payment of fees under Section 2.07 shall be made for account of the Lenders, and each reduction of the amount or termination of the Commitments under Section 2.06 shall be applied to the Commitments of the Lenders, pro rata according to the amounts of their respective Commitments, and the Conversion or Continuation of Committed Loans of a particular Type (other than Conversions provided for by Section 5.04) shall be made pro rata among the relevant Lenders according to their respective Commitments; (b) each payment of principal of Committed Loans by any Borrower shall be made for account of the Lenders pro rata in accordance with the respective unpaid principal amounts of the Committed Loans held by the Lenders; and (c) each payment of interest on Committed Loans by any Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest due and payable to the respective Lenders; provided that, if an Event of Default shall have occurred and be continuing, each payment of principal of and interest on the Loans and other amounts owing hereunder by any Borrower shall be made for account of the Lenders pro rata in accordance with the aggregate amounts of all principal of and interest on the Loans and all other amounts owing hereunder by such Borrower then due and payable to the respective Lenders.

4.03 Computations. Interest on Loans and the fees payable pursuant to Section 2.07 shall be computed on the basis of a year of 360 days and actual days elapsed (including the first day but excluding the last day) occurring in the period for which payable; provided that interest on Base Rate Loans and Loans in Pounds Sterling shall be computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed (including the first day but excluding the last day) occurring in the period for which payable.

4.04 Non-Receipt of Funds by the Administrative Agent.

Unless the Administrative Agent shall have been notified by a Lender, an Issuing Bank or the Company on behalf of any Borrower (each, a “Payor”) prior to the time by, and on the date on, which such Payor is scheduled to make payment to the Administrative Agent of (in the case of a Lender or Issuing Bank) a payment to be made by it hereunder or (in the case of any Borrower) a payment to the Administrative Agent for account of one or more of the Lenders or Issuing Banks hereunder (such payment being herein called the “Required Payment”), which notice shall be

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effective upon receipt, that it does not intend to make the Required Payment to the Administrative Agent, the Administrative Agent may assume that the Required Payment has been made and may, in reliance upon such assumption (but shall not be required to), make the amount thereof available to the intended recipient(s) on such date; and, if the Payor has not in fact made the Required Payment to the Administrative Agent, the recipient(s) of such payment shall, on demand, repay to the Administrative Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date such amount was so made available by the Administrative Agent to but not including the date the Administrative Agent recovers such amount (the "Advance Period") at a rate per annum equal to (a) if the recipient is a Borrower, the Base Rate in effect on such day and (b) if the recipient is a Lender or Issuing Bank, the Federal Funds Rate in effect on such day; and, if such recipient(s) shall fail promptly to make such payment, the Administrative Agent shall be entitled to recover such amount, on demand, from the Payor, together with interest thereon for each day during the Advance Period at a rate per annum equal to (i) if the Payor is a Borrower, the rate of interest payable on the Required Payment as provided in the second sentence of Section 3.02(a) and (ii) if the Payor is a Lender or Issuing Bank, during the period commencing on the date such amount was so made available to but excluding the date three Business Days following such date, the Federal Funds Rate in effect on such day and, thereafter, the Base Rate in effect on such day.

4.05 Set-off; Sharing of Payments.

(a) Each Obligor agrees that, in addition to (and without limitation of) any right of set-off, bankers' lien or counterclaim a Lender may otherwise have, each Lender and each of its Affiliates shall be entitled, at its option, to offset balances held by it for account of such Obligor at any of its offices, in Dollars or in any other Currency, against any principal of or interest on any of such Lender's Loans or participations in LC Disbursements which is not paid when due (regardless of whether such balances are then due to such Obligor) in which case it shall promptly notify such Obligor (through notice to the Company) and the Administrative Agent thereof, provided that such Lender's failure to give such notice shall not affect the validity thereof.

(b) If any Lender shall obtain payment of any principal of or interest on any Committed Loan or participations in LC Disbursements made by it under this Agreement through the exercise of any right of set-off, bankers' lien or counterclaim or similar right or otherwise, and, as a result of such payment, such Lender shall have received a greater percentage of the amounts then due hereunder to such Lender in respect of Committed Loans or participations in LC Disbursements than the percentage received by any other Lenders, it shall promptly purchase from such other Lenders participations in (or, if and to the extent specified by such Lender, direct interests in) the Committed Loans or participations in LC Disbursements made by such other Lenders (or in the interest thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses which may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal and interest on the Committed Loans or participations in LC Disbursements held by each of the Lenders. To such end all the Lenders shall make appropriate adjustments among themselves (by the resale of participations sold or otherwise) if such payment

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is rescinded or must otherwise be restored. Each Obligor agrees that any Lender so purchasing a participation (or direct interest) in the Committed Loans or participations in LC Disbursements made by other Lenders (or in the interest thereon, as the case may be) may exercise all rights of set-off, bankers' lien, counterclaim or similar rights with respect to such participation as fully as if such Lender were a direct holder of Loans or participations in LC Disbursements (or in the interest thereon, as the case may be) in the amount of such participation. Nothing contained herein shall require any Lender to exercise any such right or shall affect the right of any Lender to exercise, and retain the benefits of exercising, any such right with respect to any other indebtedness or obligation of any Obligor. If under any applicable bankruptcy, insolvency or other similar law, any Lender receives a secured claim in lieu of a set-off to which this Section 4.05 applies, such Lender shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this Section 4.05 to share in the benefits of any recovery on such secured claim.

SECTION 5. YIELD PROTECTION AND ILLEGALITY.

5.01 Additional Costs.

(a) Each Borrower shall pay directly to each Lender or Issuing Bank from time to time such amounts as such Lender or Issuing Bank may determine to be necessary to compensate such Lender or Issuing Bank for any costs that such Lender or Issuing Bank determines are attributable to its making or maintaining of any LIBO Rate Loans or Set Rate Loans or its obligation to make any LIBO Rate Loans hereunder or to participate in, issue or maintain any Letter of Credit, or any reduction in any amount receivable by such Lender hereunder in respect of any of such Loans, such Letters of Credit or such obligation (such increases in costs and reductions in amounts receivable being herein called "Additional Costs"), resulting from any Regulatory Change that:

(i) changes the basis of taxation of any amounts payable to such Lender or Issuing Bank under this Agreement or its Notes in respect of any of such Loans or Letters of Credit (other than taxes imposed on or measured by the overall net income of such Lender or such Issuing Bank or of its Applicable Lending Office for any of such Loans or Letters of Credit by the jurisdiction in which such Lender or Issuing Bank has its principal office or such Applicable Lending Office); or

(ii) imposes or modifies any reserve, special deposit or similar requirements (other than the Reserve Requirement utilized in the determination of the Adjusted LIBO Rate for such Loan and Mandatory Costs utilized in the determination of the LIBO Rate for such Loan) relating to any extensions of credit or other assets of, or any deposits with or other liabilities of, such Lender (including, without limitation, any of such Loans or any deposits referred to in the definition of "LIBO Rate" in Section 1.01), or any commitment of such Lender (including, without limitation, the Commitment of such Lender hereunder); or

(iii) imposes any other condition affecting this Agreement or its Notes (or any of such extensions of credit or liabilities) or its Commitment.

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If any Lender requests compensation from any Borrower under this Section 5.01(a), the Company may, by notice to such Lender (with a copy to the Administrative Agent), suspend the obligation of such Lender thereafter to make or Continue LIBO Rate Loans or to Convert Base Rate Loans into LIBO Rate Loans, until the Regulatory Change giving rise to such request ceases to be in effect (in which case the provisions of Section 5.04 shall be applicable), provided that such suspension shall not affect the right of such Lender to receive the compensation so requested.

(b) Without limiting the effect of the foregoing provisions of this Section 5.01 (but without duplication), if any Lender or Issuing Bank determines that any Regulatory Change regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or Issuing Bank's capital or on the capital of such Lender's or Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by such Lender or the Letters of Credit issued by such Issuing Bank to a level below that which such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company could have achieved but for such Regulatory Change (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or Issuing Bank's holding company with respect to capital adequacy), then from time to time the Company will pay to such Lender or Issuing Bank such additional amount or amounts as will compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction suffered.

(c) Each Lender or Issuing Bank shall notify the Company of any event occurring after the date hereof entitling such Lender or Issuing Bank to compensation under paragraph (a) or (b) of this Section 5.01 as promptly as practicable, but in any event within 45 days, after such Lender or Issuing Bank obtains actual knowledge thereof. If any Lender or Issuing Bank fails to give such notice within 45 days after it obtains actual knowledge of such an event, such Lender or Issuing Bank shall, with respect to compensation payable pursuant to this Section 5.01 in respect of any costs resulting from such event, only be entitled to payment under this Section 5.01 for costs incurred from and after the date 45 days prior to the date that such Lender or Issuing Bank does give such notice. Each Lender or Issuing Bank will furnish to the Company a certificate setting forth the basis and amount of each request by such Lender or Issuing Bank for compensation under paragraph (a) or (b) of this Section 5.01. Determinations and allocations by any Lender or Issuing Bank for purposes of this Section 5.01 of the effect of any Regulatory Change pursuant to paragraph (a) of this Section 5.01, or of the effect of capital maintained pursuant to paragraph (b) of this Section 5.01, on its costs or rate of return of maintaining Loans or Letters of Credit or its obligation to make Loans or issue Letters of Credit, or on amounts receivable by it in respect of Loans or Letters of Credit, and of the amounts required to compensate such Lender or Issuing Bank under this Section 5.01, shall be conclusive absent manifest error, provided that such determinations and allocations are made on a reasonable basis.

(d) Each Lender or Issuing Bank will designate a different Applicable Lending Office for the Loans or Letters of Credit of such Lender or Issuing Bank, as the case may be, affected by any event specified in paragraphs (a) or (b) of this Section 5.01 or in Section 5.03 if such designation will avoid the need for, or reduce the amount of, such compensation or suspension, as the case may be, and will not, in the sole opinion of such Lender or Issuing Bank, be disadvantageous to such Lender or Issuing Bank.

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5.02 Limitation on Types of Loans.

Anything herein to the contrary notwithstanding:

(a) if the LIBO Rate for any Currency is to be determined under the second paragraph of the definition of "LIBO Rate" and the Administrative Agent determines (which determination shall be conclusive) that no quotation from any Reference Lender of interest rates for the relevant deposits referred to in such paragraph is being provided in the relevant amounts or for the relevant maturities for purposes of determining rates of interest for LIBO Rate Loans as provided herein; or

(b) if the LIBO Rate for any Currency is being determined under the second paragraph of the definition of "LIBO Rate" and the Majority Lenders determine (or any Lender that has outstanding a Competitive Bid with respect to a Competitive LIBOR Loan, determines), which determination shall be conclusive, and notify (or notifies, as the case may be) the Administrative Agent that the relevant rates of interest referred to in the second paragraph of the definition of "LIBO Rate" do not adequately cover the cost to such Lenders (or such quoting Lender) of making or maintaining its LIBO Rate Loans in such Currency;

then the Administrative Agent shall give the Company and each Lender prompt notice thereof, and so long as such condition remains in effect, the Lenders (or such quoting Lender) shall be under no obligation to make additional LIBO Rate Loans in such Currency, to Continue LIBO Rate Loans in such Currency or to Convert Loans of another Type or Currency into LIBO Rate Loans in such Currency.

5.03 Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Lender or its Applicable Lending Office to honor its obligation to make or maintain LIBO Rate Loans hereunder in any Currency, then such Lender shall promptly notify the Company thereof (with a copy to the Administrative Agent) and such Lender's obligation to make or Continue, or Convert Base Rate Loans into, Committed LIBOR Loans in such Currency shall be suspended until such time as such Lender may again make and maintain Committed LIBOR Loans in such Currency (in which case the provisions of Section 5.04 shall be applicable), and such Lender shall no longer be obligated to make any Competitive LIBOR Loan in such Currency that it has offered to make.

5.04 Base Rate Loans Pursuant to Sections 5.01 and 5.03. If the obligation of any Lender to make, Continue, or to Convert Base Rate Loans into, any LIBO Rate Loans in Dollars shall be suspended pursuant to Section 5.01 or 5.03 (Loans of such type being herein called "Affected Loans" and such type being herein called the "Affected Type"), all Loans in Dollars (other than Competitive Loans) which would otherwise be made by such Lender as Loans of the Affected Type shall be made instead as Base Rate Loans (and, if an event referred to in Section 5.03 has occurred and such Lender so requests by notice to the Company with a copy to the Administrative Agent, all Affected Loans of such Lender then outstanding shall be

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automatically Converted into Base Rate Loans on the date specified by such Lender in such notice) and, to the extent that Affected Loans are so made as (or Converted into) Base Rate Loans, all payments of principal which would otherwise be applied to such Lender's Affected Loans shall be applied instead to its Base Rate Loans. If such Lender gives notice to the Company with a copy to the Administrative Agent that the circumstances specified in Section 5.01 or 5.03 that gave rise to the Conversion of such Lender's Affected Loans pursuant to this Section 5.04 no longer exist (which such Lender agrees to do promptly upon such circumstances ceasing to exist) at a time when Loans of the Affected Type made by other Lenders are outstanding, such Lender's Base Loans shall be automatically Converted, on the first day(s) of the next succeeding Interest Period(s) for such outstanding loans of the Affected Type, to the extent necessary so that, after giving effect thereto, all Committed Loans held by the Lenders holding Loans of the Affected Type and by such Lender are held pro rata (as to principal amounts, Types and Interest Periods) in accordance with their respective Commitments.

5.05 Compensation. Each Borrower shall pay to the Administrative Agent for account of each Lender, upon the request of such Lender through the Administrative Agent, such amount or amounts as shall be sufficient (in the reasonable opinion of such Lender) to compensate it for any loss, cost or expense which such Lender determines are attributable to:

- (a) any payment, prepayment or Conversion of a LIBO Rate Loan or a Set Rate Loan made by such Lender for any reason (including, without limitation, the acceleration of the Loans pursuant to Section 9) on a date other than the last day of the Interest Period for such Loan; or
- (b) any failure by such Borrower for any reason (excluding only failure due solely to a default by any Lender or the Administrative Agent in its obligation to provide funds to such Borrower hereunder but including, without limitation, the failure of any of the conditions precedent specified in Section 6 to be satisfied) to borrow a LIBO Rate Loan or a Set Rate Loan from such Lender on the date for such borrowing specified in the relevant notice of borrowing given pursuant to Section 2.02 or 2.03(b).

Without limiting the effect of the preceding sentence, such compensation shall include, in the case of a Loan, an amount equal to the excess, if any, of (i) the amount of interest which otherwise would have accrued on the principal amount so paid, prepaid or Converted or not borrowed for the period from the date of such payment, prepayment, Conversion or failure to borrow to the last day of the Interest Period for such Loan (or, in the case of a failure to borrow, the Interest Period for such Loan which would have commenced on the date specified for such borrowing) at the applicable rate of interest for such Loan provided for herein over (ii) the interest component of the amount such Lender would have bid in the London interbank market for deposits in the applicable Currency of leading banks (if such Loan is a LIBO Rate Loan) or in the United States certificate of deposit market for issuance at face value of certificates of deposit for Dollar deposits (if such Loan is a Set Rate Loan) in amounts comparable to such principal amount and with maturities comparable to such period (as reasonably determined by such Lender).

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5.06 Taxes.

(a) Each Approved Designated Borrower agrees to pay to each Lender and Issuing Bank such additional amounts as are necessary in order that the net payment of any amount due to such Lender or Issuing Bank hereunder after deduction for or withholding in respect of any Taxes imposed with respect to such payment will not be less than the amount stated herein to be then due and payable, provided that the foregoing obligation to pay such additional amounts shall not apply:

(i) to any payment to any Lender hereunder unless such Lender is, on the date such Borrower became a Borrower hereunder (which, in the case of the Company, means the date hereof and, in the case of any other Approved Designated Borrower, means the date of the Designation Letter of such Approved Designated Borrower) or (if later) on the date such Lender becomes a Lender hereunder as provided in Section 12.05(b) and on the date of any change in the Applicable Lending Office of such Lender, entitled to a complete exemption from withholding or deduction by such Approved Designated Borrower of Taxes on all interest to be received by such Lender hereunder in respect of the Loans made by such Lender to such Approved Designated Borrower, or

(ii) to any such Taxes required to be deducted or withheld solely by reason of the failure of such Lender or Issuing Bank to comply with applicable certification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connections with such Borrower's Jurisdiction if such compliance is required by treaty, statute or regulation as a precondition to relief or exemption from such Taxes.

For the purposes of this Section 5.06(a), the term "Taxes" shall mean with respect to any Approved Designated Borrower all present and future income, stamp, registration and other taxes and levies, imposts, deductions, charges, compulsory loans and withholdings whatsoever, and all interest, penalties or similar amounts with respect thereto, now or hereafter imposed, assessed, levied or collected by such Approved Designated Borrower's Jurisdiction on or in respect of the Credit Documents, the principal of and interest on the Loans and any other amounts payable under any of the Credit Documents, the recording, registration, notarization or other formalization of any thereof, the enforcement thereof or the introduction thereof in any judicial proceedings, or on or in respect of any payments of principal, interest, premium, charges, fees or other amounts made on, under or in respect of any thereof (excluding, however, income or franchise taxes imposed on or measured by the overall net income or capital of a Lender (or its Applicable Lending Office) by such Approved Designated Borrower's Jurisdiction as a result of such Lender being organized under the laws of or resident in such Approved Designated Borrower's Jurisdiction or of its Applicable Lending Office being located or carrying on business in such Approved Designated Borrower's Jurisdiction).

(b) Within 30 days after paying any amount to the Administrative Agent or any Lender or Issuing Bank from which it is required by law to make any deduction or withholding, and within 30 days after it is required by law to remit such deduction or withholding to any relevant taxing or other authority, the relevant Borrower shall deliver to the Administrative Agent for delivery to such Lender or Issuing Bank evidence satisfactory to such Lender or Issuing Bank of such deduction, withholding or payment (as the case may be).

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5.07 Replacement of Lenders. If any Lender requests compensation pursuant to Section 5.01 or 5.06, or any Lender's obligation to make Loans of any Type or denominated in any Currency shall be suspended pursuant to Section 5.01 (any such Lender requesting such compensation, or whose obligations are so suspended, being herein called a "Requesting Lender"), the Company, upon three Business Days' notice to the Administrative Agent given when no Default shall have occurred and be continuing, may require that such Requesting Lender transfer all of its right, title and interest under this Agreement to any bank or other financial institution or entity identified by the Company that is satisfactory to the Administrative Agent (a) if such bank or other financial institution or entity (a "Proposed Lender") agrees to assume all of the obligations of such Requesting Lender hereunder, and to purchase all of such Requesting Lender's Loans and participations in LC Disbursements hereunder for consideration equal to the aggregate outstanding principal amount of such Requesting Lender's Loans and participations in LC Disbursements, together with interest thereon to the date of such purchase, and satisfactory arrangements are made for payment to such Requesting Lender of all other amounts payable hereunder to such Requesting Lender on or prior to the date of such transfer (including any fees accrued hereunder and any amounts that would be payable under Section 5.05 as if all of such Requesting Lender's Loans and participations in LC Disbursements were being prepaid in full on such date) and (b) if such Requesting Lender has requested compensation pursuant to Section 5.01 or 5.06, such Proposed Lender's aggregate requested compensation, if any, pursuant to said Section 5.01 or 5.06 with respect to such Requesting Lender's Loans and participations in LC Disbursements is lower than that of the Requesting Lender. Subject to the provisions of Section 12.05(b), such Proposed Lender shall be a "Lender" for all purposes hereunder. Without prejudice to the survival of any other agreement of the Company hereunder the agreements of the Company contained in Sections 5.01, 5.06 and 12.03 (without duplication of any payments made to such Requesting Lender by the Company or the Proposed Lender) shall survive for the benefit of such Requesting Lender under this Section 5.07 with respect to the time prior to such replacement.

SECTION 6. CONDITIONS PRECEDENT.

6.01 Effective Date.

The obligations of the Lenders to make Loans and of each Issuing Bank to issue Letters of Credit hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived pursuant to Section 12.04):

(a) The Administrative Agent shall have received each of the following documents (with sufficient copies for each Lender), each of which shall be satisfactory to the Administrative Agent (and to the extent specified below, to each Lender) in form and substance:

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(i) A counterpart of this Agreement signed on behalf of each party hereto or written evidence satisfactory to the Administrative Agent that such party has signed a counterpart of this Agreement.

(ii) Certified copies of the charter and by-laws of, and all corporate action taken by, the Company approving this Agreement and the Notes (if any) to be made by the Company, borrowings by the Company and the guarantee of the Company set forth in Section 11 (including, without limitation, a certificate setting forth the resolutions of the Board of Directors of the Company adopted in respect of the transactions contemplated hereby).

(iii) A certificate of the Company in respect of each of the officers (1) who is authorized to sign this Agreement, the Notes, Competitive Bid Requests, Designation Letters and Termination Letters, together with specimen signatures, and (2) who will, until replaced by another officer or officers duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection herewith and with the Notes and the transactions contemplated hereby and thereby. The Administrative Agent and each Lender may conclusively rely on such certificate until they receive notice in writing from the Company to the contrary.

(iv) An opinion dated the Effective Date of Schiff Hardin LLP, special Illinois counsel to the Company, substantially in the form of Exhibit A-1 hereto (and the Company hereby instructs such counsel to deliver such opinion to the Lenders and the Administrative Agent); and an opinion dated the Effective Date of Dale L. Matschullat, Vice-President - General Counsel to the Company, substantially in the form of Exhibit A-2 hereto (and the Company hereby instructs such counsel to deliver such opinion to the Lenders and the Administrative Agent).

(v) An opinion dated the Effective Date of Milbank, Tweed, Hadley & McCloy LLP, special New York counsel to the Administrative Agent, substantially in the form of Exhibit B hereto.

(b) The Lenders and the Administrative Agent shall have received all fees and other amounts as the Company shall have agreed to pay in connection herewith.

(c) The Administrative Agent shall have received evidence that (i) all commitments under the Company's Five-Year Credit Agreement dated as of June 14, 2002 (as amended) have terminated and (ii) all principal, interest, fees and other amounts payable thereunder that are accrued to the Effective Date and/or unpaid have been paid in full.

The Administrative Agent shall notify the Company and the Lenders of the Effective Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans and of each Issuing Bank to issue Letters of Credit hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 12.04) at or prior to 3:00 p.m., New York City time, on November 30, 2005 (and, in the event such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

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6.02 Initial and Subsequent Credit Extensions.

The obligation of any Lender to make any Credit Extension hereunder (including, without limitation, the initial Credit Extension hereunder) is subject to the further conditions precedent that, as of the date of such Credit Extension and after giving effect thereto and the intended use thereof:

(a) no Default shall have occurred and be continuing; and

(b) the representations and warranties made by the Company (and, if such Credit Extension involves any other Borrower, by such Borrower) in Section 7 (other than Sections 7.02(c) and 7.03, except if such Credit Extension is made on the Effective Date) shall be true on and as of the date of such Credit Extension with the same force and effect as if made on and as of such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date).

Each notice of borrowing by the Company hereunder (whether on its own behalf or on behalf of any other Borrower) and the issuance, amendment, renewal or extension of any Letter of Credit shall constitute a certification by the Company to the effect set forth in the preceding sentence (both as of the date of such notice and, unless the Company otherwise notifies the Administrative Agent prior to the date of such Credit Extension, as of the date of such Credit Extension).

SECTION 7. REPRESENTATIONS AND WARRANTIES. The Company and (with respect only to Sections 7.01, 7.04, 7.05, 7.06 and 7.16) each Designated Borrower represent and warrant to the Lenders that:

7.01 Corporate Existence.

Each of the Company and its Significant Subsidiaries and each Designated Borrower: (a) is a corporation duly organized and validly existing under the laws of the jurisdiction of its incorporation; (b) has all requisite corporate power, and has all material governmental licenses, authorizations, consents and approvals, necessary to own its assets and carry on its business as now being or as proposed to be conducted; and (c) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary except where failure so to qualify would not have a Material Adverse Effect.

7.02 Financial Condition.

(a) The consolidated balance sheets of the Company and its Subsidiaries as of December 31, 2003 and December 31, 2004 and the related consolidated statements of income, cash flows and stockholders' equity of the Company and its Subsidiaries for the fiscal years ended on said dates, with the opinion thereon of Ernst & Young LLP, heretofore furnished to

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each of the Lenders, are complete and correct and fairly present the consolidated financial condition of the Company and its Subsidiaries as at said dates and the consolidated results of their operations for the fiscal year ended on said dates, all in accordance with generally accepted accounting principles. Neither the Company nor any of its Subsidiaries had on said dates any material contingent liabilities, material liabilities for taxes, material unusual forward or long-term commitments or material unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in said balance sheet as at said dates.

(b) The consolidated balance sheets of the Company and its Subsidiaries as of June 30, 2005 and the related consolidated statements of income, cash flows and stockholders' equity of the Company and its Subsidiaries for the six-month period ended on said date, heretofore furnished to each of the Lenders, are complete and correct and fairly present the consolidated financial condition of the Company and its Subsidiaries as at said date and the consolidated results of their operations for the six-month period ended on said date, all in accordance with generally accepted accounting principles. Neither the Company nor any of its Subsidiaries had on said date any material contingent liabilities, material liabilities for taxes, material unusual forward or long-term commitments or material unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in said balance sheet as at said date.

(c) Since December 31, 2004, there has been no material adverse change in the consolidated financial condition, operations, business or prospects of the Company and its Subsidiaries (taken as a whole).

7.03 Litigation.

There are no legal or arbitral proceedings or any proceedings or investigations by or before any governmental or regulatory authority or agency, now pending or (to the knowledge of the Company) threatened against the Company or any of its Subsidiaries which could reasonably be expected to have a Material Adverse Effect.

7.04 No Breach.

The making or performance of this Agreement or the Notes, and the consummation of the transactions herein contemplated, will not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Company and each other Borrower or any applicable law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any agreement or instrument to which the Company or any of its Subsidiaries is a party or by which any of them is bound or to which any of them is subject, or constitute a default under any such agreement or instrument, or constitute a tortious interference with any agreement, or result in the creation or imposition of any Lien upon any of the revenues or assets of the Company or any of its Subsidiaries pursuant to the terms of any such agreement or instrument.

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7.05 Corporate Action.

Each Borrower has all necessary corporate power and authority to make and perform its obligations under this Agreement and the Notes; the making and performance of this Agreement and the Notes by each Borrower have been duly authorized by all necessary corporate action on the part of such Borrower; and this Agreement has been duly and validly executed and delivered by the Company and constitutes, and each of the Notes of any Borrower when executed and delivered by such Borrower for value will constitute, the legal, valid and binding obligation of the respective Borrower, enforceable in accordance with their respective terms, except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally.

7.06 Approvals.

No authorizations, approvals or consents of, and no filings or registrations with, any governmental or regulatory authority or agency are necessary for the execution, delivery or performance by each Borrower of this Agreement or the Notes of such Borrower or for the validity or enforceability of any thereof.

7.07 Use of Credit.

Neither the Company nor any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation U or X of the Board of Governors of the Federal Reserve System), and no part of the proceeds of any Credit Extension hereunder will be used in a manner that will cause any Borrower to violate said Regulation X or any Lender to violate said Regulation U.

7.08 ERISA.

Each of the Company and each ERISA Affiliate has fulfilled its obligations under the minimum funding standards of ERISA and the Code with respect to each of its Plans and is (and to the best of its knowledge in the case of any Multiemployer Plan is) in compliance with the currently applicable provisions of ERISA and the Code, and has not incurred any liability on account of the termination of any of its Plans to the PBGC or any of its Plans and has not incurred any withdrawal liability to any Multiemployer Plan, in each case except to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect.

7.09 Investment Company Act; Public Utility Holding Company Act.

Neither the Company nor any of its Subsidiaries is (a) an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940 or (b) a "holding company" as defined in, or subject to regulation under, the Public Utility Holding Company Act of 1935.

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7.10 Credit Agreements.

Schedule I hereto is a complete and correct list, as of the date hereof, of each credit agreement, loan agreement, indenture, purchase agreement, Guarantee or other arrangement (other than a letter of credit) providing for or otherwise relating to any extension of credit (or commitment for any extension of credit) to, or Guarantee by, the Company or any of its Subsidiaries the aggregate principal or face amount of which equals or exceeds (or may equal or exceed) \$5,000,000 and the aggregate principal or face amount outstanding or which may become outstanding under each such arrangement is correctly described (as of September 30, 2005) in said Schedule I.

7.11 Hazardous Materials.

The Company and each of its Subsidiaries have obtained all permits, licenses and other authorizations that are required under all Environmental Laws, except to the extent failure to have any such permit, license or authorization would not have a Material Adverse Effect. The Company and each of its Subsidiaries are in compliance with the terms and conditions of all such permits, licenses and authorizations, and are also in compliance with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in any applicable Environmental Law or in any regulation, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder, except to the extent failure to comply would not have a Material Adverse Effect. Except as heretofore disclosed to the Lenders, there have been no environmental investigations, studies, audits, tests, reviews or other analyses conducted by or that are in the possession of the Company or any of its Subsidiaries with respect to any property or facility now or previously owned or leased by the Company or any of its Environmental Affiliates which reveal facts or circumstances that could reasonably be expected to have a Material Adverse Effect.

7.12 Taxes.

The Company and its Subsidiaries are members of an affiliated group of corporations filing consolidated returns for Federal income tax purposes, of which the Company is the "common parent" (within the meaning of Section 1504 of the Code) of such group. The Company and its Subsidiaries have filed all Federal income tax returns and all other material tax returns and information statements that are required to be filed by them and have paid all taxes due pursuant to such returns or pursuant to any assessment received by the Company or any of its Subsidiaries. The charges, accruals and reserves on the books of the Company and its Subsidiaries in respect of taxes and other governmental charges are, in the opinion of the Company, adequate. The United States Federal income tax returns of the Company and its Subsidiaries have been examined and/or closed through the fiscal years of the Company and its Subsidiaries ended on or before December 31, 2002. The Company has not given or been requested to give a waiver of the statute of limitations relating to the payment of Federal, state, local and foreign taxes or other impositions.

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7.13 True and Complete Disclosure.

The information, reports, financial statements, exhibits and schedules furnished in writing by or on behalf of the Company to the Lenders in connection with the negotiation, preparation or delivery of this Agreement or included herein or delivered pursuant hereto, when taken as a whole do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they are made, not misleading. All written information furnished after the date hereof by the Company and its Subsidiaries to the Lenders in connection with this Agreement and the transactions contemplated hereby will be true, complete and accurate in every material respect, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified. There is no fact known to the Company that could reasonably be expected to have a Material Adverse Effect that has not been disclosed herein or in a report, financial statement, exhibit, schedule, disclosure letter or other writing furnished to the Lenders for use in connection with the transactions contemplated hereby.

7.14 Subsidiaries.

As of the date hereof, each of the Company and its Subsidiaries (as disclosed in the periodic reports which the Company has filed with the Securities and Exchange Commission) owns, free and clear of Liens, and has the unencumbered right to vote all of its outstanding ownership interests in, each Subsidiary held by it and all of the issued and outstanding capital stock of each such Person is validly issued, fully paid and nonassessable.

7.15 Compliance with Law.

As of the date hereof, the Company and its Subsidiaries are in compliance with all applicable laws and regulations, except to the extent that failure to comply therewith would not have a Material Adverse Effect.

7.16 Designated Borrower Approvals.

No authorizations, approvals or consents of, and no filings or registrations with, any governmental or regulatory authority or agency that have not been obtained by the time any Subsidiary of the Company becomes a Designated Borrower are necessary for the execution, delivery or performance by such Designated Borrower of the Designation Letter of such Designated Borrower, this Agreement or the Notes of such Designated Borrower or for the validity or enforceability of any thereof or for the borrowing by such Designated Borrower hereunder.

SECTION 8. COVENANTS OF THE COMPANY. The Company agrees that, so long as any of the Commitments are in effect and until payment in full of all Loans hereunder, all interest thereon and all other amounts payable by each Borrower hereunder and the termination or expiration of all Letters of Credit hereunder and the reimbursement of all LC Disbursements:

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8.01 Financial Statements.

The Company shall furnish to each of the Lenders:

- (a) as soon as available and in any event within 60 days after the end of each of the fiscal quarterly periods of each fiscal year of the Company, consolidated statements of income, cash flows and stockholders' equity of the Company and its Subsidiaries for such period and for the period from the beginning of the respective fiscal year to the end of such period, and the related consolidated balance sheet as at the end of such period, setting forth in each case in comparative form the corresponding figures for the corresponding period in the preceding fiscal year, and accompanied by a certificate of a senior financial officer of the Company, which certificate shall state that said financial statements fairly present the consolidated financial condition and results of operations of the Company and its Subsidiaries, in accordance with generally accepted accounting principles, as at the end of (and for) such period (subject to normal year-end audit adjustments).
- (b) as soon as available and in any event within 90 days after the end of each fiscal year of the Company, consolidated statements of income, cash flows and stockholders' equity of the Company and its Subsidiaries for such year and the related consolidated balance sheet as at the end of such year, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, and accompanied by an opinion thereon of independent certified public accountants of recognized national standing, which opinion shall state that said financial statements fairly present the consolidated financial condition and results of operations of the Company and its Subsidiaries, in accordance with generally accepted accounting principles, as at the end of (and for) such fiscal year, and a certificate of such accountants stating that, in making the examination necessary for their opinion, they obtained no knowledge, except as specifically stated, of any Event of Default under Sections 8.10 and 8.11.
- (c) promptly upon their becoming available, copies of all registration statements and regular periodic reports, if any, which the Company shall have filed with the Securities and Exchange Commission (or any governmental agency substituted therefor) or any national securities exchange.
- (d) promptly upon the mailing thereof to the shareholders of the Company generally, copies of all financial statements, reports and proxy statements so mailed.
- (e) as soon as possible, and in any event within 30 days after the Company knows or has reason to know that any of the events or conditions specified below with respect to any Plan or Multiemployer Plan of the Company have occurred or exist, a statement signed by a senior financial officer of the Company setting forth details respecting such event or condition and the action, if any, which the Company or any ERISA Affiliate proposes to take with respect thereto (and a copy of any report or notice required to be filed with or given to PBGC by the Company or such ERISA Affiliate with respect to such event or condition):

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(i) any reportable event, as defined in Section 4043(b) of ERISA and the regulations issued thereunder, with respect to a Plan, as to which PBGC has not by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days of the occurrence of such event (provided that a failure to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA by more than \$5,000,000 shall be a reportable event regardless of the issuance of any waivers in accordance with Section 412(d) of the Code);

(ii) the filing under Section 4041 of ERISA of a notice of intent to terminate any Plan or the termination of any Plan if at the date of such filing or termination the fair market value of the assets of such Plan, as determined by the Plan's independent actuaries, is exceeded by the present value as determined by such actuaries as of such date, of benefit commitments under such Plan by more than \$5,000,000 (including any prior terminations subject to this provision);

(iii) the institution by PBGC of proceedings under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan of the Company, or the receipt by the Company or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by PBGC with respect to such Multiemployer Plan and such action would reasonably be expected to result in liability to the Company in excess of \$5,000,000;

(iv) the complete or partial withdrawal by the Company or any ERISA Affiliate under Section 4201 or 4204 of ERISA from a Multiemployer Plan causing any withdrawal liability in excess of \$5,000,000 (including any prior withdrawals subject to this provision), or the receipt by the Company or any ERISA Affiliate of notice from a Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA or that it intends to terminate or has terminated under Section 4041A of ERISA; and

(v) the institution of a proceeding by a fiduciary of any Multiemployer Plan against the Company or any ERISA Affiliate to enforce Section 515 of ERISA, which proceeding is not dismissed within 30 days.

(f) promptly after the Company knows or has reason to know that any Default has occurred, a notice of such Default, describing the same in reasonable detail.

(g) from time to time such other information regarding the business, affairs or financial condition of the Company or any of its Subsidiaries (including, without limitation, any Plan or Multiemployer Plan and any reports or other information required to be filed under ERISA) as any Lender or the Administrative Agent may reasonably request.

The Company will furnish to each Lender, at the time it furnishes each set of financial statements pursuant to paragraph (a) or (b) above, a certificate of a senior financial officer of the Company (i) to the effect that no Default has occurred and is continuing (or, if any Default has occurred and is continuing, describing the same in reasonable detail) and (ii) setting forth in reasonable detail the computations necessary to determine whether the Company is in compliance with Sections 8.06, 8.07(a)(vi), 8.08(xiii), 8.10 and 8.11 as of the end of the respective fiscal quarter or fiscal year.

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Notwithstanding the foregoing, the Company's obligations to deliver documents or information required under any of clauses (a), (b), (c) and (d) above shall be deemed to be satisfied upon (i) the relevant documents or information being publicly available on the Company's website or other publicly available electronic medium (such as EDGAR) within the time period required by such clause and thereafter being continuously so available and (ii) the delivery by the Company of notice to the Administrative Agent and each of the Lenders (which notice may be given electronically (such as e-mail)) within the time period required by such clause that such documents or information are so available; provided that the Company shall deliver paper copies of any such documents or information to any Lender upon request of such Lender through the Administrative Agent.

8.02 Litigation. The Company shall promptly furnish to each Lender notice of all legal or arbitral proceedings, and of all proceedings before any governmental or regulatory authority or agency, instituted, or (to the knowledge of the Company) threatened, against the Company or any of its Subsidiaries which could reasonably be expected to have a Material Adverse Effect.

8.03 Corporate Existence, Etc. The Company shall, and shall cause each of its Significant Subsidiaries and each of the other Borrowers to: preserve and maintain its corporate existence and all its material rights, privileges and franchises (except as otherwise expressly permitted under Section 8.07); comply with all Requirements of Law except to the extent that failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect; pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained; maintain all its properties used or useful in its business in good working order and condition, ordinary wear and tear excepted; keep proper books of record and account in which full, true and correct entries are made of all material dealings and transactions in relations to its business and activities; and permit representatives of any Lender or the Administrative Agent, during normal business hours, to examine, copy and make extracts from its books and records, to inspect its properties, and to discuss its business and affairs with its officers, all to the extent reasonably requested by such Lender or the Administrative Agent (as the case may be).

8.04 Insurance. The Company shall, and shall cause each of its Subsidiaries to, keep insured by financially sound and reputable insurers all property of a character usually insured by corporations engaged in the same or similar business similarly situated against loss or damage of the kinds and in the amounts customarily insured against by such corporations and carry such other insurance as is usually carried by such corporations.

8.05 Use of Proceeds. The proceeds of the Credit Extensions hereunder will be used solely for general corporate purposes, including (without limitation) commercial paper

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back-up and acquisitions (each of which uses shall be in compliance with all applicable legal and regulatory requirements, including, without limitation, Regulations U and X of the Board of Governors of the Federal Reserve System and the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder). The Company will not permit more than 25% of the value (as determined by any reasonable method) of its assets, nor more than 25% of the value (as determined by any reasonable method) of the assets of the Company and its Subsidiaries, to be represented by margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System).

8.06 Indebtedness. The Company will not, nor will it permit any of its Subsidiaries to, incur, assume or suffer to exist obligations in respect of standby and performance letters of credit (other than Letters of Credit issued hereunder) in an aggregate amount exceeding 5% of Total Consolidated Assets at any one time outstanding. The Company will not permit any of its Subsidiaries to create, issue, incur or assume, or suffer to exist, any Indebtedness, except:

- (i) Indebtedness existing on the date hereof (including any Indebtedness incurred after the date hereof under any instrument or agreement in effect on the date hereof), but not any renewals, extensions or refinancings of the same;
- (ii) Indebtedness owing to the Company and Indebtedness owing by any Subsidiary to another Subsidiary;
- (iii) Indebtedness of any Person that becomes a Subsidiary of the Company after the date hereof so long as such Indebtedness exists at the time such Person becomes such a Subsidiary and was not incurred in anticipation thereof;
- (iv) Capital Lease Obligations in an aggregate amount not to exceed an amount equal to 5% of Total Consolidated Assets at any one time outstanding;
- (v) Indebtedness in respect of Credit Extensions under this Agreement; and
- (vi) additional Indebtedness in an aggregate amount not to exceed an amount equal to 15% of Total Consolidated Assets at any one time outstanding.

8.07 Fundamental Changes.

(a) The Company will not, and will not permit any of its Subsidiaries to, be a party to any merger or consolidation, and the Company will not, and will not permit any of its Subsidiaries or operating divisions (whether now owned or existing or hereafter acquired or designated) to, (x) sell, assign, lease or otherwise dispose of all or substantially all of its Property whether now owned or hereafter acquired or (y) sell, assign or otherwise dispose of any capital stock of any such Subsidiary, or permit any such Subsidiary to issue any capital stock, to any Person other than the Company or any of its Wholly-Owned Subsidiaries if, after giving effect thereto, the Company does not own, directly or indirectly, a majority of the capital stock of such Subsidiary ("Controlling Stock Disposition"); provided that, so long as both before and after giving effect thereto, no Default shall have occurred and be continuing:

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- (i) the Company or any Subsidiary of the Company may be a party to any merger or consolidation if it shall be the surviving corporation;
- (ii) any such Subsidiary may be a party to any merger or consolidation with another such Subsidiary (or with any Person that becomes another such Subsidiary as a result of such merger or consolidation);
- (iii) any such Subsidiary may merge into, and any such Subsidiary or operating division may transfer any Property to, the Company;
- (iv) any such Subsidiary or operating division may transfer any Property to another such Subsidiary or operating division (or to any Person that becomes as part of such transfer another such Subsidiary or operating division);
- (v) the Company, any such Subsidiary or operating division may sell, assign, lease or otherwise dispose of any Non-Strategic Property; and
- (vi) the Company or any such Subsidiary or operating division may make sales, assignments and other dispositions of Property (including Controlling Stock Dispositions) and any such Subsidiary may become a party to a merger or consolidation (each such sale, assignment, disposition, Controlling Stock Disposition, merger or consolidation, other than those described in clauses (i) through (v), a "Disposition") if the aggregate book value of the Property that was the subject of such Disposition, together with the aggregate book value of the Property that was the subject of all other Dispositions during the Disposition Period for such Disposition, would not exceed an amount equal to 15% of the Total Consolidated Assets determined as of the last day of the most recently completed fiscal year for which a consolidated balance sheet of the Company has been furnished to the Lenders pursuant to Section 8.01.

(b) Notwithstanding anything in clauses (i) through (vi) of Section 8.07(a) to the contrary, the Company will not, and will not permit any of its Subsidiaries or operating divisions (whether now owned or existing or hereafter acquired or designated) to, sell, lease, assign, transfer or otherwise dispose of (whether in one transaction or in a series of transactions) any of its Property (whether now owned or hereafter acquired) if such sale, assignment, lease or other disposition (whether in one transaction or in a series of transactions) shall have a Material Adverse Effect.

8.08 Liens. The Company shall not, and shall not permit any of its Subsidiaries to, create, assume or suffer to exist any Lien upon any of its property or assets, now owned or hereafter acquired, securing any Indebtedness or other obligation except: (i) Liens outstanding on the date hereof and listed in Schedule II hereto; (ii) Liens for taxes or other governmental charges not yet delinquent; (iii) Liens in respect of Property acquired or constructed or improved by the Company or any such Subsidiary after the date hereof which Liens exist or are created at the time of acquisition or completion of construction or improvement of such Property or within six months thereafter to secure Indebtedness assumed or incurred to finance all or any part of the purchase price or cost of construction or improvement of such Property, but any such Lien shall cover only the Property so acquired or constructed and any improvements thereto (and any real

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property on which such Property is located); (iv) Liens on Property of any corporation that becomes a Subsidiary of the Company after the date hereof, provided that such Liens are in existence at the time such corporation becomes a Subsidiary of the Company and were not created in anticipation thereof; (v) Liens on Property acquired after the date hereof, provided that such Liens were in existence at the time such Property was acquired and were not created in anticipation thereof; (vi) Liens imposed by law, such as mechanics', materialmen's, landlords', warehousemen's and carriers' Liens, and other similar Liens, securing obligations incurred in the ordinary course of business which are not past due for more than thirty days or which are being contested in good faith by appropriate proceedings and for which appropriate reserves have been established; (vii) Liens under workmen's compensation, unemployment insurance, social security or similar legislation; (viii) Liens, deposits, or pledges to secure the performance of bids, tenders, contracts (other than contracts for the payment of money), leases, public or statutory obligations, surety, stay, appeal, indemnity, performance or other similar bonds, or other similar obligations arising in the ordinary course of business; (ix) judgment and other similar Liens arising in connection with court proceedings, provided the execution or other enforcement of such Liens is effectively stayed and the claims secured thereby are being actively contested in good faith and by appropriate proceedings; (x) easements, rights-of-way, restrictions and other similar encumbrances which, in the aggregate, do not materially interfere with the occupation, use and enjoyment by the Company or any such Subsidiary of the Property encumbered thereby in the normal course of its business or materially impair the value of the Property subject thereto; (xi) Liens securing obligations of any such Subsidiary to the Company or another Subsidiary of the Company; (xii) Liens arising in connection with Permitted Securitizations; and (xiii) other Liens securing Indebtedness or other obligations in an aggregate amount not exceeding 5% of Total Consolidated Assets.

8.09 Lines of Businesses. Neither the Company nor any of its Subsidiaries shall engage to any significant extent in any line or lines of business other than the lines of business in which they are engaged on the date hereof and any other line or lines of business directly related to the manufacture, distribution and/or sale of consumer or industrial products (collectively, "Permitted Activities"). Notwithstanding the foregoing, the Company and its Subsidiaries may engage in other lines of business as a result of the acquisition of any Person primarily engaged in Permitted Activities so long as the Company uses its best efforts to come into compliance with the first sentence of this Section 8.09 within a reasonable period of time after such acquisition.

8.10 Total Indebtedness to Total Capital. The Company shall not permit the ratio of Total Indebtedness to Total Capital at any time to be greater than 0.60 to 1; provided that (i) in calculating Total Capital, goodwill impairment charges taken pursuant to the Financial Accounting Standards Board shall be disregarded to the extent such charges do not exceed \$550,000,000 in the aggregate and (ii) in calculating such ratio, quarterly income preferred securities, quarterly income capital securities, monthly income preferred securities or other similar securities will be treated as part of "Total Capital" and not "Total Indebtedness".

8.11 Interest Coverage Ratio.

The Company shall not permit the Interest Coverage Ratio as at the last day of any fiscal quarter to be less than 4.00 to 1.00.

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8.12 Transactions with Affiliates The Company shall not, and shall not permit any of its Subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) at prices and on terms and conditions not less favorable to the Company or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties and (b) transactions between or among the Company and its Subsidiaries not involving any other Affiliate.

SECTION 9. EVENTS OF DEFAULT. If one or more of the following events (herein called "Events of Default") shall occur and be continuing:

- (a) Any Borrower shall default in the payment of any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable; or
- (b) Any Borrower shall default in the payment of any interest on any Loan or on any reimbursement obligation in respect of any LC Disbursement or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable hereunder or under any other Credit Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five days; or
- (c) The Company or any of its Subsidiaries shall default in the payment when due of any principal of or interest on any of its other Indebtedness aggregating \$50,000,000 or more; or any event specified in any note, agreement, indenture or other document evidencing or relating to any Indebtedness aggregating \$50,000,000 or more shall occur if the effect of such event is to cause, or (with the giving of any notice or the lapse of time or both) to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, such Indebtedness to become due prior to its stated maturity or to permit termination of the commitment to lend pursuant to any such instrument or agreement; or
- (d) Any representation, warranty or certification made or deemed made by the Company herein or in any Designation Letter or by the Company in any certificate furnished to any Lender or the Administrative Agent pursuant to the provisions hereof or thereof, shall prove to have been false or misleading as of the time made or furnished in any material respect; or
- (e) The Company shall default in the performance of any of its obligations under Section 8.01(f) or 8.05 through 8.12; or the Company shall default in the performance of any of its other obligations in this Agreement and such default shall continue unremedied for a period of 30 days after notice thereof to the Company by the Administrative Agent or any Lender (through the Administrative Agent); or
- (f) The Company or any of its Significant Subsidiaries shall admit in writing its inability to, or be generally unable to, pay its debts as such debts become due; or

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(g) The Company or any of its Significant Subsidiaries shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property, (ii) make a general assignment for the benefit of its creditors, (iii) commence a voluntary case under the Bankruptcy Code (as now or hereafter in effect), (iv) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or readjustment of debts, (v) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (vi) take any corporate action for the purpose of effecting any of the foregoing; or

(h) A proceeding or case shall be commenced against the Company or any of its Significant Subsidiaries without its application or consent, in any court of competent jurisdiction, seeking (i) its liquidation, reorganization, dissolution or winding-up, or the composition or readjustment of its debts, (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of it or of all or any substantial part of its assets, or (iii) similar relief in respect of it under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 60 days; or an order for relief against it shall be entered in an involuntary case under the Bankruptcy Code; or

(i) A final judgment or judgments for the payment of money in excess of \$50,000,000 in the aggregate shall be rendered by a court or courts against the Company and/or any of its Subsidiaries and the same shall not be discharged (or provision shall not be made for such discharge), or a stay of execution thereof shall not be procured, within 30 days from the date of entry thereof and the Company or the relevant Subsidiary shall not, within said period of 30 days, or such longer period during which execution of the same shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal; or

(j) An event or condition specified in Section 8.01(e) shall occur or exist with respect to any Plan or Multiemployer Plan of the Company and, as a result of such event or condition, together with all other such events or conditions, the Company or any ERISA Affiliate shall incur or in the opinion of the Majority Lenders shall be reasonably likely to incur a liability to a Plan, a Multiemployer Plan or PBGC (or any combination of the foregoing) which, in the determination of the Majority Lenders, would reasonably be expected to have a Material Adverse Effect; or

(k) During any period of 25 consecutive calendar months (i) individuals who were directors of the Company on the first day of such period and (ii) other individuals whose election or nomination to the Board of Directors of the Company was approved by at least a majority of the individuals referred to in clause (i) above and (iii) other individuals whose election or nomination to the Board of Directors of the Company was approved by at least a majority of the individuals referred to in clauses (i) and (ii) above shall no longer constitute a majority of the Board of Directors of the Company; or

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(l) The Guarantee provided in Section 11, or any provisions thereof, shall cease to be in full force and effect in all material respects, or any guarantor thereunder or any Person acting on behalf of such guarantor shall deny or disaffirm such guarantor's obligations under such Guarantee or shall default in the due performance or observance of any term, covenant or agreement on its part to be performed or observed pursuant to such Guarantee;

THEREUPON: (i) in the case of an Event of Default (other than one referred to in clause (g) or (h) of this Section 9 in respect of the Company) (x) the Administrative Agent may and, upon request of the Majority Lenders, shall, by notice to the Company, cancel the Commitments and (y) the Administrative Agent may and, upon request of the Majority Lenders, shall, by notice to the Company, declare the principal amount of and the accrued interest on the Loans, and all other amounts payable by the Company or any other Borrower hereunder and under the Notes, to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Company and each other Borrower; and (ii) in the case of the occurrence of an Event of Default referred to in clause (g) or (h) of this Section 9 in respect of the Company, the Commitments shall be automatically cancelled and the principal amount then outstanding of, and the accrued interest on, the Loans and all other amounts payable by the Company or any other Borrower hereunder and under the Notes shall become automatically immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Company and each other Borrower.

In addition, in the case of the occurrence of any event of the type referred to in clause (g) or (h) of this Section 9 in respect of any Designated Borrower, the principal amount then outstanding of, and accrued interest on, the Loans and other amounts payable by such Designated Borrower hereunder and under its Notes shall automatically become immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by such Designated Borrower and the Company.

If an Event of Default shall occur and be continuing, the Administrative Agent or the Majority Lenders may require the Company (or, in case of any Event of Default described in clause (g) or (h) of this Section 9, the Company shall become immediately obligated) to deposit cash collateral pursuant to Section 2.04(j).

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SECTION 10. THE ADMINISTRATIVE AGENT.

10.01 Appointment, Powers and Immunities. Each Lender and each Issuing Bank hereby irrevocably (but subject to Section 10.08) appoints and authorizes the Administrative Agent to act as its agent hereunder with such powers as are specifically delegated to the Administrative Agent by the terms of this Agreement together with such other powers as are reasonably incidental thereto. The Administrative Agent (which term as used in this sentence and in Section 10.05 and the first sentence of Section 10.06 shall include reference to its Affiliates and its own and its affiliates' officers, directors, employees and agents): (a) shall have no duties or responsibilities except those expressly set forth in this Agreement and shall not by reason of this Agreement be a trustee for any Lender; (b) shall not be responsible to the Lenders for any recitals, statements, representations or warranties contained in this Agreement or in any certificate or other document referred to or provided for in, or received by any of them under, this Agreement or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement, any Note or any other document referred to or provided for herein or for any failure by the Company or any other Person to perform any of its obligations hereunder or thereunder; (c) shall not be required to initiate or conduct any litigation or collection proceedings hereunder; and (d) shall not be responsible for any action taken or omitted to be taken by it hereunder or under any other document or instrument referred to or provided for herein or in connection herewith, except for its own gross negligence or willful misconduct. The Administrative Agent may employ agents and attorneys-in-fact and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care.

10.02 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon any certification, notice or other communication (including any thereof by telephone, telex, telegram or cable) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the Administrative Agent. As to any matters not expressly provided for by this Agreement, the Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder in accordance with instructions signed by the Majority Lenders (or such other number of Lenders as is expressly required hereby), and such instructions of the Majority Lenders (or such other number of Lenders) and any action taken or failure to act pursuant thereto shall be binding on all the Lenders.

10.03 Defaults. The Administrative Agent shall not be deemed to have knowledge of the occurrence of a Default unless the Administrative Agent has received notice from a Lender or the Company specifying such Default and stating that such notice is a "Notice of Default". In the event that the Administrative Agent receives such a notice of the occurrence of a Default, the Administrative Agent shall give prompt notice thereof to the Lenders. The Administrative Agent shall (subject to Section 10.07) take such action with respect to such Default as shall be directed by the Majority Lenders, provided that, unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interest of the Lenders.

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10.04 Rights as a Lender. With respect to its Commitment and the Loans made by it, JPMCB (and any successor acting as Administrative Agent), in its capacity as a Lender hereunder shall have the same rights and powers hereunder as any other Lender and may exercise the same as though it were not acting as the Administrative Agent, and the term “Lender” or “Lenders” shall, unless the context otherwise indicates, include the Administrative Agent in its individual capacity. JPMCB (and any successor acting as Administrative Agent) and its Affiliates may (without having to account therefor to any Lender) accept deposits from, lend money to and generally engage in any kind of banking, trust or other business with the Company (and any of its Affiliates) as if it were not acting as the Administrative Agent, and JPMCB and its Affiliates may accept fees and other consideration from the Company for services in connection with this Agreement or otherwise without having to account for the same to the Lenders.

10.05 Indemnification. The Lenders agree to indemnify the Administrative Agent (to the extent not reimbursed under Section 12.03, but without limiting the obligations of the Company under said Section 12.03), ratably in accordance with their respective Commitments, for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any other documents contemplated by or referred to herein or the transactions contemplated hereby (including, without limitation, the costs and expenses which the Company is obligated to pay under Section 12.03 but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder) or the enforcement of any of the terms hereof, or of any such other documents, provided that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

10.06 Non-Reliance on Administrative Agent and Other Lenders. Each Lender agrees that it has, independently and without reliance on the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis of the Company and its Subsidiaries and decision to enter into this Agreement and that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis and decisions in taking or not taking action under this Agreement. The Administrative Agent shall not be required to keep itself informed as to the performance or observance by any Obligor of this Agreement or any other document referred to or provided for herein or to inspect the properties or books of the Company or any Subsidiary of the Company. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of the Company or any Subsidiary of the Company (or any of their affiliates) which may come into the possession of the Administrative Agent or any of its Affiliates.

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10.07 Failure to Act. Except for action expressly required of the Administrative Agent hereunder the Administrative Agent shall in all cases be fully justified in failing or refusing to act hereunder unless it shall be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action.

10.08 Resignation or Removal of Administrative Agent. Subject to the appointment and acceptance of a successor Administrative Agent as provided below, the Administrative Agent may resign at any time by giving notice thereof to the Lenders and each Issuing Bank, and the Company and the Administrative Agent may be removed at any time with or without cause by the Majority Lenders. Upon any such resignation or removal, the Majority Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent's giving of notice of resignation or the Majority Lenders' removal of the retiring Administrative Agent, then the retiring Administrative Agent may, on behalf of the Lenders and each Issuing Bank, appoint a successor Administrative Agent, which shall be a bank with a combined capital and surplus of at least \$100,000,000 which has an office in New York, New York. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. After any retiring Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Section 10 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent.

10.09 Lead Arranger and Other Agents.

Anything herein to the contrary notwithstanding, the Sole Lead Arranger and Sole Bookrunner and the Co-Syndication Agents listed on the cover page shall not have any duties or responsibilities under this Agreement, except in their capacity, if any, as Lenders.

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SECTION 11. GUARANTEE.

11.01 Guarantee. The Company hereby guarantees to each Lender and the Administrative Agent and their respective successors and assigns the prompt payment in full when due (whether at stated maturity, by acceleration, by optional prepayment or otherwise) of the principal of and interest on the Loans made by the Lenders to, and the Notes held by each Lender of, any Designated Borrower and all other amounts from time to time owing to the Lenders or the Administrative Agent by any Designated Borrower under this Agreement pursuant to its Designation Letter and under the Notes, in each case strictly in accordance with the terms thereof (such obligations being herein collectively called the "Guaranteed Obligations"). The Company hereby further agrees that if any Designated Borrower shall fail to pay in full when due (whether at stated maturity, by acceleration, by optional prepayment or otherwise) any of the Guaranteed Obligations, the Company will promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Guaranteed Obligations, the same will be promptly paid in full when due (whether at extended maturity, by acceleration or otherwise) in accordance with the terms of such extension or renewal.

11.02 Obligations Unconditional. The obligations of the Company hereunder are unconditional irrespective of (a) the value, genuineness, validity, regularity or enforceability of any of the Guaranteed Obligations, (b) any modification, amendment or variation in or addition to the terms of any of the Guaranteed Obligations or any covenants in respect thereof or any security therefor, (c) any extension of time for performance or waiver of performance of any covenant of any Designated Borrower or any failure or omission to enforce any right with regard to any of the Guaranteed Obligations, (d) any exchange, surrender, release of any other guaranty of or security for any of the Guaranteed Obligations, or (e) any other circumstance with regard to any of the Guaranteed Obligations which may or might in any manner constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent hereof that the obligations of the Company hereunder shall be absolute and unconditional under any and all circumstances.

The Company hereby expressly waives diligence, presentment, demand, protest, and all notices whatsoever with regard to any of the Guaranteed Obligations and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against any Designated Borrower hereunder or under the Designation Letter of such Designated Borrower or any Note of such Designated Borrower or any other guarantor of or any security for any of the Guaranteed Obligations.

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11.03 Reinstatement. The guarantee in this Section 11 shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Designated Borrower in respect of the Guaranteed Obligations is rescinded or must be otherwise restored by any holder(s) of any of the Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise.

11.04 Subrogation. Until the termination of the Commitments and the payment in full of the principal of and interest on the Loans and all other amounts payable to the Administrative Agent or any Lender hereunder, the Company hereby irrevocably waives all rights of subrogation or contribution, whether arising by operation of law (including, without limitation, any such right arising under the Bankruptcy Code) or otherwise, by reason of any payment by it pursuant to the provisions of this Section 11.

11.05 Remedies. The Company agrees that, as between the Company on the one hand and the Lenders and the Administrative Agent on the other hand, the obligations of any Designated Borrower guaranteed under this Agreement may be declared to be forthwith due and payable, or may be deemed automatically to have been accelerated, as provided in Section 9, for purposes of Section 11.01 notwithstanding any stay, injunction or other prohibition (whether in a bankruptcy proceeding affecting such Designated Borrower or otherwise) preventing such declaration as against such Designated Borrower and that, in the event of such declaration or automatic acceleration such obligations (whether or not due and payable by such Designated Borrower) shall forthwith become due and payable by the Company for purposes of said Section 11.01.

11.06 Continuing Guarantee. The guarantee in this Section 11 is a continuing guarantee and shall apply to all Guaranteed Obligations whenever arising.

SECTION 12. MISCELLANEOUS.

12.01 Waiver. No failure on the part of the Administrative Agent, any Issuing Bank or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Agreement, any Designation Letter or any Note shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Agreement, any Designation Letter or any Note preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein and therein are cumulative and not exclusive of any remedies provided by law.

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12.02 Notices. All notices and other communications provided for herein (including, without limitation, any modifications of, or requests, demands, waivers or consents under, this Agreement) shall be given or made in writing and telecopied, mailed or delivered to the intended recipient at (i) in the case of the Company, each Issuing Bank or the Administrative Agent, the "Address for Notices" specified below its name on the signature pages hereof and (ii) in the case of each Lender, the address (or telecopy) set forth in its Administrative Questionnaire; or, as to any party, at such other address as shall be designated by such party in a notice to each other party. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted by telecopier or personally delivered or, in the case of a mailed notice, upon receipt, in each case given or addressed as aforesaid. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Company may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Each Designated Borrower hereby agrees that each notice or other communication provided for herein may be furnished to the Company or by the Company on its behalf in the manner specified above and each Designated Borrower further agrees that failure of the Company to deliver to such Designated Borrower any notice furnished in accordance with this Section 12.02 shall not affect the validity of such notice.

12.03 Expenses, Etc. The Company agrees to pay or reimburse each of the Lenders, each Issuing Bank and the Administrative Agent for paying: (a) the reasonable fees and expenses of Milbank, Tweed, Hadley & McCloy LLP, special New York counsel to the Administrative Agent, in connection with (i) the preparation, execution and delivery of this Agreement, the Designation Letters and the Notes, the making of the Loans hereunder and the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (ii) any amendment, modification or waiver (whether or not such amendment, modification or waiver shall become effective) of any of the terms of this Agreement or any of the Notes; (b) all reasonable costs and expenses of the Lenders, each Issuing Bank and the Administrative Agent (including reasonable counsels' fees) in connection with the enforcement of this Agreement, any Designation Letter or any of the Notes; and (c) all transfer, stamp, documentary or other similar taxes, assessments or charges levied by any governmental or revenue authority in respect of this Agreement, any Designation Letter, any of the Notes or any other document referred to herein.

The Company hereby agrees to indemnify the Administrative Agent, each Issuing Bank and each Lender and each of their respective Affiliates, and each of the respective directors, officers, employees, agents and advisors of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the

Credit Agreement

parties hereto of their respective obligations hereunder or the consummation of the transactions contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by an Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit) or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.

12.04 Amendments, Etc. Except as otherwise expressly provided in this Agreement, any provision of this Agreement may be amended or modified only by an instrument in writing signed by the Company, the Administrative Agent and the Majority Lenders, or by the Company, and the Administrative Agent acting with the consent of the Majority Lenders, and any provision of this Agreement may be waived by the Majority Lenders or by the Administrative Agent acting with the consent of the Majority Lenders; provided that no amendment, modification or waiver shall, unless by an instrument signed by each of the Lenders affected thereby or by the Administrative Agent acting with the consent of each of the Lenders affected thereby: (i) increase or extend the term, or extend the time or waive any requirement for the reduction or termination, of the Commitments, (ii) extend the date fixed for the payment of any principal of or interest on any Loan or LC Disbursement, (iii) reduce the amount of any principal of any Loan or LC Disbursement or the rate at which interest or any fee is payable hereunder, (iv) alter the terms of Section 11 or release the Company from any of its material obligations thereunder, (v) alter the terms of this Section 12.04 or (vi) amend the definition of the term "Majority Lenders" or modify in any other manner the number or percentage of the Lenders required to make any determinations or waive any rights hereunder or to modify any provision hereof; and provided, further, that any amendment of Section 10, or which increases the obligations or alters the rights of the Administrative Agent or each Issuing Bank hereunder, shall require the consent of the Administrative Agent or such Issuing Bank, as the case may be.

12.05. Assignments and Participations.

(a) No Obligor may assign any of its rights or obligations hereunder or under the Notes without the prior consent of all of the Lenders and the Administrative Agent.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of (A) the Company, provided that no consent of the Company shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee; and (B) the Administrative Agent and each Issuing Bank.

(ii) Assignments shall be subject to the following additional conditions:

Credit Agreement

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment, the amount of the Commitment of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless each of the Company, the Administrative Agent and each Issuing Bank otherwise consent, provided that no such consent of the Company shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not apply to rights in respect of outstanding Competitive Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section 12.05, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 5.01, 5.05, 5.06 and 12.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.05(b) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.05(c).

(iv) The Administrative Agent, acting for this purpose as an agent of the Company, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Company, the Administrative Agent, each Issuing Bank and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Company, each Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

Credit Agreement

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in Section 12.05(b) and any written consent to such assignment required thereby, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Company, the Administrative Agent or each Issuing Bank, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Company, the Administrative Agent, each Issuing Bank and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 12.04 that affects such Participant. Subject to paragraph (c)(ii) of this Section 12.05, the Company agrees that each Participant shall be entitled to the benefits of Sections 5.01, 5.05 and 5.06 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section 12.05. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 4.05(a) as though it were a Lender, provided such Participant agrees to be subject to Section 4.05(b) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 5.01 or 5.06 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Company's prior written consent.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(e) A Lender may furnish any information concerning the Company or any of its Subsidiaries in the possession of such Lender from time to time to assignees and participants (including prospective assignees and participants).

Credit Agreement

12.06 Survival. The obligations of any Borrower under Sections 5.01, 5.05 and 5.06, the obligations of the Lenders under Section 10.05 and the obligations of the Company under Section 12.03 shall survive the repayment of the Loans, the expiration or termination of the Letters of Credit and the termination of the Commitments. In addition, each representation and warranty made, or deemed to be made, by a notice of borrowing of Loans or the issuance or extension of Letters of Credit hereunder shall survive the making of such Loans or the issuance or extension of such Letters of Credit, and no Lender or Issuing Bank shall be deemed to have waived, by reason of making any Loan or the issuance or extension of any Letter of Credit, any Default or Event of Default which may arise by reason of such representation or warranty proving to have been false or misleading, notwithstanding that such Lender, Issuing Bank or the Administrative Agent may have had notice or knowledge or reason to believe that such representation or warranty was false or misleading at the time such Loan was made or such Letter of Credit was issued.

12.07 Captions. Captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

12.08 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts, each of which shall be identical and all of which, when taken together, shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart. Except as provided in Section 6.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page to this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

12.09 Governing Law; Jurisdiction; Service of Process; Waiver of Jury Trial; Etc.

(a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, AND ANY ACTION OR PROCEEDING TO EXECUTE OR OTHERWISE ENFORCE ANY JUDGMENT OBTAINED IN CONNECTION THEREWITH, MAY BE INSTITUTED IN THE SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NEW YORK OR IN THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, AND EACH OBLIGOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS GENERALLY (BUT NON-EXCLUSIVELY) TO THE JURISDICTION OF EACH SUCH COURT. THE COMPANY IRREVOCABLY CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO THE COMPANY AT ITS ADDRESS SET FORTH UNDERNEATH ITS SIGNATURE HERETO. EACH DESIGNATED BORROWER HEREBY AGREES THAT SERVICE OF PROCESS IN

Credit Agreement

ANY SUCH ACTION OR PROCEEDING BROUGHT IN NEW YORK MAY BE MADE UPON SUCH DESIGNATED BORROWER BY SERVICE UPON THE COMPANY AT THE "ADDRESS FOR NOTICES" SPECIFIED BELOW ITS NAME ON THE SIGNATURE PAGES HEREOF AND EACH DESIGNATED BORROWER HEREBY IRREVOCABLY APPOINTS THE COMPANY AS ITS AUTHORIZED AGENT ("PROCESS AGENT") TO ACCEPT, ON BEHALF OF ITSELF AND ITS PROPERTY, SUCH SERVICE OF PROCESS IN NEW YORK. EACH OBLIGOR AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. EACH OBLIGOR IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OBLIGOR FURTHER AGREES THAT ANY SUCH ACTION OR PROCEEDING AGAINST THE ADMINISTRATIVE AGENT, ANY ISSUING BANK AND/OR ANY OF THE LENDERS SHALL BE BROUGHT ONLY IN THE SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NEW YORK OR IN THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND THE ADMINISTRATIVE AGENT, EACH ISSUING BANK AND THE LENDERS HEREBY CONSENT TO THE JURISDICTION OF SUCH COURTS FOR SUCH PURPOSE.

(b) EACH OF THE OBLIGORS, THE ADMINISTRATIVE AGENT, EACH ISSUING BANK AND THE LENDERS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Credit Agreement

12.10 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

12.11 Judgment Currency. This is an international loan transaction in which the specification of Dollars or an Alternative Currency, as the case may be (the "Specified Currency"), and any payment in New York City or the country of the Specified Currency, as the case may be (the "Specified Place"), is of the essence, and the Specified Currency shall be the currency of account in all events relating to Loans denominated in the Specified Currency. The payment obligations of the Obligor under this Agreement and the Notes shall not be discharged by an amount paid in another currency or in another place, whether pursuant to a judgment or otherwise, to the extent that the amount so paid on conversion to the Specified Currency and transfer to the Specified Place under normal banking procedures does not yield the amount of the Specified Currency due hereunder at the Specified Place. If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Specified Currency into another currency (the "Second Currency"), the rate of exchange which shall be applied shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the Specified Currency with the Second Currency on the Business Day next preceding that on which such judgment is rendered. The obligation of each Obligor in respect of any such sum due from it to the Administrative Agent or any Lender hereunder (an "Entitled Person") shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by such Entitled Person of any sum adjudged to be due hereunder or under the Notes in the Second Currency such Entitled Person may in accordance with normal banking procedures purchase and transfer to the Specified Place the Specified Currency with the amount of the Second Currency so adjudged to be due; and each Obligor hereby, as a separate obligation and notwithstanding any such judgment, agrees to indemnify such Entitled Person against, and to pay such Entitled Person on demand in the Specified Currency, any difference between the sum originally due to such Entitled Person in the Specified Currency and the amount of the Specified Currency so purchased and transferred.

12.12. USA PATRIOT Act. Each Lender hereby notifies the Borrowers that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), such Lender may be required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of the Borrowers and other information that will allow such Lender to identify the Borrowers in accordance with said Act.

12.13. Waiver of Notice under Existing Credit Agreement. By its execution hereof, each undersigned Lender that also is a party to the credit agreement referred to in Section 6.01(c) hereby waives the provisions of such credit agreement that would require advance notice for the termination of commitments thereunder; provided that the foregoing waiver shall apply only to the termination of all commitments under such credit agreement and repayment of all loans outstanding thereunder in connection with the effectiveness of this Agreement.

Credit Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

NEWELL RUBBERMAID INC.

By /s/ Douglas L. Martin

Name: Douglas L. Martin

Title: Vice President-Treasurer

Address for Notices:

Newell Rubbermaid Inc.

29 East Stephenson Street

Freeport, Illinois 61032

Attn: Douglas L. Martin

Vice President-Treasurer

Telecopier No.: (815)-233-8618

Telephone No.: (815)-233-8040

U.S. Federal Tax Identification No.: 36-3514169

Credit Agreement

THE ADMINISTRATIVE AGENT

JPMORGAN CHASE BANK, N.A.
as Administrative Agent

By /s/ Barbara R. Marks

Name: Barbara R. Marks

Title: Vice President

Address for Notices:

JPMorgan Chase Bank, N.A.
1111 Fannin Street, 10th Floor
Houston, Texas 77002-8069
Attention: Loan and Agency

Telecopier No.: (713) 750-2782

Telephone No.: (713) 750-2789

Credit Agreement

LENDERS

JPMORGAN CHASE BANK, N.A.

By /s/ Barbara R. Marks

Name: Barbara R. Marks

Title: Vice President

Credit Agreement

By /s/ Sharon Burks Horos

Name: Sharon Burks Horos

Title: Vice President

Credit Agreement

By /s/ David Barton
Name: David Barton
Title: Associate Director

Credit Agreement

BNP PARIBAS

By /s/ Jo Ellen Bender

Name: Joe Ellen Bender

Title: Managing Director

BNP PARIBAS

By /s/ Christopher S. Grumboski

Name: Christopher S. Grumboski

Title: Director

Credit Agreement

By /s/ Carolyn A. Kee

Name: Carolyn A. Kee

Title: Vice President

Credit Agreement

By /s/ Janine M. Shugan

Name: Janine M. Shugan

Title: Authorized Signatory

Credit Agreement

By /s/ Tsuguyuki Umene
Name: Tsuguyuki Umene
Title: Deputy General Manager

Credit Agreement

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

Credit Agreement

By /s/ Sean Hassett

Name: Sean Hassett

Title: Vice President

By /s/ Alan Duffy

Name: Alan Duffy

Title: Director

Credit Agreement

By /s/ David C. Fisher

Name: David C. Fisher

Title: Vice President

Credit Agreement

By /s/ Scott DeTraglia

Name: Scott DeTraglia

Title: Asst. Vice President

Credit Agreement

By /s/ Scott Tuhy

Name: Scott Tuhy

Title: Director

Credit Agreement

U.S. BANK, N.A.

By /s/ James N. DeVries

Name: James N. DeVries

Title: Senior Vice President

Credit Agreement

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Commitments

JPMorgan Chase Bank, N.A.	\$105,000,000
Bank of America, N.A.	\$ 75,000,000
Barclays Bank PLC	\$ 75,000,000
BNP Paribas	\$ 75,000,000
Citicorp USA, Inc.	\$ 75,000,000
Lehman Commercial Paper Inc.	\$ 60,000,000
The Bank of Tokyo-Mitsubishi, Ltd., Chicago Branch	\$ 60,000,000
William Street Commitment Corporation	\$ 60,000,000
ING Bank, N.V., Dublin Branch	\$ 40,000,000
The Northern Trust Company	\$ 40,000,000
The Bank of New York	\$ 35,000,000
National Australia Bank	\$ 25,000,000
U.S. Bank, N.A.	\$ 25,000,000
Total	\$750,000,000

Commitments

LIST OF INDEBTEDNESS

	Lender or Trustee	Type of Arrangement	Maximum or Original Amount (\$)	Outstanding Amount (\$) As of 9/30/2005
Newell Rubbermaid Inc.				
1.)	J.P. Morgan Chase Bank	Commercial Paper	\$650,000,000	\$ 0
2.)	J.P. Morgan Chase Bank (As Agent)	Revolver		\$ 0
3.)	J.P. Morgan Chase Bank (Trustee)	Medium Term Notes	\$337,000,000	\$337,000,000
4.)	J.P. Morgan Chase Bank (Trustee)	Medium Term Notes	\$500,000,000	\$500,000,000
5.)	J.P. Morgan Chase Bank (Trustee)	Medium Term Notes	\$250,000,000	\$250,000,000
6.)	J.P. Morgan Chase Bank (Trustee)	Medium Term Notes	\$899,233,000	\$250,000,000
7.)	Northern Trust	Line of Credit	\$ 10,000,000	\$ 0
8.)	Rabobank N.V.	A/R Securitization	\$450,000,000	\$450,000,000
Newell Financial Trust I				
1.)	J.P. Morgan Chase Bank (Trustee)	QUIPS	\$500,000,000	\$421,246,750
Rubbermaid Inc.				
1.)	U.S. Bank (Trustee)	Senior Notes	\$150,000,000	\$150,000,000
Newell Ltd.				
Parker Pen Company				
Irwin Industrial Tool Company Ltd.				
*1.)	Barclays Bank PLC**	Line of Credit	\$25,899,644	\$ 0
Irwin Industrial Tools GmbH				
*1.)	Commerzbank AG**	Line of Credit	\$24,641,000	\$ 0
Waterman S.A.S.				
*1.)	Banque Nationale de Paris**	Line of Credit	\$18,030,000	\$5,899,988

List of Indebtedness

Newell S.A.S.			
*1.) Banque Nationale de Paris**	Line of Credit	\$6,010,000	\$ 0
Newell Rubbermaid Nederland B.V.			
Rubbermaid B.V.			
Swish Benelus N.V.			
Newell Rubbermaid Luxembourg SARL			
Newell S.A.S.			
Newell Rubbermaid Shared Services Europe B.V.			
Irwin Industrial Tool Company A/S			
Newell Tools Netherlands B.V.			
American Tool Companies Holding B.V.			
Newell Ireand			
Sanford N.V.			
Newell S.P.R.L.			
Irwin Industrial Tool Company Sp.z.o.o.			
*1.) ING Bank N.V.**	Line of Credit	\$25,110,350	\$ 0
Newell Window Fashions Italia S.r.L.			
*1.) Banca di Roma	Line of Credit	\$25,000,000	\$ 0
Newell Rubbermaid Poland S.A.			
*1.) Citibank Handlowy S.A.**	Line of Credit	\$23,333,243	\$ 0
Berol S. de R.L. de C.V.			
Rubbermaid de Mexico S.A. de C.V.			
Newell Window Furnishings de Mexico S.de R.L. de C.V.			
Productos Infantiles Century S. de R.L. de C.V.			
Comercial Berol S. de R.L. de C.V.			
American Tool de Mexico S. de R.L. de C.V.			
Amerock Hardware Systems de Mexico S. de R.L. de C.V.			
*1.) Banamex	Line of Credit	\$23,100,000	\$ 0
Irwin Industrial Tool Ferramentas do Brasil Ltda.			
*1.) Banco Bradesco	Line of Credit	\$10,000,000	\$ 0
Newell Sanford S.A.			
1.) Banco De Bogota**	Line of Credit	\$6,112,680	\$2,233,660
2.) Banco Davivienda**	Line of Credit	\$6,549,300	\$2,427,481
Sanford Stationery Company Ltd.			
*1.) The Bank of Tokyo-Mitsubishi Ltd.	Line of Credit	\$6,000,000	\$1,584,570

List of Indebtedness

Parker Pen (Shanghai) Ltd.

Papermate Stationery (Dongguan) Co. Ltd.

*1.) The Bank of Tokyo-Mitsubishi Ltd.**	Line of Credit	\$9,019,880	\$0
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Newell Australia Pty. Ltd.

Irwin Industrial Tool Company Pty. Ltd.

*1.) National Australia Bank Ltd.**	Line of Credit	\$7,514,100	\$0
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* Guaranteed by Newell Rubbermaid Inc.

** U.S. Dollar Equivalent

List of Indebtedness

LIST OF CERTAIN LIENS

None.

List of Certain Liens

[Form of Opinion of Special Illinois Counsel]

November 14, 2005

Each of the Lenders party
to the Credit Agreement referred to below

JPMorgan Chase Bank, N.A.
as Administrative Agent

Ladies and Gentlemen:

We have acted as special counsel to Newell Rubbermaid Inc., a corporation organized under the laws of Delaware (the "Company"), in connection with the Credit Agreement dated as of the date hereof (the "Credit Agreement"), among the Company, the Lenders party thereto and JPMorgan Chase Bank, N.A., in its capacity as administrative agent for the Lenders. This opinion letter is being delivered at the request of the Company pursuant to Section 6.01(a)(iv) of the Credit Agreement. Capitalized terms used in this opinion letter which are defined in the Credit Agreement and not otherwise defined in this opinion letter shall have the meanings given to them in the Credit Agreement.

We have examined such documents and matters of law which we have deemed necessary as the basis for the opinions expressed below. The documents examined include the following:

- (i) A copy of the Credit Agreement executed by the Company and copies of the Notes (if any) dated the date hereof executed by the Company (the Notes and the Credit Agreement being, collectively, the "Credit Documents");
- (ii) A copy of the certificate of incorporation of the Company and all amendments thereto, certified by the Secretary of the Company;
- (iii) A copy of the by-laws of the Company and all amendments thereto, certified by the Secretary of the Company;
- (iv) A copy of the resolutions of the board of directors of the Company authorizing the execution and delivery of the Credit Documents, certified by the Secretary of the Company;

Form of Opinion of Special Illinois Counsel

(v) A certificate of the Secretary of the Company as to the incumbency and specimen signatures of the officer of the Company executing the Credit Documents; and

(vi) A certificated of the Secretary of State of Delaware as to the corporate existence and good standing of the Company.

In making our examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity with the originals of all documents submitted to us as copies and the legal capacity of all natural persons. As to matters of fact material to our opinions in this letter, we have relied on certificates of officers of the Company, public officials and other appropriate persons and on the representations made in the Credit Agreement. We have not independently investigated or verified any of the foregoing.

In rendering the opinions in this letter we have assumed, without independent investigation or verification, that each party to the Credit Agreement, other than the Company, (a) is validly existing and in good standing under the laws of its jurisdiction of organization, (b) has full power and authority to execute the Credit Agreement and to enter into the transactions contemplated therein, (c) has taken all necessary action to authorize execution of the Credit Agreement by the person executing the Credit Agreement on its behalf, (d) has properly executed and delivered the Credit Agreement, and (e) has duly obtained all consents or approvals of any nature from and made all filings and registrations with any governmental authorities necessary for such party to execute, delivery or perform its obligations under the Credit Agreement. In addition, in rendering such opinions we have assumed, without independent investigation or verification, that the execution and delivery of, and performance of their respective agreements under, the Credit Agreement by each party thereto other than the Company do not violate any law, rule, regulation, agreement or instrument binding upon such party, that the Credit Agreement is the legal, valid and binding obligation of, and enforceable against, each party thereto other than the Company, and, except to the extent covered by our opinions in paragraphs 4 and 5 below, that the execution and delivery by the Company of, and performance by it of its agreements under, the Credit Agreement do not violate any law, rule, regulation, agreement or instrument binding upon the Company or require any consent or approval from or filing or registration with any governmental authority.

In rendering our opinions herein we have also assumed, without independent investigation or verification, that there is no oral or written agreement, understanding, course of dealing or usage of trade that amends any term of the Credit Documents, or any waiver of any such term, that the Credit Documents are accurate and complete and that there has been no mutual mistake of fact or fraud, duress, undue influence or similar inequitable conduct.

For the purpose of this opinion letter, our “knowledge” (or any similar concept) with respect to any matter means (1) the actual knowledge regarding such matter of the particular Schiff Hardin LLP attorneys who are presently employees or partners of Schiff Hardin LLP and who have represented the Company in connection with the transactions contemplated by the Credit Agreement, (2) we have not undertaken any review of our files or other independent investigation with respect to any such matter and (3) no inference that we have actual knowledge concerning such matter should be drawn from the mere fact of our representation of the Company or our expression of any opinion in this letter.

Form of Opinion of Special Illinois Counsel

The opinions contained in this letter are only expressions of professional judgment regarding the legal matters addressed and are not guarantees that a court would reach any particular result.

Based on the foregoing and subject to the qualifications set forth below, we are of the opinion that:

1. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware.

2. The Company has the corporate power and authority to execute, deliver and perform its obligations under the Credit Documents, and the execution, delivery and performance thereof by the Company has been duly authorized by all necessary corporate action on the part of the Company.

3. Each Credit Document has been duly executed and delivered by the Company and constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.

4. Neither the execution and delivery by the Company of the Credit Documents nor the performance by the Company of its obligations thereunder (nor the borrowing by, or guarantee of, the Company under the Credit Agreement) (i) violates the certificate of incorporation or by-laws of the Company, (ii) violates any law, rule or regulation applicable to the Company, (iii) violates any judgment, injunction, order or decree listed in the Officer's Certificate of the Company attached to this opinion letter as Exhibit A, or (iv) breaches, or results in a default or creation of a Lien under, or results in the acceleration or requires prepayment of indebtedness under, any indenture, mortgage, instrument or agreement which is filed as an Exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2004 or any report filed by the Company since the date of such Annual Report with the Securities and Exchange Commission under Section 13 of the Securities Exchange Act of 1934, as amended.

5. Neither the execution and delivery by the Company of the Credit Documents nor the performance by the Company of its obligations thereunder (nor the borrowing by, or guarantee of, the Company under the Credit Agreement) requires any consent or approval from or filing or registration with any governmental authority of the State of Illinois or the United States of America.

6. An Illinois court, or a federal court applying Illinois conflicts of laws rules, would enforce provisions of the Credit Documents specifying that the laws of the State of New York are to govern the Credit Documents so long as (a) there is a reasonable relationship between the parties to the Credit Documents or the transactions thereunder to the State of New York, and (b) application of the laws of the State of New York is not contrary to a public policy of the State of Illinois.

Form of Opinion of Special Illinois Counsel

The opinions set forth above are subject to the following qualifications:

A. For purposes of our opinion in paragraph 1 above as to the existence and good standing of the Company, we have relied solely upon the document described in item (vi) above.

B. The opinion expressed in paragraph 3 above with respect to the legality, validity, binding nature and enforceability of the Credit Documents is subject to (i) applicable laws relating to bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws affecting creditors' rights generally, whether now or hereafter in effect, and (ii) general principles of equity, including, without limitation, concepts of materiality, laches, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding at law or in equity).

C. In rendering the opinions set forth above, we have made no examination of, and we express no opinion with respect to, any accounting matters. Our opinion in paragraph 4 above covers only violations, breaches, defaults, result or requirements which can be definitively determined as of the date of this opinion letter and does not cover violations, breaches, defaults, results or requirements the occurrence of which is dependent upon future events or circumstances. Our opinion in paragraph 5 above is not intended to cover consents, approvals, filings or registrations which might be required as a result of the conduct by the Company of its business or operations.

D. We express no opinion as to the validity, legality, binding effect or enforceability of any covenant or agreement (i) providing for release of liability for or the indemnification against any losses, claims, damages, expenses or liabilities incurred by any person as a result of any violation of any securities law by such person, as a result of the gross negligence or willful misconduct of such person, or as a result of the negligence of such person if a court would find that the intent to indemnify such person for such person's negligence was not clearly expressed or that such indemnification violates public policy, (ii) requiring that any amendment, modification or waiver of the Credit Documents shall not be effective unless in writing, (iii) providing for the consent to jurisdiction of any court, the waiver of objection of venue of any court, the waiver of or consent to service of process in any manner other than provided in the laws of the State of Illinois, the waiver of jury trial or the waiver of counterclaim or cross-claim, (iv) providing that delays will not operate as waivers, (v) which attempts to modify or waive any requirements of reasonableness or notice arising under the laws of any jurisdiction to the extent applicable to the transactions contemplated by the Credit Documents, (vi) which requires the payment of interest on overdue but unpaid interest or fixed late payment charges, (vii) which purports to be an agreement to use "best efforts", (viii) relating to severability as applied to any portion of Credit Documents deemed by a court to be material, (ix) waiving the benefits of any statutory provision or common law right where such waiver violates limitations imposed by statute or is against public policy, or (x) except to the extent set forth in paragraph 6 above, providing for a choice of any governing law.

E. Our opinions are limited to only those laws, rules and regulations that we have, in the exercise of customary professional diligence, but without any special investigation,

Form of Opinion of Special Illinois Counsel

recognized as generally applicable to the transactions contemplated by the Credit Documents or to business organizations of the same type as the Company (which are not engaged in regulated business activities) and exclude all laws, rules and regulations of the type described in Section 19 of the Legal Opinion Accord of the American Bar Association Section of Business Law (1991). In addition, we express no opinion as to any law, rule or regulation to which the Company may be subject as a result of your legal or regulatory status.

F. The foregoing opinions are limited to the laws of the State of Illinois, the Delaware General Corporation Law and the federal laws of the United States of America, and we express no opinions with respect to the laws of any other jurisdiction. We note that the Credit Documents state that they are to be governed by the laws of the State of New York. However, our opinion in paragraph 3 above is given (with your permission) as though the Credit Documents stated that they are to be governed by the internal laws of the State of Illinois.

The opinions expressed in this opinion letter are as of the date of this opinion letter only and as the laws covered hereby only as they are in effect on that date, and we assume no obligation to update or supplement such opinion to reflect any facts or circumstances that may come to our attention after that date or any changes in law that may occur or become effective after that date. The opinion herein are limited to the matters expressly set forth in this opinion letter, and no opinion is given or may be inferred beyond the matters set forth in this opinion letter.

This opinion letter is furnished by us as special counsel for the Company, is solely for your benefit and for the benefit of your successors and assigns in connection with the transactions stated herein, and is not to be given to or relied on by any other person or entity or for any other purpose without our prior written consent.

Very truly yours,

SCHIFF HARDIN LLP

By: _____

Form of Opinion of Special Illinois Counsel

Certificate

In connection with the Credit Agreement dated as of the date hereof among Newell Rubbermaid Inc. (the "Company"), certain lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (the "Credit Agreement"; capitalized terms used but not defined herein have the same meaning as in the Credit Agreement), the undersigned hereby certifies that set forth below is every judgment, injunction, order or decree of any court or other governmental body to which the Company is subject that may relate to the ability of the Company to execute, deliver or perform its obligations under the Credit Agreement:

NONE.

IN WITNESS WHEREOF, this Certificate has been duly executed as of November 14, 2005.

NEWELL RUBBERMAID, INC.

By: _____

Title: _____

Form of Opinion of Special Illinois Counsel

[Form of Opinion of Vice President - General Counsel to Newell Rubbermaid Inc.]

November 14, 2005

To the Lenders Party to the Credit Agreement
referred to Below and JPMorgan Chase
Bank, N.A., as Administrative Agent

Ladies and Gentlemen:

I am the Vice President - General Counsel of Newell Rubbermaid Inc. (the "Company") and am rendering the opinion contained herein in connection with the Credit Agreement (the "Credit Agreement"), dated as of November 14, 2005, among the Company, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent. Terms defined in the Credit Agreement are used herein as defined therein.

In rendering the opinion expressed below, I have examined the originals or copies of such corporate and stockholder records, agreements and instruments of the Company, certificates of public officials and of officers of the Company and such other documents and papers as I have deemed necessary as a basis for the opinion hereinafter expressed. In such examination, I have assumed the genuineness of all signatures, the authenticity of documents submitted to me as originals and the conformity to the original documents of all documents submitted to me as copies. With respect to matters of fact, I have relied upon representations and certificates of public officials and of officers of the Company, including the representations made by the Company in the Credit Agreement.

Based upon the foregoing and subject to the qualifications set forth below, and having due regard for such legal considerations as I have deemed relevant, I am of the opinion that, to my knowledge, there are no legal or arbitral proceedings, and no proceedings by or before any governmental or regulatory authority or agency, pending or threatened against the Company or any of its Subsidiaries which could be reasonably expected to have a Material Adverse Effect.

This opinion has been rendered solely to you for your use in connection with the Credit Agreement. No other Person shall be entitled to rely hereon without my prior written consent.

Very truly yours,

Form of Opinion of General Counsel

**[Form of Opinion of Special New York
Counsel to the Administrative Agent]**

November 14, 2005

Each of the Lenders party to
the Credit Agreement referred
to below and JPMorgan Chase
Bank, N.A., as Administrative Agent

Ladies and Gentlemen:

We have acted as special New York counsel to JPMorgan Chase Bank, N.A. in connection with the Credit Agreement dated as of November 14, 2005 (the "Credit Agreement") among Newell Rubbermaid Inc., a corporation organized under the laws of Delaware (the "Company"), the Lenders party thereto and JPMorgan Chase Bank, N.A., in its capacity as agent for said Lenders (the "Administrative Agent"), providing for, among other things, the making of loans by the Lenders in an aggregate principal amount not to exceed \$750,000,000. All capitalized terms used but not defined herein have the respective meanings given to such terms in the Credit Agreement.

In rendering the opinions expressed below, we have examined:

- (a) the Credit Agreement; and
- (b) the Notes (if any) being executed and delivered to the Lenders on the Effective Date (herein, the "Notes")

The Credit Agreement and the Notes (if any) are collectively referred to as the "Credit Documents". In our examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with authentic original documents of all documents submitted to us as copies. When relevant facts were not independently established, we have relied upon representations made in the Credit Documents. In rendering the opinions expressed below, we have assumed, with respect to the Credit Documents, that the Credit Documents have been duly authorized by, have been duly executed and delivered by, and (except to the extent set forth below, as to the Company) constitute legal, valid, binding and enforceable obligations of, all of the parties to such documents, that all signatories thereto have been duly authorized and that all of the parties thereto are duly organized and validly existing and have the power and authority (corporate or other) to execute, deliver and perform the same.

Based upon and subject to the foregoing and subject also to the comments and qualifications set forth below, and having considered such questions of law as we have deemed

Form of Opinion of Special New York Counsel to the Administrative Agent

necessary as a basis for the opinions expressed below, we are of the opinion that each Credit Document (assuming, in the case of the Notes of the Company, execution and delivery thereof for value) constitutes the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or other similar laws relating to or affecting the rights of creditors generally and except as the enforceability of the Credit Documents is subject to the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including, without limitation, (a) the possible unavailability of specific performance, injunctive relief or any other equitable remedy and (b) concepts of materiality, reasonableness, good faith and fair dealing.

The foregoing opinions are subject to the following comments and qualifications:

A. The enforceability of Section 12.03 of the Credit Agreement may be limited by laws limiting the enforceability of provisions exculpating or exempting a party from, or requiring indemnification of a party for, liability for its own action or inaction, to the extent the action or inaction involves gross negligence, recklessness, willful misconduct or unlawful conduct.

B. The enforceability of provisions in the Credit Documents to the effect that terms may not be waived or modified except in writing may be limited under certain circumstances.

C. We express no opinion as to (i) the effect of the laws of any jurisdiction in which any Lender is located (other than the State of New York) that limit the interest, fees or other charges such Lender may impose for the loan or use of money or other credit, (ii) the third sentence of Section 4.05(b) of the Credit Agreement, (iii) Section 12.11 of the Credit Agreement, (iv) the second sentence of Section 12.09(a) of the Credit Agreement, insofar as such sentence relates to the subject matter jurisdiction of the United States District Court for the Southern District of New York to adjudicate any controversy related to the Credit Documents and (v) the waiver of inconvenient forum set forth in Section 12.09(a) of the Credit Agreement with respect to proceedings in the United States District Court for the Southern District of New York.

D. We point out with reference to obligations stated to be payable in an Alternative Currency that (a) a New York statute provides that a judgment rendered by a court of the State of New York in respect of an obligation denominated in a currency other than Dollars would be rendered in such other currency and would be converted into Dollars at the rate of exchange prevailing on the date of entry of the judgment and (b) a judgment rendered by a Federal court sitting in the State of New York in respect of an obligation denominated in a currency other than Dollars may be expressed in Dollars, but we express no opinion as to the rate of exchange such Federal court would apply.

The foregoing opinions are limited to matters involving the Federal laws of the United States of America and the law of the State of New York, and we do not express any opinion as to the laws of any other jurisdiction.

Form of Opinion of Special New York Counsel to the Administrative Agent

This opinion letter is, pursuant to Section 6.01(a)(v) of the Credit Agreement, provided to you by us in our capacity as your special New York counsel and may not be relied upon by any Person for any purpose other than in connection with the transactions contemplated by the Credit Agreement without, in each instance, our prior written consent.

Very truly yours,

Form of Opinion of Special New York Counsel to the Administrative Agent

[Form of Competitive Bid Request]

COMPETITIVE BID REQUEST

[_____, 20__]

JPMorgan Chase Bank, N.A.,
 as Administrative Agent
 Loan and Agency Services Group
 1111 Fannin Street, 10th Floor
 Houston, Texas 77002-8069

Attention: [_____]

Ladies and Gentlemen:

Reference is made to the Credit Agreement dated as of November 14, 2005 (as amended, supplemented and otherwise modified and in effect from time to time, the "Credit Agreement"), among Newell Rubbermaid Inc., a Delaware corporation, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent. Terms used but not defined herein have the respective meanings given to such terms under the Credit Agreement. This Competitive Bid Request is being delivered to the Administrative Agent pursuant to Section 2.03(b) of the Credit Agreement.

The undersigned hereby requests that the Lenders submit, as provided in Section 2.03(c) of the Credit Agreement, Competitive Bids for the proposed Competitive Borrowing(s) described below:

<u>Borrower</u>	<u>Borrowing Date</u>	<u>Currency</u>	<u>Amount*</u>	<u>Type**</u>	<u>Interest Period***</u>
-----------------	-----------------------	-----------------	----------------	---------------	---------------------------

* Each amount must be per Section 2.03(c)(ii) or an integral multiple of \$1,000,000 or the Foreign Currency Equivalent thereof.

** Insert either "Margin" (in the case of Competitive LIBOR Loans) or "Rate" (in the case of Set Rate Loans).

*** 1, 2, 3 or 6 months (in the case of a Competitive LIBOR Loan) or a period of up to 180 days after the making of the Loan the last day of which is a Business Day (in the case of a Set Rate Loan).

Form of Competitive Bid Request

Please notify, as provided in Section 2.03(b) of the Credit Agreement, the Lenders of this Competitive Bid Request.

Very truly yours,

NEWELL RUBBERMAID INC.

By _____
Name:
Title:

Form of Competitive Bid Request

[Form of Competitive Bid]

Competitive Bid

[_____, 20__]

JPMorgan Chase Bank, N.A.,
as Administrative Agent
Loan and Agency Services Group
1111 Fannin Street, 10th Floor
Houston, Texas 77002-8069
Attention: [_____]

Ladies and Gentlemen:

Reference is made to the Credit Agreement dated as of November 14, 2005 (as amended, supplemented and otherwise modified and in effect from time to time, the "Credit Agreement"), among Newell Rubbermaid Inc., a Delaware corporation, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent. Terms used but not defined herein have the respective meanings given to such terms under the Credit Agreement. This Competitive Bid is being delivered to the Administrative Agent pursuant to Section 2.03(c) of the Credit Agreement.

In response to the Competitive Bid Request of the Company dated [_____, 200__], the undersigned hereby submits, as provided in Section 2.03(c) of the Credit Agreement, Competitive Bid(s) for the proposed Competitive Borrowing(s) described below:

<u>Borrower</u>	<u>Borrowing Date</u>	<u>Currency</u>	<u>Amount*</u>	<u>Type**</u>	<u>Interest Period***</u>	<u>Rate****</u>
-----------------	-----------------------	-----------------	----------------	---------------	---------------------------	-----------------

* Each amount must be per §2.03(c)(ii) or an integral multiple of \$1,000,000 or the Foreign Currency Equivalent thereof.

** Insert either "Margin" (in the case of Competitive LIBOR Loans) or "Rate" (in the case of Set Rate Loans).

*** 1, 2, 3 or 6 months (in the case of a Competitive LIBOR Loan) or a period of up to 180 days after the making of the Loan the last day of which is a Business Day (in the case of a Set Rate Loan).

**** For a Competitive LIBOR Loan, specify margin over or under the LIBO Rate determined for the applicable Interest Period as a percentage (rounded to the nearest 1/10,000th of 1%) and whether "PLUS" or "MINUS". For a Set Rate Loan, specify rate of interest per annum (rounded to the nearest 1/10,000th of 1%).

Form of Competitive Bid

provided that the Company may not accept offers that would result in the undersigned making Competitive Loans pursuant hereto in excess of \$[_____] in the aggregate (the "Competitive Loan Limit").

Please notify, as provided in Section 2.03(d) of the Credit Agreement, the Company of this Competitive Bid.

We understand and agree that the offer(s) set forth above, subject to the satisfaction of the applicable conditions set forth in the Credit Agreement, irrevocably obligate(s) us to make the Competitive Loan(s) for which any offer(s) [is] [are] accepted, in whole or in part (subject to the third sentence of Section 2.03(e) of the Credit Agreement and any Competitive Loan Limit specified above).

Very truly yours,

[NAME OF LENDER]

By _____

Name:

Title:

Form of Competitive Bid

[Form of Designation Letter]**[Date]**

To JPMorgan Chase Bank, N.A.,
as Administrative Agent
Loan and Agency Services Group
1111 Fannin Street, 10th Floor
Houston, Texas 77002-8069
Attention: [_____]

Ladies and Gentlemen:

We make reference to the Credit Agreement (as amended, supplemented and otherwise modified and in effect from time to time, the "Credit Agreement"), dated as of November 14, 2005 among Newell Rubbermaid Inc. (the "Company"), the lenders party thereto (the "Lenders") and JPMorgan Chase Bank, N.A., as Administrative Agent (in such capacity, the "Administrative Agent"). Terms defined in the Credit Agreement are used herein as defined therein.

The Company hereby designates [_____] (the "Designated Borrower"), a Wholly-Owned Subsidiary of the Company and a corporation duly incorporated under the laws of [State/Country], as a Borrower in accordance with Section 2.05 of the Credit Agreement until such designation is terminated in accordance with said Section 2.05, entitled to borrow Competitive Loans.

The Designated Borrower hereby accepts the above designation and hereby expressly and unconditionally accepts the obligations of a Borrower under the Credit Agreement, adheres to the Credit Agreement and agrees and confirms that, upon your execution and return to the Company of the enclosed copy of this letter, it shall be a Borrower for purposes of the Credit Agreement and agrees to be bound by and to perform and comply with the terms and provisions of the Credit Agreement applicable to it as if it had originally executed the Credit Agreement. The Designated Borrower hereby authorizes and empowers the Company to act as its representative and attorney-in-fact for the purposes of signing documents and giving and receiving notices (including notices of borrowing under Section 2 of the Credit Agreement) and other communications in connection with the Credit Agreement and the transactions contemplated thereby and for the purposes of modifying or amending any provision of the Credit Agreement and further agrees that the Administrative Agent and each Lender may conclusively rely on the foregoing authorization.

The Company hereby represents and warrants to the Administrative Agent and each Lender that, before and after giving effect to this Designation Letter, (i) the representations and warranties set forth in Section 7 of the Credit Agreement are true and correct as if made on and as of the date hereof and as if each of the representations and warranties in Sections 7.01, 7.04, 7.05, 7.06 and 7.16 specifically included a reference to the Designated Borrower and (ii) no Default has occurred and is continuing.

Form of Designation letter

The Designated Borrower hereby agrees that this Designation Letter, the Credit Agreement and the Notes shall be governed by, and construed in accordance with, the law of the State of New York. The Designated Borrower hereby submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of the Supreme Court of the State of New York, County of New York, for the purposes of all legal proceedings arising out of or relating to this Designation Letter, the Credit Agreement or the transactions contemplated thereby. The Designated Borrower irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. The Designated Borrower further agrees that service of process in any such action or proceeding brought in New York may be made upon it by service upon the Company at the "Address for Notices" specified below its name on the signature pages to the Credit Agreement and the Designated Borrower hereby irrevocably appoints the Company as its authorized agent ("Process Agent") to accept, on behalf of it and its property such service of process in New York.

THE DESIGNATED BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS DESIGNATION LETTER, THE CREDIT AGREEMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

Anything herein to the contrary notwithstanding, the Company and the Designated Borrower hereby agree that unless and until the Designated Borrower becomes an Approved Designated Borrower as aforesaid, Committed Loans are not available to the Designated Borrower under the Credit Agreement.

Form of Designation letter

[The Company hereby requests that the Designated Borrower be approved as an Approved Designated Borrower. Subject to the approval of all of the Lenders (to be evidenced by your signing at the place below indicated and returning to the Company the enclosed copy of this letter) such Designated Borrower will become an Approved Designated Borrower entitled to borrow both Committed Loans and Competitive Loans.]

NEWELL RUBBERMAID INC.

By _____
Name:
Title:

[DESIGNATED BORROWER]

By _____
Name:
Title:

[Insert Address]

[Consent and Agree to the aforesaid Designated Borrower being an Approved Designated Borrower:

JPMORGAN CHASE BANK, N.A.

As Administrative Agent for and on behalf of the Lenders

By _____
Name:
Title:

Date: _____

Form of Designation letter

[Form of Termination Letter]**[Date]**

To JPMorgan Chase Bank, N.A.,
 as Administrative Agent
 Loan and Agency Services Group
 1111 Fannin Street, 10th Floor
 Houston, Texas 77002-8069
 Attention: [_____]

Ladies and Gentlemen:

We make reference to the Credit Agreement (as amended, supplemented and otherwise modified and in effect from time to time, the "Credit Agreement") dated as of November 14, 2005 among Newell Rubbermaid Inc. (the "Company"), the Lenders party thereto (the "Lenders") and JPMorgan Chase Bank, N.A. as Administrative Agent (in such capacity, the "Administrative Agent"). Terms defined in the Credit Agreement are used herein as defined therein.

The Company hereby terminates the status as a Designated Borrower of [_____], a corporation incorporated under the laws of **[State/County]**, in accordance with Section 2.05 of the Credit Agreement, effective as of the date of receipt of this notice by the Administrative Agent. The undersigned hereby represent and warrant that all principal and interest on any Loan of the above-referenced Designated Borrower and all other amounts payable by such Designated Borrower pursuant to the Credit Agreement have been paid in full on or prior to the date hereof. Notwithstanding the foregoing, this Termination Letter shall not affect any obligation which by the terms of the Credit Agreement survives termination thereof.

NEWELL RUBBERMAID INC.

By _____
 Name:
 Title:

[INSERT NAME OF DESIGNATED BORROWER]

By _____
 Name:
 Title:

Form of Termination Letter

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "Assignor") and [*Insert name of Assignee*] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit and guarantees included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____
[and is an Affiliate/Approved Fund of [*identify Lender*]¹]
3. Borrower(s): Newell Rubbermaid Inc. and certain of its designated subsidiaries

¹ Select as applicable.

Form of Assignment and Assumption

4. Administrative Agent: JPMorgan Chase Bank, N.A., as the administrative agent under the Credit Agreement
5. Credit Agreement: Credit Agreement dated as of November 14, 2005 among Newell Rubbermaid Inc., the Lenders parties thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent
6. Assigned Interest:

<u>Facility Assigned</u>	<u>Aggregate Amount of Commitment/Loans for all Lenders</u>	<u>Amount of Commitment/Loans Assigned</u>	<u>Percentage Assigned of Commitment/Loans²</u>
	\$	\$	%
	\$	\$	%
	\$	\$	%

Effective Date: _____, 20__ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Title: _____

² Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

Form of Assignment and Assumption

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____

Title: _____

Form of Assignment and Assumption

Consented to and Accepted:

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

By _____
Title:

Consented to:

[NAME OF ISSUING BANK]

By _____
Title:

[Consented to:]³

NEWELL RUBBERMAID INC.

By _____
Title:

³ To be added only if the consent of the Company is required by the terms of the Credit Agreement.

Form of Assignment and Assumption

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of the Credit Agreement or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under the Credit Agreement.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder and (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 8.01 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

Form of Assignment and Assumption

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

Form of Assignment and Assumption

[Form of Assumption Agreement]

To JPMorgan Chase Bank, N.A.,
as Administrative Agent party to the
Credit Agreement referred to below

Ladies and Gentlemen:

Reference is made to the Credit Agreement (the "Credit Agreement") dated as of November 14, 2005 between Newell Rubbermaid Inc. (the "Company"), the lenders named therein and JPMorgan Chase Bank, N.A., as Administrative Agent. Terms defined in the Credit Agreement are used herein as defined therein.

The Company and _____ (the "Assuming Lender") each hereby agree as follows:

1. The Assuming Lender proposes to become an Assuming Lender pursuant to Section 2.06(d) of the Credit Agreement with a Commitment in the amount of \$[_____] and, in that connection, hereby agrees with the Administrative Agent and the Company that it shall become a Lender for all purposes of the Credit Agreement on the applicable Commitment Increase Date.

2. The Assuming Lender (a) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements referred to in Section 7.02 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assumption Agreement; (b) agrees that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (c) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; and (d) agrees that it will perform in accordance with their terms all of the obligations that by the terms of the Credit Agreement are required to be performed by it as a Lender.

3. Following the execution hereof, this Assumption Agreement will be delivered to the Administrative Agent for acceptance and recording by the Administrative Agent. The effective date for this Assumption Agreement (the "Effective Date") shall be the applicable Commitment Increase Date.

Form of Assumption and Agreement

4. Upon satisfaction of the applicable conditions set forth in Section 2.06(d) of the Credit Agreement and upon such acceptance and recording by the Administrative Agent, as of the Effective Date, the Assuming Lender shall be a party to the Credit Agreement and have all of the rights and obligations of a Lender thereunder.

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

6. This Assumption Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Assumption Agreement by facsimile shall be effective as delivery of a manually executed counterpart of this Assumption Agreement.

Form of Assumption Agreement

IN WITNESS WHEREOF, the Company and the Assuming Lender have caused this letter to be duly executed and delivered as of the date first above written.

Very truly yours,

NEWELL RUBBERMAID INC.

By _____
Name:
Title:

[NAME OF ASSUMING LENDER]

By _____
Name:
Title:

Accepted this __ day of _____, 200__:

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

By _____
Name:
Title:

CH2\ 1327418.1

Form of Assumption Agreement

NEWELL RUBBERMAID INC.

CREDIT AGREEMENT

Dated as of September 19, 2008

\$400,000,000

BANK OF AMERICA, N.A.

as Administrative Agent

and

JP MORGAN CHASE BANK, N.A.,

as Syndication Agent

BANC OF AMERICA SECURITIES LLC

and

J.P. MORGAN SECURITIES INC.,

as Joint Lead Arrangers and Joint Bookrunners

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CREDIT AGREEMENT dated as of September 19, 2008, between NEWELL RUBBERMAID INC., a corporation duly organized and validly existing under the laws of the State of Delaware (together with its successors, the "Borrower"); each of the lenders which is a signatory hereto (together with its successors and permitted assigns, individually, a "Lender" and, collectively, the "Lenders"); and BANK OF AMERICA, N.A., as administrative agent for the Lenders (in such capacity, together with its successors in such capacity, the "Administrative Agent").

The Borrower has requested that the Lenders make a term loan to the Borrower in an aggregate principal amount not exceeding \$400,000,000 on the Effective Date. The Lenders are prepared to make such term loan upon the terms and conditions hereof, and, accordingly, the parties agree as follows:

SECTION 1

DEFINITIONS AND ACCOUNTING MATTERS

1.01 Certain Defined Terms. As used herein, the following terms shall have the following meanings (all terms defined in this Section 1 or in other provisions of this Agreement in the singular to have the same meanings when used in the plural and vice versa):

"Additional Costs" has the meaning provided in Section 5.01.

"Adjusted LIBO Rate" shall mean, for any LIBO Rate Loan for any Interest Period, a rate per annum (rounded upwards, if necessary, to the nearest 1/16 of 1%) determined by the Administrative Agent to be equal to the LIBO Rate for the Interest Period for such Loan divided by 1 minus the Reserve Requirement for such Loan for such Interest Period.

"Administrative Agent" means Bank of America in its capacity as administrative agent under any of the Credit Documents.

"Administrative Agent Fee Letter" means the letter agreement dated August 26, 2008 among the Borrower, Bank of America and BAS.

"Administrative Agent's Account" shall mean, such account as the Administrative Agent shall designate in a notice to the Borrower and the Lenders.

"Advance Period" has the meaning provided in Section 4.04.

"Administrative Questionnaire" shall mean an Administrative Questionnaire in the form supplied by the Administrative Agent.

"Affected Loans" has the meaning provided in Section 5.04.

"Affected Type" has the meaning provided in Section 5.04.

“Affiliate” shall mean, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agent Parties” has the meaning provided in Section 11.02.

“Applicable Lending Office” shall mean for each Lender and for each Type of Loan the lending office of such Lender (or of an Affiliate of such Lender) designated for such Type of Loan in the Administrative Questionnaire submitted by such Lender or such other office of such Lender (or of an Affiliate of such Lender) as such Lender may from time to time specify to the Administrative Agent and the Borrower.

“Applicable Margin” shall mean, during any period when the Rating is at one of the Rating Groups specified below, the percentage set forth below opposite the reference to the relevant Type of Loan:

	<u>Rating Group I</u>	<u>Rating Group II</u>	<u>Rating Group III</u>	<u>Rating Group IV</u>	<u>Rating Group V</u>	<u>Rating Group VI</u>
Applicable Margin for LIBO Rate Loans	0.75%	1.00%	1.375%	1.75%	2.00%	2.50%
Applicable Margin for Base Rate Loans	0%	0%	0.375%	0.75%	1.00%	1.50%

Any change in the Applicable Margin by reason of a change in the Moody’s Rating, the Standard & Poor’s Rating or the Fitch Rating shall become effective on the date of announcement or publication by the respective Rating Agency of a change in such Rating or, in the absence of such announcement or publication, on the effective date of such changed rating.

“Applicable Percentage” shall mean, with respect to any Lender at any time, with respect to such Lender’s portion of the outstanding Term Loan at any time, the percentage of the outstanding principal amount of the Term Loan held by such Lender at such time. The initial Applicable Percentage of each Lender is set forth opposite the name of such Lender on Annex I or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

“Approved Fund” shall mean any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Assignment and Assumption” shall mean an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 11.05), and accepted by the Administrative Agent, in the form of Exhibit B or any other form approved by the Administrative Agent.

“Bank of America” shall mean Bank of America, N.A. and its successors.

“BAS” means Banc of America Securities LLC, in its capacity as joint lead arranger and joint bookrunner.

“Bankruptcy Code” means the United States Bankruptcy Code of 1978, as amended from time to time.

“Base Rate” shall mean, with respect to any Base Rate Loan, for any day, the higher of (a) the Federal Funds Rate for such day plus 1/2 of 1% and (b) the Prime Rate for such day.

“Base Rate Loans” shall mean Loans which bear interest based upon the Base Rate.

“Borrower” has the meaning specified in the introductory paragraph hereto.

“Borrower Materials” has the meaning provided in Section 8.01.

“Business Day” shall mean any day (a) that is not a Saturday, Sunday or other day on which commercial banks are authorized or required to close in New York City and (b) if such day relates to the giving of notices in connection with a borrowing of, a payment or prepayment of principal of or interest on, Conversion of or into, or an Interest Period for, a LIBO Rate Loan or a notice by the Borrower with respect to any such borrowing, payment, prepayment, Conversion or Interest Period, also on which dealings in deposits are carried out in the London interbank market.

“Capital Lease Obligations” shall mean, as to any Person, the obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) real and/or personal property which obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under GAAP (including Statement of Financial Accounting Standards No. 13 of the Financial Accounting Standards Board) and, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with GAAP (including such Statement No. 13).

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Commitment” shall mean, as to each Lender, the obligation of such Lender to make its portion of the Term Loan to the Borrower pursuant to Section 2.01, in the principal amount set opposite such Lender’s name on Annex I hereto under the caption “Commitment”. The aggregate principal amount of the Commitments of all of the Lenders as in effect on the Closing Date is FOUR HUNDRED MILLION DOLLARS (\$400,000,000).

“Commitment Letter” means the letter agreement dated August 26, 2008 from Bank of America, BAS, JPMCB and JPMorgan and accepted and agreed to by the Borrower.

“Consolidated EBITDA” shall mean, for any period, Consolidated Net Income for such period plus, without duplication and to the extent deducted in determining such Consolidated Net

Income for such period, the sum of (a) income tax expense, (b) interest expense, amortization or writeoff of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness (including the Loans), (c) depreciation and amortization expense, (d) amortization of intangibles (including, but not limited to, goodwill) and organization costs and (e) any extraordinary, unusual or non-recurring charges or losses, and minus, to the extent included in determining such Consolidated Net Income for such period, the sum of (a) interest income, (b) any extraordinary, unusual or non-recurring income or gains (including, whether or not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, gains on the sales of assets outside of the ordinary course of business) and (c) any other non-cash income, all as determined on a consolidated basis.

“Consolidated Interest Expense” shall mean, for any period and without duplication, total interest expense (including that attributable to Capital Lease Obligations) of the Borrower and its Subsidiaries for such period with respect to all outstanding Indebtedness of the Borrower and its Subsidiaries accrued or capitalized during such period (whether or not actually paid during such period) (including all commissions, discounts and other fees and charges owed with respect to standby letters of credit and bankers’ acceptance financing and net costs under Swap Agreements in respect of interest rates to the extent such net costs are allocable to such period in accordance with GAAP), but excluding any interest expense for such period relating to quarterly or monthly income preferred securities, quarterly income capital securities or other similar securities.

“Consolidated Net Income” shall mean, for any period, the consolidated net income (or loss) of the Borrower and its Subsidiaries, determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded (a) the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary of the Borrower or is merged into or consolidated with the Borrower or any of its Subsidiaries, (b) the income (or deficit) of any Person (other than a Subsidiary of the Borrower) in which the Borrower or any of its Subsidiaries has an ownership interest, except to the extent that any such income is actually received by the Borrower or such Subsidiary in the form of dividends or similar distributions and (c) the undistributed earnings of any Subsidiary of the Borrower to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary is not at the time permitted by the terms of any security issued by the Borrower or any of its Subsidiaries or of any agreement, instrument or other undertaking to which the Borrower or any of its Subsidiaries is a party or by which any of them or their respective property is bound (other than under any Credit Document) or Requirement of Law applicable to such Subsidiary.

“Continue”, “Continuation” and “Continued” shall refer to a continuation pursuant to Section 2.06(c) of a LIBO Rate Loan from one Interest Period to the next Interest Period.

“Control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Controlling Stock Disposition” has the meaning provided in Section 8.07.

“Convert”, “Conversion” and “Converted” shall refer to a conversion pursuant to Section 2.06(c) of one Type of Loans into the other Type of Loans, which may be accompanied by a transfer by a Lender (at its sole discretion) of a Loan from one Applicable Lending Office to another).

“Credit Documents” shall mean this Agreement and the Notes, if any.

“Credit Extension” shall mean the making of the Term Loan hereunder.

“Default” shall mean an Event of Default or an event which with notice or lapse of time or both would become an Event of Default.

“Disposition” shall have the meaning assigned to that term in Section 8.07(vi).

“Disposition Period” shall mean, for any Disposition, a period of twelve months ending on the date of such Disposition.

“Dollars” and “\$” shall mean lawful money of the United States of America.

“Effective Date” shall mean the date hereof.

“Environmental Affiliate” shall mean, as to any Person, any other Person whose liability (contingent or otherwise) for any Environmental Claim such Person may have retained, assumed or otherwise become liable (contingently or otherwise), whether by contract, operation of law or otherwise; provided that each Subsidiary of such Person, and each former Subsidiary or division of such Person transferred to another Person, shall in any event be an “Environmental Affiliate” of such Person.

“Environmental Claim” shall mean, with respect to any Person, any notice, claim, demand or other communication (whether written or oral) by any other Person alleging or asserting liability of such Person for investigatory costs, cleanup costs, governmental response costs, damages to natural resources or other Property, personal injuries, fines or penalties arising out of, based on or resulting from (a) the presence, or release into the environment, of any hazardous material at any location, whether or not owned by such Person, or (b) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law.

“Environmental Laws” shall mean any and all Federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes into the environment, including, without limitation, ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate” shall mean any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code, or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“Event of Default” shall have the meaning assigned to that term in Section 9.

“Federal Funds Rate” shall mean, for any day, the weighted average (rounded upwards, if necessary, to the nearest 1/100th of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, provided that (i) if the day for which such rate is to be determined is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if such rate is not so published for any day, the Federal Funds Rate for such day shall be the average (rounded upwards, if necessary, to the next 1/100 th of 1%) of the quotations for such day for transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“Fee Letter” means the letter agreement dated August 26, 2008 among the Borrower, Bank of America, BAS, JPMCB and JPMorgan.

“Fitch” shall mean Fitch Investors Services, Inc. or any successor thereto.

“Fitch Rating” shall mean, as of any date, the rating most recently published by Fitch relating to the unsecured, long-term, senior debt securities of the Borrower.

“GAAP” shall mean generally accepted accounting principles applied on a basis consistent with those which, in accordance with the last sentence of Section 1.02(a), are to be used in making the calculations for purposes of determining compliance with the provisions of this Agreement.

“Governmental Authority” shall mean any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

“Guarantee” of any Person shall mean any guarantee, endorsement, contingent agreement to purchase or to furnish funds for the payment or maintenance of, or any other contingent liability on or with respect to, the Indebtedness, other obligations, net worth, working capital or earnings of any other Person (including, without limitation, the liability of such Person in respect of the Indebtedness of any partnership of which such Person is a general partner), or the

guarantee by such Person of the payment of dividends or other distributions upon the stock of any other Person, or the agreement by such Person to purchase, sell or lease (as lessee or lessor) property, products, materials, supplies or services primarily for the purpose of enabling any other Person to make payment of its obligations or to assure a creditor against loss, and the verb “Guarantee” shall have a correlative meaning, provided that the term “Guarantee” shall not include endorsements for collection or deposits in the ordinary course of business.

“Indebtedness” shall mean, as to any Person at any date (without duplication): (i) indebtedness created, issued, incurred or assumed by such Person for borrowed money or evidenced by bonds, debentures, notes or similar instruments; (ii) all obligations of such Person to pay the deferred purchase price of property or services, excluding, however, trade accounts payable (other than for borrowed money) arising in, and accrued expenses incurred in, the ordinary course of business of such Person so long as such trade accounts payable are paid within 120 days of the date the respective goods are delivered or the services are rendered; (iii) all Indebtedness of others secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; (iv) all Indebtedness of others Guaranteed by such Person; (v) all Capital Lease Obligations; (vi) reimbursement obligations of such Person (whether contingent or otherwise) in respect of bankers acceptances, surety or other bonds and similar instruments (other than commercial, standby or performance letters of credit); (vii) unpaid reimbursement obligations of such Person (other than contingent obligations) in respect of commercial, standby or performance letters of credit; and (viii) debt securities or obligations (including preferred debt securities) issued in connection with Permitted Securitizations included as indebtedness in accordance with GAAP on a consolidated balance sheet of such Person.

“Interest Coverage Ratio” shall mean, as at any date of determination thereof, the ratio of (a) Consolidated EBITDA for the period of four consecutive fiscal quarters ending on or most recently ended prior to such date to (b) Consolidated Interest Expense for such period.

“Interest Period” shall mean, with respect to any LIBO Rate Loan, each period commencing on the date such LIBO Rate Loan is made or Converted from a Loan of another Type or the last day of the next preceding Interest Period for such Loan and ending on the numerically corresponding day in the first, second, third or sixth calendar month thereafter, as the Borrower may select as provided in Section 2.02, except that each Interest Period that commences on the last Business Day of a calendar month (or on any day for which there is no numerically corresponding day in the appropriate subsequent calendar month) shall end on the last Business Day of the appropriate subsequent calendar month. Notwithstanding the foregoing: (i) if any Interest Period would otherwise commence before and end after the Maturity Date, such Interest Period shall not be available hereunder; (ii) each Interest Period which would otherwise end on a day which is not a Business Day shall end on the next succeeding Business Day (or, in the case of an Interest Period for any LIBO Rate Loans, if such next succeeding Business Day falls in the next succeeding calendar month, on the next preceding Business Day); and (iii) notwithstanding clause (i) above, no Interest Period for any LIBO Rate Loans shall have a duration of less than one month and, if the Interest Period for any such Loans would otherwise be a shorter period, such Loans shall not be available hereunder.

“JPMCB” shall mean JPMorgan Chase Bank, N.A.

“JPMorgan” shall mean J.P. Morgan Securities Inc., in its capacity as a joint lead arranger and joint bookrunner.

“Jurisdiction” shall mean, with respect to the Borrower, the country or countries (including any political subdivision or taxing authority thereof or therein) under whose laws the Borrower is organized or where the Borrower is domiciled, resident or licensed or otherwise qualified to do business or where any significant part of the Property of the Borrower is located.

“LIBO Rate” shall mean, for any Interest Period for any LIBO Rate Loan, the rate for deposits with a maturity comparable to such Interest Period commencing on the first day of such Interest Period equal to the British Bankers Association LIBOR Rate (“BBA LIBOR”), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, on the Quotation Date. If such rate is not available at such time for any reason, then the “LIBO Rate” for such Interest Period shall be the rate per annum determined by the Administrative Agent to be the rate at which deposits in Dollars for delivery on the first day of such Interest Period in same day funds in the approximate amount of the LIBO Rate Loan being made, continued or converted by Bank of America and with a term equivalent to such Interest Period would be offered by Bank of America’s London Branch to major banks in the London interbank eurodollar market at their request at approximately 11:00 a.m. (London time) two Business Days prior to the commencement of such Interest Period.

“LIBO Rate Loans” shall mean Loans the interest rates on which are determined on the basis of Adjusted LIBO Rates.

“Lien” shall mean, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset. For the purposes of this Agreement, the Borrower or any Subsidiary shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

“Loans” means an extension of credit by a Lender to the Borrower under Article II in the form of a portion of the Term Loan.

“Loan Notice” means a notice of (a) a borrowing of the Term Loan pursuant to Section 2.02(a), (b) a conversion of Loans from one type to the other pursuant to Section 2.06 (c) a continuation of LIBO Rate Loans pursuant to Section 2.06(c), which, if in writing, shall be substantially in the form of Exhibit A.

“Majority Lenders” shall mean, at any time, Lenders holding in the aggregate more than 50% of the outstanding Term Loan at such time.

“Mandatory Cost” shall mean, with respect to any Lender, the cost, if any, imputed to such Lender of compliance with the cash ratio and special deposit requirements of the Bank of England and/or the banking supervision or other costs imposed by the Financial Services Authority during the relevant period, as determined by the Bank of England and/or Financial Services Authority during such relevant period.

“Material Adverse Effect” shall mean a material adverse effect on (i) the consolidated financial condition, operations, business or prospects of the Borrower and its Subsidiaries (taken as a whole), (ii) the ability of the Borrower to perform its obligations under any of the Credit Documents or (iii) the validity or enforceability of any of the Credit Documents.

“Maturity Date” shall mean September 19, 2011.

“Moody’s” shall mean Moody’s Investors Service, Inc. or any successor thereto.

“Moody’s Rating” shall mean, as of any date, the rating most recently published by Moody’s relating to the unsecured, long-term, senior debt securities of the Borrower.

“Multiemployer Plan” shall mean a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Net Worth” shall mean, at any time, the consolidated stockholders’ equity of the Borrower and its Subsidiaries determined on a consolidated basis without duplication in accordance with GAAP.

“Non-Strategic Property” shall mean (a) Property related to the Borrower’s (i) Rubbermaid Home Product’s insulated products (e.g. coolers and totes, etc.), outdoor shed and storage solutions businesses and (ii) Ashland Hardware Systems business and (b) Property acquired as part of the acquisition of a business that is designated by resolution of the Board of Directors of the Borrower adopted no later than six months after such acquisition as non-strategic Property.

“Notes” shall mean the promissory notes provided for by Section 2.05(d).

“Participant” has the meaning provided in Section 11.05(c)(i).

“Payor” has the meaning provided in Section 4.04.

“PBGC” shall mean the Pension Benefit Guaranty Corporation or any entity succeeding to any or all its functions under ERISA.

“Permitted Activities” has the meaning provided in Section 8.09.

“Permitted Securitization” shall mean any transaction or series of transactions that may be entered into by the Borrower or any of its Subsidiaries pursuant to which the Borrower or such Subsidiary, as the case may be, may sell, convey or otherwise transfer, or grant a security interest in, any receivables (whether now existing or arising in the future) of the Borrower or any of its Subsidiaries and any assets related thereto, including all collateral securing such receivables, all contracts and all guarantees or other obligations in respect of such receivables

and the proceeds of such receivables; provided that (a) there shall be no recourse under such securitization to the Borrower or any of its other Subsidiaries other than pursuant to Standard Securitization Undertakings and (b) the Administrative Agent shall be reasonably satisfied that the terms of such securitization are in compliance with the terms of this Agreement.

“Person” shall mean an individual, a corporation, a company, a limited liability company, a voluntary association, a partnership, a trust, an unincorporated organization or a government or any agency, instrumentality or political subdivision thereof.

“Plan” shall mean any employee pension benefit plan (other than a Multiemployer Plan) which is or was established, sponsored, maintained or contributed to, by the Borrower or any ERISA Affiliate and is or was subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA.

“Platform” has the meaning provided in Section 8.01.

“Post-Default Rate” shall mean, in respect of any principal of any Loan or any other amount payable by the Borrower under this Agreement or any Note which is not paid when due (whether at stated maturity, by acceleration or otherwise), a rate per annum during the period commencing on the due date until such amount is paid in full equal to the sum of 2% plus the Base Rate as in effect from time to time plus the Applicable Margin for Base Rate Loans (provided that, if such amount in default is principal of a LIBO Rate Loan and the due date is a day other than the last day of the Interest Period therefor, the “Post-Default Rate” for such principal shall be, for the period commencing on the due date and ending on the last day of the Interest Period therefor, 2% above the interest rate for such Loan as provided in Section 3.02 and, thereafter, the rate provided for above in this definition).

“Prime Rate” shall mean a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the Prime Rate announced by Bank of America shall take effect at the opening of business specified in the public announcement of such change.

“Property” shall mean any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible (including, without limitation, shares of capital stock).

“Proposed Lender” has the meaning provided in Section 5.07.

“Quarterly Dates” shall mean the last Business Day of each March, June, September and December, the first of which shall be the first such day after the Effective Date.

“Quotation Date” shall mean, for any Interest Period, the date two Business Days prior to the commencement of such Interest Period.

“Rating” shall mean the Moody’s Rating, the Standard & Poor’s Rating or the Fitch Rating.

“Rating Agency” shall mean Moody’s, Standard & Poor’s or Fitch.

“Rating Group I” shall mean any two of the following: the Moody’s Rating is at or above A2, the Standard & Poor’s Rating is at or above A or the Fitch Rating is at or above A; “Rating Group II” shall mean (a) any two of the following: the Moody’s Rating is at or above A3, the Standard & Poor’s Rating is at or above A- or the Fitch Rating is at or above A- and (b) Rating Group I is not in effect; “Rating Group III” shall mean (a) any two of the following: the Moody’s Rating is at or above Baa1, the Standard & Poor’s Rating is at or above BBB+ or the Fitch Rating is at or above BBB+ and (b) neither Rating Group I nor Rating Group II is in effect;

“Rating Group IV” shall mean (a) any two of the following: the Moody’s Rating is at or above Baa2, the Standard & Poor’s Rating is at or above BBB or the Fitch Rating is at or above BBB and (b) neither Rating Group I, Rating Group II nor Rating Group III is in effect; “Rating Group V” shall mean (a) any two of the following: the Moody’s Rating is at or above Baa3, the Standard & Poor’s Rating is at or above BBB- or the Fitch Rating is at or above BBB- and (b) neither Rating Group I, Rating Group II, Rating Group III nor Rating Group IV is in effect;

“Rating Group VI” shall mean none of Rating Group I, Rating Group II, Rating Group III, Rating Group IV and Rating Group V is in effect; provided that (i) if at any time the Company has two or three Ratings falling within two different Rating Groups that are one Rating Group apart, the relevant Rating Group for purposes of determining the Applicable Margin shall be the Rating Group for the higher of the Moody’s Rating (if any) or the Standard & Poor’s Rating (if any), (ii) if at any time the Company has two or three Ratings falling within different Rating Groups that are two or more Rating Groups apart, the relevant Rating Group for purposes of determining the Applicable Margin shall be the Rating Group that is one level above the Rating Group for the lower (or the lowest, as the case may be) of such Ratings and (iii) for this purpose of this proviso, Rating Group I is higher than Rating Group II, Rating Group II is higher than Rating Group III, Rating Group III is higher than Rating Group IV, Rating Group IV is higher than Rating Group V and Rating Group V is higher than Rating Group VI).

“Register” shall have the meaning assigned to that term in Section 11.05.

“Regulation D” shall mean Regulation D of the Board of Governors of the Federal Reserve System (or any successor), as the same may be amended or supplemented from time to time.

“Regulatory Change” shall mean, with respect to any Lender, any change after the date hereof, in United States Federal, state or foreign law or regulations (including Regulation D) or the adoption or making after such date of any interpretations, directives or requests applying to a class of banks including such Lender of or under any United States Federal, state or foreign law or regulations (whether or not having the force of law) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

“Requesting Lender” has the meaning set forth in Section 5.07.

“Required Payment” has the meaning provided in Section 4.04.

“Requirement of Law” shall mean, as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Reserve Requirement” shall mean, for any Interest Period for any LIBO Rate Loan, the effective maximum rate at which reserves (including any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the Federal Reserve System in New York City with deposits exceeding one billion Dollars against “Eurocurrency liabilities” (as such term is used in Regulation D). Without limiting the effect of the foregoing, the Reserve Requirement shall reflect any other reserves required to be maintained by such member banks by reason of any Regulatory Change against (i) any category of liabilities which includes deposits by reference to which the LIBO Rate is to be determined or (ii) any category of extensions of credit or other assets which includes LIBO Rate Loans.

“Revolving Credit Agreement” means that certain credit agreement dated as of November 14, 2005, by and between the Borrower, each of the lenders from time to time party thereto and JPMCB, as administrative agent, as amended or modified from time to time.

“Significant Subsidiary” shall mean, at any time, any Subsidiary of the Borrower if the revenues of such Subsidiary and its Subsidiaries for the four consecutive fiscal quarters of such Subsidiary most recently ended (determined on a consolidated basis without duplication in accordance with GAAP and whether or not such Person was a Subsidiary of the Borrower during all or any part of the fiscal period of the Borrower referred to below) exceed an amount equal to 7 1/2 % of the revenues of the Borrower and its Subsidiaries for the four consecutive fiscal quarters of the Borrower most recently ended (determined on a consolidated basis without duplication in accordance with GAAP and including such Subsidiary and its Subsidiaries on a pro forma basis if such Subsidiary was not a Subsidiary of the Borrower).

“Standard & Poor’s” shall mean Standard & Poor’s Ratings Services, or any successor thereto.

“Standard and Poor’s Rating” shall mean, as of any date, the rating most recently published by Standard & Poor’s relating to the unsecured, long-term, senior debt securities of the Borrower.

“Standard Securitization Undertakings” shall mean representations, warranties, covenants and indemnities entered into by the Borrower or any Subsidiary that are reasonably customary in the non-recourse securitization of receivables transactions.

“Subsidiary” of any Person shall mean any corporation, partnership, limited liability company or other entity of which at least a majority of the outstanding shares of stock or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership, limited liability company or other entity (irrespective of whether or not at the time stock or other ownership interests of any other class or classes of such corporation, partnership, limited liability company or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person and/or one or more of the Subsidiaries of such Person. “Wholly-Owned Subsidiary” shall mean any such corporation, partnership, limited liability company or other entity of which all such shares or other ownership interests, other than directors’ qualifying shares or shares held by nominees to satisfy any requirement as to minimum number of shareholders, are so owned or controlled.

“Swap Agreement” shall mean any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or any of its Subsidiaries shall be a “Swap Agreement”.

“Taxes” shall have the meaning assigned to that term in Section 5.06(a).

“Term Loan” shall have the meaning assigned to that term in Section 2.01.

“Total Capital” shall mean the sum of (i) Net Worth plus (ii) Total Indebtedness.

“Total Consolidated Assets” shall mean, as at any time, the total of all the assets appearing on a consolidated balance sheet of the Borrower and its Subsidiaries determined in accordance with generally accepted accounting principles applicable to the type of business in which the Borrower and such Subsidiaries are engaged, and may be determined as of a date, selected by the Borrower, not more than sixty days prior to the happening of the event for which such determination is being made.

“Total Indebtedness” shall mean, as at any time, the total Indebtedness of the Borrower and its Subsidiaries determined on a consolidated basis without duplication.

“Type” shall have the meaning assigned to that term in Section 1.03.

“Wholly-Owned Subsidiary” shall have the meaning assigned to that term in the definition of the term “Subsidiary”.

1.02 Accounting Terms and Determinations. (a) All accounting terms used herein shall be interpreted, and, unless otherwise disclosed to the Lenders in writing at the time of delivery thereof in the manner described in subsection (b) below, all financial statements and certificates and reports as to financial matters required to be delivered to the Lenders hereunder shall be prepared, in accordance with generally accepted accounting principles applied on a basis consistent with those used in the preparation of the latest financial statements furnished to the Lenders hereunder after the date hereof (or, until such financial statements are furnished, consistent with those used in the preparation of the financial statements referred to in Section 7.02(a)). All calculations made for the purposes of determining compliance with the terms of Sections 8.07(a)(vi) , 8.10 and 8.11 shall, except as otherwise expressly provided herein, be made by application of generally accepted accounting principles applied on a basis consistent with those used in the preparation of the annual or quarterly financial statements furnished to the Lenders pursuant to Section 8.01 (or, until such financial statements are furnished, consistent with those used in the preparation of the financial statements referred to in Section 7.02(a)) unless (i) the Borrower shall have objected to determining such compliance on such basis at the time of delivery of such financial statements or (ii) the Majority Lenders shall so object in writing within 30 days after delivery of such financial statements, in either of which events such calculations shall be made on a basis consistent with those used in the preparation of the latest financial statements as to which such objection shall not have been made (which, if objection is made in respect of the first financial statements delivered under Section 8.01 , shall mean the financial statements referred to in Section 7.02(a)).

(b) The Borrower shall deliver to the Lenders at the same time as the delivery of any annual or quarterly financial statement under Section 8.01 (i) a description in reasonable detail of any material variation between the application of accounting principles employed in the preparation of such statement and the application of accounting principles employed in the preparation of the next preceding annual or quarterly financial statements as to which no objection has been made in accordance with the last sentence of subsection (a) above and (ii) reasonable estimates of the difference between such statements arising as a consequence thereof.

(c) To enable the ready and consistent determination of compliance with the covenants set forth in Section 8 , the Borrower shall not change the last day of its fiscal year from December 31, or the last days of the first three fiscal quarters in each of its fiscal years from March 31, June 30 and September 30, respectively.

1.03 Types of Loans. Loans hereunder are distinguished by "Type". The "Type" of a Loan refers to whether such Loan is a Base Rate Loan or a LIBO Rate Loan, each of which constitutes a Type.

1.04 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement,

instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections, Annexes, Exhibits and Schedules shall be construed to refer to Sections of, and Annexes, Exhibits and Schedules to, this Agreement and (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

SECTION 2

TERM LOAN.

2.01 Term Loan. Subject to the terms and conditions set forth herein, each Lender severally agrees to make its portion of a term loan (the "Term Loan") to the Borrower in Dollars on the Effective Date in an amount not to exceed such Lender's Term Loan Commitment. Amounts repaid on the Term Loan may not be reborrowed. The Term Loan may consist of Base Rate Loans or LIBO Rate Loans or a combination thereof, as further provided herein.

2.02 Borrowing of the Term Loan.

(a) The borrowing of the Term Loan shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by telephone. Such notice must be received by the Administrative Agent not later than 11:00 a.m. (i) three Business Days prior to the requested date of such borrowing if the borrowing will consist of LIBO Rate Loans, and (ii) one Business Day prior to such borrowing if the borrowing will consist of Base Rate Loans. Such telephonic notice by the Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Loan Notice, appropriately completed and signed by an authorized officer of the Borrower. Such Loan Notice (whether telephonic or written) shall specify (i) the requested date of the borrowing (which shall be a Business Day), (ii) the principal amount of the Term Loan to be borrowed, (iii) the Type to be borrowed, and (iv) if applicable, the duration of the Interest Period with respect thereto. If the Borrower fails to specify the Type of the Term Loan in such Loan Notice, then the Term Loan shall be made as a Base Rate Loan. If the Borrower requests a borrowing of a LIBO Rate Loan in such Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of such Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the Term Loan. Each Lender shall make the amount of its Term Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. New York time on the Business Day specified in such Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 6.01 and Section 6.02, the Administrative Agent shall make all funds so

received available to the Borrower in immediately available funds either by (i) crediting the account of the Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds to an account or accounts of the Borrower, in each case in accordance with instructions provided to the Administrative Agent by the Borrower.

2.03 Fees. The Borrower agrees to pay to the Administrative Agent and BAS, for their own respective accounts fees in the amounts and at the times specified in the Fee Letter and the Administrative Agent Fee Letter. Such fees shall be fully earned when paid and shall be non-refundable for any reason whatsoever.

2.04 Several Obligations; Remedies Independent. The failure of any Lender to make its portion of the Term Loan to be made by it on the date specified therefor shall not relieve any other Lender of its obligation to make its portion of the Term Loan on such date, and no Lender shall be responsible for the failure of any other Lender to make its portion of the Term Loan to be made by such other Lender. The amounts payable by the Borrower at any time hereunder and under its Notes to each Lender shall be a separate and independent debt and each Lender shall be entitled to protect and enforce its rights arising out of this Agreement and the Notes, and it shall not be necessary for any other Lender or the Administrative Agent to consent to, or be joined as an additional party in, any proceedings for such purposes.

2.05 Evidence of Debt. (a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from its portion of the Term Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Administrative Agent shall maintain accounts in which it shall record (i) the date, amount, maturity date and interest rate of each Loan hereunder, the Type thereof and the Interest Period (if any) applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(c) The entries made in the accounts maintained pursuant to clause (a) or (b) of this Section 2.05 shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(d) Any Lender may request that the portion of the Term Loan made by it to the Borrower be evidenced by a promissory note of the Borrower. In such event, the Borrower shall prepare, execute and deliver to such Lender one or more promissory notes payable to the order of such Lender and in a form approved by the Administrative Agent (the "Notes").

2.06 Prepayments; Conversions and Continuations. (a) The Term Loan may be prepaid in whole or in part without premium or penalty upon not less than (i) (in the case of Base Rate Loans) one Business Day's, and (ii) (in the case of LIBO Rate Loans) three Business Days',

prior notice to the Administrative Agent (which shall promptly notify the Lenders). Each notice shall specify the prepayment date (which shall be a Business Day) and the Type(s) of Loans to be prepaid and the amount of the prepayment and shall be irrevocable and effective only upon receipt by the Administrative Agent not later than 11:00 a.m. New York time on the number of Business Days specified above prior to the relevant date of prepayment. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and the amount of such Lender's Applicable Percentage of such prepayment.

(b) If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a LIBO Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 5.05. Each such prepayment shall be applied to the Loans of the Lenders in accordance with their respective Applicable Percentages. Each such prepayment of the Term Loan shall be applied to the remaining principal amortization payments thereof on a pro rata basis.

(c) The Borrower shall have the right to Convert Loans of one Type into Loans of another Type or Continue LIBO Rate Loans as such at any time or from time to time, upon not less than (i) (in the case of any Conversion into Base Rate Loans) one Business Day's, and (ii) (in the case of any Conversion into, or Continuation as, LIBO Rate Loans), three Business Days', prior notice to the Administrative Agent (which shall promptly notify the Lenders), which notice may be given by telephone and shall specify the amount (which shall be in integral multiples of \$1,000,000) and Type of each Loan to be Converted or Continued (and, in the case of Conversion, the Type of Loan to result from such Conversion), the duration of the Interest Period for any LIBO Rate Loans to be Continued or to result from such Conversion, and the date of Conversion or Continuation (which shall be a Business Day) and shall be irrevocable and effective only upon receipt by the Administrative Agent not later than 11:00 a.m. New York time on the number of Business Days specified above prior to the relevant date of Conversion or Continuation. Each telephonic notice by the Borrower pursuant to this Section 2.06(c) must be confirmed promptly by delivery to the Administrative Agent of a written Loan Notice. In the event that the Borrower fails to select the Type of Loan or the duration of any Interest Period for any LIBO Rate Loan, within the time period specified above, such Loan (if outstanding as a LIBO Rate Loan) will be automatically Converted into a Base Rate Loan on the last day of the then current Interest Period for such Loan or (if outstanding as a Base Rate Loan) will remain as, a Base Rate Loan.

(d) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for LIBO Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to the borrowing of the Term Loan, all Conversions of Loans from one Type to the other, and all Continuations of Loans as the same Type, there shall not be more than 5 Interest Periods in effect with respect to all Loans.

SECTION 3

PAYMENTS OF PRINCIPAL AND INTEREST

3.01 Repayment of Loans. The Borrower shall repay the outstanding principal amount of the Term Loan in installments on the dates and in the amounts set forth in the table set forth below (as such installments may hereafter be adjusted as a result of prepayments made pursuant to Section 2.06(a)):

Payment Dates	Principal Amortization Payment
September 19, 2009	\$50,000,000
September 19, 2010	\$100,000,000
Maturity Date	Outstanding Principal Balance of Term Loan

3.02 Interest. (a) The Borrower hereby promises to pay to the Administrative Agent for account of each Lender interest on the unpaid principal amount of the Term Loan, for the period commencing on the date of the Term Loan to but excluding the date the Term Loan shall be paid in full, at the following rates per annum:

(i) during such period as any portion of the Term Loan is a Base Rate Loan, the Base Rate (as in effect from time to time) plus, the Applicable Margin; and

(ii) during such period as any portion of the Term Loan is a LIBO Rate Loan, for each Interest Period relating thereto, the LIBO Rate for such portion of the Term Loan for such Interest Period plus the Applicable Margin.

Notwithstanding the foregoing, the Borrower hereby promises to pay to the Administrative Agent for account of each Lender interest at the applicable Post-Default Rate on any principal of the Term Loan made by such Lender to the Borrower, and (to the fullest extent permitted by law) on any other amount payable by the Borrower hereunder or under the Note held by such Lender to or for account of such Lender, which shall not be paid in full when due (whether at stated maturity, by acceleration or otherwise), for the period commencing on the due date thereof until the same is paid in full.

(b) Accrued interest on the Term Loan shall be payable (i) (in the case of a Base Rate Loan) quarterly on the Quarterly Dates, (ii) in the case of a LIBO Rate Loan, on the last day of each Interest Period therefor and, if such Interest Period is longer than three months, at three-month intervals following the first day of such Interest Period and (iii) (in the case of any LIBO Rate Loan Converted into a Base Rate Loan pursuant to Section 2.06(c)) on the date of Conversion (but only on the principal amount so Converted), except that interest payable at the Post-Default Rate shall be payable from time to time on demand.

(c) Promptly after the determination of any Adjusted LIBO Rate provided for herein, the Administrative Agent shall (i) notify the Lenders to which interest at such Adjusted LIBO Rate is payable and the Borrower thereof and (ii) at the request of the Borrower, furnish to the Borrower a copy of publication by Reuters (or other commercially available source providing quotations of BBA LIBOR as designated by the Administrative Agent) on the basis of which the relevant LIBO Rate was determined. At any time that the Administrative Agent determines the Adjusted LIBO Rate on a basis other than using the BBA LIBOR as published by Reuters, the Administrative Agent shall promptly notify the Borrower and provide information in reasonable detail as to such determination.

SECTION 4

PAYMENTS; PRO RATA TREATMENT; COMPUTATIONS; ETC.

4.01 Payments. (a) Except to the extent otherwise provided herein, all payments of principal of and interest on Loans payable by the Borrower under this Agreement and the Notes, shall be made in Dollars, in immediately available funds, without deduction, set-off or counterclaim, to the Administrative Agent's Account, for account of the Lenders, not later than 2:00 p.m. New York time, on the date on which such payment shall become due (each such payment made after such time on such due date to be deemed to have been made on the next succeeding Business Day).

(b) If the Borrower shall default in the payment when due of any principal, interest or other amounts to be made by the Borrower under this Agreement or the Notes, any Lender for whose account any such payment is to be made may (but shall not be obligated to) debit the amount of any such payment due such Lender which is not made by such time to any ordinary deposit account of the Borrower with such Lender (with notice to the Borrower and the Administrative Agent).

(c) The Borrower shall, at the time of making each payment under this Agreement or any Note for account of any Lender, specify to the Administrative Agent the Loans or other amounts payable by the Borrower hereunder to which such payment is to be applied (and in the event that the payor fails to so specify, or if an Event of Default has occurred and is continuing, such Lender may apply such payment received by it from the Administrative Agent to such amounts then due and owing to such Lender as such Lender may determine).

(d) Each payment received by the Administrative Agent under this Agreement or any Note for account of any Lender shall be paid promptly to such Lender, in immediately available funds.

(e) If the due date of any payment under this Agreement or any Note would otherwise fall on a day which is not a Business Day such date shall be extended to the next succeeding Business Day and interest shall be payable for any principal so extended for the period of such extension.

4.02 Pro Rata Treatment. Except to the extent otherwise provided herein: (a) the borrowing from the Lenders of the Term Loan under Section 2.01 shall be made from the Lenders, pro rata according to the amounts of their respective Commitments, and the Conversion or Continuation of Loans of a particular Type (other than Conversions provided for by Section 5.04) shall be made pro rata among the relevant Lenders according to their respective Commitments; (b) each payment of principal of the Term Loan by the Borrower shall be made for account of the Lenders pro rata in accordance with the respective unpaid principal amount of the Term Loan held by the Lenders; and (c) each payment of interest on the Term Loan by the Borrower shall be made for account of the Lenders pro rata in accordance with the amounts of interest due and payable to the respective Lenders; provided that, if an Event of Default shall have occurred and be continuing, each payment of principal of and interest on the Term Loan and other amounts owing hereunder by the Borrower shall be made for account of the Lenders pro rata in accordance with the aggregate amounts of all principal of and interest on the Term Loan and all other amounts owing hereunder by the Borrower then due and payable to the respective Lenders.

4.03 Computations. Interest on Term Loan shall be computed on the basis of a year of 360 days and actual days elapsed (including the first day but excluding the last day) occurring in the period for which payable; provided that interest on Base Rate Loans shall be computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed (including the first day but excluding the last day) occurring in the period for which payable.

4.04 Non-Receipt of Funds by the Administrative Agent. Unless the Administrative Agent shall have been notified by a Lender or the Borrower (each, a “Payor”) prior to the time by, and on the date on, which such Payor is scheduled to make payment to the Administrative Agent of (in the case of a Lender) a payment to be made by it hereunder or (in the case of the Borrower) a payment to the Administrative Agent for account of one or more of the Lenders hereunder (such payment being herein called the “Required Payment”), which notice shall be effective upon receipt, that it does not intend to make the Required Payment to the Administrative Agent, the Administrative Agent may assume that the Required Payment has been made and may, in reliance upon such assumption (but shall not be required to), make the amount thereof available to the intended recipient(s) on such date; and, if the Payor has not in fact made the Required Payment to the Administrative Agent, the recipient(s) of such payment shall, on demand, repay to the Administrative Agent the amount so made available together with interest thereon in respect of each day during the period commencing on the date such amount was so made available by the Administrative Agent to but not including the date the Administrative Agent recovers such amount (the “Advance Period”) at a rate per annum equal to (a) if the recipient is the Borrower, the Base Rate in effect on such day and (b) if the recipient is a Lender, the Federal Funds Rate in effect on such day; and, if such recipient(s) shall fail promptly to make such payment, the Administrative Agent shall be entitled to recover such amount, on demand, from the Payor, together with interest thereon for each day during the Advance Period at a rate per annum equal to (i) if the Payor is the Borrower, the rate of interest payable on the Required Payment as provided in the second sentence of Section 3.02(a) and (ii) if the Payor is a Lender, during the period commencing on the date such amount was so made available to but excluding the date three Business Days following such date, the Federal Funds Rate in effect on such day and, thereafter, the Base Rate in effect on such day.

4.05 Set-off; Sharing of Payments. (a) The Borrower agrees that, in addition to (and without limitation of) any right of set-off, bankers’ lien or counterclaim a Lender may otherwise have, each Lender and each of its Affiliates shall be entitled, at its option, to offset balances held by it for account of the Borrower at any of its offices, against any principal of or interest on any of such Lender’s Loans which is not paid when due (regardless of whether such balances are then due to the Borrower) in which case it shall promptly notify the Borrower and the Administrative Agent thereof, provided that such Lender’s failure to give such notice shall not affect the validity thereof.

(b) If any Lender shall obtain payment of any principal of or interest on that portion of the Term Loan made by it under this Agreement through the exercise of any right of set-off, bankers’ lien or counterclaim or similar right or otherwise, and, as a result of such payment, such Lender shall have received a greater percentage of the amounts then due hereunder to such Lender in respect of the Term Loan than the percentage received by any other Lenders, it shall promptly purchase from such other Lenders participations in (or, if and to the extent specified by such Lender, direct interests in) the portion of the Term Loan made by such other Lenders (or in the interest thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses which may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal and interest on the portion of the Term Loan held by each of the Lenders. To such end all the Lenders shall

make appropriate adjustments among themselves (by the resale of participations sold or otherwise) if such payment is rescinded or must otherwise be restored. The Borrower agrees that any Lender so purchasing a participation (or direct interest) in the portion of the Term Loan made by other Lenders (or in the interest thereon, as the case may be) may exercise all rights of set-off, bankers' lien, counterclaim or similar rights with respect to such participation as fully as if such Lender were a direct holder of a portion of the Term Loan (or in the interest thereon, as the case may be) in the amount of such participation. Nothing contained herein shall require any Lender to exercise any such right or shall affect the right of any Lender to exercise, and retain the benefits of exercising, any such right with respect to any other indebtedness or obligation of the Borrower. If under any applicable bankruptcy, insolvency or other similar law, any Lender receives a secured claim in lieu of a set-off to which this Section 4.05 applies, such Lender shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this Section 4.05 to share in the benefits of any recovery on such secured claim.

SECTION 5

YIELD PROTECTION AND ILLEGALITY

5.01 Additional Costs. (a) The Borrower shall pay directly to each Lender from time to time such amounts as such Lender may determine to be necessary to compensate such Lender for any costs that such Lender determines are attributable to its making or maintaining of any LIBO Rate Loans or its obligation to make any LIBO Rate Loans hereunder, or any reduction in any amount receivable by such Lender hereunder in respect of any of such Loans or such obligation (such increases in costs and reductions in amounts receivable being herein called "Additional Costs"), resulting from any Regulatory Change that:

(i) changes the basis of taxation of any amounts payable to such Lender under this Agreement or its Note in respect of any of such Loans (other than taxes imposed on or measured by the overall net income of such Lender or of its Applicable Lending Office for any of such Loans by the jurisdiction in which such Lender has its principal office or such Applicable Lending Office); or

(ii) imposes or modifies any reserve, special deposit or similar requirements (other than the Reserve Requirement utilized in the determination of the Adjusted LIBO Rate for such Loan and Mandatory Costs utilized in the determination of the LIBO Rate for such Loan) relating to any extensions of credit or other assets of, or any deposits with or other liabilities of, such Lender (including, without limitation, any of such Loans or any deposits referred to in the definition of "LIBO Rate" in Section 1.01), or any commitment of such Lender (including, without limitation, the Commitment of such Lender hereunder); or

(iii) imposes any other condition affecting this Agreement or its Note (or any of such extensions of credit or liabilities) or its Commitment.

If any Lender requests compensation from the Borrower under this Section 5.01(a), the Borrower may, by notice to such Lender (with a copy to the Administrative Agent), suspend the obligation of such Lender thereafter to make or Continue LIBO Rate Loans or to Convert Base Rate Loans into LIBO Rate Loans, until the Regulatory Change giving rise to such request ceases to be in effect (in which case the provisions of Section 5.04 shall be applicable), provided that such suspension shall not affect the right of such Lender to receive the compensation so requested.

(b) Without limiting the effect of the foregoing provisions of this Section 5.01 (but without duplication), if any Lender determines that any Regulatory Change regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Regulatory Change (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) Each Lender shall notify the Borrower of any event occurring after the date hereof entitling such Lender to compensation under paragraph (a) or (b) of this Section 5.01 as promptly as practicable, but in any event within 45 days, after such Lender obtains actual knowledge thereof. If any Lender fails to give such notice within 45 days after it obtains actual knowledge of such an event, such Lender shall, with respect to compensation payable pursuant to this Section 5.01 in respect of any costs resulting from such event, only be entitled to payment under this Section 5.01 for costs incurred from and after the date 45 days prior to the date that such Lender does give such notice. Each Lender will furnish to the Borrower a certificate setting forth the basis and amount of each request by such Lender for compensation under paragraph (a) or (b) of this Section 5.01. Determinations and allocations by any Lender for purposes of this Section 5.01 of the effect of any Regulatory Change pursuant to paragraph (a) of this Section 5.01, or of the effect of capital maintained pursuant to paragraph (b) of this Section 5.01, on its costs or rate of return of maintaining Loans or its obligation to make Loans, or on amounts receivable by it in respect of Loans, and of the amounts required to compensate such Lender under this Section 5.01, shall be conclusive absent manifest error, provided that such determinations and allocations are made on a reasonable basis.

(d) Each Lender will designate a different Applicable Lending Office for the Loans of such Lender affected by any event specified in paragraphs (a) or (b) of this Section 5.01 or in Section 5.03 if such designation will avoid the need for, or reduce the amount of, such compensation or suspension, as the case may be, and will not, in the sole opinion of such Lender, be disadvantageous to such Lender.

5.02 Limitation on Types of Loans. If the Required Lenders determine that for any reason in connection with any request for a LIBO Rate Loan or a Conversion to or Continuation thereof that (a) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such LIBO Rate Loan, (b) adequate and

reasonable means do not exist for determining the LIBO Rate for any requested Interest Period with respect to a proposed LIBO Rate Loan, or (c) the LIBO Rate for any requested Interest Period with respect to a proposed LIBO Rate Loan does not adequately and fairly reflect the cost to the Lenders of funding such Loan, the Administrative Agent will promptly notify the Borrower and all Lenders. Thereafter, the obligation of the Lenders to make or maintain LIBO Rate Loans shall be suspended until the Administrative Agent revokes such notice. The Administrative Agent agrees to promptly revoke such notice upon the relevant circumstances ceasing to exist. Upon receipt of such notice, the Borrower may revoke any pending request for a borrowing, Conversion or Continuation of LIBO Rate Loans or, failing that, will be deemed to have converted such request into a request for a borrowing of Base Rate Loans in the amount specified therein.

5.03 Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Lender or its Applicable Lending Office to honor its obligation to make or maintain LIBO Rate Loans hereunder, then such Lender shall promptly notify the Borrower thereof (with a copy to the Administrative Agent) and such Lender's obligation to make or Continue, or Convert Base Rate Loans into, LIBO Rate Loans shall be suspended until such time as such Lender may again make and maintain LIBO Rate Loans (in which case the provisions of Section 5.04 shall be applicable).

5.04 Base Rate Loans Pursuant to Sections 5.01 and 5.03. If the obligation of any Lender to make, Continue, or to Convert Base Rate Loans into, any LIBO Rate Loans shall be suspended pursuant to Section 5.01 or 5.03 (Loans of such type being herein called "Affected Loans" and such type being herein called the "Affected Type"), all Loans which would otherwise be made by such Lender as Loans of the Affected Type shall be made instead as Base Rate Loans (and, if an event referred to in Section 5.03 has occurred and such Lender so requests by notice to the Borrower with a copy to the Administrative Agent, all Affected Loans of such Lender then outstanding shall be automatically Converted into Base Rate Loans on the date specified by such Lender in such notice) and, to the extent that Affected Loans are so made as (or Converted into) Base Rate Loans, all payments of principal which would otherwise be applied to such Lender's Affected Loans shall be applied instead to its Base Rate Loans. If such Lender gives notice to the Borrower with a copy to the Administrative Agent that the circumstances specified in Section 5.01 or 5.03 that gave rise to the Conversion of such Lender's Affected Loans pursuant to this Section 5.04 no longer exist (which such Lender agrees to do promptly upon such circumstances ceasing to exist) at a time when Loans of the Affected Type made by other Lenders are outstanding, such Lender's Base Rate Loans shall be automatically Converted, on the first day(s) of the next succeeding Interest Period(s) for such outstanding loans of the Affected Type, to the extent necessary so that, after giving effect thereto, all Loans held by the Lenders holding Loans of the Affected Type and by such Lender are held pro rata (as to principal amounts, Types and Interest Periods) in accordance with their respective Commitments.

5.05 Compensation. The Borrower shall pay to the Administrative Agent for account of each Lender, upon the request of such Lender through the Administrative Agent, such amount or amounts as shall be sufficient (in the reasonable opinion of such Lender) to compensate it for any loss, cost or expense which such Lender determines are attributable to:

(a) any payment or prepayment or Conversion of a LIBO Rate Loan made by such Lender for any reason (including, without limitation, the acceleration of the Loans pursuant to Section 9) on a date other than the last day of the Interest Period for such Loan; or

(b) any failure by the Borrower for any reason (excluding only failure due solely to a default by any Lender or the Administrative Agent in its obligation to provide funds to the Borrower hereunder but including, without limitation, the failure of any of the conditions precedent specified in Section 6 to be satisfied) to borrow a LIBO Rate Loan from such Lender on the date for such borrowing specified in the relevant notice of borrowing given pursuant to Section 2.02.

Without limiting the effect of the preceding sentence, such compensation shall include, in the case of a Loan, an amount equal to the excess, if any, of (i) the amount of interest which otherwise would have accrued on the principal amount so paid, prepaid or Converted or not borrowed for the period from the date of such payment, prepayment, Conversion or failure to borrow to the last day of the Interest Period for such Loan (or, in the case of a failure to borrow, the Interest Period for such Loan which would have commenced on the date specified for such borrowing) at the applicable rate of interest for such Loan provided for herein over (ii) the interest component of the amount such Lender would have bid in the London interbank market for deposits of leading banks (if such Loan is a LIBO Rate Loan) in amounts comparable to such principal amount and with maturities comparable to such period (as reasonably determined by such Lender).

5.06 Taxes. (a) The Borrower agrees to pay to each Lender such additional amounts as are necessary in order that the net payment of any amount due to such Lender hereunder after deduction for or withholding in respect of any Taxes imposed with respect to such payment will not be less than the amount stated herein to be then due and payable, provided that the foregoing obligation to pay such additional amounts shall not apply:

(i) to any payment to any Lender hereunder unless such Lender is, on the date hereof, or (if later) on the date such Lender becomes a Lender hereunder as provided in Section 11.05(b), and on the date of any change in the Applicable Lending Office of such Lender, entitled to a complete exemption from withholding or deduction by the Borrower of Taxes on all interest to be received by such Lender hereunder in respect of the Loans made by such Lender to the Borrower, or

(ii) to any such Taxes required to be deducted or withheld solely by reason of the failure of such Lender to comply with applicable certification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connections with the Borrower's Jurisdiction if such compliance is required by treaty, statute or regulation as a precondition to relief or exemption from such Taxes.

For the purposes of this Section 5.06(a), the term "Taxes" shall mean with respect to the Borrower all present and future income, stamp, registration and other taxes and levies, imposts,

deductions, charges, compulsory loans and withholdings whatsoever, and all interest, penalties or similar amounts with respect thereto, now or hereafter imposed, assessed, levied or collected by the Borrower's Jurisdiction on or in respect of the Credit Documents, the principal of and interest on the Loans and any other amounts payable under any of the Credit Documents, the recording, registration, notarization or other formalization of any thereof, the enforcement thereof or the introduction thereof in any judicial proceedings, or on or in respect of any payments of principal, interest, premium, charges, fees or other amounts made on, under or in respect of any thereof (excluding, however, income or franchise taxes imposed on or measured by the overall net income or capital of a Lender (or its Applicable Lending Office) by the Borrower's Jurisdiction as a result of such Lender being organized under the laws of or resident in the Borrower's Jurisdiction or of its Applicable Lending Office being located or carrying on business in the Borrower's Jurisdiction).

(b) Within 30 days after paying any amount to the Administrative Agent or any Lender from which it is required by law to make any deduction or withholding, and within 30 days after it is required by law to remit such deduction or withholding to any relevant taxing or other authority, the Borrower shall deliver to the Administrative Agent for delivery to such Lender evidence satisfactory to such Lender of such deduction, withholding or payment (as the case may be).

5.07 Replacement of Lenders. If (a) any Lender requests compensation pursuant to Section 5.01 or 5.06 , (b) any Lender's obligation to make Loans of any Type shall be suspended pursuant to Section 5.01 (any such Lender requesting such compensation, or whose obligations are so suspended, being herein called a "Requesting Lender") or (c) if a Lender (a "Non-Consenting Lender") does not consent to a proposed change, waiver, discharge or termination with respect to any Credit Document that has been approved by the Majority Lenders as provided by Section 11.04 but requires unanimous consent of all Lenders or all Lenders directly affected thereby (as applicable), the Borrower, upon three Business Days' notice to the Administrative Agent may require that such Requesting Lender or Non-Consenting Lender, as applicable, transfer all of its right, title and interest under this Agreement to any bank or other financial institution or entity identified by the Borrower that is satisfactory to the Administrative Agent (a) if such bank or other financial institution or entity (a "Proposed Lender") agrees to assume all of the obligations of such Requesting Lender or Non-Consenting Lender hereunder, and to purchase all of such Requesting Lender's or Non-Consenting Lender's Loans hereunder for consideration equal to the aggregate outstanding principal amount of such Requesting Lender's Loans or Non-Consenting Lender's Loans, as applicable, together with interest thereon to the date of such purchase, and satisfactory arrangements are made for payment to such Requesting Lender or Non-Consenting Lender of all other amounts payable hereunder to such Requesting Lender or Non-Consenting Lender on or prior to the date of such transfer (including any fees accrued hereunder and any amounts that would be payable under Section 5.05 as if all of such Requesting Lender's Loans or Non-Consenting Lender's Loans, as applicable, were being prepaid in full on such date) and (b) if such Requesting Lender has requested compensation pursuant to Section 5.01 or 5.06 , such Proposed Lender's aggregate requested compensation, if any, pursuant to said Section 5.01 or 5.06 with respect to such Requesting Lender's Loans is lower than that of the Requesting Lender; provided, however, in the case of any such assignment resulting from a Non-Consenting Lender's failure to consent to a proposed

change, waiver, discharge or termination with respect to any Credit Document, such transfer shall be conditioned upon the Proposed Lender consenting to the proposed change, waiver, discharge or termination; provided further that the failure by such Non-Consenting Lender to execute and deliver an Assignment and Assumption shall not impair the validity of the removal of such Non-Consenting Lender and the mandatory assignment of such Non-Consenting Lender's Commitments and outstanding Loans pursuant to this Section 5.07 shall nevertheless be effective without the execution by such Non-Consenting Lender of an Assignment and Assumption. Subject to the provisions of Section 11.05(b), such Proposed Lender shall be a "Lender" for all purposes hereunder. Without prejudice to the survival of any other agreement of the Borrower hereunder the agreements of the Borrower contained in Sections 5.01, 5.06 and 11.03 (without duplication of any payments made to such Requesting Lender or Non-Consenting Lender by the Borrower or the Proposed Lender) shall survive for the benefit of such Requesting Lender or Non-Consenting Lender under this Section 5.07 with respect to the time prior to such replacement.

SECTION 6

CONDITIONS PRECEDENT

6.01 Effective Date. The obligations of the Lenders to make the Term Loan shall not become effective until the date on which each of the following conditions is satisfied (or waived pursuant to Section 11.04):

(a) The Administrative Agent shall have received each of the following documents (with sufficient copies for each Lender), each of which shall be satisfactory to the Administrative Agent (and to the extent specified below, to each Lender) in form and substance:

(i) A counterpart of this Agreement signed on behalf of each party hereto or written evidence satisfactory to the Administrative Agent that such party has signed a counterpart of this Agreement.

(ii) Certified copies of the charter and by-laws of, and all corporate action taken by, the Borrower approving this Agreement and the Notes (if any) to be made by the Borrower and the borrowing by the Borrower (including, without limitation, a certificate setting forth the resolutions of the Board of Directors of the Borrower adopted in respect of the transactions contemplated hereby).

(iii) A certificate of the Borrower in respect of each of the officers (1) who is authorized to sign this Agreement and the Notes, together with specimen signatures, and (2) who will, until replaced by another officer or officers duly authorized for that purpose, act as its representative for the purposes of signing documents and giving notices and other communications in connection herewith and with the Notes and the transactions contemplated hereby and thereby. The Administrative Agent and each Lender may conclusively rely on such certificate until they receive notice in writing from the Borrower to the contrary.

(iv) An opinion or opinions dated the Effective Date of counsel to the Borrower (and the Borrower hereby instructs such counsel to deliver such opinion to the Lenders and the Administrative Agent) in a form satisfactory to the Administrative Agent and the Lenders.

(b) The Lenders and the Administrative Agent shall have received all fees and other amounts as the Borrower shall have agreed to pay in connection herewith.

For purposes of determining compliance with the conditions specified in this Section 6.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

6.02 Credit Extension. The obligation of any Lender to make the Credit Extension hereunder is subject to the further conditions precedent that, as of the date of the Effective Date and after giving effect thereto and the intended use of the Credit Extension:

(a) no Default shall have occurred and be continuing; and

(b) the representations and warranties made by the Borrower in Section 7 shall be true on and as of the Effective Date, except to the extent that such representations or warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date.

The Loan Notice provided by the Borrower on the Effective Date shall constitute a certification by the Borrower to the effect set forth in the preceding sentence (both as of the date of such Loan Notice and, unless the Borrower otherwise notifies the Administrative Agent prior to the date of the Credit Extension, as of the Effective Date).

SECTION 7

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrant to the Lenders that:

7.01 Corporate Existence. Each of the Borrower and its Significant Subsidiaries: (a) is a corporation duly organized and validly existing under the laws of the jurisdiction of its incorporation; (b) has all requisite corporate power, and has all material governmental licenses, authorizations, consents and approvals, necessary to own its assets and carry on its business as now being or as proposed to be conducted; and (c) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary except where failure so to qualify would not have a Material Adverse Effect.

7.02 Financial Condition. (a) The consolidated balance sheets of the Borrower and its Subsidiaries as of December 31, 2006 and December 31, 2007 and the related consolidated statements of income, cash flows and stockholders' equity of the Borrower and its Subsidiaries for the fiscal years ended on said dates, with the opinion thereon of Ernst & Young LLP, heretofore furnished to each of the Lenders, are complete and correct and fairly present the consolidated financial condition of the Borrower and its Subsidiaries as at said dates and the consolidated results of their operations for the fiscal year ended on said dates, all in accordance with generally accepted accounting principles. Neither the Borrower nor any of its Subsidiaries had on said dates any material contingent liabilities, material liabilities for taxes, material unusual forward or long-term commitments or material unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in said balance sheet as at said dates.

(b) The consolidated balance sheets of the Borrower and its Subsidiaries as of June 30, 2008 and the related consolidated statements of income, cash flows and stockholders' equity of the Borrower and its Subsidiaries for the six-month period ended on said date, heretofore furnished to each of the Lenders, are complete and correct and fairly present the consolidated financial condition of the Borrower and its Subsidiaries as at said date and the consolidated results of their operations for the six-month period ended on said date, all in accordance with generally accepted accounting principles. Neither the Borrower nor any of its Subsidiaries had on said date any material contingent liabilities, material liabilities for taxes, material unusual forward or long-term commitments or material unrealized or anticipated losses from any unfavorable commitments, except as referred to or reflected or provided for in said balance sheet as at said date.

(c) Since December 31, 2007, there has been no material adverse change in the consolidated financial condition, operations, business or prospects of the Borrower and its Subsidiaries (taken as a whole).

7.03 Litigation. There are no legal or arbitral proceedings or any proceedings or investigations by or before any governmental or regulatory authority or agency, now pending or (to the knowledge of the Borrower) threatened against the Borrower or any of its Subsidiaries which could reasonably be expected to have a Material Adverse Effect.

7.04 No Breach. The making or performance of this Agreement or the Notes, and the consummation of the transactions herein contemplated, will not conflict with or result in a breach of, or require any consent under, the charter or by-laws of the Borrower or any applicable law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any agreement or instrument to which the Borrower or any of its Subsidiaries is a party or by which any of them is bound or to which any of them is subject, or constitute a default under any such agreement or instrument, or constitute a tortious interference with any agreement, or result in the creation or imposition of any Lien upon any of the revenues or assets of the Borrower or any of its Subsidiaries pursuant to the terms of any such agreement or instrument.

7.05 Corporate Action. The Borrower has all necessary corporate power and authority to make and perform its obligations under this Agreement and the Notes; the making and performance of this Agreement and the Notes by the Borrower have been duly authorized by all necessary corporate action on the part of the Borrower; and this Agreement has been duly and validly executed and delivered by the Borrower and constitutes, and each of the Notes of the Borrower when executed and delivered by the Borrower for value will constitute, the legal, valid and binding obligation of the Borrower, enforceable in accordance with their respective terms, except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally.

7.06 Approvals. No authorizations, approvals or consents of, and no filings or registrations with, any governmental or regulatory authority or agency are necessary for the execution, delivery or performance by the Borrower of this Agreement or the Notes or for the validity or enforceability of any thereof.

7.07 Use of Credit. Neither the Borrower nor any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation U or X of the Board of Governors of the Federal Reserve System), and no part of the proceeds of any Credit Extension hereunder will be used in a manner that will cause any Borrower to violate said Regulation X or any Lender to violate said Regulation U.

7.08 ERISA. Each of the Borrower and each ERISA Affiliate has fulfilled its obligations under the minimum funding standards of ERISA and the Code with respect to each of its Plans and is (and to the best of its knowledge in the case of any Multiemployer Plan is) in compliance with the currently applicable provisions of ERISA and the Code, and has not incurred any liability on account of the termination of any of its Plans to the PBGC or any of its Plans and has not incurred any withdrawal liability to any Multiemployer Plan, in each case except to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect.

7.09 Investment Company Act. Neither the Borrower nor any of its Subsidiaries is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

7.10 Credit Agreements. Schedule I hereto is a complete and correct list, as of June 30, 2008, of each credit agreement, loan agreement, indenture, purchase agreement, Guarantee or other arrangement (other than a letter of credit or bank lines established for daylight overdrafts) providing for or otherwise relating to any extension of credit (or commitment for any extension of credit) to, or Guarantee by, the Borrower or any of its Subsidiaries the aggregate principal or face amount of which equals or exceeds (or may equal or exceed) \$5,000,000 and the aggregate principal or face amount outstanding or which may become outstanding under each such arrangement is correctly described (as of June 30, 2008) in said Schedule I.

7.11 Hazardous Materials. The Borrower and each of its Subsidiaries have obtained all permits, licenses and other authorizations that are required under all Environmental Laws, except to the extent failure to have any such permit, license or authorization would not have a Material Adverse Effect. The Borrower and each of its Subsidiaries are in compliance with the terms and conditions of all such permits, licenses and authorizations, and are also in compliance with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in any applicable Environmental Law or in any regulation, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder, except to the extent failure to comply would not have a Material Adverse Effect. Except as heretofore disclosed to the Lenders, there have been no environmental investigations, studies, audits, tests, reviews or other analyses conducted by or that are in the possession of the Borrower or any of its Subsidiaries with respect to any property or facility now or previously owned or leased by the Borrower or any of its Environmental Affiliates which reveal facts or circumstances that could reasonably be expected to have a Material Adverse Effect.

7.12 Taxes. The Borrower and its Subsidiaries are members of an affiliated group of corporations filing consolidated returns for Federal income tax purposes, of which the Borrower is the "common parent" (within the meaning of Section 1504 of the Code) of such group. The Borrower and its Subsidiaries have filed all Federal income tax returns and all other material tax returns and information statements that are required to be filed by them and have paid all taxes due pursuant to such returns or pursuant to any assessment received by the Borrower or any of its Subsidiaries. The charges, accruals and reserves on the books of the Borrower and its Subsidiaries in respect of taxes and other governmental charges are, in the opinion of the Borrower, adequate. The United States Federal income tax returns of the Borrower and its Subsidiaries have been examined and/or closed through the fiscal years of the Borrower and its Subsidiaries ended on or before December 31, 2004. The Borrower has not given or been requested to give a waiver of the statute of limitations relating to the payment of Federal, state, local and foreign taxes or other impositions.

7.13 True and Complete Disclosure. The information, reports, financial statements, exhibits and schedules furnished in writing by or on behalf of the Borrower to the Lenders in connection with the negotiation, preparation or delivery of this Agreement or included herein or delivered pursuant hereto, when taken as a whole do not contain any untrue statement of material fact or omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they are made, not misleading. All written information furnished after the date hereof by the Borrower and its Subsidiaries to the Lenders in connection

with this Agreement and the transactions contemplated hereby will be true, complete and accurate in every material respect, or (in the case of projections) based on reasonable estimates, on the date as of which such information is stated or certified. There is no fact known to the Borrower that could reasonably be expected to have a Material Adverse Effect that has not been disclosed herein or in a report, financial statement, exhibit, schedule, disclosure letter or other writing furnished to the Lenders for use in connection with the transactions contemplated hereby.

7.14 Subsidiaries. As of the date hereof, each of the Borrower and its Subsidiaries (as disclosed in the periodic reports which the Borrower has filed with the Securities and Exchange Commission) owns, free and clear of Liens, and has the unencumbered right to vote all of its outstanding ownership interests in, each Subsidiary held by it and all of the issued and outstanding capital stock of each such Person is validly issued, fully paid and nonassessable.

7.15 Compliance with Law. As of the date hereof, the Borrower and its Subsidiaries are in compliance with all applicable laws and regulations, except to the extent that failure to comply therewith would not have a Material Adverse Effect.

SECTION 8

COVENANTS OF THE BORROWER

The Borrower agrees that, until payment in full of all Loans hereunder, all interest thereon and all other amounts payable by the Borrower hereunder:

8.01 Financial Statements. The Borrower shall furnish to each of the Lenders:

(a) as soon as available and in any event within 60 days after the end of each of the fiscal quarterly periods of each fiscal year of the Borrower, consolidated statements of income, cash flows and stockholders' equity of the Borrower and its Subsidiaries for such period and for the period from the beginning of the respective fiscal year to the end of such period, and the related consolidated balance sheet as at the end of such period, setting forth in each case in comparative form the corresponding figures for the corresponding period in the preceding fiscal year, and accompanied by a certificate of a senior financial officer of the Borrower, which certificate shall state that said financial statements fairly present the consolidated financial condition and results of operations of the Borrower and its Subsidiaries, in accordance with generally accepted accounting principles, as at the end of (and for) such period (subject to normal year-end audit adjustments).

(b) as soon as available and in any event within 90 days after the end of each fiscal year of the Borrower, consolidated statements of income, cash flows and stockholders' equity of the Borrower and its Subsidiaries for such year and the related consolidated balance sheet as at the end of such year, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, and accompanied by an opinion thereon of independent certified public accountants of recognized national standing, which opinion shall state that said financial statements fairly present the consolidated financial condition and results of operations of the Borrower and its Subsidiaries, in accordance with generally accepted accounting principles, as at

the end of (and for) such fiscal year, and a certificate of such accountants stating that, in making the examination necessary for their opinion, they obtained no knowledge, except as specifically stated, of any Event of Default under Sections 8.10 and 8.11.

(c) promptly upon their becoming available, copies of all registration statements and regular periodic reports, if any, which the Borrower shall have filed with the Securities and Exchange Commission (or any governmental agency substituted therefor) or any national securities exchange.

(d) promptly upon the mailing thereof to the shareholders of the Borrower generally, copies of all financial statements, reports and proxy statements so mailed.

(e) as soon as possible, and in any event within 30 days after the Borrower knows or has reason to know that any of the events or conditions specified below with respect to any Plan or Multiemployer Plan of the Borrower have occurred or exist, a statement signed by a senior financial officer of the Borrower setting forth details respecting such event or condition and the action, if any, which the Borrower or any ERISA Affiliate proposes to take with respect thereto (and a copy of any report or notice required to be filed with or given to PBGC by the Borrower or such ERISA Affiliate with respect to such event or condition):

(i) any reportable event, as defined in Section 4043(b) of ERISA and the regulations issued thereunder, with respect to a Plan, as to which PBGC has not by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days of the occurrence of such event (provided that a failure to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA by more than \$5,000,000 shall be a reportable event regardless of the issuance of any waivers in accordance with Section 412(d) of the Code);

(ii) the filing under Section 4041 of ERISA of a notice of intent to terminate any Plan or the termination of any Plan if at the date of such filing or termination the fair market value of the assets of such Plan, as determined by the Plan's independent actuaries, is exceeded by the present value as determined by such actuaries as of such date, of benefit commitments under such Plan by more than \$5,000,000 (including any prior terminations subject to this provision);

(iii) the institution by PBGC of proceedings under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan of the Borrower, or the receipt by the Borrower or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by PBGC with respect to such Multiemployer Plan and such action would reasonably be expected to result in liability to the Borrower in excess of \$5,000,000;

(iv) the complete or partial withdrawal by the Borrower or any ERISA Affiliate under Section 4201 or 4204 of ERISA from a Multiemployer Plan causing any withdrawal liability in excess of \$5,000,000 (including any prior withdrawals subject to this provision), or the receipt by the Borrower or any ERISA Affiliate of notice from a Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA or that it intends to terminate or has terminated under Section 4041A of ERISA; and

(v) the institution of a proceeding by a fiduciary of any Multiemployer Plan against the Borrower or any ERISA Affiliate to enforce Section 515 of ERISA, which proceeding is not dismissed within 30 days.

(f) promptly after the Borrower knows or has reason to know that any Default has occurred, a notice of such Default, describing the same in reasonable detail.

(g) from time to time such other information regarding the business, affairs or financial condition of the Borrower or any of its Subsidiaries (including, without limitation, any Plan or Multiemployer Plan and any reports or other information required to be filed under ERISA) as any Lender or the Administrative Agent may reasonably request.

The Borrower will furnish to each Lender, at the time it furnishes each set of financial statements pursuant to paragraph (a) or (b) above, a certificate of a senior financial officer of the Borrower (i) to the effect that no Default has occurred and is continuing (or, if any Default has occurred and is continuing, describing the same in reasonable detail) and (ii) setting forth in reasonable detail the computations necessary to determine whether the Borrower is in compliance with Sections 8.06 , 8.07(a)(vi) , 8.08(xiii) , 8.10 and 8.11 as of the end of the respective fiscal quarter or fiscal year.

Notwithstanding the foregoing, the Borrower's obligations to deliver documents or information required under any of clauses (a), (b), (c) and (d) above shall be deemed to be satisfied upon (i) the relevant documents or information being publicly available on the Borrower's website or other publicly available electronic medium (such as EDGAR) within the time period required by such clause and thereafter being continuously so available and (ii) the delivery by the Borrower of notice to the Administrative Agent and each of the Lenders (which notice may be given electronically (such as e-mail)) within the time period required by such clause that such documents or information are so available; provided that the Borrower shall deliver paper copies of any such documents or information to any Lender upon request of such Lender through the Administrative Agent.

The Borrower hereby acknowledges that (a) the Administrative Agent will make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks or another similar electronic system (the "Platform") and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Borrower or its securities) (each, a "Public Lender"). The Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent and the Lenders to treat such Borrower Materials as not containing any material

non-public information with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 10.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Investor;" and (z) the Administrative Agent shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Investor." Notwithstanding the foregoing, the Borrower shall be under no obligation to mark any Borrower Materials "PUBLIC."

8.02 Litigation. The Borrower shall promptly furnish to each Lender notice of all legal or arbitral proceedings, and of all proceedings before any governmental or regulatory authority or agency, instituted, or (to the knowledge of the Borrower) threatened, against the Borrower or any of its Subsidiaries which could reasonably be expected to have a Material Adverse Effect.

8.03 Corporate Existence, Etc. The Borrower shall, and shall cause each of its Significant Subsidiaries to: preserve and maintain its corporate existence and all its material rights, privileges and franchises (except as otherwise expressly permitted under [Section 8.07](#)); comply with all Requirements of Law except to the extent that failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect; pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its property prior to the date on which penalties attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained; maintain all its properties used or useful in its business in good working order and condition, ordinary wear and tear excepted; keep proper books of record and account in which full, true and correct entries are made of all material dealings and transactions in relations to its business and activities; and permit representatives of any Lender or the Administrative Agent, during normal business hours, to examine, copy and make extracts from its books and records, to inspect its properties, and to discuss its business and affairs with its officers, all to the extent reasonably requested by such Lender or the Administrative Agent (as the case may be).

8.04 Insurance. The Borrower shall, and shall cause each of its Subsidiaries to, keep insured by financially sound and reputable insurers all property of a character usually insured by corporations engaged in the same or similar business similarly situated against loss or damage of the kinds and in the amounts customarily insured against by such corporations and carry such other insurance as is usually carried by such corporations.

8.05 Use of Proceeds. The proceeds of the Credit Extensions hereunder will be used solely for general corporate purposes, including (without limitation) commercial paper back-up and acquisitions (each of which uses shall be in compliance with all applicable legal and regulatory requirements, including, without limitation, Regulations U and X of the Board of Governors of the Federal Reserve System and the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder). The

Borrower will not permit more than 25% of the value (as determined by any reasonable method) of its assets, nor more than 25% of the value (as determined by any reasonable method) of the assets of the Borrower and its Subsidiaries, to be represented by margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System).

8.06 Indebtedness. The Borrower will not, nor will it permit any of its Subsidiaries to, incur, assume or suffer to exist obligations in respect of standby and performance letters of credit (other than Letters of Credit issued under the Revolving Credit Agreement) in an aggregate amount exceeding 5% of Total Consolidated Assets at any one time outstanding. The Borrower will not permit any of its Subsidiaries to create, issue, incur or assume, or suffer to exist, any Indebtedness, except:

- (i) Indebtedness existing on the date hereof (including any Indebtedness incurred after the date hereof under any instrument or agreement in effect on the date hereof), but not any renewals, extensions or refinancings of the same;
- (ii) Indebtedness owing to the Borrower and Indebtedness owing by any Subsidiary to another Subsidiary;
- (iii) Indebtedness of any Person that becomes a Subsidiary of the Borrower after the date hereof so long as such Indebtedness exists at the time such Person becomes such a Subsidiary and was not incurred in anticipation thereof;
- (iv) Capital Lease Obligations in an aggregate amount not to exceed an amount equal to 5% of Total Consolidated Assets at any one time outstanding;
- (v) Indebtedness under this Agreement;
- (vi) Indebtedness under the Revolving Credit Agreement in an aggregate amount not to exceed \$750,000,000 at any one time outstanding; and
- (vii) additional Indebtedness in an aggregate amount not to exceed an amount equal to 15% of Total Consolidated Assets at any one time outstanding.

8.07 Fundamental Changes. (a) The Borrower will not, and will not permit any of its Subsidiaries to, be a party to any merger or consolidation, and the Borrower will not, and will not permit any of its Subsidiaries or operating divisions (whether now owned or existing or hereafter acquired or designated) to, (x) sell, assign, lease or otherwise dispose of all or substantially all of its Property whether now owned or hereafter acquired or (y) sell, assign or otherwise dispose of any capital stock of any such Subsidiary, or permit any such Subsidiary to issue any capital stock, to any Person other than the Borrower or any of its Wholly-Owned Subsidiaries if, after giving effect thereto, the Borrower does not own, directly or indirectly, a majority of the capital stock of such Subsidiary ("Controlling Stock Disposition"); provided that, so long as both before and after giving effect thereto, no Default shall have occurred and be continuing:

- (i) the Borrower or any Subsidiary of the Borrower may be a party to any merger or consolidation if it shall be the surviving corporation;

(ii) any such Subsidiary may be a party to any merger or consolidation with another such Subsidiary (or with any Person that becomes another such Subsidiary as a result of such merger or consolidation);

(iii) any such Subsidiary may merge into, and any such Subsidiary or operating division may transfer any Property to, the Borrower;

(iv) any such Subsidiary or operating division may transfer any Property to another such Subsidiary or operating division (or to any Person that becomes as part of such transfer another such Subsidiary or operating division);

(v) the Borrower, any such Subsidiary or operating division may sell, assign, lease or otherwise dispose of any Non-Strategic Property; and

(vi) the Borrower or any such Subsidiary or operating division may make sales, assignments and other dispositions of Property (including Controlling Stock Dispositions) and any such Subsidiary may become a party to a merger or consolidation (each such sale, assignment, disposition, Controlling Stock Disposition, merger or consolidation, other than those described in clauses (i) through (v), a “Disposition”) if the aggregate book value of the Property that was the subject of such Disposition, together with the aggregate book value of the Property that was the subject of all other Dispositions during the Disposition Period for such Disposition, would not exceed an amount equal to 15% of the Total Consolidated Assets determined as of the last day of the most recently completed fiscal year for which a consolidated balance sheet of the Borrower has been furnished to the Lenders pursuant to Section 8.01.

(b) Notwithstanding anything in clauses (i) through (vi) of Section 8.07(a) to the contrary, the Borrower will not, and will not permit any of its Subsidiaries or operating divisions (whether now owned or existing or hereafter acquired or designated) to, sell, lease, assign, transfer or otherwise dispose of (whether in one transaction or in a series of transactions) any of its Property (whether now owned or hereafter acquired) if such sale, assignment, lease or other disposition (whether in one transaction or in a series of transactions) shall have a Material Adverse Effect.

8.08 Liens. The Borrower shall not, and shall not permit any of its Subsidiaries to, create, assume or suffer to exist any Lien upon any of its property or assets, now owned or hereafter acquired, securing any Indebtedness or other obligation except: (i) Liens outstanding on the date hereof and listed in Schedule II hereto; (ii) Liens for taxes or other governmental charges not yet delinquent; (iii) Liens in respect of Property acquired or constructed or improved by the Borrower or any such Subsidiary after the date hereof which Liens exist or are created at the time of acquisition or completion of construction or improvement of such Property or within six months thereafter to secure Indebtedness assumed or incurred to finance all or any part of the purchase price or cost of construction or improvement of such Property, but any such Lien shall

cover only the Property so acquired or constructed and any improvements thereto (and any real property on which such Property is located); (iv) Liens on Property of any corporation that becomes a Subsidiary of the Borrower after the date hereof, provided that such Liens are in existence at the time such corporation becomes a Subsidiary of the Borrower and were not created in anticipation thereof; (v) Liens on Property acquired after the date hereof, provided that such Liens were in existence at the time such Property was acquired and were not created in anticipation thereof; (vi) Liens imposed by law, such as mechanics', materialmen's, landlords', warehousemen's and carriers' Liens, and other similar Liens, securing obligations incurred in the ordinary course of business which are not past due for more than thirty days or which are being contested in good faith by appropriate proceedings and for which appropriate reserves have been established; (vii) Liens under workmen's compensation, unemployment insurance, social security or similar legislation; (viii) Liens, deposits, or pledges to secure the performance of bids, tenders, contracts (other than contracts for the payment of money), leases, public or statutory obligations, surety, stay, appeal, indemnity, performance or other similar bonds, or other similar obligations arising in the ordinary course of business; (ix) judgment and other similar Liens arising in connection with court proceedings, provided the execution or other enforcement of such Liens is effectively stayed and the claims secured thereby are being actively contested in good faith and by appropriate proceedings; (x) easements, rights-of-way, restrictions and other similar encumbrances which, in the aggregate, do not materially interfere with the occupation, use and enjoyment by the Borrower or any such Subsidiary of the Property encumbered thereby in the normal course of its business or materially impair the value of the Property subject thereto; (xi) Liens securing obligations of any such Subsidiary to the Borrower or another Subsidiary of the Borrower; (xii) Liens arising in connection with Permitted Securitizations; and (xiii) other Liens securing Indebtedness or other obligations in an aggregate amount not exceeding 5% of Total Consolidated Assets.

8.09 Lines of Businesses. Neither the Borrower nor any of its Subsidiaries shall engage to any significant extent in any line or lines of business other than the lines of business in which they are engaged on the date hereof and any other line or lines of business directly related to the manufacture, distribution and/or sale of consumer or industrial products (collectively, "Permitted Activities"). Notwithstanding the foregoing, the Borrower and its Subsidiaries may engage in other lines of business as a result of the acquisition of any Person primarily engaged in Permitted Activities so long as the Borrower uses its best efforts to come into compliance with the first sentence of this Section 8.09 within a reasonable period of time after such acquisition.

8.10 Total Indebtedness to Total Capital. The Borrower shall not permit the ratio of Total Indebtedness to Total Capital at any time to be greater than 0.60 to 1; provided that (i) in calculating Total Capital, goodwill impairment charges taken pursuant to the Financial Accounting Standards Board shall be disregarded to the extent such charges do not exceed \$550,000,000 in the aggregate and (ii) in calculating such ratio, quarterly income preferred securities, quarterly income capital securities, monthly income preferred securities or other similar securities will be treated as part of "Total Capital" and not "Total Indebtedness".

8.11 Interest Coverage Ratio. The Borrower shall not permit the Interest Coverage Ratio as at the last day of any fiscal quarter to be less than 4.00 to 1.00.

8.12 Transactions with Affiliates. The Borrower shall not, and shall not permit any of its Subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) at prices and on terms and conditions not less favorable to the Borrower or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties and (b) transactions between or among the Borrower and its Subsidiaries not involving any other Affiliate.

SECTION 9

EVENTS OF DEFAULT

If one or more of the following events (herein called "Events of Default") shall occur and be continuing:

- (a) The Borrower shall default in the payment of any principal of any Loan when and as the same shall become due and payable; or
- (b) The Borrower shall default in the payment of any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable hereunder or under any other Credit Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five days; or
- (c) The Borrower or any of its Subsidiaries shall default in the payment when due of any principal of or interest on any of its other Indebtedness aggregating \$50,000,000 or more; or any event specified in any note, agreement, indenture or other document evidencing or relating to any Indebtedness aggregating \$50,000,000 or more shall occur if the effect of such event is to cause, or (with the giving of any notice or the lapse of time or both) to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, such Indebtedness to become due prior to its stated maturity or to permit termination of the commitment to lend pursuant to any such instrument or agreement; or
- (d) Any representation, warranty or certification made or deemed made by the Borrower herein or by the Borrower in any certificate furnished to any Lender or the Administrative Agent pursuant to the provisions hereof, shall prove to have been false or misleading as of the time made or furnished in any material respect; or
- (e) The Borrower shall default in the performance of any of its obligations under Section 8.01(f) or 8.05 through 8.12; or the Borrower shall default in the performance of any of its other obligations in this Agreement and such default shall continue unremedied for a period of 30 days after notice thereof to the Borrower by the Administrative Agent or any Lender (through the Administrative Agent); or

(f) The Borrower or any of its Significant Subsidiaries shall admit in writing its inability to, or be generally unable to, pay its debts as such debts become due; or

(g) The Borrower or any of its Significant Subsidiaries shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property, (ii) make a general assignment for the benefit of its creditors, (iii) commence a voluntary case under the Bankruptcy Code (as now or hereafter in effect), (iv) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or readjustment of debts, (v) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code, or (vi) take any corporate action for the purpose of effecting any of the foregoing; or

(h) A proceeding or case shall be commenced against the Borrower or any of its Significant Subsidiaries without its application or consent, in any court of competent jurisdiction, seeking (i) its liquidation, reorganization, dissolution or winding-up, or the composition or readjustment of its debts, (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of it or of all or any substantial part of its assets, or (iii) similar relief in respect of it under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 60 days; or an order for relief against it shall be entered in an involuntary case under the Bankruptcy Code; or

(i) A final judgment or judgments for the payment of money in excess of \$50,000,000 in the aggregate shall be rendered by a court or courts against the Borrower and/or any of its Subsidiaries and the same shall not be discharged (or provision shall not be made for such discharge), or a stay of execution thereof shall not be procured, within 30 days from the date of entry thereof and the Borrower or the relevant Subsidiary shall not, within said period of 30 days, or such longer period during which execution of the same shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal; or

(j) An event or condition specified in Section 8.01(e) shall occur or exist with respect to any Plan or Multiemployer Plan of the Borrower and, as a result of such event or condition, together with all other such events or conditions, the Borrower or any ERISA Affiliate shall incur or in the opinion of the Majority Lenders shall be reasonably likely to incur a liability to a Plan, a Multiemployer Plan or PBGC (or any combination of the foregoing) which, in the determination of the Majority Lenders, would reasonably be expected to have a Material Adverse Effect; or

(k) During any period of 25 consecutive calendar months (i) individuals who were directors of the Borrower on the first day of such period and (ii) other individuals whose election or nomination to the Board of Directors of the Borrower was approved by

at least a majority of the individuals referred to in clause (i) above and (iii) other individuals whose election or nomination to the Board of Directors of the Borrower was approved by at least a majority of the individuals referred to in clauses (i) and (ii) above shall no longer constitute a majority of the Board of Directors of the Borrower.

THEREUPON: (i) in the case of an Event of Default (other than one referred to in clause (g) or (h) of this Section 9 in respect of the Borrower) the Administrative Agent may and, upon request of the Majority Lenders, shall, by notice to the Borrower, declare the principal amount of and the accrued interest on the Loans, and all other amounts payable by the Borrower hereunder and under the Notes, to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Borrower; and (ii) in the case of the occurrence of an Event of Default referred to in clause (g) or (h) of this Section 9 in respect of the Borrower, the principal amount then outstanding of, and the accrued interest on, the Loans and all other amounts payable by the Borrower hereunder and under the Notes shall become automatically immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Borrower.

SECTION 10

THE ADMINISTRATIVE AGENT

10.01 Appointment, Powers and Immunities. Each Lender hereby irrevocably (but subject to Section 10.08) appoints and authorizes the Administrative Agent to act as its agent hereunder with such powers as are specifically delegated to the Administrative Agent by the terms of this Agreement together with such other powers as are reasonably incidental thereto. The Administrative Agent (which term as used in this sentence and in Section 10.05 and the first sentence of Section 10.06 shall include reference to its Affiliates and its own and its affiliates' officers, directors, employees and agents); (a) shall have no duties or responsibilities except those expressly set forth in this Agreement and shall not by reason of this Agreement be a trustee for any Lender; (b) shall not be responsible to the Lenders for any recitals, statements, representations or warranties contained in this Agreement or in any certificate or other document referred to or provided for in, or received by any of them under, this Agreement or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement, any Note or any other document referred to or provided for herein or for any failure by the Borrower or any other Person to perform any of its obligations hereunder or thereunder; (c) shall not be required to initiate or conduct any litigation or collection proceedings hereunder; and (d) shall not be responsible for any action taken or omitted to be taken by it hereunder or under any other document or instrument referred to or provided for herein or in connection herewith, except for its own gross negligence or willful misconduct. The Administrative Agent may employ agents and attorneys-in-fact and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. The exculpatory provisions of this Section shall apply to any agent or attorney-in-fact of the Administrative Agent and any such agent or attorney-in-fact, and shall apply to their respective activities in connection with the syndication of the facility provided for herein as well as the activities as Administrative Agent. The provisions of this Section are solely for the benefit of the Administrative Agent and the Lenders, and the Borrower shall not have any rights as a third party beneficiary of any of such provisions.

10.02 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon any certification, notice or other communication (including any thereof by telephone, telex, telegram or cable) believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons, and upon advice and statements of legal counsel, independent accountants and other experts selected by the Administrative Agent. Furthermore, the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (a) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Credit Document or any other agreement, instrument or document or (b) the satisfaction of any condition set forth in Article V or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

As to any matters not expressly provided for by this Agreement, the Administrative Agent shall in all cases be fully protected (a) in acting, or in refraining from acting, hereunder in accordance with instructions signed by the Majority Lenders (or such other number of Lenders as is expressly required hereby), and such instructions of the Majority Lenders (or such other

number of Lenders) and any action taken or failure to act pursuant thereto shall be binding on all the Lenders and (b) from liability for any action taken or not taken by it in the absence of its own gross negligence or willful misconduct.

10.03 Defaults. The Administrative Agent shall not be deemed to have knowledge of the occurrence of a Default unless the Administrative Agent has received notice from a Lender or the Borrower specifying such Default and stating that such notice is a "Notice of Default". In the event that the Administrative Agent receives such a notice of the occurrence of a Default, the Administrative Agent shall give prompt notice thereof to the Lenders. The Administrative Agent shall (subject to Section 10.07) take such action with respect to such Default as shall be directed by the Majority Lenders, provided that, unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interest of the Lenders.

10.04 Rights as a Lender. With respect to its Commitment and the Loans made by it, Bank of America (and any successor acting as Administrative Agent), in its capacity as a Lender hereunder shall have the same rights and powers hereunder as any other Lender and may exercise the same as though it were not acting as the Administrative Agent, and the term "Lender" or "Lenders" shall, unless the context otherwise indicates, include the Administrative Agent in its individual capacity. Bank of America (and any successor acting as Administrative Agent) and its Affiliates may (without having to account therefor to any Lender) accept deposits from, lend money to and generally engage in any kind of banking, trust or other business with the Borrower (and any of its Affiliates) as if it were not acting as the Administrative Agent, and Bank of America and its Affiliates may accept fees and other consideration from the Borrower for services in connection with this Agreement or otherwise without having to account for the same to the Lenders.

10.05 Indemnification. The Lenders agree to indemnify the Administrative Agent (to the extent not reimbursed under Section 11.03, but without limiting the obligations of the Borrower under said Section 11.03), ratably in accordance with their respective Commitments, for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind and nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any other documents contemplated by or referred to herein or the transactions contemplated hereby (including, without limitation, the costs and expenses which the Borrower is obligated to pay under Section 11.03 but excluding, unless a Default has occurred and is continuing, normal administrative costs and expenses incident to the performance of its agency duties hereunder) or the enforcement of any of the terms hereof, or of any such other documents, provided that no Lender shall be liable for any of the foregoing to the extent they arise from the gross negligence or willful misconduct of the party to be indemnified.

10.06 Non-Reliance on Administrative Agent and Other Lenders. Each Lender agrees that it has, independently and without reliance on the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis of the Borrower and its Subsidiaries and decision to enter into this

Agreement and that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis and decisions in taking or not taking action under this Agreement. The Administrative Agent shall not be required to keep itself informed as to the performance or observance by the Borrower of this Agreement or any other document referred to or provided for herein or to inspect the properties or books of the Borrower or any Subsidiary of the Borrower. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of the Borrower or any Subsidiary of the Borrower (or any of their affiliates) which may come into the possession of the Administrative Agent or any of its Affiliates.

10.07 Failure to Act. Except for action expressly required of the Administrative Agent hereunder the Administrative Agent shall in all cases be fully justified in failing or refusing to act hereunder unless it shall be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action.

10.08 Resignation or Removal of Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Majority Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Credit Documents, the provisions of this Article and Section 11.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective affiliates in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

10.09 Lead Arrangers and Other Agents. Anything herein to the contrary notwithstanding, the Joint Lead Arrangers and Joint Bookrunners and the Syndication Agent listed on the cover page shall not have any duties or responsibilities under this Agreement, except in their capacity, if any, as Lenders.

10.10 Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Credit Documents. Without

limiting the generality of the foregoing, the Administrative Agent (a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing; (b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Credit Documents that the Administrative Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Credit Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Credit Document or applicable law; and (c) shall not, except as expressly set forth herein and in the other Credit Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

10.11 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Borrower, the Administrative Agent (irrespective of whether the principal of the Term Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Term Loan and all other obligations of the Borrower that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 11.03) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 11.03.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Term Loan or the obligations of the Borrower hereunder or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

SECTION 11

MISCELLANEOUS

11.01 Waiver. No failure on the part of the Administrative Agent or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Agreement or any Note shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Agreement or any Note preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The remedies provided herein and therein are cumulative and not exclusive of any remedies provided by law.

Notwithstanding anything to the contrary contained herein or in any other Credit Document, the authority to enforce rights and remedies hereunder and under the other Credit Documents against the Borrower shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 9 for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Credit Documents, (b) any Lender from exercising setoff rights in accordance with Section 4.05 or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to the Borrower under the Bankruptcy Code or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Credit Documents, then (i) the Majority Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 9 and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding proviso and subject to Section 4.05, any Lender may, with the consent of the Majority Lenders, enforce any rights and remedies available to it and as authorized by the Majority Lenders.

11.02 Notices. All notices and other communications provided for herein (including, without limitation, any modifications of, or requests, demands, waivers or consents under, this Agreement) shall be given or made in writing and telecopied, mailed or delivered to the intended recipient at (i) in the case of the Borrower or the Administrative Agent, the "Address for Notices" specified below its name on the signature pages hereof and (ii) in the case of each Lender, the address (or telecopy) set forth in its Administrative Questionnaire; or, as to any party, at such other address as shall be designated by such party in a notice to each other party. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted by telecopier or personally delivered or, in the case of a mailed notice, upon receipt, in each case given or addressed as aforesaid. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the

foregoing shall not apply to notices pursuant to Section 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

THE PLATFORM IS PROVIDED “AS IS” AND “AS AVAILABLE.” THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the “Agent Parties”) have any liability to the Borrower, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower’s or the Administrative Agent’s transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to the Borrower, any Lender or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

11.03 Expenses, Etc. The Borrower agrees to pay or reimburse each of the Lenders and the Administrative Agent for paying: (a) the reasonable fees and expenses of Moore & Van Allen PLLC, counsel to the Administrative Agent, in connection with (i) the preparation, execution and delivery of this Agreement and the Notes and the making of the Loans hereunder and (ii) any amendment, modification or waiver (whether or not such amendment, modification or waiver shall become effective) of any of the terms of this Agreement or any of the Notes; (b) all reasonable costs and expenses of the Lenders and the Administrative Agent (including reasonable counsels’ fees) in connection with the enforcement of this Agreement or any of the Notes; and (c) all transfer, stamp, documentary or other similar taxes, assessments or charges levied by any governmental or revenue authority in respect of this Agreement, any of the Notes or any other document referred to herein.

The Borrower hereby agrees to indemnify the Administrative Agent and each Lender and each of their respective Affiliates, and each of the respective directors, officers, employees, agents and advisors of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of

their respective obligations hereunder or the consummation of the transactions contemplated hereby, (ii) any Loan or the use of the proceeds therefrom or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.

To the fullest extent permitted by applicable law, the Borrower shall not assert, and the Borrower hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Credit Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof.

11.04 Amendments, Etc. Except as otherwise expressly provided in this Agreement, any provision of this Agreement may be amended or modified only by an instrument in writing signed by the Borrower, the Administrative Agent and the Majority Lenders, or by the Borrower, and the Administrative Agent acting with the consent of the Majority Lenders, and any provision of this Agreement may be waived by the Majority Lenders or by the Administrative Agent acting with the consent of the Majority Lenders; provided that no amendment, modification or waiver shall, unless by an instrument signed by each of the Lenders affected thereby or by the Administrative Agent acting with the consent of each of the Lenders affected thereby: (i) extend the date fixed for the payment of any principal of or interest on any Loan, (ii) reduce the amount of any principal of any Loan or the rate at which interest or any fee is payable hereunder, (iii) alter the terms of Section 11 or release the Borrower from any of its material obligations thereunder, (iv) alter the terms of this Section 11.04 or Section 4.05(b) or (v) amend the definition of the term "Majority Lenders" or modify in any other manner the number or percentage of the Lenders required to make any determinations or waive any rights hereunder or to modify any provision hereof; and provided, further, that any amendment of Section 10, or which increases the obligations or alters the rights of the Administrative Agent hereunder, shall require the consent of the Administrative Agent.

11.05 Assignments and Participations.

(a) The Borrower may not assign any of its rights or obligations hereunder or under the Notes without the prior consent of all of the Lenders and the Administrative Agent.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of (A) the Borrower, provided that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has

occurred and is continuing, any other assignee; and (B) the Administrative Agent provided that no consent of the Administrative Agent shall be required for an assignment to a Lender, an Affiliate of a Lender or an Approved Fund.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining principal amount of the Loans at the time owing to such assigning Lender, the principal amount of the Loans owing to such assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless each of the Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section 11.05 , from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 5.01 , 5.05 , 5.06 and 11.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 11.05(b) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 11.05(c).

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrower, the Administrative Agent, and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in Section 11.05(b) and any written consent to such assignment required thereby, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Administrative Agent, and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 11.04 that affects such Participant. Subject to paragraph (c)(ii) of this Section 11.05, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 5.01, 5.05 and 5.06 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section 11.05. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 4.05(a) as though it were a Lender, provided such Participant agrees to be subject to Section 4.05(b) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 5.01 or 5.06 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(e) A Lender may furnish any information concerning the Borrower or any of its Subsidiaries in the possession of such Lender from time to time to assignees and participants (including prospective assignees and participants).

11.06 Survival. The obligations of the Borrower under Sections 5.01 , 5.05 and 5.06 , the obligations of the Lenders under Section 10.05 and the obligations of the Borrower under Section 11.03 shall survive the repayment of the Loans and the termination of the Commitments. In addition, each representation and warranty made, or deemed to be made, by a notice of borrowing of Loans hereunder shall survive the making of such Loans, and no Lender shall be deemed to have waived, by reason of making any Loan, any Default or Event of Default which may arise by reason of such representation or warranty proving to have been false or misleading, notwithstanding that such Lender or the Administrative Agent may have had notice or knowledge or reason to believe that such representation or warranty was false or misleading at the time such Loan was made.

11.07 Captions. Captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

11.08 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts, each of which shall be identical and all of which, when taken together, shall constitute one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart. Except as provided in Section 6.01 , this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page to this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

11.09 Governing Law; Jurisdiction; Service of Process; Waiver of Jury Trial; Etc. (a) **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, AND ANY ACTION OR PROCEEDING TO EXECUTE OR OTHERWISE ENFORCE ANY JUDGMENT OBTAINED IN CONNECTION THEREWITH, MAY BE INSTITUTED IN THE SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NEW YORK**

OR IN THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, AND THE BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS GENERALLY (BUT NON-EXCLUSIVELY) TO THE JURISDICTION OF EACH SUCH COURT. THE BORROWER IRREVOCABLY CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO THE BORROWER AT ITS ADDRESS SET FORTH UNDERNEATH ITS SIGNATURE HERETO. THE BORROWER AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. THE BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. THE BORROWER FURTHER AGREES THAT ANY SUCH ACTION OR PROCEEDING AGAINST THE ADMINISTRATIVE AGENT AND/OR ANY OF THE LENDERS SHALL BE BROUGHT ONLY IN THE SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NEW YORK OR IN THE U.S. DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY CONSENT TO THE JURISDICTION OF SUCH COURTS FOR SUCH PURPOSE.

(b) EACH OF THE BORROWER, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

11.10 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.11 USA PATRIOT Act. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), such Lender may be required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with said Act.

11.12 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a)(i) the arranging and other services regarding this Agreement provided by the Administrative Agent, BAS or any Lender, are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, BAS or any such Lender, on the other hand, (ii) the Borrower has

consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents; (b)(i) the Administrative Agent, BAS and each Lender each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not and will not be acting as an advisor, agent or fiduciary, for the Borrower or any of Affiliates or any other Person and (ii) neither the Administrative Agent, BAS nor any Lender has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein, in the other Credit Documents and in the Commitment Letter; and (c) the Administrative Agent, BAS and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent, BAS nor any Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases, any claims that it may have against the Administrative Agent, BAS or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

NEWELL RUBBERMAID INC.

By /s/ Dale L. Metz

Name: Dale L. Metz

Title: Vice President — Treasurer

Address for Notices:

Newell Rubbermaid Inc.

3 Glenlake Parkway, 13 th Floor

Atlanta, GA 30328

Attn: Dale Metz

Vice President-Treasurer

Telecopier No.: (770) 418-7705

Telephone No.: (770) 677-8705

U.S. Federal Tax Identification No.: 36-3514169

THE ADMINISTRATIVE AGENT

BANK OF AMERICA, N.A.
as Administrative Agent

By /s/ Joan Mok

Name: Joan Mok

Title: Vice President

Address for Notices:

Administrative Agent's Office
(for payments and Requests for Credit Extensions):

Bank of America, N.A.
Building B, 2001 Clayton Road
CA4-702-02-25
Concord, CA 94520
Attention: Jessica Torres, Credit Services
Telephone: (925) 675-8139
Telecopier: (888) 969-9232
Electronic Mail: jessica.l.torres@bankofamerica.com

Other Notices as Administrative Agent:

Bank of America, N.A.
Agency Management
1455 Market Street, 5th Floor
CA5-701-15-19
San Francisco, CA 94103
Attention: Joan Mok
Telephone: (415) 436-3496
Telecopier: (415) 503-5085
Electronic Mail: joan.mok@bankofamerica.com

LENDERS

BANK OF AMERICA, N.A

By /s/ David L. Catherall

Name: David L. Catherall

Title: Senior Vice President

JPMORGAN CHASE BANK, N.A.

By /s/ Anthony W. White

Name: Anthony W. White

Title: Vice President

THE ROYAL BANK OF SCOTLAND PLC

By /s/ William McGinty

Name: William McGinty

Title: Senior Vice President

BARCLAYS BANK PLC

By /s/ Nicholas A. Bell

Name: Nicholas A. Bell

Title: Director

By /s/ Doreen Barr

Name: Doreen Barr

Title: Vice President

By /s/ Morenikeji Ajayi

Name: Morenikeji Ajayi

Title: Associate

CITIBANK, N.A.

By /s/ John Coons

Name: John Coons

Title: Vice President

WILLIAM STREET LLC

By /s/ Mark Walton

Name: Mark Walton

Title: Authorized Signatory

ING BANK N.V., DUBLIN BRANCH

By /s/ Maurice Kenny

Name: Maurice Kenny

Title: Director

By /s/ Sean Hassett

Name: Sean Hassett

Title: Director

By /s/ Maria Iarriccio

Name: Maria Iarriccio

Title: Authorized Signatory

PNC BANK NATIONAL ASSOCIATION

By /s/ David B. Gookin

Name: David B. Gookin

Title: Senior Vice President

THE NORTHERN TRUST COMPANY

By /s/ Kathryn Schad Reuther

Name: Kathryn Schad Reuther

Title: Vice President

By /s/ Yoshihiro Hyakutome

Name: Yoshihiro Hyakutome

Title: General Manager

FIRST HAWAIIAN BANK

By /s/ Paula C.H. Chang

Name: Paula C.H. Chang

Title: Vice President

REGIONS BANK

By /s/ Stephen H. Lee

Name: Stephen H. Lee

Title: Senior Vice President

RBC BANK (USA)

By /s/ James R. Pryor

Name: James R. Pryor

Title: Managing Director

BNP PARIBAS

By /s/ Paul Harris

Name: Paul Harris

Title: Managing Director

By /s/ Fikret Durmus

Name: Fikret Durmus

Title: Vice President

U.S. BANK NATIONAL ASSOCIATION

By /s/ James N. DeVries

Name: James N. DeVries

Title: Senior Vice President

BANK OF COMMUNICATIONS CO., LTD., NEW YORK
BRANCH

By /s/ Hong Tu

Name: Hong Tu

Title: General Manager

By /s/ Yukihiro Inamura

Name: Yukihiro Inamura

Title: General Manager

Annex I

Commitments

<u>Lender</u>	<u>Commitment</u>	<u>Applicable Percentage</u>
Bank of America, N.A.	\$ 40,000,000	10.000000000%
JP Morgan Chase Bank, N.A.	\$ 30,000,000	7.500000000%
The Royal Bank of Scotland plc	\$ 30,000,000	7.500000000%
Barclays Bank PLC	\$ 25,000,000	6.250000000%
Credit Suisse	\$ 25,000,000	6.250000000%
Citibank, N.A.	\$ 20,000,000	5.000000000%
William Street LLC	\$ 20,000,000	5.000000000%
ING Bank N.V., Dublin Branch	\$ 20,000,000	5.000000000%
The Bank of Tokyo Mitsubishi UFJ, Ltd.	\$ 25,000,000	6.250000000%
The Northern Trust Company	\$ 20,000,000	5.000000000%
Sumitomo Mitsui Banking Corporation	\$ 25,000,000	6.250000000%
First Hawaiian Bank	\$ 20,000,000	5.000000000%
PNC Bank National Association	\$ 20,000,000	5.000000000%
Regions Bank	\$ 20,000,000	5.000000000%
RBC Bank (USA)	\$ 25,000,000	6.250000000%
BNP Paribas	\$ 10,000,000	2.500000000%
U.S. Bank National Association	\$ 10,000,000	2.500000000%
Bank of Communications Co., Ltd., New York Branch	\$ 10,000,000	2.500000000%
The Chiba Bank, Ltd., New York Branch	\$ 5,000,000	1.250000000%
Total	<u>\$400,000,000</u>	<u>100.000000000%</u>

FY 2008 - 2nd Quarter - - As of June 30, 2008
(In millions)

Type of Debt	Interest Rate	Maturity Date	Available Line of Credit	Balance 6/30/2008
Other Debt Instruments				
Commercial Paper	2.7669%	11/11		298.0
State of MD- 12/09	3.0000%	12/09		0.3
Rabobank - 9/08	3.4838%	9/08		448.0
Newell Rubbermaid Poland SA - Citibank Line of Credit*			13.5	—
SANFORD COLOMBIA S.A. - Citibank & Banco di Bogata Line of Credit*			28.0	8.2
APRICA KK - Financing - Sojitz			—	18.2
NEWELL RUBBERMAID BRASIL, LTDA. - Bradesco Bank Credit Line*			15.0	—
PARKER PEN (SHANGHAI), LTD. - Bank of Tokyo Mitsubishi Line of Credit*			5.1	—
All Italian Companies - Banca Di Roma Line of Credit*			25.0	—
All UK Companies - Barclays Bank Line of Credit*			23.6	—
			—	—
Total:			110.2	772.7
Medium Term Notes				
MTN \$500 - 4/2013	5.5000%	04/13		500.0
MTN \$250 - 4/2018	6.2500%	04/18		250.0
MTN \$250 - 12/2009	4.6250%	12/09		250.0
MTN \$250 - 5/2010	4.0000%	5/10		250.0
MTN \$250 - 3/2012	6.7500%	03/12		250.0
MTN \$75 - 7/2028	6.1100%	07/28		75.0
MTN \$250 - 7/2028	6.3500%	07/28		250.0
Total:				1,825.0
TOTAL				2,597.7

LIENS

NONE

EXHIBIT A

FORM OF LOAN NOTICE

Date: _____, 20__

To: Bank of America, N.A., as Administrative Agent

Re: Credit Agreement dated as of September 19, 2008 (as amended, modified, supplemented or extended from time to time, the "Credit Agreement") among Newell Rubbermaid Inc., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto and Bank of America, N.A., as Administrative Agent. Capitalized terms used but not otherwise defined herein have the meanings provided in the Credit Agreement.

Ladies and Gentlemen:

The undersigned hereby requests (select one):

A borrowing of the Term Loan A Conversion or Continuation of the Term Loan

1. On _____, 20__ (which is a Business Day).
2. In the amount of \$ _____.
3. Comprised of _____ (Type of Loan requested).
4. For LIBO Rate Loans: with an Interest Period of _____ months.

[The Borrower hereby represents and warrants that each of the conditions set forth in Section 6.02 of the Credit Agreement has been satisfied on and as of the date of the borrowing of the Term Loan.¹]

NEWELL RUBBERMAID INC.,
a Delaware corporation

By: _____
Name:
Title:

¹ This representation shall be required only when borrowing the Term Loan.

EXHIBIT B

FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [Insert name of Assignor] (the "Assignor") and [Insert name of Assignee] (the "Assignee"). Capitalized terms used but not defined herein have the meanings provided in the Credit Agreement identified below, receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____ [and is an Affiliate/Approved Fund of [identify Lender]]
3. Borrower: Newell Rubbermaid Inc., a Delaware corporation
4. Administrative Agent: Bank of America, N.A., as the administrative agent under the Credit Agreement
5. Credit Agreement: Credit Agreement dated as of September 19, 2008 (as amended, modified, supplemented or extended from time to time, the "Credit Agreement") among Newell Rubbermaid Inc. (the "Borrower"), the Lenders from time to time party thereto and Bank of America, N.A., as Administrative Agent.

6. Assigned Interest:

Aggregate Amount of Term Loan for all Lenders	Amount of Term Loan Assigned ¹	Percentage Assigned of Term Loan ²
---	---	--

7. Trade Date: _____

8. Effective Date: _____

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR:

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

ASSIGNEE:

[NAME OF ASSIGNEE]

By: _____
Name:
Title:

¹ Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.
² Set forth, to at least 9 decimals, as a percentage of the Term Loan of all Lenders thereunder.

[Consented to and]³ Accepted:

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____
Name:
Title:

Consented to:

NEWELL RUBBERMAID INC.,
a Delaware corporation

By: _____
Name:
Title:

³ _____
To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.

STANDARD TERMS AND CONDITIONS

1. Representations and Warranties.

1.1. Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets the requirements to be an assignee under Section 11.05 of the Credit Agreement (subject to such consents, if any, as may be required under Section 11.05(b) of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 8.01 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, and (vii) attached hereto is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

**NEWELL RUBBERMAID INC. 2010 STOCK PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT**

A Restricted Stock Unit (“RSU”) Award (the “Award”) granted by Newell Rubbermaid Inc., a Delaware corporation (the “Company”), to the employee named in the attached Award letter (the “Grantee”) relating to the common stock, par value \$1.00 per share (the “Common Stock”), of the Company, shall be subject to the following terms and conditions and the provisions of the Newell Rubbermaid Inc. 2010 Stock Plan, a copy of which is attached hereto and the terms of which are hereby incorporated by reference.

1. Acceptance by Grantee. The receipt of the Award is conditioned upon its acceptance by the Grantee in the space provided therefor at the end of the attached Award letter and the return of an executed copy of such Award letter to the Secretary of the Company no later than 60 days after the Award Date set forth therein or, if later, 30 days after the Grantee receives this Agreement.

2. Grant of RSUs. The Company hereby grants to the Grantee the Award of RSUs, as set forth in the Award letter. An RSU is the right, subject to the terms and conditions of the Plan and this Agreement, to receive a distribution of a share of Common Stock for each RSU as described in Section 7 of this Agreement.

3. RSU Account. The Company shall maintain an account (“RSU Account”) on its books in the name of the Grantee which shall reflect the number of RSUs awarded to the Grantee.

4. Dividend Equivalents.

(a) *Time-Based RSUs.* Upon the payment of any dividend on Common Stock occurring during the period preceding the earlier of the date of vesting of the Grantee’s Award or the date the Grantee’s Award is forfeited as described with Section 5, the Company shall promptly pay to each Grantee an amount in cash equal in value to the dividends that the Grantee would have received had the Grantee been the actual owner of the number of shares of Common Stock represented by the Time-Based RSUs in the Grantee’s RSU Account on that date.

(b) *Performance-Based RSUs.* Upon the payment of any dividend on Common Stock occurring during the period preceding the earlier of the date of vesting of the Grantee’s Award or the date the Grantee’s Award is forfeited as described with Section 5, the Company shall credit the Grantee’s RSU Account with an amount equal in value to the dividends that the Grantee would have received had the Grantee been the actual owner of the number of shares of Common Stock represented by the Performance-Based RSUs in the Grantee’s RSU Account on that date. Such amounts shall be paid to the Grantee in cash at the time and to the extent the related Performance-Based RSUs vest. The amount of dividend equivalents payable to the Grantee shall be adjusted to reflect the adjustment made to the related RSUs pursuant to Section 6 (which shall be determined by multiplying such amount by the percentage adjustment made to the related RSUs). Any such dividend equivalents relating to Performance-Based RSUs that are forfeited shall also be forfeited.

5. Vesting.

(a) Except as described in (b), (c) and (d) below, the Grantee shall become vested in his Award upon the third anniversary of the date of the grant of the Award (the "Award Date") if he remains in continuous employment with the Company or an affiliate until such date.

(b) If the Grantee's employment with the Company and all affiliates terminates prior to the third anniversary of the Award Date due to death or disability, the Award shall become vested on such date. For this purpose "disability" means (as determined by the Committee in its sole discretion) the inability of the Grantee to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which is expected to result in death or disability or which has lasted or can be expected to last for a continuous period of not less than 12 months.

(c) If the Grantee's employment with the Company and all affiliates terminates prior to the third anniversary of the Award Date due to retirement, (i) Time-Based RSUs shall become vested on the date of such termination as provided in the table set forth below; and (ii) Performance-Based RSUs shall remain outstanding until the third anniversary of the Award Date, at which time they will vest as provided in the table set forth below. The portion of the Award that does not vest as provided below shall be forfeited to the Company. For this purpose, "retirement" means the Grantee's termination without cause on or after the date on which the Grantee (i) has completed five years of credited service and (ii) either (A) has attained age 65 or (B) has attained age 55 and the sum of his age and credited service (his "points") equals or exceeds 60.

<u>Age or Points</u>	<u>Vesting</u>
Age 65 or 75 or more points	100% of the Award vests for an Award made 12 or more months prior to retirement
	100% of the Pro-Rated Award vests for an Award made less than 12 months prior to retirement
70-74 points	75% of the Pro-Rated Award vests
65-69 points	50% of the Pro-Rated Award vests
60-64 points	25% of the Pro-Rated Award vests

For purposes of this subsection (c):

(1) The term “credited service” means the Grantee’s period of employment with the Company and all affiliates (including any predecessor company or business acquired by the Company or any affiliate, provided the Grantee was immediately employed by the Company or any affiliate). 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.

(2) The term “cause” means the Grantee’s termination of employment due to unsatisfactory performance or conduct detrimental to the Company or its affiliates, as determined solely by the Company.

(3) The term “affiliate” means each entity with whom the Company would be considered a single employer under Sections 414(b) and 414(c) of the Code, substituting “at least 50%” instead of “at least 80%” in making such determination.

(4) The term “Pro-Rated Award” means (A) with respect to an Award granted less than 12 months prior to the Grantee’s retirement, and on the date of such retirement the Grantee has either attained age 65 or has 75 or more points, the portion of the Award determined by dividing the number of full months of employment with the Company and all affiliates from the Award’s grant date by 12; and (B) with respect to all other Awards, the portion of the Award determined by dividing the full number of months of employment with the Company and all affiliates from the Award’s grant date by 36 (in each case carried out to three decimal points).

Any Grantee whose employment terminates due to retirement as described in this Section 5(c) must execute and deliver to the Company an agreement, in a form prescribed by the Company, and in accordance with procedures established by the Company, that he will not solicit employees, customers or suppliers of the Company and its affiliates, or compete with the Company and its affiliates, and that he releases all claims against the Company and its affiliates. If the Grantee fails to execute such agreement, or if the agreement is revoked by the Grantee, the Award shall be forfeited to the Company on the date of the Grantee’s retirement.

(d) If the Grantee’s employment with the Company and all affiliates terminates prior to the third anniversary of the Award Date for any reason other than death, disability or retirement, the entire Award shall be forfeited to the Company, and no portion of the Award shall vest.

(e) In the case of a Grantee who is also a Director, if the Grantee’s employment with the Company and all affiliates terminates before the end of the Award’s three-year vesting period, but the Grantee remains a Director, his service on the Board will be considered employment with the Company and his Award will continue to vest while his service on the Board continues. Any subsequent termination of service on the Board will be considered termination of employment and vesting will be determined as of the date of such termination of employment.

5/2010

The foregoing provisions of this Section 5 shall be subject to the provisions of any written employment security agreement or severance agreement that has been or may be executed by the Grantee and the Company, and the provisions in such employment security agreement or severance agreement concerning vesting of an Award shall supersede any inconsistent or contrary provision of this Section 5.

6. Adjustment of Performance-Based RSUs. The number of RSUs subject to the Award that are Performance-Based RSUs as described in the Award letter shall be adjusted by the Committee after the end of the three-year performance period that begins on January 1 of the year in which the Award is granted, in accordance with in the Long-Term Incentive Plan established under the Plan (the "LTIP"). Any Performance-Based RSUs that vest in accordance with Section 5(b) prior to the date the Committee determines the level of performance goal achievement applicable to such RSUs shall not be adjusted pursuant to the LTIP. The particular performance criteria that applies to the Performance-Based RSUs are set forth in Exhibit A to this Agreement.

7. Settlement of Award. If a Grantee becomes vested in his Award in accordance with Section 5, the Company shall distribute to him, or his personal representative, beneficiary or estate, as applicable, a number of shares of Common Stock equal to the number of vested RSUs subject to the Award, as adjusted in accordance with Section 6, if applicable. Such shares shall be delivered within 30 days following the date of vesting.

8. Withholding Taxes. The Company shall withhold from any distribution made to the Grantee in cash an amount sufficient to satisfy all minimum Federal, state and local withholding tax requirements. In the case of a distribution made in shares of Common Stock, the Grantee shall pay to the Company an amount sufficient to satisfy all minimum Federal, state and local withholding tax requirements prior to the delivery of any shares. Payment of such taxes may be made by one or more of the following methods: (i) in cash, (ii) in cash received from a broker-dealer to whom the Grantee has submitted irrevocable instructions to deliver the amount of withholding tax to the Company from the proceeds of the sale of shares subject to the Award, (iii) by directing the Company to withhold a number of shares otherwise issuable pursuant to the Award with a Fair Market Value equal to the tax required to be withheld, (iv) by delivery to the Company of other Common Stock owned by the Grantee that is acceptable to the Company, valued at its Fair Market Value on the date of payment, or (v) by certifying to ownership by attestation of such previously owned Common Stock.

9. Rights as Stockholder. The Grantee shall not be entitled to any of the rights of a stockholder of the Company with respect to the Award, including the right to vote and to receive dividends and other distributions, until and to the extent the Award is settled in shares of Common Stock.

10. Share Delivery. Delivery of any shares in connection with settlement of the Award will be by book-entry credit to an account in the Grantee's name established by the Company with the Company's transfer agent, or upon written request from the Grantee (or his personal representative, beneficiary or estate, as the case may be), in certificates in the name of the Grantee (or his personal representative, beneficiary or estate).

5/2010

11. Award Not Transferable. The Award may not be transferred other than by will or the applicable laws of descent or distribution or pursuant to a qualified domestic relations order. The Award shall not otherwise be assigned, transferred, or pledged for any purpose whatsoever and is not subject, in whole or in part, to attachment, execution or levy of any kind. Any attempted assignment, transfer, pledge, or encumbrance of the Award, other than in accordance with its terms, shall be void and of no effect.

12. Administration. The Award shall be administered in accordance with such regulations as the Organizational Development and Compensation Committee of the Board of Directors of the Company (the "Committee") shall from time to time adopt.

13. Section 409A Compliance. To the extent that the Grantee's right to receive payment of the RSUs and dividend equivalents constitutes a "deferral of compensation" within the meaning of Section 409A of the Code, then notwithstanding anything contained in the Plan to the contrary, the shares of Common Stock and cash otherwise deliverable under Sections 4 and 6 shall be subject to the following rules:

(a) The shares of Common Stock underlying the vested RSUs and the related dividend equivalents shall be delivered to the Grantee, or his personal representative, beneficiary or estate, as applicable, within 30 days following the earlier of (i) the Grantee's "separation from service" within the meaning of Section 409A of the Code, subject to Section 13(b); (ii) the occurrence of a Change in Control that also constitutes 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; or (iii) the third anniversary of the Award Date.

(b) Notwithstanding Section 13(a), if any Time-Based RSUs and related dividend equivalents become payable under Section 13(a)(i) as a result of the Grantee's termination of employment due to retirement or disability and the Grantee is a "specified employee," as determined under the Company's policy for determining specified employees on the date of such separation from service, then the shares of Common Stock underlying the vested RSUs and related dividends shall be delivered to the Grantee, or his personal representative, beneficiary or estate, as applicable, within 30 days after the first business day that is more than six months after the date of his or her separation from service (or, if the Grantee dies during such six-month period, within 30 days after the Grantee's death).

(c) In the event that any taxes described in Section 8 of this Agreement are due prior to the distribution of shares of Common Stock underlying the RSUs, then the Grantee shall be required to satisfy the tax obligation by using the method set forth in Section 8(i).

14. Data Privacy Consent. The Grantee hereby consents to the collection, use and transfer, in electronic or other form, of the Grantee's personal data as described in this

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document by the Company and its subsidiaries for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan. The Grantee understands that the Company and its subsidiaries hold certain personal information about the Grantee, including, but not limited to, name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock or stock units awarded, canceled, purchased, exercised, vested, unvested or outstanding in the Grantee's favor for the purpose of implementing, managing and administering the Plan ("Data"). The Grantee understands that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Grantee's country or elsewhere and that the recipient country may have different data privacy laws and protections than the Grantee's country. The Grantee understands that he may request a list with the names and addresses of any potential recipients of the Data by contacting the local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Grantee's participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom the Grantee may elect to deposit any shares or other award acquired under the Plan. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage participation in the Plan. The Grantee understands that he may, at any time, view Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the local human resources representative in writing. The Grantee understands that refusing or withdrawing consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, the Grantee understands that he may contact his or her local human resources representative.

15. Electronic Delivery. The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Grantee understands that, unless earlier revoked by the Grantee by giving written notice to the Secretary of the Company, this consent shall be effective for the duration of the Agreement. The Grantee also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

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16. Governing Law. This Agreement, and the Award, shall be construed, administered and governed in all respects under and by the laws of the State of Delaware.

NEWELL RUBBERMAID INC.



John K. Stipancich
Senior Vice President, General Counsel and
Corporate Secretary

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**Performance Criteria Applicable to
Performance-Based RSUs for the Three-Year Performance Period**

1. The Performance-Based RSUs covered by the Award are subject to the following TSR Comparator Group criterion:

- Members of the Comparator Group:¹
- Once the Company's ranking in the Comparator Group is determined at the end of the three-year performance period beginning January 1, 2010, the number of RSUs subject to this criterion is multiplied by the applicable percentage set forth below. (Interpolation is used if the Company's ranking falls between the upper and lower comparator group ranking.)

<u>Ranking</u>	<u>Multiplier</u>
1 st	200%
6 th	150%
11 th	100%
16 th	50%
Below 20 th	0%

¹ The Committee retains the discretion to revise the members of the Comparator Group applicable to subsequent Awards.

NEWELL RUBBERMAID INC. 2010 STOCK PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT

A Restricted Stock Unit ("RSU") Award (the "Award") granted by Newell Rubbermaid Inc., a Delaware corporation (the "Company"), to the non-employee director named in the attached Award letter (the "Grantee") relating to the common stock, par value \$1.00 per share (the "Common Stock"), of the Company, shall be subject to the following terms and conditions and the provisions of the Newell Rubbermaid Inc. 2010 Stock Plan (the "Plan"), a copy of which is attached hereto and the terms of which are hereby incorporated by reference.

1. Acceptance by Grantee. The receipt of the Award is conditioned upon its acceptance by the Grantee in the space provided therefor at the end of the attached Award letter and the return of an executed copy of such Award letter to the Secretary of the Company no later than 60 days after the Award Date set forth therein or, if later, 30 days after the Grantee receives this Agreement.

2. Grant of RSUs. The Company hereby grants to the Grantee the Award of RSUs, as set forth in the Award letter. An RSU is the right, subject to the terms and conditions of the Plan and this Agreement, to receive a distribution of a share of Common Stock for each RSU as described in Section 6 of this Agreement.

3. RSU Account. The Company shall maintain an account ("RSU Account") on its books in the name of the Grantee which shall reflect the number of RSUs awarded to the Grantee.

4. Dividend Equivalents. Upon the payment of any dividend on Common Stock occurring during the period preceding the earlier of the date of vesting of the Grantee's Award or the date the Grantee's Award is forfeited as described with Section 5, the Company shall promptly pay to each Grantee an amount in cash equal in value to the dividends that the Grantee would have received had the Grantee been the actual owner of the number of shares of Common Stock represented by the RSUs in the Grantee's RSU Account on that date.

5. Vesting.

(a) Except as described in (b) below, the Grantee shall become vested in his Award upon the first anniversary of the date of the grant of the Award (the "Award Date") if he remains in continuous service on the Board until such date.

(b) If the Grantee's service on the Board terminates prior to the first anniversary of the Award Date due to his death, disability or retirement, the Grantee shall become vested in his Award. For this purpose (i) "disability" means (as determined by the Committee in its sole discretion) the inability of the Grantee to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which is expected to result in death or disability or which has lasted or can be expected to last for a continuous period of not less than 12 months; and (ii) "retirement" means the Grantee's retirement in accordance with the Company's retirement policy for Directors.

(c) If the Grantee's service on the Board terminates prior to the first anniversary of the Award Date for any reason other than death, disability or retirement, the entire Award shall be forfeited to the Company, and no portion of the Award shall vest.

6. Settlement of Award. If a Grantee becomes vested in his Award in accordance with Section 5, the Company shall distribute to him, or his personal representative, beneficiary or estate, as applicable, a number of shares of Common Stock equal to the number of vested RSUs subject to the Award. Such shares shall be delivered within 30 days following the date of vesting.

7. Withholding Taxes. If applicable, the Company shall withhold from any distribution made to the Grantee in cash an amount sufficient to satisfy all minimum Federal, state and local withholding tax requirements. Payment of such taxes may be made by a method specified in the Plan and approved by the Committee.

8. Rights as Stockholder. The Grantee shall not be entitled to any of the rights of a stockholder of the Company with respect to the Award, including the right to vote and to receive dividends and other distributions, until and to the extent the Award is settled in shares of Common Stock.

9. Share Delivery. Delivery of any shares in connection with settlement of the Award will be by book-entry credit to an account in the Grantee's name established by the Company with the Company's transfer agent, or upon written request from the Grantee (or his personal representative, beneficiary or estate, as the case may be), in certificates in the name of the Grantee (or his personal representative, beneficiary or estate).

10. Award Not Transferable. The Award may not be transferred other than by will or the applicable laws of descent or distribution or pursuant to a qualified domestic relations order. The Award shall not otherwise be assigned, transferred, or pledged for any purpose whatsoever and is not subject, in whole or in part, to attachment, execution or levy of any kind. Any attempted assignment, transfer, pledge, or encumbrance of the Award, other than in accordance with its terms, shall be void and of no effect.

11. Administration. The Award shall be administered in accordance with such regulations as the Organizational Development and Compensation Committee of the Board of Directors of the Company (the "Committee") shall from time to time adopt.

12. Governing Law. This Agreement, and the Award, shall be construed, administered and governed in all respects under and by the laws of the State of Delaware.

NEWELL RUBBERMAID INC.



John K. Stipancich
Senior Vice President, General Counsel and Corporate Secretary

**NEWELL RUBBERMAID INC. 2010 STOCK PLAN
STOCK OPTION AGREEMENT**

A Stock Option (the "Option") granted by Newell Rubbermaid Inc., a Delaware corporation (the "Company"), to the employee named in the attached Option letter (the "Optionee"), for common stock, par value \$1.00 per share and related common stock purchase rights (the "Common Stock"), of the Company, shall be subject to the following terms and conditions:

1. Stock Option Grant. Subject to the provisions set forth herein and the terms and conditions of the Newell Rubbermaid Inc. 2010 Stock Plan (the "Plan"), a copy of which is attached hereto and the terms of which are hereby incorporated by reference, and in consideration of the agreements of the Optionee herein provided, the Company hereby grants to the Optionee an Option to purchase from the Company the number of shares of Common Stock, at the purchase price per share, and on the schedule, set forth in the attached Option letter. Any Incentive Stock Option is intended to be an incentive stock option within the meaning of Section 422A of the Internal Revenue Code of 1986.

2. Acceptance by Optionee. The exercise of the Option is conditioned upon its acceptance by the Optionee in the space provided therefor at the end of the attached Option letter and the return of an executed copy of such Option letter to the Secretary of the Company no later than 60 days after the Date of Grant set forth therein or, if later, 30 days after the Optionee receives this Agreement.

3. Exercise of Option. Written notice of an election to exercise any portion of the Option shall be given by the Optionee, or his personal representative in the event of the Optionee's death, in accordance with procedures established by the Organizational Development and Compensation Committee of the Board of Directors of the Company (the "Committee") as in effect at the time of such exercise.

At the time of exercise of the Option, payment of the purchase price for the shares of Common Stock with respect to which the Option is exercised must be made by one or more of the following methods: (i) in cash, (ii) in cash received from a broker-dealer to whom the Optionee has submitted an exercise notice and irrevocable instructions to deliver the purchase price to the Company from the proceeds of the sale of shares subject to the Option, (iii) by delivery to the Company of other Common Stock owned by the Optionee that is acceptable to the Company, valued at its fair market value on the date of exercise, or (iv) by certifying to ownership by attestation of such previously owned Common Stock.

If applicable, an amount sufficient to satisfy all minimum Federal, state and local withholding tax requirements prior to delivery of any certificate for shares of Common Stock must also accompany the exercise. Payment of such taxes can be made by a method specified above, and/or by directing the Company to withhold such number of shares of Common Stock otherwise issuable upon exercise of the Option with a fair market value equal to the amount of tax to be withheld.

4. Exercise Upon Termination of Employment. If the Optionee's employment with the Company and all affiliates terminates for any reason other than death, disability or retirement, the Option shall expire on the date of such termination, and no portion shall be exercisable after the date of such termination.

If the Optionee's employment with the Company and all affiliates terminates due to death or disability, the outstanding portion of the Option shall become fully vested on such date and shall continue to be exercisable until the earlier of the first anniversary of the date of the Optionee's termination of employment, or the date the Option expires by its terms. For this purpose "disability" means (as determined by the Committee in its sole discretion) the inability of the Optionee to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which is expected to result in death or disability or which has lasted or can be expected to last for a continuous period of not less than 12 months.

If the Optionee's employment with the Company and all affiliates terminates due to retirement, the outstanding portion of the Option shall become fully vested on such date if so provided in the table set forth below and the vested portion of the Option shall continue to be exercisable until the earlier of the date specified in the table or the date the Option expires by its terms. For this purpose, "retirement" means the Optionee's termination without cause on or after the date on which the Optionee (i) has completed five years of credited service and (ii) either (A) has attained age 65 or (B) has attained age 55 and the sum of his age and credited service (his "points") equals or exceeds 60.

<u>Age or Points</u>	<u>Vesting</u>	<u>Exercise Date</u>
Age 65 or 70 or more points	All unvested options vest	10 years following termination of employment
65-69 points	All unvested options vest	5 years following termination of employment
60-64 points	All unvested options expire	1 year following termination of employment

The term "credited service" means the Optionee's period of employment with the Company and all affiliates (including any predecessor company or business acquired by the Company or any affiliate, provided the Optionee was immediately employed by the Company or any affiliate). 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 Optionee's termination of employment due to unsatisfactory performance or conduct detrimental to the Company or its affiliates, as determined solely by the Company. The term "affiliate" means each entity with whom the Company would be considered a single employer under Sections 414(b) and 414(c) of the Code, substituting "at least 50%" instead of "at least 80%" in making such determination.

Any Optionee whose employment terminates due to retirement as described in this Section 4 must execute and deliver to the Company an agreement, in a form prescribed by the Company, and in accordance with procedures established by the Company, that he will not solicit employees, customers or suppliers of the Company and its affiliates, or compete with the Company and its affiliates, and that he releases all claims against the Company and its affiliates. If the Optionee fails to execute such agreement, or if the agreement is revoked by the Optionee, the Option shall expire on the date of the Optionee's retirement, and no portion shall be exercisable after the date of such retirement.

The foregoing provisions of this Section 4 shall be subject to the provisions of any written employment security agreement or severance agreement that has been or may be executed by the Optionee and the Company, and the provisions in such employment security agreement or severance agreement concerning exercise of an Option shall supercede any inconsistent or contrary provision of this Section 4.

Full vesting of an Incentive Stock Option may result in all or part of the Option being treated as a Non-Qualified Stock Option in accordance with Section 6.4 of the Plan.

5. Option Not Transferable. The Option may be exercised only by the Optionee during his lifetime and may not be transferred other than by will or the applicable laws of descent or distribution or pursuant to a qualified domestic relations order. The Option shall not otherwise be assigned, transferred, or pledged for any purpose whatsoever and is not subject, in whole or in part, to attachment, execution or levy of any kind. Any attempted assignment, transfer, pledge, or encumbrance of the Option, other than in accordance with its terms, shall be void and of no effect.

6. Surrender of or Changes to Agreement. In the event the Option shall be exercised in whole, this Agreement shall be surrendered to the Company for cancellation. In the event this Option shall be exercised in part or a change in the number of designation of the shares of Common Stock shall be made, this Agreement shall be delivered by the Optionee to the Company for the purpose of making appropriate notation thereon, or of otherwise reflecting, in such manner as the Company shall determine, the change in the number or designation of such shares.

7. Administration. The Option shall be exercised in accordance with such administrative regulations as the Committee shall from time to time adopt.

8. Governing Law. This Agreement, and the Option, shall be construed, administered and governed in all respects under and by the laws of the State of Delaware.

9. Data Privacy Consent. The Grantee hereby consents to the collection, use and transfer, in electronic or other form, of the Grantee's personal data as described in this document by the Company and its subsidiaries for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan. The Grantee understands that the Company and its subsidiaries hold certain personal information about the Grantee, including, but not limited to, name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock or stock units awarded, canceled, purchased, exercised, vested, unvested or outstanding in the Grantee's favor for the purpose of implementing, managing and administering the Plan ("Data"). The Grantee understands that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Grantee's country or elsewhere and that the recipient country may have different data privacy laws and protections than the Grantee's country. The Grantee understands that he may request a list with the names and addresses of any potential recipients of the Data by contacting the local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Grantee's participation in the Plan, including any requisite

transfer of such Data, as may be required to a broker or other third party with whom the Grantee may elect to deposit any shares or other award acquired under the Plan. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage participation in the Plan. The Grantee understands that he may, at any time, view Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the local human resources representative in writing. The Grantee understands that refusing or withdrawing consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, the Grantee understands that he may contact his or her local human resources representative.

10. Electronic Delivery. The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Grantee understands that, unless earlier revoked by the Grantee by giving written notice to the Secretary of the Company, this consent shall be effective for the duration of the Agreement. The Grantee also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

NEWELL RUBBERMAID INC.



John K. Stipancich
Senior Vice President, General Counsel and Corporate Secretary

[CEO]

**NEWELL RUBBERMAID INC. 2010 STOCK PLAN
STOCK OPTION AGREEMENT**

A Stock Option (the "Option") granted by Newell Rubbermaid Inc., a Delaware corporation (the "Company"), to the employee named in the attached Option letter (the "Optionee"), for common stock, par value \$1.00 per share and related common stock purchase rights (the "Common Stock"), of the Company, shall be subject to the following terms and conditions:

1. Stock Option Grant. Subject to the provisions set forth herein and the terms and conditions of the Newell Rubbermaid Inc. 2010 Stock Plan (the "Plan"), a copy of which is attached hereto and the terms of which are hereby incorporated by reference, and in consideration of the agreements of the Optionee herein provided, the Company hereby grants to the Optionee an Option to purchase from the Company the number of shares of Common Stock, at the purchase price per share, and on the schedule, set forth in the attached Option letter. Any Incentive Stock Option is intended to be an incentive stock option within the meaning of Section 422A of the Internal Revenue Code of 1986.

2. Acceptance by Optionee. The exercise of the Option is conditioned upon its acceptance by the Optionee in the space provided therefor at the end of the attached Option letter and the return of an executed copy of such Option letter to the Secretary of the Company no later than 60 days after the Date of Grant set forth therein or, if later, 30 days after the Optionee receives this Agreement.

3. Exercise of Option. Written notice of an election to exercise any portion of the Option shall be given by the Optionee, or his personal representative in the event of the Optionee's death, in accordance with procedures established by the Organizational Development and Compensation Committee of the Board of Directors of the Company (the "Committee") as in effect at the time of such exercise.

At the time of exercise of the Option, payment of the purchase price for the shares of Common Stock with respect to which the Option is exercised must be made by one or more of the following methods: (i) in cash, (ii) in cash received from a broker-dealer to whom the Optionee has submitted an exercise notice and irrevocable instructions to deliver the purchase price to the Company from the proceeds of the sale of shares subject to the Option, (iii) by delivery to the Company of other Common Stock owned by the Optionee that is acceptable to the Company, valued at its fair market value on the date of exercise, or (iv) by certifying to ownership by attestation of such previously owned Common Stock.

If applicable, an amount sufficient to satisfy all minimum Federal, state and local withholding tax requirements prior to delivery of any certificate for shares of Common Stock must also accompany the exercise. Payment of such taxes can be made by a method specified above, and/or by directing the Company to withhold such number of shares of Common Stock otherwise issuable upon exercise of the Option with a fair market value equal to the amount of tax to be withheld.

4. Exercise Upon Termination of Employment.

(a) Service on the Board Terminates.

(i) If the Optionee's employment with the Company and all affiliates terminates for any reason other than death, disability or retirement (as defined below), and in connection therewith the Optionee's service on the Board terminates, the Option shall expire on the date of such termination of employment, and no portion shall be exercisable after the date of such termination.

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(ii) In the event of the Optionee's death, or if the Optionee's employment with the Company and all affiliates terminates due to disability and in connection therewith his service on the Board terminates, the outstanding portion of the Option shall become fully vested on such date and shall continue to be exercisable until the earlier of the first anniversary of the date of the Optionee's termination of employment, or the date the Option expires by its terms.

(iii) If the Optionee's employment with the Company and all affiliates terminates due to retirement, and in connection therewith his service on the Board terminates, the outstanding portion of the Option shall become fully vested on such date if so provided in the table set forth below and the vested portion of the Option shall continue to be exercisable until the earlier of the date specified in the table or the date the Option expires by its terms.

<u>Age or Points</u>	<u>Vesting</u>	<u>Exercise Date</u>
Age 65 or 70 or more points	All unvested options vest	10 years following termination of employment
65-69 points	All unvested options vest	5 years following termination of employment
60-64 points	All unvested options expire	1 year following termination of employment

(b) Service on the Board Continues.

(i) If the Optionee's employment with the Company and all affiliates terminates for any reason other than death, disability or retirement, and the Optionee's service on the Board continues thereafter, the outstanding portion of the Option shall continue to vest and remain exercisable in accordance with the Option letter. If the Optionee's service on the Board subsequently terminates, then (A) if the termination of service is due to death or disability, the outstanding portion of the Option shall become fully vested on such date and shall continue to be exercisable until the earlier of the first anniversary of the date of the Optionee's termination of service or the date the Option expires by its terms, (B) if the termination of service is due to retirement, the outstanding portion of the Option shall continue to vest and remain exercisable in the same manner and to the same extent as if the Optionee had continued service on the Board, and (C) if the termination of service is for any reason other than death, disability or retirement, the outstanding portion of the Option shall expire on the date of such termination of service, and no portion shall be exercisable after the date of such termination of service.

(ii) If the Optionee's employment with the Company and all affiliates terminates due to disability or retirement, and the Optionee's service on the Board continues thereafter, the outstanding portion of the Option shall become fully vested on such date and remain exercisable in accordance with the Option letter. If the Optionee's service on the Board subsequently terminates, then (A) if the termination of service is due to death or disability, the outstanding portion of the Option shall continue to be exercisable until the earlier of the first anniversary of the Optionee's termination of service or the date the Option expires by its terms; (B) if the termination of service is due to retirement, the outstanding portion of the Option shall remain exercisable in the same manner and to the extent as if the Optionee had continued service on the Board; and (C) if the termination of service is for any reason other than death, disability or retirement, the outstanding portion of the Option shall expire on the later of the date of the Optionee's termination of service or the first anniversary of the date of the Optionee's termination of employment, but in no event later than the date the Option expires by its terms, and no portion of the Option shall be exercisable after the date of such expiration.

(c) Definitions. For purposes of this Section 4:

(i) “disability” means (as determined by the Committee in its sole discretion) the inability of the Optionee to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which is expected to result in death or disability or which has lasted or can be expected to last for a continuous period of not less than 12 months;

(ii) “retirement” means (A) while the Optionee is employed, the Optionee’s termination of employment without cause on or after the date on which the Optionee has completed five years of credited service and either (I) has attained age 65 or (II) has attained age 55 and the sum of his age and credited service (his “points”) equals or exceeds 60; or (B) while the Optionee is a non-employee Director, retirement in accordance with the Company’s retirement policy for Directors;

(iii) “credited service” means the Optionee’s period of employment with the Company and all affiliates (including any predecessor company or business acquired by the Company or any affiliate, provided the Optionee was immediately employed by the Company or any affiliate). 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;

(iv) “cause” means the Optionee’s termination of employment due to unsatisfactory performance or conduct detrimental to the Company or its affiliates, as determined solely by the Company; and

(v) “affiliate” means each entity with whom the Company would be considered a single employer under Sections 414(b) and 414(c) of the Code, substituting “at least 50%” instead of “at least 80%” in making such determination.

(d) General.

(i) Any Optionee whose employment terminates due to retirement as described in this Section 4 must execute and deliver to the Company an agreement, in a form prescribed by the Company, and in accordance with procedures established by the Company, that he will not solicit employees, customers or suppliers of the Company and its affiliates, or compete with the Company and its affiliates, and that he releases all claims against the Company and its affiliates. If the Optionee fails to execute such agreement, or if the agreement is revoked by the Optionee, the Option shall expire on the date of the Optionee’s retirement, and no portion shall be exercisable after the date of such retirement.

(ii) The foregoing provisions of this Section 4 shall be subject to the provisions of any written employment security agreement or severance agreement that has been or may be executed by the Optionee and the Company, and the provisions in such employment security agreement or severance agreement concerning exercise of an Option shall supercede any inconsistent or contrary provisions of this Section 4.

(iii) Full vesting of an Incentive Stock Option may result in all or part of the Option being treated as a Non-Qualified Stock Option in accordance with Section 6.4(a) of the Plan.

5. Option Not Transferable. The Option may be exercised only by the Optionee during his lifetime and may not be transferred other than by will or the applicable laws of descent or distribution or pursuant to a qualified domestic relations order. The Option shall not otherwise be assigned, transferred, or pledged for any purpose whatsoever and is not subject, in whole or in part, to attachment, execution or levy of any kind. Any attempted assignment, transfer, pledge, or encumbrance of the Option, other than in accordance with its terms, shall be void and of no effect.

6. Surrender of or Changes to Agreement. In the event the Option shall be exercised in whole, this Agreement shall be surrendered to the Company for cancellation. In the event this Option shall be exercised in part or a change in the number of designation of the shares of Common Stock shall be made, this Agreement shall be delivered by the Optionee to the Company for the purpose of making appropriate notation thereon, or of otherwise reflecting, in such manner as the Company shall determine, the change in the number or designation of such shares.

7. Administration. The Option shall be exercised in accordance with such administrative regulations as the Committee shall from time to time adopt.

8. Governing Law. This Agreement, and the Option, shall be construed, administered and governed in all respects under and by the laws of the State of Delaware.

9. Data Privacy Consent. The Grantee hereby consents to the collection, use and transfer, in electronic or other form, of the Grantee's personal data as described in this document by the Company and its subsidiaries for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan. The Grantee understands that the Company and its subsidiaries hold certain personal information about the Grantee, including, but not limited to, name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock or stock units awarded, canceled, purchased, exercised, vested, unvested or outstanding in the Grantee's favor for the purpose of implementing, managing and administering the Plan ("Data"). The Grantee understands that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Grantee's country or elsewhere and that the recipient country may have different data privacy laws and protections than the Grantee's country. The Grantee understands that he may request a list with the names and addresses of any potential recipients of the Data by contacting the local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Grantee's participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom the Grantee may elect to deposit any shares or other award acquired under the Plan. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage participation in the Plan. The Grantee understands that he may, at any time, view Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the local human resources representative in writing. The Grantee understands that refusing or withdrawing consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, the Grantee understands that he may contact his or her local human resources representative.

10. Electronic Delivery. The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Grantee understands that, unless earlier revoked by the Grantee by

giving written notice to the Secretary of the Company, this consent shall be effective for the duration of the Agreement. The Grantee also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

NEWELL RUBBERMAID INC.



John K. Stipancich
Senior Vice President, General Counsel and Corporate Secretary

CERTIFICATION

I, Mark D. Ketchum, certify that:

1. I have reviewed this report on Form 10-Q for the quarterly period ended June 30, 2010 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: August 6, 2010

/s/ Mark D. Ketchum

Mark D. Ketchum
Chief Executive Officer

CERTIFICATION

I, Juan R. Figuero, certify that:

1. I have reviewed this report on Form 10-Q for the quarterly period ended June 30, 2010 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: August 6, 2010

/s/ Juan R. Figuero

Juan R. Figuero
Chief Financial Officer

**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 Quarterly Report of Newell Rubbermaid Inc. (the "Company") on Form 10-Q for the period ending June 30, 2010 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
August 6, 2010

**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 Quarterly Report of Newell Rubbermaid Inc. (the "Company") on Form 10-Q for the period ending June 30, 2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Juan R. Figueroo, 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/ Juan R. Figueroo

Juan R. Figueroo
Chief Financial Officer
August 6, 2010

NEWELL RUBBERMAID INC. SAFE HARBOR STATEMENT

The Company has made statements in its Annual Report on Form 10-K for the year ended December 31, 2009, as well as in its Quarterly Report on Form 10-Q for the quarter ended June 30, 2010, and the documents incorporated by reference therein that constitute forward-looking statements, as defined by the Private Securities Litigation Reform Act of 1995. These statements are subject to risks and uncertainties. The statements relate to, and other forward-looking statements that may be made by the Company may relate to, but are not limited to, information or assumptions about the effects of Project Acceleration, the European Transformation Plan, the Capital Structure Optimization Plan, sales (including pricing), income/ (loss), earnings per share, return on equity, return on invested capital, capital and other expenditures, working capital, cash flow, dividends, capital structure, debt to capitalization ratios, availability of financing, interest 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, operating income or gross margin improvements or declines, costs and cost savings (including raw material and sourced product inflation, productivity and streamlining), synergies, and management's plans, goals and objectives for future operations, performance and growth. These statements generally are accompanied by words such as "intend," "anticipate," "believe," "estimate," "project," "target," "plan," "expect," "will," "should," "would" or similar statements. 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. The factors that are discussed below, as well as the matters that are set forth generally in the 2009 Form 10-K and the second quarter 2010 Form 10-Q and the documents incorporated by reference therein could cause actual results to differ. 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.

The Company is subject to risks related to its dependence on the strength of retail, commercial and industrial sectors of the economy in various parts of the world.

The Company's business depends on the strength of the retail, commercial and industrial sectors of the economy in various parts of the world, primarily in North America, and to a lesser extent Europe, Central and South America, and Asia. These sectors of the economy 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. With continuing challenging economic conditions in the U.S. and elsewhere, there has been considerable pressure on consumer demand, and the resulting impact on consumer spending has had and may continue to have a material adverse effect on demand for the Company's products as well as its financial condition and results of operations. Consumer demand and the condition of these sectors of the economy may also be impacted by other external factors such as war, terrorism, geopolitical uncertainties, public health issues, natural disasters and other business interruptions. The impact of these external factors is difficult to predict, and one or more of the factors could adversely impact the Company's 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. A failure by one of the Company's large retail customers would adversely impact the Company's sales and operating cash flows.

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. However, the intense competition in the retail sector combined with the overall economic environment may result in a number of retailers experiencing financial difficulty or failing in the future. As a result of these factors, the Company may experience a loss of sales, reduced profitability and a limited ability to recover cost increases through price increases.

If the Company is unable to commercialize a continuing stream of new products that create demand, the Company's ability to compete in the marketplace may be adversely impacted.

The Company's long-term success in the competitive retail environment and the industrial and commercial markets depends on its ability to develop and commercialize a continuing stream of innovative new products that create 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 investment in new product development and a 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.

If the Company does not continue to develop and maintain consumer-meaningful brands, its operating results may suffer.

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 and other 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 plans to increase its expenditures for advertising and other brand-building and marketing initiatives over the long term, the increased investment may not deliver the anticipated results.

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

The Company purchases raw materials, including resin, principally polyethylene and polypropylene, 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. Also, as part of its strategy to achieve best total cost, the Company increasingly relies on third-party manufacturers as a source for its products. These manufacturers are also subject to price volatility and inflationary pressures, which may, in turn, result in an increase in the amount the Company pays for sourced products. Raw material and sourced product price increases may more than offset the Company's productivity gains and could materially impact the Company's financial results.

The Company's plans to continue to improve productivity and streamline operations may not be successful, which would adversely affect its ability to compete.

The Company's success depends on its ability to continuously improve its manufacturing operations to gain 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 anticipated closures of certain manufacturing and distribution facilities. In addition, the Company continuously explores ways and initiates projects, such as the European Transformation Plan, 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, the European Transformation Plan and other corporate initiatives aimed at streamlining operations and processes, cost reduction, and improving overall financial results may not be completed substantially as planned, may be more costly to implement than expected, or may not have the positive effects anticipated. It is also possible 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 or other programs, could adversely affect the Company's future results.

If the Company is unable to make strategic acquisitions and to integrate its acquired businesses, the Company's future growth could be adversely impacted.

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 Company's ability to finance major acquisitions may be adversely affected by the Company's financial position and uncertainty in global credit markets. In addition, significant additional borrowings would increase the Company's borrowing costs and could adversely affect its credit rating and could constrain the Company's future access to capital.

Circumstances associated with the Company's potential divestitures and product line exits and rationalizations could adversely affect the Company's results of operations and financial condition.

The Company continues to evaluate the performance and strategic fit of its businesses and products and may decide to sell or discontinue a business or product line based on such an evaluation. A decision to divest or discontinue a business or product line may result in asset impairments, including those related to goodwill and other intangible assets, and losses upon disposition, both of which could have an adverse effect on the Company's results of operations and financial condition. In addition, the Company may encounter difficulty in finding buyers (or prospective buyers may have difficulty obtaining financing) or executing alternative exit strategies at acceptable prices and terms and in a timely manner. Divestitures and business discontinuations could involve additional risks, including the following:

- difficulties in the separation of operations, services, products and personnel;
- the diversion of management's attention from other business concerns;
- the assumption of certain current or future liabilities in order to induce a buyer to complete a divestiture;
- the disruption of the Company's business; and
- the potential loss of key employees.

The Company may not be successful in managing these or any other significant risks that it may encounter in divesting or discontinuing a business or product line.

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

International 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 Asia, 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.

Venezuela was designated as a highly inflationary economy effective January 1, 2010, and accordingly, gains and losses resulting from the translation of the net assets (excluding non-monetary assets) of subsidiaries operating in Venezuela into U.S. Dollars are recorded in earnings. See Footnote 1 of the Notes to Condensed Consolidated Financial Statements for further information.

The inability to obtain raw materials and finished goods in a timely manner from suppliers would adversely affect the Company's ability to manufacture and market its products.

The Company purchases raw materials to be used in manufacturing its products. In addition, the Company is placing increasing reliance on third-party manufacturers as a source for finished goods. The Company typically does not enter into long-term contracts with its suppliers or sourcing partners. Instead, most raw materials and sourced goods are obtained on a "purchase order" basis. In addition, in some instances the Company maintains single-source or limited-source sourcing relationships, either because multiple sources are not available or the relationship is advantageous due to performance, quality, support, delivery, capacity or price considerations. Financial, operating or other difficulties encountered by the Company's suppliers and/or sourcing partners or changes in the Company's relationships with them could result in manufacturing or sourcing interruptions, delays and inefficiencies, and prevent the Company from manufacturing or obtaining the finished goods necessary to meet customer demand.

Complications in connection with the Company's current information system initiative may adversely 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. To date, the North American operations of 12 of the Company's 13 GBUs have successfully gone live with their SAP implementation efforts. These go-lives are the first major milestones 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 manner in which the Company takes orders, procures materials, schedules production, remits billings, makes payments and performs 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 sales and customer base, the unfavorable resolution of litigation, including patent infringement litigation involving Endicia, a material adverse change in the Company's relationship with significant customers or business partners, or a sustained decline in the Company's stock price. The Company continues to evaluate the impact of economic and other developments on the Company and its business units to assess whether impairment indicators are present. Accordingly, the Company may be required to perform impairment tests based on changes in the economic environment and other factors, and these tests could result in impairment charges in the future.

The Company's businesses are subject to regulation in the U.S. and abroad.

Changes in laws, regulations and related interpretations may alter the environment in which the Company does business. This includes changes in environmental, competitive and product-related laws, as well as changes in accounting standards, taxation and other regulations. Accordingly, the Company's ability to manage regulatory, tax and legal matters (including environmental, human resource, product liability, patent, and intellectual property matters), and to resolve pending legal matters without significant liability could require the Company to take significant reserves in excess of amounts accrued to date or pay significant fines during a reporting period, which could materially impact the Company's results. In addition, new regulations may be enacted in the U.S. or abroad that may require the Company to incur additional personnel-related, environmental, or other costs on an ongoing basis or incur fines or penalties for noncompliance, any of which could adversely affect the Company's results of operations. Lastly, as a U.S.-based multi-national company, the Company is also subject to tax regulations in the U.S. and multiple foreign jurisdictions, some of which are interdependent. For example, certain income that is earned and taxed in countries outside the U.S. is not taxed in the U.S., provided those earnings are indefinitely reinvested outside the U.S. If these or other tax regulations should change, the Company's financial results could be impacted.

The resolution of the Company's tax contingencies may result in additional tax liabilities, which could adversely impact the Company's cash flows and results of operations.

The Company is subject to income tax in the U.S. and numerous jurisdictions outside the U.S. Significant estimation and judgment is required in determining the Company's worldwide provision for income taxes. In the ordinary course of the Company's business, there are many transactions and calculations where the ultimate tax determination is uncertain. The Company is regularly under audit by tax authorities. Although the Company believes its tax estimates are reasonable, the final outcome of tax audits and related litigation could be materially different than that reflected in its historical income tax provisions and accruals. There can be no assurance that the resolution of any audits or litigation will not have an adverse effect on future operating results.

Conversion of the Company's convertible senior notes due 2014 may dilute the ownership interests of stockholders at the time of conversion, and the Company's stock price may be impacted by note hedge and warrant transactions it entered into in connection with the issuance of the convertible notes.

Upon conversion of some or all of the Company's convertible senior notes due 2014 (the "Convertible Notes"), the ownership interests of stockholders may be diluted. Any sales in the public market of the common stock issuable upon such conversion could adversely affect prevailing market prices of the Company's common stock. In addition, the Company entered into note hedge transactions with various financial institutions, at the time of issuance of the Convertible Notes, with the objective of reducing the potential dilutive effect of issuing common stock upon conversion of the notes. The Company also entered into separate warrant transactions with the same financial institutions. The warrant transactions could separately have a dilutive effect to the extent that the market value per share of common stock exceeds the strike price of the warrants.

In connection with establishing an initial hedge for the note hedge and warrant transactions, these financial institutions or their affiliates entered into various derivative transactions with respect to the Company's common stock. These entities or their affiliates are likely to modify their hedge positions from time to time prior to conversion or maturity of the Convertible Notes by entering into or unwinding various derivative transactions with respect to the Company's common stock and/or purchasing and selling shares of the Company's common stock. In particular, these entities or their affiliates are likely to modify their hedge positions in connection with the partial unwind of the note hedge and warrant transactions that the Company expects would follow its recently announced intent, subject to market conditions, to offer to exchange common stock and cash for any and all of its Convertible Notes (the "Proposed Exchange Offer"). Any of these transactions and activities could adversely affect the value of the Company's common stock.

The ownership interests of stockholders may be diluted by the Proposed Exchange Offer despite the reduction in outstanding shares that will result from the Company's recently announced accelerated stock buyback.

Although the Company entered into the accelerated stock buyback in order to reduce the future dilution that would occur upon successful completion of the Proposed Exchange Offer, the accelerated stock buyback is not conditioned on the occurrence or success of the Proposed Exchange Offer, which may not even occur.

In the Proposed Exchange Offer the Company would offer to exchange properly tendered outstanding Convertible Notes for shares of the Company's common stock and an amount of cash to be determined by the Company. Although the response to the Proposed Exchange Offer, if commenced, cannot be predicted, the number of shares of common stock to be issued in the Proposed Exchange Offer could be substantial and could exceed the number of shares that the Company expects to acquire in the accelerated stock buyback.

In any event, the number of shares of the Company's common stock to be issued in the Proposed Exchange Offer, if commenced, would exceed the number of shares that would be issued on conversion of the Convertible Notes. Holders of the outstanding notes who tender Convertible Notes in the Proposed Exchange Offer would primarily receive shares of common stock. In contrast, holders would receive, upon conversion of the Convertible Notes, cash in the aggregate principal amount of the notes (\$1,000 per note) and either cash, shares of common stock or a combination, at the Company's election, in respect of the remainder of the Company's conversion obligation. Any sales in the public market of the common stock issued in the Proposed Exchange Offer could adversely affect prevailing market prices of the Company's common stock.

Actions by the Company's counterparty to the accelerated stock buyback may affect the market for the Company's common stock.

In connection with the Company's accelerated stock buyback, the Company expects that its counterparty will purchase shares (or otherwise acquire long positions in shares) of Company common stock in the open market until it has acquired (or otherwise has long positions in) the number of shares the Company has agreed to purchase under the accelerated stock buyback contract. We expect that these acquisitions (and other transactions) will include covering purchases to close out stock borrow positions taken on by the counterparty to make its initial deliveries of shares to the Company. In addition, we expect that the counterparty may be purchasing or selling, or both purchasing and selling (and possibly taking on other long and/or short positions in Company common stock), in other hedging transactions related to the accelerated stock buyback. All of these market transactions in the Company's shares (or in derivative or other transactions related to Company shares) would be for the counterparty's own account. Although the magnitude and effect of such activities on the market price of the Company's common stock cannot be determined at this time, such activities may increase, or prevent a decrease in, the market price of the common stock.

If the Company does not complete the tender offer for its 2019 notes or the Proposed Exchange Offer, or if the amount of 2019 notes and Convertible Notes that the Company purchases is significantly less than anticipated, the Company may significantly increase its leverage.

As announced on August 2, 2010, the Company (i) has agreed to sell an aggregate of \$550.0 million of new notes pursuant to an underwritten public offering, (ii) is making a tender offer for its 10.60% notes due 2019 (the "Tender Offer"), (iii) has agreed to pay for \$500.0 million of its common stock pursuant to an accelerated stock buyback, and (iv) announced its intention, subject to market conditions, to make the Proposed Exchange Offer for outstanding Convertible Notes. The success of the Company's plan to complete all these transactions without significantly increasing its leverage depends, however, on completion of the Tender Offer, the accelerated stock buyback and the Proposed Exchange Offer, as well as the holders' response to the Tender Offer and the Proposed Exchange Offer.

By issuing the new notes and entering into the accelerated stock buyback, the Company is incurring substantial additional debt in anticipation of a reduction of debt pursuant to the Tender Offer and the Proposed Exchange Offer. As a result of this sequence of events, the Company's leverage will increase until and unless the notes due 2019 and Convertible Notes are tendered and it purchases and retires sufficient notes due 2019 and Convertible Notes pursuant to the Tender Offer and the Proposed Exchange Offer, respectively, and issues additional equity in the Proposed Exchange Offer. The planned reduction in debt will depend on the success of the Tender Offer, which is on-going at the date of this Report, and the Proposed Exchange Offer, which the Company does not intend to commence until after the offering of the new notes has closed and which, like the Tender Offer, may not reduce the Company's outstanding debt as much as the Company anticipates.

If the Company does not reduce its leverage as anticipated, it may need to obtain additional debt or equity financing, which may not be available on favorable terms. A failure to reduce the Company's leverage also could result in adverse ratings changes from the credit rating agencies.

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, adversely impact the value of its end-user brands, or result in an increase in the cost of producing the Company's products. 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.

If the Company is unable to access the capital markets to refinance its maturing short-term debt, its borrowing costs could increase.

As of June 30, 2010, the Company had \$394.0 million of debt that it could be required to refinance or repay within the next 12 months. It is possible that the Company may seek to address its short-term obligations through the capital markets or other arrangements. However, access to the capital markets cannot be assured, particularly given uncertainties in the global credit markets, and although the Company believes that alternative arrangements will be available to refinance these obligations, such arrangements could result in an increase in the Company's borrowing costs.

A reduction in the Company's credit ratings could materially and adversely affect its business, financial condition and results of operations.

The Company's current senior debt credit ratings from Moody's Investors Service, Standard & Poor's and Fitch Ratings are Baa3, BBB- and BBB, respectively. Its current short-term debt credit ratings from Moody's Investors Service, Standard & Poor's and Fitch Ratings are P-3, A-3 and F-2, respectively. Standard & Poor's and Moody's have a stable outlook and Fitch maintains a negative outlook on its ratings. The Company cannot be sure that any of its current ratings will remain in effect for any given period of time or that a rating will not be lowered by a rating agency if, in its judgment, circumstances in the future so warrant. A downgrade by Moody's or Standard & Poor's, which would reduce the Company's senior debt below investment grade, would increase the Company's borrowing costs, which would adversely affect the Company's financial results. The Company would likely be required to pay a higher interest rate in future financings, and its potential pool of investors and funding sources could decrease. If the Company's short-term ratings were to be lowered, it would further limit, or eliminate entirely, the Company's access to the commercial paper market. The ratings from credit agencies are not recommendations to buy, sell or hold the Company's securities, and each rating should be evaluated independently of any other rating.

The level of returns on pension and postretirement plan assets and the actuarial assumptions used for valuation purposes could affect the Company's earnings and cash flows in future periods. Changes in government regulations could also affect the Company's pension and postretirement plan expenses and funding requirements.

The funding obligations for the Company's pension plans are impacted by the performance of the financial markets, particularly the equity markets, and interest rates. Funding obligations are determined under government regulations and are measured each year based on the value of assets and liabilities on a specific date. If the financial markets do not provide the long-term returns that are expected under the governmental funding calculations, the Company could be required to make larger contributions. The equity markets can be, and recently have been, very volatile, and therefore the Company's estimate of future contribution requirements can change dramatically in relatively short periods of time. Similarly, changes in interest rates and legislation enacted by governmental authorities can impact the timing and amounts of contribution requirements. An adverse change in the funded status of the plans could significantly increase the Company's required contributions in the future and adversely impact its liquidity.

Assumptions used in determining projected benefit obligations and the fair value of plan assets for the Company's pension and other postretirement benefit plans are determined by the Company in consultation with outside actuaries. In the event that the Company determines that changes are warranted in the assumptions used, such as the discount rate, expected long-term rate of return on assets, or expected health care costs, the Company's future pension and postretirement benefit expenses could increase or decrease. Due to changing market conditions or changes in the participant population, the assumptions that the Company uses may differ from actual results, which could have a significant impact on the Company's pension and postretirement liabilities and related costs and funding requirements.