

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

PRE-EFFECTIVE AMENDMENT NO. 1 TO
FORM S-3
Registration Statement
Under
The Securities Act of 1933

NEWELL CO.
(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.)

Newell Center 29 East Stephenson Street Freeport, Illinois 61032 (815) 235-4171 (Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)	Dale L. Matschullat 4000 Auburn Street Rockford, Illinois 61125 (815) 969-6101 (Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)
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Please send copies of all communications to:

Andrew A. Kling
Schiff Hardin & Waite
7200 Sears Tower
Chicago, Illinois 60606
(312) 876-1000

Approximate date of commencement of proposed sale to the public:
From time to time after the effective date of this Registration
Statement.

If the only securities being registered on this Form are being
offered pursuant to dividend or interest reinvestment plans, please
check the following box.

If any of the securities being registered on this Form are to be
offered on a delayed or continuous basis pursuant to Rule 415 under
the Securities Act of 1933, other than securities offered only in
connection with dividend or interest reinvestment plans, check the
following box.

If this Form is filed to register additional securities for an
offering pursuant to Rule 462(b) under the Securities Act, please
check the following box and list the Securities Act registration
statement number of the earlier effective registration statement for
the same offering. _____

If this Form is a post effective amendment filed pursuant to Rule
462(c) under the Securities Act, check the following box and list the
Securities Act registration statement number of the earlier effective
registration statement for the same offering. _____

If delivery of the prospectus is expected to be made pursuant to
Rule 434, please check the following box.

The registrant hereby amends this Registration Statement on such
date or dates as may be necessary to delay its effective date until
the registrant shall file a further amendment which specifically
states that this Registration Statement shall thereafter become
effective in accordance with Section 8(a) of the Securities Act of
1933 or until the Registration Statement shall become effective on
such date as the Commission, acting pursuant to said Section 8(a), may
determine.

NEWELL CO.
\$500,000,000
DEBT SECURITIES
PREFERRED STOCK
COMMON STOCK, PAR VALUE \$1.00 PER SHARE
AND RELATED PREFERRED STOCK PURCHASE RIGHTS

Newell Co., a Delaware corporation (the "Company"), may
offer from time to time, together or separately, its (i) unsecured
debt securities (the "Debt Securities"); (ii) preferred stock (the
"Preferred Stock"); and (iii) common stock, par value \$1.00 per share
(the "Common Stock"), and related preferred stock purchase rights (the
"Rights"). The Debt Securities, Preferred Stock, Common Stock and
Rights are collectively referred to as the "Securities."

The Securities offered pursuant to this Prospectus may be issued in one or more series or issuances at an aggregate initial offering price not to exceed \$500,000,000 (or its equivalent in foreign currency or current units) in amounts, at prices and on terms to be determined at or prior to the time of sale and set forth in one or more supplements to this Prospectus (each, a "Prospectus Supplement").

Certain specific terms of the particular Securities in respect of which this Prospectus is being delivered will be set forth in the accompanying Prospectus Supplement, including, where applicable, the initial public offering price of the Securities, the net proceeds thereof to the Company, any listing of such Securities on a securities exchange and any other special terms. The Prospectus Supplement will set forth with regard to the Securities being offered, without limitation, the following: (i) in the case of the Debt Securities, the specific designation, priority of payment, aggregate principal amount, authorized denominations, maturity, any interest rate (which may be fixed or variable) or method of calculation of interest and date or dates of payment of any interest, any premium, the place or places where principal of, premium, if any, and any interest on such Debt Securities will be payable, any terms of redemption at the option of the Company or the holder, any terms for sinking fund payments, the currency or currencies, composite currency, currency unit or currency units (collectively, the "Currency") of denomination and payment, any terms for conversion or exchange and any other terms in connection with the offering and sale of Debt Securities in respect of which this Prospectus is delivered; (ii) in the case of the Preferred Stock, the designation, number of shares, liquidation preference per share, dividend rate or method of calculation, dividend periods, dividend payment dates, any voting rights, any exchange, conversion, redemption, or sinking fund provisions and any other rights, preferences, privileges, limitations or restrictions relating to the Preferred Stock; and (iii) in the case of the Common Stock, the number of shares and the terms of offering thereof. If so specified in the applicable Prospectus Supplement, the Securities may be issued in whole or in part in the form of one or more temporary or global securities.

The Common Stock is listed on the New York Stock Exchange (the "NYSE") and the Chicago Stock Exchange (the "CSE") under the symbol "NWL." Any Common Stock sold pursuant to a Prospectus Supplement will be approved for listing on such exchanges, upon notice of issuance.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Company may sell the Securities to or through underwriters or dealers and may also sell the Securities directly to other purchasers or through agents. See "Plan of Distribution." The Prospectus Supplement will set forth the names of any underwriters, dealers or agents involved in the sale of the Securities in respect of which this Prospectus is being delivered and any applicable fee, commission and discount arrangements with them. See "Plan of Distribution" for a description of possible indemnification arrangements between the Company and any underwriters, dealers or agents.

This Prospectus may not be used to consummate sales of the Securities without delivery of one or more Prospectus Supplements.

The date of this Prospectus is January 23, 1996.

IN CONNECTION WITH ANY UNDERWRITTEN OFFERING, THE UNDERWRITERS OF SUCH OFFERING MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information filed by the Company may be inspected and copied at prescribed rates at the public reference facilities maintained by the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the following Regional Offices of the Commission: New York Regional Office, Seven World Trade Center, 13th Floor, New York, New York, 10048 and Chicago Regional Office, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. The Common Stock is listed on the NYSE and the CSE and such reports, proxy statements and other information concerning the Company can be inspected at the offices of the NYSE, 20 Broad Street, New York, New York 10005 and at the offices of the CSE, One Financial Place, 440 South LaSalle Street, Chicago, Illinois 60605-1070.

The Company has filed with the Commission a registration statement on Form S-3 (herein, together with all amendments and exhibits, referred to as the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act") with respect to the Securities offered hereby. This Prospectus does not contain all of the information set forth in the Registration Statement and the exhibits and schedules thereto, certain portions of which have been omitted pursuant to the rules and regulations of the Commission. Statements made in this Prospectus as to the contents of any contract, agreement or other document are not necessarily complete. With respect to each such contract, agreement or other document filed or incorporated by reference as an exhibit to the Registration Statement, reference is made to such exhibit for a more complete description of the matter involved, and each such statement is qualified in its entirety by such reference. For further information, reference is hereby made to the Registration Statement.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The following documents filed by the Company with the Commission pursuant to the Exchange Act are hereby incorporated herein by reference:

- (a) The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1994;
- (b) The Company's Current Report on Form 8-K dated January 30, 1995;
- (c) The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1995;
- (d) The Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1995;
- (e) The Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 1995;
- (f) The Company's Current Report on Form 8-K dated August 10, 1995;
- (g) The Company's Current Report on Form 8-K dated October 31, 1995;
- (h) The Company's Current Report on Form 8-K dated November 17, 1995;
- (i) The description of the Common Stock, contained in the Company's Registration Statement on Form 8-B dated June 30, 1987; and
- (j) The description of the Rights, contained in the Company's Registration Statement on Form 8-A dated October 25, 1988.

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus, and prior to the termination of the offering of the Securities made hereby, shall be deemed to be incorporated by reference into this Prospectus and to be a part hereof from the date of filing of such documents. Any statement contained herein, in a Prospectus Supplement or in a document incorporated by reference or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of the Registration Statement and this Prospectus to the extent that a statement contained herein, in a Prospectus Supplement or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or

superseded, to constitute a part of the Registration Statement or this Prospectus.

The Company will provide without charge to each person, including any beneficial owner, to whom a copy of this Prospectus has been delivered, upon the written or oral request of such person, a copy of any or all of the documents which are incorporated herein by reference, other than exhibits to such documents (unless such exhibits are specifically incorporated by reference into such documents). Requests for such copies should be directed to: Richard H. Wolff, Secretary, Newell Co., 4000 Auburn Street, Rockford, Illinois 61125 (telephone: (815) 969-6111).

THE COMPANY

The Company is a manufacturer and full-service marketer of high-volume consumer products serving the needs of volume purchasers. The Company's basic strategy is to merchandise a multi-product offering of brand-name staple products, with an emphasis on excellent customer service, in order to achieve maximum results for its stockholders. Product categories include housewares, hardware, home furnishings, and office products. Each group of the Company's products is manufactured and sold by a subsidiary or division (each referred to herein as a "division," even if separately incorporated).

The Company manages the activities of its divisions through executives at the corporate level, to whom the divisional managers report, and controls financial activities through centralized accounting, capital expenditure reporting, cash management, order processing, billing, credit, accounts receivable and data processing operations. The production and marketing functions of each division, however, are conducted with substantial independence. Each division is managed by employees who make day-to-day operating and sales decisions and participate in an incentive compensation plan that ties a significant part of their compensation to their division's performance. The Company believes that this allocation of responsibility and system of incentives fosters an entrepreneurial approach to management that has been important to the Company's success.

For the fiscal year ended December 31, 1994, the Company had net sales of approximately \$ 2,074,934,000 and operating income of approximately \$ 357,865,000.

The principal executive offices of the Company are located at Newell Center, 29 East Stephenson Street, Freeport, Illinois 61032, and its telephone number is (815) 235-4171.

USE OF PROCEEDS

Unless otherwise specified in the applicable Prospectus Supplement, the net proceeds to be received by the Company from the sale of the Securities will be used for general corporate purposes, which may include the repayment of indebtedness, working capital expenditures and investments in, or acquisitions of, businesses and assets. Pending application of such net proceeds for specific purposes, such proceeds may be invested in short-term or marketable securities. Specific allocations of proceeds to a particular purpose that have been made at the date of any Prospectus Supplement will be described therein.

RATIO OF EARNINGS TO FIXED CHARGES

	Nine Months ended 9/30/95	For the year ended December 31,				
		1994	1993	1992	1991	1990
Ratio of Earnings to Fixed Charges	6.68	9.00	10.83	11.29	12.86	12.00

For purposes of calculating the ratio of earnings to fixed charges, "earnings" consist of earnings from continuing operations before income taxes, adjusted for the portion of fixed charges deducted from such earnings and for minority interests in income of majority owned subsidiaries that have fixed charges. "Fixed charges" consist of interest on all indebtedness (including capitalized lease obligations), amortization of debt expense and the percentage of rental expense on operating leases deemed representative of the interest factor.

DESCRIPTION OF DEBT SECURITIES

The following description of the Debt Securities sets forth certain general terms and provisions of the Debt Securities to which any Prospectus Supplement may relate. The particular terms of the Debt Securities offered by any Prospectus Supplement and the extent, if any, to which such general provisions are not applicable will be described in a Prospectus Supplement relating to such Debt Securities.

The Debt Securities may be issued, in one or more series, from time to time under either (1) an Indenture dated as of November 1, 1995 (the "Senior Indenture"), to be entered into between the Company and The Chase Manhattan Bank (National Association), as trustee (the "Senior Debt Securities Trustee"), providing for the issuance of unsubordinated Debt Securities, or (2) an Indenture dated as of November 1, 1995 (the "Subordinated Indenture"), to be entered into between the Company and The Chase Manhattan Bank (National

Association), as trustee (the "Subordinated Debt Securities Trustee"), providing for the issuance of subordinated Debt Securities.

The Senior Indenture and the Subordinated Indenture are referred to herein individually as an "Indenture" and, collectively, as the "Indentures," and the Senior Debt Securities Trustee and the Subordinated Debt Securities Trustee are sometimes each referred to herein as a "Trustee." Debt Securities which may be issued under the Senior Indenture are referred to herein as "Senior Debt Securities," and Debt Securities which may be issued under the Subordinated Indenture are referred to herein as "Subordinated Debt Securities." Copies of the Indentures are filed as exhibits to the Registration Statement. Capitalized terms not otherwise defined in this Prospectus shall have the meanings set forth in the Indentures to which they relate.

The following summaries of certain provisions of the Debt Securities and the Indentures do not purport to be complete and are subject to, and are qualified in their entirety by express reference to, all of the provisions of the Indentures and the Debt Securities.

GENERAL

The Indentures do not limit the aggregate principal amount of Debt Securities that may be issued thereunder. The Debt Securities may be issued from time to time in one or more series up to the aggregate principal amount which may be authorized therefor from time to time by the Company.

Unless otherwise indicated in the Prospectus Supplement relating thereto, the principal of, and any premium or interest on, the Debt Securities will be payable, and the Debt Securities will be exchangeable and transfers thereof will be registrable, and notices and demands to or upon the Company in respect of such Debt Securities may be served, at the Place of Payment specified therefor pursuant to each Indenture.

The Indentures do not contain provisions to afford the Holders of Debt Securities protection in the event of a highly leveraged transaction or a takeover attempt nor do they contain provisions requiring the repurchase of any Debt Securities upon a change in control of the Company. In addition, the Indentures do not contain any provisions that would limit the ability of the Company and its subsidiaries to incur unsecured indebtedness. See "Particular Terms of the Senior Debt Securities -- Ranking of Senior Debt Securities" below. Reference is made to any Prospectus Supplement relating to the Debt Securities offered thereby for information with respect to any deletions from, modifications of or additions to the Events of Default or covenants of the Company applicable to such Debt Securities that are described herein. See "Modification or Waiver" below.

The Debt Securities may be issued under the Indentures as Original Issue Discount Securities to be offered and sold at a discount below their principal amount. United States federal income tax, accounting and other special considerations applicable to any such Original Issue Discount Securities will be described in any Prospectus Supplement relating thereto. "Original Issue Discount Security" means any security that provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the maturity thereof as a result of the occurrence of an Event of Default and the continuation thereof. In addition, the Debt Securities may, for United States federal income tax purposes, be deemed to have been issued with "original issue discount" ("OID") even if such securities are offered and sold at an amount equal to their stated principal amount. The United States federal income tax consequences of Debt Securities deemed to be issued with OID will be described in any Prospectus Supplement relating thereto.

Under the Indentures, the Company will have the ability to issue Debt Securities with terms different from those of Debt Securities previously issued, without the consent of the Holders of previously issued series of Debt Securities, in an aggregate principal amount determined by the Company.

REGISTRATION AND TRANSFER

The Debt Securities may be issued as Registered Securities or Bearer Securities. Registered Securities will be exchangeable for other Registered Securities of the same series and of a like aggregate principal amount and tenor of different authorized denominations. If (but only if) provided for in the Prospectus Supplement applicable thereto, Bearer Securities (with all unmatured Coupons, except as provided below, and all matured Coupons in default) of any series may be exchanged for Registered Securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor. In such event, Bearer Securities surrendered in a permitted exchange for Registered Securities between a Regular Record Date or a Special Record Date and the relevant date for payment of interest shall be surrendered without the Coupon relating to such date for payment of interest, and interest will not be payable on such date for payment of interest in respect of the Registered Security issued in exchange for such Bearer Security but will be payable only to the holder of such Coupon when due, in accordance with the terms of the Indenture. Unless otherwise specified in the Prospectus Supplement applicable thereto, Bearer Securities will not be issued in exchange for Registered Securities.

The Debt Securities may be presented for exchange as described above, and Registered Securities may be presented for registration of transfer (duly endorsed or accompanied by a written instrument of transfer), at the corporate trust office of the Trustee in New York, New York, or at the office of any transfer agent designated by the Company for such purpose with respect to any series

of Debt Securities and referred to in the Prospectus Supplement applicable thereto. No service charge will be made for any transfer or exchange of Debt Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith. If any Prospectus Supplement refers to any transfer agent (in addition to the applicable Trustee) initially designated by the Company with respect to any series of Debt Securities, the Company may at any time rescind the designation of any such transfer agent or approve a change in the location at which any such transfer agent acts, except that, if Debt Securities of a series are issuable solely as Registered Securities, the Company will be required to maintain a transfer agent in each Place of Payment for such series and, if Debt Securities of a series may be issuable both as Registered Securities and as Bearer Securities, the Company will be required to maintain (in addition to the applicable Trustee) a transfer agent in a Place of Payment for such series located outside the United States. The Company may at any time designate additional transfer agents with respect to any series of Debt Securities.

In the event of any redemption of Debt Securities of any series, the Company shall not be required to: (i) issue, register the transfer of or exchange Debt Securities of such series during a period beginning at the opening of business 15 days before any selection of Debt Securities of that series to be redeemed and ending at the close of business on (A) if Debt Securities of the series are issuable only as Registered Securities, the day of mailing of the relevant notice of redemption and (B) if Debt Securities of the series are issuable as Bearer Securities, the day of the first publication of the relevant notice of redemption or, if Debt Securities of the series are also issuable as Registered Securities and there is no publication, the day of mailing of the relevant notice of redemption; (ii) register the transfer of or exchange any Registered Security, or portion thereof, called for redemption, except the unredeemed portion of any Registered Security being redeemed in part; (iii) exchange any Bearer Security selected for redemption, except to exchange such Bearer Security for a Registered Security of that series and like tenor that is simultaneously surrendered for redemption; or (iv) issue, register the transfer of or exchange any Debt Securities that have been surrendered for repayment at the option of the Holder, except the portion if any, thereof not to be so repaid.

CONVERSION AND EXCHANGE

If any Debt Securities will, by their terms, be convertible into or exchangeable for Common Stock or other Securities, the Prospectus Supplement relating thereto will set forth the terms and conditions of such conversion or exchange, including the conversion price or exchange ratio (or the method of calculating the same), the conversion or exchange period (or the method of determining the same), whether conversion or exchange will be mandatory or at the option of the Holder or the Company, provisions for adjustment of the conversion price or the exchange ratio and provisions affecting conversion or

exchange in the event of the redemption of such Debt Securities. Such terms may also include provision under which the number of shares of Common Stock or the number of other Securities to be received by the Holders of such Debt Securities upon such conversion or exchange would be calculated with reference to the market price of the Common Stock or such other Securities as of a time stated in the Prospectus Supplement.

GLOBAL SECURITIES

The Debt Securities of a series may be issued in whole or in part in the form of one or more Global Securities (as such term is defined below), which will be deposited with, or on behalf of, a depository ("Depository") or its nominee identified in the applicable Prospectus Supplement. In such case, one or more Global Securities will be issued in a denomination or aggregate denomination equal to the portion of the aggregate principal amount of outstanding Debt Securities of the series to be represented by such Global Security or Global Securities. Unless and until it is exchanged in whole or in part for the individual Debt Securities represented thereby, a Global Security may not be registered for transfer or exchange except (i) as a whole by the Depository for such Global Security to a nominee of such Depository, by a nominee of such Depository to such Depository or another nominee of such Depository or by such Depository or a nominee of such Depository to a successor Depository or a nominee of such successor Depository, and (ii) in any other circumstances described in the Prospectus Supplement applicable thereto. The term "Global Security," when used with respect to any series of Debt Securities, means a Debt Security that is executed by the Company and authenticated and delivered by the Trustee to the Depository or pursuant to the Depository's instruction, which shall be registered in the name of the Depository or its nominee and which shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, all of the Outstanding Debt Securities of such series or any portion thereof, in either case having the same terms, including, without limitation, the same original issue date, date or dates on which principal is due, and interest rate or method of determining interest.

The specific terms of the depository arrangement with respect to any portion of a series of Debt Securities to be represented by a Global Security will be described in the Prospectus Supplement applicable thereto. The Company expects that the following provisions will apply to depository arrangements.

Unless otherwise specified in the applicable Prospectus Supplement, Debt Securities that are to be represented by a Global Security to be deposited with or on behalf of a Depository will be represented by a Global Security registered in the name of such Depository or its nominee. Upon the issuance of such Global Security, and the deposit of such Global Security with or on behalf of the Depository for such Global Security, the Depository will credit on its

book entry registration and transfer system the respective principal amounts of the Debt Securities represented by such Global Security to the accounts of institutions that have accounts with such Depository or its nominee ("participants"). The accounts to be credited will be designated by the underwriters or agents of such Debt Securities or, if such Debt Securities are offered and sold directly by the Company, by the Company. Ownership of beneficial interests in such Global Security will be limited to participants or Persons that may hold interests through participants. Ownership of beneficial interests by participants in such Global Security will be shown on, and the transfer of that ownership interest will be effected only through, records maintained by the Depository or its nominee for such Global Security. Ownership of beneficial interests in such Global Security by Persons that hold through participants will be shown on, and the transfer of that ownership interest within such participant will be effected only through, records maintained by such participant. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. The foregoing limitations and such laws may impair the ability to transfer beneficial interests in such Global Securities.

So long as the Depository for a Global Security, or its nominee, is the registered owner of such Global Security, such Depository or such nominee, as the case may be, will be considered the sole owner or Holder of the Debt Securities represented by such Global Security for all purposes under the Indenture applicable thereto. Unless otherwise specified in the applicable Prospectus Supplement, owners of beneficial interests in such Global Security will not be entitled to have Debt Securities of the series represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of Debt Securities of such series in certificated form and will not be considered the Holders thereof for any purposes under the Indenture applicable thereto. Accordingly, each Person owning a beneficial interest in such Global Security must rely on the procedures of the Depository and, if such Person is not a participant, on the procedures of the participant through which such Person owns its interest to exercise any rights of a Holder of Debt Securities under the Indenture applicable thereto. The Company understands that under existing industry practices, if the Company requests any action of Holders or an owner of a beneficial interest in such Global Security desires to give any notice or take any action a Holder is entitled to give or take under the Indenture applicable thereto, then the Depository would authorize the participants to give such notice or take such action, and participants would authorize beneficial owners owning through such participants to give such notice or take such action or would otherwise act upon the instructions of beneficial owners owning through them.

Principal of and any premium and interest on a Global Security will be payable in the manner described in the applicable Prospectus Supplement.

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

Each Indenture provides that the Company shall not consolidate with or merge into any other Person or convey, transfer or lease all or substantially all of the properties and assets of the Company and its Subsidiaries on a consolidated basis to any other Person, unless the corporation formed by such consolidation, or into which the Company is merged, or the Person which acquires by conveyance or transfer or which leases such properties and assets (collectively, the "Survivor") assumes by supplemental indenture all the obligations of the Company under such Indenture and the Debt Securities issued thereunder, no Default or Event of Default shall exist immediately after giving effect to the transaction, and the Survivor is a corporation, limited liability company, partnership or trust organized and validly existing under the laws of the United States of America, any state thereof, or the District of Columbia.

ACCELERATION OF MATURITY

If an Event of Default occurs and is continuing with respect to Debt Securities of a particular series, the Trustee or the Holders of not less than 25% in principal amount of Outstanding Debt Securities of that series may declare the Outstanding Debt Securities of that series due and payable immediately.

At any time after a declaration of acceleration with respect to Debt Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee therefor, the Holders of a majority in principal amount of the Outstanding Debt Securities of that series by written notice to the Company and such Trustee, may rescind and annul such declaration and its consequences if: (i) the Company has paid or deposited with the Trustee a sum sufficient to pay (in the Currency in which the Debt Securities of such series are payable, except as otherwise specified pursuant to the applicable Indenture): (a) all overdue interest on all Outstanding Debt Securities of that series and any related Coupons, (b) all unpaid principal of (and premium, if any, on) any such Debt Securities which has become due otherwise than by such declaration of acceleration, and interest on such unpaid principal at the rate or rates prescribed therefor in such Debt Securities, (c) to the extent lawful, interest on overdue interest at the rate or rates prescribed therefor in such Debt Securities, and (d) all sums paid or advanced by such Trustee and the reasonable compensation, expenses, disbursements and advances of such Trustee, its agents and counsel; and (2) all Events of Default with respect to Debt Securities of that series, other than the non-payment of amounts of principal of (or premium, if any, on) or interest on such Debt Securities which have become due solely by such declaration of acceleration, have been cured or waived. No such rescission shall affect any subsequent default or impair any right consequent thereon.

The Holders of not less than a majority in principal amount of the Outstanding Debt Securities of any series may, on behalf of the Holders of all the Debt Securities of such series and any related Coupons, waive any past default under the applicable Indenture with respect to such series and its consequences, except a default (i) in the payment of the principal of (or premium, if any) or interest on any Debt Security of such series or any related Coupon, or (ii) in respect of a covenant or provision that cannot be modified or amended without the consent of the Holder of each Outstanding Debt Security of such series affected thereby.

Subject to the provisions in each Indenture relating to the duties of the Trustee thereunder, if an Event of Default with respect to Debt Securities of a particular series occurs and is continuing, such Trustee shall be under no obligation to exercise any of its rights or powers under the applicable Indenture at the request or direction of any of the Holders of Debt Securities of such series, unless such Holders shall have offered to such Trustee reasonable indemnity and security against the costs, expenses and liabilities that might be incurred by it in compliance with such request. Subject to such provisions for the indemnification of the Trustee, the Holders of a majority in principal amount of the Outstanding Debt Securities of such series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee under the applicable Indenture, or exercising any trust or power conferred on the Trustee with respect to the Debt Securities of that series. The Trustee may refuse to follow directions in conflict with law or the Indenture that may involve the Trustee in personal liability or may be unduly prejudicial to Holders not joining therein.

MODIFICATION OR WAIVER

Modification and amendment of each of the Indentures may be made by the Company and the applicable Trustee with the consent of the Holders of not less than a majority in principal amount of all Outstanding Debt Securities thereunder of any series that are affected by such modification or amendment; provided that no such modification or amendment may, without the consent of the Holder of each Outstanding Debt Security of such series: (i) change the Stated Maturity of the principal of (or premium, if any, on) or any installment of principal of or interest on any Debt Security of such series, (ii) reduce the principal amount or the rate of interest on or any Additional Amounts payable in respect of, or any premium payable upon the redemption of, any Debt Security of such series, (iii) change any obligation of the Company to pay Additional Amounts in respect of any Debt Security of such series, (iv) reduce the amount of principal of a Debt Security of such series that is an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof, (v) change the redemption provisions of any Debt Security, (vi) adversely affect any right of repayment at the option of the Holder of any Debt Security of such series, (vii) change the place or currency of payment of principal of,

or any premium or interest on, any Debt Security of such series, (viii) impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof or any Redemption Date or Repayment Date therefor, (ix) reduce the above-stated percentage of Holders of Outstanding Debt Securities of such series necessary to modify or amend such Indenture or to consent to any waiver thereunder or reduce the requirements for voting or quorum described below, or (x) modify the foregoing requirements or reduce the percentage of Outstanding Debt Securities of such series necessary to waive any past default.

Modification and amendment of each Indenture may be made by the Company and the Trustee thereunder without the consent of any Holder, for any of the following purposes: (i) to evidence the succession of another Person to the Company as obligor under such Indenture; (ii) to add to the covenants of the Company for the benefit of the Holders of all or any series of Debt Securities; (iii) to add Events of Default for the benefit of the Holders of all or any series of Debt Securities; (iv) to add or change any provisions of such Indenture to facilitate the issuance of Bearer Securities; (v) to change or eliminate any provisions of such Indenture, provided that any such change or elimination shall become effective only when there are no Outstanding Debt Securities of any series created prior thereto that is entitled to the benefit of such provision; (vi) to establish the form or terms of Debt Securities of any series and any related Coupons; (vii) to secure the Debt Securities; (viii) to provide for the acceptance of appointment by a successor Trustee or facilitate the administration of the trusts under such Indenture by more than one Trustee; and (ix) to close such Indenture with respect to the authentication and delivery of additional series of Debt Securities, to cure any ambiguity, defect or inconsistency in such Indenture or to amend or supplement any provision contained in such Indenture or in any supplemental indenture, provided such action does not adversely affect the interests of Holders of Debt Securities of any series under such Indenture in any material respect.

Each Indenture contains provisions for convening meetings of the Holders of Debt Securities of a series. Such a meeting may be called at any time by the applicable Trustee at its discretion or by such Trustee pursuant to a request made to such Trustee by the Company or the Holders of at least 10% in principal amount of the Outstanding Debt Securities under such Indenture, but in any case, notice shall be given as provided in such Indenture. Except for any consent that must be given by the Holder of each Debt Security affected thereby, as described above, any resolution presented at a meeting or adjourned meeting duly reconvened at which a quorum is present may be adopted by the affirmative vote of the Holders of a majority in principal amount of the Debt Securities of that series Outstanding; provided, however, that, any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that may be made, given or taken by the Holders of a specified percentage that is less than a majority in principal amount of Debt Securities of

a series Outstanding may be adopted at a meeting or adjourned meeting, duly reconvened and at which a quorum is present, by the affirmative vote of the Holders of such specified percentage in principal amount of the Debt Securities of that series Outstanding. Any resolution passed or decision taken at any meeting of Holders of Debt Securities of any series duly held in accordance with the applicable Indenture will be binding on all Holders of Debt Securities of that series and the related Coupons. The quorum at any meeting called to adopt a resolution, and at any reconvened meeting, will consist of persons entitled to vote a majority in principal amount of the Debt Securities of a series Outstanding; provided, however, that, if any action is to be taken at such meeting with respect to a consent or waiver that may be given by the Holders of not less than a specified percentage in principal amount of the Debt Securities of a series Outstanding, the Persons entitled to vote such specified percentage in principal amount of the Debt Securities of such series Outstanding will constitute a quorum. Notwithstanding the foregoing provisions, if any action is to be taken at a meeting of Holders of Debt Securities of any series with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that the applicable Indenture expressly provides may be made, given or taken by the Holders of a specified percentage in principal amount of all Outstanding Debt Securities affected thereby, or of the Holders of such series and one or more additional series, then (i) there shall be no minimum quorum requirement for such meeting, and (ii) the principal amount of the Outstanding Debt Securities of such series that vote in favor of such request, demand, authorization, direction, notice, consent, waiver or other action shall be taken into account in determining whether such request, demand, authorization, direction, notice, consent, waiver or other action has been made, given or taken under the applicable Indenture.

FINANCIAL INFORMATION

So long as any of the Debt Securities are outstanding, the Company will file with the Commission, to the extent permitted under the Exchange Act, the annual reports, quarterly reports and other documents otherwise required to be filed with the Commission pursuant to Section 13(a) or 15(d) of the Exchange Act as if the Company were subject to such Sections, and the Company will also provide to all Holders and file with the Trustees copies of such reports and documents within 15 days after it files them with the Commission or, if filing such reports and documents by the Company with the Commission is not permitted under the Exchange Act, within 15 days after it would otherwise have been required to file such reports and documents if permitted, in each case at the Company's cost.

DEFEASANCE

Each Indenture provides that the Company may elect either (a) to defease and be discharged from any and all obligations with respect to any series of the Debt Securities issued thereunder and any

related Coupons (except for the obligation to pay Additional Amounts, if any, upon the occurrence of certain events of tax, assessment or governmental charge with respect to payments on such Debt Securities and the obligations to register the transfer or exchange of Debt Securities of such series and any related Coupons, to replace temporary or mutilated, destroyed, lost or stolen Debt Securities and any related Coupons, to maintain an office or agency in respect of such series of Debt Securities and any related Coupons and to hold moneys for payment in trust) ("defeasance") or (b) to be released from its obligations with respect to any series of such Debt Securities and any related Coupons with respect to certain covenants thereunder, and any omission to comply with such obligations shall not constitute a Default or an Event of Default with respect to such series of Debt Securities and any related Coupons ("covenant defeasance"), in either case upon the irrevocable deposit by the Company with the Trustee (or other qualifying trustee), in trust, of an amount, in such Currency in which such series of Debt Securities and any related Coupons are then specified as payable at Stated Maturity, or Government Obligations (as defined below), or both, applicable to such series of Debt Securities and any related Coupons (with such applicability being determined on the basis of the currency, currency unit or composite currency in which such series of Debt Securities are then specified as payable at Stated Maturity), which through the scheduled payment of principal and interest in accordance with their terms, will provide money in an amount sufficient to pay the principal of (and premium, if any) and interest, if any, on such series of Debt Securities and any related Coupons, and any mandatory sinking fund or analogous payments thereon, on the scheduled due dates therefor.

Such a trust may only be established if, among other things, the Company has delivered to the Trustee an Opinion of Counsel (as specified in the applicable Indenture) to the effect that the Holders of such series of Debt Securities and any related Coupons will not recognize income gain or loss for United States federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred; provided that, such Opinion of Counsel, in the case of defeasance under clause (a) above, must refer to and be based upon a revenue ruling of the Internal Revenue Service or a change in applicable United States federal income tax law occurring after the date of the applicable Indenture.

"Government Obligations" means securities that are (i) direct obligations of the government that issued the Currency in which the Debt Securities of a particular series are payable, for the payment of which its full faith and credit is pledged, or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the government that issued the Currency in which the Debt Securities of such series are payable, the payment of which is unconditionally guaranteed as a full faith and credit

obligation by the United States of America or such other government, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such Government Obligation or a specific payment of interest on or principal of any such Government Obligation held by such custodian for the account of the holder of a depository receipt; provided that (except as required by law), such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Obligation or the specific payment of interest in or principal of the Government Obligation evidenced by such depository receipt.

Unless otherwise provided in the Prospectus Supplement, if, after the Company has deposited funds and/or Government Obligations to effect defeasance or covenant defeasance relating thereto with respect to the Debt Securities of any series, (i) the Holder of a Debt Security of such series is entitled to and does elect, pursuant to the terms of such Debt Security, to receive payment in a currency other than that in which such deposit has been made in respect of such Debt Security or (ii) the currency in which such deposit has been made in respect of any Debt Security of such series ceases to be used by its government of issuance, then the indebtedness represented by such Debt Security shall be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of (and premium, if any) and interest, if any, on such Debt Security as they become due out of the proceeds yielded by converting the amount so deposited in respect of such Debt Security into the Currency in which such Debt Security becomes payable as a result of such election or such cessation of usage based on the applicable Market Exchange Rate. Unless otherwise provided in the Prospectus Supplement, all payments of principal of (and premium, if any) and interest, if any, and Additional Amounts, if any, on any Debt Security that is payable in a Currency other than Dollars that ceases to be used by its government of issuance shall be made in Dollars.

In the event the Company effects covenant defeasance with respect to (i) any Debt Securities and any related Coupons and (ii) such Debt Securities and any related Coupons are declared due and payable because of the occurrence of any Event of Default, other than an Event of Default with respect to any covenant for which there has been defeasance, the Currency and/or Government Obligations on deposit with the Trustee will be sufficient to pay amounts due on such Debt Securities and any related Coupons at the time of their Stated Maturity but may not be sufficient to pay amounts due on such Debt Securities and any related Coupons at the time of the acceleration resulting from such Event of Default. However, the Company would remain liable to make payment of such amounts due at the time of acceleration.

The Prospectus Supplement may further describe the provisions, if any, permitting such defeasance or covenant defeasance, including any modifications to the provisions described above, with respect to the Debt Securities of or within a particular series and any related Coupons.

INFORMATION CONCERNING THE TRUSTEE

The Trustee, prior to default, undertakes to perform only such duties as are specifically set forth in the applicable Indenture and, after default, shall exercise the same degree of care as a prudent individual would exercise in the conduct of his or her own affairs. Subject to such provision, the Trustee is under no obligation to exercise any of the powers vested in it by the applicable Indenture at the request of any Holder of Debt Securities, unless offered reasonable indemnity by such Holder against the costs, expenses and liabilities which might be incurred thereby. The Trustee is not required to expand or risk its own funds or otherwise incur personal financial liability in the performance of its duties if the Trustee reasonably believes that repayment or adequate indemnity is not reasonably assured to it.

The Chase Manhattan Bank (National Association) ("Chase") is the Trustee under the Senior Indenture and the Subordinated Indenture. Chase is also the agent for the lenders, and a lender, under certain revolving credit facilities with the Company which, as of the date hereof, permit an aggregate borrowing of up to \$750 million (subject to the terms and conditions of such facilities). Chase Securities, Inc., an affiliate of Chase, is as of the date hereof an agent with respect to distribution of the Senior Debt Securities. In addition, the Company and certain of its affiliates maintain other banking and borrowing arrangements with Chase, and Chase may perform additional banking services for, or transact other banking business with, the Company in the future.

The Trustee may be deemed to have a conflicting interest for purposes of the Trust Indenture Act of 1939 and may be required to resign as Trustee if (i) there is an Event of Default under the Indenture under which it acts as Trustee and (ii) among other things (a) the Trustee is a trustee under another indenture of the Company under which securities of the Company are outstanding, (b) the Trustee is a trustee for more than one outstanding series of Debt Securities under a single Indenture, (c) the Trustee is a creditor of the Company, or (d) the Trustee or an affiliate of the Trustee acts as underwriter or agent for the Company.

The Indenture provides that an alternative Trustee may be appointed by the Company with respect to any particular series of Debt Securities. Any such appointment will be described in the Prospectus Supplement relating to such series of Debt Securities.

GOVERNING LAW

The Indentures and the Debt Securities will be governed by, and construed in accordance with, the internal laws of the State of New York.

MISCELLANEOUS

The Company will have the right at all times to assign any of its respective rights or obligations under the Indentures to a direct or indirect wholly-owned subsidiary of the Company; provided, that, in the event of any such assignment, the Company will remain liable for all of their respective obligations. The Indentures will be binding upon and inure to the benefit of the parties thereto and their respective successors and assigns.

PARTICULAR TERMS OF THE SENIOR DEBT SECURITIES

The following description of the Senior Debt Securities sets forth certain general terms and provisions of the Senior Debt Securities to which any Prospectus Supplement may relate. The particular terms of the Senior Debt Securities offered by any Prospectus Supplement, and the extent, if any, to which such general provisions may not apply to the Senior Debt Securities so offered, will be described in the Prospectus Supplement relating to such Senior Debt Securities.

GENERAL

Reference is made to the Prospectus Supplement relating to a particular issuance of a series of Senior Debt Securities being offered for, among other things, the following terms thereof: (1) the title of the Senior Debt Securities of such series; (2) any limit on the aggregate principal amount of such Senior Debt Securities; (3) the date or dates on which the principal of such Senior Debt Securities will be payable; (4) the rate or rates at which such Senior Debt Securities will bear interest, or the method by which such rate or rates shall be determined, and the date such interest shall accrue, or the method by which such date or dates shall be determined; (5) the dates on which such interest will be payable and the Regular Record Dates for any Interest Payment Dates and the basis on which interest shall be calculated if other than on the basis of a 360-day year of twelve 30-day months; (6) the dates, if any, on which, and the price or prices at which, such Senior Debt Securities may, pursuant to any mandatory or optional sinking fund provisions, be redeemed by the Company and other terms and provisions of such sinking fund; (7) the date, if any, after which, and the price or prices at which, such Senior Debt Securities may, pursuant to any optional redemption provisions, be redeemed at the option of the Company or of the Holder thereof and other terms and provisions of such optional redemption; (8) any provisions in modification of, in addition to or in lieu of

any of the provisions of Article Fourteen of the Senior Indenture relating to defeasance and covenant defeasance; (9) the percentage of the principal amount at which such Senior Debt Securities will be issued and, if other than the principal amount thereof, the portion of the principal amount payable upon acceleration of the maturity thereof, or the method by which such portion shall be determined; (10) if other than Dollars, the Currency in which payment of the principal of (and premium, if any, on) or interest, if any, on such Senior Debt Securities shall be payable or denominated; (11) whether the amount of payments of principal of (and premium, if any, on) or interest, if any, on such Senior Debt Securities may be determined with reference to an index, formula or other method (which index, formula or method may be based, without limitation, on one or more Currencies, commodities, equity indices or other indices), and the manner in which such amounts shall be determined; (12) whether and under what circumstances the Company will pay Additional Amounts, as contemplated by Section 1005 of the Senior Indenture, on such Senior Debt Securities to any Holder who is not a United States person (including any modification to the definition of such term as contained in the Senior Indenture as originally executed) with respect to any tax, assessment or governmental charge and, if so, whether the Company will have the option to redeem such Senior Debt Securities rather than pay such Additional Amounts (and the terms of any such option); (13) any deletions from, modifications of or additions to the Events of Default or covenants of the Company with respect to such Senior Debt Securities, whether or not such Events of Default or covenants are consistent with the Events of Default or covenants set forth herein; and (14) any other terms of such Senior Debt Securities. For a description of the terms of any series of Senior Debt Securities, reference must be made to both the Prospectus Supplement relating thereto and the description of Debt Securities set forth herein.

Unless otherwise indicated in the Prospectus Supplement relating thereto, the Senior Debt Securities will be issued in Dollars in fully registered form, without Coupons.

DENOMINATIONS

Unless otherwise indicated in the Prospectus Supplement relating thereto, Senior Debt Securities that are Registered Securities will be issuable in denominations of \$1,000 and integral multiples of \$1,000, and Senior Debt Securities that are Bearer Securities will be issuable in denominations of \$5,000.

RANKING OF SENIOR DEBT SECURITIES

The Senior Debt Securities will rank pari passu with all other Senior Debt Securities and all other unsecured and unsubordinated indebtedness of the Company. The Company presently has no subordinated debt outstanding. Since the Company is a holding company, the right of the Company, and hence the right of creditors of the Company (including the Holders), to participate in any

distribution of the assets of any subsidiary upon its liquidation or reorganization or otherwise is necessarily subject to the prior claims of creditors of such subsidiary, except to the extent that claims of the Company itself as a creditor of such subsidiary may be recognized. The Indenture does not limit the amount of unsecured indebtedness which the Company or its subsidiaries may incur. Substantially all of the consolidated accounts payable represent obligations of the Company's subsidiaries, and as of December 31, 1995, the aggregate principal amount of money borrowed by the Company's subsidiaries was approximately \$88.2 million (the current portion of which was approximately \$79.4 million).

LIMITATION ON LIENS

Pursuant to the Senior Indenture, so long as any of the Senior Debt Securities thereunder or Coupons appertaining thereto shall remain outstanding, the Company will not, and will not permit any of its Subsidiaries (as defined below) to, create, incur, assume or suffer to exist any Lien (as defined below) of any kind upon any of its or their property or assets, now owned or hereafter acquired, without making effective provision whereby all of the Senior Debt Securities shall be directly secured equally and ratably with the obligation or liability secured by such Lien, except for:

(i) Liens existing as of the date of the Senior Indenture;

(ii) Liens, including Sale and Lease-back Transactions (as defined below), on any property acquired, constructed or improved after the date of the Senior Indenture, which are created or assumed contemporaneously with, or within 180 days after, such acquisition or completion of such construction or improvement, or within six months thereafter pursuant to a commitment for financing arranged with a lender or investor within such 180-day period, to secure or provide for the payment of all or a portion of the purchase price of such property or the cost of such construction or improvement incurred after the date of the Senior Indenture (or prior to the date of such Indenture in the case of any construction or improvement which is at least 40% completed at the date of such Indenture) or, in addition to Liens contemplated by clauses (iii) and (iv) below, Liens on any property existing at the time of acquisition thereof (including acquisition through merger or consolidation); provided, that any such Lien (other than a Sale and Lease-back Transaction meeting the requirements of this clause) does not apply to any property theretofore owned by the Company or a Subsidiary other than, in the case of any such construction or improvement, and theretofore unimproved real property on which the property so constructed or the improvement, is located;

(iii) Liens existing on any property of a Person at the time such Person is merged with or into, or consolidates with, the Company or a Subsidiary;

(iv) Liens on any property of a Person (including, without limitation, shares of stock or debt securities) or its subsidiaries existing at the time such Person becomes a Subsidiary, is otherwise acquired by the Company or a Subsidiary or becomes a successor to the Company pursuant to Section 802 of the Senior Indenture;

(v) Liens to secure an obligation or liability of a Subsidiary to the Company or to another Subsidiary;

(vi) Liens in favor of the United States of America or any State thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any State thereof, to secure partial progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing or improving the property subject to such Liens;

(vii) Liens to secure tax-exempt private activity bonds under the Internal Revenue Code of 1986, as amended;

(viii) Liens arising out of or in connection with a Sale and Lease-back Transaction if the net proceeds of such Sale and Lease-back Transaction are at least equal to the fair value (as determined by the Board of Directors, the Chairman of the Board, the Vice Chairman of the Board, the President or the principal financial officer of the Company) of the property subject to such Sale and Lease-back Transaction;

(ix) Liens for the sole purpose of extending, renewing or replacing in whole or in part indebtedness secured by any Lien referred to in the foregoing clauses (i) to (viii), inclusive, or in this clause (ix); provided, however, that the principal amount of indebtedness secured thereby shall not exceed the principal amount of indebtedness so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to all or a part of the property which secured the Lien so extended, renewed or replaced (plus improvements on such property);

(x) Liens arising out of or in connection with a Sale and Lease-back Transaction in which the net proceeds of such Sale and Lease-back Transaction are less than the fair value (as determined by the Board of Directors, the Chairman of the Board, the Vice Chairman of the Board, the President or the principal financial officer of the Company) of the property subject to such Sale and Lease-back Transaction if the Company provides in a Board Resolution that it shall, and in any such case the Company covenants that it will, within 180 days of the effective date of any such arrangement (or in the case of (C) below, within six months thereafter pursuant to a firm purchase commitment entered

into within such 180-day period), apply an amount equal to the fair market value (as so determined) of such property (A) to the redemption of Senior Debt Securities of any series which are, by their terms, at the time redeemable or the purchase and retirement of Senior Debt Securities, if permitted, (B) to the payment or other retirement of Funded Debt (as defined below) incurred or assumed by the Company which ranks senior to or pari passu with the Senior Debt Securities or of Funded Debt incurred or assumed by any Subsidiary (other than, in either case, Funded Debt owned by the Company or any Subsidiary) or (C) to the purchase of property (other than the property involved in such sale);

(xi) Liens on accounts receivable (and related general intangibles and instruments) arising out of or in connection with a sale or transfer by the Company or such Subsidiary of such accounts receivable;

(xii) Permitted Liens (as defined below); and

(xiii) Liens other than those referred to in clauses (i) through (xii) above which are created, incurred or assumed after the date of the Senior Indenture (including those in connection with purchase money mortgages, Capitalized Lease Obligations (as defined below) and Sale and Lease-back Transactions), provided that the aggregate amount of indebtedness secured by such Liens, or, in the case of Sale and Lease-back Transactions, the Value (as defined below) of such Sale and Lease-back Transactions, referred to in this clause (xiii), does not exceed 15% of Consolidated Total Assets (as defined below).

The term "Capitalized Lease Obligations" means, 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 or personal property which obligations are required to be classified and accounted for as capital lease obligations on a balance sheet of such Person under generally accepted accounting principles and, for purposes of the Senior Indenture, the amount of such obligations at any date shall be the capitalized amount thereof at such date, determined in accordance with generally accepted accounting principles.

The term "Consolidated Total Assets" means the total of all the assets appearing on the 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 not more than 60 days prior to the happening of the event for which such determination is being made.

The term "Funded Debt" means any indebtedness which by its terms matures at or is extendable or renewable at the sole option of

the obligor without requiring the consent of the obligee to a date more than 12 months after the date of the creation of such indebtedness.

The term "Lien" means, as to any Person, any mortgage, lien, collateral assignment, pledge, charge, security interest or other encumbrance in respect of or on, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capitalized Lease Obligation, purchase money mortgage or Sale and Lease-back Transaction with respect to, any property or asset (including without limitation income and rights thereto) of such Person (including without limitation capital stock of any Subsidiary of such Person), or the signing by such Person and filing of a financing statement which names such Person as debtor, or the signing by such Person of any security agreement agreeing to file, or authorizing any other party as the secured party thereunder to file, any financing statement.

The term "Permitted Liens" means mechanics, materialmen, landlords, warehousemen and carriers liens and other similar liens imposed by law securing obligations incurred in the ordinary course of business which are not past due or which are being contested in good faith by appropriate proceedings and for which appropriate reserves have been established; Liens under workmen's compensation, unemployment insurance, social security or similar legislation; 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 similar obligations arising in the ordinary course of business; 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; and 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 Subsidiary of the property or assets encumbered thereby in the normal course of its business or materially impair the value of the property subject thereto.

The term "Sale and Lease-back Transaction" means, with respect to any Person, any direct or indirect arrangement with any other Person or to which any other Person is a party, providing for the leasing to such first Person of any property, whether now owned or hereafter acquired (except for temporary leases for a term, including any renewal thereof, of not more than three years and except for leases between the Company and a Subsidiary or between Subsidiaries), which has been or is to be sold or transferred by such first Person to such other Person or to any Person to whom funds have been or are to be advanced by such other Person on the security of such property.

The term "Subsidiary" means any corporation of which at the time of determination the Company or one or more Subsidiaries owns or controls directly or indirectly more than 50% of the shares of Voting Stock.

The term "Value" means, with respect to a Sale and Lease-back Transaction, as of any particular time, the amount equal to the greater of (i) the net proceeds from the sale or transfer of the property leased pursuant to such Sale and Lease-back Transaction or (ii) the fair value in the opinion of the Board of Directors, the Chairman of the Board, the Vice Chairman of the Board, the President or the principal financial officer of the Company of such property at the time of entering into such Sale and Lease-back Transaction, in either case multiplied by a fraction, the numerator of which shall be equal to the number of full years of the term of the lease remaining at the time of determination and the denominator of which shall be equal to the number of full years of such term, without regard to any renewal or extension options contained in the lease.

The term "Voting Stock" means stock of a corporation of the class or classes having general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of such corporation provided that, for the purposes hereof, stock which carries only the right to vote conditionally on the happening of an event shall not be considered voting stock whether or not such event shall have happened.

EVENTS OF DEFAULT

The Senior Indenture provides, with respect to any series of Senior Debt Securities outstanding thereunder, that any one or more of the following events that has occurred and is continuing shall constitute an Event of Default: (i) default in the payment of any interest upon any Senior Debt Security of that series, or of any Coupon appertaining thereto, when the same becomes due and payable and continues for 30 days; (ii) default in the payment of the principal of or any premium on any Senior Debt Security of that series when due, whether at maturity, upon redemption by declaration or otherwise; (iii) default in the deposit of any sinking fund payment, when and as due by the terms of any Senior Debt Senior Securities of that series; (iv) default in the performance or breach of any covenant or agreement of the Company in the Senior Indenture with respect to any Senior Debt Security of that series (other than those referred to in (i), (ii) and (iii) above) and continuance thereof for 60 days after written notice to the Company from the Trustee or from the holders of at least 25% of the Outstanding Debt Securities of that series; (v) certain events in bankruptcy, insolvency or reorganization of the Company or a Principal Subsidiary (as defined below); (vi) an event of default as defined in any mortgage, indenture or instrument under which there may be issued, or by which there may be secured or evidenced, any indebtedness of the Company or any Principal Subsidiary for money borrowed, whether such indebtedness now exists or shall hereafter be created, shall happen

and shall result in such indebtedness in principal amount in excess of \$10,000,000 becoming or being declared due and payable prior to the date on which it would otherwise become due and payable, and such acceleration shall not be rescinded or annulled, or such indebtedness shall not have been discharged, within 30 days after written notice to the Company from the Trustee or from the Holders of at least 25% of the Outstanding Debt Securities of that series; and (vii) any other Event of Default provided with respect to Senior Debt Securities of that series.

The term "Principal Subsidiary" means, as of any date of determination thereof, any Subsidiary the consolidated net revenues of which for the 12-month period ending on the last day of the month then most recently ended exceed 10% of consolidated net revenues of the Company for such period, determined on a pro forma basis after giving effect to any acquisition or disposition of a Subsidiary or a business effected on or prior to the determination date and after the beginning of such 12-month period (including acquisition and dispositions accomplished through a purchase or sale of assets or through a merger or consolidation).

The Company is required to file annually with the Trustee under the Senior Indenture an officer's certificate as to the Company's compliance with all conditions and covenants under such Indenture. The Senior Indenture provides that the Trustee thereunder may withhold notice to the Holders of Senior Debt Securities of any default, except in the case of a default in the payment of the principal of (or premium), if any, or interest on any Senior Debt Securities or the payment of any sinking fund installment with respect to such Senior Debt Securities if it considers it in the interests of the Holders of such Senior Debt Securities to do so.

PARTICULAR TERMS OF THE SUBORDINATED DEBT SECURITIES

The following description of the Subordinated Debt Securities sets forth the general terms and provisions of the Subordinated Debt Securities to which any Prospectus Supplement may relate. The particular terms of the Subordinated Debt Securities offered by any Prospectus Supplement and the extent, if any, to which such general provisions may not apply will be described in the Prospectus Supplement relating to such Subordinated Debt Securities.

GENERAL

Reference is made to the Prospectus Supplement relating to a particular issuance of a series of Subordinated Debt Securities being offered for, among other things, the following terms thereof: (1) the title of the Subordinated Debt Securities of such series; (2) any limit on the aggregate principal amount of such Subordinated Debt Securities; (3) the percentage of the principal amount at which such Subordinated Debt Securities will be issued and, if other than the

principal amount thereof, the portion of the principal amount thereof payable upon acceleration of the maturity thereof, or the method by which such portion shall be determined; (4) the date or dates, on which the principal of such Subordinated Debt Securities will be payable; (5) the rights, if any, to defer payments of interest on the Subordinated Debt Securities by extending the interest payment period, and the duration of such extensions; (6) the subordination terms of the Subordinated Debt Securities of such series; (7) the rate or rates at which such Subordinated Debt Securities will bear interest, or the method by which such rate or rates shall be determined, and the date such interest shall accrue, or the method by which such date or dates shall be determined; (8) the dates on which such interest will be payable and the Regular Record Dates for any Interest Payment Dates and the basis on which interest shall be calculated if other than on the basis of a 360-day year of twelve 30-day months; (9) the dates, if any, on which, and the price or prices at which, such Subordinated Debt Securities may, pursuant to any mandatory or optional sinking fund provisions, be redeemed by the Company and other terms and provisions of such sinking fund; (10) the date, if any, after which, and the price or prices at which, such Subordinated Debt Securities may, pursuant to any optional redemption provisions, be redeemed at the option of the Company or of the Holder thereof and other terms and provisions of such optional redemption; (11) any provisions in modification of, in addition to or in lieu of any of the provisions of Article Fourteen of the Subordinated Indenture relating to defeasance and covenant defeasance; (12) whether and under what circumstances the Company will pay Additional Amounts, as contemplated by Section 1005 of the Subordinated Indenture, on such Subordinated Debt Securities to any Holder who is not a United States person (including any modification to the definition of such term as contained in the Subordinated Indenture as originally executed) with respect to any tax, assessment or governmental charge and, if so, whether the Company will have the option to redeem such Subordinated Debt Securities rather than pay such Additional Amounts (and the terms of any such option); (13) any deletions from, modifications of or additions to the Events of Default or covenants of the Company with respect to such Subordinated Debt Securities, whether or not such Events of Default or covenants are consistent with the Events of Default or covenants set forth herein; (14) if other than Dollars, the Currency in which payment of the principal of (and premium, if any, on) or interest, if any, on such Subordinated Debt Securities shall be payable or denominated; (15) whether the amount of payments of principal of (and premium, if any, on) or interest, if any, on such Subordinated Debt Securities may be determined with reference to an index, formula or other method (which index, formula or method may be based, without limitation, on one or more Currencies, commodities, equity indices or other indices), and the manner in which such amounts shall be determined; and (16) any other terms of such Subordinated Debt Securities. For a description of the terms of any series of Subordinated Debt Securities, reference must be made to both the Prospectus Supplement relating thereto and to the description of Debt Securities set forth herein.

Unless otherwise indicated in the Prospectus Supplement relating thereto, the Subordinated Debt Securities will be issued in Dollars in fully registered form, without Coupons.

DENOMINATIONS

Unless otherwise indicated in the Prospectus Supplement relating thereto, Subordinated Debt Securities that are Registered Securities will be issuable in denominations of \$25 and integral multiples of \$25 and Subordinated Debt Securities that are Bearer Securities will be issuable in denominations of \$5,000.

SUBORDINATION

The Subordinated Debt Securities will be subordinated to the prior payment in full of (i) the Senior Debt Securities and all other unsecured and unsubordinated indebtedness of the Company ranking pari passu with the Senior Debt Securities and (ii) certain other indebtedness of the Company to the extent set forth in the Prospectus Supplement relating to such Subordinated Debt Securities.

EVENTS OF DEFAULT

The Subordinated Indenture provides, with respect to any series of Subordinated Debt Securities outstanding thereunder, that any one or more of the following events that has occurred and is continuing shall constitute an Event of Default: (i) default in the payment of any interest upon any Subordinated Debt Security of that series, or of any Coupon appertaining thereto, when the same becomes due and payable and continues for 60 days; provided that, a valid extension of the interest payment period by the Company in accordance with the terms of any supplemental indenture shall not constitute a default in the payment of interest or such Coupon for this purpose; (ii) default in the payment of the principal of or any premium on any Subordinated Debt Security of that series when due, whether at maturity, upon redemption by declaration or otherwise; provided that a valid extension by the Company of the maturity of the Subordinated Debt Securities of such series in accordance with the terms of any supplemental indenture shall not constitute a default in the payment of principal or any premium for this purpose; (iii) default in the deposit of any sinking fund payment, when and as due by the terms of any Subordinated Debt Securities of that series; (iv) default in the performance or breach of any covenant or agreement of the Company in the Subordinated Indenture with respect to any Subordinated Debt Security of that series (other than those referred to in (i), (ii) and (iii) above), and continuance thereof for 90 days after written notice to the Company from the Trustee or from the holders of at least 25% of the Outstanding Debt Securities of that series; (v) certain events in bankruptcy, insolvency or reorganization of the Company; (vi) an event of default as defined in any mortgage, indenture or instrument under which there may be issued, or by which there may be secured or evidenced, any indebtedness of the Company for money borrowed, whether

such indebtedness now exists or shall hereafter be created, shall happen and shall result in such indebtedness in principal amount in excess of \$15,000,000 becoming or being declared due and payable prior to the date on which it would otherwise become due and payable, and such acceleration shall not be rescinded or annulled, or such indebtedness shall not have been discharged, within 30 days after written notice to the Company from the Trustee or from the Holders of at least 25% of the Outstanding Debt Securities of that series; and (vii) any other Event of Default provided with respect to Subordinated Debt Securities of that series. The Company is required to file annually with the Trustee under the Subordinated Indenture an officer's certificate as to the Company's compliance with all conditions and covenants under such Indenture. The Subordinated Indenture provides that the Trustee thereunder may withhold notice to the Holders of Subordinated Debt Securities of any default, except in the case of a default in the payment of the principal of (or premium), if any, or interest on any Subordinated Debt Securities or the payment of any sinking fund installment with respect to such Subordinated Debt Securities if it considers it in the interests of the Holders of such Subordinated Debt Securities to do so.

DESCRIPTION OF CAPITAL STOCK

Under the Company's Restated Certificate of Incorporation, as amended (the "Restated Certificate of Incorporation"), the Company is authorized to issue 400,000,000 shares of Common Stock, par value \$1.00 per share, and 10,000,000 shares of preferred stock which is issuable in one or more series and of which 9,990,000 shares have a par value of \$1.00 per share and 10,000 shares have no par value (collectively, the "Preferred Stock"). As of December 31, 1995, 158,618,011 shares of Common Stock (excluding treasury shares) were issued and outstanding and there were no shares of Preferred Stock issued and outstanding. In addition, as of December 31, 1995, the Company had 9,100,661 shares of Common Stock reserved for issuance under the Company's stock option plans, leaving 232,986,546 authorized shares of Common Stock (including 7,591 shares of Common Stock held in the Company's treasury) available for issuance. The number of authorized shares of Preferred Stock includes 500,000 authorized shares of Junior Participating Preferred Stock, Series B (the "Series B Preferred Stock") issuable pursuant to the rights agreement dated as of October 20, 1988 between the Company and First Chicago Trust Company of New York (formerly known as Morgan Shareholders Services Trust Company) (the "Rights Plan"), none of which were outstanding as of December 31, 1995, leaving 9,500,000 authorized shares of Preferred Stock available for issuance as of September 30, 1995. See "-- Stock Purchase Rights."

COMMON STOCK

The holders of the Common Stock have one vote for each share held. Subject to the prior rights of holders of any issued and

outstanding Preferred Stock that may be issued in the future, holders of the Common Stock are entitled to receive such dividends as may be declared from time to time by the Board of Directors out of funds legally available therefor. In the event of a liquidation (whether voluntary or involuntary) or reduction in the Company's capital resulting in any distribution of assets to stockholders, the holders of the Common Stock are entitled to receive, pro rata according to the number of shares held by each, all of the assets of the Company remaining for distribution after payment to creditors and the holders of any issued and outstanding Preferred Stock of the full preferential amounts to which they are entitled.

Holders of the Common Stock do not have preemptive rights to subscribe for and purchase any new or additional issue of Common Stock or securities convertible into Common Stock. Shares of the Common Stock are not subject to redemption.

The outstanding shares of Common Stock are listed on the New York Stock Exchange and the Chicago Stock Exchange. The transfer agent and registrar of the shares of Common Stock is First Chicago Trust Company of New York.

STOCK PURCHASE RIGHTS

Each outstanding share of Common Stock includes one preferred stock purchase right (individually a "Right" and collectively the "Rights") provided under the Rights Plan. Each Right entitles the holder, until the earlier of October 31, 1998 or the redemption of the Rights, to buy one four-hundredth of a share of Series B Preferred Stock at a price of \$25 per one four-hundredth of a share (as adjusted to reflect stock splits since the issuance of the Rights). The Series B Preferred Stock is nonredeemable and will have 100 votes per share. The Company has reserved 500,000 shares of Series B Preferred Stock for issuance upon exercise of such Rights. The Rights will be exercisable only if a person or group acquires 20% or more of voting power of the Company or announces a tender offer following which it would hold 30% or more of the Company's voting power.

In the event that any person becomes the beneficial owner of 30% or more of the Company's voting power, the Rights (other than Rights held by the 30% stockholder) would become exercisable for that number of shares of the Common Stock having a market value of two times the exercise price of the Right. Furthermore, if, following the acquisition by a person or group of 20% or more of the Company's voting power, the Company were acquired in a merger or other business combination or 50% or more of its assets were sold, or in the event of certain types of self-dealing transactions by a 20% stockholder, each Right (other than Rights held by the 20% stockholder) would become exercisable for that number of shares of Common Stock (or securities of the surviving company in a business combination) having a market value of two times the exercise price of the Right.

The Company may redeem the Rights at one cent per Right prior to the occurrence of an event that causes the Rights to become exercisable for Common Stock. The Board of Directors may terminate the Company's right to redeem the Rights under certain circumstances at any time after a group or person acquires 20% or more of the Company's voting power.

One Right will be issued in respect of each share of Common Stock issued before the earlier of October 31, 1998 or the redemption of the Rights. As of the date of this Prospectus, the Rights are not exercisable, certificates representing the Rights have not been issued and the Rights automatically trade with the shares of Common Stock. The Rights will expire on October 31, 1998 unless earlier redeemed.

PREFERRED STOCK

Under the Restated Certificate of Incorporation, shares of Preferred Stock may be issued in the future in such series as may be designated by the Board of Directors. In creating any such series, the Board of Directors has the authority, without any further vote or action by the Company's stockholders, to fix the dividend rights and rates, voting and conversion rights, redemption provisions, liquidation preferences and other relative, participating, optional or other special rights, qualifications, limitations or restrictions of such series.

The specific terms of a particular series of Preferred Stock offered hereby will be described in the Prospectus Supplement relating to such series of Preferred Stock, which may include the following:

(i) The maximum number of shares to constitute the series and the distinctive designations thereof;

(ii) The annual dividend rate, if any, on shares of the series, whether such rate is fixed or variable or both, the date or dates from which dividends will begin to accrue or accumulate, whether the dividends will be cumulative, and the dividend preference, if any, applicable to the shares of the series;

(iii) Whether the shares of the series will be redeemable and, if so, the price at and the terms and conditions on which the shares of the series may be redeemed, including the time during which the shares of the series may be redeemed and any accumulated dividends thereon that the holders of the shares of the series shall be entitled to receive upon redemption thereof;

(iv) The liquidation preference, if any, applicable to shares of the series;

(v) Whether the shares of the series will be subject to operation of a retirement or sinking fund and, if so, the extent

and manner in which any such fund shall be applied to the purchase or redemption of the shares of the series for retirement or for other corporate purposes, and the terms and provisions relating to the operation of such fund;

(vi) The terms and conditions, if any, on which the shares of the series shall be convertible into, or exchangeable for, shares of any other class or classes of capital stock of the Company, or any series of any other class or classes, or of any other series of the same class, including the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same;

(vii) The voting rights, if any, of the shares of the series; and

(viii) Any other preferences and relative, participating, optional or other special rights or qualifications, limitations or restrictions thereof.

Although the Company is not required to seek stockholder approval prior to designating any future series of Preferred Stock, the Board of Directors has a policy of seeking stockholder approval prior to designating any future series of Preferred Stock with a vote or convertible into stock having a vote in excess of 13% of the vote represented by all voting stock immediately subsequent to such issuance, except for the purpose of (i) raising capital in the ordinary course of business or (ii) making acquisitions, the primary purpose of which is not to effect a change of voting power.

The only series of Preferred Stock currently authorized by the Board of Directors for issuance is the Series B Preferred Stock issuable under the Rights Plan. See "-- Stock Purchase Rights."

PROVISIONS WITH POSSIBLE ANTI-TAKEOVER EFFECTS

As discussed above, the Company has adopted a Rights Plan which has the effect of providing stockholders with rights to purchase shares of Common Stock (or securities of an acquiring company) at half of the market price under certain circumstances involving a potential change in control of the Company that has not been approved by the Board of Directors. In addition, the Delaware General Corporate Law provides, among other things, that any beneficial owner of more than 15% of the Company's voting stock is prohibited, without the prior approval of the Board of Directors, from entering into any business combination with a company for three years from the date such 15% ownership interest is acquired. Additionally, the "fair price provisions" of the Restated Certificate of Incorporation require that certain proposed business combinations between the Company and an "interested party" (a beneficial owner of 5% or more of the voting shares of the Company) must be approved by the holders of 75% of the voting shares, unless certain fair price and procedural requirements

are met or the business combination is approved by the directors of the Company who are not affiliated with the interested party. A vote of the holders of 75% of the Company's outstanding voting stock is required to amend the fair price provisions of the Restated Certificate of Incorporation.

The Restated Certificate of Incorporation and the Company's by-laws (the "By-Laws") contain certain other provisions which may be viewed as having an anti-takeover effect. The Restated Certificate of Incorporation classifies the Board of Directors into three classes and provides that vacancies on the Board of Directors are to be filled by a majority vote of directors and that directors so chosen shall hold office until the end of the full term of the class in which the vacancy occurred. A vote of the holders of 75% of the Company's outstanding voting stock is required to amend these provisions. Under the Delaware General Corporation Law, directors of the Company may only be removed for cause. The Restated Certificate of Incorporation and the By-Laws also contain provisions that may reduce surprise and disruptive tactics at stockholders' meetings. The Restated Certificate of Incorporation provides that no action may be taken by stockholders except at an annual meeting or special meeting, and does not permit stockholders to directly call a special meeting of stockholders. A stockholder must give written notice to the Company of an intention to nominate a director for election at an annual meeting 90 days prior to the anniversary date of the immediately preceding annual meeting. Each of these provisions tends to make a change of control of the Board of Directors more difficult and time consuming.

PLAN OF DISTRIBUTION

The Company may sell the Securities in any of the following ways: (i) through underwriters or dealers; (ii) directly to a limited number of purchasers or to a single purchaser; (iii) through agents; or (iv) through any combination of the above. The Prospectus Supplement with respect to the Securities will set forth the terms of the offering, the purchase price of the Securities and the proceeds to the Company from such sale, any underwriters, dealers or agents, any fees, underwriting discounts and other items constituting underwriters' compensation, any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers. Any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time.

If underwriters are involved in the sale, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The Securities may be offered to the public either through underwriting syndicates represented by one or more managing underwriters or directly by one or

more firms acting as underwriters. The underwriter or underwriters with respect to a particular underwritten offering of the Securities to be named in the Prospectus Supplement relating to such offering or, if an underwriting syndicate is used, the managing underwriter or underwriters, will be set forth on the cover of such Prospectus Supplement. Unless otherwise set forth in the Prospectus Supplement relating thereto, the obligations of the underwriters to purchase the Securities will be subject to conditions precedent and the underwriters will be obligated to purchase all the Securities offered by the Prospectus Supplement if any are purchased.

If dealers are utilized in the sale of the Securities in respect of which this Prospectus is delivered, the Company will sell such Securities to the dealers as principals. The dealers may then resell such Securities to the public at varying prices to be determined by such dealers at the time of resale. The names of the dealers and the terms of the transaction will be set forth in the Prospectus Supplement relating thereto.

The Securities may be sold directly by the Company or through agents designated by the Company from time to time. Any agent involved in the offer or sale of the Securities in respect to which this Prospectus is delivered will be named, and any commissions payable by the Company to such agent will be set forth in, the Prospectus Supplement relating thereto.

The Securities may be sold directly by the Company to institutional investors or others, who may be deemed to be underwriters within the meaning of the Securities Act with respect to any resale thereof. The terms of any such sales will be described in the Prospectus Supplement relating thereto.

Agents, dealers and underwriters may be entitled under agreements entered into with the Company to indemnification by the Company against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments which such agents, dealers or underwriters may be required to make in respect thereof. Agents, dealers and underwriters may be customers of, engage in transactions with, or perform services for the Company in the ordinary course of business.

Other than the Common Stock, which will be approved for listing upon notice of issuance on the New York Stock Exchange and the Chicago Stock Exchange, the Securities may or may not be listed on a national securities exchange. No assurances can be given that there will be a market for the Securities.

LEGAL OPINION

The validity of the Securities offered hereby will be passed upon for the Company by Schiff Hardin & Waite, Chicago, Illinois, and

for any underwriters or agents as specified in the Prospectus Supplement. The opinions with respect to the Securities may be conditioned upon, and subject to certain assumptions regarding, future action to be taken by the Company and the applicable Trustee in connection with the issuance and sale of particular Securities, the specific terms of the Securities and other matters that may affect the validity of the Securities but that cannot be ascertained on the date of such opinions. Schiff Hardin & Waite has advised the Company that, as of the date hereof, a member of the firm participating in the representation of the Company in this offering owns approximately 3,700 shares of Common Stock.

EXPERTS

The consolidated financial statements and schedule of the Company incorporated herein by reference, have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their reports with respect thereto, and are incorporated herein by reference in reliance upon the authority of said firm as experts in accounting and auditing in giving said reports.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth all expenses in connection with the distribution of the Debt Securities, Preferred Stock, Common Stock and Rights being registered. All amounts shown below are estimates, except the registration fee:

Registration fee of Securities and	
Exchange Commission	\$100,000
Accountants' fees and expenses	50,000
Legal fees and expenses	200,000
Printing Registration Statement, prospectus	
and exhibits and other printing expenses . .	100,000
Trustee fees and expenses	20,000
Rating agency fees	125,000
Blue sky fees, expenses and legal fees	15,000
Miscellaneous	25,000

TOTAL	\$ 635,000

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Restated Certificate of Incorporation and By-Laws of the registrant provide for indemnification by the registrant of each of its directors and officers to the fullest extent permitted by law for liability (including liability arising under the Securities Act) of such director or officer arising by reason of his or her status as a director or officer of the registrant, provided that he or she met the standards established in the Restated Certificate of Incorporation, which include requirements that he or she acted in good faith and in a manner he or she reasonably believed to be in the registrant's best interests. The registrant will also advance expenses prior to final disposition of an action, suit or proceeding upon receipt of an undertaking by the director or officer to repay such amount if the director or officer is not entitled to indemnification. All rights to indemnification and advancement of expenses are deemed to be a contract between the registrant and its directors and officers. The determination that a director or officer has met the standards established in the Restated Certificate of Incorporation and By-Laws may be made by majority vote of a quorum consisting of disinterested directors, an opinion of counsel (regardless of whether such quorum is available), a majority vote of stockholders, or a court (which may also overturn any of the preceding determinations). The registrant has purchased insurance against liabilities of directors or officers, as permitted by the Restated Certificate of Incorporation and By-Laws. The registrant also has entered into indemnification agreements with each of its directors and officers which provide that the directors

and officers will be entitled to their indemnification rights as they existed at the time they entered into the agreement, regardless of subsequent changes in the registrant's indemnification policy.

ITEM 16. EXHIBITS

The Exhibits filed herewith are set forth on the Index to Exhibits filed as a part of this Registration Statement on page II-6 hereof.

ITEM 17. UNDERTAKINGS

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
- (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;
- (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that the undertakings set forth in paragraphs (i) and (ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities

Exchange Act of 1934 that are incorporated by reference in this registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described under Item 15 above, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Rockford, State of Illinois, on this 19th day of January, 1996.

NEWELL CO.
(Registrant)

By: /s/ William T. Alldredge

William T. Alldredge
Vice President - Finance

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ William P. Sovey* ----- William P. Sovey	Vice Chairman and Chief Executive Officer (Principal Executive Officer) and Director	
/s/ William T. Alldredge ----- William T. Alldredge	Vice President - Finance (Principal Financial Officer)	January 19, 1996
/s/ Thomas A. Ferguson, Jr.* ----- Thomas A. Ferguson, Jr.	President and Chief Operating Officer and Director	
/s/ Donald L. Krause* ----- Donald L. Krause	Senior Vice President - Controller (Principal Accounting Officer)	
/s/ Daniel C. Ferguson* ----- Daniel C. Ferguson	Chairman of the Board of Directors	

Signature	Title	Date
/s/ Alton F. Doody* ----- Alton F. Doody	Director	
/s/ Gary H. Driggs* ----- Gary H. Driggs	Director	
/s/ Robert L. Katz* ----- Robert L. Katz	Director	
/s/ John J. McDonough* ----- John J. McDonough	Director	
/s/ Elizabeth Cuthbert Millett* ----- Elizabeth Cuthbert Millett	Director	
----- Cynthia A. Montgomery	Director	
/s/ Allan P. Newell* ----- Allan P. Newell	Director	
/s/ Henry B. Pearsall* ----- Henry B. Pearsall	Director	

* By: /s/ William T. Alldredge

William T. Alldredge,
Attorney-in-fact

January 19, 1996

EXHIBIT INDEX

Exhibit Number	Description
1	Form of Underwriting Agreement.
4.1	Restated Certificate of Incorporation of Newell Co., as amended as of May 10, 1995 (incorporated by reference to Exhibit 3.1 to the Company's Form 10-Q for the quarter ended June 30, 1995).
4.2	By-Laws of Newell Co., as amended through November 9, 1995.
4.3	Form of Indenture, dated as of November 1, 1995, to be entered into between the Company and The Chase Manhattan Bank (National Association), as Trustee, relating to the Senior Debt Securities.*
4.4	Form of Indenture, dated as of November 1, 1995, to be entered into between the Company and The Chase Manhattan Bank (National Association), as Trustee, relating to the Subordinated Debt Securities.*
4.5	Rights Agreement dated as of October 20, 1988 between the Company and First Chicago Trust Company of New York (formerly known as Morgan Shareholders Services Trust Company) (incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K dated October 25, 1988).
5	Opinion of Schiff Hardin & Waite.
12	Computation of Ratios of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Dividends.
23.1	Consent of Schiff Hardin & Waite (contained in their opinion filed as Exhibit 5).
23.2	Consent of Arthur Andersen LLP.*

EXHIBIT INDEX - (continued)

Exhibit Number	Description
24	Powers of attorney (set forth on the signature page of this Registration Statement).*
25.1	Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939 of Trustee for Senior Indenture.
25.2	Form of T-1 Statement of Eligibility under the Trust Indenture Act of 1939 of Trustee for Subordinated Indenture.

* Previously filed.

NEWELL CO.

(a Delaware corporation)

UNDERWRITING AGREEMENT

[Date]

[Name and address of Underwriters
or Representatives]

Dear Sirs:

Newell Co., a Delaware corporation (the "Company"), proposes to sell to the underwriters named in Schedule II hereto (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), (1) the principal amount of its senior debt securities, if any, identified in Schedule I hereto (the "Senior Securities"), to be issued under an Indenture dated as of November 1, 1995, between the Company and The Chase Manhattan Bank (National Association), as trustee (the "Senior Trustee"), as amended (said Indenture, the "Senior Indenture"); (2) the principal amount of its subordinated debt securities, if any, identified in Schedule I hereto (the "Subordinated Securities" and together with the Senior Securities being collectively referred to herein as the "Debt Securities") to be issued under an Indenture dated of November 1, 1995, between the Company and The Chase Manhattan Bank (National Association), as trustee (the "Subordinated Trustee", and together with the Senior Trustee, the "Trustees") (said Indenture, the "Subordinated Indenture") (the Senior Indenture and the Subordinated Indenture being collectively referred to herein as the "Indentures"); (3) the preferred stock of the Company, if any, identified in Schedule I hereto (the "Preferred Stock"); (4) the common stock, par value \$1.00 per share, of the Company (the "Common Stock"), including, if then in existence, the related preferred stock purchase rights (the "Rights") provided for in the Rights Agreement dated as of October 20, 1988, as amended, between the Company and The First Chicago Trust Company as rights agent thereunder (the "Rights Agreement") (all references herein to the Common Stock shall include the Rights unless the context indicates otherwise), if any, as indicated in Schedule I hereto. The Debt Securities, Preferred Stock and Common Stock described in Schedule I hereto shall collectively be referred to herein as the "Purchased Securities." The Company may also grant to the Underwriters an option to purchase up to such additional number of Purchased Securities as is specified in Schedule I hereto (the "Option Securities"). The Purchased Securities and Option Securities shall be collectively referred to herein as the "Securities." If the firm or

firms listed in Schedule II hereto include only the firm or firms described above as Representatives, then the terms "Underwriters" and "Representatives", as used herein, shall each be deemed to refer to such firm or firms.

SECTION 1. Representations and Warranties. The Company represents and warrants to, and agrees with, each Underwriter that:

(a) The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (No.33-64225) relating to the Securities and the offering thereof from time to time in accordance with Rule 415 under the Securities Act of 1933, as amended (the "Act") and has filed such amendments thereto as may have been required to the date hereof. Such registration statement, as amended, has been declared effective by the Commission, and the Indentures have each been qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). The Company proposes to file with the Commission pursuant to Rule 424(b) under the Act a supplement to the form of prospectus included in such registration statement relating to the Securities and the plan of distribution thereof and has previously advised you of all further information (financial and other) with respect to the Company to be set forth therein. Such registration statement, including the exhibits thereto, as amended at the date of this Agreement, is hereinafter called the "Registration Statement"; such prospectus in the form in which it appears in the Registration Statement is hereinafter called the "Basic Prospectus"; and such supplemented form of prospectus, in the form in which it shall be filed with the Commission pursuant to Rule 424(b) (including the Basic Prospectus as so supplemented) is hereinafter called the "Final Prospectus". Any preliminary form of the Final Prospectus which has heretofore been filed pursuant to Rule 424(b) is hereinafter called the "Preliminary Final Prospectus". Any reference herein to the Registration Statement, the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus shall be deemed to refer to and include the documents incorporated by

reference therein pursuant to Item 12 of Form S-3 which were filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), on or before the date of this Agreement, or the issue date of the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus, as the case may be; and any reference herein to the terms "amend", "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act after the date of this Agreement, or the issue date of the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus, as the case may be, deemed to be incorporated therein by reference.

(b) On the effective date of the Registration Statement, as of the date hereof, when the Final Prospectus is first filed pursuant to Rule 424(b) under the Act, when, prior to the Closing Date (as hereinafter defined), any amendment to the Registration Statement becomes effective (including the filing of any document incorporated by reference in the Registration Statement), when any supplement to the Final Prospectus is filed with the Commission and at the applicable Closing Date, (i) the Registration Statement, as amended as of any such time, any Final Prospectus, as amended or supplemented as of any such time, and the Indentures will comply in all material respects with the applicable requirements of the Act, the Trust Indenture Act and the Exchange Act and the respective rules thereunder; (ii) the Registration Statement, as amended as of any such time, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading; and (iii) the Final Prospectus, as amended or supplemented as of any such time, did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or the Final Prospectus or any amendment thereof or supplement thereto made in reliance upon and in conformity with information furnished to the Company in writing by any Underwriter, or on behalf of any Underwriter by the Representatives, expressly for use in the Registration Statement or the Final Prospectus.

(c) The documents incorporated by reference in the Final Prospectus pursuant to Item 12 of Form S-3 under the Act, at the time they were or hereafter are filed or last amended, as the case may be, with the Commission, complied and will comply in all material respects with the requirements of the Exchange Act and the rules and regulations thereunder and, when read together and with the other information in the Basic Prospectus and the Final Prospectus, at the time the Registration Statement and any amendments thereto became or become effective, at the date of this Agreement and at each Closing Date, did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were or are made, not misleading.

(d) The accountants who certified the financial statements and supporting schedules included or incorporated by reference in the Registration Statement and the Final Prospectus are independent public accountants as required by the Act and the rules and regulations thereunder.

(e) The financial statements (other than quarterly or other unaudited interim financial statements) included or incorporated by reference in the Registration Statement and the Final Prospectus present fairly the financial position of the Company and its consolidated subsidiaries as at the dates indicated and the results of their operations for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent (except as otherwise stated therein) basis; the supporting schedules included or incorporated by reference in the Registration Statement present fairly the information required to be stated therein; and the Company's ratios of earnings to fixed charges (actual and, if any, pro forma) included in the Final Prospectus and in Exhibit 12 to the Registration Statement have been calculated in compliance with Item 503(d) of Regulation S-K of the Commission.

(f) Since the respective dates as to which information is given in the Registration Statement and the Final Prospectus, except as otherwise stated therein (including information contained in documents subsequently incorporated by reference in the Registration Statement or the Final Prospectus), (1) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business; and (2) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise.

(g) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware with corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and the Final Prospectus; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not in the aggregate have a material adverse effect on the business or assets of the Company and its subsidiaries considered as one enterprise.

(h) Each Significant Subsidiary of the Company (as that term is used in Rule 405 of the Act Regulations) has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and the Final Prospectus and is duly qualified as a foreign corporation to transact business and is in

good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify would not in the aggregate have a material adverse effect on the business or assets of the Company and its subsidiaries considered as one enterprise; all of the issued and outstanding capital stock of each Significant Subsidiary has been duly authorized and validly issued and is fully paid and nonassessable and is owned by the Company (other than Anchor Hocking Corporation), free and clear of any security interest, mortgage, pledge, lien, encumbrance or claim.

(i) The authorized, issued and outstanding capital stock of the Company is as set forth in the Final Prospectus under the caption "Capitalization" (except for subsequent issuances, if any, pursuant to reservations or agreements referred to in the Final Prospectus); the certificate for each outstanding share of Common Stock also represents one Right per share (if the Rights are then in existence), the issued and outstanding shares of Common Stock have been duly authorized and validly issued and are fully paid and nonassessable; and (if the Rights Agreement is then in effect) the outstanding Rights have been duly authorized and validly issued under the Rights Agreement and are entitled to the benefits thereof.

(j) Neither the Company nor any of its Significant Subsidiaries is in violation of its charter or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any material contract, indenture, joint venture agreement, mortgage, loan agreement, note, lease or other instrument to which it or its property may be bound except when such default would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise; and the execution and delivery of this Agreement, the Indentures, and the Securities and the consummation of the transactions contemplated herein and therein have been duly authorized by all necessary corporate action and will not conflict with or constitute a breach of, or a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its Significant Subsidiaries pursuant to any contract, indenture, joint venture agreement, mortgage, loan agreement, note, lease or other instrument to which the Company or any of its Significant Subsidiaries is a party or by which any of them may be bound, or to which any of the property or assets of the Company or any of its Significant Subsidiaries is subject, nor will such action result in any violation of the provisions of the charter or by-laws of the Company or any of its Significant Subsidiaries or any applicable law, administrative regulation or administrative or court decree.

(k) There is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries, which is required to be disclosed in the Registration Statement or the Final Prospectus (other than as disclosed therein), or which might materially and adversely affect the consummation of this Agreement or, except in cases in which such consequences are remote, which might result in any material adverse change in the condition, financial or otherwise, or in the earnings, affairs or business prospects of the Company and its subsidiaries considered as one enterprise, or, except in cases in which such consequences are remote, which might materially and adversely affect the properties or assets thereof; all pending legal or governmental proceedings to which the Company or any subsidiary is a party or of which any of their property is the subject which are not described in the Registration Statement or the Final Prospectus, including ordinary routine litigation incidental to the Company's business, are, considered in the aggregate, not material to the Company and its subsidiaries considered as one enterprise; and there are no contracts or documents of the Company or any of its subsidiaries which are required to be filed as exhibits to the Registration Statement by the Act or by the rules and regulations thereunder which have not been so filed.

(l) No authorization, approval or consent of any court or governmental authority or agency is required for the consummation by the Company of the transactions contemplated by this Agreement, except such as may be required under the Act or the rules and regulations thereunder or state securities laws for the Securities and the qualification of the Indentures under the Trust Indenture Act.

(m) This Agreement has been duly authorized, executed and delivered by the Company.

(n) In the case of an offering of Debt Securities, the applicable Indenture has been duly and validly authorized, executed and delivered by the Company and is substantially in the form filed or incorporated by reference, as the case may be, as an exhibit to the Registration Statement at the time the Registration Statement became effective; the applicable Indenture has been duly qualified under the Trust Indenture Act; and, assuming due authorization, execution and delivery by the Trustee, each of the applicable Indenture constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with its respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; the Debt Securities are in the form contemplated by the applicable Indenture and the Debt Securities have been duly and

validly authorized by the Company and, when executed by the proper officers of the Company, and authenticated in accordance with the provisions of the applicable Indenture and in all cases delivered to and paid for by the Underwriters pursuant to this Agreement, in the case of all of the Securities, will in each case constitute a valid and binding obligation of the Company, be convertible (in the case of those Subordinated Securities that by their terms are so convertible) for shares of Common Stock or other securities of the Company in accordance with their terms as set forth in the Final Prospectus and will be entitled to the benefits of the applicable Indenture enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; if the Debt Securities are convertible into shares of Common Stock or other securities of the Company, the shares of Common Stock or other securities issuable upon such conversion will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be validly issued, fully paid (assuming the underlying Debt Securities have been paid for) and nonassessable; such shares of Common Stock or other securities will have been duly authorized and issued, will be fully paid (assuming the underlying Debt Securities have been paid for) and nonassessable and will conform to the description thereof contained in the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to any of such shares of Common Stock or other securities issuable upon such conversion.

(o) In the case of an offering of shares of Preferred Stock, including any shares of Preferred Stock constituting Option Securities, the shares of Preferred Stock being delivered and paid for at such Closing Date have been duly authorized, validly issued and are fully paid and nonassessable; and the stockholders of the Company have no preemptive rights with respect to any of such shares of Preferred Stock. If the shares of Preferred Stock being delivered at such Closing Date are convertible into shares of Common Stock or other securities of the Company, such shares of Preferred Stock are convertible into shares of Common Stock or other securities of the Company in accordance with their terms; the shares of Common Stock or other securities initially issuable upon conversion of such shares of Preferred Stock will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be duly issued, fully paid and nonassessable; such shares of Common Stock will have been duly authorized and issued, are fully paid (assuming the underlying shares of Preferred Stock have been paid for) and nonassessable and conform to the description thereof contained in the Final Prospectus.

(p) In the case of an offering of shares of Common Stock, including any shares of Common Stock constituting Option Securities, the shares of Common Stock being delivered and paid for at such Closing Date have been duly authorized, validly issued and are fully paid and nonassessable; the related Rights (if the Rights Agreement is then in effect) have been duly authorized and validly issued under the Rights Agreement and are entitled to the benefits thereof; neither the issuance of the shares of Common Stock nor the issuance of the related Rights is subject to preemptive rights; and the Company has reserved one four-hundredth of a share of Series B Preferred for issuance upon exercise of each Right.

(q) The Securities, the Rights, the Company's Junior Participating Preferred Stock, Series B (the "Series B Preferred") and, in the case of an offering of Debt Securities, the applicable Indenture, will conform in all material respects to the respective statements relating thereto contained in the Final Prospectus and the Registration Statement and will be in substantially the respective forms filed or incorporated by reference, as the case may be, as exhibits to the Registration Statement.

(r) The Senior Debt Securities rank and will rank on a parity with all unsecured indebtedness (other than subordinated indebtedness) of the Company that is outstanding on the date hereof or that may be incurred hereafter, and senior to all subordinated indebtedness of the Company that is outstanding on the date hereof or that may be incurred hereafter.

Any certificate signed by any officer of the Company and delivered to the Representatives or counsel for the Underwriters in connection with the offering and sale of the Securities pursuant to this Agreement shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

SECTION 2. Purchase and Sale. (a) Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Company agrees to sell to each Underwriter, and each Underwriter agrees, severally and not jointly, to purchase from the Company, at the respective purchase prices and upon the terms and conditions set forth in Schedule I hereto the principal amount or number of Purchased Securities set forth opposite such Underwriter's name in Schedule II hereto, except that, if Schedule I hereto provides for the sale of Purchased Securities pursuant to delayed delivery arrangements, the respective principal amount or number of such Purchased Securities to be purchased by the Underwriters, shall be as set forth in Schedule II hereto.

(b) The Underwriters will endeavor to make such arrangements and, as compensation therefor, the Company will pay to the

Representatives, for the account of the Underwriters, on the applicable Closing Date, an amount as follows: (i) in the case of Debt Securities, an amount equal to the percentage set forth in Schedule II hereto of the principal amount of the Debt Securities, (ii) in the case of Preferred Stock an amount equal to the percentage set forth in Schedule II hereto of the aggregate liquidation preference of Preferred Stock and (iii) in the case of Common Stock, an amount as set forth in Schedule II hereto.

SECTION 3. Delivery and Payment. (a) Delivery of the Securities shall be made at the office of _____ or at such other place as shall be agreed upon by the Representatives and the Company, or at the office of The Depository Trust Company ("DTC") if the Securities are issued in book-entry form, and payment for such Securities shall be made at the above office of _____ or at such other place as shall be agreed upon by the Representatives and the Company, on the date and at the time specified in Schedule I hereto, which date and time may be postponed by agreement between the Representatives and the Company or as provided in Section 11 hereof (such date and time of delivery and payment for the Securities being herein referred to in the case of Purchased Securities as the "Purchased Securities Closing Date", in the case of Option Securities as the "Option Securities Closing Date" and each such date being referred to herein as a "Closing Date"). Delivery of the Securities shall be made to the Representatives for the respective accounts of the several Underwriters against payment by the several Underwriters through the Representatives of the purchase price thereof to or upon the order of the Company by certified or official bank check or checks drawn on or by a Chicago Clearing House bank and payable in next day funds or by such other means as are specified in Schedule I hereto.

(b) If specified in Schedule I hereto, the several Underwriters will be compensated for their respective commitments and obligations by separate payment to the Representatives for the respective accounts of such Underwriters. Any such payment by the Company to the Underwriters shall be made simultaneously with the payment by the Underwriters to the Company of the purchase price of the Securities as specified herein. Any separate payment of compensation by the Company to the Underwriters shall be made by certified or official bank check or checks drawn on or by a Chicago Clearing House bank and payable in next day funds to the order of the Representatives or by such other means as are specified in Schedule I hereto.

(c) If specified in Schedule I and the Securities are issued in book-entry form, payment shall be made in immediately available funds by fed wire. Certificates for the Securities shall be registered in such names and in such denominations as the Representatives may request not less than two full business days in advance of the applicable Closing Date, provided that, if the Securities are in book-entry form, the registration thereof, including the determination of

the denominations thereof, shall be in accordance with the regulations of DTC.

(d) The Company agrees to have the Securities available for inspection, checking or packaging by the Representatives in New York, New York, not later than 1:00 P.M., New York City time, on the business day prior to the applicable Closing Date, unless the Securities are in book-entry form.

SECTION 4. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) Immediately following the execution of this Agreement, the Company will prepare a Final Prospectus setting forth the principal amount or number of Securities covered thereby and their terms (not otherwise specified in the applicable Indenture in the case of Debt Securities), the names of the Underwriters and the principal amount or number of Securities which each severally has agreed to purchase, the names of the Representatives, the price at which the Securities are to be purchased by the Underwriters from the Company, the initial public offering price, the selling concession and reallowance, if any, and such other information as the Representatives and the Company deem appropriate in connection with the offering of the Securities. The Company will promptly transmit copies of the Final Prospectus to the Commission for filing pursuant to Rule 424 of the Act and will furnish to the Underwriters named therein as many copies of the Final Prospectus and any Preliminary Final Prospectus as such Underwriters shall reasonably request.

(b) The Company will notify the Representatives immediately, and promptly confirm the notice in writing, (i) of the effectiveness of any amendment to the Registration Statement, (ii) of the mailing or the delivery to the Commission for filing of any supplement to the Final Prospectus or any document to be filed pursuant to the Exchange Act which will be incorporated by reference into the Registration Statement or Final Prospectus, (iii) of the receipt of any comments or other communications from the Commission with respect to the Registration Statement, the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus, (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus or for additional information, and (v) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose. The Company will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment.

(c) For so long as a Final Prospectus is required to be delivered in connection with the sale of Securities covered by this Agreement, the Company will give the Representatives notice of its intention to file any amendment to the Registration Statement or any amendment or supplement to the Final Prospectus (including through the filing of documents under the Exchange Act or a prospectus filed pursuant to Rule 424(b) which differs from the prospectus on file at the Commission), whether pursuant to the Act, the Exchange Act or otherwise, will furnish the Representatives with copies of any such amendment or supplement or other documents proposed to be filed a reasonable time in advance of filing, and will not file any such amendment or supplement to which the Representatives or counsel for the Underwriters shall reasonably object.

(d) The Company will deliver to the Representatives as many signed and conformed copies of the registration statement (as originally filed) and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated by reference in the Prospectus pursuant to Item 12 of Form S-3 under the Act) as the Representatives may reasonably request, and will also deliver to the Representatives a conformed copy of the Registration Statement and each amendment thereto for each of the Underwriters.

(e) If any event shall occur or condition exist as a result of which it is necessary, in the opinion of counsel for the Underwriters or counsel for the Company, to further amend or supplement the Final Prospectus in order that the Final Prospectus will not include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in the light of circumstances existing at the time it is delivered to a purchaser or prospective purchaser or if it shall be necessary, in the opinion of either such counsel, at any such time to amend or supplement the Registration Statement or the Final Prospectus in order to comply with the requirements of the Act or rules and regulations thereunder, the Company will promptly prepare and file with the Commission such amendment or supplement, whether by filing documents pursuant to the Exchange Act or otherwise, as may be necessary to correct such untrue statement or omission or to make the Registration Statement comply with such requirements.

(f) The Company will endeavor, in cooperation with the Underwriters, to qualify the Securities and any Debt Securities, Common Stock or Preferred Stock which may be issuable pursuant to the exercise or conversion, as the case may be, of Securities offered by the Company, for offering and sale under the applicable securities laws of such states and other jurisdictions of the United States as the Representatives may designate, and will maintain such qualifications in effect for as long as may be required for the distribution of the Securities. The Company

will file such statements and reports as may be required by the laws of each jurisdiction in which the Securities have been qualified as provided above.

(g) With respect to each sale of Securities, the Company will make generally available to its security holders as soon as practicable, but not later than 60 days (or 90 days in the case of periods which are a fiscal year of the Company) after the close of the period covered thereby, earnings statements (in form complying with the provisions of Rule 158 under the Act) covering twelve-month periods beginning, in each case, not later than the first day of the Company's fiscal quarter next following the "effective date" (as defined in Rule 158) of the Registration Statement relating to such Securities that satisfies the provisions of Section 11(a) of the Act and the rules and regulations thereunder.

(h) The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the Final Prospectus relating to such Securities under "Use of Proceeds".

(i) The Company will use its best efforts to (i) arrange for the listing of any Common Stock constituting Securities hereunder or issuable upon conversion or exercise of any of the Securities upon notice of issuance on the New York Stock Exchange, Inc. or such other national securities exchanges on which the Company's outstanding Common Stock is then listed and (ii) list any other Securities on the exchanges, if any, specified in Schedule I hereto.

(j) The Company, during the period when the Final Prospectus is required to be delivered under the Act, will file promptly all documents required to be filed with the Commission pursuant to Section 13, 14 or 15 of the Exchange Act within the time periods required by the Exchange Act and the rules and regulations thereunder.

(k) In the event that the Securities being issued and sold pursuant to this Agreement are shares of Common Stock, for a period of 90 days from the date of this Agreement, the Company will not, without the Representatives' prior written consent, directly or indirectly, sell, offer to sell, grant any option for the sale of, enter into an agreement to sell, or otherwise dispose of, any Securities to which this Agreement relates or securities similar to such Securities, or any securities convertible into or exercisable for any such Securities or any such similar securities, except for Securities sold pursuant to this Agreement, securities issued upon conversion of Securities issued under this Agreement and shares of Common Stock issued pursuant to employee benefit, executive compensation and dividend reinvestment plans of the Company, and the Company will not file

a registration statement under the Act with respect to any such Securities or securities similar to such securities of the Company held by others.

(l) In the event that the Securities being issued and sold pursuant to this Agreement are Securities other than Common Stock, for a period of 21 days from the date of this Agreement, the Company will not, without the Representatives' prior written consent, directly or indirectly, sell, offer to sell, grant any option for the sale of, enter into an agreement to sell, or otherwise dispose of, any Securities to which this Agreement relates or securities similar to such Securities, or any securities convertible into or exchangeable or exercisable for any such Securities or any such similar securities, except for Securities sold pursuant to this Agreement and securities issued upon conversion of Securities issued under this Agreement, and the Company will not file a registration statement under the Act with respect to any such Securities or securities similar to such securities of the Company held by others.

(m) If necessary or otherwise required, the Company will comply with all of the provisions of Section 517.075 of the Florida Statutes, and all rules and regulations promulgated thereunder, relating to issuers doing business in Cuba.

SECTION 5. Payment of Expenses. The Company will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing, filing and delivery of the registration statement (as originally filed) and all amendments thereto, (ii) the preparation, issuance and delivery to the Underwriters of the certificates for the Securities, (iii) the fees and disbursements of the Company's counsel and accountants, (iv) the qualification of the Securities under applicable state securities laws in accordance with the provisions of Section 4(f), including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation of any Blue Sky Survey and Legal Investment Survey, (v) the printing and delivery to the Underwriters in quantities as hereinabove stated of copies of the registration statement (as originally filed) and any amendments thereto, and of the Final Prospectus and any amendments or supplements thereto, (vi) the printing and delivery to the Underwriters of copies of the applicable Indenture and any Blue Sky Survey and Legal Investment Survey, (vii) the fees, if any, of rating agencies, (viii) the fees and expenses, if any, incurred in connection with the listing of the Securities on any securities exchange, (ix) the fees and expenses of the Trustees, if any, including the fees and disbursements of counsel for the Trustees in connection with the Indentures and the Securities, and (x) the fees, if any, of the National Association of Securities Dealers, Inc.

If this Agreement is terminated by the Representatives in accordance with the provisions of Section 6 or Section 10(i), the

Company shall reimburse the Underwriters named in this Agreement for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

SECTION 6. Conditions of Underwriters' Obligations. The obligations of the Underwriters hereunder are subject to the accuracy of the representations and warranties on the part of the Company herein contained, to the accuracy of the statements of the Company's officers made in any certificate furnished pursuant to the provisions hereof, to the performance by the Company of its obligations, covenants and agreements hereunder, and to the following further conditions:

(a) The Final Prospectus shall have been filed with the Commission pursuant to Rule 424 under the Act not later than 5:30 p.m., New York City time, on the second business day following the date hereof; and at the applicable Closing Date (i) no stop order suspending the effectiveness of the Registration Statement shall have been issued under the Act or proceedings therefor initiated or threatened by the Commission and any request on the part of the Commission for additional information shall have been complied with to the satisfaction of counsel for the Underwriters, (ii) except where the only Securities are Common Stock, the rating assigned by any nationally recognized securities rating agency to any debt securities or preferred stock of the Company as of the date of this Agreement shall not have been lowered since the execution of this Agreement and no such agency shall have publicly announced that it has placed any of such debt securities or preferred stock on what is commonly termed a "watch list" for possible downgrading, and (iii) there shall not have come to the attention of the Representatives any facts that cause them, after disclosing such facts to, and discussing them with, the Company, reasonably to believe that the Final Prospectus, at the time it was required to be delivered to a purchaser of the Securities, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in light of the circumstances existing at such time, not misleading.

(b) At the applicable Closing Date, the Representatives shall have received:

(1) The opinion, dated as of the applicable Closing Date, of the General Counsel of the Company, in form and substance satisfactory to the Underwriters to the effect that:

(i) Each of the Company and each Significant Subsidiary has been duly incorporated and each of the Company and each Significant Subsidiary is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation and, to the best of such counsel's knowledge, each of the Company and each such

Significant Subsidiary is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify or be in good standing would not have a material adverse effect on the condition, financial or otherwise, or the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise.

(ii) Each Significant Subsidiary has the corporate power and authority to own, lease and operate its properties and to conduct its business as currently conducted and as described in the Prospectus.

(iii) To the best of such counsel's knowledge, there are no legal or governmental proceedings pending or threatened which are required to be disclosed in the Prospectus, other than those disclosed therein.

(iv) The execution, delivery and performance by the Company of this Agreement, the Indenture and the Notes, the performance by the Company of its agreements herein and therein and the incurrence by the Company of the indebtedness to be evidenced by the Notes will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any Significant Subsidiary under any contract, indenture, mortgage, loan agreement, note, lease or other instrument known to such counsel and to which the Company or any Significant Subsidiary is a party or by which any of them are bound or to which any property or assets of the Company or any such Significant Subsidiary is subject.

(2) The opinion, dated as of the applicable Closing Date, of Schiff Hardin & Waite, counsel for the Company, in form and substance satisfactory to counsel for the Underwriters, with such specificity as is necessary to reflect particularly the Securities purchased on such Closing Date to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation under the laws of the State of Delaware.

(ii) The Company has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement and the Final Prospectus.

(iii) The Company is duly qualified as a foreign corporation to transact business and is in good standing under the laws of the State of Illinois and the State of Wisconsin.

(iv) In the case of an offering of Preferred Stock or Common Stock, the authorized, issued and outstanding capital stock of the Company is as set forth in the Registration Statement and the Final Prospectus under the caption "Capitalization" (except for subsequent issuances, if any, pursuant to reservations or agreements referred to in the Final Prospectus), and the stock of issued and outstanding capital stock of the Company set forth therein have been duly authorized and validly issued and are fully paid and nonassessable; the certificate for each outstanding share of Common Stock also represents one Right per share; and the outstanding Rights have been duly authorized and validly issued under the Rights Agreement.

(v) The Company is the registered owner of all of the issued and outstanding shares of capital stock of the Significant Subsidiaries (including Newell Operating Company), other than Anchor Hocking Corporation, free and clear, to the best of such counsel's knowledge, of any pledge, mortgage, lien, encumbrance or claim. Newell Operating Company is the registered owner of all of the issued and outstanding shares of capital stock of Anchor Hocking Corporation, free and clear, to the best of such counsel's knowledge, of any pledge, mortgage, lien, encumbrance or claim. All of the issued and outstanding capital stock of each Significant Subsidiary has been duly authorized and validly issued, is fully paid and non-assessable.

(vi) This Agreement has been duly authorized, executed and delivered by the Company.

(vii) The Registration Statement is effective under the Act and, to the best of their knowledge and information, no stop order suspending the effectiveness of the Registration Statement has been issued under the Act or proceedings therefor initiated or threatened by the Commission.

(viii) At the time the Registration Statement became effective, at the date of this Agreement and at the applicable Closing Date, the Registration Statement (other than the financial statements, supporting schedules or other financial or statistical information or data included or incorporated by reference therein, as to which no opinion need be rendered) complied as to form in all material respects with the requirements of the Act, the rules and regulations thereunder, the Trust Indenture Act and the

rules and regulations thereunder, and nothing has come to their attention that leads them to believe that the Registration Statement (other than the financial statements, supporting schedules and other financial or statistical information or data included or incorporated by reference therein, as to which no opinion need be rendered), at the time it became effective or at the date of this Agreement or at the applicable Closing Date, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Final Prospectus, as amended or supplemented at the applicable Closing Date, including the documents incorporated by reference therein (other than the financial statements, supporting schedules and other financial or statistical information or data included or incorporated by reference therein, as to which no opinion need be rendered) included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(ix) To the best of their knowledge and information, there are no legal or governmental proceedings pending or threatened which are required to be disclosed in the Registration Statement, other than those disclosed in the Final Prospectus or in any document incorporated by reference therein.

(x) Each document filed pursuant to the Exchange Act (other than the financial statements, supporting schedules and other financial or statistical information or data included therein, as to which no opinion need be rendered) and incorporated by reference in the Final Prospectus at the applicable Closing Date, complied when so filed (or, if amended, when and as amended prior to the date of the Final Prospectus) as to form in all material respects with the Exchange Act and the rules and regulations thereunder.

(xi) To the best of their knowledge and information, there are no contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described, referred to or incorporated by reference in the Registration Statement at the applicable Closing Date or to be filed as exhibits thereto other than those described, referred to or incorporated by reference therein or filed as exhibits thereto, and the descriptions thereof or references thereto in the Registration Statement at the applicable Closing Date are correct.

(xii) No authorization, approval, consent or order of any court or governmental authority or agency is required in

connection with the consummation by the Company of the transactions contemplated by this Agreement, except such as may be required under the Act, the rules and regulations thereunder, the Exchange Act, the rules and regulations thereunder or state securities laws and the qualification of the applicable Indenture under the Trust Indenture Act (in the case of an offering of Debt Securities); the execution and delivery by the Company of this Agreement, the applicable Indenture (in the case of an offering of Debt Securities), and the Securities and the consummation of the transactions contemplated herein and therein will not result in any violation of the provisions of the charter or by-laws of the Company; and to the best of their knowledge and information, the execution and delivery by the Company of this Agreement, the applicable Indenture (in the case of an offering of Debt Securities), and the Securities and the consummation of the transactions contemplated herein and therein will not conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, any Material contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such action result in any violation of any applicable law, administrative regulation or any administrative or court order or decree known to them. For purposes of the preceding sentence, "Material Contract" shall mean each indenture, loan agreement, contract, agreement or arrangement, as each shall have been amended to the date of such opinion, filed as an exhibit to, or incorporated by reference in, the most recent Annual Report to the SEC on Form 10-K of the Company or any report filed since the date of such report with the SEC under Section 13 of the Exchange Act.

(xiii) The information in the Final Prospectus describing the Securities, the Rights and the Series B Preferred (and the applicable Indenture in the case of an offering of Debt Securities), has been reviewed by them and is correct (subject to the limitations stated therein) and complete in all material respects.

(xiv) In the case of an offering of Debt Securities, the applicable Indenture has been duly and validly authorized, executed and delivered by the Company and is substantially in the form filed or incorporated by reference, as the case may be, as an exhibit to the Registration Statement at the time the Registration Statement became effective; the applicable Indenture has

been duly qualified under the Trust Indenture Act; and, assuming due authorization, execution and delivery by the Trustee the applicable Indenture constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with its respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; the Debt Securities are in the form contemplated by the applicable Indenture and the Debt Securities have been duly and validly authorized by the Company and, when executed by the proper officers of the Company, authenticated in accordance with the provisions of the applicable Indenture and delivered to and paid for by the Underwriters pursuant to this Agreement will in each case constitute a valid and binding obligation of the Company, be convertible (in the case of those Debt Securities that by their terms are so convertible) for shares of Common Stock or other securities of the Company in accordance with their terms as set forth in the Final Prospectus and will be entitled to the benefits of the applicable Indenture enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles; if the Debt Securities are convertible into shares of Common Stock or other securities of the Company, the shares of Common Stock or other securities issuable upon such conversion will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be validly issued, fully paid (assuming the underlying Debt Securities have been paid for) and nonassessable; such shares of Common Stock or other securities will have been duly authorized and issued, will be fully paid (assuming the underlying Debt Securities have been paid for) and nonassessable and will conform to the description thereof contained in the Final Prospectus; and the stockholders of the Company have no preemptive rights with respect to any of such shares of Common Stock or other securities issuable upon such conversion.

(xv) In the case of an offering of shares of Preferred Stock, including any shares of Preferred Stock constituting Option Securities, the shares of Preferred Stock being delivered and paid for at such Closing Date have been duly authorized, validly issued and are fully paid and nonassessable; and the stockholders of the Company have no preemptive rights with respect to any of such Preferred Stock. If the shares of Preferred Stock being delivered and paid for at such Closing Date are convertible into shares of Common Stock or other securities, such shares of Preferred

Stock are convertible into shares of Common Stock or other securities of the Company in accordance with their terms; the shares of Common Stock or other securities initially issuable upon conversion of such shares of Preferred Stock will have been duly authorized and reserved for issuance upon such conversion and, when issued upon such conversion, will be duly issued, fully paid (assuming the underlying Preferred Stock have been paid for) and nonassessable; the shares of Common Stock have been duly authorized and issued, are fully paid and nonassessable and conform to the description thereof contained in the Final Prospectus.

(xvi) In the case of an offering of shares of Common Stock, including any shares of Common Stock constituting Option Securities, the shares of Common Stock being delivered and paid for at such Closing Date have been duly authorized, validly issued and are fully paid and nonassessable; the related Rights have been duly authorized and validly issued under the Rights Agreement and are entitled to the benefits thereof; neither the issuance of the shares of Common Stock nor the issuance of the related Rights is subject to preemptive rights; and the Company has reserved one four-hundredth share of Series B Preferred for issuance upon exercise of each Right.

(3) The opinion or opinions, dated as of the applicable Closing Date, of _____
_____ counsel for the Underwriters, with respect to the incorporation of the Company, the validity of the Securities being sold at the Closing Date, the Registration Statement, the Final Prospectus and other related matters as the Underwriters may reasonably request, and such counsel shall have received such papers and information as they reasonably request to enable them to pass upon such matters.

(c) At the applicable Closing Date there shall not have been, since the date of this Agreement or since the respective dates as of which information is given in the Registration Statement and the Final Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, and the Representatives shall have received a certificate of the President or a Vice President of the Company and of the Chief Financial Officer, Chief Accounting Officer or Treasurer of the Company, dated as of such Closing Date, to the effect that (i) there has been no such material adverse change; (ii) the representations and warranties in Section 1 are true and correct with the same force and effect as though expressly made again at and as of such Closing Date; (iii) the Company has complied with all agreements and satisfied all

conditions on its part to be performed or satisfied at or prior to such Closing Date; and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been initiated or threatened by the Commission.

(d) The Representatives shall have received from Arthur Andersen LLP and any other independent certified public accountants who have reviewed financial statements included in the Registration Statement or the Final Prospectus letters, dated as of the date of this Agreement and as of the applicable Closing Date, in form and substance satisfactory to the Representatives to the effect that:

(i) They are independent public accountants with respect to the Company and its subsidiaries within the meaning of the Act and the rules and regulations thereunder.

(ii) It is their opinion that the financial statements and supporting schedules included or incorporated by reference in the Registration Statement and covered by their opinion therein comply as to form in all material respects with the applicable accounting requirements of the Act, the rules and regulations thereunder, the Exchange Act and the rules and regulations thereunder.

(iii) Based upon limited procedures set forth in detail in such letter, nothing has come to their attention which causes them to believe that:

(A) The unaudited financial statements and supporting schedules of the Company and its subsidiaries included or incorporated by reference in the Registration Statement and the Final Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act, the rules and regulations thereunder, the Exchange Act and the rules and regulations thereunder or are not presented in conformity with generally accepted accounting principles applied on a basis substantially consistent with that of the audited financial statements included or incorporated by reference in the Registration Statement and the Final Prospectus;

(B) The amounts set forth under the caption "Selected Financial Data" (or other similar caption) in the Final Prospectus are not in agreement with the corresponding amounts in the Company's audited financial statements included or incorporated by reference in the Registration Statement and the Final Prospectus; or

(C) At a specified date not more than five days prior to the date of the letters, there has been any change in the capital stock of the Company or any increase in the consolidated long-term debt of the Company and its subsidiaries or any decrease in consolidated net current assets or net assets as compared with the amounts shown in the Company's most recent consolidated balance sheet included or incorporated by reference in the Registration Statement and the Final Prospectus or, during the period from the date of such balance sheet to a specified date not more than five days prior to the date of the letters, there were any decreases, as compared with the corresponding period in the preceding year, in consolidated net sales, net earnings or primary net earnings per share of the Company and its subsidiaries, except in all instances for changes, increases or decreases which the Registration Statement and the Final Prospectus disclose have occurred or may occur.

(iv) In addition to the examination referred to in their opinions and the limited procedures referred to in clause (iii) above, they have carried out certain specified procedures, not constituting an audit, with respect to certain amounts, percentages and financial information which are included or incorporated by reference in the Registration Statement and Prospectus and which have been specified by the Representatives, and have found such amounts, percentages and financial information to be in agreement with the relevant accounting, financial and other records of the Company and its subsidiaries identified in such letter.

(v) If pro forma financial statements are included or incorporated in the Registration Statement and Final Prospectus, on the basis of a reading of the unaudited pro forma financial statements, carrying out certain specified procedures, inquiries of certain officials of the Company and the acquired company who have responsibility for financial and accounting matters, and proving the arithmetic accuracy of the application of the pro forma adjustments to the historical amounts in the pro forma financial statements, nothing came to their attention which caused them to believe that the pro forma financial statements do not comply in form in all material respects with the applicable accounting requirements of Rule 11-02 of Regulation S-X or that the pro forma adjustments have not been properly applied to the historical amounts in the compilation of such statements.

(e) At the applicable Closing Time, counsel for the Underwriters shall have been furnished with such documents and

opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated and related proceedings, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated shall be satisfactory in form and substance to the Representatives and counsel for the Underwriters.

(f) If any of the Securities are to be listed on the New York Stock Exchange, Inc. or any other national stock exchange, such Securities shall have been duly listed, subject to notice of issuance, on such stock exchange.

If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representatives by notice to the Company at any time at or prior to the applicable Closing Date, and such termination shall be without liability of any party to any other party except as provided in Section 5.

SECTION 7. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Act as follows:

(1) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), including all documents incorporated by reference therein, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact contained in the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(2) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, if such

settlement is effected with the written consent of the Company; and

(3) against any and all expense whatsoever, as incurred (including, subject to Section 7(c) hereof, the fees and disbursements of counsel chosen by you) reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (1) or (2) above;

provided, however, that this indemnity shall not apply to any loss, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through you expressly for use in the Registration Statement (or any amendment thereto) or the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus (or any amendment or supplement thereto).

(b) Each Underwriter severally agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or the Basic Prospectus, any Preliminary Final Prospectus or the Final Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use in the Registration Statement (or any amendment thereto) the Basic Prospectus, Preliminary Final Prospectus or the Final Prospectus (or any amendment or supplement thereto).

(c) Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability which it may have otherwise than on account of this indemnity agreement. An indemnifying party may participate at its own expense in the defense of such action. In no event shall the indemnifying parties be liable for the fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same

jurisdiction arising out of the same general allegations or circumstances.

SECTION 8. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in Section 7 is for any reason held to be unenforceable by the indemnified parties although applicable in accordance with its terms, the Company and the Underwriters shall contribute to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by said indemnity agreement incurred by the Company and one or more of the Underwriters, as incurred, in such proportions that the Underwriters are responsible for that portion represented by the percentage that the underwriting discount appearing on the cover page of the Final Prospectus bears to the initial public offering price of the Securities appearing thereon and the Company is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section, each person, if any, who controls an Underwriter within the meaning of Section 15 of the Act shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the Act shall have the same rights to contribution as the Company.

SECTION 9. Representations, Warranties and Agreements to Survive Delivery. All representations, warranties and agreements contained in this Agreement, or contained in certificates of officers of the Company submitted pursuant hereto, shall remain operative and in full force and effect, regardless of any termination of this Agreement, or any investigation made by or on behalf of any Underwriter or any controlling person, or by or on behalf of the Company, and shall survive delivery of any Securities to the Underwriters.

SECTION 10. Termination. The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to the applicable Closing Date (i) if there has been, since the date of this Agreement or since the respective dates as of which information is given in the Registration Statement, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or any outbreak or escalation of hostilities or other calamity or crisis, the effect of which is such as to make it, in the Representatives' sole judgment, impracticable to market the Securities or enforce contracts for the sale of the Securities, or (iii) if trading in the Common Stock has been suspended by the Commission, or if trading generally on either

the American Stock Exchange or the New York Stock Exchange has been suspended, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices for securities have been required, by either of said exchanges or by order of the Commission or any other governmental authority, or if a banking moratorium has been declared by either Federal, New York or Illinois authorities. In the event of any such termination, such termination shall be without liability of any party to any other party except as provided in Section 5. Notwithstanding any such termination, the provisions of Sections 7 and 8 shall remain in effect.

SECTION 11. Default. If one or more of the Underwriters shall fail at the applicable Closing Date to purchase the Securities which it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), then the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(a) if the aggregate principal amount of Defaulted Securities does not exceed 10% of the aggregate principal amount of the Securities to be purchased pursuant to this Agreement, the non-defaulting Underwriters shall be obligated to purchase the full amount thereof in the proportions that their respective underwriting obligations under this Agreement bear to the underwriting obligations of all such non-defaulting Underwriters, or

(b) if the aggregate principal amount of Defaulted Securities exceeds 10% of the aggregate principal amount of the Securities to be purchased pursuant to this Agreement, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under the applicable Terms Agreement or this Agreement.

In the event of any such default which does not result in a termination of this Agreement, either the Representatives or the Company shall have the right to postpone the applicable Closing Date for a period not exceeding seven days in order to effect any required changes in the Registration Statement or Final Prospectus, or in any other documents or arrangements.

SECTION 12. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of

telecommunication. Notices to the Underwriters shall be directed to _____, Attention: _____.

Notices to the Company shall be directed to it

Attention: _____

with a copy to Schiff Hardin & Waite, 7200 Sears Tower, Chicago, Illinois 60606, Attention: Linda J. Wight, Esq.

SECTION 13. Parties. This Agreement shall inure to the benefit of and be binding upon the Underwriters and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons and officers and directors referred to in Sections 7 and 8 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties and their respective successors and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 14. Governing Law and Time. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in said State. Except as otherwise set forth herein, specified times of day refer to New York City time.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement among the Company and the several Underwriters.

Very truly yours,

Newell Co.

By: Name: _____
Title: _____

The foregoing Agreement is hereby confirmed and accepted as of the date specified in Schedule I hereto.

[Name, address and signature block for Underwriters or Representatives.]

For themselves and the other several
Underwriters, if any, named in
Schedule II to the foregoing Agreement.

SCHEDULE I

Debt Securities

Underwriting Agreement dated

Trustee:

Title, Purchase Price and Description of Debt Securities:

Title:

Principal amount:

Interest rate:

Interest payable:
Commencing:

Date of maturity:

Public offering price:

Purchase price:

Form of payment:

Form of Securities:

Redemption provisions:

Sinking fund requirements:

Lockup provisions:

Convertibility into other Securities:

Other provisions:

Other Provisions of or Amendments to Underwriting Agreement:

Purchased Securities Closing Date, Time and Location:

Modification of items to be covered by the letter from Arthur Andersen

LLP delivered pursuant to Section 6(d) at the Closing Date:

PREFERRED STOCK

Underwriting Agreement dated

Designation, Purchase Price and Description of Preferred Stock:

Designation:

Liquidation preference per share:

Number of shares:

Purchase price per share (include accrued dividends, if any):

Other provisions:

Over-allotment option:

Other Provisions of or Amendments to Underwriting Agreement:

Deposit Agreement: Terms and Conditions

Purchased Securities Closing Date, Time and Location:

Convertibility into Common Stock or other securities:

Modification of items to be covered by the letter from Arthur Andersen LLP delivered pursuant to Section 6(d) at the Closing Date:

COMMON STOCK

Underwriting Agreement dated

Number of shares:

Purchase price per share:

Over-allotment option:

Other Provisions of or Amendments to Underwriting Agreement:

Purchased Securities Closing Date, Time and Location:

Modification of items to be covered by the letter from Arthur Andersen

LLP delivered pursuant to Section 6(d) at the Closing Date:

SCHEDULE II

Debt Securities

Firm Name	\$Amount<*>
-	-
Total	_____
	\$_____

ALL OTHER SECURITIES

Firm Name	Participation*
-	-
Total	_____
	\$_____

<*> If Option Securities are offered, should include the minimum and maximum principal amount or number of shares of Securities, as the case may be.

BY-LAWS

OF

NEWELL CO.

(a Delaware corporation)
(as amended November 9, 1995)

ARTICLE I

OFFICES

1.1 Registered Office. The registered office of the Corporation in the State of Delaware shall be located in the City of Dover and County of Kent. The Corporation may have such other offices, either within or without the State of Delaware, as the Board of Directors may designate or the business of the Corporation may require from time to time.

1.2 Principal Office in Illinois. The principal office of the Corporation in the State of Illinois shall be located in the City of Freeport and County of Stephenson.

ARTICLE II

STOCKHOLDERS

2.1 Annual Meeting. The annual meeting of stockholders shall be held each year at such time and date as the Board of Directors may designate prior to the giving of notice of such meeting, but if no such designation is made, then the annual meeting of stockholders shall be held on the second Wednesday in May of each year for the election of directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

2.2 Special Meetings. Special meetings of the stockholders, for any purpose or purposes, may be called by the Chairman, by the Board of Directors or by the President.

2.3 Place of Meeting. The Board of Directors may designate any place, either within or without the State of Delaware, as the place of meeting for any annual meeting or for any special meeting called by

the Board of Directors. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Corporation in the State of Illinois.

2.4 Notice of Meeting. Written notice stating the place, date and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given not less than ten nor more than sixty days before the date of the meeting, or in the case of a merger or consolidation of the Corporation requiring stockholder approval or a sale, lease or exchange of substantially all of the Corporation's property and assets, not less than twenty nor more than sixty days before the date of meeting, to each stockholder of record entitled to vote at such meeting. If mailed, notice shall be deemed given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the Corporation. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than thirty days, or unless, after adjournment, a new record date is fixed for the adjourned meeting, in either of which cases notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

2.5 Fixing of Record Date. For the purpose of determining the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent (to the extent permitted, if permitted) to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. If no record date is fixed, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be the close of business on

the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, and the record date for determining stockholders for any other purpose shall be the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting unless the Board of Directors fixes a new record date for the adjourned meeting.

2.6 Voting Lists. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of

shares registered in his name, which list, for a period of ten days prior to such meeting, shall be kept on file either at a place within the city where the meeting is to be held and which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held, and shall be open to the examination of any stockholder, for any purpose germane to the meeting, at any time during ordinary business hours. Such lists shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list of stockholders entitled to vote, or the books of the Corporation, or to vote in person or by proxy at any meeting of stockholders.

2.7 Quorum. The holders of shares of stock of the Corporation entitled to cast a majority of the total votes that all of the outstanding shares of stock of the Corporation would be entitled to cast at the meeting, represented in person or by proxy, shall constitute a quorum at any meeting of stockholders; provided, that if less than a majority of the outstanding shares of capital stock are represented at said meeting, a majority of the shares of capital stock so represented may adjourn the meeting. If a quorum is present, the affirmative vote of a majority of the votes entitled to be cast by the holders of shares of capital stock represented at the meeting shall be the act of the stockholders, unless a different number of votes is required by the General Corporation Law, the Certificate of Incorporation or these By-Laws. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting. Withdrawal of stockholders from any meeting shall not cause failure of a duly constituted quorum at that meeting.

2.8 Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period.

2.9 Voting of Stock. Each stockholder shall be entitled to such vote as shall be provided in the Certificate of Incorporation, or, absent provision therein fixing or denying voting rights, shall be entitled to one vote per share with respect to each matter submitted to a vote of stockholders.

2.10 Voting of Stock by Certain Holders. Persons holding stock in a fiduciary capacity shall be entitled to vote the shares so held. Persons whose stock is pledged shall be entitled to vote, unless in the transfer by the pledgor on the books of the Corporation he has expressly empowered the pledgee to vote thereon, in which case only the pledgee or his proxy may represent such stock and vote thereon. Stock standing in the name of another corporation, domestic or

foreign, may be voted by such officer, agent or proxy as the charter or by-laws of such corporation may prescribe or, in the absence of such provision, as the board of directors of such corporation may determine. Shares of its own capital stock belonging to the Corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held by the Corporation, shall neither be entitled to vote nor counted for quorum purposes, but shares of its capital stock held by the Corporation in a fiduciary capacity may be voted by it and counted for quorum purposes.

2.11 Voting by Ballot. Voting on any question or in any election may be by voice vote unless the presiding officer shall order or any stockholder shall demand that voting be by ballot.

ARTICLE III

DIRECTORS

3.1 General Powers. The business of the Corporation shall be managed by its Board of Directors.

3.2 Number, Tenure and Qualification. The number of directors of the Corporation shall be eleven, and the term of office of each director shall be as set forth in the Certificate of Incorporation of the Corporation. Any director may resign at any time upon written notice to the Corporation. Directors need not be stockholders of the Corporation.

3.3 Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this By-Law, immediately after, and at the same place as, the annual meeting of stockholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Delaware, for the holding of additional regular meetings without other notice than such resolution.

3.4 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Vice Chairman and Chief Executive Officer or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the State of Delaware, as the place for holding any special meeting of the Board of Directors called by them.

3.5 Notice. Notice of any special meeting of directors, unless waived, shall be given, in accordance with Section 3.6 of the By-Laws, in person, by mail, by telegram or cable, by telephone, or by any other means that reasonably may be expected to provide similar notice. Notice by mail and, except in emergency situations as described below,

notice by any other means, shall be given at least two (2) days before the meeting. For purposes of dealing with an emergency situation, as conclusively determined by the director(s) or officer(s) calling the meeting, notice may be given in person, by telegram or cable, by telephone, or by any other means that reasonably may be expected to provide similar notice, not less than two hours prior to the meeting. If the secretary shall fail or refuse to give such notice, then the notice may be given by the officer(s) or director(s) calling the meeting. Any meeting of the Board of Directors shall be a legal meeting without any notice thereof having been given, if all the directors shall be present at the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, and no notice of a meeting shall be required to be given to any director who shall attend such meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

3.6 Notice to Directors. If notice to a director is given by mail, such notice shall be deemed to have been given when deposited in the United States mail, postage prepaid, addressed to the director at his address as it appears on the records of the Corporation. If notice to a director is given by telegram, cable or other means that provide written notice, such notice shall be deemed to have been given when delivered to any authorized transmission company, with charges prepaid, addressed to the director at his address as it appears on the records of the Corporation. If notice to a director is given by telephone, wireless, or other means of voice transmission, such notice shall be deemed to have been given when such notice has been transmitted by telephone, wireless or such other means to such number or call designation as may appear on the records of the Corporation for such director.

3.7 Quorum. Except as otherwise required by the General Corporation Law or by the Certificate of Incorporation, a majority of the number of directors fixed by these By-Laws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that, if less than a majority of such number of directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee thereof.

3.8 Manner of Acting. The vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

3.9 Action Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all the members of the Board or committee, as the case may be, consent thereto in

writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

3.10 Vacancies. Vacancies on the Board of Directors, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, disability, resignation, retirement, disqualification, removal from office or other cause shall be filled in accordance with the provisions of the Certificate of Incorporation.

3.11 Compensation. The Board of Directors, by the affirmative vote of a majority of directors then in office, and irrespective of any personal interest of any of its members, shall have authority to establish reasonable compensation of all directors for services to the Corporation as directors, officers, or otherwise. The directors may be paid their expenses, if any, of attendance at each meeting of the Board and at each meeting of any committee of the Board of which they are members in such manner as the Board of Directors may from time to time determine.

3.12 Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors or at a meeting of any committee of the Board at which action on any corporate matter is taken shall be conclusively presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation within 24 hours after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

3.13 Committees. By resolution passed by a majority of the whole Board, the Board of Directors may designate one or more committees, each such committee to consist of two or more directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member of any meeting of the committee. Any such committee, to the extent provided in the resolution or in these By-Laws, shall have any may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it. In the absence or disqualification of any member of such committee or committees, the member or members thereof present at the meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of such absent or disqualified member.

ARTICLE IV

OFFICERS

4.1 Number. The officers of the Corporation shall be a Chairman of the Board, a Vice Chairman and Chief Executive Officer, a President and Chief Operating Officer, one or more Group Presidents (the number thereof to be determined by the Board of Directors), one or more vice presidents (the number thereof to be determined by the Board of Directors), Treasurer, a Secretary and such Assistant Treasurers, Assistant Secretaries or other officers as may be elected by the Board of Directors.

4.2 Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of stockholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor is elected and has qualified or until his earlier resignation or removal. Any officer may resign at any time upon written notice to the Corporation. Election of an officer shall not of itself create contract rights, except as may otherwise be provided by the General Corporation Law, the Certificate of Incorporation of these By-Laws.

4.3 Removal. Any officer elected by the Board of Directors may be removed by the Board of Directors whenever in its judgement the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

4.4 Vacancies. A vacancy in any office occurring because of death, resignation, removal or otherwise, may be filled by the Board of Directors.

4.5 The Chairman. The Chairman shall preside at all meetings of the Board of Directors. In general, he shall perform all duties incident to the office of Chairman and such other duties as may be prescribed by the Board of Directors from time to time.

4.6 The Vice Chairman and Chief Executive Officer. The Vice Chairman and Chief Executive Officer shall be the principal executive officer of the Corporation. Subject only to the Board of Directors, he shall be in charge of the business of the Corporation; he shall see that the resolutions and directions of the Board of Directors are carried into effect except in those instances in which that responsibility is specifically assigned to some other person by the Board of Directors; and, in general, he shall discharge all duties incident to the office of the chief executive officer of the

Corporation and such other duties as may be prescribed by the Board of Directors from time to time. In the absence of the Chairman of the Board, the Vice Chairman and Chief Executive Officer shall preside at all meetings of the Board of Directors. The Vice Chairman and Chief Executive Officer shall have authority to vote or to refrain from voting any and all shares of capital stock of any other corporation standing in the name of the Corporation, by the execution of a written proxy, the execution of a written ballot, the execution of a written consent or otherwise, and, in respect to any meeting of the stockholders of such other corporation, and, on behalf of the Corporation, may waive any notice of the calling of any such meeting. The Vice Chairman and Chief Executive Officer shall perform such other duties as may be prescribed by the Board of Directors from time to time.

The Vice Chairman and Chief Executive Officer, or, in his absence, the President and Chief Operating Officer, the Vice President-Finance, the Vice President-Controller, the Treasurer or such other person as the Board of Directors or one of the preceding named officers shall designate, shall call any meeting of the stockholders of the Corporation to order and shall act as chairman of such meeting. In the event that no one of the Vice Chairman and Chief Executive Officer, the President and Chief Operating Officer, the Vice President-Finance, the Vice President-Controller, the Treasurer or a person designated by the Board of Directors or by one of the preceding named officers, is present, the meeting shall not be called to order until such time as there shall be present the Vice Chairman and Chief Executive Officer, the President and Chief Operating Officer, the Vice President-Finance, the Vice President-Controller, the Treasurer or a person designated by the Board of Directors or by one of the preceding named officers. The chairman of any meeting of the stockholders of this Corporation shall have plenary power to set the agenda, determine the procedure and rules of order, and make definitive rulings at meetings of the stockholders. The Secretary or an Assistant Secretary of the Corporation shall act as secretary at all meetings of the stockholders, but in the absence of the Secretary or an Assistant Secretary, the chairman of the meeting may appoint any person to act as secretary of the meeting.

4.7 The President and Chief Operating Officer. The President and Chief Operating Officer shall be the principal operating officer of the Corporation and, subject only to the Board of Directors and to the Vice Chairman and Chief Executive Officer, he shall have general authority over and general management and control of the property, business and affairs of the Corporation. In general, he shall discharge all duties incident to the office of the principal operating officer of the Corporation and such other duties as may be prescribed by the Board of Directors and the Vice Chairman and Chief Executive Officer from time to time. In the absence of the Vice Chairman and Chief Executive Officer or in the event of his disability, or inability to act, or to continue to act, the President and Chief Operating Officer shall perform the duties of the Vice Chairman and

Chief Executive Officer, and when so acting, shall have all of the powers of and be subject to all of the restrictions upon the office of Vice Chairman and Chief Executive Officer. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws, he may execute for the Corporation certificates for its shares (the issue of which shall have been authorized by the Board of Directors), and any contracts, deeds, mortgages, bonds, or other instruments that the Board of Directors has authorized, and he may (without previous authorization by the Board of Directors) execute such contracts and other instruments as the conduct of the Corporation's business in its ordinary course requires, and he may accomplish such execution in each case either individually or with the Secretary, any Assistant Secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. The President and Chief Operating Officer shall have authority to vote or to refrain from voting any and all shares of capital stock of any other corporation standing in the name of the Corporation, by the execution of a written proxy, the execution of a written ballot, the execution of a written consent or otherwise, and, in respect of any meeting of stockholders of such other corporation, and, on behalf of the Corporation, may waive any notice of the calling of any such meeting.

4.8 The Group Presidents. Each of the Group Presidents shall have general authority over and general management and control of the property, business and affairs of certain businesses of the Corporation. Each of the Group Presidents shall report to the President and Chief Operating Officer or such other officer as may be determined by the Board of Directors or the President and Chief Operating Officer and shall have such other duties and responsibilities as may be assigned to him by the President and Chief Operating Officer and the Board of Directors from time to time.

4.9 The Vice Presidents. Each of the Vice Presidents shall report to the President and Chief Operating Officer or such other officer as may be determined by the Board of Directors or the President and Chief Operating officer. Each Vice President shall have such duties and responsibilities as from time to time may be assigned to him by the President and Chief Operating Officer and the Board of Directors.

4.10 The Treasurer. The Treasurer shall: (i) have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article V of these By-Laws; (ii) in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President and Chief

Operating Officer or the Board of Directors. In the absence of the Treasurer, or in the event of his incapacity or refusal to act, or at the direction of the Treasurer, any Assistant Treasurer may perform the duties of the Treasurer.

4.11 The Secretary. The Secretary shall: (i) record all of the proceedings of the meetings of the stockholders and Board of Directors in one or more books kept for the purpose; (ii) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (iii) be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all certificates for shares of capital stock prior to the issue thereof and to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-Laws; (iv) keep a register of the post office address of each stockholder which shall be furnished to the Secretary by such stockholder; (v) have general charge of the stock transfer books of the Corporation and (vi) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President and Chief Operating Officer or the Board of Directors. In the absence of the Secretary, or in the event of his incapacity or refusal to act, or at the direction of the Secretary, any Assistant Secretary may perform the duties of Secretary.

ARTICLE V

CONTRACTS, LOANS, CHECKS AND DEPOSITS -----

5.1 Contracts. Except as otherwise determined by the Board of Directors or provided in these By-Laws, all deeds and mortgages made by the Corporation and all other written contracts and agreements to which the Corporation shall be a party shall be executed in its name by the Vice Chairman and Chief Executive Officer or the President and Chief Operating Officer or any Vice President so authorized by the Board of Directors.

5.2 Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

5.3 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

5.4 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE VI

CERTIFICATES FOR SHARES OF CAPITAL STOCK AND THEIR TRANSFER

6.1 Certificates for Shares of Capital Stock. Certificates representing shares of capital stock of the Corporation shall be in such form as may be determined by the Board of Directors. Such certificates shall be signed by the Vice Chairman and Chief Executive Officer or the President and Chief Operating Officer or any Vice President and by the Treasurer or the Secretary or an Assistant Secretary. If any such certificate is countersigned by a transfer agent other than the Corporation or its employee, or by a registrar other than the Corporation or its employee, any other signature on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue. All certificates for share of capital stock shall be consecutively numbered or otherwise identified. The name of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled and no new certificates shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled and no new certificates shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefor upon such terms and indemnity to the Corporation as the Board of Directors may prescribe.

6.2 Transfer Agents And Registers. The Board of Directors may appoint one or more transfer agents or assistant transfer agents and one or more registrars of transfers, and may require all certificates for shares of capital stock of the Corporation to bear the signature of a transfer agent and a registrar of transfers. The Board of Directors may at any time terminate the appointment of any transfer agent or any assistant transfer agent or any registrar of transfers.

ARTICLE VII

LIABILITY AND INDEMNIFICATION

7.1 Limited Liability of Directors.

(a) No person who was or is a director of this Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for breach of the duty of loyalty to the Corporation or its stockholders; (ii) for acts of omissions not in good faith or that involve intentional misconduct or know violation of law; (iii) under Section 174 of the General Corporation Law; or (iv) for any transaction from which the director derived any improper personal benefit. If the General Corporation Law is amended after the effective date of the By-Law to further eliminate or limit, or to the effective date of this By-Law to further eliminate or limit, or to authorize further elimination or limitation of, the personal liability of a director to this Corporation or its stockholders shall be eliminated or limited to the full extent permitted by the General Corporation Law, as so amended. For Purposes of this By-Law, "fiduciary duty as a director" shall include any fiduciary duty arising out of serving at the request of this Corporation as a director of another corporation, partnership, joint venture, trust or other enterprise, and any liability to such other corporation, partnership, joint venture, trust or other enterprise, and any liability to this Corporation in its capacity as a security holder, joint venturer, partner, beneficiary, creditor, or investor of or in any such other corporation, partnership, joint venture, trust or other enterprise.

(b) Any repeal or modification of the foregoing paragraph by the stockholders of this Corporation shall not adversely affect the elimination or limitation of the personal liability of a director for any act or omission occurring prior to the effective date of such repeal or modification. This provision shall not eliminate or limit the liability of a director for any act or omission occurring prior to the effective date of this By-Law.

7.2 Litigation Brought by Third Parties. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was or has agreed to become a director or officer of the Corporation; or is or was serving or has agreed to serve at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity, against costs, charges and other expenses (including attorneys' fees) ("Expenses"), judgements, fines and

amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding and any appeal thereof if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgement, order, settlement, conviction, or plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. For purposes of this By-Law, "serving or has agreed to serve at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise" shall include any service by a director or officer of the Corporation as a director, officer, employee, agent or fiduciary of such other corporation, partnership, joint venture trust or other enterprise, or with respect to any employee benefit plan (or its participants or beneficiaries) of the Corporation or any such other enterprise.

7.3 Litigation By or in the Right of the Corporation. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was or has agreed to become a director or officer of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity against Expenses actually and reasonably incurred by him in connection with the investigation, defense or settlement of such action or suit and any appeal thereof if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such Expenses as the Court of Chancery of Delaware or such other court shall deem proper.

7.4 Successful Defense. To the extent that any person referred to in section 7.2 or 7.3 of these By-Laws has been successful on the merits or otherwise, including, without limitation, the dismissal of an action without prejudice, in defense of any action, suit or proceeding referred to therein or in defense of any claim, issue or

matter therein, he shall be indemnified against Expenses actually and reasonably incurred by him in connection therewith.

7.5 Determination of Conduct. Any indemnification under section 7.2 or 7.3 of these By-Laws (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in section 7.2 or 7.3. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum (as defined in these By-laws) consisting of directors who were not parties to such action, suit or proceeding, or (ii) if such quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (iii) by the stockholders.

7.6 Advance Payment. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding and any appeal upon receipt by the Corporation of an undertaking by or on behalf of the director or officer to repay such amount if it shall ultimately be determined that the is not entitled to be indemnified by the Corporation.

7.7 Determination of Entitlement to Indemnification. The determination of the entitlement of any person to indemnification under section 7.2, 7.3 or 7.4 or to advancement of Expenses under section 7.6 of these By-Laws shall be made promptly, and in any event within 60 days after the Corporation has received a written request for payment from or on behalf of a director or officer and payment of amounts due under such sections shall be made immediately after such determination. If no disposition of such request is made within said 60 days or if payment has not been made within 10 days thereafter, or if such request is rejected, the right to indemnification or advancement of Expenses provided by this By-Law shall be enforceable by or on behalf of the director or officer in any court of competent jurisdiction. In addition to the other amounts due under this By-Law, Expenses incurred by or on behalf of a director or officer in successfully establishing his right to indemnification or advancement of Expenses, in whole or in part, in any such action (or settlement thereof) shall be paid by the Corporation.

7.8 By-Laws Not Exclusive: Change in Law. The indemnification and advancement of Expenses provided by these By-Laws shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of Expenses may be entitled under any law (common or statutory), the Certificate of Incorporation, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, or while employed by or acting as a director or officer of the Corporation or as a director or officer of another corporation, partnership, joint venture, trust or

other enterprise, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. Notwithstanding the provisions of these By-Laws, the Corporation shall indemnify or make advancement of Expenses to any person referred to in section 7.2 or 7.3 of this By-Law to the full extent permitted under the laws of Delaware and any other applicable laws, as they now exist or as they may be amended in the future.

7.9 Contract Rights. All rights to indemnification and advancement of Expenses provided by these By-Laws shall be deemed to be a contract between the Corporation and each director or officer of the Corporation who serves, served or has agreed to serve in such capacity, or at the request of the Corporation as director or officer of another corporation, partnership, joint venture, trust or other enterprise, at any time while these By-Laws and the relevant provisions of the General Corporation Law or other applicable law, if any, are in effect. Any repeal or modification of these By-Laws, or any repeal or modification of relevant provisions of the Delaware General Corporation Law or any other applicable law, shall not in any way diminish any rights to indemnification of or advancement of Expenses to such director or officer or the obligations of the Corporation.

7.10 Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was or has to become a director or officer of the Corporation, or is or was serving or has agreed to serve at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of these By-Laws.

7.11 Indemnification of Employees or Agents. The Board of Directors may, by resolution, extend the provisions of these By-Laws pertaining to indemnification and advancement of Expenses to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was or has agreed to become an employee, agent or fiduciary of the Corporation or is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee, agent or fiduciary of another Corporation, partnership, joint venture, trust or other enterprise or with respect to any employee benefit plan (or its participants or beneficiaries) of the Corporation or any such other enterprise.

ARTICLE VIII

FISCAL YEAR

8.1 The fiscal year of the Corporation shall end on the thirty-first day of December in each year.

ARTICLE IX

DIVIDENDS

9.1 The Board of Directors may from time to time declare, and the Corporation may pay, dividends on its outstanding shares of capital stock in the manner and upon the terms and conditions provided by law and its Certificate of Incorporation.

ARTICLE X

SEAL

10.1 The Board of Directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal, Delaware."

ARTICLE XI

WAIVER OF NOTICE

11.1 Whenever any notice whatever is required to be given under any provision of these By-Laws or of the Certificate of Incorporation or of the General Corporation Law, a written waiver thereof, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice.

ARTICLE XII

AMENDMENTS

12.1 These By-Laws may be altered, amended or repealed and new By-Laws may be adopted at any meeting of the Board of Directors of the Corporation by a majority of the whole Board of Directors.

7300 Sears Tower
Chicago, Illinois 60606

Linda Jeffries Wight
312-258-5619

January 19, 1996

Newell Co.
29 East Stephenson Street
Freeport, IL 61032-0943

Re: Newell Co. Registration Statement on Form S-3

Ladies and Gentlemen:

We have acted as counsel to Newell Co., a Delaware corporation (the "Company"), in connection with the filing of a Registration Statement on Form S-3 (the "Registration Statement") with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended (the "Act"). The Registration Statement relates to the registration under the Act of up to \$500,000,000 of (i) the Company's unsecured, senior and subordinated debt securities, consisting of debentures, notes or other evidences of indebtedness in one or more series ("Debt Securities"); (ii) preferred stock of the Company in one or more series ("Preferred Stock"); and (iii) common stock, par value \$1.00 per share ("Common Stock"), of the Company and related rights to purchase Junior Participating Preferred Stock, Series B of the Company. The Debt Securities, Preferred Stock and Common Stock are collectively referred to as the "Securities."

The senior Debt Securities are to be issued under an indenture, dated as of November 1, 1995, between the Company and The Chase Manhattan Bank, National Association, as trustee. The subordinated Debt Securities are to be issued under an indenture, dated November 1, 1995 between the Company and The Chase Manhattan Bank, National Association, as trustee. (Each such indenture is referred to as an "Indenture" and, together, as the "Indentures.") The Securities may be offered and sold pursuant to one or more underwriting or distribution agreements (each, together with any related schedule of terms, an "Underwriting Agreement") between the Company and the underwriters named therein, or as otherwise provided pursuant to the Registration Statement.

In this regard, we have reviewed the Registration Statement and the exhibits thereto and have examined such other documents and made

such investigation as we have deemed necessary in order to enable us to render the opinions set forth below. In rendering such opinions, we have assumed that (i) the Registration Statement will have become effective under the Act and the Indentures will have been qualified under the Trust Indenture Act of 1939, as amended, (ii) a Prospectus Supplement (a "Prospectus Supplement") relating to the Securities to be offered and sold as contemplated by the Registration Statement will be prepared, delivered and filed as contemplated by the Act, (iii) each of the Indentures will represent the valid and binding obligation of the respective trustee, (iv) each Underwriting Agreement, as applicable, will be executed and delivered in substantially the respective form filed as an exhibit to the Registration Statement, and (v) each Underwriting Agreement will be authorized, executed and delivered by or on behalf of the underwriters named therein and will represent a valid and binding obligation of each such underwriter.

Based on the foregoing, we are of the opinion that:

1. The Company is a corporation duly incorporated and validly existing under the laws of the State of Delaware.
2. The Debt Securities will be valid and binding obligations of the Company, enforceable in accordance with their terms (except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other laws relating to or affecting enforcement of creditors' rights generally or by general equity principles and except that a claim in respect of any Debt Securities denominated other than in U.S. dollars may be converted into U.S. dollars at a rate of exchange prevailing at a date determined by applicable law and enforcement thereof may be further limited by governmental authority to limit, delay or prohibit the making of payments in a foreign currency or currency unit or payment outside the United States), at such time as: (a) the board of directors of the Company or a duly authorized committee thereof (the "Board of Directors") shall have established by resolution, not inconsistent with the applicable Indenture, a series in which such

Debt Securities are to be issued and the terms of such Debt Securities, and such series and terms shall have been set forth, or determined in the manner provided, in an officers' certificate or established in a supplemental indenture in accordance with the requirements of the Indenture; and (b) the issuance and sale of such Debt Securities shall have been duly authorized by the Board of Directors, and such Debt Securities shall have been duly executed, authenticated, issued, registered (if applicable) and delivered pursuant to the provisions of the applicable Indenture and, if applicable, in accordance with a duly authorized, completed and executed Underwriting Agreement, as contemplated in the Registration Statement and the related Prospectus Supplement, against payment of the agreed consideration therefor.

3. At such time as: (a) the Board of Directors shall have established by resolution a series in which Preferred Stock is to be issued and the terms of such Preferred Stock in accordance with the Delaware General Corporation Law and the Company's Restated Certificate of Incorporation, and a Certificate of Designations to the Company's Restated Certificate of Incorporation setting forth such terms shall have been filed with the Secretary of State of Delaware; and (b) such Preferred Stock is issued and sold pursuant to resolutions of the Board of Directors and, if applicable, in accordance with a duly authorized, completed and executed Underwriting Agreement, as contemplated in the Registration Statement and the related Prospectus Supplement, against payment of the consideration fixed therefor by the Board of Directors, the Preferred Stock covered by the Registration Statement will be duly authorized, legally issued, fully paid and non-assessable.

4. When duly issued and sold pursuant to resolutions of the Board of Directors and, if applicable, in accordance with a duly authorized, completed and executed Underwriting Agreement, as contemplated in the Registration Statement and the related Prospectus Supplement, against payment of the consideration fixed therefor by the Board of Directors, the Common Stock covered by the Registration Statement will be duly authorized, legally issued, fully paid and non-assessable and the related rights to purchase Junior Participating Preferred Stock, Series B will be entitled to the benefits of the amended Rights Agreement incorporated by reference as an exhibit to the Registration Statement.

The opinions expressed above are limited to the laws of the State of Illinois and Delaware and the federal laws of the United States, and no opinion is expressed with respect to the laws of any other jurisdiction or any legal matter not expressly addressed herein.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name under the caption "Legal Opinion" in the prospectus constituting a part of the Registration Statement.

Very truly yours,

SCHIFF HARDIN & WAITE

By: /s/ Linda Jeffries Wight

Linda Jeffries Wight

Statement of Computation of
Earnings to Fixed Charges
(in Thousands, Except Ratio Data)

	Nine Months		For the Years Ended December 31			
	Ended 9/30/95	1994	1993	1992	1991	1990
	-----	-----	-----	-----	-----	-----
Earnings Available to Fixed Charges						
Income before income taxes	\$260,205	\$329,292	\$275,556	\$277,564	\$224,048	\$210,242
Fixed charges -						
Interest Expense	36,848	29,970	19,062	20,417	13,151	13,104
Portion of rent to be determined to be interest (1)						
Eliminate Equity in Earnings	8,580 (2,000)	10,494 (5,700)	8,580 (3,800)	6,237 (3,400)	5,643 (1,200)	5,775 (2,500)
Total Earnings Available for Fixed Charges	<u>\$303,633</u> =====	<u>\$364,056</u> =====	<u>\$299,398</u> =====	<u>\$300,818</u> =====	<u>\$241,642</u> =====	<u>\$226,621</u> =====
Fixed Charges						
Interest Expense	\$ 36,848	\$ 29,970	\$ 19,062	\$ 20,417	\$ 13,151	\$ 13,104
Portion of rent determined to be interest (1)	8,580	10,494	8,580	6,237	5,643	5,775
Total Fixed Charges	<u>\$ 45,428</u> =====	<u>\$ 40,464</u> =====	<u>\$ 27,642</u> =====	<u>\$ 26,654</u> =====	<u>\$ 18,794</u> =====	<u>\$ 18,879</u> =====
Ratio of Earnings to Fixed Charges	6.68 -----	9.00 -----	10.83 -----	11.29 -----	12.86 -----	12.00 -----

(1) 33% of gross rent expense was deemed to approximate the interest portion of short-term and long-term leases.

Securities Act of 1933 File No. _____
(If application to determine eligibility of trustee
for delayed offering pursuant to Section 305(b)(2))

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE
PURSUANT TO SECTION 305(b)(2) _____

THE CHASE MANHATTAN BANK
(National Association)
(Exact name of trustee as specified in its charter)

13-2633612
(I.R.S. Employer Identification Number)

1 Chase Manhattan Plaza, New York, New York
(Address of principal executive offices)

10081
(Zip Code)

NEWELL CO.
(Exact name of obligor as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

36-3514169
(I.R.S. Employer Identification No.)

Newell Center
29 East Stephenson Street
Freeport, Illinois
(Address of principal executive offices)

61032
(Zip Code)

Unsubordinated Debt Securities
(Title of the indenture securities)

Item 1. General Information

Furnish the following information as to the trustee:

- (a) Name and address of each examining or supervising authority to which it is subject.

Comptroller of the Currency, Washington, D.C.

Board of Governors of The Federal Reserve System,
Washington, D.C.

- (b) Whether it is authorized to exercise corporate trust powers.

Yes.

Item 2. Affiliations with the Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

The Trustee is not the obligor, nor is the Trustee directly or indirectly controlling, controlled by, or under common control with the obligor.

(See Note on Page 2.)

Item 16. List of Exhibits.

List below all exhibits filed as a part of this statement of eligibility.

- <*>1.-- A copy of the articles of association of the trustee as now in effect. See Exhibit T-1 (Item 12), Registration No. 33-55626.)
- <*>2.-- Copies of the respective authorizations of The Chase Manhattan Bank (National Association) and the Chase Bank of New York (National Association) to commence business and a copy of approval of merger of said corporations, all of which documents are still in effect. (See Exhibit T-1 (Item 12), Registration No. 2-67437.)
- <*>3.-- Copies of authorizations of The Chase Manhattan Bank (National Association) to exercise corporate

- -----
<*>The Exhibits thus designated are incorporated herein by reference. Following the description of such Exhibits is a reference to the copy of the Exhibit heretofore filed with the Securities and Exchange Commission, to which there have been no amendments or changes.

trust powers, both of which documents are still in effect. (See Exhibit T-1 (Item 12), Registration No. 2-67437.)

- <*>4.-- A copy of the existing by-laws of the trustee. (See Exhibit T-1 (Item 12(a)), Registration No. 33-60809.)
- <*>5.-- A copy of each indenture referred to in Item 4, if the obligor is in default. (Not applicable).
- <*>6.-- The consents of United States institutional trustees required by Section 321(b) of the Act. (See Exhibit T-1, (Item 12), Registration No. 22-19019.)
- 7.-- A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.

NOTE

Inasmuch as this Form T-1 is filed prior to the ascertainment by the trustee of all facts on which to base a responsive answer to Item 2 the answer to said Item is based on incomplete information.

Item 2 may, however, be considered as correct unless amended by an amendment to this Form T-1.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, the trustee, The Chase Manhattan Bank (National Association), a corporation organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, and the State of New York, on the 15th day of December, 1995.

THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION)

By: _____
Joann Adamis
Second Vice President

Exhibit 7

REPORT OF CONDITION

Consolidating domestic and foreign subsidiaries of the
The Chase Manhattan Bank, N.A.

of New York in the State of New York, at the close of business on
September 30, 1995, published in response to call made by Comptroller
of the Currency, under title 12, United States Code, Section 161.

Charter Number 2370 Comptroller of the Currency Northeastern District
Statement of Resources and Liabilities

	Thousands of Dollars
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	\$ 5,081,000
Interest-bearing balances	5,957,000
Held to maturity securities	1,678,000
Available-for-sale securities	5,303,000
Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:	
Federal funds sold	1,806,000
Securities purchased under agreements to resell	23,000
Loans and lease financing receivable:	
Loans and leases, net of unearned income	\$ 55,682,000
LESS: Allowance for loans and lease losses	1,112,000
LESS: Allocated transfer risk reserve	0
Loans and Leases, net of unearned income, allowance and reserve	54,570,000
Assets held in trading accounts	12,551,000
Premises and fixed assets (including capitalized leases)	1,755,000
Other real estate owned	400,000
Investments in unconsolidated subsidiaries and associates companies	30,000
Customers' liability to this bank on acceptances outstanding	1,091,000
Intangible assets	1,344,000
Other assets	6,322,000
TOTAL ASSETS	\$97,911,000

LIABILITIES

Deposits:		\$31,007,000
In domestic offices		
Noninterest-bearing	\$ 12,166,000	
Interest-bearing	18,841,000	
In foreign offices, Edge and Agreement subsidiaries, and IBFs		36,015,000
Noninterest-bearing	\$ 3,258,000	
Interest-bearing	32,757,000	
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Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:		
Federal funds purchased		1,673,000
Securities sold under agreements to repurchase		233,000
Demand notes issued to the U.S. Treasury		25,000
Trading liabilities		9,105,000
Other borrowed money:		
With original maturity of one year or less		2,783,000
With original maturity of more than one year		395,000
Mortgage indebtedness and obligations under capitalized leases		40,000
Bank's liability on acceptances executed and outstanding		1,100,000
Subordinated notes and debentures		1,960,000
Other liabilities		5,747,000
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TOTAL LIABILITIES		90,083,000
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Limited-life preferred stock and related surplus		0
EQUITY CAPITAL		
Perpetual preferred stock and related surplus		0
Common stock		921,000
Surplus		5,244,000
Undivided profits and capital reserves		1,695,000
Net unrealized holdings gains (losses) on available-for-sale securities		(43,000)
Cumulative foreign currency translation adjustments		11,000
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TOTAL EQUITY CAPITAL		7,828,000
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TOTAL LIABILITIES, LIMITED-LIFE PREFERRED STOCK, AND EQUITY CAPITAL		\$97,911,000
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I, Lester J. Stephens, Jr., Senior Vice President and Controller of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

(Signed) Lester J. Stephens, Jr.

We the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

(Signed) Thomas G. Labrecque
 (Signed) Arthur F. Ryan Directors
 (Signed) Richard J. Boyle

Securities Act of 1933 File No. _____
(If application to determine eligibility of trustee
for delayed offering pursuant to Section 305(b)(2))

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

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CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE
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Board of Governors of The Federal Reserve System,
Washington, D.C.

- (b) Whether it is authorized to exercise corporate trust powers.

Yes.

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NOTE

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THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION)

By: _____
Joann Adamis
Second Vice President

Exhibit 7

REPORT OF CONDITION

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 of New York in the State of New York, at the close of business on
 September 30, 1995, published in response to call made by Comptroller
 of the Currency, under title 12, United States Code, Section 161.

Charter Number 2370 Comptroller of the Currency Northeastern District
 Statement of Resources and Liabilities

	Thousands of Dollars
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	\$ 5,081,000
Interest-bearing balances	5,957,000
Held to maturity securities	1,678,000
Available-for-sale securities	5,303,000
Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and of its Edge and Agreement subsidiaries, and in IBFs:	
Federal funds sold	1,806,000
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Loans and lease financing receivable:	
Loans and leases, net of unearned income	\$ 55,682,000
LESS: Allowance for loans and lease losses	1,112,000
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Other liabilities		5,747,000
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EQUITY CAPITAL		
Perpetual preferred stock and related surplus		0
Common stock		921,000
Surplus		5,244,000
Undivided profits and capital reserves		1,695,000
Net unrealized holdings gains (losses) on available-for-sale securities		(43,000)
Cumulative foreign currency translation adjustments		11,000
TOTAL EQUITY CAPITAL		7,828,000
TOTAL LIABILITIES, LIMITED-LIFE PREFERRED STOCK, AND EQUITY CAPITAL		\$97,911,000

I, Lester J. Stephens, Jr., Senior Vice President and Controller of the above named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

(Signed) Lester J. Stephens, Jr.

We the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

(Signed) Thomas G. Labrecque
 (Signed) Arthur F. Ryan Directors
 (Signed) Richard J. Boyle