As filed with the Securities and Exchange Commission on August 23, 1995.
Registration No. 33-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
Registration Statement
Under
The Securities Act of 1933

NEWELL CO.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	36-3514169
(State or Other Jurisdiction of Incorporation or Organization)	(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)

With Copies to:

Linda J. Wight Schiff Hardin & Waite 7200 Sears Tower Chicago, Illinois 60606 (312) 876-1000	Rex E. Schlaybaugh, Jr. Dykema Gossett PLLC 1577 N. Woodward Avenue, Suite 300 Bloomfield Hills, Michigan 48304 (810) 540-0700

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

If the 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. /X/

If the 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 the 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. /__/

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	Amount To Be Registered	Proposed Maximum Aggregate Price Per Unit (1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Common Stock, Par Value $1.00 Per Share . . .	131,561	$25.63	$3,371,908.00	$1,163.00
Preferred Stock Purchase Rights				

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act of 1933 based on $25.63, the average of the high and low prices of the Common Stock on August 18, 1995, as reported in the consolidated reporting system. The value attributable to the Preferred Stock Purchase Rights is reflected in the value attributable to the Common Stock.

_____

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.

PROSPECTUS

NEWELL CO.
UP TO 131,561 SHARES
COMMON STOCK, $1.00 PAR VALUE PER SHARE
(INCLUDING RELATED PREFERRED STOCK PURCHASE RIGHTS)

The shares of Common Stock, par value $1.00 per share (the "Common Stock"), together with the Preferred Stock Purchase Rights (the "Rights") offered to the public hereby (collectively, the "Shares") are outstanding shares of Newell Co., a Delaware corporation (the "Company"), that may be sold by the Selling Stockholder as set forth under "Selling Stockholder." The Company will not receive any part of the proceeds from the sale of the Shares. The Common Stock is listed on the New York Stock Exchange, Inc. (the "NYSE") and the Chicago Stock Exchange (the "CSE") under the symbol NWL. On August 18, 1995, the closing sale price for the Common Stock (as reported on the Composite Tape for NYSE-listed issues) was $25-5/8.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE 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 has been advised that sales of the Shares may be made from time to time by or for the account of the Selling Stockholder on the NYSE, in the over-the-counter market, in private transactions or otherwise through broker-dealers. Any such sales will be made either at market prices prevailing at the time of sale or at negotiated prices. Any broker-dealer may either act as agent for the Selling Stockholder or may purchase any of the Shares as principal and thereafter may sell such Shares from time to time in transactions on the NYSE, the CSE or in the over-the-counter market at prices prevailing at the time of sale or at negotiated prices.

The date of this Prospectus is August 23, 1995.

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 "SEC"). Reports, proxy statements and other information filed by the Company can be inspected and copied at prescribed rates at the public reference facilities maintained by the SEC at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the SEC's Regional Offices located at Seven World Trade Center, New York, New York, 10048; and the Northwestern Atrium Center, 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 SEC a registration statement on Form S-3 (File No. 33-_____) (herein, together with all amendments and exhibits, referred to as the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"). This Prospectus does not contain all of the information set forth in the Registration Statement, certain parts of which are omitted in accordance with the rules and regulations of the SEC. For further information, reference is hereby made to the Registration Statement.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

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

(a) The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1994;

(b) The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1995;

(c) The Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 1995;

(d) The description of the Rights contained in the Company's Registration Statement on Form 8-A dated October 25, 1988, including any amendment or report filed for the purpose of updating such description;

(e) The description of the Common Stock, contained in the Company's Registration Statement on Form 8-B dated June 30, 1987, including any amendment or report filed for the purpose of updating such description; and

(f) All documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of

the Exchange Act, prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold.

Any statement contained herein 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 this Prospectus to the extent that such statement is modified or superseded by any other subsequently filed document which is incorporated or is deemed to be incorporated by reference herein. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of 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.

As of August 18, 1995, there were 158,291,128 shares of Common Stock and related Rights outstanding. 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.

SELLING STOCKHOLDER

The Shares covered by this Prospectus are being offered by or for the account of Thomas F. Gaffney (the "Selling Stockholder"). The Selling Stockholder was a stockholder of Ashland Products, Inc. ("Ashland"), which became a wholly-owned subsidiary of the Company on June 5, 1995, pursuant to an Agreement and Plan of Reorganization (the "Reorganization Agreement") dated as of June 5, 1995, by and among the Company, Ashland Acquisition Co., a Delaware corporation, and Ashland.

Pursuant to the Reorganization Agreement, all of the outstanding shares of common stock of Ashland owned by the Selling Stockholder were converted into 131,561 Shares.

The Selling Stockholder currently owns 125,213 Shares. Pursuant to the terms and conditions of an Escrow Agreement by and between the Company, the Selling Stockholder, James J. Prete, Larry D. Adkisson, and Firstar Trust Company (the "Escrow Agent"), the Selling Stockholder has the right to receive up to an additional 6,348 Shares. Such shares are held in escrow with the Escrow Agent for satisfaction of the indemnification obligations of the Selling Stockholder under the Reorganization Agreement. The escrow will terminate on the earlier of June 9, 1996 or the final resolution of the last claim permitted under the terms of the Escrow Agreement. At that time, any Shares not used to satisfy the Selling Stockholder's indemnification obligations and still held in escrow will be distributed to the Selling Stockholder and may be sold pursuant to this Prospectus.

PLAN OF DISTRIBUTION

The Selling Stockholder has advised the Company that sales of Shares may be made from time to time for its account on the NYSE, the CSE, in the over-the-counter market, in private transactions or otherwise through broker-dealers. Any such sales will be made either at market prices prevailing at the time of sale or at negotiated prices. Whether any such sales will be made, and the time of any such sales, will rest within the Selling Stockholder's discretion.

The Selling Stockholder has not identified to the Company any broker-dealer that may participate in the offer. Any such broker-dealer either may act as agent for the Selling Stockholder or may purchase any of the Shares as principal and thereafter may sell such Shares from time to time in transactions on the NYSE, the CSE or in the over-the-counter market at prices prevailing at the time of sale or at negotiated prices. Any broker-dealer that may be used by the Selling Stockholder might be deemed to be an "underwriter" as defined in the Securities Act, and any commissions paid to such broker-dealer (and, if such broker-dealer purchases Shares as a principal, any profits received on the resale of such Shares) may be deemed to be

underwriting discounts or commissions under the Securities Act. In addition, the Selling Stockholder may be deemed to be an underwriter within the meaning of the Securities Act with respect to the Shares, and any profits realized by such person may be deemed to be underwriting commissions.

LEGAL OPINION

The legality of the Shares offered hereby has been passed upon for the Company by Schiff Hardin & Waite, 7200 Sears Tower, Chicago, Illinois 60606. Schiff Hardin & Waite has advised the Company that a member of the firm participating in the representation of the Company in this offering owns 3,746 Shares.

EXPERTS

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

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 shares of Common Stock (and the Preferred Stock Purchase Rights related thereto) being registered. All amounts shown below are estimates, except the registration fee:

Registration fee of Securities and Exchange Commission	$1,163.00
Stock Exchange Listing Fees	2,158.00
Accountants' fees and expenses	5,000.00
Legal fees and expenses	10,000.00
Miscellaneous	1,679.00
TOTAL	$20,000.00

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 1933 (the "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 interest. 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:

(a) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(b) 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;

(c) 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 paragraphs 1(a) and 1(b) do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the 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 Exchange Act, 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 Act may be permitted to directors, officers and controlling persons of

the registrant pursuant to the foregoing provisions, 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 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 Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, 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 23rd day of August, 1995.

NEWELL CO.
(Registrant)

By: /s/ William T. Alldredge

William T. Alldredge
Vice President - Finance

Each person whose signature appears below appoints William P. Sovey and William T. Alldredge or either of them, as such person's true and lawful attorneys to execute in the name of each such person, and to file, any amendments to this registration statement that either of such attorneys shall deem necessary or advisable to enable the Registrant to comply with the Securities Act of 1933, as amended, and any rules, regulations and requirements of the Securities and Exchange Commission with respect thereto, in connection with the registration of shares of Common Stock of the Registrant that are subject to this registration statement (and the Preferred Stock Purchase Rights attached thereto), which amendments may make such changes in such registration statement as either of the above-named attorneys deems appropriate, and to comply with the undertakings of the Registrant made in connection with this registration statement; and each of the undersigned hereby ratifies all that either of said attorneys shall do or cause to be done by virtue thereof.

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	August 23, 1995
/s/ William T. Alldredge William T. Alldredge	Vice President - Finance (Principal Financial Officer)	August 23, 1995

Signature	Title	Date
/s/ Thomas A. Ferguson, Jr. Thomas A. Ferguson, Jr.	President and Chief Operating Officer and Director	August 23, 1995
/s/ Donald L. Krause Donald L. Krause	Senior Vice President - Controller (Principal Accounting Officer)	August 23, 1995
/s/ Daniel C. Ferguson Daniel C. Ferguson	Chairman of the Board of Directors	August 23, 1995
/s/ Alton F. Doody Alton F. Doody	Director	August 23, 1995
/s/ Gary H. Driggs Gary H. Driggs	Director	August 23, 1995
/s/ Robert L. Katz Robert L. Katz	Director	August 23, 1995
/s/ John J. McDonough John J. McDonough	Director	August 23, 1995
/s/ Elizabeth Cuthbert Millett Elizabeth Cuthbert Millett	Director	August 23, 1995
/s/ Allan P. Newell	Director	August 23, 1995

Allan P. Newell

/s/ Henry B. Pearsall Director August 23, 1995

Henry B. Pearsall

INDEX TO EXHIBITS

Exhibit Index	Exhibit
2.1	Agreement and Plan of Reorganization dated as of June 5, 1995 by and among Newell Co., Ashland Acquisition Co., and Ashland Products, Inc.
2.2	Escrow Agreement dated as of June 9, 1995 by and among Newell Co., Thomas F. Gaffney, James J. Prete, Larry D. Adkisson and Firstar Trust Company
5	Opinion of Schiff Hardin & Waite
23.1	Consent of Arthur Andersen LLP
23.2	Consent of Schiff Hardin & Waite (contained in their opinion filed as Exhibit 5)
24	Powers of attorney (set forth on the signature page of this registration statement)

EXHIBIT 2.1

AGREEMENT AND PLAN OF REORGANIZATION

This Agreement and Plan of Reorganization (the "Agreement") is made and entered into as of June 5, 1995, by and among NEWELL CO., a Delaware corporation ("Newell"), ASHLAND ACQUISITION CO., a Delaware corporation ("Acquisition"), and ASHLAND PRODUCTS, INC., a Delaware corporation (the "Company").

WITNESSETH:

WHEREAS, Newell owns all of the outstanding capital stock of Acquisition; and

WHEREAS, Thomas F. Gaffney ("Gaffney"), James J. Prete ("Prete"), Larry D. Adkisson ("Adkisson") and GENERAL ELECTRIC CAPITAL CORPORATION, a New York corporation ("GECC"), (collectively, the "Shareholders") own in the aggregate, 100% of the outstanding shares of capital stock of the Company, and have a right to acquire by options and a warrant issued by the Company, additional shares of capital stock, in the amounts described in Section 2.03 of this Agreement;

WHEREAS, the respective Boards of Directors of Newell, Acquisition and the Company have approved the transactions provided for by this Agreement, pursuant to which the Company is to be merged into Acquisition in accordance with the applicable provisions of the Delaware Corporation Law, which merger is intended to qualify as a reorganization under Section 368 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, Newell has agreed (i) to provide the shares required to convert, at the Effective Time (as hereinafter defined) of the merger, each of the outstanding shares of Common (as defined in Section 2.03(a) of this Agreement) and Special (as defined in Section 2.03(a) of this Agreement) owned by Gaffney (collectively, the "Gaffney Stock") into shares of Common Stock, $1.00 par value, of Newell ("Newell Common Stock"), and (ii) to provide the cash required to purchase, at the Effective Time of the merger, each of the options for Common and Special owned by Prete and Adkisson (respectively, the "Prete Option" and the "Adkisson Option"), the warrant for Common owned by GECC (the "GECC Warrant"), and the Preferred (as defined in Section 2.03(a) of this Agreement) owned by GECC (the "GECC Stock"), subject to the provisions of this Agreement and the Agreement and Plan of Merger (the "Plan of Merger") attached hereto as Exhibit A, all upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in order to consummate the transactions set forth above and in consideration of the mutual covenants, agreements, representations and warranties herein contained, the parties agree as follows:

ARTICLE I
THE MERGER

1.01 THE MERGER. Subject to the terms and conditions of this Agreement and the Plan of Merger, the Company shall be merged with and into Acquisition in accordance with the Delaware Corporation Law (the "Merger"), the separate corporate existence of the Company shall cease, and Acquisition shall be the surviving corporation.

The Plan of Merger sets forth the terms of the Merger, the mode of carrying the same into effect, the manner of converting the Gaffney Stock into shares of Newell Common Stock and the manner of purchasing for cash the GECC Stock and the Prete Option and Adkisson Option. Newell, Acquisition and GECC have entered into that certain Warrant Purchase Agreement, dated as of June 9, 1995 (the "Warrant Purchase Agreement"), providing for the purchase of the GECC Warrant.

Immediately prior to the Merger, the GECC Warrant will be purchased by Acquisition for a cash purchase price of Three Million Four Hundred Sixty Eight Thousand Dollars ($3,468,000). In the Merger, the Preferred held by GECC will be converted into Five Million Dollars ($5,000,000) in cash, the Special held by Gaffney will be converted into 65,150 shares of Newell Common Stock and the Common held by Gaffney will be converted into 66,411 shares of Newell Common Stock. In the Merger, the options held by Prete for Common will be converted into Nine Hundred Twenty Seven Thousand Five Hundred Twenty Dollars ($927,520) in cash, the options held by Prete for Special will be converted into Eight Hundred Twenty Five Thousand Dollars ($825,000) in cash, the options held by Adkisson for Common will be converted into Seven Hundred Ninety Nine Thousand Dollars ($799,000) in cash and the options held by Adkisson for Special will be converted into Six Hundred Thousand Dollars ($600,000) in cash.

The Merger shall be consummated after the closing provided in Section 1.02 hereof when properly executed Articles of Merger are filed with the Secretary of State of Delaware in accordance with the Delaware Corporation Law and when the Plan of Merger is received by the Delaware Secretary of State and filed by the Secretary of State in the State of Delaware (the "Effective Time").

1.02 CLOSING. The closing of the transactions contemplated by this Agreement (the "Closing") and the Plan of Merger shall take place at the offices of Dykema Gossett, 1577 N. Woodward Avenue, Suite 300, Bloomfield Hills, Michigan 48304, on June 9, 1995, or at such other time and place as Newell and the Company shall agree.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to Newell and Acquisition that:

2.01 ORGANIZATION AND AUTHORITY. The Company is duly organized, validly existing and in good standing under the laws of Delaware with all requisite power and authority to own, lease and operate its

properties and to carry on its business as now being conducted and, except for the State of Indiana, is not qualified in any other jurisdiction. Copies of the Certificate of Incorporation and Bylaws of the Company that have been heretofore delivered to Newell are complete and correct as of the date hereof.

2.02 SUBSIDIARIES AND AFFILIATES. There are no corporations, partnerships or other entities in which the Company has an equity interest.

2.03 CAPITALIZATION OF THE COMPANY.

(a) AUTHORIZED CAPITAL. The authorized capital stock of the Company consists of 10,000 shares of Common Stock, $.01 par value ("Common"), 1,000 shares of Special Stock, $.01 par value ("Special"), and 5,000 shares of Preferred Stock, Series A, redeemable, noncumulative through September 30, 1995 ($105) cumulative dividend thereafter, $.01 par value ("Preferred").

(b) ISSUED AND OUTSTANDING CAPITAL STOCK. 150 shares of Common are issued and outstanding and owned by Gaffney. 400 shares of Special are issued and outstanding and owned by Gaffney. 5,000 shares of Preferred are issued and outstanding and owned by GE.

(c) OPTIONS, WARRANTS AND REDEMPTION AGREEMENTS. By its terms, the GE Warrant is exercisable at any time for a number of shares of Common equal to 51% of (i) the number of shares of Common issued and outstanding plus (ii) the number of shares of Common subject to currently exercisable options and warrants. At the Closing, the GE Warrant will be exercisable for 324.015247752 shares of Common. 79 shares of Common are subject to issuance to Prete pursuant to that certain Nonqualified Common Stock Option Agreement dated June 29,

1993. An additional 7.65819567 shares of Common are subject to issuance to Prete pursuant to that certain Nonqualified Common Stock Option Agreement dated as of February 25, 1995. 79 shares of Common are subject to issuance to Adkisson pursuant to that certain Nonqualified Common Stock Option Agreement dated August 30, 1993. 4.34942322 shares of these 79 shares of Common are subject to redemption pursuant to that certain Common Stock Redemption Agreement dated as of February 25, 1995. 18.1818183 shares of the 400 shares of Special held by Gaffney are subject to redemption pursuant to that certain Special Stock Redemption Agreement dated as of February 25, 1995, by and between the Company and Gaffney. 200 shares of Special are subject to issuance to Prete pursuant to that certain Nonqualified Special Stock Option Agreement dated as of June 30, 1993. 200 shares of Special are subject to issuance to Adkisson pursuant to that certain Nonqualified Special Stock Option Agreement dated as of August 30, 1993. 54.5454546 shares of these 200 shares of Special issuable to Adkisson are subject to redemption pursuant to that certain Special Stock Redemption Agreement dated as of February 25, 1995.

(d) CAPITAL STRUCTURE AS OF THE CLOSING. Assuming that all options, warrants and rights to redeem are fully exercised as of the Closing, the capital stock of the Company as of the Closing will be as set forth below.

GAFFNEY	GECC	PRETE	ADKISSON
150 Shares Common (23.61%)	324.01524775 Shares Common (51%)	86.65819567 Shares Common (13.64%)	74.65057178 Shares Common (11.75%)
381.8181817 Shares Special (52.50%)	0 Shares Special	200 Shares Special (27.50%)	145.4545454 Shares Special (20%)
0 Shares Preferred	5,000 Shares Preferred (100%)	0 Shares Preferred	0 Shares Preferred

(e) GENERAL. All shares of Gaffney Stock and GE Stock have been issued pursuant to and in accordance with valid exemptions from registration under the Securities Act of 1933, as amended, and applicable state securities laws, and rules and regulations under such laws. There are no pre-emptive rights to acquire any capital stock of the Company. Other than as described in this Section 2.03, there are no other shares of capital stock or other equity securities (or debt securities with any voting rights or convertible into securities with any voting rights) of the Company outstanding and no other outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, shares of capital stock of the Company.

2.04 AUTHORIZATION. The Company has full power and authority to enter into this Agreement and the Plan of Merger and to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and the Plan of Merger and the consummation of the transactions contemplated hereby and thereby have been duly authorized by the Company's Board of Directors and shareholders, and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement, the Plan of Merger and the transactions contemplated hereby and thereby. This Agreement and the Plan of Merger have been duly executed and delivered by the Company. This Agreement is, and subject to approval by the Shareholders of the Company, the Plan of Merger will be, legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms. This Agreement has been duly executed and delivered by the Company and is the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors rights generally and by principles of equity. Except as set

forth on Schedule 2.04, neither the execution and delivery of this Agreement nor the Plan of Merger by the Company, nor the consummation of the transactions contemplated hereby and thereby, nor compliance with the Company with any of the provisions hereof or thereof will (i) violate, conflict with or result in a breach of any provisions of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration, or result in the creation

of any lien, security interest, charge or encumbrance upon any of the material properties or assets of the Company, under any of the terms, conditions or provisions of (x) its charter or Bylaws, or (y) any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which the Company is a party, or by which any property or assets of the Company may be subject, other than any violation, conflict, default, breach, termination or acceleration which would not have a serious detrimental effect on the ability of the Company to consummate this Agreement or on the ongoing business or future prospects of the Company (a "Material Adverse Effect"), or (ii) violate any judgment, ruling, order, writ, injunction, decree, statute, rule or regulation application to the Company or any of its properties or assets. No notice or report to, filing with, or authorization, consent or approval of, any public body or authority is necessary for the execution, delivery and performance by the Company of this Agreement or the Plan of Merger.

2.05 FINANCIAL STATEMENTS. The (i) audited balance sheets as of December 31, 1994, and the unaudited balance sheets as of April 30, 1995 (the unaudited balance sheet as of April 30, 1995, being referred to herein as the "Company Balance Sheet"), and (ii) the audited statements of income, stockholders equity and cash flow for the fiscal years ended December 31, 1993 and 1994, and unaudited statements for the period ending April 30, 1995 that have heretofore been delivered to newell fairly present the financial condition and results of operations of the Company as at the respective dates and all such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved except that the interim financial statements do not include full financial footnotes and are subject to customary year-end and audit adjustments.

2.06 INVENTORY. All inventory reflected on the Company Balance Sheet or thereafter acquired was acquired or manufactured in the ordinary course of business, and is usable or saleable in the ordinary course of business except for inventory items which are obsolete or not usable or saleable in the ordinary course of business which have been written down or for which adequate reserves or allowances have been provided as shown in the Company Balance Sheet.

2.07 RECEIVABLES. All of the accounts reflected in the Company Balance Sheet have arisen from bonafide transactions by the Company in the ordinary course of business and no portion of any such account receivable is currently subject to counterclaim or set off or is in dispute, except in the ordinary course of business. The accounts receivable are good and collectible in the ordinary course of business at the net aggregate recorded amounts thereof after giving effect to the reserves as set forth in the Company Balance Sheet. All payments received by Acquisition with respect to any customers or third parties where the debt or other obligation is reflected in the Company's accounts receivable on the Closing Date (the "Accounts") shall be applied to such Account until such Account is paid in full.

2.08 ABSENCE OF CERTAIN CHANGES.

(a) Except as set forth on Schedule 2.08, since May 1, 1995, the Company has conducted its business only in the ordinary and usual course and has not experienced any changes in its condition (financial or otherwise), assets, liabilities, business or operations which individually or in the aggregate had a Material Adverse Effect. Without limiting the generality of the foregoing sentence, since May 1, 1995, the Company has not:

(i) paid, discharged or satisfied any liability or obligation (whether accrued, absolute, contingent or otherwise) in excess of $10,000 other than the payment, discharge or satisfaction in the ordinary and usual course of business, of liabilities or obligations shown or reflected on the Company Balance Sheet or incurred any liability or obligation in excess of $10,000 except in the ordinary course of business since the date of the Company Balance Sheet;

(ii) except for mortgages, pledges, liens, security interests, encumbrances, restrictions or charges in existence on April 30, 1995, or in the ordinary and usual course of business, permitted or allowed any assets (whether real, personal or mixed, tangible or intangible) to be subjected to any mortgage, pledge, lien, security interest, encumbrance, restriction or charge of any kind, or sold, transferred or otherwise disposed of any of its notes or accounts receivable;

(iii) written off as uncollectible any notes or accounts receivable or written down the value of any inventory other than in the ordinary and usual course of business;

(iv) cancelled or waived any claims or rights or sold, transferred, distributed or otherwise disposed of any assets, except assets in the ordinary and usual course of business;

(v) disposed of or permitted to lapse any rights in, to or for the use of any patent, trademark, trade name or copyright;

(vi) granted any increase in the base compensation or other payment to any director, officer or employee, whether now or hereafter payable or granted (other than increases in compensation in the ordinary course consistent in timing and amount with past practice) or granted any severance or termination pay (other than for severance pay in amounts consistent with the Company's established severance pay practices), or entered into or varied the terms of any employment agreement with any such person;

(vii) made any capital expenditure or commitment in excess of the capital budget attached to and made a part of Schedule 2.08 for additions to property, plant or equipment, or leased or agreed to lease any assets which, if purchased, would be reflected in the property, plan or equipment accounts;

(viii) made any material change in any method of accounting or keeping its books of account or accounting practices;

(ix) paid any amounts which individually exceeded $10,000 to, or sold or otherwise disposed of any assets valued individually in excess of $10,000 to, acquired any assets from, or entered into any agreement or arrangement with, any Affiliated Person (other than payments of compensation to employees for wages in the ordinary course). For purposes of this Agreement, "Affiliated Person" means any present director, officer, shareholder or employee of the Company and any member of such person's family and any entity in which such person or any member of such person's family has an interest or which is controlled, directly or indirectly, by such person or any member of such person's family;

(x) incurred any obligation or liability, including, without limitation, any liability for nonperformance or termination of any contract, except liabilities incurred in the ordinary and usual course of the business, none of which will adversely effect or has adversely affected the business or the Company's financial condition;

(xi) authorized for issuance, issued, delivered or sold any debt or equity securities, or altered the terms of any outstanding securities issued by it or in any way increased its indebtedness for borrowed money; or

(xii) declared, paid or set aside for payment any dividend or other distribution (whether in cash, stock or property or otherwise) in respect of Gaffney Stock or GECC Stock, or redeemed, purchased or otherwise acquired any Company Common, Special or Preferred, any securities convertible into or exchangeable for any Company Common, Special or Preferred or any options, warrants or other rights to purchase or subscribe to any of the foregoing (and no dividends are or will be owed on Gaffney Stock or GECC Stock).

2.09 LITIGATION AND OTHER PROCEEDINGS. Except as set forth on Schedule 2.09, neither the Company nor any Shareholder is currently a party to any pending or to the knowledge of the Company, threatened claim, action, suit, investigation or proceeding, or subject to any order, judgment or decree relating to or affecting the Company or, with respect to the Shareholders, relating to or affecting their shares of Company Common, Special or Preferred or their positions with the Company.

2.10 COMPLIANCE WITH LAWS. Except as described in Schedule 2.10, the Company is not in violation of any statute or other rule or regulation of any governmental body, the violation of which is likely to have a material adverse effect upon the business, operations, properties, financial conditions or earnings of the Company. Schedule 2.10 lists all licenses, registrations and permits, and applications, with respect to the business and operations of the Company. The Company currently has all material governmental approvals, consents,

licenses, registrations and permits necessary to carry on its business as presently conducted. The Company has not received notice of violation of any laws or notice of any proposed regulations or changes in the requirement of such approvals, consents, licenses, registrations or permits.

2.11 TAX RETURNS AND AUDITS. The Company has filed with the appropriate governmental agencies all tax returns required to be filed by it and has paid, or made provision for the payment of, all taxes of every type and description which have or may become due, and such returns accurately reflect the Company's obligations to pay taxes for the periods covered therein under the applicable tax laws. The accruals and reserves for taxes reflected in the Company's Balance Sheet are adequate to pay in full all taxes that have accrued for any period which are not yet due and payable. No examination relating to any tax returns is currently in progress of which the Company has received notice, and no waivers of statutes of limitation have been given or requested. The federal income tax liabilities of the Company have never been audited by the IRS.

2.12 TITLE TO PROPERTIES; MOLDS.

(a) Schedule 2.12(a) sets forth: (i) a true and complete list of all real property leases of the Company and all personal property leases to which the Company is a party as lessee as of the date hereof involving an annual lease payment of more than $10,000, including an identification of the parties, the property, the term of the lease and the rent or lease payments thereunder; and (ii) a true and complete list of all real property owned by the Company as of the date hereof (the "Real Property"), including an identification of the property, the record owner and the principal structures on it.

(b) Except as set forth in Schedule 2.12(b), the Company has good and marketable title to all of its properties and assets, real, personal and mixed, including intangibles, free and clear of all mortgages, liens, pledges, charges or encumbrances of any nature whatsoever, and has taken all steps necessary or otherwise required to perfect and protect its rights in and to its properties and assets, including intangibles. All properties and assets owned and currently used by the Company in the Company's business are in good condition and state of repair that permits the Company to operate its business in a manner consistent with past operations and are not in violation of any applicable laws, including, without limitation, building and zoning laws, and no actual notice of any violation of building or other laws, statues, ordinances or regulations relating to such business, property or assets has been received. All of the Company's assets are at the locations listed in Schedule 2.12(b).

(c) All molds owned by the Company for products currently in the Company's current product offering are in good operating condition, subject to ordinary wear and tear. All molds are at the locations listed in Schedule 2.12(c).

2.13 CONTRACTS AND COMMITMENTS. Except for agreements as described in Schedule 2.13, the Company has no written or oral contracts, commitments or other agreements or arrangements, including

any notes, loans agreements, guarantees or other evidences of indebtedness of the Company, involving an aggregate consideration with a value in excess of $50,000, or any contracts, commitments or other agreements or arrangements with any Affiliated Person.

All of such contracts, commitments or other agreements or arrangements to which the Company is a party or by which any of its assets or properties are bound or affected are in full force and effect and to the best knowledge of the Company and the Shareholders no event or condition has occurred or exists or is alleged by any of the other parties thereto to have occurred or exist, which constitutes or with lapse of time or giving of notice might constitute a default or basis for acceleration under any such contract, commitment, arrangement or other agreement. The Company has not given any revocable or irrevocable power of attorney to any person, firm or corporation for any purpose whatsoever.

2.14 EMPLOYEE RELATIONS. The Company is not a party to any collective bargaining agreement covering or relating to any of its employees and has not recognized, is not required to recognize and during the past five years has not received a demand for recognition by any collective bargaining representative or experienced any strikes or work stoppages or slowdowns. To the best knowledge of the officers of the Company, the Company is in compliance with all applicable laws, rules or regulations relating to employment or employment practices, including those relating to wages, hours, collective bargaining and the withholding and payment of taxes and contributions, and the Company is in compliance with the Occupational Safety and Health Act and applicable Federal Civil Rights laws. The officers of the Company have no actual knowledge of any controversies pending or threatened between the Company and any of its employees.

2.15 EMPLOYEE BENEFIT PLANS.

(a) DEFINITIONS. For purposes of this Section 2.15:

(i) ARRANGEMENTS. The term "Arrangements" means any personnel policy (including, but not limited to, vacation time, holiday pay, bonus programs, moving expense reimbursement programs and sick leave), salary reduction agreements, change-in-control agreements, employment agreements, consulting agreements or any other benefit, program, agreement or contract, whether or not written, (1) which currently or since April 1, 1992, is being or has been maintained for employees of the Company, or (2) to which the Company makes or is required to make or since April 1, 1992, made or was required to make, contributions.

(ii) PLAN. The term "Plan" includes each employee benefit plan, as defined in Section 3(3) of the Employee Retirement Income Security Act ("ERISA") (other than a Multiemployer Plan and including terminated Plans) (1) which currently or since April 1, 1992, is being or has been maintained for employees of the Company or of any Control Group member, or (2) to which the Company or any Control Group member makes or is required to make,

or since April 1, 1992, made or was required to make, contributions.

(iii) MULTIEMPLOYER PLAN. The term "Multiemployer Plan" means any employee benefit plan that is a "multiemployer plan" within the meaning of Section 3(37) of ERISA and to which the Company or any Control Group member has or has ever had any obligation to contribute.

(b) PLANS LISTED. All Arrangements, Plans and Multiemployer Plans are set forth on Schedule 2.15.

(c) OPERATIONS OF PLANS.

(i) Each Arrangement and each Plan has been administered in all material respects in compliance with its terms and with all filing, reporting, disclosure and other requirements of all applicable statues (including, but not limited to, ERISA, the Code and the Consolidated Omnibus Budget Reconciliation Act of 1986), regulations and interpretations thereunder.

(ii) All oral or written communications with respect to each Arrangement and each Plan currently and in the past reflect and have reflected in all material respects the documents and operations of the Arrangement or Plan and no person has or had any liability by reason of any such communication or any failure to communicate with respect to any Arrangement or Plan.

(iii) Neither the Company nor any employees or directors, nor any fiduciary, has engaged in any transaction, including the execution and delivery of this Agreement and other agreements, instruments and documents for which execution and delivery by the Company is contemplated herein, in violation of Section 406(a) or (b) of ERISA or which is a "prohibited transaction" (as defined in Section 4975(c)(1) of the Code) for which no exemption exists under Section 408(b) of ERISA or Section 4975(d) of the Code or for which no administrative exemption has been granted under Section 408(a) of ERISA.

(iv) Each Qualified Plan (together with its related funding instrument) is qualified and tax exempt under Section 401 and 501 of the Code and is the subject of a favorable Internal Revenue Service determination with respect to such qualification and exemption.

(v) No matter is pending relating to any Arrangement or Plan before any court or governmental agency.

(vi) Every fiduciary and official of each Plan is bonded to the extent required by Section 412 of ERISA, and no civil or criminal action with respect to any Arrangement or Plan, pursuant to any federal or state law, has been brought, is pending or is threatened, against the Company, any subsidiary or affiliate thereof, any officer, director or employee thereof or any fiduciary of any Plan.

(vii) No Plan fiduciary or any other person has, or has had, any liability to any participant or beneficiary under any

Plan or Arrangement or to any other person under any provisions of ERISA or any other applicable law by reason of any action or failure to act in connection with any Plan or Arrangement, including, but not limited to, any liability by any reason of any payment of, or failure to pay, benefits or any other amounts or by reason of any credit or failure to give credit for any benefits or rights, except for benefits payable in the normal operation of the Plan or Arrangement.

(viii) Except as set forth on Schedule 2.15(c), there are no Plans or Arrangements to which the Company is a party or by which it is bound and under which, as a result of this Agreement or any other particular transaction, any director, officer, employee or other agent of the Company shall or may acquire rights with respect to any Plan or Arrangement (including, without limitation, the creation, increase or extension of new or existing rights), become entitled to a distribution or payment with respect to any Plan or Arrangement at a date earlier than if this Agreement had not been signed or such other transaction had not occurred, or otherwise receive or become vested in rights or benefits with respect to any Plan or Arrangement.

(d) PLAN DOCUMENTS AND RECORDS.

(i) Complete and correct copies of all current and prior documents as in effect after January 1, 1990, including all amendments thereto, with respect to each Arrangement and Plan, have been heretofore delivered to Newell. These documents include, but are not limited to, the following: Plan and Arrangement documents, trust agreements, insurance contracts, annuity contracts, summary plan descriptions, filings with governmental agencies, investment manager and investment adviser contracts, actuarial reports, audit reports, financial statements, premium reports to PBGC (Form PBGC1), Internal Revenue Service determination letters, Internal Revenue Service recognitions of exemption, annual reports (Form 5500) for the most recent three plan years ending prior to the date hereof and any other general explanation or communication distributed or otherwise provided to participants in such Arrangement or Plan which describes all or any relevant aspect of each Arrangement or Plan.

(ii) At the Effective Time, the participant or beneficiary records with respect to each Arrangement and Plan shall be in the custody of the persons listed on Schedule 2.15(d). All such records accurately set forth, in all material respects, the history of each participant and beneficiary in connection with each Arrangement and Plan and accurately state, in all material respects, the benefits earned and owed to each such person as of the date hereof.

(e) FINANCES.

(i) The Company does not currently maintain nor has ever maintained a Title IV Plan.

(ii) All contributions payable to each Qualified Plan for all benefits earned and other liabilities accrued through December 31, 1992, determined in accordance with the terms and conditions of such Qualified Plan, ERISA and the Code, have been paid or otherwise provided for, and, to the extent unpaid, are reflected in the Company Balance Sheet.

(iii) Set forth on Schedule 2.15(e) is (1) the amount of the liability for minimum contributions for the last three plan years to any Qualified Plan, (2) the approximate amount of the minimum contribution to any Qualified Plan for the plan year during which the Closing Date is to occur, and (3) the annual

cost of providing coverage under any Plan that is a welfare plan as defined in Section 3(1) of ERISA to all former employees of the Company and all dependents of a former employee.

(f) MULTIEMPLOYER PLANS. The Company has no Multiemployer Plans. Pursuant to the Agreement between Ashland Products, Inc. and Plastic Workers' Union Local No. 18 AFL-CIO, the Company was formerly obligated to contribute to the Midwest Pension Plan and the Central States Joint Board, Health and Welfare Trust Fund.

2.16 INTELLECTUAL PROPERTY. Schedule 2.16 sets forth a current and complete list of all letters, patent, patent application, trade names, trademarks, service marks, trademark registrations and applications, copyrights and copyright registrations and applications, and all other rights with respect to intellectual property, both domestic and foreign, presently owned, possessed, used or held by the Company (the "Intellectual Property"), and the Company owns the entire right, title and interest in and to the same, except as set forth in Schedule 2.16. Schedule 2.16 also sets forth a correct and complete list of all licenses granted to the Company by others and to others by the Company. Neither the conduct of the Company's business nor any of the products it sells or services it provides infringes upon the rights of any other person and the conduct of any other person's business or any of the products it sells of services it provides does not infringe upon any of the Company's rights. The Company has no liability for and has not given any indemnification for patent, trademark or copyright infringement as to any products manufactured, used or sold by it or with respect to services rendered by it.

2.17 CONFLICTING INTERESTS. Except as set forth on Schedule 2.17, the Shareholders have no direct or indirect interest in any competitor, customer, supplier or other person, firm or corporation which has had any business relationship or material transaction with the Company during the last three years or which is a party to, or has property which is the subject of, any business arrangement with the Company.

2.18 ENVIRONMENTAL MATTERS.

(a) DEFINED TERMS. For purposes of this Agreement, the following terms shall have the following meanings:

(1) "Regulated Materials" shall mean those materials or substances defined as "hazardous substances," "hazardous materials," "hazardous waste," "toxic substances," "toxic pollutants," "petroleum products" or similar designations under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601, et seq. ("CERCLA"), the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901, et seq. ("RCRA"), and the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq. or regulations promulgated pursuant thereto.

(2) "Governmental Agency" means any federal, state, local or foreign government, political subdivision, court, agency or other entity, body, organization or group exercising any executive, legislative, judicial, quasi-judicial, regulatory or administrative function of government with authority or jurisdiction of the business of the Company, the assets and properties owned or leased by the Company, or the operation conduct or occupancy thereof.

(3) "Environmental Laws" shall mean any requirement of federal, state, or local law, civil or criminal, or regulation, relating to air quality, surface water quality, ground water quality, soil, solid waste management, hazardous or toxic substances, or the protection of human health or the environment, set forth in or promulgated pursuant to the

Federal Water Pollution Control Act ("FWPCA"), 33 U.S.C. Sect. 1251 et seq., its regulations and equivalent or similar state statute and regulations; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. Sect. 6901 et seq., its regulations and equivalent or similar state statute and regulations; the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. Sect. 9601 et seq., its regulations and equivalent or similar state statute and regulations; and the Hazardous Material Transportation Act ("HMTA"), 49 U.S.C. Ap. Sect. 1471, its regulations and equivalent or similar state statute and regulations.

(4) "Hazardous Waste" shall have the meaning set forth in RCRA Section 1004(5).

(5) "Hazardous Substance" shall have the meaning set forth in CERCLA Section 101(14).

(b) Except as set forth in Schedule 2.18, the Company has complied with applicable Environmental Laws and any valid undisputed orders and directives of any Governmental Agency.

(c) Except as set forth in Schedule 2.18, the Company has not been charged with, nor has the Company received any written notice of, and no officer of the Company has received any oral notice, that the Company is under investigation for the failure to comply with any Environmental Laws or any orders and directives of any Governmental Agency with respect to the use, generation, storage, transportation, handling, abandoning, dumping, releasing, leaching, escaping, burying, disposing, discharging or emitting of any Regulated Materials pertaining to the business of the Company, the assets and properties owned or leased by the Company, or the operation, conduct or occupancy thereof.

(d) Except as set forth in Schedule 2.18, the Company has not received from any Governmental Agency or private party any (i) complaint or notice asserting potential liability, (ii) since April 1, 1992, requests for information, or (iii) request to investigate or clean up any site under the FWPCA, CERCLA, or under any state law comparable thereto.

(e) Each transporter and disposal facility that has transported or disposed of any Hazardous Waste on behalf of the Company, if any, is listed in Schedule 2.18. All manifests in the possession of the Company have been made available to Newell prior to the Closing and are included in Schedule 2.18.

(f) Except as set forth in Schedule 2.18, there has not been a release of a reportable quantity a Hazardous Substance at or from any Company facility.

(g) There are no underground storage tanks, as defined by RCRA and applicable state law, located on any real property now owned or leased by the Company, and the Company is not a transfer, storage or disposal (TSD) facility requiring a Part B RCRA permit.

(h) The Company has made available to Newell all known written reports issued to Governmental Agencies by or on behalf of the Company, or by any of its representatives or consultants, with respect to environmental matters. All environmental audits, assessments and studies within the possession of the Company regarding real property now owned or leased by the Company are identified in Schedule 2.18.

(i) Each of the representations and warranties contained in this Section 2.18 shall be in addition to, and not in lieu of, any other representation or warranty contained in this Agreement.

2.19 ABSENCE OF UNDISCLOSED LIABILITIES. For the purposes of this Section 2.19, "material" shall mean having a value of $25,000

individually or $100,000 in the aggregate. The Company does not have any material liabilities or obligations due or to become due, whether absolute, accrued, contingent or otherwise, and there are no material claims or causes of action that may be asserted against the Company which arise with respect to or relate to any period or periods on or prior to the date hereof, except (a) as, and to the extent, set forth or specifically reserved against on the Company Balance Sheet; (b) for liabilities incurred since April 30, 1995 in the ordinary course of business consistent with past practice (including without limitation,

for chargebacks, returns and similar matters pursuant to the Company's ordinary course arrangements and practices with respect to such matter as reflected in Schedule 2.19); and (c) for any other matters disclosed in or pursuant to this Agreement (including its disclosure schedules).

2.20 INSURANCE. The Company has in full force and effect the policies of insurance listed in the amounts described in Schedule 2.20 hereto, and all premiums due thereon have been paid. The Company does not have any interest in any other insurance policy. Schedule 2.20 accurately reflects the insurance claims experience of the Company for the past three years.

2.21 CUSTOMERS AND SUPPLIERS. Schedule 2.21 contains a list of the Company's 20 largest customers and 10 largest suppliers (measured by dollar volume of purchases and sales, as applicable) during each of the last three fiscal years and the percentage or dollar volume of the Company's business which each such customer or supplier represented. Except as described in Schedule 2.21 the Company is not presently engaged in any disputes with customers or suppliers. To the best knowledge of the officers of the Company, no customer or supplier is considering, termination or non-renewal of its arrangements with the Company which would in the aggregate have a material adverse effect on the Company. At no time during the two years prior to the date hereof have the sales, manufacturing or other business operations of the Company been materially affected by shortages or availability of products or raw materials necessary to sell or manufacture the products presently sold by the Company.

2.22 PRODUCT QUALITY. The Company has heretofore delivered to Newell true and complete copies of any standard written warranties, extended by the Company with respect to its products. No claims have been made against the Company for (a) credit or refunds with respect to products returned or returnable by customers, except in the normal course of business, or (b) personal injury arising out of events occurring on or prior to the date hereof based upon defective products, any violation of express or implied product warranties, or similar claims with respect to products delivered by the Company to customers or distributors on or prior to the date hereof.

2.23 BROKERS AND FINDERS. Other than as described on Schedule 2.23, neither the Company nor the Shareholders has employed any broker or finder or incurred any liability for any brokerage fees, commissions or finders' fees, and no broker or finder has acted directly or indirectly for the Company or the Shareholders in connection with this Agreement, the Plan of Merger or the transactions contemplated hereby and thereby.

2.24 DISCLOSURE. No representation, warranty or other statement by the Company or the Shareholders herein or in the schedules hereto, or in any other document entered into in connection with this Agreement, contains or will contain an untrue statement of material fact, or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.

ARTICLE III
Representations and Warranties of Newell and Acquisition

Newell and Acquisition jointly and severally represent and warrant to the Company that:

3.01 ORGANIZATION AND AUTHORITY. Each of Newell and Acquisition is duly organized, validly existing and in good standing under the laws of Delaware, with power to own its property and to carry on its business as now being conducted, and each is qualified in each other jurisdiction in which qualification is required for it to hold the property or conduct the business it holds or conducts therein, except to the extent that all failures of both such entities so to qualify in the aggregate would not have a Material Adverse Effect on the financial condition, business or operations of Newell and its subsidiaries taken as a whole.

3.02 CAPITALIZATION. The authorized capital stock of Newell consists of (a) 400,000,000 shares of Newell Common Stock, $1.00 par value, of which 157,909,000 shares are issued and outstanding, and (b) 10,000,000 shares of Preferred Stock consisting of (i) 10,000 shares without par value, of which no shares are issued and are outstanding and (ii) 9,990,000 shares of Preferred Stock, $1.00 par value, of which no shares are issued or outstanding. The authorized capitalization of Acquisition consists of 1,000 shares of Common Stock, par value $1.00 per share, of which all 1,000 shares are issued and outstanding and owned directly by Newell.

3.03 AUTHORIZATION. Newell and Acquisition have full power and authority to enter into this Agreement and the Plan of merger and to carry out their obligations hereunder and thereunder. The transactions contemplated hereby and thereby have been duly authorized by their respective Boards of Directors and by Newell as the sole shareholder of Acquisition, and no other corporate proceedings on the part of Newell or Acquisition are necessary to authorize this Agreement, the Plan of merger and the transactions contemplated hereby and thereby. This Agreement and the Plan of Merger are valid and binding obligations of Newell and Acquisition enforceable against Newell and Acquisition in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors rights generally and by principles of equity. Neither the execution and delivery of this Agreement nor the Plan of Merger by Newell and Acquisition, nor the consummation of the transactions contemplated hereby and thereby, nor compliance by Newell and Acquisition with any of the provisions hereof or thereof will (i) violate, conflict with, or result in a breach of any provisions of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration, or result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of Newell, under any of the terms, conditions or provisions of (x) the charter or by-laws of Newell or Acquisition or (y) any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which Newell or Acquisition is a party, or by which either of them

is, or any of their properties or assets may be subject, or (ii) violate any judgment, ruling, order, writ, injunction, decree, statute, rule or regulation applicable to Newell or any of its properties or assets. Other than in connection with or in compliance with the provisions of the Corporation Law of the State of Delaware, the Securities Act, the securities laws of the various states, no notice to, filing with, or authorization, consent or approval of, any public body or authority is necessary for the consummation by Newell or Acquisition of the transactions contemplated by this Agreement and the Plan of Merger.

3.04 BROKERS AND FINDERS. Except as described in Schedule 3.04, neither Newell nor any of its subsidiaries, nor any of their officers, directors or employees has employed any broker or finder or incurred any liability for any financial advisory fees, brokerage fees, commission or finders' fees, and no broker or finder has acted directly or indirectly for Newell or any of its subsidiaries in

connection with this Agreement or the Plan of Merger or the transactions contemplated hereby and thereby.

3.05 DISCLOSURE. Newell has not made any material misrepresentation to Ashland or Gaffney relating to this Agreement or the Newell Common Stock and Newell has not omitted to state to Ashland or Gaffney any material fact relating to this Agreement or the Newell Common Stock which is necessary in order to make the information given by or on behalf of Newell to Ashland or Gaffney at or prior to Closing (including Newell's reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), all of which reports required to be filed by Sections 13 and 15(d) of the Exchange Act during the preceding 12 months have been filed on a timely basis) not misleading or which if disclosed would reasonably affect the decision of a person considering an acquisition of the Newell Common Stock.

3.06 CURRENT PLANS AND INTENTIONS. It is the current plan and intention of Newell that:

(i) Newell will not reacquire any of the Newell Common Stock issued in the Merger, to liquidate Acquisition with or into any other corporation, sell or otherwise dispose of Acquisition's stock (except for transfers of stock to corporations controlled by Newell), or cause Acquisition to sell or otherwise dispose of any of its assets or any of the assets acquired from the Company (except for sales and dispositions made in the ordinary course of business or sales or transfers of assets as permitted by Section 368(a)(2)(C) of the Code). Newell intends that Acquisition, after the consummation of the Merger, continue the business of the Company. Newell does not directly or indirectly own, nor has it directly or indirectly owned during the past five years, any shares of stock of the Company;

(ii) Acquisition will acquire at least 90% of the fair market value of the Company's net assets and at least 70% of the fair market value of the Company's gross assets held by Company immediately prior to the Merger. For purposes of this representation, amounts paid by the Company to its shareholders who receive cash or other property, Company assets used to pay

its reorganization expenses, and all redemptions and distributions (except for regular, normal dividends) made by the Company immediately preceding the Merger will be included as assets of the Company held immediately prior to the Merger;

(iii) Immediately prior to the Merger, Newell will be in control of Acquisition within the meaning of Section 368(c) of the Code;

(iv) Newell will not cause Acquisition the Company to issue additional shares of Acquisition's stock that would result in Newell losing control of Acquisition within the meaning of Section 368(c) of the Code;

(v) Immediately following the Merger, Acquisition will continue historic business of the Company or use a significant portion of the Company's historic business assets in a business within the meaning of Treas. Reg. Sect. 1.368-1(d);

(vi) Newell and Acquisition will pay their respective expenses, if any, incurred in connection with the transaction;

(vii) The payment of cash in lieu of fractional shares of Newell Common Stock is solely for the purpose of avoiding the expense and inconvenience to Newell of issuing fractional shares and does not represent separately bargained-for consideration. The total cash consideration that will be paid in the Merger to Gaffney instead of issuing fractional shares of Newell Common Stock will not exceed one percent of the total consideration that will be issued in the Merger to Gaffney in exchange for the Gaffney Stock;

(viii) None of the compensation received by any shareholder-employees of the Company will be separate consideration for, or allocable to, any of their shares of Company Common Stock; none of the shares of Newell Common Stock received by any shareholder-employees will be separate consideration for, or allocable to, any employment agreement; and the compensation paid to any shareholder-employees will be for services actually rendered and will be commensurate with amounts paid to third parties bargaining at arm's-length for similar services.

(ix) Neither Newell nor Acquisition are "investment companies" as defined in Section 368(a)(2)(F)(iii) and (iv) of the Code.

(x) The fair market value of the assets of the Company transferred to Acquisition will equal or exceed the sum of the liabilities assumed by Acquisition, plus the amount of liabilities, if any, to which the transferred assets are subject.

(xi) No stock of Acquisition will be issued in the transaction.

(xii) There is no intercorporate indebtedness existing between Newell and the Company, or between Acquisition and the Company, that was issued, acquired or will be settled at a discount.

3.07 NEWELL COMMON STOCK. The shares of Newell Common Stock to be issued and delivered pursuant to the provisions of this Agreement will on the Closing Date (i) have been validly issued and outstanding, fully paid and non-assessable, (ii) be eligible to vote in the election of Newell's Board of Directors and at the Closing, and Newell shall not have received any stop order or any similar order from the Securities and Exchange Commission or other applicable regulatory agency which would prevent the registration of the Newell Common Stock. The shares of Newell Common Stock to be issued and delivered pursuant to the provisions of this Agreement will be listed on the New York Stock Exchange pursuant to a listing application to be filed not later than twenty days after the Closing Date.

3.08 CONSIDERATION. The consideration to be delivered to the Shareholders pursuant to this Agreement, the Plan of Merger and the Warrant Purchase Agreement is all of the consideration to be delivered in exchange for the Gaffney Stock, the Prete Option, the Adkisson Option, the GECC Stock and the GECC Warrant (collectively the "Ashland Equity"). No other consideration has been or will be delivered to any party in exchange for the Ashland Equity.

ARTICLE IV
CONDUCT OF BUSINESS PRIOR TO THE EFFECTIVE TIME

4.01 CONDUCT OF THE COMPANY'S BUSINESS PRIOR TO THE EFFECTIVE TIME. During the period from the date of this Agreement to the Effective Time, the Company shall conduct its operations according to its ordinary and usual course of business consistent with past and current practices and use its best efforts to maintain and preserve its business organization, prospects, employees and advantageous business relationships and shall not, without the prior written consent of the Chief Executive Officer, the President or a Vice President of Newell, take any action or permit to occur any event set forth in Section 2.08.

ARTICLE V
ADDITIONAL AGREEMENTS

5.01 ACCESS AND INFORMATION. The Company shall afford to Newell and to its accountants, counsel and other representatives, full access

during regular business hours and upon reasonable notice, during the period prior to the Effective Time, to all of the properties, books, contracts, commitments and records of the Company, and, during such period, the Company shall furnish promptly to Newell all other information concerning the business, properties and personnel of the Company as Newell may reasonably request.

5.02 MISCELLANEOUS AGREEMENTS AND CONSENTS. Subject to the terms and conditions herein provided, each of the parties hereto shall use all reasonable efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement and the Plan of Merger, including, without limitation, using reasonable efforts to satisfy the conditions contained in Article VI hereof. The Company and Newell will use their best efforts to obtain consents of all third parties and governmental bodies necessary or, in the opinion of both parties, desirable for the consummation of the transactions contemplated by this Agreement and the Plan of Merger. In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement and the Plan of Merger, the proper officers and/or directors of the Company, Newell or Acquisition, as the case may be, shall take all such necessary action. Prior to the earlier of the Effective Time or the earlier termination of this Agreement pursuant to Article VII hereof, each Shareholder shall except as set forth on Schedule 5.03, (i) continue to own, of record and beneficially, all right, title and interest to the shares of Company Common, Special and Preferred (including options and warrants relating thereto) owned as of the date hereof, free and clear of all security interests, liens, claims, pledges, escrows, options, warrants, rights of purchase, equities, charges, encumbrances, proxies, voting trusts and restrictions on voting rights whatsoever, and (ii) not enter into any contract, agreement, understanding or restriction of any kind relating to any shares of Company Common, Special and Preferred (including options and warrants relating thereto). During the period from the date of this Agreement to the Effective Time, or such earlier termination of the Agreement pursuant to Section 9 hereof, the Company shall not and shall cause its directors, officers, agents and employees not to solicit, authorize the solicitation of or enter into any discussion (or continue any discussion) with any third party (including the provision of any information to a third party regarding the Company) concerning any offer or possible offer from any such third party (i) to issue or purchase any Company Common, Special and Preferred, any option or warrant to purchase Company Common, Special and Preferred, or any securities of the Company, (ii) to purchase, lease or otherwise acquire all or a substantial portion of the assets of the Company relating to the Business or (iii) to merge, consolidate or otherwise combine with the Company.

5.03 INTERIM FINANCIAL STATEMENTS. During the period prior to the Effective Time, the Company shall deliver to Newell monthly an unaudited balance sheet as at the end of such month and the unaudited statements of income and stockholders' equity of the Company for a period then ended (the "Interim Financial Statements"). The Interim Financial Statements shall be correct and complete and shall fairly present the financial condition, stockholders' equity, and results of operations of the Company as of the respective dates and the Interim Financial Statements shall be prepared in accordance with generally accepted accounting principles consistently applied throughout the periods involved.

5.04 CERTAIN NOTIFICATIONS. At all times until the Effective Time, each party shall promptly notify the other in writing of the

occurrence of any event which will or may result in the failure to satisfy any of the conditions specified in Article VI.

5.05 PRESS RELEASES. The parties agree that, except as otherwise provided by law, no press release or other public announcement with respect to this Agreement or the transactions contemplated hereby shall be made without the prior approval of all parties hereto.

5.06 TRANSACTIONAL COSTS. Each party hereto shall pay or be responsible for its or his expenses in connection with the transactions contemplated by this Agreement. The Company shall be responsible for expenses incurred by the Company and its shareholders after May 1, 1995, in connection with the transactions contemplated by this Agreement in an amount not to exceed One Hundred Thirty Thousand Dollars ($130,000).

5.07 CONFIDENTIALITY AND NON-USE. If for any reason the transactions contemplated by this Agreement are not completed, then Newell and Acquisition agree to return to the Company (and not thereafter use in their own businesses or otherwise or disclose the contents thereof) all documents, data and other materials respecting the Company's business furnished to or obtain by either Acquisition or Newell or its representatives pursuant to the access granted pursuant to Section 5.01 or previous thereto.

ARTICLE VI
CONDITIONS

6.01 CONDITIONS TO EACH PARTY'S OBLIGATIONS TO CONSUMMATE THE MERGER. The respective obligations of each party to consummate the Merger shall be subject to the fulfillment at or prior to the Effective Time of the following conditions:

(a) AUTHORIZATION. The Plan of Merger shall have been approved and adopted by the requisite vote of the holders of the outstanding shares of the Company's Common, Special and Preferred.

(b) PROCEEDINGS. At the Effective Time there shall be no action or proceeding initiated by any governmental agency or any third party pending which seeks to restrict, prohibit or invalidate any material transaction contemplated by this Agreement or the Plan of Merger or to recover substantial damages or other substantial relief with respect thereto and no injunction or restraining order shall have been issued by any court restraining, prohibiting or invalidating any such material transaction.

6.02 CONDITIONS TO OBLIGATIONS OF THE COMPANY TO CONSUMMATE THE MERGER. The obligations of the Company to consummate the Merger shall be subject to the fulfillment (or waiver by the Company and the Shareholders) at or prior to the Effective Time of the following conditions:

(a) REPRESENTATIONS AND WARRANTIES. The representations and warranties of Newell and Acquisition set forth in Article III hereof

shall be true and correct as of the date of this Agreement and as of the Effective Time as though made on and as of the Effective Time, except as otherwise contemplated by this Agreement, and the Company shall have received a certificate signed by the Chief Executive officer, the President or a Vice President of Newell to that effect.

(b) PERFORMANCE OF OBLIGATIONS. Newell shall have performed all obligations required to be performed by it under this Agreement prior to the Effective Time, and the Company shall have received a certificate singed by the Chairman of the Board, the President or a Vice President of Newell to that effect.

(c) PERMITS, AUTHORIZATIONS, ETC. Newell shall have obtained any and all material permits, authorizations, consents or approvals of state securities commissions and of any other public body or authority required for the lawful consummation of the Merger.

(d) OPINION OF ASSISTANT GENERAL COUNSEL. Richard H. Wolff, Assistant General Counsel for Newell, shall have furnished to the Company its opinion as of the Closing in the form and to the effect set forth in Exhibit B hereto.

(e) All indebtedness of the Company to GECC under and pursuant to that certain Amended and Restated Loan Agreement dated June 29, 1993, as amended, shall have been paid in full by Newell or Acquisition.

(f) Acquisition shall have executed an employment agreement with Prete.

(g) Newell shall have executed the Escrow Agreement (as defined in Section 6.03(f)).

6.03 CONDITIONS TO OBLIGATIONS OF NEWELL AND ACQUISITION TO CONSUMMATE THE MERGER. The obligations of Newell and Acquisition to consummate the Merger shall be subject to the fulfillment (or waiver by Newell and Acquisition) at or prior to the Effective Time of the following conditions:

(a) REPRESENTATIONS AND WARRANTIES. The representations and warranties of the Company set forth in Article II hereof shall be true and correct as of the date of this Agreement and as of the Effective Time as though made on and as of the Effective Time, except as otherwise contemplated by this Agreement, and Newell shall have received a certificate signed by the Chairman or a Vice President of the Company to that effect.

(b) PERFORMANCE OF OBLIGATIONS. The Company shall have performed all obligations required to be performed by it under this Agreement prior to the Effective Time, and Newell shall have received a certificate signed by the Chairman or a Vice President of the Company to that effect.

(c) PERMITS, AUTHORIZATIONS, ETC. The Company shall have obtained any and all consents or waivers from other parties to contracts other than loan agreements material to the Company's

business for the lawful consummation of the Merger, and the Company and Newell shall have obtained any and all permits, authorizations, consents or approvals of state securities commissions and of any other public body or authority required for the lawful consummation of the Merger.

(d) FINANCIAL STATEMENTS. Newell and Acquisition shall have received the Interim Financial Statements.

(e) OPINION OF COUNSEL. Dykema Gossett PLLC, counsel for the Company, shall have furnished to Newell its opinion as of the Closing in the form and to the effect set forth in Exhibit C hereto.

(f) ESCROW AGREEMENT. Gaffney, Prete and Adkisson shall have executed an escrow agreement in form of Exhibit D hereto regarding the escrow of cash and certain of their shares of Newell Common Stock to be received in the Merger for the purpose of indemnifying Newell against breaches of the representations, warranties, covenants and agreements contained in this Agreement (the "Escrow Agreement").

(g) EMPLOYMENT AGREEMENT. Prete shall have executed an Employment Agreement with Acquisition.

(h) The Company shall have terminated the 1994 Executive Bonus Plan.

ARTICLE VII
TERMINATION, AMENDMENT

7.01 TERMINATION.

(a) This Agreement may be terminated at any time prior to the

Effective Time, whether before or after approval by the Shareholders

(i) by mutual consent of the Company and Newell;

(ii) by either the Company or Newell if the Merger has not taken place by June 30, 1995, unless the failure of the Merger to take place by that date is the result of a breach of any provision of this Agreement by the party seeking to terminate;

(iii) by Newell if any of the conditions contained in Sections 6.01 and 6.03 have not been satisfied prior to the Closing, unless the failure of such condition is the result of a breach of any provision of this Agreement by Newell;

(iv) by the Company if any of the conditions contained in Sections 6.01 or 6.02 have not been satisfied prior to the Closing, unless the failure of any such condition is the result of a breach of any provision of this Agreement by the Company.

(b) In the event this Agreement is terminated pursuant to Section 7.01, such termination shall be without any liability or further obligation of any party to another and the obligations and agreements in this Agreement shall terminate and have no further effect except for liabilities and obligations based on any intentional

failure to perform or comply with any covenant or agreement herein or for any intentional misrepresentation or material breach of any warranty herein (and such termination shall not constitute a waiver of any claim with respect thereto).

7.02 AMENDMENT. Subject to applicable law, this Agreement may be amended, modified or supplemented only by written agreement of the parties hereto duly authorized by the respective Board of Directors at any time prior to the Effective Time; provided, however, that, after the approval and adoption of the Plan of Merger by the Shareholders, no such amendment, modification or supplement shall change the amount or the form of the consideration to be delivered to the Shareholders as contemplated by this Agreement and the Plan of Merger.

ARTICLE VIII
SURVIVAL OF REPRESENTATIONS AND WARRANTIES

The representations, warranties, covenants and agreements of the parties to this Agreement shall survive the execution and delivery of this Agreement and the consummation of the Merger for a period of one year notwithstanding any investigations made by any party hereto or, except as specifically provided otherwise, any actual or constructive knowledge which any party may have regarding a breach of a representation or warranty by any other party; provided, however, that any covenant, agreement, representation or warranty that becomes the subject of a claim under the Escrow Agreement shall survive until resolution of such claim.

ARTICLE IX
LIMITATION OF LIABILITY

The parties hereto understand and agree that the Escrow Agreement and the Warrant Purchase Agreement and the procedures relating thereto as set forth in the Escrow Agreement and the Warrant Purchase Agreement have been established as the sole means and method of providing a remedy to Newell for breach of any of the representations, warranties, covenants and agreements of the Company hereunder after the Merger has become effective. Notwithstanding anything contained in this Agreement to the contrary, Newell agrees that, except to the extent provision has been made therefor under the Escrow Agreement and the Warrant Purchase Agreement, the Company and the Shareholders shall have no liability with respect to any claim, cause of action, obligation of indemnity, breach of any representation, warranty, covenant or agreement or other matter of any nature or character whatsoever arising under or in connection with this Agreement after the Merger has become effective. Newell agrees that after the Merger has become effective its exclusive remedy for any such claim, cause of

action, obligation of indemnity, breach of representation or warranty, or other matter shall be its rights against the Escrow Property (as defined in the Escrow Agreement) and its rights under the Warrant Purchase Agreement. Newell further agrees that the liability of the Shareholders under the Escrow Agreement and the Warrant Purchase Agreement shall be limited to Six Hundred Fifty Thousand Dollars ($650,000) in the aggregate.

ARTICLE X
GENERAL PROVISIONS

10.01 NOTICES. All notices and other communications hereunder shall be in writing and shall be deemed given (i) when delivered personally; (ii) the second business day after being deposited in the United States mail registered or certified (return receipt requested); (iii) the first business day after being deposited with Federal Express or any other recognized national overnight courier service or (iv) on the business day on which it is sent and received by facsimile, in each case to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) If to Newell or Acquisition:

Newell Co. Attention: William T. Alldredge
One Millington Road
Post Office Box 117
Beloit, Wisconsin 53511
Facsimile: (608) 365-8290

With copies to: Mr. Richard H. Wolff
Associate General Counsel
Newell Co.
4000 Auburn Street
Rockford, Illinois 61101
Facsimile: (815) 969-6106

(b) If to the Company or the Shareholders:

Mr. Thomas F. Gaffney
2091 Ocean View Drive
Tierra Verde, Florida 33715
Facsimile: (813) 866-3052

With copies to: Rex E. Schlaybaugh, Jr., Esq.
Dykema Gossett PLLC
1577 N. Woodward Ave.
Suite 300
Bloomfield Hills, Michigan 48304
Facsimile: (810) 540-0763

10.02 MISCELLANEOUS. This Agreement (including the exhibits, documents and instruments referred to herein or therein):

(i) constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof;

(ii) is not intended to confer upon any other person any rights or remedies hereunder;

(iii) shall not be assigned by operation of law or otherwise; and

(iv) may be executed in two or more counterparts which together shall constitute a single agreement.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, next of kin, distributees, executors, administrators and personal representatives.

10.03 WAIVER; REMEDIES. No delay or failure on the part of any party hereto to exercise any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party hereto of any right, power, or privilege hereunder operate as a waiver of any other right, power, or privilege hereunder, nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of nay other right, power, or privilege hereunder.

10.04 SEVERABILITY. If any provision of this Agreement shall be held by any court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall be construed and enforced as if it had been more narrowly drawn so as not to be illegal, invalid or unenforceable, and such illegality, invalidity or unenforceability shall have no effect upon and shall not impair the enforceability of any other provision of this Agreement.

10.05 GOVERNING LAW. This Agreement shall be construed in accordance with the laws of the State of Delaware (without regard to principles of conflicts of law) applicable to contracts made and to be performed within such State.

10.06 ATTORNEY'S FEES. If any party of this Agreement must bring an action to enforce its terms, the prevailing party in such action shall be entitled to receive its out-of-pocket fees and expenses in connection with action from the non-prevailing party or parties.

* * * * * * *

IN WITNESS WHEREOF, Newell, Acquisition and the Company have caused this Agreement to be signed by their respective officers thereunto duly authorized as of the date first written above.

ASHLAND PRODUCTS, INC.

By: _____

ASHLAND ACQUISITION CO.

By: _____

NEWELL CO.

By: _____

SIGNATURE PAGE TO AGREEMENT AND PLAN OF REORGANIZATION
BY AND AMONG ASHLAND PRODUCTS, INC., NEWELL CO.
AND ASHLAND ACQUISITION CO.

DMC/917

EXHIBIT 2.2

ESCROW AGREEMENT

This Escrow Agreement ("Agreement") is made and entered into as of June 9, 1995, by and between Newell Co., a Delaware corporation ("Newell"), Thomas F. Gaffney ("Gaffney"), James J. Prete ("Prete"), and Larry D. Adkisson ("Adkisson") (collectively, the "Shareholders") and Firstar Trust Company (the "Escrow Agent").

WHEREAS, Newell, Ashland Acquisition Co., a Delaware corporation ("Acquisition"), and Ashland Products, Inc., a Delaware corporation (the "Company"), have entered into an Agreement and Plan of Reorganization dated as of June 5, 1995 (the "Reorganization Agreement"), providing for the merger of the Company with and into Acquisition (the "Merger") and the conversion of the issued and outstanding capital stock and other securities of the Company into cash and shares of Common Stock of Newell (the "Newell Common Stock") pursuant to the Agreement and Plan of Merger dated as of June 5, 1995 between Acquisition and the Company (the "Plan of Merger");

WHEREAS, Newell has relied upon the representations and warranties of the Company contained in the Reorganization Agreement and in agreements, schedules, exhibits, certificates and other documents delivered pursuant to the Reorganization Agreement (collectively, the "Related Documents");

WHEREAS, one of the conditions precedent to the obligations of Newell and the Company to consummate the Merger is the execution and delivery of this Agreement, pursuant to which the Shareholders agree to indemnify and hold Newell harmless against and in respect of certain matters more particularly described herein; and this Agreement is being made to induce Newell to consummate the Merger.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations and warranties herein contained, the parties agree as follows:

ARTICLE I
The Escrow

1.01 DEPOSIT IN ESCROW. At the Closing (as defined in the Reorganization Agreement), the Shareholders shall deposit with the Escrow Agent, to be held in escrow on the terms hereinafter set forth, cash and Newell Common Stock in the number of shares and amount of cash set forth opposite each Shareholder's signature hereto (the "Escrow Cash and Escrow Shares"). Escrow Shares shall be accompanied by duly executed stock powers endorsed in blank.

1.02 ESCROW PROPERTY. The Escrow Cash and Escrow Shares deposited in accordance with the terms hereof (the "Escrow Property") shall be held by the Escrow Agent on the terms hereinafter set forth. The escrow agent shall cause the Escrow Cash to be maintained and

invested in demand or time deposits in banks or savings institutions having at least $100,000,000 in assets, in United States Treasury bills or in the Portico U.S. Treasury Money Market Fund (collectively, the "Investments"). No part of the Investments shall have a maturity date exceeding sixty days from the date on which Escrow Cash is invested therein. The Escrow Agent shall not be responsible for any interest or income on the Escrow Cash except the interest or income actually received.

1.03 DISTRIBUTIONS ON ESCROW PROPERTY. All income accruing on any investments of the Escrow Cash, and any dividends or distributions on the Escrow Shares, shall be paid to the Shareholders at such intervals as the Shareholders may direct in writing and shall not be part of the Escrow Property.

1.04 TAXES AND CHARGES ON ESCROW PROPERTY. Each Shareholder shall supply to the Escrow Agent a signed W-9 form and shall be

responsible for and shall pay and discharge all taxes, assessments and governmental charges imposed on or with respect to his or her proportionate interest of the Escrow Property. The Escrow Agent shall report to the Internal Revenue Service the amount of income with respect to the Escrow Cash as having been received by each of the Shareholders depositing cash in escrow in accordance with such Shareholder's proportionate interest of the Escrow Cash.

1.05 VOTING RIGHTS. Escrow Shares held by the Escrow Agent hereunder shall remain registered in the name of Gaffney, and Gaffney shall be entitled to exercise all voting rights with respect thereto.

ARTICLE II
Shareholders' Agent

2.01 APPOINTMENT AND AUTHORITY. The Shareholders have appointed Thomas F. Gaffney as attorney-in-fact for the Shareholders (the "Shareholders' Agent") for purposes of representing the interests of the Shareholders in the resolution of claims for indemnification hereunder and otherwise with respect to this Agreement. The Shareholders have authorized the Shareholders' Agent to take any and all actions on behalf of all the Shareholders in connection with this Agreement, including but not limited to amending this Agreement, and the Shareholders consent to and agree to be bound by any and all actions taken by the Shareholders' Agent.

2.02 LIABILITY. The Shareholders' Agent shall not be liable to any of the Shareholders for any error of judgment, any mistake of fact or law or any act done or omitted by him as the Shareholders' Agent in good faith, unless as the result of his willful misconduct.

2.03 VACANCIES. In case of the resignation, death or inability to act of Thomas F. Gaffney as the Shareholders' Agent, the Shareholders shall select a successor Shareholders' Agent by a majority vote, each Shareholder being entitled to one vote.

ARTICLE III
Indemnification and Other Payments

3.01 INDEMNIFICATION. Notwithstanding any investigation at any time made by or on behalf of Newell or any information Newell may have in respect of the business and assets of the Company, the Shareholders agree, severally and not jointly, to indemnify and hold Newell and its subsidiaries (including Acquisition) and affiliates (sometimes collectively referred to as "Newell") harmless from and against any and all claims, demands, liabilities, actions or causes of action, losses and damages, including but not limited to reasonable attorneys' fees, witness fees, and other out-of-pocket expenses and all fines, penalties, assessments, judgments and amounts paid in settlement (collectively, "Damages"), suffered or incurred by Newell arising out of, resulting from or in respect of the following:

(i) any inaccuracy in any representation or breach of any warranty made by or on behalf of the Company in or pursuant to the Reorganization Agreement or in any of the Related Documents;

(ii) any failure of the Company duly to perform or observe any term, provision, covenant, agreement or condition in the Reorganization Agreement or any of the Related Documents.

3.02 DETERMINATION OF DAMAGES. The aggregate liability of the Shareholders for Damages incurred pursuant to Section 3.01 of this Agreement shall be limited to the amount by which such Damages exceed $100,000.

3.03 INDEMNIFICATION NOTICE. Newell will give written notice (the "Indemnification Notice") to the Escrow Agent and the Shareholders' Agent of any claim which Newell discovers or of which it

receives notice which might give rise to a claim against the Escrow Property under Section 3.01 hereof (a "Claim"). Newell's right to indemnification from the Escrow Property shall apply only to those Claims of which Newell shall have given an Indemnification Notice to the Escrow Agent and the Shareholders' Agent not later than the first anniversary of the Effective Time. Any covenant, agreement, representation or warranty which is the subject of a Claim shall continue to survive until such claim is finally determined as herein provided.

3.04 CLAIMS AGAINST THE SHAREHOLDERS. The Shareholders' Agent shall have a period of 30 days from the date the Indemnification Notice is given to provide written notice ("Object" or an "Objection") to Newell and the Escrow Agent of an objection to the Claim identified in the Indemnification Notice. Such Objection shall be to the merits or the amount of the Claim or to both the merits and the amount of the Claim. Newell and the Shareholders' Agent shall discuss any Claim as to which the Shareholders' Agent objects and attempt to agree upon the amount which is to be paid to Newell with respect to such Claim. If and to the extent that Newell and the Shareholders' Agent agree that Newell is entitled to be indemnified for Damages with respect to any such Claim and the amount of such Damages, they shall give joint written notice to the Escrow Agent to that effect (a "Joint Notice"). If Newell and the Shareholders' Agent have not agreed as to whether

Newell is entitled to indemnification for Damages with respect to any such Claim and/or the amount of such Damages to which Newell is to be paid with respect to any such Claim within 30 days (which period may be extended upon the written agreement of Newell and the Shareholders' Agent and notice thereof given to the Escrow Agent) after the date the notice of Objection is given to Newell and the Escrow Agent, either party may thereafter institute an appropriate proceeding with respect to the matters which have not been agreed upon. Each of the parties hereto agrees that a final non-appealable judgment in any such proceeding brought in any such court shall be conclusive and binding on such party.

3.05 THIRD PARTY CLAIMS. In the event the Indemnification Notice relates to a Claim asserted against Newell by a third party, Newell shall give notice to the Shareholders' Agent within ten (10) days of its receipt of service of any suit or proceeding which may be the subject of a claim. The Shareholders shall have the right to undertake and control the defense of such Claim, provided that Newell shall have the right to participate in any such defense at its own expense. The Shareholders shall be required to seek the consent of Newell to any payment, compromise or settlement of such Claim, which consent shall not be unreasonably withheld; provided, that the Shareholders shall not be required to seek the consent of Newell to any payment, compromise or settlement the entire amount of which would be paid by parties other than Newell.

3.06 PAYMENT OF CLAIMS. The Escrow Agent shall continue to hold the Escrow Property pending the occurrence of any of the following: (a) receipt by the Escrow Agent of a Joint Notice; (b) receipt by the Escrow Agent of a true copy, certified by a court of competent jurisdiction, of a final order, judgment or decree establishing Newell's claim to indemnification. Upon receipt of either of the foregoing, the Escrow Agent shall deliver to Newell such portion of the Escrow Property (in accordance with the proportionate interests of the Shareholders) as shall equal 49% of the amount of the Damages or claim which is to be paid to Newell. For this purpose, the Escrow Shares shall be valued at $24.175 per share.

3.07 LIMITATION OF INDEMNIFICATION. Newell's rights to indemnification under this Agreement shall be limited to the Escrow Property. No Shareholder shall have any obligation to contribute additional cash or Newell stock to the Escrow Property or to indemnify Newell for any amount in excess of the Escrow Shares or Escrow Cash, as the case may be, contributed to the Escrow Property.

ARTICLE IV
Termination

4.01 TERMINATION DATE. The escrow created by this Agreement shall terminate on the first anniversary of the Effective Time or, if at that time a Claim or Claims made pursuant to Article III hereof is or are pending, upon the final resolution of the last such Claim (the "Termination Date").

4.02 DISTRIBUTION OF ESCROW PROPERTY. On the Termination Date, any remaining Escrow Shares shall be distributed to Gaffney and any

remaining Escrow Cash shall be distributed to the other Shareholders in accordance with their proportionate interests.

4.04 FRACTIONAL INTERESTS. No fractional share of Newell Common Stock shall be distributed and the Escrow Agent is authorized and directed to sell shares of Newell Common Stock in order to avoid distribution of fractional interests and to deliver the cash equivalent thereof.

ARTICLE V
The Escrow Agent

5.01 RIGHTS AND OBLIGATIONS. The Escrow Agent and any successor escrow agent shall at all times be a bank organized under the laws of the United States or any state having a reported capital and surplus of not less than $5,000,000, or having assets under management of not less than $100,000,000. The Escrow Agent (a) shall not be liable for any error of judgment, any mistake of fact or law or any act done or omitted by it in good faith, unless as the result of its gross negligence of willful misconduct; (b) shall be entitled to treat as genuine any letter or other document furnished to it by Newell, Acquisition or the Shareholders' Agent and believed by it to be genuine and to have been signed and presented by the proper party or parties; and (c) shall be paid by Newell for its services at its customary rates as in effect from time to time and its out-of-pocket expenses (including but not limited to the reasonable attorneys' fees and disbursements of its counsel); (d) shall be entitled to consult with counsel of its own choosing with respect to any matter that arises hereunder and shall not be liable for action taken or omitted to be taken by it in good faith, and in accordance with the advice of such counsel; (e) shall be entitled to resign and be discharged from its duties hereunder by giving written notice of such resignation to Newell and the Shareholders' Agent specifying a date not less than 30 business days following the date of such notice when such resignation shall take effect, at which time the successor escrow agent selected by Newell shall accept such appointment and the Escrow Property held hereunder; and (f) shall be indemnified and held harmless by Newell against any and all costs, expenses, damages and liabilities incurred by it hereunder except for those incurred by it as a result of its own willful misconduct or negligence.

ARTICLE VI
Miscellaneous

6.01 NOTICES. All notices and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered in person, (b) one business day after deposit with a nationally recognized overnight courier service, (c) two business days after being deposited in the United States mail, postage prepaid, first class, registered or certified mail, or (d) the business day on which it is sent and received by facsimile, as follows:

If to the Escrow Agent:
Firstar Trust Company Attention: Yvonne Siira

615 East Michigan Street
Milwaukee, WI 53202
Telephone: (414) 287-3928
Facsimile: (414) 287-3904

If to Newell:
Newell Co. Attention: William T. Alldredge
29 East Stephenson Street
Freeport, Illinois 61032
Facsimile: (608) 365-8290

and

Richard H. Wolff, Associate General Counsel
Newell Co.
4000 Auburn Street
Rockford, Illinois 61125-7018
Facsimile: (815) 969-6106

If to the Shareholders' Agent:
Mr. Thomas F. Gaffney
2091 Ocean View Drive
Tierra Verde, Florida 33715
Facsimile: (813) 866-3052

With a copy to:
Rex E. Schlaybaugh, Jr., Esq.
Dykema Gossett PLLC
1577 North Woodward Avenue
Suite 300
Bloomfield Hills, Michigan 48304
Facsimile: (810) 540-0763

6.02 HEADINGS AND DEFINITIONS. The section and subsection headings in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

6.03 GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

6.04 COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

* * * * * * *

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

NEWELL CO.

B y :
_____
T i t l e :
_____

"Escrow Shares" "Escrow Cash"
Shares Deposited
Cash Deposited
_____ _____

_____

6,348 N/A Thomas F. Gaffney

Address:

N/A $88,660

_____

James J. Prete

Address:

N/A $76,375

_____

Larry D. Adkisson

Address:

Attest: Firstar Trust Company, as Escrow Agent

_____ By:

_____

Title:

_____

SIGNATURE PAGE TO ESCROW AGREEMENT BY AND AMONG
NEWELL CO., THOMAS F. GAFFNEY, JAMES J. PRETE,
LARRY D. ADKISSON AND FIRSTAR TRUST COMPANY, AS ESCROW AGENT

EXHIBIT 5

SCHIFF HARDIN & WAITE
7300 Sears Tower
Chicago, Illinois 60606

August 23, 1995

Securities and Exchange Commission
Judiciary Plaza
450 Fifth Street, N.W.
Washington, D.C. 20549-1004

Re: NEWELL CO.
REGISTRATION STATEMENT ON FORM S-3

Ladies and Gentlemen:

We are acting as counsel for Newell Co., a Delaware corporation (the "Company"), in connection with the Company's filing of a Registration Statement on Form S-3 (the "Registration Statement") with the Securities and Exchange Commission covering the registration of 131,561 shares of common stock, par value $1.00 per share, of the Company and the related Preferred Stock Purchase Rights attached thereto (collectively the "Shares"), which are being offered for the account of a certain selling stockholder of the Company.

In this connection we have examined such documents and have made such factual and legal investigations as we have deemed necessary or appropriate for the purpose of this opinion.

Based upon the foregoing, it is our opinion that the Shares have been validly authorized and are legally issued, fully paid and non-assessable. We draw to your attention, however, that the Wisconsin Supreme Court has held that the provisions of a predecessor of Section 180.0622 of the Wisconsin Business Corporation Law relating to shareholders' liability for employee wages are applicable to foreign corporations qualified to do business in the State of Wisconsin, such as the Company.

We hereby consent to the filing of this opinion as Exhibit 5 to the Registration Statement and to the reference to us under the caption "Legal Opinion" in the Registration Statement.

Very truly yours,

SCHIFF HARDIN & WAITE

By: /s/Linda J. Wight
Linda Jeffries Wight

EXHIBIT 23.1

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement of our report dated January 28, 1995 included in Newell Co.'s Form 10-K for the year ended December 31, 1994 and to all references to our Firm included in this registration statement.

By: /s/Arthur Andersen LLP

ARTHUR ANDERSEN LLP

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Milwaukee, Wisconsin
August 22, 1995