

REGISTRATION NO. 333-71747

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 1
ON FORM S-3
TO
FORM S-4

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 (I.R.S. employer
incorporation or organization) identification no.)

Newell Center
29 East Stephenson Street
Freeport, Illinois 61032
(Address of principal executive offices, including zip code)

Dale L. Matschullat
Vice President-General Counsel
6833 Stalter Drive, Suite 101
Rockford, Illinois 61108
(Name and address of agent for service)

(815) 381-8110
(Telephone number, including area code, of agent for service)

Approximate Date of Commencement of Proposed Sale to the Public:
From time to time after the Registration Statement becomes effective.

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

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

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration

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statement number of the earlier effective registration statement for the same offering. []

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

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

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per share (1)	Proposed maximum aggregate offering price (1)	Amount of registration fee
Common Stock, \$1.00 par value (including Common Stock Purchase Rights)	1,000,000	(1)	(1)	(1)

(1) Registration fee with respect to these shares was previously paid in connection with the filing of Newell Co.'s Registration Statement on Form S-4 (File No. 333-71747) which was declared effective February 4, 1999. See Explanatory Note below.

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 will thereafter become effective in

accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission acting pursuant to said Section 8(a) may determine.

EXPLANATORY NOTE

Newell Co. hereby amends its Registration Statement on Form S-4 (File No. 333-71747), effective February 4, 1999 by filing this Post-Effective Amendment No. 1 on Form S-3 relating to 1,000,000 shares of common stock, \$1.00 par value per share (including associated common stock purchase rights) of Newell issuable under the Rubbermaid Incorporated Amended and Restated 1989 Stock Incentive and Option Plan.

On March 24, 1999, by virtue of a merger of Rooster Company, a wholly owned subsidiary of Newell, with and into Rubbermaid Incorporated, each outstanding share of common stock of Rubbermaid will be converted into .7883 shares of common stock of Newell.

Pursuant to the merger agreement, Rubbermaid and Newell have taken the necessary actions to cause the common stock of Newell to be issuable under the Option Plan when the merger is effective. Accordingly, Rubbermaid's common stock will be no longer issuable under the Option Plan.

This Registration Statement relates to 1,000,000 shares of common stock of Newell registered on the Form S-4 that will not be issued at the time of the merger and that are issuable under the Option Plan on and after the merger.

SUBJECT TO COMPLETION - DATED MARCH 23, 1999

PROSPECTUS

NEWELL CO.

1,000,000 Shares
Common Stock, \$1.00 Par Value

RUBBERMAID INCORPORATED AMENDED AND RESTATED
1989 STOCK INCENTIVE AND OPTION PLAN

This Prospectus relates to shares of common stock of Newell Co. which may be offered and sold upon the exercise of stock options and stock appreciation rights or the grant of stock awards under the Rubbermaid Incorporated Amended and Restated 1989 Stock Incentive and Option Plan.

Our common stock is traded on the New York Stock Exchange and the Chicago Stock Exchange under the symbol "NWL." On March 19, 1999, the closing sale price of the common stock on the New York Stock Exchange was \$47.25 per share.

The mailing address and telephone number of Newell's principal executive offices are: 29 East Stephenson Street, Freeport, Illinois 61032; telephone: (815) 235-4171.

This Prospectus should be retained for future reference.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this Prospectus is March ____, 1999

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not

soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

You should rely only on the information provided or incorporated by reference in this Prospectus. The information in this Prospectus is accurate as of the dates on these documents, and you should not assume that it is accurate as of any other date.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference rooms in Washington, D.C., New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public at the SEC's web site at <http://www.sec.gov>.

The SEC allows us to "incorporate by reference" into this prospectus the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until our offering is completed:

1. Annual Report on Form 10-K for the year ended December 31, 1998;
2. Current Report on Form 8-K filed with the SEC on March 11, 1999;
3. The description of our common stock contained in Newell's Registration Statement on Form 8-B filed with the Securities and Exchange Commission on June 30, 1987; and
4. The description of Newell's Rights contained in our Registration Statement on Form 8-A12B dated August 28, 1998.

You may request a copy of these filings at no cost, by writing to or telephoning us at the following address:

Newell Co.
6833 Stalter Drive
Suite 101
Rockford, Illinois 61108
Tel: 1-800-424-1941
Attn: Office of Investor Relations

You should rely only on the information incorporated by reference or provided in this prospectus. We have not authorized anyone else to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus is accurate as of any date other than the date on the front of the document.

NEWELL

Newell is a manufacturer and full-service marketer of staple consumer products sold to high-volume purchasers, including home centers and hardware stores, office superstores and contract stationers, discount stores and warehouse clubs, department and specialty stores, and drug

and grocery stores. Newell's basic business strategy is to merchandise a multi-product offering of brand name consumer products, which are concentrated in product categories with relatively steady demand not dependent on changes in fashion, technology or season, and to differentiate itself by emphasizing superior customer service. Newell's multi-product offering consists of staple consumer products in three major product groups: Hardware and Home Furnishings, Office Products, and Housewares.

Newell believes that its primary competitive strengths are superior customer service, innovative marketing and merchandising programs, a broad multi-product offering, market leadership in virtually all product categories, decentralized manufacturing and marketing, centralized administration, and experienced management. Newell uses industry leading technology which contributes to its consistent on time delivery of products to its customers.

Newell's principal corporate offices are located at the Newell Center, 29 East Stephenson Street, Freeport, Illinois 61032, and its telephone number at these offices is 1-815-235-4171.

On March 24, 1999, Rubbermaid Incorporated was merged with Newell. Rubbermaid and its subsidiaries manufacture, market, sell and distribute products for resale in the consumer, commercial, industrial, institutional, specialty, agricultural and contract markets. The items produced and marketed by Rubbermaid are principally in the home, juvenile, infant and commercial products categories, and include such product lines as: housewares, hardware, storage and organizational products, seasonal items, leisure and recreational products, infant furnishings, children's toys and products, commercial and industrial maintenance products, home health care products, sanitary maintenance items, and food service products. Rubbermaid's broad range of products are sold and distributed through its own sales personnel and manufacturers' agents to a variety of retailers and wholesalers, including discount stores and warehouse clubs, toy stores, home centers and hardware stores, supermarkets, catalog showrooms and distributors serving institutional markets. Rubbermaid's basic strategy is to market branded, high-quality products that offer high value to customers and consumers. Value is that best combination of quality, service, timeliness, innovation and price as perceived by the user.

THE RUBBERMAID INCORPORATED AMENDED AND RESTATED
1989 STOCK INCENTIVE AND STOCK OPTION PLAN

The following is a description of the Plan. This description summarizes certain material provisions of the Plan, and is qualified in its entirety by reference to the Plan. Any term used in the description and not otherwise defined will have the meaning set forth in the Plan.

GENERAL

The Plan was originally adopted by the Board of Directors (the "Board") and shareholders of Rubbermaid (the "Company") on April 25, 1989. The Plan was most recently amended and restated effective April 22, 1997 pursuant to approval by the Board and shareholders of the Company. The Plan provides for the grant to eligible participants of incentive or non-qualified stock options ("Stock Options") to purchase Common Shares, stock appreciation rights ("SARs"), awards of Common Shares subject to restrictions on transfer ("Restricted Stock") and performance awards ("Performance Awards") Stock Options, SARs, Restricted Stock and Performance Awards are collectively referred to as "Stock Incentives". Each grant of a Stock Incentive will be evidenced by an agreement between the Company and the Plan participant.

The total number of Common Shares that may be issued in connection with Stock Incentives granted under the Plan in any calendar year is equal to 1% of the total outstanding Common Shares as of the first day of such year. With respect to incentive stock options granted under the Plan, the maximum number of Common Shares that may be issued under the Plan is 5,000,000. The Common Shares issuable under the Plan may be unissued or treasury shares.

The Plan is not subject to the Employee Retirement Income Security Act of 1974, as amended.

EFFECT OF MERGER OF THE COMPANY INTO NEWELL

In connection with the merger of the Company into Newell on March 24, 1999, each Stock Incentive outstanding under the Plan at the time of the merger will be converted into the same instrument, but with the right to receive Newell common stock.

Under this conversion process, therefore, each Stock Option will be converted into an option to purchase the number of shares of Newell common stock equal to .7883 multiplied by the number of shares of Rubbermaid Common Shares which could have been obtained prior to the merger upon the exercise of the Rubbermaid Stock Option. The converted option will have an exercise price per share equal to the exercise price for each Rubbermaid Common Share subject to the converted option divided by .7883.

Each outstanding SAR, Restricted Stock and Performance Award will be converted into the same instrument of Newell. The awards will be converted, in each case, only with those adjustments to the terms of the awards as are necessary to preserve the value inherent in the awards with no detrimental effects on the holders of the awards.

After the merger date, the terms of the Plan as described in this Prospectus and each participant's stock incentive agreement will continue to apply in all other respects.

PURPOSE OF THE PLAN

The purpose of the Plan is to reward performance and build each participant's equity interest in the stock of the Company by providing long term incentives and rewards to directors and officers and other key employees of the Company and its subsidiaries who contribute to its continuing success by their innovation, ability, industry, loyalty and exceptional service.

TERM OF THE PLAN

The Plan, as amended and restated, became effective on April 22, 1997 and will remain in effect until all shares authorized to be issued under the Plan have been exhausted or until the Plan is sooner terminated by the Board. The Plan will continue in effect with respect to any Stock Incentives outstanding at the time of such termination.

ADMINISTRATION OF THE PLAN

The Plan is administered by the Compensation and Management Development Committee of the Board (the "Committee") consisting of three or more directors appointed by the Board. Unless the Board determines otherwise, each member of the Committee must be an "outside directors" as defined under Section 16.2(m) of the Internal Revenue Code of 1986, as amended (the "Code"), and a "non-employee" director as defined under Rule 16b-3 of the 1934 Act.

Subject to the terms of the Plan, the Committee is authorized to interpret and administer the Plan, select participants in the Plan, determine the type and amount of Stock Incentives to be granted to each participant, and determine the terms and conditions of Stock Incentives granted under the Plan. Decisions by the Committee are final, binding and conclusive on the Company, its shareholders and the participants in the Plan.

PARTICIPANTS

All directors, officers, and other employees of the Company or its subsidiaries are eligible to participate in the Plan. Participation in the Plan is limited to those selected by the Committee.

TERMS OF STOCK INCENTIVES UNDER THE PLAN

RESTRICTED STOCK. The Committee may grant Restricted Stock under the Plan to such participants and in such amounts as it determines. Restricted Stock awards shall specify the applicable restrictions on the shares, the duration of any such restrictions and the conditions under which the Restricted Stock may be forfeited to the Company. Notwithstanding the foregoing, the Committee may modify or accelerate the vesting of shares of Restricted Stock. In addition, Restricted Stock will be forfeited to the Company of the participant terminates

employment with the Company (for any reason other than death, disability or retirement) prior to the lapse of restrictions on the award.

Recipients of Restricted Stock become shareholders of the Company with full dividend and voting rights unless the Committee provides otherwise at the time of grant or until such Restricted Stock is forfeited. Certificates evidencing the Restricted Stock will be held by the Company. Upon the expiration of the restricted period and the satisfaction of any other restrictions specified by the Committee at the time of grant, the Company will deliver to the participant stock certificates representing the number of Common Shares on which all restrictions have lapsed.

The Plan limits the number of shares of Restricted Stock that may be granted to each participant during any calendar year to that number of shares with a value at the time of grant equal to the lesser of 500% of the participant's base salary or \$2,000,000.

A recipient of Restricted Stock cannot pledge, assign or transfer the Restricted Stock prior to the lapse of restrictions on the award during such participant's lifetime. Any such attempted transfer is null and void and will result in the forfeiture of the Restricted Stock to the Company.

PERFORMANCE AWARDS. The Committee may grant to participants Performance Awards that may be earned over a specified period of time and that are contingent upon the attainment of performance goals by the Company or its subsidiaries. The Committee has discretion to determine the period of time over which performance is measured and to establish the performance goals. At the time of grant, the Committee shall fix the number of Common Shares that can be earned by a participant by achieving the performance goals. The level of performance goals attained will determine the number of Common Shares earned over the performance period by the participant. With respect to Performance Awards that qualify as "performance based" as defined in Section 162(m) of the Code, the Committee cannot increase the amount of the award upon attainment of the applicable performance goals. The Plan does not preclude the Committee from exercising negative discretion with respect to any Performance Award (i.e., to reduce or eliminate the award payable).

The Committee establishes performance goals on the basis of one or more of the following factors: return on net assets, return on capital employed, economic value added, level of sales, earnings per share, income before taxes and cumulative effect of accounting changes, net income, return on equity, total shareholder return, market valuation, cash flow and completion of acquisitions.

The Committee, in its discretion, may elect to make the payment of Performance Awards in Restricted Shares, Common Shares, cash or any combination of the foregoing. The Committee may delay payment of a Performance Award, in whole or in part, until such payment is

deductible by the Company based on Section 162(m) of the Code. Recipients of Performance Awards payable in Common Shares or Restricted Shares become shareholders of the Company at the time of grant with full dividend and voting rights except to the extent the Committee provides otherwise.

In addition to any specific provisions on forfeiture provided for at the time of grant by the Committee, Performance Awards will be forfeited to the Company if the participant terminates employment (other than upon death, disability or retirement) with the Company or any of its subsidiaries prior to completion of the performance period. The Committee may provide for full or partial payment of the Performance Award that would have been payable if the participant had continued employment for the entire performance period as long as the Performance Award qualifies as "performance based" within the meaning of Section 162(m).

The Plan limits the number of Performance Awards that may be granted during any calendar year to each participant to that number of shares with a value at the time of grant equal to the lesser of 500% of the participant's base salary or \$2,000,000.

A participant cannot pledge, assign or transfer Performance Awards prior to the lapse of restrictions on such awards during such participant's lifetime. Any such attempted transfer is null and void and will result in the forfeiture of the Performance Award to the Company.

STOCK OPTIONS. The Committee may grant eligible participants Stock Options that either qualify as incentive stock options ("Incentive Stock Options") under Section 422 of the Code or do not so qualify ("Non-qualified Stock Options"). Options may be granted for such lawful consideration as the Committee may determine. Such consideration may consist of money or other property, tangible or intangible, or labor or services received or to be received by the Company.

The price of each Common Share purchasable under a Stock Option will be not less than the fair market value of a Common Share on the date the Stock Option is granted. In the case of a participant who at the date of grant is an Incentive Stock Option owns more than 10% of the total combined voting power of all classes of stock of the Company or its subsidiaries (as determined under Section 425(d) of the Code), the exercise price will not be less than 110% of the fair market value of the Common Share on the date the Incentive Stock Option is granted.

A Stock Option is not exercisable after the tenth anniversary of the date of grant or, the fifth anniversary after the date of grant of an Incentive Stock Option in the case of a participant who at the date of grant owned more than 10% of the total combined voting power of all classes or stock of the Company or its subsidiaries. Stock Options may be exercised during such periods before and after the participant terminates employment or ceases to serve as a director, as the

Committee may provide. The Committee may, at any time and without additional consideration, accelerate the date on which a Stock Option becomes exercisable.

Each Stock Option may be exercised during the holder's lifetime, only by the holder or the holder's guardian or legal representatives, and after death only by the holder's beneficiary or, absent a beneficiary, by the estate or by a person who acquired the right to exercise the Stock Option by will or the laws of descent and distribution. Stock Options may become exercisable in full at the time of grant or at such other times and in such installments as the Committee may determine.

A participant can exercise a Stock Option in whole or in part by providing written notice of exercise on a proper form to the Company specifying the number of shares to be purchased. Such notice shall be accompanied by full payment of the purchase price. The purchase price may be paid in cash, in Common Shares or other property, by the surrender of all or part of the Stock Option being exercised, by the immediate sale through a broker of that number of shares being acquired sufficient to pay the purchase price, or by a combination of these methods, as and to the extent permitted by the Committee.

The aggregate fair market value of the shares to be purchased in connection with the first exercise of Incentive Stock Options granted to any employee during any calendar year (under all stock option plans of Rubbermaid and its subsidiaries) may not exceed \$100,000. The maximum number of Common Shares subject to Stock Options that can be granted to a participant during each calendar year is 500,000.

Under the Plan, the Committee may permit participants to transfer Stock Options to eligible transferees (as such eligibility is determined by the Committee).

STOCK APPRECIATION RIGHTS. An SAR may be granted alone or in tandem with options, either at the time the options are granted or at any time thereafter while the options are outstanding. Tandem SARs may supplement the options to which they relate, in which case the holder may exercise the SAR if and when the holder exercises the related option. They may also be alternatives to the options to which they relate, in which case upon exercise of the SAR, the holder must surrender the related option unexercised, or upon exercise of the option, the holder must surrender the related SAR.

Under the Plan, the Committee may permit participants to transfer SARs to eligible transferees (as such eligibility is determined by the Committee). SARs may be granted for such lawful consideration as the Committee may determine when the SARs are granted. Such consideration may consist of money or other property, tangible or intangible, or labor or services received or to be received by the Company.

SARs may become exercisable in full at the time of grant or in one or more installments, and at such time or times as determined by

the Committee. The Committee may accelerate the date on which an SAR is exercisable. SARs, to the extent they become exercisable, may be exercised at any time until they expire or terminate. No free standing SAR is exercisable after the tenth anniversary of the date of grant, and no tandem SAR is exercisable after the related option ceases to be exercisable. Unless otherwise determined by the Committee, each SAR may be exercised, during the holder's lifetime, only by the holder or the holder's guardian or legal representatives and after death only by the holder's beneficiary or, absent a beneficiary, by the estate or by a person who acquired the right to exercise the SAR by will or the laws of descent and distribution.

Upon exercise of SARs, the holder will receive cash, Common Shares or a combination of each, as the Committee may determine, equal in value to the difference between the fair market value per Common Share on the date of exercise of the SARs and the exercise price of the SARs, multiplied by the number of shares subject to the SARs or related option. However, the Committee may provide if any holder exercises SARs during the thirty-day period following a Change in Control (as defined in the Plan), the holder will receive the difference between the highest fair market value of the Common Share during such thirty-day period and the exercise price of the SARs, multiplied by the number of shares subject to the SARs or related option. In the case of tandem SARs, the exercise price is the price at which shares may be purchased under the related option. In the case of SARs that are not granted in tandem with an option, the exercise price will be the fair market value of the Common Share on the date the SAR is granted.

The maximum number of Common Shares subject to SARs that can be granted to a participant during each calendar year is 500,000.

EFFECT OF CHANGE IN CONTROL

In the event of a change in control (as such term is defined pursuant to the terms of the Plan), each outstanding Restricted Stock award and Performance Award will become fully vested as of the day before such event occurs. This will result in the lapse of all restrictions on such Restricted Stock awards and Performance Awards, regardless, in the case of Performance Awards, of any unachieved performance goal. Any option or SAR which is outstanding but not yet exercisable at the time of a Change in Control will become exercisable and remain exercisable until it expires or terminates pursuant to its terms and conditions. In addition, the Plan authorizes the Committee to grant options and SARs which become exercisable only in the event of a Change in Control, to provide for SARs to be exercised automatically and only in case of such an event, and to provide for cash to be paid in settlement of any Stock Incentive in such event.

AMENDMENT AND TERMINATION

Subject to any applicable shareholder approval requirements of applicable law or the rules of the New York Stock Exchange, the Plan

may be amended by the Board, without shareholder approval, provided that no such amendment may increase the number of shares which may be issued under Incentive Stock Options or change the material terms of a performance goal that were previously approved by shareholders unless the Board determines such approval is not necessary to avoid loss of a deduction under Section 162(m), will not avoid such loss of deduction, or is not advisable. In addition, the Board may terminate the Plan at any time. No amendment or termination shall adversely affect any Stock Incentive granted prior to the date of such amendment or termination without the written consent of the participant.

The Committee may amend any outstanding Stock Incentive as it deems appropriate, provided that if the amendment is adverse to the holder, the holder's consent to such amendment is required.

FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

The following brief description of the tax consequences of awards under the Plan is based on federal income tax laws currently in effect and does not purport to be a complete description of such federal income tax consequences.

RESTRICTED STOCK AWARDS AND PERFORMANCE AWARDS

A participant who has been awarded Restricted Stock or shares pursuant to a Performance Award ("Performance Shares") and does not make an election under Section 83(b) of the Code will not recognize taxable income at the time of the award. At the time any transfer or forfeiture restrictions applicable to the Restricted Stock award or Performance Award lapse, the recipient will recognize ordinary income and the Company will be entitled to a corresponding deduction equal to the excess of the fair market value of such stock at such time over the amount paid therefor. Any dividends paid to the recipient on the Restricted Stock or Performance Award at or prior to such time will be ordinary compensation income to the recipient and deductible as such by the Company.

An employee who has been awarded Restriction Stock or Performance Shares and makes an election under Section 83(b) of the Code will recognize ordinary income at the time of the award and the Company will be entitled to a corresponding deduction equal to the fair market value of such stock at such time over the amount paid therefor. Any dividends subsequently paid to the recipient on the Restricted Stock or Performance Award will be dividend income to the recipient and not deductible by the Company. If an election under Section 83(b) has been made, there are no further federal income tax consequences either to the recipient or the Company at the time any transfer or forfeiture restrictions applicable to the Restricted Stock award or Performance Award lapse.

OPTIONS

There are no federal income tax consequences either to the optionee or to the Company upon the grant of an Incentive Stock Option or a Non-qualified Stock Option.

On the exercise of an Incentive Stock Option during employment or within three months thereafter (twelve months in the case of death or disability), the optionee will not recognize any income and the Company will not be entitled to a deduction, although the excess of the fair market value of the shares on the date of exercise over the option price is includible in the optionee's alternative minimum taxable income, which may give rise to alternative minimum tax liability for the optionee. Generally, if the optionee disposes of share acquired upon exercise of an Incentive Stock Option within two years of the date of grant or one year of the date of exercise, the optionee will recognize ordinary income, and the Company will be entitled to a deduction, equal to the excess of the fair market value of the shares on the date of exercise over the option price (limited generally to the gain on the sale). The balance of any gain or loss will be treated as a capital gain or loss to the optionee. If the shares are disposed of after the two year and one year periods mentioned above, the Company will not be entitled to any deduction, and the entire gain or loss for the optionee will be treated as a capital gain or loss.

On exercise of a Non-qualified Stock Option, the excess of the date-of-exercise fair market value of the shares acquired over the option price will generally be taxable to the optionee as ordinary income and deductible by the Company, and the Company is required to withhold taxes in respect of the exercise. A subsequent disposition of shares acquired upon the exercise of a Non-qualified Stock Option will generally result in a capital gain or loss for the optionee, but will have no tax consequences for the Company.

STOCK APPRECIATION RIGHTS

There are no federal income tax consequences either to the grantee or the Company upon the grant of SARs. The amount of any cash (or the fair market value of any Common Shares) received by the holder upon the exercise of SARs under the Plan will be subject to ordinary income tax in the year of receipt and the Company will be entitled to a deduction of such amount.

THE FEDERAL INCOME TAX DISCUSSION SET FORTH IN THIS SECTION IS INCLUDED FOR GENERAL INFORMATION ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES. THE DISCUSSION DOES NOT ADDRESS THE TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCALITY OR FOREIGN JURISDICTION. THE DISCUSSION IS BASED UPON THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, TREASURY REGULATIONS THEREUNDER AND ADMINISTRATIVE RULINGS AND COURT DECISIONS AS OF THE DATE HEREOF. ALL OF THE FOREGOING ARE SUBJECT TO CHANGE AND

ANY SUCH CHANGE COULD AFFECT THE CONTINUING VALIDITY OF THE DISCUSSION. PLAN PARTICIPANTS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM, INCLUDING THE EFFECT OF FOREIGN, STATE AND LOCAL TAXES.

LIMITATION OF LIABILITY

Neither Newell, Rubbermaid, its agent (including Newell or Rubbermaid if it is acting as such) in administering the Plan, nor the agent shall be liable for any act done in good faith or for the good faith omission to act in connection with the Plan. However, nothing contained herein shall affect a Participant's right to bring a cause of action based on alleged violations of federal securities laws.

USE OF PROCEEDS

Newell intends to use any net proceeds from the issuance of its common stock in connection with a participant's exercise of an option under the Plan for general corporate purposes.

PLAN OF DISTRIBUTION

The common stock being offered hereby is offered pursuant to the Plan, the terms of which provide for the issuance of common stock in connection with the exercise of a stock option or stock appreciation right or the attainment of certain pre-established performance goals.

DESCRIPTION OF COMMON SHARES

Newell's certificate of incorporation authorizes the issuance of 400,000,000 shares of Common Stock, of which 162,728,371 were issued and outstanding on February 8, 1999. The description of the Common Stock is incorporated by reference into this Prospectus. See "Incorporation of Information by Reference" for information on how to obtain a copy of this description.

EXPERTS

The consolidated financial statements of Newell set forth in Newell's Annual Report on Form 10-K for the fiscal year ended December 31, 1998 have been audited by Arthur Andersen LLP, independent accountants, as stated in their report dated January 27, 1999 included in the Form 10-K and incorporated by reference in this document. Those consolidated financial statements have been incorporated by reference in this document and in reliance upon Arthur Andersen LLP's report given upon the authority of that firm as experts in accounting and auditing.

LEGAL MATTERS

Certain legal matters in connection with the Common Stock offered hereby have been passed upon for Newell by Schiff Hardin & Waite, Chicago, Illinois. Schiff Hardin & Waite has advised Newell that a member of the firm participating in the representation of Newell owns approximately 3,900 shares of Newell common stock.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The estimated expenses in connection with the offering are as follows:

Registration fee under the Securities Act	\$ 0
Legal fees and expenses	\$25,000
Accounting fees and expenses	\$ 5,000
Miscellaneous	\$15,000
Total	\$45,000

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 102 of the Delaware law allows a corporation to eliminate the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except in cases where the director breached his or her duty of loyalty to the corporation or its stockholders, failed to act in good faith, engaged in intentional misconduct or a knowing violation of the law, willfully or negligently authorized the unlawful payment of a dividend or approved an unlawful stock redemption or repurchase or obtained an improper personal benefit. Newell's Charter contains a provision which eliminates directors' personal liability as set forth above.

The Charter and the Bylaws of Newell provide in effect that Newell shall indemnify its directors and officers to the extent permitted by the Delaware law. Section 145 of the Delaware law provides that a Delaware corporation has the power to indemnify its directors, officers, employees and agents in certain circumstances.

Subsection (a) of Section 145 of the Delaware law empowers a corporation to indemnify any director, officer, employee or agent, or former director, officer, employee or agent, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding provided that such director, officer, employee or agent acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, provided that such director, officer, employee or agent had no reasonable cause to believe that his or her conduct was unlawful.

Subsection (b) of Section 145 of the Delaware law empowers a corporation to indemnify any director, officer, employee or agent, or former director, officer, employee or agent, who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person acted in any of the capacities set forth above, against expenses (including attorneys' fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit provided that such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery shall determine that despite the adjudication of liability such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Section 145 further provides that to the extent that a director or officer or employee of a corporation has been successful in the defense of any action, suit or proceeding referred to in subsections (a) and (b) or in the defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith; that indemnification provided by Section 145 shall not be deemed exclusive of any other rights to which the party seeking indemnification may be entitled; and the corporation is empowered to purchase and maintain insurance on behalf of a director, officer, employee or agent of the corporation against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of his or her status as such whether or not the corporation would have the power to indemnify him or her against such liabilities under Section 145; and that, unless indemnification is ordered by a court, the determination that indemnification under subsections (a) and (b) of Section 145 is proper because the director, officer, employee or agent has met the applicable standard of conduct under such subsections shall be made by (1) a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (2) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (3) by the stockholders.

Newell has in effect insurance policies for general officers' and directors' liability insurance covering all of Newell's officers and directors. Newell also has entered into indemnification agreements with each of its officers and directors that provide that the officers and directors will be entitled to their indemnification rights as they existed at the time they entered into the agreements, regardless of subsequent changes in Newell's indemnification policy.

Pursuant to an Agreement and Plan of Merger by and between Newell Co., Rooster Company and Rubbermaid Incorporated dated as of October

20, 1998 (the "Merger Agreement"), Newell will, to the fullest extent not prohibited by applicable law, indemnify, defend and hold harmless each person who is now, or has been at any time prior to the date of the merger agreement, or who becomes prior to the Effective Time (as defined in the Merger Agreement), an officer, director or employee of Rubbermaid or any of its subsidiaries against any losses, expenses, claims, damages or liabilities (1) arising out of acts or omissions occurring at or prior to the Effective Time that are based on or arising out of the fact that such person is or was a director, officer or employee of Rubbermaid or any of its subsidiaries or served as a fiduciary under or with respect to any Rubbermaid employee benefit plan and (2) to the extent they are based on or arise out of the transactions contemplated by the Merger Agreement. In addition, from and after the Effective Time, directors and officers of Rubbermaid who become directors or officers of Newell will be entitled to indemnification under the Charter and the Bylaws of Newell, as the same may be amended from time to time in accordance with their terms and applicable law, and to all other indemnity rights and protections as are afforded to other directors and officers of Newell.

Additionally, for six years after the Effective Time, Newell will maintain in effect Rubbermaid's current directors' and officers' liability insurance covering acts or omissions occurring prior to the Effective Time with respect to those persons who are currently covered by Rubbermaid's directors' and officers' liability insurance policy on terms with respect to such coverage and amount no less favorable than those of such policy in effect on the date of the Merger Agreement; provided that Newell may substitute policies of Newell or its subsidiaries containing terms with respect to coverage and amount no less favorable to such directors or officers. Newell will not be required to pay aggregate premiums for the insurance described in this paragraph in excess of 200% of the aggregate premiums paid by Rubbermaid in 1998, except that if the annual premiums of such insurance coverage exceed such amount, Newell will be obligated to obtain a policy with the best coverage available, in the reasonable judgment of Newell's Board, for a cost up to but not exceeding such amount.

For six years after the Effective Time, Newell will also maintain in effect Rubbermaid's current fiduciary liability insurance policies for employees who serve or have served as fiduciaries under any Rubbermaid benefit plan with coverages and in amounts no less favorable than those of such policy in effect on the date of the Merger Agreement.

ITEM 16. EXHIBITS.

The Exhibits filed herewith are set forth on the Exhibit Index filed as part of this Registration Statement.

ITEM 17. UNDERTAKINGS.

(a) Newell hereby undertakes:

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

- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act;
- (ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 242(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and
- (iii) To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

PROVIDED, HOWEVER, that paragraphs (a)(1)(i) and (a)(1)(ii) of this section 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 with or furnished to the Commission by Newell pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, 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.

(b) Newell hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of Newell's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15 (d) of the Exchange Act) that is incorporated by reference in this 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.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of Newell pursuant to the foregoing provisions, or otherwise, Newell has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by Newell of expenses incurred or paid by a director, officer or controlling person of Newell 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, Newell will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant hereby 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 the 10th day of March, 1999.

NEWELL CO.

By: /s/ Dale L. Matschullat

Dale L. Matschullat
Vice President - General

Counsel

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

Signature -----	Title -----	Date -----
*John J. McDonough ----- John J. McDonough	Vice Chairman and Chief Executive Officer (Principal Executive Officer) and Director	
*Thomas A. Ferguson, Jr. ----- Thomas A. Ferguson, Jr.	President and Chief Operating Officer and Director	
*Donald L. Krause ----- Donald L. Krause	Senior Vice President - Corporate Controller (Principal Accounting Officer)	
*William T. Alldredge ----- William T. Alldredge	Vice President - Finance (Principal Financial Officer)	
*William P. Sovey ----- William P. Sovey	Chairman of the Board of Directors	
*Alton F. Doody ----- Alton F. Doody	Director	

*Gary H. Driggs Director

Gary H. Driggs

*Daniel C. Ferguson Director

Daniel C. Ferguson

*Robert L. Katz Director

Robert L. Katz

*Elizabeth Cuthbert Millett Director

Elizabeth Cuthbert Millett

*Cynthia A. Montgomery Director

Cynthia A. Montgomery

*Allan P. Newell Director

Allan P. Newell

*Henry B. Pearsall Director

Henry B. Pearsall

*By: /s/ Dale L. Matschullat

Dale L. Matschullat
Attorney-in-Fact

March 10, 1999

INDEX TO EXHIBITS

Exhibit Number -----	Exhibit -----
2*	Agreement and Plan of Merger dated as of October 20, 1998, among Newell, Rubbermaid and Rooster Company (incorporated by reference to Annex A to the joint proxy statement/prospectus contained in Newell's Registration Statement on Form S-4 (File No. 333-71747) effective February 4, 1999.
4.1	Rubbermaid Incorporated Amended and Restated 1989 Stock Incentive and Option Plan.
4.2*	Rights Agreement, dated as of August 6, 1998, between Newell and First Chicago Trust Company of New York (incorporated by reference to Exhibit I to Newell's Registration Statement on Form 8-A12B (Reg. No. 1-09608), filed with the Commission on August 28, 1998).
5.1*	Opinion of Schiff Hardin & Waite.
5.2	Supplemental Opinion of Schiff Hardin & Waite.
23.1*	Consent of Arthur Andersen LLP.
23.2	Supplemental Consent of Arthur Andersen LLP.
23.3*	Consent of Schiff Hardin & Waite (included in its opinion filed as Exhibit 5.1 in this Registration Statement).
23.4	Supplemental Consent of Schiff Hardin & Waite (included in its opinion filed as Exhibit 5.2 in this Registration Statement).
24*	Power of Attorney (set forth on the signature page of the S-4 Registration Statement).

* Previously filed.

RUBBERMAID INCORPORATED
 AMENDED AND RESTATED
 1989 STOCK INCENTIVE AND OPTION PLAN

PREAMBLE

The purpose of this Plan is to reward performance and to build each Participant's equity interest in the stock of Rubbermaid Incorporated by providing long term incentives and rewards to directors and officers and other key employees of the Company and its subsidiaries who contribute to its continuing success by their innovation, ability, industry, loyalty and exceptional service. This Plan was originally approved by shareholders at the 1989 Annual Meeting and subsequently amended and approved by shareholders at the 1994 Annual Meeting.

SECTION I
 DEFINITIONS

BENEFICIARY

1.01 "Beneficiary" means a person or entity (including a trust or estate), designated in writing by a Holder on such forms and in accordance with such terms and conditions as the Committee may prescribe, to whom the Holder's Stock Incentives and related rights and privileges under the Plan shall pass in the event of the death of the Holder.

BOARD OR BOARD OF DIRECTORS

1.02 "Board" or "Board of Directors" means the Board of Directors of Rubbermaid Incorporated, as constituted from time to time.

CHANGE IN CONTROL

1.03 "Change in Control" means the occurrence of any of the following events:

(i) The Company is merged, consolidated or reorganized into or with another corporation or other legal person, and as a result of such merger, consolidation or reorganization less than two-thirds of the combined voting power of the then-outstanding securities of such corporation or person immediately after such transaction are held in the aggregate by the holders of the combined voting power of the then-outstanding securities entitled to vote generally in the election of directors ("Voting Stock") of the Company immediately prior to such transaction;

(ii) The Company sells or otherwise transfers all or substantially all of its assets to another corporation or other legal entity, and as a result of such sale or transfer less

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than two-thirds of the combined voting power of the then-outstanding securities of such corporation or entity immediately after such sale or transfer is held in the aggregate by the holders of Voting Stock of the Company immediately prior to such sale or transfer;

(iii) There is a report filed on Schedule 13D or Schedule 14D-1 (or any successor schedule, form or report), each as promulgated pursuant to the Exchange Act, disclosing that any person (as the term "person" is used in Section 13(d)(3) or Section 14(d)(2) of the Exchange Act) has become the beneficial owner (as the term "beneficial owner" is defined under Rule 13d-3 or any successor rule or regulation promulgated under the Exchange Act) of securities representing 15% or more of the Voting Stock of the Company;

(iv) The Company files a report or proxy statement with the Securities and Exchange Commission pursuant to the Exchange Act disclosing in response to Form 8-K or Schedule 14A (or any successor schedule, form or report or item therein) that a Change in Control of the Company has occurred or will occur in the future pursuant to any then-existing contract or transaction; or

(v) If, during any period of two consecutive years, individuals who at the beginning of any such period constitute the Directors of the Company cease for any reason to constitute at least a majority thereof; provided, however, that for purposes of this clause (v) each Director who is first elected, or first nominated for election by the holders of the Voting Stock, by a vote of at least two-thirds of the Directors of the

Company (or a committee thereof) then still in office who were Directors of the Company at the beginning of any such period will be deemed to have been a Director of the Company at the beginning of such period.

Notwithstanding the foregoing provisions of Sections 1.03(iii) or 1.03(iv), unless otherwise determined in a specific case by majority vote of the Board, a Change in Control shall not be deemed to have occurred for purposes of Sections 1.03(iii) or 1.03(iv) solely because (1) the Company, (2) a Subsidiary, or (3) any employee stock ownership plan or any other employee benefit plan of the Company or any Subsidiary either files or becomes obligated to file a report or a proxy statement under or in response to Schedule 13D, Schedule 14D-1, Form 8-K or Schedule 14A (or any successor schedule, form or report or item therein) under the Exchange Act disclosing beneficial ownership by it of shares of Voting Stock, whether in excess of 15% or otherwise, or because the Company reports that a change in control of the Company has occurred or will occur in the future by reason of such beneficial ownership.

CODE

- 1.04 "Code" means the Internal Revenue Code of 1986, as amended and in effect from time to time. References to a particular Section of the Code shall include references to any related Treasury Regulations and to successor Sections of the Code.

COMMITTEE

- 1.05 "Committee" means the Compensation and Management Development Committee of the Board of Directors or such other committee or subcommittee designated by the Board of Directors to administer the Plan.

COMMON SHARES

- 1.06 "Common Shares" means common stock of the Company, par value \$1.00 per share.

COMPANY

- 1.07 "Company" means Rubbermaid Incorporated, an Ohio corporation, its successors and assigns.

DIRECTOR

- 1.08 "Director" means a director of the Company.

EMPLOYEE

- 1.09 "Employee" means a key employee of the Company or a Subsidiary, regularly employed on a full-time basis, including an officer or Director if he is such an employee.

EXCHANGE ACT

- 1.10 "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

FAIR MARKET VALUE

- 1.11 "Fair Market Value" on a particular date means the mean between the high and low sales price of a Common Share on the New York Stock Exchange on such date as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange. If there were no sales on such date reported as provided above, the respective prices on the most recent prior day on which a sale was so reported.

In the case of an Incentive Stock Option, if the foregoing method of determining fair market value should be inconsistent with Section 422 of the Code, "Fair Market Value" shall be

determined by the Committee in a manner consistent with such Section of the Code and shall mean the value as so determined.

HOLDER

- 1.12 "Holder" means the Participant or eligible transferee (as such eligibility may be determined from time to time by the Committee) who holds a Stock Incentive.

INCENTIVE STOCK OPTION

- 1.13 "Incentive Stock Option" means an Option intended to meet the requirements of Section 422 of the Code.

NON-STATUTORY STOCK OPTION

- 1.14 "Non-Statutory Stock Option" means an Option which is not intended to be an Incentive Stock Option.

OPTION

- 1.15 "Option" means an option granted under this Plan to purchase Common Shares. Options may be Incentive Stock Options or Non-Statutory Stock Options.

PARTICIPANT

- 1.16 "Participant" means a Director, officer or other Employee selected by the Committee to participate in this Plan.

PERFORMANCE AWARD

- 1.17 "Performance Award" means an award of Performance Shares to a Participant, which is contingent upon the attainment of performance objectives determined in the discretion of the Committee as more fully set forth in Section VI hereof.

PERFORMANCE GOALS

- 1.18 "Performance Goals" shall have the meaning ascribed to it at Section 6.02.

PLAN

- 1.19 "Plan" means the Rubbermaid Incorporated Amended and Restated 1989 Stock Incentive and Option Plan set forth in these pages, as amended from time to time.

RESTRICTED STOCK AWARD

- 1.20 "Restricted Stock Award" means an award of Common Shares to a Participant with restrictions as to disposition and subject to

a risk of forfeiture until certain conditions have been met.

SEC RULE 16b-3

- 1.21 "SEC Rule 16b-3" means Rule 16b-3 of the Securities and Exchange Commission promulgated under the Exchange Act, as such rule or any successor rule may be in effect with respect to Section 16 Persons from time to time.

SECTION 16 PERSON

- 1.22 "Section 16 Person" means a person subject to potential liability under Section 16(b) of the Exchange Act with respect to transactions involving equity securities of the Company.

STOCK APPRECIATION RIGHT

- 1.23 "Stock Appreciation Right" means a right granted under Section VIII below.

STOCK INCENTIVE

- 1.24 "Stock Incentive" means a Performance Award, Restricted Stock Award, Option or Stock Appreciation Right.

SUBSIDIARY

- 1.25 "Subsidiary" means a corporation or other form of business association of which shares (or other ownership interests) having more than 50% of the voting power are owned or controlled, directly or indirectly, by the Company; provided, however, that in the case of an Incentive Stock Option, the term "Subsidiary" shall mean a Subsidiary (as defined by the preceding clause) which is also a "subsidiary corporation" as defined in Section 424(f) of the Code.

SECTION II
PLAN ADMINISTRATION

ADMINISTRATOR

- 2.01 The Plan shall be administered by the Committee, which shall consist of three or more directors appointed from time to time by the Board. Unless the Board determines otherwise, the Committee shall be comprised solely of "outside directors" within the meaning of Section 162(m) of the Code. In addition, the Committee will be constituted in a manner that satisfies the "non-employee" director standard in SEC Rule 16b-3. Notwithstanding the requirements contained in the two immediately preceding sentences, the Board may, in its discretion, delegate to a committee or subcommittee of the Board that does not meet the foregoing requirements any or all of the authority and responsibility of the Committee with

respect to awards of Stock Incentives to employees who are not Section 16 Persons or "covered employees" for purposes of Section 162(m) of the Code at the time any such delegated authority or responsibility is exercised. Such other committee or subcommittee may consist of three or more directors who may, but need not, be officers or employees of the Company or of any of its Subsidiaries. To the extent that the Board has delegated to such other committee or subcommittee the authority and responsibility of the Committee pursuant to the foregoing, all references to the Committee in the Plan shall be to such other committee or subcommittee.

ADMINISTRATIVE POWERS

- 2.02 The Committee shall have full power to interpret and administer the Plan and full authority to act in selecting the Participants to whom Stock Incentives will be granted, in determining the type and amount of Stock Incentives to be granted to each such Participant, the terms and conditions of Stock Incentives granted under the Plan, including any applicable Performance Goals, and the terms of agreements which will be entered into with Participants. The Committee shall have the power to make regulations for carrying out the Plan and to make changes in such regulations as it from time to time deems proper. Any interpretation by the Committee of the terms and provisions of the Plan and any instrument issued thereunder and its administration thereof, and all action taken by the Committee, shall be final, binding and conclusive on the Company, its shareholders, Subsidiaries, affiliates, all Holders, their respective legal representatives, successors and assigns and upon all other persons claiming under or through any of them.

LIMITATION ON LIABILITY

- 2.03 Members of the Board of Directors and members of the Committee acting under the Plan shall be fully protected in relying in good faith upon information supplied by the management of the Company and the advice of counsel and shall incur no liability except for acts or omissions undertaken with deliberate intent to cause injury or undertaken with reckless disregard.

SECTION III PLAN SHARES

SHARES SUBJECT TO THE PLAN; MAXIMUM NUMBER -- AGGREGATE

- 3.01 Subject to adjustments as provided in Section X and the provisions of Sections 3.03 and 8.07 hereof, the total number of Common Shares as to which Stock Incentives may be granted under the Plan in each calendar year during any part of which the Plan is effective shall be one percent (1%) of the total outstanding Common Shares as of the first day of such year;

provided that the maximum number of Common Shares that may be issued or transferred in respect of Incentive Stock Options granted under this Plan shall be 5,000,000 Common Shares. In addition, any shares issued by the Company through the assumption or substitution of outstanding grants from an acquired company shall not reduce the shares available for grants under the Plan. Any shares issued hereunder may consist, in whole or in part, of authorized and unissued shares, treasury shares, or shares to be purchased, as the Committee may from time to time determine.

SHARES SUBJECT TO THE PLAN; MAXIMUM NUMBER -- PER PARTICIPANT 3.02
 Subject to Sections 3.03, 8.07 and 10.01 hereof, the maximum number of Stock Incentives that may be granted to each Participant in each calendar year during any part of which the Plan is in effect shall be as follows:

(a) With respect to Common Shares subject to Options, 500,000 Common Shares;

(b) With respect to Common Shares subject to Stock Appreciation Rights, 500,000 Common Shares;

(c) With respect to Restricted Stock (not issued in payment of Performance Awards), that number of Common Shares whose value equals the lesser of (i) 500% of such Participant's base salary for such year or (ii) \$2,000,000 (based on the Fair Market Value of Common Shares on the date the award is granted, not the date the award vests or is paid);

(d) With respect to Performance Awards, that number of Common Shares whose value equals the lesser of (i) 500% of such Participant's base salary for such year or (ii) \$2,000,000 (based on the Fair Market Value of Common Shares on the date the award is granted, not the date the award is earned or paid).

CHARGING OF SHARES

3.03 Subject to the provisions of Section 8.07, Common Shares subject to a Stock Incentive that are forfeited, terminated, or canceled without having been exercised (other than Common Shares subject to an Option that is canceled upon the exercise of a related Stock Appreciation Right) will again be available for grant under this Plan, without reducing the number of Common Shares available in any calendar year for grant of Stock Incentives. If a Holder pays all or part of the exercise price associated with a Stock Incentive by the transfer of Common Shares or the surrender (including by attestation) of all or part of a Stock Incentive (including the Stock Incentive being exercised) such Common Shares will also be available for grant under this Plan, without reducing the number of Common Shares available in any calendar year for grant of Stock Incentives.

SECTION IV
GRANTS OF STOCK INCENTIVES

TYPE OF AWARDS

- 4.01 Subject to the provisions of the Plan, the Committee may at any time, or from time to time, grant Performance Awards, Restricted Stock Awards, Options, or Stock Appreciation Rights, or any combination thereof, to any Participant.

TANDEM AWARDS

- 4.02 The Committee may (but need not) grant any Stock Incentive in tandem with another Stock Incentive. Tandem Stock Incentives may be granted as either alternatives or supplements to one another. The terms and conditions of any such Tandem Stock Incentives shall be determined by the Committee subject to the provisions of the Plan.

SECTION V
RESTRICTED STOCK AWARDS

RESTRICTED STOCK AGREEMENTS

- 5.01 Restricted Stock Awards shall be evidenced by Restricted Stock agreements. Such agreements shall conform to the requirements of the Plan and may contain such other provisions (including provisions for the protection of Restricted Stock Awards in the event of a Change in Control) as the Committee shall deem advisable.

RIGHTS OF PARTICIPANTS

- 5.02 Subject to the restrictions on transfer and the risk of forfeiture, and except to the extent the Committee provides otherwise at the time of grant of a Restricted Stock Award, a Participant who has been granted a Restricted Stock Award will thereafter have all the rights of a shareholder, including the right to receive dividends paid on such shares and to vote such shares unless and until any such shares are forfeited. Certificates or other evidence of Restricted Stock Awards will be held by the Company or other designee of the Committee.

DELIVERY OF SHARES

- 5.03 The Restricted Stock Award agreement shall specify the duration of the restricted period and the employment conditions under which the Restricted Stock may be forfeited to the Company. If, at the end of the restricted period, the restrictions imposed hereunder lapse as provided in the Restricted Stock Award agreement, a certificate representing the number of Common Shares on which restrictions have lapsed as well as any other

form of compensation provided for in the agreement will be delivered to the Participant or his Beneficiary upon compliance by the Participant with any requirements provided for in the agreement. The Committee may, in its sole discretion, modify or accelerate the vesting of shares of Restricted Stock.

FORFEITURE

- 5.04 In addition to any specific provisions on forfeiture provided for in any Restricted Stock Award agreement, Restricted Stock Awards will be forfeited if the Participant terminates employment with the Company, a Subsidiary or an affiliate for any reason other than death, disability or retirement, except that the Committee shall have the authority to provide for their continuation in whole or in part whenever in its judgment it shall determine that such continuation is in the best interests of the Company.

NONASSIGNABILITY

- 5.05 Restricted Stock Awards may not be pledged, assigned or transferred for any reason during the Participant's lifetime, and any attempt to do so shall be void and the relevant Award shall be forfeited.

CHANGES IN CONTROL

- 5.06 In the event of a Change in Control each outstanding Restricted Stock Award will become fully vested in each Participant as of the day before such event occurs. This will result in the lapse of all restrictions on such Restricted Stock Awards.

SECTION VI PERFORMANCE AWARDS

PERFORMANCE AWARD AGREEMENTS

- 6.01 Performance Awards shall be evidenced by Performance Award agreements. Such agreements shall conform to the requirements of the Plan and may contain such other provisions (including Performance Goals (as defined below) and provisions for the protection of Performance Awards in the event of a Change in Control) as the Committee shall deem advisable.

AWARD PERIOD AND PERFORMANCE GOALS

- 6.02 The Committee shall determine and include in a Performance Award the period of time during which a Performance Award may be earned ("Award Period").

The Committee shall also establish performance objectives ("Performance Goals") to be met by the Company, Subsidiary or affiliate during the Award Period as a condition to payment of,

and/or the lapse of any applicable restrictions relating to, the Performance Award. The Performance Goals may include minimum and optimum objectives or a single set of objectives. With respect to Performance Awards that are intended to qualify as "performance based" within the meaning of Code Section 162(m)(4)(C), the Committee shall (i) select the Participants for such Performance Awards, (ii) establish in writing the applicable Performance Goals and all related terms no later than 90 days after the commencement of the period of service to which the Performance Goals relate (or such earlier or later date as may be the applicable deadline for compensation payable hereunder to qualify as "performance based" within the meaning of Code Section 162(m)(4)(C)), and (iii) designate the Performance Awards that are to qualify as "performance based" within the meaning of Code Section 162(m)(4)(C).

The Committee shall establish in writing the Performance Goals for each Award Period which shall be based on any of the following performance criteria, either alone or in any combination, on either a consolidated or business unit or divisional level, and which shall include or exclude discontinued operations and acquisition expenses (e.g., pooling of interests), as the Committee may determine: return on net assets, return on capital employed, economic value added, level of sales, earnings per share, income before income taxes and cumulative effect of accounting changes, net income, return on equity, total shareholder return, market valuation, cash flow and completion of acquisitions. The foregoing criteria shall have any reasonable definitions that the Committee may specify at the time the Performance Goal is established, which may include or exclude any or all of the following items, as the Committee may specify: extraordinary, unusual, or non-recurring items; effects of accounting changes; effects of currency fluctuations; effects of financing activities (e.g., effect on earnings per share of issuing convertible debt securities); expenses for restructuring or productivity initiatives; non-operating items; acquisition expenses (e.g., pooling of interests); and effects of divestitures. Any such performance criterion or combination of such criteria may apply to the Participant's award opportunity in its entirety or to any designated portion or portions of the opportunity, as the Committee may specify.

NO DISCRETION

- 6.03 With respect to Performance Awards that are intended to qualify as "performance based" within the meaning of Code Section 162(m)(4)(C), the Committee has no discretion to increase the amount of the award due upon attainment of the applicable Performance Goals. No provision of this Plan shall preclude the Committee from exercising negative discretion with respect to any Performance Award (i.e., to reduce or eliminate the award payable) within the meaning of Treasury Regulation Section

1.162-27(e)(2)(iii)(A).

PERFORMANCE AWARD EARNED

- 6.04 The Performance Awards shall be expressed in terms of Common Shares and referred to as "Performance Shares." With respect to each Performance Award, the Committee shall fix the number of allocable Performance Shares. The level of Performance Goals attained will determine the percentage of Performance Shares earned for an Award Period. After completion of the Award Period, the Committee shall certify in writing the extent to which the Performance Goals and other material terms applicable to such award are attained. Unless and until the Committee so certifies, the Performance Award shall not be paid.

FORFEITURE

- 6.05 In addition to any specific provisions on forfeiture provided for in any Performance Award agreement, Performance Awards will be forfeited if the Participant terminates employment (other than upon death, disability or retirement) with the Company, a Subsidiary or an affiliate prior to the completion of the Award Period; provided that the Committee shall have the authority to provide for a partial or full payment of the Performance Award that would have been payable if the Participant had continued employment for the entire Award Period, which shall be paid at the same time as it would have been paid if no such termination of employment occurred, but only if and to the extent the exercise of such discretion by the Committee does not prevent any Performance Award from qualifying as "performance based" within the meaning of Code Section 162(m)(4)(C).

PERFORMANCE AWARD PAYMENT

- 6.06 The Committee, in its discretion, may elect to make the payment of Performance Awards in Restricted Shares, Common Shares, cash or any combination of the foregoing. If the Performance Award is paid in Restricted Shares or Common Shares, the Company shall issue one Restricted Share or Common Share for each Performance Share earned. If the Performance Award is paid in cash, the cash payable shall be equal to the Fair Market Value of the Performance Shares earned as of the last day of the Award Period.

DELAYED PAYMENT

- 6.07 To the extent that the Committee, in its sole discretion, determines that the payment of any Performance Award is not deductible by the Company based on Code Section 162(m), the Company shall delay the payment of such Performance Award. The unpaid portion of a Performance Award that is subject to this Section 6.07 shall be paid (in whole or in part), at the discretion of the Committee, when such payment is deductible in

accordance with Code Section 162(m). The delayed payment of a Performance Award payable in Common Shares or Restricted Shares shall be equal to the number of Performance Shares earned but unpaid. The delayed payment of a Performance Award payable in cash shall be equal to the Fair Market Value of the earned but unpaid Performance Shares as of the appropriate date selected by the Committee.

RIGHTS OF PARTICIPANTS

- 6.08 Subject to the restrictions on transfer and the risk of forfeiture, and except to the extent the Committee provides otherwise at the time of grant of a Performance Award, a Participant who has been granted a Performance Award payable in Common Shares or Restricted Shares will thereafter have all the rights of a shareholder, including the right to receive dividends paid on such shares and to vote such shares unless and until any such shares are forfeited. Certificates or other evidence of Performance Awards will be held by the Company or other designee of the Committee.

NONASSIGNABILITY

- 6.09 Performance Awards may not be pledged, assigned or transferred for any reason during the Participant's lifetime, and any attempt to do so shall be void and the relevant Award shall be forfeited.

CHANGE IN CONTROL

- 6.10 In the event of a Change in Control each outstanding Performance Award will become fully vested in each Participant as of the day before such event occurs. This will result in the lapse of all restrictions on such Performance Awards, regardless of any unachieved Performance Goal.

SECTION VII OPTIONS

TERMS AND CONDITIONS OF OPTIONS

- 7.01 Except as otherwise provided in Section 12.07, Options shall be subject to the provisions set forth in this Section.

PURCHASE PRICE

- 7.02 Subject to the provisions of Section X, the price at which each Common Share may be purchased under an Option shall be not less than 100% of the Fair Market Value of a Common Share on the date the Option is granted (or in the case of any optionee who, at the time an Incentive Stock Option is granted, owns, directly or indirectly within the meaning of Section 424(d) of the Code, stock possessing more than 10% of the total combined

voting power of all classes of stock of his employer corporation or of its parent or subsidiary corporation, not less than 110% of the Fair Market Value of a Common Share on the date the Incentive Stock Option is granted).

PAYMENT OF PURCHASE PRICE

- 7.03 The purchase price of shares subject to an Option may be paid in whole or in part (a) in cash, (b) by bank, certified, cashier's or personal check subject to collection, (c) if so provided in the Option and subject to such terms and conditions as the Committee may impose, by delivering to the Company a properly executed exercise notice and instructions to deliver the resulting stock to a stockbroker that are intended to satisfy the provisions of Section 220.3(e)(4) of Regulation T issued by the Board of Governors of the Federal Reserve System as in effect from time to time, and (d) if so provided in the Option and subject to such terms and conditions as are specified in the Option, (i) in Common Shares (including through an attestation procedure) or other property surrendered to the Company or (ii) by the surrender of all or part of the Option being exercised, or by a combination of the foregoing methods, as and to the extent permitted by the Committee. Property for purposes of this paragraph shall include an obligation of the Company unless prohibited by applicable law. Common Shares thus surrendered shall be valued at their Fair Market Value on the date of exercise. Any such other property thus surrendered shall be valued at its fair market value on any reasonable basis established or approved by the Committee. Any Common Shares surrendered to the Company in payment of an Option's purchase price pursuant to Section 7.03(d) (including by attestation) will again be available for grant under this Plan, without reducing the number of Common Shares available in any calendar year for grant of Stock Incentives.

CONSIDERATION FOR GRANT OF OPTIONS

- 7.04 Options may be granted for such lawful consideration, including money or other property, tangible or intangible, or labor or services received or to be received by the Company, as the Committee may determine when the Option is granted. Property for purposes of the preceding sentence shall include an obligation of the Company unless prohibited by applicable law.

Subject to the foregoing and the other provisions of this Section VII, each Option may be exercisable in full at the time of grant or may become exercisable in one or more installments, and at such time or times, as the Committee may determine. The Committee may at any time accelerate the date on which an Option becomes exercisable, and no additional consideration need be received by the Company in exchange for such acceleration. Unless otherwise provided in the Option, an Option, to the extent it becomes exercisable, may be exercised

at any time in whole or in part until the expiration or termination of the Option.

CERTAIN LIMITATIONS ON EXERCISE

- 7.05 Unless otherwise determined by the Committee, each Option may be exercised, during the Holder's lifetime, only by the Holder or the Holder's guardian or legal representative, and after death only by the Holder's Beneficiary or, absent a Beneficiary, by his estate or by a person who acquired the right to exercise the Option by will or the laws of descent and distribution. Notwithstanding any other provision of this Plan, (a) no Option shall be exercisable after the tenth anniversary of the date the Option was granted, and (b) no Incentive Stock Option which is granted to any optionee who, at the time such Option is granted, owns stock, directly or indirectly within the meaning of Section 424(d) of the Code, possessing more than 10% of the total combined voting power of all classes of stock of his employer corporation or of its parent or subsidiary corporation, shall be exercisable after the expiration of five (5) years from the date such Option is granted. The Company may but need not provide for an Option to be exercisable after termination of employment or cessation of service as a Director, as the case may be, until its fixed expiration date (or until an earlier date or specified event occurs).

INCENTIVE STOCK OPTIONS

- 7.06 An Option may, but not need, be an Incentive Stock Option. The aggregate Fair Market Value (determined as of the time the Option is granted) of the stock with respect to which Incentive Stock Options may be exercisable for the first time by any Employee during any calendar year (under all plans, including this Plan, of his employer corporation and its parent and subsidiary corporations) shall not exceed \$100,000 or such other maximum amount permitted by the Code.

OPTION INSTRUMENTS

- 7.07 Each Option shall be evidenced by a written instrument, signed by an officer of the Company duly authorized to do so, which shall contain such terms and conditions, and shall be in such form, as the Committee shall determine, provided the instrument is consistent with this Plan and incorporates it by reference. An Option, if so approved by the Committee, may include terms, conditions, restrictions and limitations in addition to those provided for in this Plan including, without limitation, terms and conditions providing for the transfer or issuance of shares, on exercise of an Option, which may be non-transferable and forfeitable to the Company in designated circumstances.

PROVISION APPLICABLE TO CERTAIN HARDSHIP DISTRIBUTIONS

- 7.08 No Participant shall make any elective contribution or employee contribution (within the meaning of Treasury Regulation Section 1.401(k)-1(d)(2)(iv)(B)(4)) (i.e., exercise an Option with cash or check) to the Plan during the twelve-month period after the Participant's receipt of a deemed hardship distribution (within the meaning of Treasury Regulation Section 1.401(k)-1(d)(2)(iv)) from a plan of the Company (or a related party within the provisions of Code Section 414(b), (c), (m) or (o)) containing a cash or deferred arrangement under Section 401(k) of the Code. The preceding sentence shall not apply if and to the extent that the Committee determines it is not necessary to qualify any such plan as a cash or deferred arrangement under Section 401(k) of the Code.

CERTAIN CONDITIONS TO EXERCISE

- 7.09 No Option shall be exercisable unless and until the Company (a) obtains the approval of all regulatory bodies whose approval the Committee may deem necessary or desirable, and (b) complies with all legal requirements deemed applicable by the Committee.

DATE OF EXERCISE

- 7.10 An Option shall be considered exercised if and when written notice, signed by the person exercising the Option and stating the number of shares with respect to which the Option is being exercised, is received by the Company on a properly completed form approved for this purpose by the Committee, accompanied by full payment of the Option purchase price in one or more of the forms authorized by the Committee and described in Section 7.03 above for the number of shares to be purchased. No Option may at any time be exercised with respect to a fractional share.

SECTION VIII
STOCK APPRECIATION RIGHTS

TERMS AND CONDITIONS OF STOCK APPRECIATION RIGHTS

- 8.01 Stock Appreciation Rights shall be subject to such terms and conditions, not inconsistent with the Plan, as shall from time to time be determined by the Committee and to the terms and conditions set forth in this Section VIII.

TANDEM AND FREE-STANDING RIGHTS

- 8.02 Stock Appreciation Rights may be granted in connection with all or any part of an Option, either at the time of the grant of such Option or at any time thereafter during the term of the Option (in either case, "Tandem Stock Appreciation Rights"), or may be granted without reference to an Option ("Free-Standing Stock Appreciation Rights").

TANDEM RIGHTS

- 8.03 Tandem Stock Appreciation Rights may be granted either as an alternative or a supplement to a specified Option (the "related" Option). Each Tandem Stock Appreciation Right that is granted as an alternative to an Option shall entitle the holder to receive the amount determined pursuant to Section 8.06 below if and when a related Option to purchase one Common Share that is then exercisable is surrendered. Each Tandem Stock Appreciation Right that is granted as a supplement to an Option shall entitle the Holder to receive the amount determined pursuant to Section 8.06 below if and when the Holder purchases a share under the related Option.

CONSIDERATION FOR GRANT OF RIGHTS

- 8.04 Stock Appreciation Rights may be granted for such lawful consideration, including money or other property, tangible or intangible, or labor or services received or to be received by the Company, as the Committee may determine when the Rights are granted. Property for purposes of the preceding sentence shall include an obligation of the Company unless prohibited by applicable law. Subject to the foregoing and the other provisions of this Section VIII, Stock Appreciation Rights may be exercisable in full at the time of grant or may become exercisable in one or more installments, and at such time or times, as the Committee may determine. The Committee may at any time accelerate the date on which Stock Appreciation Rights become exercisable, and no additional consideration need be received by the Company in exchange for such acceleration. Unless otherwise provided in the Rights, Stock Appreciation Rights, to the extent they become exercisable, may be exercised at any time in whole or in part until they expire or terminate.

TERM OF RIGHTS

- 8.05 No Free-Standing Stock Appreciation Right shall be exercisable after the tenth anniversary of the date it was granted, and no Tandem Stock Appreciation Right shall be exercisable after the related Option ceases to be exercisable. The Committee may but need not provide for Stock Appreciation Rights to be exercisable after termination of employment or cessation of service as a Director, as the case may be, until they expire pursuant to the first sentence of this Section 8.05 (or until an earlier date or specified event occurs).

PAYMENT UPON EXERCISE

- 8.06 Upon exercise of Stock Appreciation Rights, the Holder thereof shall be entitled to receive cash or Common Shares or a combination of each, as the Committee in its sole discretion may determine, equal to the amount by which the Fair Market

Value of a Common Share on the date of such exercise exceeds the Base Price of the Stock Appreciation Rights, multiplied by the number of Stock Appreciation Rights exercised provided that in no event shall a fractional share be issued. In the case of Tandem Stock Appreciation Rights, the Base Price shall be the price at which the Common Share may be purchased under the related Option. In the case of Free-Standing Stock Appreciation Rights, the Base Price shall be the Fair Market Value of a Common Share on the date the Rights were granted. The Committee may provide that, notwithstanding the foregoing, upon exercise of Stock Appreciation Rights at any time during the thirty-day period following a Change in Control (a "Change in Control Period"), including, without limitation, upon exercise of Stock Appreciation Rights which expire before the end of the Change in Control Period in which they are exercised, the amount of cash or shares which a Holder shall be entitled to receive shall equal the amount by which the highest Fair Market Value of a Common Share during such Change in Control Period exceeds the Base Price of the Stock Appreciation Rights multiplied by the number of Stock Appreciation Rights exercised but, in the case of Stock Appreciation Rights that relate to an Incentive Stock Option, not in excess of the maximum amount that may be paid under Code Section 422 without disqualifying such Option as an Incentive Stock Option.

CHARGING OF SHARES FOR RIGHTS

- 8.07 The maximum number of shares available for use under the Plan shall be charged only for the number of shares which are actually issued or transferred in settlement of Stock Appreciation Rights and for that number of Common Shares having a Fair Market Value on the date of exercise equal to the cash payable in settlement of such Rights. In the case of an exercise of a Tandem Stock Appreciation Right that is alternative to an Option, if the number of Common Shares previously charged against the maximum number of shares available for use under the Plan on account of the surrendered portion of the Option exceeds the number of shares (if any) actually issued or transferred pursuant to such surrender and that number of Common Shares having a Fair Market Value on the date of exercise equal to any cash payable pursuant to such surrender, the excess may be added back to the number of shares available for use under the Plan.

CERTAIN LIMITATIONS ON EXERCISE OF RIGHTS

- 8.08 Unless otherwise determined by the Committee, each Stock Appreciation Right may be exercised, during the Holder's lifetime, only by the Holder or the Holder's guardian or legal representative, and after death only by the Holder's Beneficiary or, absent a Beneficiary, by his estate or by a person who acquired the right to exercise the Right by will or the laws of descent and distribution.

STOCK APPRECIATION RIGHT INSTRUMENTS

- 8.09 Each Stock Appreciation Right shall be evidenced by a written instrument, which shall contain such terms and conditions, and shall be in such form, as the Committee shall determine, provided the instrument is consistent with the Plan and incorporates it by reference.

SECTION IX
CERTAIN CHANGE IN CONTROL, TERMINATION OF EMPLOYMENT
AND DISABILITY PROVISIONS

- 9.01 Notwithstanding any provision of the Plan to the contrary, any Option or Stock Appreciation Right which is outstanding but not yet exercisable at the time of a Change in Control shall become exercisable at that time. Any Option affected by the preceding sentence shall remain exercisable until it expires or terminates pursuant to its terms and conditions. The Committee may at any time, and subject to such terms and conditions as it may impose:

(a) authorize the Holder of an Option or Stock Appreciation Right to exercise the Option or Stock Appreciation Right following the termination of the Participant's employment with, or service as a Director of, the Company and its Subsidiaries, or following the Participant's disability, whether or not the Option or Stock Appreciation Right would otherwise be exercisable following such event, provided that in no event may an Option or Right be exercised after the expiration of its term;

(b) grant Options and Stock Appreciation Rights which become exercisable only in the event of a Change in Control;

(c) provide for Stock Appreciation Rights to be exercised automatically and only for cash in the event of a Change in Control; and

(d) provide in advance or at the time of a Change in Control for cash to be paid in settlement of any Option, Stock Appreciation Right, Performance Award or Restricted Stock Award in the event of a Change in Control, either at the election of the Participant or at the election of the Committee.

SECTION X
ADJUSTMENTS UPON CHANGES IN CAPITALIZATION

ADJUSTMENTS TO BE MADE

- 10.01 In the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation or any other change in the corporate structure of

the Company affecting Common Shares, or a sale by the Company of all or part of its assets other than in the normal course of business, or any distribution to shareholders other than a normal cash dividend, the Committee shall make appropriate adjustments in the number and kind of shares authorized by the Plan and to outstanding Restricted Stock Awards, Performance Awards, any adjustments Options and Stock Appreciation Rights (including adjustments in the purchase price or Base Price thereof and in the number and kind of shares issuable thereunder) as it determines appropriate; provided that any such adjustments affecting Incentive Stock Options shall comply with Sections 422 and 424 of the Code.

SECTION XI
PLAN EXISTENCE; PLAN AMENDMENTS

EFFECTIVE DATE AND TERMINATION

- 11.01 The Plan shall become effective on April 22, 1997, subject to shareholder approval that meets the applicable requirements of Section 162(m)(4)(C)(ii) of the Code and the New York Stock Exchange. If not so approved, the Plan and any Stock Incentive granted thereunder and contingent upon such approval, shall be null and void. If so approved, the Plan shall remain in full force and effect until all shares authorized to be issued or transferred hereunder have been exhausted or until the Plan is sooner terminated by the Board of Directors, and shall continue in effect thereafter with respect to any Stock Incentives outstanding at the time of such termination. In no event shall an Incentive Stock Option be granted under the Plan more than ten (10) years from the date the Plan is adopted by the Board, or the date the Plan is approved by the shareholders of the Company, whichever is earlier.

AMENDMENT AND TERMINATION

- 11.02 Subject to any applicable shareholder approval requirements of applicable law or the rules of the New York Stock Exchange, the Plan may be amended by the Board of Directors at any time and in any respect, including without limitation to qualify Stock Incentives hereunder as performance-based compensation under Code Section 162(m)(4)(C) and to permit or facilitate qualification of Options therefore or thereafter granted as Incentive Stock Options under the Code, provided that, without shareholder approval, no amendment shall (a) increase the aggregate number of shares which may be issued under Incentive Stock Options under the Plan within the meaning of Proposed Treasury Regulation Section 1.422A-2(b)(3)(iv) or its successor, or (b) change the material terms of a Performance Goal that were previously approved by shareholders within the meaning of Treasury Regulation Section 1.162-27(e)(4)(vi) or a successor provision, unless the Board shall determine that such

approval is not necessary to avoid loss of a deduction under Section 162(m) of the Code, will not avoid such a loss of deduction or is not advisable. The Plan may also be terminated at any time by the Board of Directors. No amendment or termination of this Plan shall adversely affect any Stock Incentive granted prior to the date of such amendment or termination without the written consent of the Participant.

SECTION XII
GENERAL

GENERAL PROVISIONS

- 12.01 Unless otherwise determined by the Committee, no Stock Incentive granted under this Plan may be transferred or assigned by the Holder other than to a Beneficiary, as provided hereunder, or, if none, by will, pursuant to the laws of descent and distribution, or pursuant to a qualified domestic relations order; except that no Incentive Stock Option may be transferred or assigned pursuant to a qualified domestic relations order.
- 12.02 Nothing contained in the Plan, nor in any instrument issued pursuant to the Plan, shall confer upon any Participant any right with respect to continuance of employment by, or service as a Director of, as the case may be, the Company, a Subsidiary or affiliate, nor interfere in any way with the right of the Company, a Subsidiary or affiliate, to terminate the employment of, or service as a Director of, any Participant at any time or without assigning any reason therefor.
- 12.03 For purposes of this Plan, transfer of employment between the Company and its Subsidiaries and affiliates shall not be deemed termination of employment subject, in the case of Incentive Stock Options and any Rights tandem thereto, to any applicable provisions of Sections 422 and 424 of the Code.
- 12.04 The Company and its Subsidiaries may make such provisions as they may deem appropriate for the withholding of any taxes which they determine are required to be withheld in connection with any Stock Incentive. Without limiting the foregoing, the Committee may, subject to such terms and conditions as it may impose, permit or require any withholding tax obligation arising in connection with the grant, exercise, vesting, distribution or payment of any Stock Incentive to be satisfied in whole or in part, with or without the consent of the Holder, by having the Company withhold all or any part of the Common Shares that vest or would otherwise be distributed at such time. Any shares so withheld shall be valued at their Fair Market Value on the date of such withholding.
- 12.05 No person (individually or as a member of a group), and no Beneficiary or other person claiming under or through him,

shall have any right, title or interest in or to any Common Shares allocated or reserved for the purposes of this Plan, or subject to any Stock Incentive, except as to such Common Shares, if any, as shall have been issued or transferred to him.

- 12.06 Unless this Section 12.06 prevents an Option from qualifying as an Incentive Stock Option under Section 422 of the Code or prevents a Stock Incentive from qualifying as performance based compensation under Section 162(m) of the Code, if any day on which action under the Plan must be taken falls on a Saturday, Sunday or legal holiday, such action may be taken on the next succeeding day not a Saturday, Sunday or legal holiday.
- 12.07 Without amending the Plan, Stock Incentives may be granted to Participants who are foreign nationals or employed outside the United States or both, on such terms and conditions different from those specified in the Plan as may, in the judgment of the Committee, be necessary or desirable to further the purpose of the Plan.
- 12.08 Except as provided in Section 6.03, the Committee may amend any outstanding Stock Incentive to the extent it deems appropriate. Such amendment may be unilateral by the Company, except in the case of amendments adverse to the Holder, in which case the Holder's consent is required to any such amendment.
- 12.09 Any provision of the Plan to the contrary notwithstanding, and except to the extent that the Committee determines otherwise: (a) transactions with respect to persons whose remuneration is subject to the provisions of Section 162(m) of the Code shall conform to the requirements of Section 162(m)(4)(C) of the Code, and (b) every provision of the Plan shall be administered, interpreted and construed to carry out (a) hereof.
- 12.10 Notwithstanding any provision of the Plan to the contrary, the Plan is intended to give the Committee the authority to grant Stock Incentives hereunder that qualify as performance-based compensation under Code Section 162(m)(4)(C) and that do not so qualify. Every provision of the Plan shall be administered, interpreted and construed to carry out such intention and any provision that cannot be so administered, interpreted and construed shall to that extent be disregarded; and any provision of the Plan that would prevent a Stock Incentive that the Committee intends to qualify as performance-based pay under Code Section 162(m)(4)(C) from so qualifying shall be administered, interpreted and construed to carry out such intention and any provision that cannot be so administered, interpreted and construed shall to that extent be disregarded.
- 12.11 The validity, construction, interpretation and administration of the Plan and of any determinations or decisions made

thereunder, and the rights of all persons having or claiming to have any interest therein or thereunder, shall be governed by, and determined exclusively in accordance with, the laws of the State of Ohio, but without giving effect to the principles of conflicts of laws thereof. Without limiting the generality of the foregoing, the period within which any action arising under or in connection with the Plan must be commenced, shall be governed by the laws of the State of Ohio, without giving effect to the principles of conflicts of laws thereof, irrespective of the place where the act or omission complained of took place and of the residence of any party to such action and irrespective of the place where the action may be brought.

- 12.12 The use of the masculine gender shall also include within its meaning the feminine. The use of the singular shall include within its meaning the plural and vice versa.

SCHIFF HARDIN & WAITE
6600 Sears Tower, Chicago, IL 60606
(312) 258-5669

March 22, 1999

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

Re: Newell Co. Post-Effective Amendment on Form S-3
to Registration Statement on Form S-4
(Registration No. 333-71747)

Ladies and Gentlemen:

We are acting as counsel for Newell Co. (the "Company") in connection with the Company's filing with the Securities and Exchange Commission of Post-Effective Amendment No. 1 on Form S-3 (the "Amendment") to its Registration Statement on Form S-4 (Registration No. 333-71747), which was declared effective on February 4, 1999 (the "Registration Statement"). The Registration Statement covers the shares of common stock, par value \$1.00 per share, of the Company (including the related common stock purchase rights) (the "Shares") to be issued in connection with the merger of a wholly owned subsidiary of the Company with Rubbermaid Incorporated, which will occur on March 24, 1999 and will result in Rubbermaid Incorporated becoming a wholly owned subsidiary of the Company. The Amendment covers the Shares that are issuable under the Rubbermaid Incorporated 1989 Amended and Restated Stock Incentive and Option Plan (the "Option Plan") to participants who are former employees of Rubbermaid Incorporated as of the merger date. The Shares are issuable upon (i) the exercise of stock options under the Option Plan that were not exercised prior to the merger date (the "Outstanding Options"); and (ii) the attainment after the merger date of certain pre-established performance goals (the "Performance Shares"). This opinion letter supplements our opinion which was filed as Exhibit 5 to the Registration Statement.

In connection with this supplemental opinion, we have examined such corporate records, certificates and other documents and have made such other factual and legal investigations as we have deemed necessary or appropriate for the purposes of this opinion. Based on the foregoing, it is our opinion that the Shares covered by the Amendment have been duly authorized and, when issued upon the valid exercise of the Outstanding Options or when issued as Performance Shares in accordance with the provisions of the Option Plan, will be legally issued, fully paid and nonassessable (except as may be limited by Section 180.0622 of the Wisconsin Business Corporation law, which

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March 22, 1999
Page 2

provides that shareholders may be liable for an amount equal to the par value of their shares for certain debts owing to employees of the Company).

We hereby consent to the filing of this supplemental opinion as Exhibit 5.2 to the Registration Statement.

Very truly yours,

SCHIFF HARDIN & WAITE

By: /s/ Frederick L. Hartmann

Frederick L. Hartmann

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the use of our report dated January 27, 1999, included in Newell Co.'s Form 10-K for the year ended December 31, 1998 and to all references to our Firm included in this Registration Statement.

/s/ ARTHUR ANDERSEN LLP

ARTHUR ANDERSEN LLP

Milwaukee, Wisconsin
March 19, 1999