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The Consumer Product Safety Commission has accepted the Consent Agreement executed on December 31, 2002 by Complaint Counsel and Respondents Sunbeam Corporation, (now known as "American Household, Inc."), Chemetron Corporation, and Chemetron Investments, Inc. in the reference matter. The Consent Agreement and the Commission's Order accepting the Consent Agreement are enclosed.

Consent Agreement and Order
Chemetron Corp., Chemetron Investments, Inc. and Sunbeam Corporation

UNITED STATES OF AMERICA
CONSUMER PRODUCT SAFETY COMMISSION

In the matter of)
)
)

CHEMETRON CORPORATION,)
f/k/a Chemetron Investments, Inc.)

CPSC Docket No.: 02-1

and)
)

CHEMETRON INVESTMENTS, INC.,)
f/k/a Chemetron Corporation)

and)
)

SUNBEAM CORPORATION)
)

and)
)

SPRINKLER CORPORATION OF)
MILWAUKEE, INC., f/k/a Star Sprinkler)
Corporation, f/k/a Grunau Sprinkler)
Manufacturing Company, Inc.)

and)
)

GRUCON CORPORATION)
_____)

ORDER

UPON CONSIDERATION of the administrative Complaint (“Complaint”) against Respondents Chemetron Corp. (“CC”), Chemetron Investments, Inc (“CI”), and Sunbeam Corporation (“Sunbeam”) (collectively herein, “Respondents”) issued on or about October 9, 2001; and

UPON CONSIDERATION of Respondents’ decision not to contest and to admit, pursuant to and as required by 16 CFR § 1025.26(c) and only for the purpose of settling this

matter by consent agreement, all jurisdictional facts, including that the Star ME-1 dry fire sprinklers that CC and CI manufactured from 1977 through 1982 (hereinafter "the sprinklers" or "these sprinklers") are "consumer products" under the CPSA, 15 U.S.C. § 2052; and

UPON CONSIDERATION of Respondents' decision, only for the purpose of settling this matter by consent agreement, not to contest the allegations in the Complaint that the sprinklers contain a defect which creates a "substantial product hazard;" and


UPON CONSIDERATION of the proposed Consent Agreement between Respondents and the staff of the Consumer Product Safety Commission proffered to the Court, including Appendix A attached thereto; and

Pursuant to Sections 15(c) and (d) of the CPSA, 15 U.S.C. § 2064(c) and (d), IT IS HEREBY ORDERED THAT:

1. The Consent Agreement between Respondents and the Commission staff, including Appendix A attached thereto, is accepted and incorporated by reference as if fully set forth herein.
2. This Consent Agreement and Order resolve all allegations related in any way to any alleged responsibility of Respondents for Star ME-1 fire sprinklers, including the allegations of the Complaint against Respondents. Based on the Consent Agreement, including Respondents' admissions and agreements not to contest certain allegations of the Complaint for settlement purposes only, the Commission finds that the Consent Agreement and this Order are necessary to resolve the dispute between the parties and to protect the public from the hazard the Commission believes is presented by the sprinklers.

3. Respondents shall comply with all of their obligations set forth in the Consent Agreement, including Appendix A, which is attached hereto and incorporated by reference as if fully set forth herein.

BY ORDER OF THE CONSUMER PRODUCT SAFETY COMMISSION



Todd Stevenson, Secretary

Dated: March 27, 2003

OFFICE OF THE
SECRETARY

UNITED STATES OF AMERICA
CONSUMER PRODUCT SAFETY COMMISSION

In the matter of)
)

CHEMETRON CORPORATION,)
f/k/a Chemetron Investments, Inc.)

CPSC Docket No.: 02-1

and)
)

CHEMETRON INVESTMENTS, INC.,)
f/k/a Chemetron Corporation)

and)
)

SUNBEAM CORPORATION)
)

and)
)

SPRINKLER CORPORATION OF)
MILWAUKEE, INC., f/k/a Star Sprinkler)
Corporation, f/k/a Grunau Sprinkler)
Manufacturing Company, Inc.)

and)
)

GRUCON CORPORATION)
)

CONSENT AGREEMENT

This Consent Agreement is made by and between the staff of the United States Consumer Product Safety Commission and Respondents Sunbeam Corporation (now known as "American Household, Inc."), Chemetron Corporation, and Chemetron Investments, Inc. to settle all claims against those Respondents in the above-captioned administrative action. The parties agree as follows:

Parties

1. The "staff" is the staff of the United States Consumer Product Safety Commission ("CPSC" or "Commission"), an independent regulatory agency of the United States, established by Congress pursuant to Section 4 of the Consumer Product Safety Act ("CPSA"), 15 U.S.C. § 2053.

2. Respondent Sunbeam Corporation ("Sunbeam") (now known as "American Household, Inc.") is a corporation organized and existing under the laws of Delaware, with its principal place of business at 2381 Executive Center Drive, Boca Raton, Florida 33431. 3. Respondent Chemetron Corporation ("CC"), a wholly-owned subsidiary of Sunbeam, is a corporation organized and existing under the laws of Delaware, with its principal place of business at 2381 Executive Center Drive, Boca Raton, Florida 33431.

4. Respondent Chemetron Investments, Inc. ("CI"), a wholly-owned subsidiary of Sunbeam, is a corporation organized and existing under the laws of Delaware, with its principal place of business at 2381 Executive Center Drive, Boca Raton, Florida 33431.

5. The Commission's staff contends that Sunbeam acquired all of the common stock of CC and CI in 1990. CC and CI are inactive subsidiaries with no business operations and no assets.

6. As used herein, the term "Respondents" means Sunbeam, CC and CI.

Subject Matter

7. According to the Commission staff's best estimate, from 1977 through 1982, CC and/or CI manufactured, sold and/or distributed approximately 60,000 "Star ME-1" brand automatic dry fire sprinklers (hereinafter "the sprinklers" or "these sprinklers"), as defined in the

Complaint in this matter. While Sunbeam has never manufactured, sold and/or distributed these sprinklers, the Commission staff contends that Sunbeam expressly assumed certain liabilities of CC and CI when it acquired ownership of those companies in 1990.

8. On October 9, 2001, the Commission staff filed an administrative Complaint ("Complaint"), pursuant to 15 U.S.C. § 2064, against the Respondents, which sought recall and replacement of the sprinklers. The Complaint alleges that these sprinklers are defective and are likely to fail to operate in certain fire situations, creating a substantial risk of bodily injury and/or death.

9. Respondents filed answers and defenses to the Complaint in which they aver, *inter alia*, that the sprinklers are not "consumer products" within the meaning of 15 U.S.C. § 2052 and are not defective within the meaning of 15 U.S.C. § 2064, that Sunbeam is not a manufacturer of the sprinklers within the meaning of 15 U.S.C. § 2052, and that the Commission lacks authority to impose the relief sought in the Complaint.

Agreement of the Parties

10. It is the express purpose of the parties in entering into this Consent Agreement to settle all disputes between them concerning the sprinklers, without any admission of liability by Respondents, and to facilitate the replacement of the sprinklers.

11. The parties intend for this Consent Agreement, attached Appendix A, and the Order in the form attached hereto (the "Order"), which are hereby incorporated by reference herein, to resolve all allegations and requests for relief related in any way to any alleged responsibility of Respondents Sunbeam, CC and CI for "Star ME-1" brand automatic dry fire sprinklers,

including the allegations and requests for relief set forth in the Complaint in this proceeding as to Respondents Sunbeam, CC and CI.

12. For purposes of this settlement only and as required by 16 CFR § 1025.26(c)(1), Respondents agree not to contest and Respondents admit that the Commission has jurisdiction over this settlement in that the sprinklers are "consumer products" under Section 3 of the CPSA, 15 U.S.C. § 2052, subject to the Commission's jurisdiction. In the event that the Presiding Officer or Commission rejects this agreement, the Respondents expressly withdraw this admission and reserve the right to contest the Commission's jurisdiction, including jurisdiction over these sprinklers.

13. For purposes of this settlement only, Respondents agree not to contest the allegations in the Complaint that the sprinklers contain a "defect which creates a substantial product hazard," as those terms are defined in Section 15(a) of the CPSA, 15 U.S.C. § 2064(a). Respondents have agreed not to contest these allegations in order to avoid the expense, inconvenience and risks associated with further litigation, and the parties recognize that this resolution and this Consent Agreement may not be used or introduced as evidence of defect or hazard against Respondents in other litigation not involving the Commission or its staff, or in this litigation if the Presiding Officer or Commission rejects this agreement.

14. Upon the Commission's acceptance of this Consent Agreement and the subsequent entry of the Order, Respondents knowingly, voluntarily and completely waive and relinquish any past, present and/or future right or rights in this matter: (1) to an administrative or judicial hearing and to all further procedural steps, including findings of fact, conclusions of law and/or further determination of whether the sprinklers contain a defect which creates a substantial

product hazard within the meaning of Section 15 of the CPSA; (2) to seek judicial review or otherwise contest the validity of this Consent Agreement and/or Order as issued and entered; and (3) to seek judicial review of this or any past orders, findings and/or determinations of the Commission or the Presiding Officer in this matter, except as set forth in the provisions regarding review in Paragraph 25 of this Consent Agreement.

15. Respondents agree to fulfill all of their obligations under this Consent Agreement as set forth in attached Appendix A and in the Order attached hereto. Acknowledging that CC and CI are inactive corporations with no business operations and no assets, Sunbeam further agrees to assume and fulfill all of CC's and CI's obligations under this Consent Agreement and Order.

16. A violation of this Consent Agreement and the attached Order is a prohibited act within the meaning of Section 19(a)(5) of the CPSA, 15 U.S.C. § 2068(A)(5).

17. The Commission or Respondents may disclose the terms of this Consent Agreement and Order to the public.

18. This Consent Agreement shall take effect upon its final acceptance by the Commission and shall be in full force and effect for a period of (3) three years from the effective date, except as specifically provided in Appendix A attached hereto.

19. This Consent Agreement and Order shall be binding upon the parties hereto and their successors, assigns, and receivers. In the event of any merger or sale, transfer, or assignment of substantially all of Respondent Sunbeam's assets prior to the termination of this Consent Agreement and Order, Sunbeam agrees to establish a fund for the payment of any remaining obligations under this Agreement; the terms and the conditions for the administration of any such fund shall be acceptable to the Commission staff. Sunbeam shall provide notice to the staff of

such transaction and the terms and conditions of the fund no later than 15 days prior to any such merger or asset sale, transfer, or assignment. A pledge or other commitment of assets as part of a credit agreement, financial guaranty, or other financial instrument, shall not be considered to be a merger, sale, transfer or assignment of substantially all of Respondent's assets.

20. This Consent Agreement and Order have been negotiated by the parties. The Respondents are not relying on the advice of the Commission staff, nor of anyone associated with the staff, as to legal, tax, or other consequences of any kind arising out of this Consent Agreement and Order, and Respondents specifically assume the risk of all such legal, tax and other consequences.

21. For all purposes, this Consent Agreement and Order shall constitute an enforceable judgment obtained in an action or proceeding by a governmental unit to enforce its police or regulatory power. For purposes of this settlement only (and only if this settlement is accepted), Respondents acknowledge and agree that this Consent Agreement and Order are pursuant to the Commission's police or regulatory power to remedy the risk created by and protect the public from a substantial product hazard which the Commission believes is presented by the sprinklers.

22. For the purposes of settlement only (and only if this settlement is accepted), Sunbeam agrees that it will not assert, either affirmatively or as a defense, in any forum or proceeding, that its obligations under this Consent Agreement and Order are or have been discharged by confirmation of a plan of reorganization or by any order arising out of any proceeding under Chapter 11 of Title 11 of the United States Code.

23. Beginning on the ninety-first day after the effective date of this order and on the last day of each 90 day period thereafter, Respondents shall provide to the staff a quarterly status

report, in a form acceptable to the staff, of the progress of the corrective action program set forth in this Consent Agreement and Order for the sprinklers.

24. If, after the effective date hereof, any provision of this Consent Agreement and Order is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Consent Agreement and Order, such provision shall be fully severable. The rest of the Consent Agreement and Order shall remain in full effect, unless the Commission determines that severing the provision materially impacts the corrective action program set forth in this Consent Agreement and Order, or unless the Commission determines that severing the provision renders performance by Respondents of one or more remaining provisions impossible.

25. The provisions of this Consent Agreement and Order shall be interpreted in a reasonable manner to effect its purpose to remedy the alleged hazard that the sprinklers present. In the event of a dispute between the parties arising under this Consent Agreement and Order, the parties agree to submit the issue to the Commission for determination. Any party shall have the right to seek judicial review of the Commission decision, such review to be based upon the record of any such Commission proceeding and according to law.

26. Unless ordered by the Commission or a court, the existence of a dispute shall not excuse, toll, or suspend any obligation or deadline imposed upon Respondents under this Consent Agreement and Order.

27. This Consent Agreement and Order shall not be waived, changed, amended, modified, or otherwise altered, except in writing executed by the party or parties against whom such amendment, modification, alteration, or waiver is sought to be enforced, and approved by the Commission.

Dated: 12/30/02



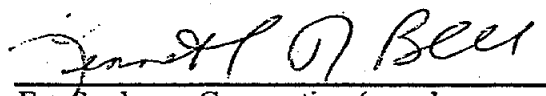
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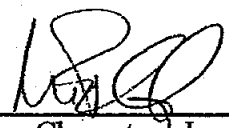
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Senior Vice President


For Chemetron Corporation


For Chemetron Investments, Inc.

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Investments, Inc.

APPENDIX A

1. PAYMENT

1.1. Maximum Total Payment

1.1.1. Subject to the conditions specified herein, Sunbeam agrees to pay up to a maximum total of one million dollars (\$1,000,000.00) to facilitate replacement of Star ME-1 dry sprinkler heads manufactured from 1977 through 1982 (hereafter "subject sprinkler heads").

1.2. Conditions for Payment

1.2.1. Timely receipt of claim in the form set forth in attached Exhibit "A" by Sunbeam on or before the expiration of a thirty (30) month period commencing on the effective date of the Commission Order approving the Consent Agreement.

1.2.2. Each claim shall have a sworn verification, under penalty of perjury, by the owner, operator or manager of the facility of the following:

1.2.2.1. Proof of ownership of subject sprinkler heads;

1.2.2.2. Proof of replacement of the subject sprinkler heads;
and

1.2.2.3. Proof of destruction/disabling of the subject sprinkler heads.

1.3. Amount of Payment Per Subject Sprinkler Head

1.3.1. Subject to the maximum total specified in Section 1.1 (i.e., \$1,000,000), each claimant that qualifies under Section 1.2 ("qualified claimant") shall receive a payment of twenty-five dollars (\$25.00) per subject sprinkler head within ninety (90) days of Sunbeam's receipt of the qualifying claim.

1.3.2. If the total amount paid to qualified claimants under Section 1.3.1 is less than the total maximum amount specified in Section 1.1 (i.e., \$1,000,000), then Sunbeam agrees to distribute the remaining funds to those claimants on a pro rata basis (per subject sprinkler head). However, the total distributions to any qualified claimant under Sections 1.3.1 and 1.3.2 shall not exceed the amount that claimant actually expended to remove and replace the

subject sprinkler heads described in Section 1.1.1. Distributions under this Section 1.3.2 shall be paid within 120 days of expiration of the 30-month claim period specified in Section 1.2.1.

2. NOTICE CAMPAIGN

- 2.1. In addition to the amount specified in Section 1, Sunbeam agrees to provide notice of this program as follows:
- 2.1.1. Issue a joint press release with CPSC in the form attached as Exhibit "B".
 - 2.1.2. Provide direct mail notice as set forth in attached Exhibit "C" to locations identified in the Mealane Corporation and Grinnell corrective action programs as having subject sprinkler heads within 30 days from the effective date of the Commission order approving the Consent Agreement. This list is available for inspection upon request.
 - 2.1.3. Provide direct mail notice as set forth in attached Exhibit "D" to approximately 29,000 Administrators of Nursing Homes and similar facilities listed in a mailing list purchased from Billian's HealthData Group within 30 days from the effective date of the Commission Order approving the Consent Agreement and, again, within twelve (12) months from the first mailing. The lists are available for inspection upon request.
 - 2.1.4. Provide direct mail notice as set forth in attached Exhibit "E" to all State Fire Marshalls within 30 days from the effective date of the Commission Order approving the Consent Agreement.
 - 2.1.5. Provide direct mail notice as set forth in attached Exhibit "F" to health care, fire safety, and seniors organizations within 30 days from the effective date of the Commission Order approving the Consent Agreement. The lists are available for inspection upon request.
 - 2.1.6. Provide direct mail notice as set forth in attached Exhibit "G" to the fire sprinkler trade associations and editors of fire sprinkler trade journals within 30 days from the effective date of the Commission Order approving the Consent Agreement. The lists are available for inspection upon request.

- 2.1.7. Provide direct mail notice as set forth in attached Exhibit "H" to state agencies having jurisdiction over nursing homes, convalescent centers and similar within 30 days from the effective date of the Commission Order approving the Consent Agreement. This list is available for inspection upon request.
- 2.1.8. Provide direct mail notice as set forth in attached Exhibit "I" to state CPSC liaison representatives within 30 days from the effective date of the Commission Order approving the Consent Agreement. This list is available for inspection upon request.
- 2.1.9. Provide direct mail notice as set forth in Exhibit "J" to testers of and sites from which the samples of the subject sprinkler heads were removed for testing within 30 days from the effective date of the Commission Order approving the Consent Agreement. This list is available for inspection upon request.
- 2.1.10. Provide direct mail notice as set forth in attached Exhibit "K" to trade associations representing grocery stores, convenience stores, and retail drug stores within 30 days from the effective date of the Commission Order approving the Consent Agreement. This list is available for inspection upon request.

3. INFORMATIONAL WEB SITE

- 3.1. In addition to the provisions contained in Sections 1 and 2, within 30 days from the effective date of the Commission Order approving the Consent Agreement, Sunbeam agrees to establish a web site in a form and manner to be determined by CPSC and Sunbeam describing this program.
- 3.2. Sunbeam agrees to keep and maintain the web site described in Section 3.1 for a minimum period of thirty six (36) months from the effective date of the Commission Order approving the Consent Agreement

4. TOLL-FREE 1-800 TELEPHONE NUMBER

- 4.1. In addition to the provisions contained in Sections 1, 2, and 3, within 30 days from the effective date of the Commission Order approving the Consent Agreement, Sunbeam agrees to

establish a toll-free 1-800 telephone number in a form and manner to be determined by CPSC and Sunbeam describing this program.

- 4.2. Sunbeam agrees to keep and maintain the toll-free 1-800 telephone number described in Section 4.1 for a minimum period of thirty six (36) months from the effective date of the Commission Order approving the Consent Agreement.

5. P.O. BOX

- 5.1. In addition to the provisions contained in Sections 1, 2, 3, and 4, within 30 days from the effective date of the Commission Order approving the Consent Agreement, Sunbeam agrees to establish and maintain a P.O. box for use in handling claims and correspondence with participants in this program.
- 5.2. Sunbeam agrees to keep and maintain the P.O. box described in Section 5.1 for a minimum period of thirty six (36) months from the effective date of the Commission Order approving the Consent Agreement.

6. RECORDKEEPING

- 6.1. In addition to the provisions contained in Sections 1, 2, 3, 4, and 5, Sunbeam agrees to maintain records in a form and manner to be determined by CPSC and Sunbeam until the Commission closes its file on this matter. Sunbeam agrees to make such records available for review by authorized CPSC personnel subject to reasonable advance notice.

7. REPORTING

- 7.1. In addition to the provisions contained in Sections 1, 2, 3, 4, 5, and 6, Sunbeam agrees to provide CPSC quarterly status reports concerning implementation of this program in a form and manner to be determined by CPSC and Sunbeam.

PROOF OF CLAIM FORM

Before completing this Proof of Claim Form, please read the enclosed program description and instructions carefully. Please type or print clearly.

Claimant Information

Claimant: _____

If business, name of contact person: _____

Claimant Mailing Address: _____

Claimant Telephone #: _____ Claimant FAX #: _____

Claimant E-mail Address: _____

Building Information

Please Complete this section for each building in which Star ME-1 Sprinkler heads have been located and replaced. Please copy this form and complete for each additional building.

Name of Building: _____

Building Street Address: _____

Total number of Star ME-1 dry sprinkler heads identified at this location: _____

NOTE: Each claim MUST include two (2) photos which clearly show the Model # and 2-digit date code of a sample sprinkler head from each building location for which a claim is submitted.

Have all of the Star ME-1 dry sprinkler heads been replaced? YES NO

Please attach a copy of the work order or invoice for the removal and replacement of the Star ME-1 dry sprinkler heads.

Have all of the removed Star ME-1 dry sprinkler heads been destroyed or disabled? YES NO

SWORN VERIFICATION

I hereby declare, under penalty of perjury under the laws of the United States, that the information provided in this Proof of Claim form is true and correct. I understand that making a false claim or providing false information may result in civil and criminal penalties under state and federal laws.

Signature

Date

Print Name and Title

**Sunbeam Star ME-1 Recall Program Description
And
Instructions for Filing Proofs of Claim**

RECALL PROGRAM DESCRIPTION

In accordance with a Consent Agreement between the U.S. Consumer Product Safety Commission (CPSC) and Sunbeam Corporation (Sunbeam), Sunbeam has agreed to contribute up to one million dollars (\$1,000,000.00) to facilitate replacement of Star ME-1 dry sprinkler heads manufactured between 1977 and 1982 by Chemetron Corporation and/or Chemetron Investments, Inc.

Under the terms of the Consent Agreement, Sunbeam will pay twenty-five dollars (\$25.00) for each Star ME-1 dry sprinkler head manufactured between 1977 and 1982 within ninety (90) days after receiving a valid Proof of Claim. All Proof of Claims must be post-marked no later than December _____, 2005, to be eligible for payment under this Recall Program.

If the total claims paid are less than one million dollars (\$1,000,000.00), Sunbeam will distribute the remaining amount on a pro rata basis (based upon the # of sprinkler heads per location) to claimants that submitted valid claims. This distribution is intended to help offset the labor cost for replacing Star ME-1 dry sprinkler heads. In no event will any claimant receive more than the amount actually incurred for labor to replace the sprinkler heads. Disbursements for this part of the program will be made within 120 days after the expiration of the claim period (December _____, 2005).

INSTRUCTIONS FOR FILING PROOFS OF CLAIM

Refer to the enclosed drawings and photos and note the locations of the model # and manufacturing date codes. Determine how many buildings have Star ME-1 dry sprinkler heads manufactured between 1977 and 1982. **This Program only includes Star ME-1 dry sprinkler heads manufactured from 1977-1982.**

For each building, determine the total number of Star ME-1 dry sprinkler heads manufactured between 1977 and 1982.

For each building, take two (2) color photos of a sample Star ME-1 dry sprinkler head from each building for which a claim is being made. The photos must clearly show the model # and 2-digit date codes. You are NOT required to take photographs of every sprinkler head in each building.

Remove and replace all Star ME-1 dry sprinkler heads with approved dry sprinkler heads. Disable the removed Star ME-1 sprinkler heads to ensure they will not be used again and dispose of the heads appropriately. Make a copy of the work order or invoice for removal and replacement of the Star ME-1 sprinkler heads to include with the Proof of Claim Form.

Fill out the enclosed Proof of Claim Form for each separate building completely, enclose the two (2) color photos, a copy of the work order or invoice, sign the Verification and return to _____, Wichita, Kansas, 67_____.

All Proof of Claims must be post-marked no later than December, __, 2005, to be eligible for payment under this Recall Program.

Under this Recall Program, you are initially responsible for paying for sprinkler head removal and replacement costs. Upon submission of a valid Proof of Claim, you will receive reimbursement as described in the Program Description.

Sunbeam reserves the right to audit and/or inspect all claims and installation records for a period of two (2) years from the date of each Proof of Claim submitted under this Recall Program.

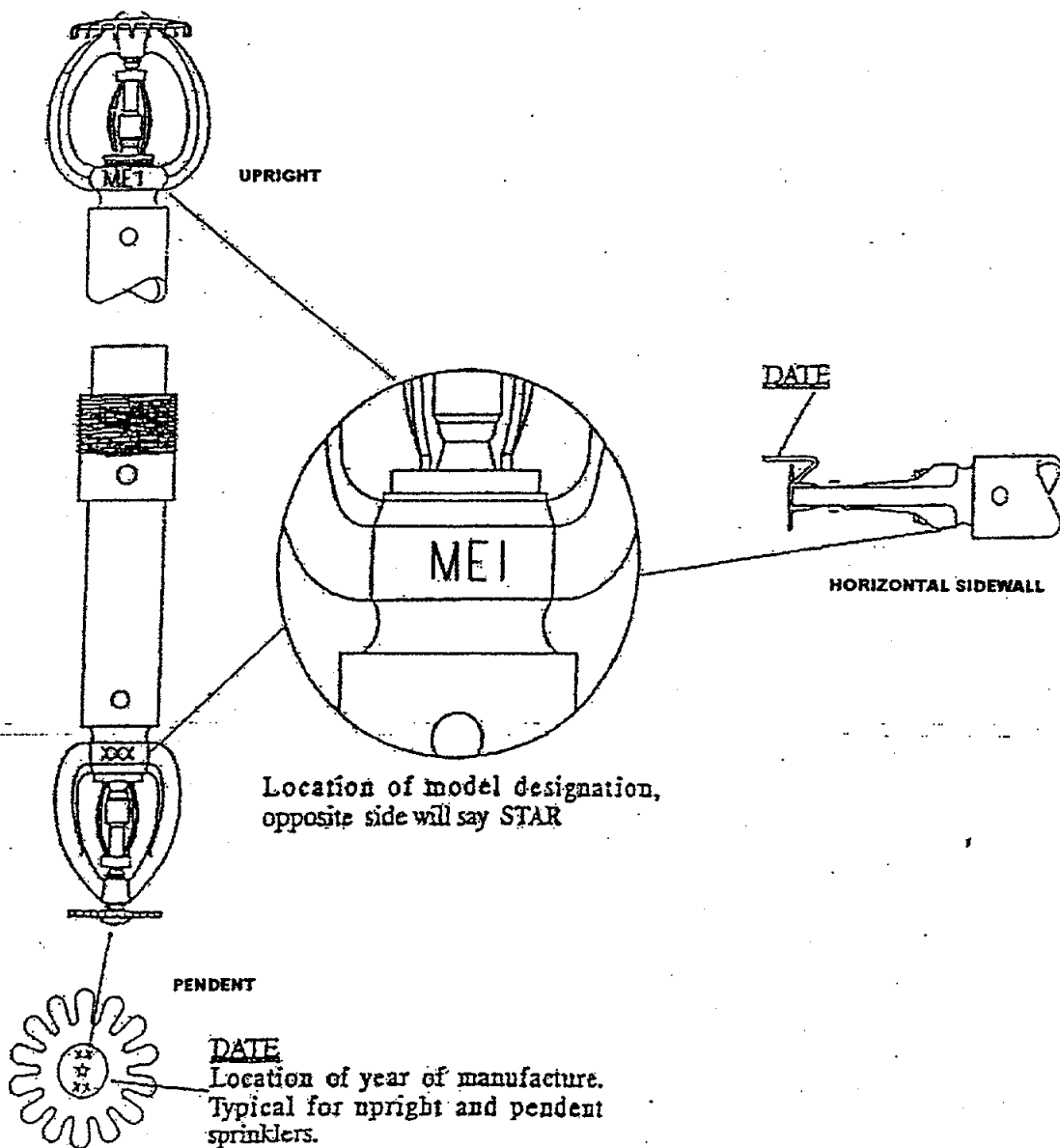
The U.S. Consumer Product Safety Commission will be monitoring implementation of this recall program.

Additional information about this Program can be found at www.star-me1recall.com, by calling 1-800-_____, or by writing to: Star ME-1 Recall Program, P.O. Box ___, Wichita, Kansas 67_____.

DRY sprinklers produced between XXXX and XXXX by the company then known and existing as Star Sprinkler, are identified by the following designations.

The ME-1 sprinklers were produced in either upright, horizontal sidewall or recessed pendent configurations.

Use the following illustrations as an aid in locating the model designation and year of manufacture.



News from CPSC

U.S. Consumer Product Safety Commission

Office of Information and Public Affairs

Washington, D.C. 20207

For Immediate Release

XX, 2002

Release # 03-DRAFT 11/13/02 11:50

Firm's Recall Hotline:

CPSC Recall Hotline: (800) 638-2772

CPSC Media Contact:

(301) 504-0580 Ext.

CPSC, Sunbeam Announce Recall of Star ME-1 Dry Sprinklers and Settlement of Administrative Lawsuit

WASHINGTON, D.C. - The U.S. Consumer Product Safety Commission (CPSC) and Sunbeam Corporation, of Boca Raton, Fla., today announced the nationwide recall of about 60,000 Star ME-1-brand dry sprinklers. Chemetron Corporation, an inactive subsidiary of Sunbeam, manufactured these sprinklers from 1977 through 1982. This recall announcement follows the resolution of an administrative proceeding filed by CPSC on October 9, 2001, in which CPSC alleged these sprinklers are defective and can fail to operate in a fire, thereby exposing consumers to the risk of death or serious injury.

CPSC reports that samples of Star ME-1 dry sprinklers removed from several locations and tested by independent testing laboratories failed to activate as intended. Although there have been no reports that Star ME-1 dry sprinklers manufactured by Chemetron have failed to operate while in service, CPSC has received reports of failures involving Star ME-1 dry sprinklers manufactured by other companies. One report involved a 1976 sprinkler, and the other report involved sprinklers manufactured in 1989 or 1990.

Chemetron's Star ME-1 sprinklers have "Star," the designation "ME-1," and year of manufacture, from 1977 through 1982, molded on them.

Dry sprinklers do not have water in the leg of pipe directly above the sprinkler head, so they can be used in areas of buildings where the sprinklers or water supply pipes could be subject to freezing. Examples of such areas include unheated attics, freezers and coolers, porches and parking garages. The types of facilities in which the sprinklers were installed include nursing homes, convalescent and long-term care facilities, supermarkets and other stores, warehouses, hospitals and office buildings.

Although Sunbeam Corporation filed for bankruptcy protection in February 2001, it has agreed to pay up to \$1 million to assist in the replacement of the Star ME-1 dry sprinklers that Chemetron manufactured from 1977 through 1982. Sunbeam Corporation acquired the assets of Chemetron in 1990 after Chemetron ceased making these sprinklers.

To receive payment for sprinkler replacement, consumers must follow specific procedures and must submit claims by _____, 200_. For more information, consumers should call Sunbeam Corporation toll-free at () ___-___, [HOURS/DAYS/TIME ZONE OF NUMBER], or visit their web site at www.????????.

CPSC previously announced that Mealane Corporation voluntarily agreed to recall Star ME-1 sprinklers manufactured from 1975 through 1976 and Central Sprinkler Company voluntarily recalled Star ME-1 fire sprinklers manufactured from 1996 through 1998. The Sprinkler Corporation of Milwaukee which manufactured Star ME-1 sprinklers from 1983 through 1985 has no assets with which to fund a recall, but is issuing a safety notice warning building owners to replace these sprinklers. Consumers can obtain information about those recalls and safety notices on CPSC's web site at www.cpsc.gov.

PHOTO JPG AVAILABLE

SAMPLE AVAILABLE?

To see a picture of the recalled product(s) and/or to establish a link from your web site to this press release on CPSC's web site, link to the following address: <http://www.cpsc.gov/cpsc/pub/prere1/prhtml03/03XXX.html>. The U.S. Consumer Product Safety Commission protects the public from unreasonable risks of injury or death from 15,000 types of consumer products under the agency's jurisdiction. To report a dangerous product or a product-related injury, call CPSC's hotline at (800) 638-2772 or CPSC's teletypewriter at (800) 638-8270, or visit CPSC's web site at <http://www.cpsc.gov/talk.html>. Consumers can obtain this release and recall information at CPSC's web site at <http://www.cpsc.gov>.

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IMPORTANT SAFETY NOTICE

December, __, 2002

The U.S. Consumer Product Safety Commission (CPSC) and Sunbeam Corporation, of Boca Raton, Fla., have announced a nationwide recall of about 60,000 Star ME-1 brand dry sprinklers manufactured by Chemetron Corporation, an inactive subsidiary of Sunbeam, from 1977 through 1982. Although there have been no reports of malfunction involving Star ME-1 dry sprinklers manufactured by Chemetron Corporation, the CPSC has received reports of failures involving Star ME-1 dry sprinklers manufactured by other companies. **If the sprinklers fail to operate properly in a fire, you, your residents, and your property may be at risk. These Star ME-1 sprinklers must be replaced immediately.**

Information received from the Mealane Corporation or Grinnell Recall Programs indicate that you may have Star ME-1 dry sprinkler heads that are included in this recall program.

Dry sprinklers do not have water in the leg of pipe directly above the sprinkler head, so they can be used in areas of buildings where the sprinklers or water supply pipes could be subject to freezing. Examples of such areas include unheated attics, freezers and coolers, porches and parking garages. These sprinklers have been installed in nursing homes, hospitals, and convalescent and long-term care facilities.

Chemetron Star ME-1 sprinklers have "Star", the designation "ME-1", and the year of manufacture, from 1977 through 1982, molded on them. The enclosed photos may help you identify them. You may also view photos of them at www.starme1recall.com. Your local sprinkler contractor or local fire marshal or authority having jurisdiction may also be able to assist in identifying these sprinklers.

If you have any of these sprinkler heads in your facility, please complete the enclosed Notice of Claim form and return it via mail to _____ Sunbeam will pay twenty-five dollars (\$25.00) per sprinkler head for valid claims received on or before _____. Depending on the number of valid claims received, Claimants may receive an additional payment. Full details about this recall program can be found at the website www.starme1recall.com.

Thank you for your assistance.

Exhibit D

IMPORTANT SAFETY NOTICE

December, __, 2002

Dear Nursing Home Director:

The U.S. Consumer Product Safety Commission (CPSC) and Sunbeam Corporation, of Boca Raton, Fla., have announced a nationwide recall of about 60,000 Star ME-1 brand dry sprinklers manufactured by Chemetron Corporation, an inactive subsidiary of Sunbeam, from 1977 through 1982. Although there have been no reports of malfunction involving Star ME-1 dry sprinklers manufactured by Chemetron Corporation, the CPSC has received reports of failures involving Star ME-1 dry sprinklers manufactured by other companies. **If the sprinklers fail to operate properly in a fire, you, your residents, and your property may be at risk. These Star ME-1 sprinklers must be replaced immediately.**

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Thank you for your assistance.

IMPORTANT SAFETY NOTICE

December, __, 2002

Dear State Fire Marshall:

The U.S. Consumer Product Safety Commission (CPSC) and Sunbeam Corporation, of Boca Raton, Fla., have announced a nationwide recall of about 60,000 Star ME-1 brand dry sprinklers manufactured by Chemetron Corporation, an inactive subsidiary of Sunbeam, from 1977 through 1982. Although there have been no reports of malfunction involving Star ME-1 dry sprinklers manufactured by Chemetron Corporation, the CPSC has received reports of failures involving Star ME-1 dry sprinklers manufactured by other companies. **If the sprinklers fail to operate properly in a fire, you, your residents, and your property may be at risk. These Star ME-1 sprinklers must be replaced immediately.**

Dry sprinklers do not have water in the leg of pipe directly above the sprinkler head, so they can be used in areas of buildings where the sprinklers or water supply pipes could be subject to freezing. Examples of such areas include heated attics, freezers and coolers, porches and parking garages. These sprinklers have been installed in nursing homes, hospitals, convalescent and long-term care facilities.

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In the interest of protecting public safety, we strongly encourage you to highlight this recall program in your own publications, on your website or by linking to the website above.

Thank you for your assistance.

Letter to Fire Protection/Senior/Health Care Organizations

IMPORTANT SAFETY NOTICE

December __, 2002

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Dry sprinklers do not have water in the leg of pipe directly above the sprinkler head, so they can be used in areas of buildings where the sprinklers or water supply pipes could be subject to freezing. Examples of such areas include unheated attics, freezers and coolers, porches and parking garages. The types of facilities in which the sprinklers were installed include nursing homes, hospitals, convalescent and long-term care facilities, supermarkets, warehouses, and office buildings.

Chemetron Star ME-1 sprinklers have "Star", the designation "ME-1", and the year of manufacture, from 1977 through 1982, molded on them. The enclosed diagrams may help you identify them and you may also view photos of them at www.starme1recall.com.

Sunbeam has agreed to pay up to one million dollars (\$1,000,000.00) to assist in the replacement of the Star ME-1 sprinkler heads manufactured between 1977 and 1982. Building owners must follow specific procedures to qualify for this program. For more information, consumers can contact Sunbeam at 1-800-____ or visit the web site at www.starme1recall.com

In the interest of protecting public safety, we strongly encourage you to highlight this recall program in your own publications, on your website or by linking to the website above.

Thank you for your assistance.

Exhibit G

Letter to Fire Sprinkler Trade Orgs

IMPORTANT SAFETY NOTICE

December __, 2002

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IMPORTANT SAFETY NOTICE

December, __, 2002

Dear Nursing Home Licensing Authority:

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IMPORTANT SAFETY NOTICE

December, __, 2002

Dear Consumer Product Safety Commission State Designee:

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