AA Group (U.S.) - A LLC
Form 424B3
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PROSPECTUS

Spectrum Brands, Inc.

Exchange Offer for

$250,000,000 6.125% Senior Notes due 2024 and Related Guarantees

$1,000,000,000 5.750% Senior Notes due 2025 and Related Guarantees

The Notes and the Guarantees

We are offering to exchange $250,000,000 of our outstanding 6.125% Senior Notes due 2024 and certain related guarantees, which were issued on December 4, 2014 in a private offering and which we collectively refer to as the 2024 initial notes, for a like aggregate amount of our registered 6.125% Senior Notes due 2024 and certain related guarantees, which we collectively refer to as the 2024 exchange notes. The 2024 exchange notes will be issued under the indenture dated as of December 4, 2014, as supplemented by the supplemental indenture dated as of February 24, 2015 and as further supplemented by the supplemental indenture dated as of June 23, 2015, which we refer to as the 2024 notes indenture. We refer to the 2024 initial notes and the 2024 exchange notes collectively as the 2024 notes.

We are offering to exchange $1,000,000,000 of our outstanding 5.750% Senior Notes due 2025 and certain related guarantees, which were issued on May 20, 2015 in a private offering and which we collectively refer to as the 2025 initial notes, for a like aggregate amount of our registered 5.750% Senior Notes due 2025 and certain related guarantees, which we collectively refer to as the 2025 exchange notes. The 2025 exchange notes will be issued under the indenture dated as of May 20, 2015, as supplemented by the supplemental indenture dated as of June 23, 2015, which we refer to as the 2025 notes indenture and, together with the 2024 notes indenture, the indentures. We refer to the 2025 initial notes and the 2025 exchange notes collectively as the 2025 notes.

We refer to the 2024 initial notes and the 2025 initial notes, collectively or individually, as the context requires, as the initial notes. We refer to the 2024 exchange notes and the 2025 exchange notes, collectively or individually, as the context requires, as the exchange notes. We refer to the initial notes and the exchange notes collectively as the notes.

The 2024 exchange notes will mature on December 15, 2024. We will pay interest on the 2024 exchange notes semi-annually on June 15 and December 15 of each year, commencing on June 15, 2016, at a rate of 6.125% per annum, to holders of record on the June 1 or December 1 immediately preceding the interest payment date.

The 2025 exchange notes will mature on July 15, 2025. We will pay interest on the 2025 exchange notes semi-annually on July 15 and January 15 of each year, commencing on July 15, 2016, at a rate of 5.750% per annum, to holders of record on the July 1 or January 1 immediately preceding the interest payment date.

The exchange notes will be guaranteed on a senior unsecured basis by our direct parent, SB/RH Holdings, LLC, and each of our existing and future domestic subsidiaries, which we refer to collectively as the guarantors.

The exchange notes and the related guarantees will be the general unsecured obligations of us and the guarantors and will rank equally in right of payment with all of our and the guarantors existing and future senior indebtedness, including the initial notes (but effectively subordinated to our secured debt, including the Secured Credit Facilities (as defined herein) to the extent of the value of the assets securing such secured debt), and senior in right of payment to all of our and the guarantors future indebtedness that expressly provides for its subordination to the exchange notes and the related guarantees. See Description of 2024 Notes and Description of 2025 Notes, as applicable.

Terms of the Exchange Offer

The exchange offer will expire at 5:00 p.m., New York City time, on February 8, 2016, unless we extend it.

If all the conditions to this exchange offer are satisfied, we will exchange all of our initial notes that are validly tendered and not withdrawn for the applicable exchange notes.

You may withdraw your tender of initial notes at any time before the expiration of this exchange offer.

The exchange notes that we will issue you in exchange for your initial notes will be substantially identical to your initial notes, except that, unlike your initial notes, the exchange notes will have no transfer restrictions or registration rights.

The exchange notes that we will issue you in exchange for your initial notes are new securities with no established market for trading.

Before participating in this exchange offer, please refer to the section in this prospectus entitled Risk Factors commencing on page 18.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We have not applied, and do not intend to apply, for listing or quotation of the notes on any national securities exchange or automated quotation system.

Each broker-dealer that receives exchange notes for its own account pursuant to this exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act of 1933, as amended (the Securities Act). This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for initial notes where such initial notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration date (as defined herein), we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

The date of this prospectus is January 7, 2016.

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We have not authorized anyone to give you any information or to make any representations about us or the transactions we discuss in this prospectus other than those contained in this prospectus. If you are given any information or representations about these matters that is not discussed in this prospectus, you must not rely on that information. This prospectus is not an offer to sell or a solicitation of an offer to buy securities anywhere or to anyone where or to whom we are not permitted to offer or sell securities under applicable law. The delivery of this prospectus does not, under any circumstances, mean that there has not been a change in our affairs since the date of this prospectus. Subject to our obligation to amend or supplement this prospectus as required by law and the rules and regulations of the SEC, the information contained in this prospectus is correct only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of these securities.

Until April 6, 2016 (90 days after the date of this prospectus), all dealers effecting transactions in the exchange notes, whether or not participating in the exchange offer, may be required to deliver a prospectus. This is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Each prospective purchaser of the exchange notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the notes or possesses or distributes this prospectus and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the exchange notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and we shall not have any responsibility therefor.

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TRADEMARKS

We have proprietary rights to or are exclusively licensed to use a number of registered and unregistered trademarks that we believe are important to our business, including, without limitation, Rayovac, Remington, VARTA, Tetra, 8-in-1, Dingo, Nature s Miracle, IAMS, Eukanuba, Digest-eeze, Liquid Fence, Black Flag, Wild Harvest, Marineland, FURminator, Spectracide, Cutter, Hot Shot, Garden Safe, Repel, George Foreman, Russell Hobbs, Farberware, Toastmaster, Black & Decker, Kwikset, Weiser, Baldwin, National Hardware, Pfister, Armor All, STP, A/C PRO, Arctic Freeze, Sub Zero and Super Seal Stop Leak. We attempt to obtain registration of our key trademarks whenever possible or practicable and pursue any infringement of those trademarks. Solely for convenience, the trademarks, service marks and tradenames referred to in this prospectus are without the ® and TM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, service marks and tradenames.

MARKET AND INDUSTRY DATA

We obtained the industry, market and competitive position data and information used throughout this prospectus from our own internal company surveys and management estimates as well as from industry and general publications and research, surveys or studies conducted by third parties. Industry and general publications and research, studies and surveys generally state that they have obtained information from sources believed to be reliable, but do not guarantee the accuracy and completeness of such data and information. While we believe that these publications and research, studies and surveys are reliable, neither we nor the initial purchasers have independently verified such data and information and neither we nor the initial purchasers make any representation or warranty as to the accuracy of such data and information.

There is only a limited amount of independent data available about our industry, market and competitive position, particularly outside of the United States. As a result, certain data and information are based on our good faith estimates, which are derived from our review of internal data and information, information that we obtain from customers, and other third-party sources. We believe these internal surveys and management estimates are reliable; however, no independent sources have verified such surveys and estimates.

The industry data that we present in this prospectus include estimates that involve risks and uncertainties and are subject to change based on various factors, including those discussed under Risk Factors and those discussed under Cautionary Statement Regarding Forward-Looking Statements.

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PROSPECTUS SUMMARY

The following summary highlights basic information about us, the exchange offer and the exchange notes. It may not contain all of the information that is important to you. For a more comprehensive understanding of our business and the offering, you should read this entire prospectus, including the section entitled Risk Factors. Certain statements in this summary are forward-looking statements. See Cautionary Statement Regarding Forward-Looking Statements.

Unless otherwise indicated in this prospectus or the context requires otherwise, Spectrum Brands refers only to Spectrum Brands, Inc. and not to any of its subsidiaries; Spectrum refers to Spectrum Brands, Inc. and, where applicable, its consolidated subsidiaries; SB/RH Holdings, the Company, we, or our refers to the Spectrum Brands parent SB/RH Holdings, LLC and, where applicable, its consolidated subsidiaries, including Spectrum Brands. SB Holdings refers to SB/RH Holdings parent, Spectrum Brands Holdings, Inc. and, where applicable, its consolidated subsidiaries, including SB/RH Holdings.

Our Company

We are a diversified global branded consumer products company. Spectrum Brands is a wholly owned direct subsidiary of SB/RH Holdings, which is a direct subsidiary of SB Holdings. SB Holdings common stock trades on the New York Stock Exchange (the NYSE) under the symbol SPB.

We manufacture and market alkaline, zinc carbon and hearing aid batteries, herbicides, insecticides and repellants and specialty pet supplies. We design and market rechargeable batteries, battery-powered lighting products, electric shavers and accessories, grooming products and hair care appliances. Our operations also include the manufacturing and marketing of specialty pet supplies, and of herbicides, insecticides and insect repellents in North America. We also design, market and distribute a broad range of branded small appliances and personal care products. We also design, manufacture, market, distribute and sell certain hardware, home improvement and plumbing products, and are a leading United States (U.S.) provider of residential locksets and builders hardware and a leading provider of faucets. Our manufacturing and product development facilities are located in the U.S., Europe, Latin America and Asia. Substantially all of our rechargeable batteries, chargers and portable lighting products, shaving and grooming products, small household appliances and personal care products are manufactured by third-party suppliers, primarily located in Asia.

On May 21, 2015, we acquired Armored AutoGroup Parent Inc. (together, as the context requires, with its successor by merger, Armored AutoGroup Inc., AAG). AAG is a consumer products company consisting primarily of Armor All and STP products, two of the most recognizable brands in the automotive aftermarket appearance products and performance chemicals categories, respectively, and the AC/PRO brand of do-it-yourself automotive air conditioner recharge products. For information pertaining to the AAG Acquisition, see Note 3, Acquisitions to our Consolidated Financial Statements, included elsewhere in this prospectus.

The Company sells its products in approximately 160 countries through a variety of trade channels, including retailers, wholesalers and distributors, hearing aid professionals, industrial distributors and original equipment manufacturers (OEMs) and enjoy strong name recognition in our markets under the Rayovac, VARTA and Remington brands, each of which has been in existence for more than 80 years, and under the Tetra, 8-in-1, Dingo, Nature s Miracle, IAMS, Eukanuba, Healthy-Hide, Digest-eeze, Spectracide, Cutter, Hot Shot, Black & Decker, George Foreman, Russell Hobbs, Farberware, Black Flag, FURminator, Kwikset, Weiser, Baldwin, National Hardware, Stanley, Pfister and the previously mentioned AAG brands. We also have patented technologies such as Smartkey, a rekeyable lockset technology, and Smart Code Home Connect.

Our diversified global branded consumer products have positions in seven major product categories: consumer batteries, small appliances, personal care, hardware and home improvement, pet supplies, auto care and home and garden controls.

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Our chief operating decision-maker manages the businesses in five vertically integrated, product-focused reporting segments: (i) Global Batteries & Appliances, which consists of the Company s worldwide battery, personal care and small appliances primarily in the kitchen and home product categories (Global Batteries & Appliances); (ii) Hardware & Home Improvement, which consists of the Company s worldwide hardware, home improvement and plumbing business (Hardware & Home Improvement); (iii) Global Pet Supplies, which consists of the Company s worldwide pet supplies business (Global Pet Supplies); (iv) Home and Garden, which consists of the Company s home and garden and insect control business (Home and Garden); and (v) Global Auto Care, which consists of the Company s automotive aftermarket appearance products, performance chemicals/additives and do-it-yourself automotive air conditioner recharge (Global Auto Care). Management reviews our performance based on these segments. For information pertaining to our business segments, see Note 18, Segment Information, to our audited Consolidated Financial Statements in this prospectus.

Global and geographic strategic initiatives and financial objectives are determined at the corporate level. Each business segment is responsible for implementing defined strategic initiatives and achieving certain financial objectives and has a general manager responsible for sales and marketing initiatives and the financial results for all product lines within that business segment.

Our operating performance is influenced by a number of factors including: general economic conditions; foreign exchange fluctuations; trends in consumer markets; consumer confidence and preferences; our overall product line mix, including pricing and gross margin, which vary by product line and geographic market; pricing of certain raw materials and commodities; energy and fuel prices; and our general competitive position, especially as impacted by our competitors advertising and promotional activities and pricing strategies.

Recent Developments

AAG Acquisition

On May 21, 2015, we completed our acquisition (the AAG Acquisition) of AAG pursuant to the Agreement and Plan of Merger by and among AAG, SB Holdings, Ignite Merger Sub, Inc. and, solely in its capacity as representative, Avista Capital Partners II GP, LLC, dated as of April 28, 2015, for a purchase price of $1.4 billion in cash and an assumption of debt of $540 million.

We funded the AAG Acquisition with the proceeds of our offering of the 2025 initial notes and gross proceeds from SB Holdings registered offering of its common stock. SB Holdings also contributed to us the additional proceeds received by it in connection with the underwriters exercise of their option to purchase additional shares in the registered offering. We expect to use such additional proceeds for general corporate purposes.

Refinancing Transactions

On June 23, 2015, we entered into a Credit Agreement (the Credit Agreement), by and among Spectrum Brands, SB/RH Holdings, Deutsche Bank AG New York Branch, as administrative agent, and the lenders party thereto from time to time. See Description of Other Indebtedness Credit Agreement.

Pursuant to the Credit Agreement, on June 23, 2015, we closed senior secured credit facilities consisting of (a) a $1,450 million U.S. Dollar-denominated term loan facility (the USD Term Loan Facility), (b) a 300 million Euro-denominated term loan facility (the Euro Term Loan Facility), (c) a CAD$75 million Canadian Dollar-denominated term loan facility (the CAD Term Loan Facility and, collectively with the USD

Term Loan Facility and the Euro Term Loan Facility, the Term Credit Facilities) and (d) a $500 million cash flow revolving credit facility (the Revolving Credit Facility and, together with the Term Credit Facilities, the Secured Credit Facilities).

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The net proceeds of the Term Credit Facilities were used, among other things, to (i) refinance our Credit Agreement dated as of December 17, 2012 (as amended, modified, supplemented or restated from time to time, the Prior Term Loan Credit Agreement) and repay in full all obligations in respect of the Prior Term Loan Credit Agreement and related loan documents, (ii) repay in full all obligations in respect of our Loan and Security Agreement, dated as of June 16, 2010 (as amended, modified, supplemented or restated from time to time, the Prior ABL Facility Agreement) and (iii) to pay fees and expenses in connection with the transactions referenced in clause (i) and for general corporate purposes. A portion of the net proceeds, together with borrowings under the Revolving Credit Facility, was also used to fund the satisfaction and discharge of the indenture governing Spectrum Brands 6.750% Senior Notes due 2020 (the 6.75% Notes).

The Revolving Credit Facility includes a letter of credit subfacility. Letters of credit issued thereunder were used by Spectrum to replace then-existing letters of credit under the Prior ABL Facility Agreement on the closing date of the Credit Agreement. Letters of credit and proceeds of the loans under the Revolving Credit Facility may be used by Spectrum, the other borrowers and their respective subsidiaries for, among other things, working capital and other general corporate purposes, including the financing of permitted acquisitions and other permitted investments and dividends and other distributions on account of the capital stock of the borrowers, restricted payments and any other use not prohibited by the terms of the loan documents.

Corporate Structure

The chart below is a summary of the organizational structure of the Issuer and its parents and subsidiaries.

1 SB/RH Holdings (i) is a guarantor of our obligations under the Secured Credit Facilities and pledged only the capital stock issued to it by Spectrum as collateral, (ii) is a guarantor of Spectrum Brands 6.375% Senior Notes due 2020 and Spectrum Brands 6.625% Senior Notes due 2022 (together, the 2020/2022

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Notes), (iii) is a guarantor of our obligations under the initial notes and (iv) will be a guarantor of our obligations under the exchange notes offered hereby.

[2] None of our foreign subsidiaries are, or will be, guarantors of the 2020/2022 Notes, the initial notes or the exchange notes offered hereby. None of our foreign subsidiaries are guarantors under the Secured Credit Facilities as of the closing date of the Secured Credit Facilities.

[3] Our domestic subsidiaries, subject to certain exceptions, are guarantors of the 2020/2022 Notes and the initial notes and will be guarantors of the exchange notes offered hereby. Certain of our domestic subsidiaries are guarantors under the Secured Credit Facilities.

Additional Information

Spectrum Brands is a Delaware corporation and the address of our principal executive office is 3001 Deming Way, Middleton, Wisconsin 53562. Our telephone number is (608) 275-3340. Our website address is www.spectrumbrands.com. Information contained on or accessible through our website is not part of, and is not incorporated by reference into, this prospectus.

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Summary of the Exchange Offer

In connection with the closing of the offering of each of the 2024 initial notes and the 2025 initial notes, we entered into a registration rights agreement (as more fully described below) with the initial purchasers of the 2024 initial notes and the 2025 initial notes, as applicable. You are entitled to exchange in the exchange offer your initial notes for exchange notes.

Exchange Offer	We are offering to exchange $250 million aggregate principal amount of our 2024 exchange notes and certain related guarantees and $1,000 million aggregate principal amount of our 2025 exchange notes and certain related guarantees for a like aggregate principal amount of our 2024 initial notes and 2025 initial notes, respectively, and certain related guarantees.
	In order to exchange your initial notes, you must properly tender them and we must accept your tender. We will exchange all outstanding initial notes that are validly tendered and not validly withdrawn. Initial notes may be exchanged only for a minimum principal denomination of $2,000 and in integral multiples of $1,000 in excess thereof.
Expiration Date	This exchange offer will expire at 5:00 p.m., New York City time, on February 8, 2016 (the expiration date), unless we decide to extend it.
Exchange Notes	The exchange notes will be identical in all material respects to the initial notes, except that:

- the exchange notes have been registered under the Securities Act and will be freely tradable by persons who are not affiliates of ours or subject to restrictions due to being broker-dealers;
- the 2024 exchange notes are not entitled to the registration rights applicable to the 2024 initial notes under the registration rights agreement dated December 4, 2014 (the 2024 Notes Registration Rights Agreement);
- the 2025 exchange notes are not entitled to the registration rights applicable to the 2025 initial notes under the registration rights agreement dated May 20, 2015 (the 2025 Notes Registration Rights Agreement and, together with the 2024 Notes Registration Rights Agreement, the Registration Rights Agreements); and

our obligation to pay additional interest on the initial notes due to the failure to consummate the exchange offer by a prior date does not apply to the exchange notes.

Conditions to the Exchange Offer	We will complete this exchange offer with respect to the applicable series of notes only if:

there is no change in the laws and regulations which would impair our ability to proceed with this exchange offer for such series of notes,

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	there is no change in the current interpretation of the staff of the SEC which permits resales of such series of exchange notes,
	there is no stop order issued by the SEC which would suspend the effectiveness of the registration statement which includes this prospectus or the qualification of the applicable indenture governing the exchange notes under the Trust Indenture Act of 1939, as amended (the Trust Indenture Act),
	there is no litigation or threatened litigation which would impair our ability to proceed with this exchange offer for such series of notes, and
	we obtain all the governmental approvals we deem necessary to complete this exchange offer for such series of notes.
	Please refer to the section in this prospectus entitled The Exchange Offer Conditions to the Exchange Offer.
Procedures for Tendering Initial Notes	To participate in this exchange offer, you must complete, sign and date the letter of transmittal or its facsimile and transmit it, together with your initial notes to be exchanged and all other documents required by the letter of transmittal, to U.S. Bank National Association, as exchange agent, at its address indicated under The Exchange Offer Exchange Agent. In the alternative, you can tender your initial notes by book-entry delivery following the procedures described in this prospectus. For more information on tendering your initial notes, please refer to the section in this prospectus entitled The Exchange Offer Procedures for Tendering Initial Notes.
Special Procedures for Beneficial Owners	If you are a beneficial owner of initial notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your initial notes in the exchange offer, you should contact the registered holder promptly and instruct that person to tender on your behalf.
Guaranteed Delivery Procedures	If you wish to tender your initial notes and you cannot get the required documents to the exchange agent on time, you may tender your initial notes by using the guaranteed delivery procedures described under the section of this prospectus entitled The Exchange Offer Procedures for Tendering Initial Notes Guaranteed Delivery Procedure.

Withdrawal Rights	You may withdraw the tender of your initial notes at any time before 5:00 p.m., New York City time, on the expiration date of the exchange offer. To withdraw, you must send a written or facsimile transmission notice of withdrawal to the exchange agent at its address indicated under The Exchange Offer Exchange Agent before 5:00 p.m., New York City time, on the expiration date of the exchange offer.

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Acceptance of Initial Notes and Delivery of Exchange Notes	If all the conditions to the completion of this exchange offer are satisfied, we will accept any and all initial notes that are properly tendered in this exchange offer before 5:00 p.m., New York City time, on the expiration date. We will return any initial notes that we do not accept for exchange to you without expense promptly after the expiration date. We will deliver the exchange notes to you promptly after the expiration date and acceptance of your initial notes for exchange. Please refer to the section in this prospectus entitled The Exchange Offer Acceptance of Initial Notes for Exchange; Delivery of Exchange Notes.
Federal Income Tax Considerations Relating to the Exchange Offer	Exchanging your initial notes for exchange notes will not be a taxable event to you for United States federal income tax purposes. Please refer to the section of this prospectus entitled Certain U.S. Federal Income Tax Considerations.
Exchange Agent	U.S. Bank National Association is serving as exchange agent in the exchange offer.
Fees and Expenses	We will pay all expenses related to this exchange offer. Please refer to the section of this prospectus entitled The Exchange Offer Fees and Expenses.
Use of Proceeds	We will not receive any proceeds from the issuance of the exchange notes. We are making this exchange offer solely to satisfy our obligations under the Registration Rights Agreements. See Use of Proceeds.
Consequences to Holders Who Do Not Participate in the Exchange Offer	To the extent you do not participate in this exchange offer:
	except as set forth in the next paragraph, you will not necessarily be able to require us to register your initial notes under the Securities Act,
	you will not be able to resell, offer to resell or otherwise transfer your initial notes unless they are registered under the Securities Act or unless you resell, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act, and

the trading market for your initial notes will become more limited to the extent other holders of initial notes participate in the exchange offer.

You will not be able to require us to register your initial notes under the Securities Act unless:

because of any change in law or in applicable interpretations thereof by the SEC staff, we are not permitted to effect the exchange offer for the applicable series of notes;

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(i) with respect to the 2024 notes, the exchange offer is not consummated within 440 days of December 4, 2014 and (ii) with respect to the 2025 notes, the exchange offer is not consummated within 440 days of May 20, 2015;

you so request with respect to your initial notes that are not eligible to be exchanged for exchange notes in this exchange offer; or

(i) you (so long as you are not an exchanging dealer) are not eligible to participate in this exchange offer or (ii) you (so long as you are not an exchanging dealer) participate in the exchange offer but may not resell the exchange notes without delivering a prospectus.

In these cases, the Registration Rights Agreements require us to file a registration statement for a continuous offering in accordance with Rule 415 under the Securities Act for the benefit of the holders of the initial notes described in this paragraph. We do not currently anticipate that we will register under the Securities Act any initial notes that remain outstanding after completion of the exchange offer.

Please refer to the section of this prospectus entitled The Exchange Offer Your Failure to Participate in the Exchange Offer May Have Adverse Consequences.

Resales

It may be possible for you to resell the notes issued in the exchange offer without compliance with the registration and prospectus delivery provisions of the Securities Act, subject to the conditions described under Obligations of Broker-Dealers below.

To tender your initial notes in this exchange offer and resell the exchange notes without compliance with the registration and prospectus delivery requirements of the Securities Act, you must make the following representations:

you are authorized to tender the initial notes and to acquire exchange notes, and that we will acquire good and unencumbered title thereto,

the exchange notes acquired by you are being acquired in the ordinary course of business, you have no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the exchange notes and are not participating in, and do not intend to participate in, the distribution of such exchange notes,

you are not an affiliate (as defined in Rule 405 under the Securities Act) of ours, or if you are an affiliate, you will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable,

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	if you are not a broker-dealer, you are not engaging in, and do not intend to engage in, a distribution of exchange notes, and
	if you are a broker-dealer, and initial notes to be exchanged were acquired by you as a result of market-making or other trading activities, you will deliver a prospectus in connection with any resale of such exchange notes.
	Please refer to the sections of this prospectus entitled The Exchange Offer Procedure for Tendering Initial Notes Proper Execution and Delivery of Letters of Transmittal, Risk Factors Risks Related to the Exchange Offer Some persons who participate in the exchange offer must deliver a prospectus in connection with resales of the exchange notes and Plan of Distribution.
Obligations of Broker-Dealers	If you are a broker-dealer that receives exchange notes, you must acknowledge that you will deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of the exchange notes. If you are a broker-dealer who acquired the initial notes as a result of market-making or other trading activities, you may use the exchange offer prospectus as supplemented or amended, in connection with resales of the exchange notes. If you are a broker-dealer who acquired the initial notes directly from us in the initial offering and not as a result of market-making and trading activities, you must, in the absence of an exemption, comply with the registration and prospectus delivery requirements of the Securities Act in connection with resales of the exchange notes.

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Summary of Terms of the 2024 Exchange Notes

The following is a summary of the terms of this offering of the 2024 exchange notes. For a more complete description of the 2024 notes as well as the definitions of certain capitalized terms used below, see Description of 2024 Notes in this prospectus.

Issuer	Spectrum Brands, Inc.
2024 Exchange Notes	$250,000,000 aggregate principal amount of 6.125% Senior Notes due 2024. The form and terms of the 2024 exchange notes are the same as the form and terms of the 2024 initial notes, except that the issuance of the 2024 exchange notes is registered under the Securities Act, the 2024 exchange notes will not bear legends restricting their transfer and the 2024 exchange notes will not be entitled to registration rights under the 2024 Notes Registration Rights Agreement. The 2024 exchange notes will evidence the same debt as the 2024 initial notes, and both the 2024 initial notes and the 2024 exchange notes will be governed by the same indenture.
Maturity Date	December 15, 2024.
Interest	The 2024 exchange notes will bear interest at a rate of 6.125% per annum. Interest on the 2024 exchange notes will be payable in cash on June 15 and December 15 of each year, commencing on June 15, 2016.
Optional Redemption	On or after December 15, 2019, we may redeem some or all of the 2024 notes at any time at the redemption prices set forth in Description of 2024 Notes Optional Redemption. In addition, prior to December 15, 2019, we may redeem the 2024 notes at a redemption price equal to 100% of the principal amount plus a make-whole premium.
	Before December 15, 2017, we may redeem up to 35% of the 2024 notes, including additional notes, with an amount of cash equal to the net proceeds of equity offerings at a price of 106.125% of principal plus accrued and unpaid interest, provided that at least 65% of the aggregate principal amount of the 2024 notes remains outstanding after the redemption, as further described in Description of 2024 Notes Optional Redemption.
Change of Control	

Upon a Change of Control (as defined under Description of 2024 Notes) we will be required to make an offer to purchase the 2024 notes. The purchase price will equal 101% of the principal amount of the 2024 notes on the date of purchase plus accrued and unpaid interest. We may not have sufficient funds available at the time of any Change of Control to make any required debt repayment (including repurchases of the 2024 notes). See Risk Factors Risks Related to the Notes We may not be able to make the change of control offer required by the indentures.

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Guarantees	The 2024 exchange notes will be unconditionally, jointly and severally guaranteed, on a senior unsecured basis, by SB/RH Holdings and all of our domestic subsidiaries.
Ranking	The 2024 exchange notes and the related exchange guarantees will be the senior unsecured obligations of us and the guarantors and will: rank equally in right of payment with all of our and the guarantors existing and future senior indebtedness, including the initial notes and the 2025 exchange notes; and rank senior in right of payment to all of our and the guarantors future indebtedness that expressly provides for its subordination to the 2024 notes and the related guarantees. However, the 2024 exchange notes will be effectively subordinated to any of our secured indebtedness, including under our Secured Credit Facilities, to the extent of the value of the assets securing such indebtedness. In addition, the 2024 exchange notes will be structurally subordinated to all indebtedness and other liabilities of Spectrum Brands subsidiaries that do not guarantee the 2024 exchange notes.
Certain Covenants	The terms of the indentures governing the 2024 notes restrict our ability and the ability of certain of our subsidiaries (as described in Description of 2024 Notes) to: incur additional indebtedness; create liens; engage in sale-leaseback transactions; pay dividends or make distributions in respect of capital stock; purchase or redeem capital stock; make investments or certain other restricted payments;

- sell assets;
- issue or sell stock of restricted subsidiaries;
- enter into transactions with affiliates; or
- effect a consolidation or merger.

However, these limitations will be subject to a number of important qualifications and exceptions. In addition, if the 2024 notes are rated investment grade at any time by both Moody s Investors Service and Standard & Poor s Ratings Services, most of the restrictive covenants and corresponding events of default contained in the indenture governing the 2024 notes will be suspended.

Absence of a Public Market for the Exchange Notes	The 2024 exchange notes are new securities for which there is no established market. We cannot assure you that a market for these

	2024 exchange notes will develop or that this market will be liquid. Please refer to the section of this prospectus entitled Risk Factors Risks Related to the Exchange Offer There is no active trading market for the exchange notes.
Form of the Exchange Notes	The 2024 exchange notes will be represented by one or more permanent global securities in registered form deposited on behalf of The Depository Trust Company (DTC) with U.S. Bank National Association, as custodian. You will not receive 2024 exchange notes in certificated form unless one of the events described in the section of this prospectus entitled Book-Entry, Delivery and Form of Securities Exchange of Book-Entry Notes for Certificated Notes occurs. Instead, beneficial interests in the 2024 exchange notes will be shown on, and transfers of these 2024 exchange notes will be effected only through, records maintained in book-entry form by DTC with respect to its participants.
Trustee	U.S. Bank National Association is serving as trustee under the indenture governing the 2024 notes.
Use of Proceeds	We will not receive any proceeds from the issuance of the 2024 exchange notes. We are making this exchange offer solely to satisfy our obligations under the Registration Rights Agreements. See Use of Proceeds.
Risk Factors	You should consider all of the information contained in this prospectus before making an investment in the 2024 notes, including the 2024 exchange notes. In particular, you should consider the risks described under Risk Factors.

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Summary of Terms of the 2025 Exchange Notes

The following is a summary of the terms of this offering of the 2025 exchange notes. For a more complete description of the 2025 notes as well as the definitions of certain capitalized terms used below, see Description of 2025 Notes in this prospectus.

Issuer	Spectrum Brands, Inc.
2025 Exchange Notes	$1,000,000,000 aggregate principal amount of 5.750% Senior Notes due 2025. The form and terms of the 2025 exchange notes are the same as the form and terms of the 2025 initial notes, except that the issuance of the 2025 exchange notes is registered under the Securities Act, the 2025 exchange notes will not bear legends restricting their transfer and the 2025 exchange notes will not be entitled to registration rights under the 2025 Notes Registration Rights Agreement. The 2025 exchange notes will evidence the same debt as the 2025 initial notes, and both the 2025 initial notes and the 2025 exchange notes will be governed by the same indenture.
Maturity Date	July 15, 2025.
Interest	The 2025 exchange notes will bear interest at a rate of 5.750% per annum. Interest on the 2025 exchange notes will be payable in cash on July 15 and January 15 of each year, commencing on July 15, 2016.
Optional Redemption	On or after July 15, 2020, we may redeem some or all of the 2025 notes at any time at the redemption prices set forth in Description of 2025 Notes Optional Redemption. In addition, prior to July 15, 2020, we may redeem the 2025 notes at a redemption price equal to 100% of the principal amount plus a make-whole premium.
	Before July 15, 2018, we may redeem up to 35% of the 2025 notes, including additional notes, with an amount of cash equal to the net proceeds of equity offerings at a price of 105.750% of principal plus accrued and unpaid interest, provided that at least 65% of the aggregate principal amount of the 2025 notes remains outstanding after the redemption, as further described in Description of 2025 Notes Optional Redemption.
Change of Control	

Upon a Change of Control (as defined under Description of 2025 Notes) we will be required to make an offer to purchase the 2025 notes. The purchase price will equal 101% of the principal amount of the 2025 notes on the date of purchase plus accrued and unpaid interest. We may not have sufficient funds available at the time of any Change of Control to make any required debt repayment (including repurchases of the 2025 notes). See Risk Factors Risks Related to the Notes We may not be able to make the change of control offer required by the indentures.

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Guarantees	The 2025 exchange notes will be unconditionally, jointly and severally guaranteed, on a senior unsecured basis, by SB/RH Holdings and all of our domestic subsidiaries.
Ranking	The 2025 exchange notes and the related exchange guarantees will be the senior unsecured obligations of us and the guarantors and will: rank equally in right of payment with all of our and the guarantors existing and future senior indebtedness, including the initial notes and the 2024 exchange notes; and rank senior in right of payment to all of our and the guarantors future indebtedness that expressly provides for its subordination to the 2025 notes and the related guarantees. However, the 2025 exchange notes will be effectively subordinated to any of our secured indebtedness, including under our Secured Credit Facilities, to the extent of the value of the assets securing such indebtedness. In addition, the 2025 exchange notes will be structurally subordinated to all indebtedness and other liabilities of Spectrum Brands subsidiaries that do not guarantee the 2025 exchange notes.
Certain Covenants	The terms of the indentures governing the 2025 notes restrict our ability and the ability of certain of our subsidiaries (as described in Description of 2025 Notes) to: incur additional indebtedness; create liens; engage in sale-leaseback transactions; pay dividends or make distributions in respect of capital stock; purchase or redeem capital stock; make investments or certain other restricted payments;

- sell assets;
- issue or sell stock of restricted subsidiaries;
- enter into transactions with affiliates; or
- effect a consolidation or merger.

However, these limitations will be subject to a number of important qualifications and exceptions. In addition, if the 2025 notes are rated investment grade at any time by both Moody s Investors Service and Standard & Poor s Ratings Services, most of the restrictive covenants and corresponding events of default contained in the indenture governing the 2025 notes will be suspended.

Absence of a Public Market for the Exchange Notes	The 2025 exchange notes are new securities for which there is no established market. We cannot assure you that a market for these

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	2025 exchange notes will develop or that this market will be liquid. Please refer to the section of this prospectus entitled Risk Factors Risks Related to the Exchange Offer There is no active trading market for the exchange notes.
Form of the Exchange Notes	The 2025 exchange notes will be represented by one or more permanent global securities in registered form deposited on behalf of The Depository Trust Company (DTC) with U.S. Bank National Association, as custodian. You will not receive 2025 exchange notes in certificated form unless one of the events described in the section of this prospectus entitled Book-Entry, Delivery and Form of Securities Exchange of Book-Entry Notes for Certificated Notes occurs. Instead, beneficial interests in the 2025 exchange notes will be shown on, and transfers of these 2025 exchange notes will be effected only through, records maintained in book-entry form by DTC with respect to its participants.
Trustee	U.S. Bank National Association is serving as trustee under the indenture governing the 2025 notes.
Use of Proceeds	We will not receive any proceeds from the issuance of the 2025 exchange notes. We are making this exchange offer solely to satisfy our obligations under the Registration Rights Agreements. See Use of Proceeds.
Risk Factors	You should consider all of the information contained in this prospectus before making an investment in the 2025 notes, including the 2025 exchange notes. In particular, you should consider the risks described under Risk Factors.

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Summary Historical Financial Data of SB/RH Holdings

The following summary historical financial data have been derived from SB/RH Holdings audited consolidated financial statements included elsewhere in this prospectus. SB/RH Holdings audited consolidated statements of financial position as of September 30, 2015 and 2014; and SB/RH Holdings audited consolidated statements of operations, audited consolidated statements of comprehensive income (loss), audited consolidated statements of shareholder s equity and audited consolidated statements of cash flows, each for the years ended September 30, 2015, 2014 and 2013; are included elsewhere in this prospectus. SB/RH Holdings audited consolidated statement of financial position as of September 30, 2013 is not included in this prospectus.

The financial information and other data indicated may not be indicative of future performance, and the financial information and other data presented for the interim periods may not be indicative of the results for the full year. This financial information and other data should be read in conjunction with the audited financial statements of SB/RH Holdings, including the notes thereto, and Management s Discussion and Analysis of Financial Condition and Results of Operations, included elsewhere in this prospectus.

	Year Ended September 30, (in millions)		
	2015[1]	**2014[2]**	**2013[3]**
Statement of Operations Data:			
Net sales	$ 4,690.4	$ 4,429.1	$ 4,085.6
Gross profit	1,670.3	1,568.9	1,390.3
Operating income	480.5	484.5	352.9
Interest expense[4]	271.9	202.1	369.5
Other non-operating expense, net	8.9	6.3	3.5
Income (loss) from operations before income taxes	199.7	276.1	(20.1)
Income tax expense[5]	43.9	59.0	27.4
Net income (loss)	155.8	217.1	(47.5)
Net (Loss) income attributable to non-controlling interest	0.4	0.3	(0.1)
Net income (loss) attributable to controlling interest	155.4	216.8	(47.4)
Restructuring and related charges cost of goods sold[6]	2.1	3.7	10.0
Restructuring and related charges operating expenses[6]	26.6	19.2	24.0
Cash Flow and Related Data:			
Net cash provided by operating activities	$ 441.8	$ 434.7	$ 258.2
Capital expenditures	89.1	73.3	82.0
Depreciation and amortization	170.0	157.6	139.9
Statement of Financial Position Data (at period end):			
Cash and cash equivalents	$ 247.9	$ 192.9	$ 198.2
Working capital[7]	666.8	502.3	524.4
Total assets	7,297.9	5,511.3	5,619.0
Total long-term debt, net of current portion	3,937.2	2,894.1	3,115.9
Total debt	4,005.7	3,006.7	3,218.9
Total shareholders equity	1,523.1	1,020.7	884.7

(1) The information presented as of and for the year ended September 30, 2015 includes the results of AAG operations since the acquisition date of May 21, 2015; the results of the Salix operations since the acquisition date of January 16, 2015; the results of the European IAMS and Eukanuba operations since the acquisition date of December 31, 2014; and the results of the Tell operations since the acquisition date of October 1, 2014.

(2) The information presented as of and for the year ended September 30, 2014 includes the results of the Liquid Fence operations since the acquisition date of January 2, 2014.

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(3) The information presented as of and for the year ended September 30, 2013 includes the results of the HHI Business operations since the acquisition date of December 17, 2012, and the results of TLM Taiwan since the acquisition date of April 8, 2013.

(4) During the year ended September 30, 2015, there was interest expense of $58.8 million incurred related to the financing of the acquisition of AAG and the refinancing of the then-existing senior credit facility and asset based revolving loan facility. During the year ended September 30, 2014, a non-cash charge of $9.2 million was recognized as a result of the write-off of unamortized debt issuance costs and unamortized discounts in connection with the amendment of our then existing term loans. During the year ended September 30, 2013, there were $105.6 million fees and expenses along with a $10.9 million non-cash charge for the write-off of unamortized debt issuance cost and unamortized premiums in connection with the extinguishment and replacement of our 9.5% Notes and then-existing term loan in conjunction with the acquisition of the HHI Business.

(5) During the year ended September 30, 2015, there was a non-cash benefit of $20.2 million from a decrease in the valuation allowance against net deferred tax assets, and a $22.8 million benefit due to the reversal of valuation allowance in conjunction with the acquisition of the AAG business. During the year ended September 30, 2014, there was a non-cash benefit of approximately $115.6 million from a decrease in the valuation allowance against net deferred tax assets. During the year ended September 30, 2013, there was a non-cash charge of approximately $64.4 million from an increase in the valuation allowance against net deferred tax assets, net of a $49.8 million benefit due to the reversal of a portion of the valuation allowance in conjunction with the acquisition of the HHI Business.

(6) See Note 4, Restructuring and Related Charges, to SB/RH Holdings audited consolidated financial statements, included elsewhere in this prospectus, for further discussion.

(7) Working capital is defined as current assets less current liabilities per the consolidated statements of financial position.

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RISK FACTORS

An investment in the notes involves risks. Before deciding whether to invest in the notes, in addition to the other information included in this prospectus, you should consider the matters addressed in the section entitled Cautionary Statement Regarding Forward-Looking Statements and the risks discussed below. While we believe that these risks are the most important for you to consider, you should read this prospectus carefully, including our financial statements, the notes to our financial statements and management s discussion and analysis of our financial condition and results of operations, which are included elsewhere in this prospectus. These risk factors are not the only risks that we or our subsidiaries may face. Additional risks and uncertainties not presently known to us or not currently believed to be important also may adversely affect our business.

Risks Related to the Notes

The notes will be Spectrum Brands senior unsecured obligations and the guarantees will be unsecured obligations of the guarantors. As such, the notes and the guarantees will be effectively subordinated to any of Spectrum Brands or the guarantors secured debt, including our existing and any future debt under our Secured Credit Facilities.

Spectrum Brands obligations under the notes and the guarantors obligations under the guarantees will not be secured. The notes will be effectively subordinated to Spectrum Brands and the guarantors existing and any future secured indebtedness, including our Secured Credit Facilities, to the extent of the value of the assets securing such indebtedness, which assets include substantially all of our assets and the assets of our domestic restricted subsidiaries. As of September 30, 2015, Spectrum Brands and the guarantors had $1,637.1 million of secured indebtedness outstanding. If we are involved in any dissolution, liquidation or reorganization, or if we default under in the indentures governing the notes offered hereby or governing our 2020/2022 Notes (such indentures, collectively, the Indentures), holders of our secured debt would be paid before holders of the notes receive any amounts due under the notes to the extent of the value of the collateral securing such indebtedness. In that event, holders of the notes may not be able to recover any or all of the principal or interest due under the notes.

The notes will be effectively subordinated to all liabilities of, and claims of creditors of, all of our foreign subsidiaries.

The notes will not be guaranteed by any of our non-U.S. subsidiaries. Any right that we or the guarantors have to receive any assets of any of the foreign subsidiaries upon the liquidation or reorganization of those subsidiaries, and the consequent rights of holders of notes to realize proceeds from the sale of any of those subsidiaries assets, will be effectively subordinated to the claims of those subsidiaries creditors, including trade creditors, and holders of preferred equity interests of those subsidiaries. The Indentures permit these subsidiaries to incur additional debt, subject to certain limits, and will not limit their ability to incur liabilities other than debt. As of September 30, 2015, these non-guarantor subsidiaries had 19% of our total liabilities and generated 54% of our revenue in the twelve months ended September 30, 2015.

If we are unable to comply with the restrictions and covenants in the agreements governing the notes and our other debt, there could be a default under the terms of these agreements, which could result in an acceleration of payment of funds that we have borrowed and would impact our ability to make principal and interest payments on the notes.

If we are unable to comply with the restrictions and covenants in the Indentures, our Secured Credit Facilities or in current or future debt financing agreements, there could be a default under the terms of these agreements. Our ability to comply with these restrictions and covenants, including meeting financial ratios and tests, may be affected by events beyond our control. As a result, we cannot assure you that we will be able to comply with these restrictions and covenants or meet these tests. Any default under the agreements governing our indebtedness, including a default under the aforementioned debt instruments, that is not waived by the required lenders, and the remedies sought by the holders of such indebtedness, could prevent us from paying principal, premium, if any, and interest on the notes and substantially decrease the market value of the notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants in the instruments governing our indebtedness (including covenants in the aforementioned debt instruments), we could be in default under the terms of the agreements governing such indebtedness. In the event of such default:

- the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest;
- the lenders under the Secured Credit Facilities could elect to terminate their commitments thereunder, cease making further loans and institute foreclosure proceedings against our assets; and
- we could be forced into bankruptcy or liquidation.

Moreover, the Secured Credit Facilities and the Indentures each contain cross-default or cross-acceleration provisions that would be triggered by the occurrence of a default or acceleration under other instruments governing our indebtedness. If the payment of our indebtedness is accelerated, there can be no assurance that our assets would be sufficient to repay in full that indebtedness and our other indebtedness that would become due as a result of any acceleration.

If our operating performance declines, we may in the future need to obtain waivers from the required lenders under our Secured Credit Facilities to avoid being in default. If we breach our covenants under our Secured Credit Facilities and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we would be in default under our Secured Credit Facilities, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

Despite our current levels of debt, we may still incur substantially more debt ranking equal or effectively senior to the notes and increase the risks associated with our proposed leverage.

Subject to certain restriction and limitation, we or our subsidiaries could incur significant additional indebtedness in the future. The provisions contained in the Indentures and in our other debt agreements limit but do not prohibit our ability to incur additional indebtedness on an equal and ratable basis with the notes. In addition, any of our debt could be secured and therefore would be effectively senior to the notes to the extent of the value of the collateral securing that debt. This may have the effect of reducing the amount of proceeds available for the notes in the event of any bankruptcy, liquidation, reorganization or similar proceeding. If new debt is added to our current debt levels, the related risks that we now face as a result of our indebtedness could intensify.

Fraudulent transfer statutes may limit your rights as a holder of the notes.

Federal and state fraudulent transfer laws as previously interpreted by various courts permit a court, if it makes certain findings, to:

- avoid all or a portion of our obligations to holders of the notes;

- subordinate our obligations to holders of the notes to our other existing and future creditors, entitling such creditors to be paid in full before any payment is made on the notes; and

- take other action detrimental to holders of the notes, including invalidating the notes.

In that event, we cannot assure you that you would ever be repaid. There is also no assurance that amounts previously paid to you pursuant to the notes or guarantees would not be subject to return.

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Under federal and state fraudulent transfer laws, in order to take any of those actions, courts will typically need to find that we or the guarantors received less than fair consideration or reasonably equivalent value for incurring the indebtedness represented by the notes, and at the time the notes were issued:

- were insolvent or were rendered insolvent by reason of the issuance of the notes;
- were engaged, or were about to engage, in a business or transaction for which our capital was unreasonably small;
- intended to incur, or believed or should have believed we would incur, indebtedness beyond our ability to pay as such indebtedness matures; or
- were a defendant in an action for money damages, or had a judgment for money damages docketed against us or such guarantor if, in either case, after final judgment, the judgment was unsatisfied.

A court may also void an issuance of notes, a guarantee or grant of security, without regard to the above factors, if the court found that we issued the notes or the guarantors entered into their respective guaranty with actual intent to hinder, delay or defraud current or future creditors.

Many of the foregoing terms are defined in or interpreted under those fraudulent transfer statutes and as judicially interpreted. A court could find that we did not receive fair consideration or reasonably equivalent value for the incurrence of the indebtedness represented by the notes.

The measure of insolvency for purposes of the foregoing considerations will vary depending on the law of the jurisdiction that is being applied in any such proceeding. Generally, a company would be considered insolvent if, at the time it incurred the indebtedness:

- the sum of its indebtedness (including contingent liabilities) is greater than its assets, at fair valuation;
- the present fair saleable value of its assets is less than the amount required to pay the probable liability on its total existing indebtedness and liabilities (including contingent liabilities) as they become absolute and matured; or
- it could not pay its debts as they became due.

We cannot assure you what standard a court would apply in determining our solvency and whether it would conclude that we were solvent when we incurred our obligations under the notes.

In addition, the guarantees of the notes may also be subject to review under various laws for the protection of creditors. A court would likely find that we or a guarantor did not receive reasonably equivalent value or fair consideration for the notes or the guarantees, respectively, if we or a guarantor did not substantially benefit directly from the issuance of the notes. If a court were to void an issuance of the notes or the guarantees, you would no longer have a claim against us or the guarantors. Sufficient funds to repay the notes (or the related exchange notes) may not be available from other sources, including the remaining guarantors, if any. In addition, the court might direct you to repay any amounts that you already received from us or the guarantors. In addition, any payment by us pursuant to the notes made at a time we were found to be insolvent could be voided and required to be returned to us or to a fund for the benefit of our creditors if such payment is made to an insider within a one-year period prior to a bankruptcy filing or within 90 days for any outside party and such payment would give the creditors more than such creditors would have received in a distribution under the bankruptcy code.

We may not be able to make the change of control offer required by the Indentures.

Upon a change of control, subject to certain conditions, we are required to offer to repurchase all outstanding notes in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest to the date of repurchase. We cannot assure you that we will have sufficient funds at the time of any change of control to make required repurchases of notes tendered. In addition, our other indebtedness agreements provide that certain change of control events will constitute an event of default thereunder. If the holders of the notes exercise their right to require us to repurchase all of the notes upon a change of control, the financial effect of this repurchase could cause a default under our other indebtedness, even if the change of control itself would not cause a default. Accordingly, it is possible that we will not have sufficient funds at the time of any such change of control to make the required repurchase of our other indebtedness and the notes or that restrictions in the Indentures will not allow such repurchases. In addition, holders may not be entitled to require us to repurchase their notes upon a change of control in certain circumstances involving a significant change in the composition of our board of directors, including in connection with a proxy contest where our board of directors does not endorse a dissident slate of directors but approves them for purposes of the Continuing Directors definition. Lastly, certain other corporate events, such as leveraged recapitalizations that would increase the level of our indebtedness, would not constitute a Change of Control under the Indentures. See Description of 2024 Notes Repurchase at the Option of Holders Change of Control and Description of 2025 Notes Repurchase at the Option of Holders Change of Control, as applicable, for additional information.

The market price of the notes may decline if we enter into a transaction that is not a change of control under the indentures.

We may enter into a highly leveraged transaction, reorganization, merger or similar transaction that is not a change of control under the indentures. Nevertheless, such transactions could result in a downgrade of our credit ratings, thereby negatively affecting the value of the notes.

Changes in credit ratings issued by nationally recognized statistical ratings organizations could adversely affect our cost of financing and the market price of our securities, including the notes.

Credit rating agencies rate our debt securities on factors that include our operating results, actions that we take, their view of the general outlook for our industry and their view of the general outlook for the economy. Actions taken by the rating agencies can include maintaining, upgrading, or downgrading the current rating or placing us on a watch list for possible future downgrading. Downgrading the credit rating of our debt securities or placing us on a watch list for possible future downgrading would likely increase our cost of financing, limit our access to the capital markets and have an adverse effect on the market price of our securities, including the notes offered hereby.

If the notes are rated investment grade at any time by both Moody s Investor Service and Standard & Poor s Ratings Services, most of the restrictive covenants and corresponding events of default contained in the indentures governing the notes will be suspended, resulting in a reduction of credit protection.

If, at any time, the credit rating on the applicable series of notes, as determined by both Moody s Investors Service and Standard & Poor s Ratings Services, equals or exceeds Baa3 and BBB-, respectively, or any equivalent replacement ratings, we will no longer be subject to most of the restrictive covenants and corresponding events of default contained in the applicable indenture. Any restrictive covenants or corresponding events of default that cease to apply to us as a result of achieving these ratings will be restored if one or both of the credit ratings on the notes later falls below these thresholds. However, during any period in which these restrictive covenants are suspended, we may incur other indebtedness, make restricted payments and take other actions that would have been prohibited if these covenants had been in effect. If the restrictive covenants are later restored, the actions taken while the covenants were suspended will not result in an event of default under the applicable indenture even if they would constitute an event of default at the time the covenants are restored. Accordingly, if these covenants and corresponding events of default are suspended, you will have less credit protection than you will at the time the notes are issued. See Description of 2024

Notes Suspension of Certain Covenants and Description of 2025 Notes Suspension of Certain Covenants, as applicable.

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Risks Related to the Exchange Offer

If you do not properly tender your initial notes, you will continue to hold unregistered initial notes and be subject to the same limitations on your ability to transfer initial notes.

We will only issue exchange notes for initial notes that are timely received by the exchange agent together with all required documents, including a properly completed and signed letter of transmittal. Therefore, you should allow sufficient time to ensure timely delivery of the initial notes and you should carefully follow the instructions on how to tender your initial notes. Neither we nor the exchange agent are required to tell you of any defects or irregularities with respect to your tender of the initial notes. If you are eligible to participate in the exchange offer and do not tender your initial notes or if we do not accept your initial notes because you did not tender your initial notes properly, then, after we consummate the exchange offer, you will continue to hold initial notes that are subject to the existing transfer restrictions and will no longer have any registration rights or be entitled to any additional interest with respect to the initial notes. In general, you may only offer or sell the initial notes if such transaction is registered under the Securities Act and applicable state securities laws, or offered and sold under an exemption from these requirements. Except as required by the Registration Rights Agreements, we do not currently anticipate that we will register under the Securities Act, any initial notes that remain outstanding after the Exchange Offer. In addition:

- if you tender your initial notes for the purpose of participating in a distribution of the exchange notes, you will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the exchange notes; and

- if you are a broker-dealer that receives exchange notes for your own account in exchange for initial notes that you acquired as a result of market-making activities or any other trading activities, you will be required to acknowledge that you will deliver a prospectus in connection with any resale of those exchange notes.

We have agreed that, for a period of 180 days after the expiration date, we will make additional copies of this prospectus and any amendment or supplement to this prospectus available to any broker-dealer for use in connection with any resales of the exchange notes acquired in this exchange offer. After the exchange offer is consummated, if you continue to hold any initial notes, you may have difficulty selling them because there will be fewer initial notes outstanding.

There is no active trading market for the exchange notes.

The exchange notes are a new issue of securities for which there is no existing trading market. Accordingly, we cannot assure you that a liquid market for the exchange notes will develop or, if developed, that it will continue or that you will be able to sell your exchange notes at a particular time or at favorable prices. We have not applied, and do not intend to apply for listing or quotation of the notes on any securities exchange or automated quotation system.

The liquidity of any market for the exchange notes is subject to a number of factors, including:

- the number of holders of exchange notes;

- our operating performance and financial condition;
- our ability to complete the exchange offer;
- the market for similar securities;
- the interest of securities dealers in making a market in the exchange notes; and
- prevailing interest rates.

We understand that one or more of the initial purchasers with respect to the initial notes presently intend to make a market in the exchange notes. However, they are not obligated to do so, and any market-making activity

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with respect to the exchange notes may be discontinued at any time without notice. In addition, any market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act and may be limited during the exchange offer or the pendency of an applicable shelf registration statement.

The issuance of the exchange notes may adversely affect the market for the initial notes.

To the extent the initial notes are tendered and accepted in the exchange offer, the trading market for the untendered and tendered but unaccepted initial notes could be adversely affected. Because we anticipate that most holders of the initial notes will elect to exchange their initial notes for exchange notes due to the absence of restrictions on the resale of exchange notes under the Securities Act, we anticipate that the liquidity of the market for any initial notes remaining after the completion of this exchange offer may be substantially limited. Please refer to the section in this prospectus entitled The Exchange Offer Your Failure to Participate in the Exchange Offer May Have Adverse Consequences.

Some persons who participate in the exchange offer must deliver a prospectus in connection with resales of the exchange notes.

Based on interpretations of the staff of the SEC contained in Exxon Capital Holdings Corp., SEC no-action letter (April 13, 1988), Morgan Stanley & Co. Inc., SEC no-action letter (June 5, 1991) and Shearman & Sterling, SEC no-action letter (July 2, 1983), we believe that you may offer for resale the exchange notes without compliance with the registration and prospectus delivery requirements of the Securities Act. However, in some instances described in this prospectus under Plan of Distribution, you will remain obligated to comply with the registration and prospectus delivery requirements of the Securities Act to transfer your exchange notes. In these cases, if you transfer any exchange note without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from registration of your exchange notes under the Securities Act, you may incur liability under the Securities Act. We do not and will not assume, or indemnify you against, this liability.

Risks Related To Our Business

Our substantial indebtedness may limit our financial and operating flexibility, and we may incur additional debt, which could increase the risks associated with our substantial indebtedness.

We have, and we expect to continue to have, a significant amount of indebtedness. As of September 30, 2015, we had total indebtedness under senior secured facilities, notes and other debt instruments of approximately $4 billion. Our substantial indebtedness has had, and could continue to have, material adverse consequences for our business, and may:

- require us to dedicate a large portion of our cash flow to pay principal and interest on our indebtedness, which will reduce the availability of our cash flow to fund working capital, capital expenditures, research and development expenditures and other business activities;

- increase our vulnerability to general adverse economic and industry conditions;

- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

- restrict our ability to make strategic acquisitions, dispositions or to exploit business opportunities;

- place us at a competitive disadvantage compared to our competitors that have less debt; and

- limit our ability to borrow additional funds (even when necessary to maintain adequate liquidity) or dispose of assets.

Under the Secured Credit Facilities and the Indentures, we may incur additional indebtedness. If new debt is added to our existing debt levels, the related risks that we now face would increase.

Furthermore, a substantial portion of our debt bears interest at variable rates. If market interest rates increase, the interest rate on our variable rate debt will increase and will create higher debt service requirements, which would adversely affect our cash flow and could adversely impact our results of operations. While we may enter into agreements limiting our exposure to higher debt service requirements, any such agreements may not offer complete protection from this risk.

Restrictive covenants in the Secured Credit Facilities and the Indentures may restrict our ability to pursue our business strategies.

The Secured Credit Facilities and the Indentures each restrict, among other things, asset dispositions, mergers and acquisitions, dividends, stock repurchases and redemptions, other restricted payments, indebtedness and preferred stock, loans and investments, liens and affiliate transactions. The Secured Credit Facilities and the Indentures also contain customary events of default. These covenants could among other things, limit our ability to fund future working capital and capital expenditures, engage in future acquisitions or development activities, or otherwise realize the value of our assets and opportunities fully. In addition, the Secured Credit Facilities and the Indentures require us to dedicate a portion of cash flow from operations to payments on debt and the Secured Credit Facilities contain financial covenants relating to maximum leverage and minimal interest coverage. Such requirements and covenants could limit the flexibility of our restricted entities in planning for, or reacting to, changes in the industries in which they operate. Our ability to comply with these covenants is subject to certain events outside of our control. If we are unable to comply with these covenants, the lenders under our Secured Credit Facilities could terminate their commitments and the lenders under our Secured Credit Facilities or the holders of the notes could accelerate repayment of our outstanding borrowings and, in either case, we may be unable to obtain adequate refinancing of outstanding borrowings on favorable terms or at all. If we are unable to repay outstanding borrowings when due, the lenders under the Secured Credit Facilities will also have the right to proceed against the collateral granted to them to secure the indebtedness owed to them. If our obligations under the Secured Credit Facilities are accelerated, we cannot assure you that our assets would be sufficient to repay in full such indebtedness.

The sale or other disposition by HRG Group, Inc. (HRG), the holder of a majority of the outstanding shares of our common stock, to non-affiliates of a sufficient amount of the common stock of SB Holdings would constitute a change of control under the agreements governing our debt.

HRG owns a majority of the outstanding shares of the common stock of SB Holdings. The sale or other disposition by HRG to non-affiliates of a sufficient amount of the common stock of SB Holdings could constitute a change of control under certain of the agreements governing our debt, including any foreclosure on or sale of the SB Holdings common stock pledged as collateral by HRG pursuant to the indenture governing HRG s 7.875% Senior Secured Notes due 2019. Under the Secured Credit Facilities, a change of control is an event of default and, if a change of control were to occur, we would be required to obtain an amendment to these agreements to avoid a default. If we were unable to obtain such an amendment, the lenders could accelerate the maturity of our Secured Credit Facilities. In addition, under the Indentures, upon a change of control, we are required to offer to repurchase such notes from the holders at a price equal to 101% of the principal amount of the notes plus accrued interest or obtain a waiver of default from the holders of such notes. If we were unable to make the change of control offer, or to obtain a waiver of default, it would be an event of default under the Indentures that could allow holders of such notes to accelerate the maturity of the notes.

We face risks related to the current economic environment.

The economic environment and related turmoil in the global financial system between 2008 and 2012 had an impact on our business and financial condition, and we may face additional challenges if economic and financial market conditions deteriorate in the future.

Global economic conditions have significantly impacted economic markets within certain sectors, with financial services and retail businesses being particularly impacted. Our ability to generate revenue depends

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significantly on discretionary consumer spending. It is difficult to predict new general economic conditions that could impact consumer and customer demand for our products or our ability to manage normal commercial relationships with our customers, suppliers and creditors. A number of negative economic factors, including constraints on the supply of credit to households, uncertainty and weakness in the labor market and general consumer fears of a new economic downturn could have a negative impact on discretionary consumer spending. If the economy deteriorates or fails to further improve, our business could be negatively impacted, including as a result of reduced demand for our products or supplier or customer disruptions. Any weakness in discretionary consumer spending could have a material adverse effect on our revenues, results of operations and financial condition. In addition, our ability to access the capital markets may be restricted at a time when it could be necessary or beneficial to do so, which could have an impact on our flexibility to react to changing economic and business conditions.

In the last few years, concern over continuing high unemployment, stagnant economic performance and government debt levels in many European Union countries caused significant fluctuations of the Euro relative to other currencies, such as the U.S. Dollar. Continued weakness of the European economy could lead to a decrease in consumer confidence, which could cause reductions in discretionary spending and demand for our products. Furthermore, sovereign debt issues could also lead to further significant, and potentially longer-term, economic issues such as reduced economic growth and devaluation of the Euro against the U.S. Dollar, any of which could adversely affect our business, financial conditions and operating results.

We depend on key personnel and may not be able to retain those employees or recruit additional qualified personnel.

We are highly dependent on the continuing efforts of our senior management team and other key personnel. Our business, financial condition and results of operations could be materially adversely affected if we lose any of these persons and are unable to attract and retain qualified replacements.

We participate in very competitive markets and we may not be able to compete successfully, causing us to lose market share and sales.

The markets in which we participate are very competitive. In the consumer battery market, our primary competitors are Duracell (a brand of Procter & Gamble), Energizer and Panasonic (a brand of Matsushita). In the electric shaving and grooming and electric personal care product markets, our primary competitors are Braun (a brand of Procter & Gamble), Norelco (a brand of Philips), and Vidal Sassoon and Revlon (brands of Helen of Troy). In the pet supplies market, our primary competitors are Mars, Hartz and Central Garden & Pet. In the Home and Garden Business, our principal national competitors are Scotts, Central Garden & Pet and S.C. Johnson. Our principal national competitors within our small appliances product category include Jarden Corporation, DeLonghi America, Euro-Pro Operating LLC, Metro Thebe, Inc., (d/b/a HWI Breville) NACCO Industries, Inc. (Hamilton Beach) and SEB S.A. In the hardware and home improvement industry, our principal competitors are Schlage, a division of Allegion, Masco, Fortune Brands, Kohler and American Standard. In the global auto care business, our primary competitors are Valvoline, Prestone, Turtle Wax, Black Magic and Store Brands- In each of these markets, we also face competition from numerous other companies. In addition, in a number of our product lines, we compete with our retail customers, who use their own private label brands, and with distributors and foreign manufacturers of unbranded products. Significant new competitors or increased competition from existing competitors may adversely affect our business, financial condition and results of our operations.

We compete with our competitors for consumer acceptance and limited shelf space based upon brand name recognition, perceived product quality, price, performance, product features and enhancements, product packaging and design innovation, as well as creative marketing, promotion and distribution strategies, and new product introductions. Our ability to compete in these consumer product markets may be adversely affected by a number of factors, including, but not limited to, the following:

- We compete against many well-established companies that may have substantially greater financial and other resources, including personnel and research and development, and greater overall market share than us.

- In some key product lines, our competitors may have lower production costs and higher profit margins than us, which may enable them to compete more aggressively in offering retail discounts, rebates and other promotional incentives.

- Technological advancements, product improvements or effective advertising campaigns by competitors may weaken consumer demand for our products.

- Consumer purchasing behavior may shift to distribution channels, including to online retailers, where we and our customers do not have a strong presence.

- Consumer preferences may change to lower margin products or products other than those we market.

- We may not be successful in the introduction, marketing and manufacture of any new products or product innovations or be able to develop and introduce, in a timely manner, innovations to our existing products that satisfy customer needs or achieve market acceptance.

Some competitors may be willing to reduce prices and accept lower profit margins to compete with us. As a result of this competition, we could lose market share and sales, or be forced to reduce our prices to meet competition. If our product offerings are unable to compete successfully, our sales, results of operations and financial condition could be materially and adversely affected. In addition, we may be unable to implement changes to our products or otherwise adapt to changing consumer trends. If we are unable to respond to changing consumer trends, our operating results and financial condition could be adversely affected.

Sales of certain of our products are seasonal and may cause our operating results and working capital requirements to fluctuate.

On a consolidated basis our financial results are approximately equally weighted between quarters, however, sales of certain product categories tend to be seasonal. Sales in the consumer battery, electric shaving and grooming and electric personal care product categories, particularly in North America, tend to be concentrated in the December holiday season (our first fiscal quarter). Demand for hardware and home improvement products increases during the spring and summer construction period (our third and fourth fiscal quarters) and demand for pet supplies products remains fairly constant throughout the year. Demand for home and garden control products typically peaks during the first six months of the calendar year (our second and third fiscal quarters). Small Appliances peaks from July through

December primarily due to the increased demand by customers in the late summer for back-to-school sales and in the fall for the holiday season. Demand for auto care products is generally at its highest during the period from March to June (Spectrum s second and third fiscal quarters) based upon historical customer seasonal purchasing patterns and timing of promotional activities. As a result of this seasonality, our inventory and working capital needs fluctuate significantly throughout the year. In addition, orders from retailers are often made late in the period preceding the applicable peak season, making forecasting of production schedules and inventory purchases difficult. If we are unable to accurately forecast and prepare for customer orders or our working capital needs, or there is a general downturn in business or economic conditions during these periods, our business, financial condition and results of operations could be materially and adversely affected.

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Adverse weather conditions during our peak selling seasons for our home and garden control and auto care products could have a material adverse effect on our Home and Garden Business and auto care business.

Weather conditions have a significant impact on the timing and volume of sales of certain of our lawn and garden and household insecticide and repellent products. For example, periods of dry, hot weather can decrease insecticide sales, while periods of cold and wet weather can slow sales of herbicides. Adverse weather conditions during the first six months of the calendar year (our second and third fiscal quarters), when demand for home and garden control products typically peaks, could have a material adverse effect on our Home and Garden Business and our financial results during such period. Weather can also influence customer behavior for our auto care products, especially with appearance products, which sell best during warm, dry weather. There could be a material adverse effect on the auto care segment if the weather is cold or wet, especially during peak sales season.

We are subject to significant international business risks that could hurt our business and cause our results of operations to fluctuate.

Approximately 40% of our net sales for the fiscal year ended September 30, 2015 were to customers outside of the U.S. Our pursuit of international growth opportunities may require significant investments for an extended period before returns on these investments, if any, are realized. Our international operations are subject to risks including, among others:

- currency fluctuations, including, without limitation, fluctuations in the foreign exchange rate of the Euro, British Pound, Brazilian Real, Canadian Dollar, Australian Dollar, Japanese Yen and the Mexican Peso;
- changes in the economic conditions or consumer preferences or demand for our products in these markets;
- the risk that because our brand names may not be locally recognized, we must spend significant amounts of time and money to build brand recognition without certainty that we will be successful;
- labor unrest;
- political and economic instability, as a result of war, terrorist attacks, pandemics, natural disasters or otherwise;
- lack of developed infrastructure;
- longer payment cycles and greater difficulty in collecting accounts;
- restrictions on transfers of funds;

- import and export duties and quotas, as well as general transportation costs;
- changes in domestic and international customs and tariffs;
- changes in foreign labor laws and regulations affecting our ability to hire and retain employees;
- inadequate protection of intellectual property in foreign countries;
- unexpected changes in regulatory environments;
- difficulty in complying with foreign law; and
- adverse tax consequences.

The foregoing factors may have a material adverse effect on our ability to increase or maintain our supply of products, financial condition or results of operations.

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Our products utilize certain key raw materials; any significant increase in the price of, or change in supply and demand for, these raw materials could have a material and adverse effect on our business, financial condition and profits.

The principal raw materials used to produce our products including zinc powder, brass, electrolytic manganese dioxide powder, petroleum-based plastic materials, steel, aluminum, copper and corrugated materials (for packaging) are sourced either on a global or regional basis by us or our suppliers, and the prices of those raw materials are susceptible to price fluctuations due to supply and demand trends, energy costs, transportation costs, government regulations, duties and tariffs, changes in currency exchange rates, price controls, general economic conditions and other unforeseen circumstances. In particular, during the years 2012 and 2013, we experienced extraordinary price increases for raw materials, particularly as a result of strong demand from China. Although we may increase the prices of certain of our goods to our customers, we may not be able to pass all of these cost increases on to our customers. As a result, our margins may be adversely impacted by such cost increases. We cannot provide any assurance that our sources of supply will not be interrupted due to changes in worldwide supply of or demand for raw materials or other events that interrupt material flow, which may have an adverse effect on our profitability and results of operations.

We regularly engage in forward purchase and hedging derivative transactions in an attempt to effectively manage and stabilize some of the raw material costs we expect to incur over the next 12 to 24 months. However, our hedging positions may not be effective, or may not anticipate beneficial trends, in a particular raw material market or may, as a result of changes in our business, no longer be useful for us. In addition, for certain of the principal raw materials we use to produce our products, such as electrolytic manganese dioxide powder, there are no available effective hedging markets. If these efforts are not effective or expose us to above average costs for an extended period of time, and we are unable to pass our raw materials costs on to our customers, our future profitability may be materially and adversely affected. Furthermore, with respect to transportation costs, certain modes of delivery are subject to fuel surcharges which are determined based upon the current cost of diesel fuel in relation to pre-established agreed upon costs. We may be unable to pass these fuel surcharges on to our customers, which may have an adverse effect on our profitability and results of operations.

In addition, we have exclusivity arrangements and minimum purchase requirements with certain of our suppliers for the Home and Garden Business, which increase our dependence upon and exposure to those suppliers. Some of those agreements include caps on the price we pay for our supplies and in certain instances, these caps have allowed us to purchase materials at below market prices. When we attempt to renew those contracts, the other parties to the contracts may not be willing to include or may limit the effect of those caps and could even attempt to impose above market prices in an effort to make up for any below market prices paid by us prior to the renewal of the agreement. Any failure to timely obtain suitable supplies at competitive prices could materially adversely affect our business, financial condition and results of operations.

We may not be able to fully utilize our U.S. net operating loss carryforwards.

As of September 30, 2015, we had U.S. federal net operating loss carryforwards (NOLs) of $894.5 million and state NOLs of $68.7 million with capital loss carryforwards of $14.2 million. These NOLs expire through years ending in 2035. As of September 30, 2015, we determined that it continues to be more likely than not that the U.S. federal and most of the U.S. state net deferred tax asset, will not be realized in the future and as such recorded a full valuation allowance to offset the net U.S. federal and most of the U.S. state deferred tax asset, including our NOLs. In addition, as a consequence of earlier business combinations and issuances of common stock, the Company and its subsidiaries have had various changes of ownership, as defined under Section 382 of the Internal Revenue Code (the IRC) of 1986, as amended, that continue to subject a significant amount of our U.S. NOLs and other tax attributes to certain limitations.

As of September 30, 2015, we estimate that approximately $272.9 million of the total U.S. federal NOLs with a federal tax benefit of $95.5 million and tax benefits of $16.7 million related to state NOLs would expire unused even if the Company generates sufficient income to otherwise use all its NOLs, due to the limitation in Section 382 of the IRC.

If we are unable to fully utilize our NOLs to offset taxable income generated in the future, our future cash taxes could be materially and negatively impacted.

Consolidation of retailers and our dependence on a small number of key customers for a significant percentage of our sales may negatively affect our business, financial condition and results of operations.

As a result of consolidation of retailers and consumer trends toward national mass merchandisers, a significant percentage of our sales are attributable to a very limited group of customers. Our largest customer accounted for 15% of our consolidated net sales for the fiscal year ended September 30, 2015. As these mass merchandisers and retailers grow larger and become more sophisticated, they may demand lower pricing, special packaging or impose other requirements on product suppliers. These business demands may relate to inventory practices, logistics or other aspects of the customer-supplier relationship. Because of the importance of these key customers, demands for price reductions or promotions, reductions in their purchases, changes in their financial condition or loss of their accounts could have a material adverse effect on our business, financial condition and results of operations.

Although we have long-established relationships with many of our customers, we do not have long-term agreements with them and purchases are generally made through the use of individual purchase orders. Any significant reduction in purchases, failure to obtain anticipated orders or delays or cancellations of orders by any of these major customers, or significant pressure to reduce prices from any of these major customers, could have a material adverse effect on our business, financial condition and results of operations. Additionally, a significant deterioration in the financial condition of the retail industry in general, the bankruptcy of any of our customers or if any of our customers were to leave the business, could have a material adverse effect on our sales and profitability.

In addition, as a result of the desire of retailers to more closely manage inventory levels, there is a growing trend among them to purchase products on a just-in-time basis. Due to a number of factors, including (i) manufacturing lead-times, (ii) seasonal purchasing patterns and (iii) the potential for material price increases, we may be required to shorten our lead-time for production and more closely anticipate our retailers and customers demands, which could in the future require us to carry additional inventories and increase our working capital and related financing requirements. This may increase the cost of warehousing inventory or result in excess inventory becoming difficult to manage, unusable or obsolete. In addition, if our retailers significantly change their inventory management strategies, we may encounter difficulties in filling customer orders or in liquidating excess inventories, or may find that customers are cancelling orders or returning products, which may have a material adverse effect on our business. See *We and AAG have similar major customers and the loss of any significant customer may adversely affect our results of operations.*

Furthermore, we primarily sell branded products and a move by one or more of our large customers to sell significant quantities of private label products, which we do not produce on their behalf and which directly compete with our products, could have a material adverse effect on our business, financial condition and results of operations.

As a result of our international operations, we face a number of risks related to exchange rates and foreign currencies.

Our international sales and certain of our expenses are transacted in foreign currencies. During the fiscal year ended September 30, 2015, approximately 40% of our net sales and operating expenses were denominated in foreign currencies. We expect that the amount of our revenues and expenses transacted in foreign currencies

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will increase as our Latin American, European and Asian operations grow and as a result of acquisitions in these markets and, as a result, our exposure to risks associated with foreign currencies could increase accordingly. Significant changes in the value of the U.S. dollar in relation to foreign currencies will affect our cost of goods sold and our operating margins and could result in exchange losses or otherwise have a material effect on our business, financial condition and results of operations. Changes in currency exchange rates may also affect our sales to, purchases from and loans to our subsidiaries as well as sales to, purchases from and bank lines of credit with our customers, suppliers and creditors that are denominated in foreign currencies.

We source many products from China and other Asian countries. To the extent the Chinese Renminbi (RMB) or other currencies appreciate with respect to the U.S. dollar, we may experience fluctuations in our results of operations. Since 2005, the RMB has no longer been pegged to the U.S. dollar at a constant exchange rate and instead fluctuates versus a basket of currencies. Although the People s Bank of China regularly intervenes in the foreign exchange market to prevent significant short-term fluctuations in the exchange rate, the RMB may appreciate or depreciate within a flexible peg range against the U.S. dollar in the medium to long term. Moreover, it is possible that in the future Chinese authorities may lift restrictions on fluctuations in the RMB exchange rate and lessen intervention in the foreign exchange market.

While we may enter into hedging transactions in the future, the availability and effectiveness of these transactions may be limited, and we may not be able to successfully hedge our exposure to currency fluctuations. Further, we may not be successful in implementing customer pricing or other actions in an effort to mitigate the impact of currency fluctuations and, thus, our results of operations may be adversely impacted.

Our international operations may expose us to risks related to compliance with the laws and regulations of foreign countries.

We are subject to three EU Directives that may have a material impact on our business: Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment, Waste of Electrical and Electronic Equipment and the Directive on Batteries and Accumulators and Waste Batteries, discussed below. Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment requires us to eliminate specified hazardous materials from products we sell in EU member states. Waste of Electrical and Electronic Equipment requires us to collect and treat, dispose of or recycle certain products we manufacture or import into the EU at our own expense. The EU Directive on Batteries and Accumulators and Waste Batteries bans heavy metals in batteries by establishing maximum quantities of heavy metals in batteries and mandates waste management of these batteries, including collection, recycling and disposal systems, with the costs imposed upon producers and importers such as us. The costs associated with maintaining compliance or failing to comply with the EU Directives may harm our business. For example:

- Although contracts with our suppliers address related compliance issues, we may be unable to procure appropriate Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment compliant material in sufficient quantity and quality and/or be able to incorporate it into our product procurement processes without compromising quality and/or harming our cost structure.

- We may face excess and obsolete inventory risk related to non-compliant inventory that we may hold for which there is reduced demand, and we may need to write down the carrying value of such inventories.

We may be unable to sell certain existing inventories of our batteries in Europe and other countries that have adopted similar regulations.

Many of the developing countries in which we operate do not have significant governmental regulation relating to environmental safety, occupational safety, employment practices or other business matters routinely regulated in the U.S. and EU or may not rigorously enforce such regulation. As these countries and their economies develop, it is possible that new regulations or increased enforcement of existing regulations may increase the expense of doing business in these countries. In addition, social legislation in many countries in which we operate may result in significantly higher expenses associated with labor costs, terminating employees or distributors and closing manufacturing facilities. Increases in our costs as a result of increased regulation, legislation or enforcement could materially and adversely affect our business, results of operations and financial condition.

We may not be able to adequately establish and protect our intellectual property rights, and the infringement or loss of our intellectual property rights could harm our business.

To establish and protect our intellectual property rights, we rely upon a combination of national, foreign and multi-national patent, trademark and trade secret laws, together with licenses, confidentiality agreements and other contractual arrangements. The measures that we take to protect our intellectual property rights may prove inadequate to prevent third parties from infringing or misappropriating our intellectual property. We may need to resort to litigation to enforce or defend our intellectual property rights. If a competitor or collaborator files a patent application claiming technology also claimed by us, or a trademark application claiming a trademark, service mark or trade dress also used by us, in order to protect our rights, we may have to participate in expensive and time consuming opposition or interference proceedings before the U.S. Patent and Trademark Office or a similar foreign agency. Similarly, our intellectual property rights may be challenged by third parties or invalidated through administrative process or litigation. The costs associated with protecting intellectual property rights, including litigation costs, may be material. Furthermore, even if our intellectual property rights are not directly challenged, disputes among third parties could lead to the weakening or invalidation of our intellectual property rights, or our competitors may independently develop technologies that are substantially equivalent or superior to our technology. Obtaining, protecting and defending intellectual property rights can be time consuming and expensive, and may require us to incur substantial costs, including the diversion of the time and resources of management and technical personnel.

Moreover, the laws of certain foreign countries in which we operate or may operate in the future do not protect, and the governments of certain foreign countries do not enforce, intellectual property rights to the same extent as do the laws and government of the U.S., which may negate our competitive or technological advantages in such markets. Also, some of the technology underlying our products is the subject of nonexclusive licenses from third parties. As a result, this technology could be made available to our competitors at any time. If we are unable to establish and then adequately protect our intellectual property rights, our business, financial condition and results of operations could be materially and adversely affected.

We license various trademarks, trade names and patents from third parties for certain of our products. These licenses generally place marketing obligations on us and require us to pay fees and royalties based on net sales or profits. Typically, these licenses may be terminated if we fail to satisfy certain minimum sales obligations or if we breach the terms of the license. The termination of these licensing arrangements could adversely affect our business, financial condition and results of operations.

In our Global Batteries & Appliances segment, we license the use of the Black and Decker brand for marketing in certain small household appliances in North America, South America (excluding Brazil) and the Caribbean. In July 2014, The Black and Decker Corporation (BDC) extended the license agreement through December 2018. The failure to renew the license agreement with BDC or to enter into a new agreement on acceptable terms for the period following December 2018 could have a material adverse effect on our financial condition, liquidity and results of operations. Additionally, in connection with our acquisition of the HHI Business, we received a limited right to use certain Stanley Black and Decker trademarks, brand names and logos in marketing our products and services for only five years. Pursuant to a transitional trademark license agreement, Stanley Black and Decker granted us the right to use the Stanley and Black and Decker marks and logos, and certain other marks and logos, for up to five years after the completion of the HHI Business acquisition in connection with certain products and services. When our right to use these Stanley Black and Decker trademarks, brand names and logos expires, we may not be able to maintain or enjoy comparable name

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recognition or status under our new brand. If we are unable to successfully manage the transition of our business to our new brand, our reputation among our customers could be adversely affected, and our revenue and profitability could decline.

Claims by third parties that we are infringing their intellectual property and other litigation could adversely affect our business.

From time to time in the past we have been subject to claims that we are infringing the intellectual property of others. We currently are the subject of such claims and it is possible that third parties will assert infringement claims against us in the future. An adverse finding against us in these or similar trademark or other intellectual property litigations may have a material adverse effect on our business, financial condition and results of operations. Any such claims, with or without merit, could be time consuming and expensive, and may require us to incur substantial costs, including the diversion of the resources of management and technical personnel, cause product delays or require us to enter into licensing or other agreements in order to secure continued access to necessary or desirable intellectual property. If we are deemed to be infringing a third party s intellectual property and are unable to continue using that intellectual property as we had been, our business and results of operations could be harmed if we are unable to successfully develop non-infringing alternative intellectual property on a timely basis or license non-infringing alternatives or substitutes, if any exist, on commercially reasonable terms. In addition, an unfavorable ruling in intellectual property litigation could subject us to significant liability, as well as require us to cease developing, manufacturing or selling the affected products or using the affected processes or trademarks. Any significant restriction on our proprietary or licensed intellectual property that impedes our ability to develop and commercialize our products could have a material adverse effect on our business, financial condition and results of operations.

Our dependence on a few suppliers and one of our U.S. facilities for certain of our products makes us vulnerable to a disruption in the supply of our products.

Although we have long-standing relationships with many of our suppliers, we generally do not have long-term contracts with them. An adverse change in any of the following could have a material adverse effect on our business, financial condition and results of operations:

- our ability to identify and develop relationships with qualified suppliers;

- the terms and conditions upon which we purchase products from our suppliers, including applicable exchange rates, transport and other costs, our suppliers willingness to extend credit to us to finance our inventory purchases and other factors beyond our control;

- the financial condition of our suppliers;

- political and economic instability in the countries in which our suppliers are located, as a result of war, terrorist attacks, pandemics, natural disasters or otherwise;

- our ability to import outsourced products;

- our suppliers noncompliance with applicable laws, trade restrictions and tariffs; or

- our suppliers ability to manufacture and deliver outsourced products according to our standards of quality on a timely and efficient basis.

If our relationship with one of our key suppliers is adversely affected, we may not be able to quickly or effectively replace such supplier and may not be able to retrieve tooling, molds or other specialized production equipment or processes used by such supplier in the manufacture of our products. The loss of one or more of our suppliers, a material reduction in their supply of products or provision of services to us or extended disruptions or interruptions in their operations could have a material adverse effect on our business, financial condition and results of operations.

We manufacture the majority of our foil cutting systems for our shaving product lines, using specially designed machines and proprietary cutting technology, at our Portage, Wisconsin facility. In addition, we also manufacture the majority of our residential door locks at our Subic Bay, Philippines facility. Our home and garden products are mainly manufactured from our St. Louis, Missouri, facility. Damage to these facilities, or prolonged interruption in the operations of these facilities whether for repairs, as a result of labor difficulties or for other reasons, could have a material adverse effect on our ability to manufacture and sell our foil shaving, residential door locks and home and garden products which could in turn harm our business, financial condition and results of operations.

We face risks related to our sales of products obtained from third-party suppliers.

We sell a significant number of products that are manufactured by third party suppliers over which we have no direct control. While we have implemented processes and procedures to try to ensure that the suppliers we use are complying with all applicable regulations, there can be no assurances that such suppliers in all instances will comply with such processes and procedures or otherwise with applicable regulations. Noncompliance could result in our marketing and distribution of contaminated, defective or dangerous products which could subject us to liabilities and could result in the imposition by governmental authorities of procedures or penalties that could restrict or eliminate our ability to purchase products from non-compliant suppliers. Any or all of these effects could adversely affect our business, financial condition and results of operations.

In addition, the Dodd-Frank Wall Street Reform and Consumer Protection Act includes provisions regarding certain minerals and metals, known as conflict minerals, mined from the Democratic Republic of Congo and adjoining countries. These provisions require companies to undertake due diligence procedures and report on the use of conflict minerals in its products, including products manufactured by third parties. Compliance with these provisions will cause us to incur costs to certify that our supply chain is conflict free and we may face difficulties if our suppliers are unwilling or unable to verify the source of their materials. Our ability to source these minerals and metals may also be adversely impacted. In addition, our customers may require that we provide them with a certification and our inability to do so may disqualify us as a supplier.

Class action and derivative action lawsuits and other investigations, regardless of their merits, could have an adverse effect on our business, financial condition and results of operations.

We and certain of our officers and directors have been named in the past, and, may be named in the future, as defendants of class action and derivative action lawsuits. In the past, we have also received requests for information from government authorities. Regardless of their subject matter or merits, class action lawsuits and other government investigations may result in significant cost to us, which may not be covered by insurance, may divert the attention of management or may otherwise have an adverse effect on our business, financial condition and results of operations.

We may be exposed to significant product liability claims which our insurance may not cover and which could harm our reputation.

In the ordinary course of our business, we may be named as a defendant in lawsuits involving product liability claims. In any such proceeding, plaintiffs may seek to recover large and sometimes unspecified amounts of damages and the matters may remain unresolved for several years. Any such matters could have a material adverse effect on our business, results of operations and financial condition if we are unable to successfully defend against or settle these matters or if our insurance coverage is insufficient to satisfy any judgments against us or settlements relating to these matters. Although we have product liability insurance coverage and an excess umbrella policy, our insurance policies may not provide coverage for certain, or any, claims against us or may not be sufficient to cover all possible liabilities. Additionally, we do not maintain product recall insurance. We may not be able to maintain such insurance on acceptable terms, if at all, in the future. Moreover, any adverse publicity arising from claims made against us, even if the claims were not successful, could adversely affect the reputation and sales of our products. In particular, product recalls or product liability claims challenging the safety of our products may result in a decline in sales for a particular product and could damage the reputation or the value of the related brand. This could be true even if the claims themselves are ultimately settled for immaterial amounts. This type of adverse publicity could occur and product liability claims could be made in the future.

We may incur material capital and other costs due to environmental liabilities.

We are subject to a broad range of federal, state, local, foreign and multi-national laws and regulations relating to the environment. These include laws and regulations that govern:

- discharges to the air, water and land;
- the handling and disposal of solid and hazardous substances and wastes; and
- remediation of contamination associated with release of hazardous substances at our facilities and at off-site disposal locations.

Risk of environmental liability is inherent in our business. As a result, material environmental costs may arise in the future. In particular, we may incur capital and other costs to comply with increasingly stringent environmental laws and enforcement policies, such as the EU Directives: Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment, Waste of Electrical and Electronic Equipment and the Directive on Batteries and Accumulators and Waste Batteries, discussed above. Our international operations may expose us to risks related to compliance with the laws and regulations of foreign countries. See *Our international operations may expose us to risks related to compliance with the laws and regulations of foreign countries.*

Moreover, there are proposed international accords and treaties, as well as federal, state and local laws and regulations, that would attempt to control or limit the causes of climate change, including the effect of greenhouse gas emissions on the environment. In the event that the U.S. government or foreign governments enact new climate change laws or regulations or make changes to existing laws or regulations, compliance with applicable laws or regulations may result in increased manufacturing costs for our products, such as by requiring investment in new pollution control equipment or changing the ways in which certain of our products are made. We may incur some of these costs directly and others may be passed on to us from our third-party suppliers. Although we believe that we are substantially in compliance with applicable environmental laws and regulations at our facilities, we may not always be in compliance with such laws and regulations or any new laws and regulations in the future, which could have a material adverse effect on our business, financial condition and results of operations.

From time to time, we have been required to address the effect of historic activities on the environmental condition of our properties or former properties. We have not conducted invasive testing at all of our facilities to identify all potential environmental liability risks. Given the age of our facilities and the nature of our operations, material liabilities may arise in the future in connection with our current or former facilities. If previously unknown contamination of property underlying or in the vicinity of our manufacturing facilities is discovered, we could be required to incur material unforeseen expenses. If this occurs, it may have a material adverse effect on our business, financial condition and results of operations. We are currently engaged in investigative or remedial projects at a few of our facilities and any liabilities arising from such investigative or remedial projects at such facilities may have a material effect on our business, financial condition and results of operations.

In addition, in connection with certain business acquisitions, we have assumed, and in connection with future acquisitions may assume in the future, certain potential environmental liabilities. To the extent we have not identified such environmental liabilities or to the extent the indemnifications obtained from our counterparties are insufficient to cover such environmental liabilities, these environmental liabilities could have a material adverse effect on our business.

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We are also subject to proceedings related to our disposal of industrial and hazardous material at off-site disposal locations or similar disposals made by other parties for which we are responsible as a result of our relationship with such other parties. These proceedings are under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) or similar state or foreign jurisdiction laws that hold persons who arranged for the disposal or treatment of such substances strictly liable for costs incurred in responding to the release or threatened release of hazardous substances from such sites, regardless of fault or the lawfulness of the original disposal. Liability under CERCLA is typically joint and several, meaning that a liable party may be responsible for all of the costs incurred in investigating and remediating contamination at a site. We occasionally are identified by federal or state governmental agencies as being a potentially responsible party for response actions contemplated at an off-site facility. At the existing sites where we have been notified of our status as a potentially responsible party, it is either premature to determine if our potential liability, if any, will be material or we do not believe that our liability, if any, will be material. We may be named as a potentially responsible party under CERCLA or similar state or foreign jurisdiction laws in the future for other sites not currently known to us, and the costs and liabilities associated with these sites may have a material adverse effect on our business, financial condition and results of operations.

Compliance with various public health, consumer protection and other regulations applicable to our products and facilities could increase our cost of doing business and expose us to additional requirements with which we may be unable to comply.

Certain of our products sold through, and facilities operated under, each of our business segments are regulated by the Environmental Protection Agency (EPA), the Food and Drug Administration (FDA) or other federal consumer protection and product safety agencies and are subject to the regulations such agencies enforce, as well as by similar state, foreign and multinational agencies and regulations. For example, in the U.S., all products containing pesticides must be registered with the EPA and, in many cases, similar state and foreign agencies before they can be manufactured or sold. Our inability to obtain, or the cancellation of, any registration could have an adverse effect on our business, financial condition and results of operations. The severity of the effect would depend on which products were involved, whether another product could be substituted and whether our competitors were similarly affected. We attempt to anticipate regulatory developments and maintain registrations of, and access to, substitute chemicals and other ingredients, but we may not always be able to avoid or minimize these risks.

As a distributor of consumer products in the U.S., certain of our products are also subject to the Consumer Product Safety Act, which empowers the U.S. Consumer Product Safety Commission (the Consumer Commission) to exclude from the market products that are found to be unsafe or hazardous. Under certain circumstances, the Consumer Commission could require us to repair, replace or refund the purchase price of one or more of our products, or we may voluntarily do so. Any additional repurchases or recalls of our products could be costly to us and could damage the reputation or the value of our brands. If we are required to remove, or we voluntarily remove our products from the market, our reputation or brands could be tarnished and we may have large quantities of finished products that could not be sold. Furthermore, failure to timely notify the Consumer Commission of a potential safety hazard can result in significant fines being assessed against us. Additionally, laws regulating certain consumer products exist in some states, as well as in other countries in which we sell our products, and more restrictive laws and regulations may be adopted in the future.

The Food Quality Protection Act (FQPA) established a standard for food-use pesticides, which is that a reasonable certainty of no harm will result from the cumulative effect of pesticide exposures. Under the FQPA, the EPA is evaluating the cumulative effects from dietary and non-dietary exposures to pesticides. The pesticides in certain of our products that are sold through the Home and Garden Business continue to be evaluated by the EPA as part of this program. It is possible that the EPA or a third party active ingredient registrant may decide that a pesticide we use in our products will be limited or made unavailable to us. We cannot predict the outcome or the severity of the effect of the EPA s continuing evaluations of active ingredients used in our products.

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In addition, the use of certain pesticide products that are sold through our Home and Garden Business may, among other things, be regulated by various local, state, federal and foreign environmental and public health agencies. These regulations may require that only certified or professional users apply the product, that users post notices on properties where products have been or will be applied or that certain ingredients may not be used. Compliance with such public health regulations could increase our cost of doing business and expose us to additional requirements with which we may be unable to comply.

Any failure to comply with these laws or regulations, or the terms of applicable environmental permits, could result in us incurring substantial costs, including fines, penalties and other civil and criminal sanctions or the prohibition of sales of our pest control products. Environmental law requirements, and the enforcement thereof, change frequently, have tended to become more stringent over time and could require us to incur significant expenses.

Most federal, state and local authorities require certification by Underwriters Laboratory, Inc. (UL), an independent, not-for-profit corporation engaged in the testing of products for compliance with certain public safety standards, or other safety regulation certification prior to marketing electrical appliances. Foreign jurisdictions also have regulatory authorities overseeing the safety of consumer products. Our products may not meet the specifications required by these authorities. A determination that any of our products are not in compliance with these rules and regulations could result in the imposition of fines or an award of damages to private litigants.

A cybersecurity breach or failure of one or more key information technology systems could have a material adverse impact on our business or reputation.

We rely extensively on information technology (IT) systems, networks and services, including internet sites, data hosting and processing facilities and tools and other hardware, software and technical applications and platforms, some of which are managed, hosted, provided and/or used by third-parties or their vendors, to assist in conducting our business.

Our IT systems have been, and will likely continue to be, subject to computer viruses or other malicious codes, unauthorized access attempts, phishing and other cyber-attacks. We continue to assess potential threats and make investments seeking to address these threats, including monitoring of networks and systems and upgrading skills, employee training and security policies for the Company and its third-party providers. However, because the techniques used in these attacks change frequently and may be difficult to detect for periods of time, we may face difficulties in anticipating and implementing adequate preventative measures. To date, we have seen no material impact on our business or operations from these attacks; however, we cannot guarantee that our security efforts will prevent breaches or breakdowns to our or our third-party providers databases or systems. If the IT systems, networks or service providers we rely upon fail to function properly, or if we or one of our third-party providers suffer a loss, significant unavailability of or disclosure of our business or stakeholder information, and our business continuity plans do not effectively address these failures on a timely basis, we may be exposed to reputational, competitive and business harm as well as litigation and regulatory action. The costs and operational consequences of responding to breaches and implementing remediation measures could be significant.

Our actual or perceived failure to adequately protect personal data could adversely affect our business, financial condition and results of operations.

A variety of state, national, foreign, and international laws and regulations apply to the collection, use, retention, protection, disclosure, transfer, and other processing of personal data. These privacy- and data protection-related laws and regulations are evolving, with new or modified laws and regulations proposed and implemented frequently and existing laws and regulations subject to new or different interpretations. Compliance with these laws and regulations can be costly and can delay or impede the development of new products.

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We historically have relied upon adherence to the U.S. Department of Commerce s Safe Harbor Privacy Principles and compliance with the U.S.-EU Safe Harbor Framework agreed to by the U.S. Department of Commerce and the EU. The U.S.-EU Safe Harbor Framework, which established means for legitimizing the transfer of personal data by U.S. companies from the European Economic Area, or EEA, to the U.S., recently was invalidated by a decision of the European Court of Justice, or the ECJ. In light of the ECJ s decision, we are reviewing our business practices and may find it necessary or desirable to make changes to our personal data handling to cause our transfer and receipt of EEA residents personal data to be legitimized under applicable European law. Our actual or alleged failure to comply with applicable laws and regulations, or to protect personal data, could result in enforcement actions and significant penalties against us, which could result in negative publicity, increase our operating costs, subject us to claims or other remedies and have a material adverse effect on our business, financial condition, and results of operations.

Public perceptions that some of the products we produce and market are not safe could adversely affect us.

On occasion, customers have alleged that some products failed to perform up to expectations or have caused damage or injury to individuals or property. Public perception that any of our products are not safe, whether justified or not, could impair our reputation, damage our brand names and have a material adverse effect on our business, financial condition and results of operations. In addition, we rely on certain third party trademarks, brand names and logos over which we do not have exclusive use of. Public perception that any such third party trademarks, band names and logos used by us are not safe, whether justified or not, could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to negotiate satisfactory terms to continue existing or enter into additional collective bargaining agreements, we may experience an increased risk of labor disruptions and our results of operations and financial condition may suffer.

Approximately 16% of our total labor force is covered by collective bargaining agreements. There are 4 collective bargaining agreements that will expire during our fiscal year ending September 30, 2016, which cover approximately 60% of the labor force under collective bargaining agreements, or approximately 10% of our total labor force. While we currently expect to negotiate continuations to the terms of these agreements, there can be no assurances that we will be able to obtain terms that are satisfactory to us or otherwise to reach agreement at all with the applicable parties. In addition, in the course of our business, we may also become subject to additional collective bargaining agreements. These agreements may be on terms that are less favorable than those under our current collective bargaining agreements. Increased exposure to collective bargaining agreements, whether on terms more or less favorable than our existing collective bargaining agreements, could adversely affect the operation of our business, including through increased labor expenses. While we intend to comply with all collective bargaining agreements to which we are subject, there can be no assurances that we will be able to do so and any noncompliance could subject us to disruptions in our operations and materially and adversely affect our results of operations and financial condition.

Significant changes in actual investment return on pension assets, discount rates and other factors could affect our results of operations, equity and pension contributions in future periods.

Our results of operations may be positively or negatively affected by the amount of income or expense we record for our defined benefit pension plans. U.S. Generally Accepted Accounting Principles (GAAP) requires

that we calculate income or expense for the plans using actuarial valuations. These valuations reflect assumptions about financial markets and other economic conditions, which may change based on changes in key economic indicators. The most significant assumptions we use to estimate pension income or expense are the discount rate and the expected long-term rate of return on plan assets. In addition, we are required to make an annual measurement of plan assets and liabilities, which may result in a significant change to equity. Although pension expense and pension funding contributions are not directly related, key economic factors that affect pension expense would also likely affect the amount of cash we would contribute to pension plans as required under the Employee Retirement Income Security Act of 1974, as amended.

If our goodwill, indefinite-lived intangible assets or other long-term assets become impaired, we will be required to record additional impairment charges, which may be significant.

A significant portion of our long-term assets consist of goodwill, other indefinite-lived intangible assets and finite-lived intangible assets recorded as a result of past acquisitions as well as through fresh start reporting. We do not amortize goodwill and indefinite-lived intangible assets, but rather review them for impairment on a periodic basis or whenever events or changes in circumstances indicate that their carrying value may not be recoverable. We consider whether circumstances or conditions exist which suggest that the carrying value of our goodwill and other long-lived intangible assets might be impaired. If such circumstances or conditions exist, further steps are required in order to determine whether the carrying value of each of the individual assets exceeds its fair value. If analysis indicates that an individual asset s carrying value does exceed its fair value, the next step is to record a loss equal to the excess of the individual asset s carrying value over its fair value.

The steps required by GAAP entail significant amounts of judgment and subjectivity. Events and changes in circumstances that may indicate that there may be an impairment and which may indicate that interim impairment testing is necessary include, but are not limited to: strategic decisions to exit a business or dispose of an asset made in response to changes in economic, political and competitive conditions; the impact of the economic environment on the customer base and on broad market conditions that drive valuation considerations by market participants; our internal expectations with regard to future revenue growth and the assumptions we make when performing impairment reviews; a significant decrease in the market price of our assets; a significant adverse change in the extent or manner in which our assets are used; a significant adverse change in legal factors or the business climate that could affect our assets; an accumulation of costs significantly in excess of the amount originally expected for the acquisition of an asset; and significant changes in the cash flows associated with an asset. As a result of such circumstances, we may be required to record a significant charge to earnings in our financial statements during the period in which any impairment of our goodwill, indefinite-lived intangible assets or other long-term assets is determined. Any such impairment charges could have a material adverse effect on our business, financial condition and operating results.

If we are unable to protect the confidentiality of our proprietary information and know-how, the value of our technology, products and services could be harmed significantly.

We rely on trade secrets, know-how and other proprietary information in operating our business. If this information is not adequately protected, then it may be disclosed or used in an unauthorized manner. To the extent that consultants, key employees or other third parties apply technological information independently developed by them or by others to our proposed products, disputes may arise as to the proprietary rights to such information, which may not be resolved in our favor. The risk that other parties may breach confidentiality agreements or that our trade secrets become known or independently discovered by competitors, could harm us by enabling our competitors, who may have greater experience and financial resources, to copy or use our trade secrets and other proprietary information in the advancement of their products, methods or technologies. The disclosure of our trade secrets would impair our competitive position, thereby weakening demand for our products or services and harming our ability to maintain or increase our customer base.

Disruption or failures of our information technology systems could have a material adverse effect on our business.

Our information technology systems are susceptible to security breaches, operational data loss, general disruptions in functionality, and may not be compatible with new technology. We depend on our information technology systems for the effectiveness of our operations and to interface with our customers, as well as to maintain financial records and accuracy. Disruption or failures of our information technology systems could impair our ability to effectively and timely provide our services and products and maintain our financial records, which could damage our reputation and have a material adverse effect on our business.

Our acquisition and expansion strategy may not be successful.

Our growth strategy is based in part on growth through acquisitions, which poses a number of risks. We may not be successful in identifying appropriate acquisition candidates, consummating acquisitions on satisfactory terms or integrating any newly acquired or expanded business with our current operations. We may issue additional equity, incur long-term or short-term indebtedness, spend cash or use a combination of these for all or part of the consideration paid in future acquisitions or expansion of our operations. The execution of our acquisition and expansion strategy could entail repositioning or similar actions that in turn require us to record impairments, restructuring and other charges. Any such charges would reduce our earnings. We cannot guarantee that any future business acquisitions will be pursued or that any acquisitions that are pursued will be consummated.

Significant costs have been incurred and are expected to be incurred in connection with the consummation of recent and future business acquisitions and the integration of such acquired businesses with Spectrum into a combined company, including legal, accounting, financial advisory and other costs.

We expect to incur one-time costs in connection with integrating our operations, products and personnel and those of businesses we acquire into a combined company, in addition to costs related directly to completing such acquisitions. We would expect similar costs to be incurred with any future acquisition. These costs may include expenditures for:

- employee redeployment, relocation or severance;
- integration of operations and information systems;
- combination of research and development teams and processes; and
- reorganization or closures of facilities.

In addition, we expect to incur a number of non-recurring costs associated with combining our operations with those of acquired businesses. Additional unanticipated costs may yet be incurred as we integrate our business with acquired businesses. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of our operations with those of acquired businesses, may offset incremental transaction and transaction-related costs over time, this net benefit may not be achieved in the near term. Additionally, while we expect to benefit from leveraging distribution channels and brand names among the Company and the businesses we acquire, we cannot assure you that we will achieve such benefits.

We may not realize the anticipated benefits of, and synergies from, our business acquisitions and may become responsible for certain liabilities and integration costs as a result.

Business acquisitions involve the integration of new businesses that have previously operated independently from us. The integration of our operations with those of acquired businesses is frequently expected to result in financial and operational benefits, including increased top line growth, margins, revenues and cost savings and be accretive to earnings per share, earnings before interest, taxes, depreciation and amortization and free cash flow before synergies. There can be no assurance, however, regarding when or the extent to which we will be able to realize these increased top line growth, margins, revenues, cost savings or accretions to earnings per share, earnings before interest, taxes, depreciation and amortization or free cash flow or other benefits. Integration may also be difficult, unpredictable, and subject to delay because of possible company culture conflicts and different opinions on technical decisions and product roadmaps. We will often be required to integrate or, in some cases, replace, numerous systems, including those involving management information, purchasing, accounting and finance, sales, billing, employee benefits, payroll and regulatory compliance, many of which may be dissimilar.

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In some instances, we and certain acquired businesses have served the same customers, and some customers may decide that it is desirable to have additional or different suppliers. Difficulties associated with the integration of acquired businesses could have a material adverse effect on our business.

We may also acquire partial or full ownership in businesses or may acquire rights to market and distribute particular products or lines of products. The acquisition of a business or the rights to market specific products or use specific product names may involve a financial commitment by us, either in the form of cash or equity consideration. In the case of a new license, such commitments are usually in the form of prepaid royalties and future minimum royalty payments. There is no guarantee that we will acquire businesses or product distribution rights that will contribute positively to our earnings. Anticipated synergies may not materialize, cost savings may be less than expected, sales of products may not meet expectations and acquired businesses may carry unexpected liabilities.

In addition, in connection with business acquisitions, we have assumed, and may assume in connection with future acquisitions, certain potential liabilities. To the extent such liabilities are not identified by us or to the extent the indemnifications obtained from third parties are insufficient to cover such liabilities, these liabilities could have a material adverse effect on our business.

Integrating our business with acquired businesses may divert our management s attention away from operations.

Successful integration of acquired businesses operations, products and personnel with us may place a significant burden on our management and other internal resources. The diversion of management s attention, and any difficulties encountered in the transition and integration process, could harm our business, financial condition and operating results.

As a result of business acquisitions, we may not be able to retain key personnel or recruit additional qualified personnel, which could materially affect our business and require us to incur substantial additional costs to recruit replacement personnel.

We are highly dependent on the continuing efforts of our senior management team and other key personnel. As a result of business acquisitions, our current and prospective employees could experience uncertainty about their future roles. This uncertainty may adversely affect our ability to attract and retain key management, sales, marketing and technical personnel. Any failure to attract and retain key personnel could have a material adverse effect on our business. In addition, we currently do not maintain key person insurance covering any member of our management team.

If any of our key personnel or those of our acquired businesses were to join a competitor or form a competing company, existing and potential customers or suppliers could choose to form business relationships with that competitor instead of us. There can be no assurance that confidentiality, non-solicitation, non-competition or similar agreements signed by former directors, officers, employees or stockholders of us, our acquired businesses or our transactional counterparties will be effective in preventing a loss of business.

General customer uncertainty related to our business acquisitions could harm us.

Our customers may, in response to the announcement or consummation of a business acquisition, delay or defer purchasing decisions. If our customers delay or defer purchasing decisions, our revenues could materially decline or any anticipated increases in revenue could be lower than expected.

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We are required to supply certain products and services to Stanley Black & Decker and its subsidiaries pursuant to the terms of certain supply agreements for a period of time after the completion of the HHI Business acquisition. Our provision of products and services under these agreements require us to dedicate resources of the HHI Business and may result in unfavorable results to us.

Certain products and services currently used by Stanley Black and Decker are produced and provided using equipment of the HHI Business which includes the acquired Tong Lung Metal Industry Co. Ltd. (the TLM Business) that we acquired or certain equipment belonging to Stanley Black and Decker and its subsidiaries that will continue to be located for a period of time after the completion of the HHI Business acquisition at facilities operated by the HHI Business and the TLM Business and maintained by us pursuant to certain specifications. We and Stanley Black and Decker entered into supply agreements (each, a Supply Agreement) whereby we provide Stanley Black and Decker and its subsidiaries with certain of these products and services for a period of time. This requires us to dedicate resources of the HHI Business and the TLM Business towards the provision of these products and services and may result in unfavorable results to us. These Supply Agreements are an accommodation to Stanley Black and Decker and its subsidiaries as part of the HHI Business acquisition, and the pricing of the products and services is on terms more favorable to Stanley Black and Decker and its subsidiaries than it would be in the ordinary course of business.

We face significant risks from the AAG Acquisition similar to risks generally associated with our acquisition and expansion strategy.

The AAG Acquisition subjects us to significant risks generally associated with our acquisition and expansion strategy. Significant costs have been incurred and are expected to be incurred in connection with the AAG Acquisition and our integration of AAG with our business, including legal, accounting, financial advisory and other costs. We may also not realize the anticipated benefits of, and synergies from, the AAG Acquisition and will be responsible for certain liabilities and integration costs as a result of the AAG Acquisition. As a result of the AAG Acquisition and other acquisitions, we may also not be able to retain key personnel or recruit additional qualified personnel, which could require us to incur substantial additional costs. Each of these general risks for acquisition and expansion activities, which are described in more detail in this prospectus (See *Our acquisition and expansion strategy may not be successful*), could result in the AAG Acquisition having a material adverse effect on our business.

We and AAG have similar major customers and the loss of any significant customer may adversely affect our results of operations.

A limited number of the same customers represent a large percentage of our and AAG s respective net sales. One of our largest customers accounted for approximately 23% of AAG s net sales for the twelve months ended December 31, 2014. AAG s largest customer accounted for approximately 12% of net sales for the same period and no other customer accounted for more than 10% of AAG s net sales for the same period. The success of our and AAG s businesses depend, in part, on our ability to maintain our level of sales and product distribution through high volume distributors, retailers, super centers and mass merchandisers.

Currently, neither we nor AAG have long-term supply agreements with a substantial number of our retail customers, including our largest customers. These high-volume stores and mass merchandisers frequently reevaluate the products they carry. A decision by our major customers to discontinue or decrease the amount of products purchased from us, sell a national brand on an exclusive basis or change the manner of doing business with us, could reduce our revenues and materially adversely affect our results of operations. See *Risks Related to our Business Consolidation of retailers and our dependence on a small number of key customers for a significant percentage of our sales may negatively affect our business, financial condition and results of operations* .

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A change in governmental regulations regarding the use of refrigerant gas R-134a or its potential future substitutes could have a material adverse effect on AAG s ability to sell its aftermarket A/C products.

The refrigerant R-134a is critical component of AAG s aftermarket A/C products and is used in products which comprised approximately 90% of its gross sales in its fiscal year ended December 31, 2014. Older generation refrigerants such as R-12 (Freon) have been regulated for some time in the United States and elsewhere, due to concerns about their potential to contribute to ozone depletion. In recent years, refrigerants such as R-134a, which is an approved substitute for R-12, have also become the subject of regulatory focus due to their potential to contribute to global warming.

The European Union has passed regulations that require the phase out of R-134a in automotive cooling systems in new vehicles by 2017. In the United States, AAG has reported that it cannot predict what future action, if any, the EPA will take on the regulation of R-134a. But based on currently available information, it believes that it would take some time for suitable alternatives to R-134a to come into full scale commercial production and therefore such alternatives would not be readily available for wide spread use in new car models. If the future use of R-134a is phased out or is limited or prohibited in jurisdictions in which we do business, the future market for AAG s products containing R-134a may be limited, which could have a material adverse impact on its results of operations, financial condition, and cash flows.

In addition, regulations may be enacted governing the packaging, use and disposal of AAG s products containing refrigerants. For example, regulations are currently in effect in California that govern the sale and distribution of products containing R-134a. While AAG has reported that it is not aware of any noncompliance with such regulations, its failure to comply with these or possible future regulations in California, or elsewhere, could result in material fines or costs or the inability to sell its products in those markets, which could have a material adverse impact on the results of operations, financial condition and cash flows. If substitutes for R-134a become widely used in A/C systems and their use for DIY and retrofit purposes are not approved by the EPA, it could have a material adverse effect on AAG s results of operations, financial condition, and cash flows. In addition, the cost of HFO-1234yf, the leading long-term alternative to R-134a being proposed in the United States and the European Union for use in the A/C systems of new vehicles, will likely be higher than that of R-134a. If HFO-1234yf becomes widely used and AAG is able to develop products using HFO-1234yf, but is unable to price its products to reflect the increased cost of HFO-1234yf, it could have a material adverse effect on its results of operations, financial condition and cash flow.

All of AAG s refrigerant products are produced at one facility, and a significant disruption or disaster at such a facility could have a material adverse effect on its results of operations.

AAG s manufacturing facility consists of one site which is located in Garland, Texas and thus it is dependent upon the continued safe operation of this facility. Its facility is subject to various hazards associated with the manufacturing, handling, storage, and transportation of chemical materials and products, including human error, leaks and ruptures, explosions, floods, fires, inclement weather and natural disasters, power loss or other infrastructure failures, mechanical failure, unscheduled downtime, regulatory requirements, the loss of certifications, technical difficulties, labor disputes, inability to obtain material, equipment or transportation, environmental hazards such as remediation, chemical spills, discharges or releases of toxic or hazardous substances or gases, and other risks. Many of these hazards could cause personal injury and loss of life, severe damage to, or destruction of, property and equipment and environmental contamination. In addition, the occurrence of material operation problems at AAG s facility due to any of these hazards could cause a disruption in the production of its products. AAG may also encounter difficulties or interruption as a result of the application of enhanced manufacturing technologies or changes to production lines to improve AAG s throughput or to upgrade or repair its production lines. AAG s insurance policies have coverage in case of significant damage to its manufacturing facility but may not fully compensate AAG for the cost of replacement for any such damage and any loss from business interruption. As a result, AAG may not be adequately insured to cover losses resulting from significant damage to its manufacturing facility. Any damage to its facility or interruption in manufacturing could result in production delays and delays in meeting contractual obligations which could have a material adverse effect on AAG s relationship with its customers and on its results of operations, financial condition or cash flows in any given period.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

We have made or implied certain forward-looking statements in this prospectus. All statements, other than statements of historical facts included in this prospectus, including statements regarding our business strategy, future operations, financial condition, estimated revenues, projected costs, projected synergies, prospects, plans and objectives of management, as well as information concerning expected actions of third parties, are forward-looking statements. When used in this prospectus, the words anticipate, intend, plan, estimate, believe, expect, project, could may and similar expressions are also intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words.

Since these forward-looking statements are based upon our current expectations of future events and projections and are subject to a number of risks and uncertainties, many of which are beyond our control and some of which may change rapidly, actual results or outcomes may differ materially from those expressed or implied herein, and you should not place undue reliance on these statements. Important factors that could cause our actual results to differ materially from those expressed or implied herein include, without limitation:

- the impact of our indebtedness on our business, financial condition and results of operations;
- the impact of restrictions in our debt instruments on our ability to operate our business, finance our capital needs or pursue or expand our business strategies;
- any failure to comply with financial covenants and other provisions and restrictions of our debt instruments;
- the impact of expenses resulting from the implementation of new business strategies, divestitures or current and proposed restructuring activities;
- our inability to successfully integrate and operate new acquisitions, including, but not limited to, the AAG Acquisition, at the level of financial performance anticipated;
- the unanticipated loss of key members of senior management;
- the impact of fluctuations in commodity prices, costs or availability of raw materials or terms and conditions available from suppliers, including suppliers willingness to advance credit;
- interest rate and exchange rate fluctuations;
- the loss of, or a significant reduction in, sales to any significant retail customer(s);

competitive promotional activity or spending by competitors or price reductions by competitors;

the introduction of new product features or technological developments by competitors and/or the development of new competitors or competitive brands;

the effects of general economic conditions, including inflation, recession or fears of a recession, depression or fears of a depression, labor costs and stock market volatility or changes in trade, monetary or fiscal policies in the countries where we do business;

changes in consumer spending preferences and demand for our products;

our ability to develop and successfully introduce new products, protect our intellectual property and avoid infringing the intellectual property of third parties;

our ability to successfully implement, achieve and sustain manufacturing and distribution cost efficiencies and improvements, and fully realize anticipated cost savings;

the cost and effect of unanticipated legal, tax or regulatory proceedings or new laws or regulations (including environmental, public health and consumer protection regulations);

public perception regarding the safety of our products, including the potential for environmental liabilities, product liability claims, litigation and other claims;

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- the impact of pending or threatened litigation;
- changes in accounting policies applicable to our business;
- government regulations;
- the seasonal nature of sales of certain of our products;
- the effects of climate change and unusual weather activity;
- the effects of political or economic conditions, terrorist attacks, cybersecurity attacks, acts of war or other unrest in international markets; and
- various other risks and uncertainties.

Some of the above-mentioned factors are described in further detail in the section entitled Risk Factors set forth above. You should assume the information appearing in this prospectus is accurate only as of the date hereof or as otherwise specified, as our business, financial condition, results of operations and prospects may have changed since that date. Except as required by applicable law, including the securities laws of the U.S. and the rules and regulations of the SEC, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise to reflect actual results or changes in factors or assumptions affecting such forward-looking statements.

We also caution the reader that our estimates of trends, market share, retail consumption of our products and reasons for changes in such consumption are based solely on limited data available to us and our management s reasonable assumptions about market conditions, and consequently may be inaccurate, or may not reflect significant segments of the retail market.

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RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to fixed charges for each of the periods indicated. You should read these ratios in connection with our consolidated financial statements, including the notes to those statements, included elsewhere in this prospectus.

	Year Ended September 30, 2015				
	2015	2014	2013	2012	2011
Fixed charges					
Interest expense	271.9	202.1	369.5	192.0	208.5
Total fixed charges	271.9	202.1	369.5	192.0	208.5
Earnings					
Earnings from continuing operations before income taxes	199.7	276.1	(20.1)	113.2	17.7
Add:					
Fixed Charges	271.9	202.1	369.5	192.0	208.5
Total adjusted earnings	471.6	478.2	349.3	305.2	226.2
Ratio of earnings to fixed charges	1.7x	2.4x	0.9x	1.6x	1.1x

USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of the exchange notes. We are making this exchange offer solely to satisfy our obligations under the Registration Rights Agreements. In consideration for issuing the exchange notes, we will receive initial notes in a like and corresponding aggregate principal amount.

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CAPITALIZATION

The following table presents the cash and cash equivalents and consolidated capitalization of SB/RH Holdings.

	As of September 30, 2015(1) (in millions)
Cash and cash equivalents	$ 247.9
Debt:	
Term Credit Facilities(2)	1,538.4
Revolving Credit Facility(2)	
6.375% Senior Notes due 2020	520.0
6.625% Senior Notes due 2022	570.0
6.125% Senior Notes due 2024	250.0
5.750% Senior Notes due 2025	1,000.0
Capital leases	88.2
Other unsecured debt	45.9
Total debt	$ 4,012.5
Total shareholder s equity	1,572.8
Total capitalization	$ 5,585.3

(1) Balances are reflected at par.
(2) See Description of Other Indebtedness Credit Agreement.

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

On May 21, 2015, SB Holdings, the direct parent of SB/RH Holdings, completed the AAG Acquisition pursuant to the Agreement and Plan of Merger by and among AAG, SB Holdings, Ignite Merger Sub, Inc. and, solely in its capacity as representative, Avista Capital Partners II GP, LLC, dated as of April 28, 2015, for a purchase price of $1,471.4 million (consisting of $929.3 million in cash and an assumption of debt of $540.0 million). SB Holdings funded the AAG Acquisition with the proceeds of its initial offering of an aggregate principal amount of $1,000 million of Spectrum Brands 2025 notes and the registered offering of $575 million of shares of SB Holdings common stock (the SB Holdings Equity Offering).

The following unaudited pro forma condensed combined statement of operations for the year ended September 30, 2015 gives effect to the AAG Acquisition for such period. The unaudited pro forma condensed statement of operations shown below reflects historical financial information and has been prepared on the basis that the transaction will be accounted for using the acquisition method of accounting under Accounting Standards Codification Topic 805: *Business Combinations* (ASC 805). Accordingly, the assets acquired and liabilities assumed in the AAG Acquisition were measured at their respective fair values with any excess consideration reflected as goodwill. The unaudited pro forma condensed combined statement of operations presented assumes that AAG is a wholly owned subsidiary of Spectrum Brands. Because the financial position data of AAG is reflected in the consolidated statement of financial position as of September 30, 2015, included elsewhere in this prospectus, no pro forma financial position data is presented below.

The following unaudited pro forma condensed combined statement of operations for the year ended September 30, 2015 is presented on a basis to reflect the AAG Acquisition and related transactions as if they had occurred on October 1, 2014.

Because of different fiscal period ends, and in order to present results for comparable periods, the unaudited pro forma condensed combined statement of operations for the year ended September 30, 2015 combines SB/RH Holdings audited historical consolidated statement of operations for the fiscal year then ended with the AAG historical consolidated statement of operations information for the period of October 1, 2014 through May 20, 2015, the date prior to the close of the AAG Acquisition. The AAG results from October 1, 2014 through May 20, 2015 have been derived by combining the historical unaudited consolidated statement of operations for the three month period ended March 31, 2015, the historical unaudited consolidated statement of operations for the three month period ended December 31, 2014 and the unaudited historical financial information for the period from April 1, 2015 through May 20, 2015. As a result of the foregoing, the AAG historical unaudited consolidated statement of operations for the three month period ended December 31, 2014 is included in the unaudited pro forma condensed combined financial statements for the year ended September 30, 2015. See Note 1 to the unaudited pro forma condensed combined statement of operations for additional information. Pro forma adjustments are made in order to reflect the potential effect of the AAG Acquisition and related transactions on the statement of operations.

The unaudited pro forma condensed combined statement of operations should be read in conjunction with the notes to unaudited pro forma condensed combined statement of operations. The unaudited pro forma condensed combined statement of operations and the notes to unaudited pro forma condensed combined statement of operations are based on, and should be read in conjunction with, the audited consolidated financial statements of SB Holdings and SB/RH Holdings, and the notes thereto, and the AAG historical audited and unaudited consolidated financial statements, and the notes thereto, each included elsewhere in this prospectus.

The process of valuing the AAG tangible and intangible assets acquired and liabilities assumed, as well as evaluating accounting policies for conformity, is still in the preliminary stages. Accordingly, the purchase accounting adjustments included in the unaudited pro forma condensed combined financial statements are

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preliminary and have been presented solely for the purpose of providing these unaudited pro forma condensed combined financial statements. For purposes of preparing the unaudited pro forma condensed combined financial statements, Spectrum Brands has made preliminary adjustments, where sufficient information is available to make a fair value estimate, to reflect those tangible and intangible assets acquired and liabilities assumed based on preliminary estimates of their fair value as of May 21, 2015. For those assets and liabilities where insufficient information is available to make a reasonable estimate of fair value, the unaudited pro forma condensed combined financial statements reflect the historical carrying value of those assets and liabilities at May 21, 2015. A final determination of the fair values of the assets acquired and liabilities assumed will include management s consideration of a final valuation. Spectrum Brands currently expects that the process of determining the fair values of the tangible and intangible assets acquired and liabilities assumed will be completed within one year of the acquisition date. Material revisions to Spectrum Brands preliminary estimates could be necessary as more information becomes available through the completion of this final determination. The final amounts may be materially different from the information presented in these unaudited pro forma condensed combined financial statements due to a number of factors, including changes in market conditions and financial results which may impact cash flow projections used in the valuation, and the identification of additional conditions that existed as of the date of the AAG Acquisition which may impact the fair value of the AAG net assets.

SB/RH Holdings and AAG s historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (1) directly attributable to the AAG Acquisition; (2) factually supportable; and (3) with respect to the unaudited pro forma statements of operations, expected to have a continuing impact on the combined results. The unaudited pro forma condensed combined financial statements do not reflect any revenue enhancements, cost savings from operating efficiencies, synergies or other restructurings, or the costs and related liabilities that would be incurred to achieve such revenue enhancements and cost savings, which could result from the AAG Acquisition.

The pro forma adjustments are based upon available information and assumptions that the managements of SB Holdings and AAG believe reasonably reflect the AAG Acquisition. The unaudited pro forma condensed combined financial statements are provided for illustrative purposes only and do not purport to represent what the actual consolidated results of operations of SB Holdings or SB/RH Holdings would have been had the AAG Acquisition occurred on the dates assumed, nor are they necessarily indicative of the future consolidated results of operations of SB Holdings or SB/RH Holdings.

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SB/RH HOLDINGS, LLC

Unaudited Pro Forma Consolidated Statement of Operations

For the year ended September 30, 2015

(in millions)

	SB/RH Holdings, LLC 12 months ended September 30, 2015	Armored AutoGroup Parent Inc. October 1, 2014 May 20, 2015	Pro Forma Adjustments	Note	Pro Forma Combined
Net sales	$ 4,690.4	$ 275.8	$		$ 4,966.2
Cost of goods sold	3,018.0	154.4		(A)	3,172.4
Restructuring and related charges	2.1				2.1
Gross profit	1,670.3	121.4			1,791.7
Selling	720.7	23.2			743.9
General and administrative	332.4	90.0	(59.3)	(B)(C)(F)(G)	363.1
Research and development	51.3	1.9			53.2
Intangible asset and goodwill impairment		7.0			7.0
Acquisition and integration charges	58.8		(21.8)	(H)	37.0
Restructuring and related charges	26.6				26.6
Total operating expenses	1,189.8	122.1	(81.1)		1,230.8
Operating income	480.5	(0.7)	81.1		560.9
Interest expense	271.9	85.2	(46.8)	(D)	310.3
Other expense (income), net	8.9	1.1			10.0
Income (loss) from continuing operations before income taxes	199.7	(87.0)	127.9		240.6
Income tax expense (benefit)	43.9	(11.6)		(E)	32.3
Net income (loss)	155.8	(75.4)	127.9		208.3
Net income attributable to non-controlling interests	0.4				0.4
Net income (loss) attributable to Parent	$ 155.4	$ (75.4)	$ 127.9		$ 207.9

See accompanying notes to unaudited pro forma condensed combined financial statements

(Unaudited).

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SB/RH HOLDINGS, LLC

NOTES TO THE UNAUDITED PRO FORMA CONDENSED

COMBINED FINANCIAL STATEMENTS (Unaudited)

(Amounts in millions of dollars, except for share or as otherwise specified)

(1) Conforming Interim Periods

SB/RH Holdings fiscal year end is September 30 while the AAG fiscal year end is December 31. AAG s latest interim period prior to the consummation of the AAG Acquisition ended on March 31, 2015, and included its first quarter results for the three month period ended March 31, 2015. The unaudited pro forma condensed combined statement of operations for the year ended September 30, 2015 presented herein includes the results for Spectrum Brands latest completed fiscal year and AAG s results for October 1, 2014 through May 20, 2015, the date prior to the close of the AAG Acquisition. Accordingly, the AAG historical financial information for the statement of operations covering the period of October 1, 2014 through May 20, 2015, the date prior to the close of the AAG Acquisition, has been derived by adding the unaudited results for the three month period ended March 31, 2015 to the audited results for the fiscal year ended December 31, 2014, and deducting the unaudited results for the nine months ended September 30, 2014 and adding the unaudited period from April 1, 2015 through May 20, 2015, as follows:

	12 months ended December 31, 2014 A	9 months ended September 30, 2014 B	3 months ended December 31, 2014 (A - B) = C	3 months ended March 31, 2015 D	Period from April 1, 2015 May 20, 2015 E	Period from October 1, 2014 May 20, 2015 C + D + E
Net sales	$ 410.0	$ 341.6	$ 68.4	$ 119.4	$ 88.0	$ 275.8
Cost of goods sold	226.0	185.2	40.8	68.1	45.5	154.4
Restructuring and related charges						
Gross profit	184.0	156.4	27.6	51.3	42.5	121.4
Selling[(A)]	49.9	41.9	8.0	8.2	7.0	23.2
General and administrative[(A)]	86.9	65.0	21.9	22.1	46.0	90.0
Research and development	2.9	2.1	0.8	0.7	0.4	1.9
Intangible asset and goodwill impairment	7.0		7.0			7.0
Total operating expenses	146.7	109.0	37.7	31.0	53.4	122.1
Operating income (loss)	37.3	47.4	(10.1)	20.3	(10.9)	(0.7)
Interest expense	71.5	52.1	19.4	19.3	46.5	85.2

Other expense, net		1.3		1.0		0.3		0.4		0.4		1.1
Income (loss) from operations before income taxes		(35.5)		(5.7)		(29.8)		0.6		(57.8)		(87.0)
Income tax expense (benefit)		(11.0)		(0.5)		(10.5)		0.2		(1.3)		(11.6)
Net income (loss)	$	(24.5)	$	(5.2)	$	(19.3)	$	0.4	$	(56.5)	$	(75.4)

(A) The reclassification of the AAG Selling, general and administrative expenses were made to conform to SB/RH Holdings presentation.

(2) Basis of Presentation

The AAG Acquisition will be accounted for under the acquisition method of accounting in accordance with ASC 805. In accounting for the transaction, Spectrum Brands will apply its historical accounting policies and recognize the assets and liabilities of AAG at their respective fair values as of May 21, 2015, the closing date of the AAG Acquisition. In preparing the unaudited pro forma condensed combined financial statements, the assets

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SB/RH HOLDINGS, LLC

NOTES TO THE UNAUDITED PRO FORMA CONDENSED

COMBINED FINANCIAL STATEMENTS (Unaudited) (Continued)

(Amounts in millions of dollars, except for share or as otherwise specified)

and liabilities of AAG have been measured at their estimated fair values on a preliminary basis using estimates and assumptions that management believes are reasonable based on information currently available. Use of different estimates and judgments could yield materially different results.

For purposes of measuring the estimated fair value of the assets acquired and liabilities assumed for purposes of preparing the unaudited pro forma condensed combined financial statements, Spectrum Brands used the guidance in ASC Topic 820, *Fair Value Measurement and Disclosure* (ASC 820), which established a framework for measuring fair values. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Market participants are assumed to be buyers and sellers in the principal (most advantageous) market for the asset or liability. Additionally, under ASC 820, fair value measurements for an asset assume the highest and best use of that asset by market participants. As a result, Spectrum Brands may be required to value assets of AAG at fair value measures that do not reflect Spectrum Brands intended use of those assets. Use of different estimates and judgments could yield different results.

(3) Significant Accounting Policies

The unaudited pro forma condensed combined financial statements do not assume any differences in accounting policies between Spectrum Brands and AAG. Spectrum Brands is in the process of reviewing the accounting policies of AAG to ensure their conformity with those of Spectrum Brands and, as a result of that review, Spectrum Brands may identify differences between the accounting policies of the two companies, that when conformed, could have a material impact on the unaudited pro forma condensed combined financial statements. At this time, Spectrum Brands is not aware of any differences in accounting policies that would have a material impact on the unaudited pro forma condensed combined financial statements.

(4) Consideration Transferred

The acquisition method of accounting requires that the consideration transferred in a business combination be measured at fair value as of the closing date of the AAG Acquisition. The following summarizes the consideration paid for AAG:

Cash consideration	$ 929.3
Assumption of AAG and IDQ Notes[(a)]	540.0

Purchase price of AAG	$ 1,471.4

(a) Consists of $275.0 aggregate principal amount of Armored AutoGroup Inc. s 9¼% Senior Notes due 2018, $220.0 aggregate principal amount of IDQ Holdings, Inc. s 11.500% Senior Secured Notes due 2017 and $45.0 aggregate principal amount of IDQ Acquisition Corp. s 14.00%/14.75% Senior Secured PIK Notes due 2017 (collectively, the AAG and IDQ Notes) assumed (cash was subsequently paid to redeem such notes on June 15, 2015, June 22, 2015 and June 22, 2015, respectively).

(5) Fair Values of Net Assets Acquired

The Company recorded an allocation of the purchase price to the Company s tangible and identifiable intangible assets acquired and liabilities assumed based on their fair values as of the May 21, 2015 acquisition date. The excess of the purchase price (see Note 4) over the fair value of the net tangible assets and identifiable intangible assets was recorded as goodwill. These estimates have been recognized in preparing the unaudited

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SB/RH HOLDINGS, LLC

NOTES TO THE UNAUDITED PRO FORMA CONDENSED

COMBINED FINANCIAL STATEMENTS (Unaudited) - (Continued)

(Amounts in millions of dollars, except for share or as otherwise specified)

pro forma condensed combined financial statements. Spectrum Brands has determined that the amounts recorded in accounting for the AAG Acquisition are as follows:

	Purchase Price Allocation (in millions)	
Cash and cash equivalents	$	30.9
Receivables		156.1
Inventories		84.2
Prepaid expenses and other current assets		8.2
Property, plant and equipment, net		38.3
Goodwill		972.1
Intangible assets		418.0
Deferred charges and other		16.5
Accounts payable and accrued liabilities		(116.1)
Long-term debt		(540.0)
Other long term liabilities		(138.9)
Net assets acquired	$	929.3

The fair values recorded were determined based upon a valuation and the estimates and assumptions used in such valuation are subject to change, which could be significant. The primary areas of acquisition accounting that are not yet finalized relate to amounts for intangible assets, residual goodwill and income taxes.

(6) Pro Forma Reclassifications and Adjustments for the AAG Acquisition

(A) Costs of sales increased by approximately $18.8 million during the first inventory turn subsequent to the acquisition date as a result of the sale of inventory that was written up to fair value in purchase accounting. This cost has been excluded from the pro forma adjustments as this amount is considered non-recurring.

(B) Adjustment reflects decreased depreciation expense of $0.3 million associated with the adjustment to record the AAG property, plant and equipment at fair value for the period from October 1, 2014 through May 20, 2015.

(C) Adjustment reflects decreased intangible asset amortization expense of $25.1 million associated with the adjustment to record the AAG intangible assets at fair value for the period from October 1, 2014 through May 20, 2015.

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SB/RH HOLDINGS, LLC

NOTES TO THE UNAUDITED PRO FORMA CONDENSED

COMBINED FINANCIAL STATEMENTS (Unaudited) (Continued)

(Amounts in millions of dollars, except for share or as otherwise specified)

(D) In connection with the AAG Acquisition, Spectrum Brands issued $1,000.0 million in 2025 notes and incurred related issuance costs. In addition, a substantial portion of the historical AAG debt was repaid in connection with the AAG Acquisition. These changes in the combined debt structure gave rise to interest expense adjustments that resulted in a net decrease of $46.8 million for the period from October 1, 2014 through May 20, 2015. The adjustments consisted of the following:

	October 1, 2014 May 20, 2015
New 2025 notes USD $1,000.0 million	$ 36.9
Amortization of debt issuance costs of SBI 5.75% Notes	1.0
Total pro forma interest expense on SBI acquisition-related debt	37.9
Less: elimination of interest expense related to prior AAG debt facilities that were repaid	(84.7)
Total pro forma adjustment	(46.8)

(E) As a result of Spectrum Brands valuation allowance, the pro forma adjustments are solely a change in deferred income taxes offset by the change in valuation and do not have income tax consequences.

(F) Adjustment reflects the reversal of $25.5 million of pre-acquisition costs incurred by AAG.

(G) Adjustment reflects the reversal of $8.4 million of pre-acquisition accelerated stock based compensation incurred by AAG in conjunction with the AAG Acquisition.

(H) Adjustment reflects the reversal of $21.8 million of acquisition and integration-related charges incurred by Spectrum Brands in conjunction with the AAG Acquisition.

(7) Transaction Costs

Transaction costs include fees for investment banking services, advisory, legal, accounting, due diligence, tax, valuation, printing and various other services necessary to complete this transaction. In accordance with ASC 805, these fees and expenses are charged to expense as incurred. Spectrum Brands incurred and recorded $21.8 million of acquisition and integration-related costs related to the AAG Acquisition, through September 30, 2015.

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SELECTED HISTORICAL FINANCIAL DATA

The following selected historical financial data have been derived from SB/RH Holdings audited consolidated financial statements. SB/RH Holdings audited Consolidated Statements of Financial Position as of September 30, 2015 and 2014; SB/RH Holdings audited Consolidated Statements of Operations, audited Consolidated Statements of Comprehensive Income (Loss), audited Consolidated Statements of Shareholders Equity and audited Consolidated Statements of Cash Flows for the years ended September 30, 2015, 2014 and 2013 are each included elsewhere in this prospectus.

The following selected financial data, which may not be indicative of future performance, should be read in conjunction with the audited and unaudited financial statements of SB/RH Holdings, including the notes thereto, and Management s Discussion and Analysis of Financial Condition and Results of Operations, included elsewhere in this prospectus.

	Year Ended September 30,				
	2015(1)	**2014**(2)	**2013**(3)	**2012**(4)	**2011**
Statement of Operations Data:					
Net sales	$ 4,690.4	$ 4,429.1	$ 4,085.6	$ 3,252.4	$ 3,186.9
Gross profit	1,670.3	1,568.9	1,390.3	1,115.7	1,128.9
Operating income(5)	480.5	484.5	352.9	306.1	228.7
Interest expense(6)	271.9	202.1	369.5	192.0	208.5
Other expense, net	8.9	6.3	3.5	0.9	2.5
Income (loss) from continuing operations before income taxes	199.7	276.1	(20.2)	113.2	17.7
Income tax expense(7)	43.9	59.0	27.4	60.4	92.3
Net income (loss)	155.8	217.1	(47.5)	52.8	(74.6)
Less: Net income (loss) attributable to non-controlling interest	0.4	0.3	(0.1)		
Net income (loss) attributable to controlling interest	155.4	216.8	(47.4)	52.8	(74.6)
Restructuring and related charges cost of goods sold	2.1	3.7	10.0	9.8	7.8
Restructuring and related charges operating expenses	26.6	19.2	24.0	9.7	20.8
Cash Flow and Related Data:					
Net cash provided by operating activities	$ 441.8	$ 434.7	$ 258.2	$ 252.7	$ 234.7
Capital expenditures	89.1	73.3	82.0	46.8	36.2
Depreciation and amortization	170.0	157.6	139.9	104.6	104.7
Statement of Financial Position Data (at period end):					
Cash and cash equivalents	$ 247.9	$ 192.9	$ 198.2	$ 157.9	$ 142.4
Working capital(8)	666.8	502.3	524.4	454.4	412.0
Total assets	7,297.9	5,511.3	5,619.0	3,753.5	3,622.3
Total long-term debt, net of current portion	3,937.2	2,894.1	3,115.9	1,652.9	1,535.5
Total debt	4,005.7	3,006.7	3,218.9	1,669.3	1,576.6

Total shareholders equity	1,523.1	1,020.7	884.7	992.7	989.1

(1) The information presented as of and for the year ended September 30, 2015 includes the results of the AAG operations since the acquisition date of May 21, 2015; the results of the Salix operations since the acquisition date of January 16, 2015; the results of the European IAMS and Eukanuba operations since the acquisition date of December 31, 2014; and the results of the Tell operations since the acquisition date of October 1, 2014.

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(2) The information presented as of and for the year ended September 30, 2014 includes the results of the Liquid Fence operations since the acquisition date of January 2, 2014.

(3) The information presented as of and for the year ended September 30, 2013 includes the results of the HHI Business operations since the acquisition date of December 17, 2012, and the results of TLM Taiwan since the acquisition date of April 8, 2013.

(4) The information presented as of and for the year ended September 30, 2012 includes the results of the FURminator operations since the acquisition date of December 22, 2011, and the results of Black Flag operations since the acquisition date of October 31, 2011.

(5) During the year ended September 30, 2011, we recorded a non-cash pretax impairment charge of approximately $32.5 million.

(6) During the year ended September 30, 2015, there was interest expense of $58.8 million incurred related to the financing of the acquisition of AAG and the refinancing of the then-existing senior credit facility and asset based revolving loan facility. During the year ended September 30, 2014, a non-cash charge of $9.2 million was recognized as a result of the write-off of unamortized debt issuance costs and unamortized discounts in connection with the amendment of the Company s then existing term loans. During the year ended September 30, 2013, there were $105.6 million fees and expenses along with a $10.9 million non-cash charge for the write-off of unamortized debt issuance cost and unamortized premiums in connection with the extinguishment and replacement of the Company s 9.5% Notes and then-existing term loan in conjunction with the acquisition of the HHI Business. During the year ended September 30, 2012, there was a non-cash charge of $2.1 million related to the write-off of unamortized debt issuance costs and unamortized premiums in connection with the extinguishment and refinancing of the Company s 12% Notes. During the year ended September 30, 2011, there was a non-cash charge of $24.4 million related to the write-off of unamortized debt issuance costs and unamortized discounts in conjunction with the refinancing of the Company s Term Loan facility.

(7) During the year ended September 30, 2015, there was a non-cash benefit of $20.2 million from a decrease in the valuation allowance against net deferred tax assets, and a $22.8 million benefit due to the reversal of valuation allowance in conjunction with the acquisition of the AAG business. During the year ended September 30, 2014, there was a non-cash benefit of approximately $115.6 million from a decrease in the valuation allowance against net deferred tax assets. During the year ended September 30, 2013, there was a non-cash charge of approximately $64.4 million from an increase in the valuation allowance against net deferred tax assets, net of a $49.8 million benefit due to the reversal of a portion of the valuation allowance in conjunction with the acquisition of the HHI Business. During the year ended September 30, 2012, there was a non-cash charge of approximately $13.9 million from an increase in the valuation allowance against net deferred tax assets, net of a $14.5 million benefit due to the reversal of a portion of the valuation allowance in conjunction with the acquisition of FURminator. During the year ended September 30, 2011, there was a non-cash charge of approximately $68.6 million from an increase in the valuation allowance against net deferred tax assets.

(8) Working capital is defined as current assets less current liabilities per the consolidated statements of financial position.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

The following is management s discussion of the financial results, liquidity and other key items related to our performance and should be read in conjunction with Selected Historical Financial Data and our Consolidated Financial Statements and related notes elsewhere in this prospectus. Solely for the purposes of this section, unless the context indicates otherwise, the terms: the Company, Spectrum, we, our or us are used to refer to SB/RH Holdin LLC and its subsidiaries.

Business Overview

See Business included elsewhere within this prospectus for an overview of our business.

Our operating performance is influenced by a number of factors including: general economic conditions; foreign exchange fluctuations; trends in consumer markets; consumer confidence and preferences; our overall product line mix, including pricing and gross margin, which vary by product line and geographic region; pricing of certain raw materials and commodities; energy and fuel prices; and our general competitive position, especially as impacted by our competitors advertising and promotional activities and pricing strategies.

Fiscal Year

The Company s fiscal year ends on September 30. Throughout the year, the Company reports its results using a fiscal calendar whereby each three month quarterly reporting period is approximately thirteen weeks in length and ends on a Sunday. The exceptions are the first quarter, which begins on October 1, and the fourth quarter, which ends on September 30. For the year ended September 30, 2015, the fiscal quarters were comprised of the three months ended December 28, 2014, and March 29, June 28 and September 30, 2015.

Acquisitions

The application of acquisition accounting as a result of business combinations can significantly affect certain assets, liabilities and expenses. Over the last three fiscal years, the Company has completed a number of acquisitions as outlined below.

Armored AutoGroup On May 21, 2015, the Company completed the acquisition of AAG, a consumer products company consisting primarily of Armor All branded appearance products, STP branded performance chemicals, and A/C PRO branded do-it-yourself automotive air conditioner recharge products. The results of AAG s operations since May 21, 2015 are included in the Company s Consolidated Statements of Operations for the year ended September 30, 2015. AAG is reported as a separate segment, Global Auto Care.

Salix On January 16, 2015, the Company completed the acquisition of Salix, a vertically integrated producer and distributor of premium, natural rawhide dog chews, treats and snacks. The results of Salix s operations since January 16, 2015 are included in the Company s Consolidated Statements of Operations for the year ended September 30, 2015, and as part of the Global Pet Supplies segment.

European IAMS and Eukanuba On December 31, 2014, the Company completed the acquisition of Procter & Gamble s European IAMS and Eukanuba pet food business (European IAMS and Eukanuba), including its leading premium brands for dogs and cats. The results of the European IAMS and Eukanuba s operations since December 31, 2014 are included in the Company s Consolidated Statements of Operations for the year ended September 30, 2015, and as part of the Global Pet Supplies segment.

Tell Manufacturing On October 1, 2014, the Company completed the acquisition of Tell Manufacturing, Inc. (Tell), a leading manufacturer and distributor of commercial doors, locks and hardware. The results of Tell s operations since October 1, 2014 are included in the Company s Consolidated Statements of Operations for the year ended September 30, 2015, and as part of the Hardware and Home Improvement segment.

Liquid Fence On January 2, 2014, the Company completed the acquisition of the Liquid Fence Company (Liquid Fence), a producer of animal repellents. The results of Liquid Fence s operations since January 2, 2014 are included in the Company s Consolidated Statements of Operations for the years ended September 30, 2015 and 2014, as part of the Home and Garden segment.

HHI Business On December 17, 2012, the Company completed the acquisition of the Hardware and Home Improvement Business from Stanley Black & Decker (the HHI Business). A portion of the HHI Business, consisting of the purchase of certain assets of TLM Taiwan, closed on April 8, 2013. The HHI Business is a major manufacturer and supplier of residential locksets, residential builders hardware and faucets with a portfolio of recognized brand names, including Kwikset, Weiser, Baldwin, National Hardware, Stanley and Pfister, as well as patented technologies such as the SmartKey, a re-keyable lockset technology, and Smart Code Home Connect. The results of the HHI Business operations since December 17, 2012 are included in the Company s Consolidated Statements of Operations for the years ended September 30, 2015, 2014 and 2013, as part of the Hardware & Home Improvement segment. The results of the TLM Business operations since April 8, 2013 are included in the Company s Consolidated Statements of Operations for the years ended September 30, 2015, 2014 and 2013, and as part of the Hardware and Home Improvement segment.

See Note 3, Acquisitions in the Notes to the Consolidated Financial Statements, included elsewhere within this prospectus, for further additional detail regarding acquisition activity.

Restructuring Activity

We continually seek to improve our operational efficiency, match our manufacturing capacity and product costs to market demand and better utilize our manufacturing resources. We have undertaken various initiatives to reduce manufacturing and operating costs. The most significant of these initiatives are outlined below.

HHI Business Rationalization Initiatives During the fourth quarter of the fiscal year ended September 30, 2014, the Company implemented a series of initiatives throughout the Hardware & Home Improvement business segment to reduce operating costs and exit low margin business outside of the U.S. These initiatives will include headcount reductions, the exit of certain facilities and the sale of a portion of the global Hardware & Home Improvement operations. Costs associated with these initiatives, which are expected to be incurred through September 30, 2016, are projected to be approximately $15 million.

Global Expense Rationalization Initiatives During the third quarter of the year ended September 30, 2013, the Company implemented a series of initiatives to reduce operating costs. These initiatives consist of headcount reductions in the Global Batteries & Appliances and Global Pet Supplies segments and in Corporate. Costs associated with these initiatives are expected to be approximately $46 million and are anticipated to be incurred through September 30, 2018.

Global Cost Reduction Initiatives During the fiscal year ended September 30, 2009, the Company implemented a series of initiatives within the Global Batteries & Appliances, the Global Pet Supplies and the Home and Garden segments. These initiatives included headcount reductions and the exit of certain facilities within each of these segments, as well as consultation, legal and accounting fees related to the evaluation of the Company s capital structure. Costs associated with the initiative, which was completed during the year ended September 30, 2015, were $101.8 million.

See Note 4, Restructuring and Related Charges in the Notes to the Consolidated Financial Statements, included elsewhere within this prospectus, for additional detail regarding restructuring and related activity.

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Refinancing Activity

During the year ended September 30, 2015, we refinanced a portion of our debt to improve leverage and reduce borrowing costs. On May 20, 2015, in connection with the acquisition of AAG, we issued $1,000 million aggregate principal amount of 5.75% unsecured notes due 2025 (the 5.75% Notes). On June 23, 2015, we entered into term loan facilities pursuant to a Senior Credit Agreement consisting of (i) a $1,450 million USD Term Loan due June 23, 2022, (ii) a $75 million CAD Term Loan due June 23, 2022 and (iii) a 300 million Euro Term Loan due June 23, 2022, (collectively, Term Loans) and (iv) entered into a $500 million Revolver Facility due June 23, 2020 (the Revolver). The proceeds from the Term Loans and draws on the Revolver were used to repay our then-existing senior term credit facility, repay our outstanding 6.75% senior unsecured notes due 2020, repay and replace our then-existing asset based revolving loan facility and to pay fees and expenses in connection with the refinancing and for general corporate purposes.

During the year ended September 30, 2014, the Company amended its then-existing senior term credit facility, issuing two tranches maturing September 4, 2019 which provide for borrowings in the principal amounts of $215.0 million and 225.0 million. The proceeds from the amendment were used to refinance a portion of the then-existing senior term credit facility which was scheduled to mature December 17, 2019, in an amount outstanding of $513.3 million prior to refinancing. The $215.0 million U.S. dollar denominated portion was combined with the then-existing Tranche C maturing September 4, 2019. These loans were refinanced during the year ended September 30, 2015 as described above.

See Note 9, Debt in the Notes to the Consolidated Financial Statements, included elsewhere within this prospectus, for additional detail regarding debt.

Consolidated Results of Operations

Fiscal Year Ended September 30, 2015 Compared to Fiscal Year Ended September 30, 2014

Net Sales. Net sales for the year ended September 30, 2015 increased $261.3 million, or 5.9%, to $4,690.4 million from $4,429.1 million for the year ended September 30, 2014. The following tables set forth our consolidated net sales by segment for the years ended September 30, 2015 and 2014 and the principal components of the change in net sales from the year ended September 30, 2014 to the year ended September 30, 2015:

(in millions)	**2015**	**2014**
Consumer batteries	$ 829.5	$ 957.8
Small appliances	734.6	730.8
Personal care	528.1	542.1
Global Batteries & Appliances	$ 2,092.2	$ 2,230.7
Hardware & Home Improvement	1,205.5	1,166.0
Global Pet Supplies	758.2	600.5
Home and Garden	474.0	431.9
Global Auto Care	160.5	
Net sales	$ 4,690.4	$ 4,429.1

Net sales as of September 30, 2014	$ 4,429.1
Addition of auto care products	160.5
Increase in pet supplies	184.3
Increase in home and garden products	42.2
Increase in personal care products	35.5
Increase in hardware and home improvement products	60.1
Increase in small appliances	51.3
Decrease in consumer batteries	(42.8)
Foreign currency impact, net	(229.8)
Net sales as of September 30, 2015	$ 4,690.4

Consumer battery sales decreased $128.3 million, or 13.4% during the year ended September 30, 2015 compared to the year ended September 30, 2014. Excluding the impact of negative foreign exchange of $85.5 million, global consumer battery sales decreased $42.8 million. The constant currency decrease in global consumer battery sales was primarily attributable to the decrease in North American sales of $75.8 million, partially offset by an increase in European consumer battery sales of $29.4 million. The North American battery decrease was due to lower sales of alkaline batteries of $54.6 million, specialty batteries of $11.1 million and $10.1 million in lights. The decrease in North American alkaline batteries was primarily attributable to continued competitor discounting coupled with a retail customer bankruptcy. The decrease in North American specialty batteries and lights was primarily attributable to distribution loss to a competitor at a major retailer and timing associated with holiday sales. The increase in European sales was due to gains of $24.4 million in alkaline batteries attributed to new customers and increased volume at existing retailers and private label customers; increases of $2.4 million in specialty batteries due to new customers and higher sales volume of hearing aid batteries and $2.6 million in lights as a result of new products and increased promotional activity.

Small appliance sales increased $3.8 million, or 0.5%, during the year ended September 30, 2015 compared to the year ended September 30, 2014, including a negative foreign currency impact of $47.5 million. Excluding the foreign currency impact, small appliance sales increased $51.3 million, driven by increased sales in North America of $25.1 million, Europe of $24.9 million and $2.0 million in Latin America. The increase in North American sales was attributable to the continued success of new product launches. The increase in European sales was attributable to promotions at current customers coupled with new customers. Latin American sales growth resulted from new product introductions and volume increases in certain product lines.

Personal care sales decreased $14.0 million, or 2.6%, including a negative foreign currency impact of $49.4 million, during the year ended September 30, 2015 compared to the year ended September 30, 2014. Excluding the foreign currency impact, personal care product sales increased $35.5 million, driven by increased sales in North America, Europe and Latin America of $11.6 million, $16.6 million and $5.3 million, respectively. The North American sales increase was primarily a result of product display location changes at a major customer, promotional activity and continued growth through the e-commerce channel. The European sales increase was due to a combination of sales from new products and continued expansion into Eastern European markets. The Latin American sales increase was primarily attributable to growth in Mexico, new customers and effective promotional sales within the region.

Hardware and home improvement sales increased $39.5 million, or 3.4%, during the year ended September 30, 2015 compared to the year ended September 30, 2014. Excluding a negative foreign exchange impact of $20.6 million, the increase in sales was $60.1 million. The increase in sales was attributable to the acquisition of Tell, which added $39.4 million, and an increase in North America of $34.9 million, offset by a decrease in sales in the Asia-Pacific region of $14.2 million. North American sales increased as a result of gains in domestic security and plumbing sales from retailers due to customer gains and from non-retailers through pricing and market growth. The decrease in Asia-Pacific sales was driven by the exit of products in China and the expiration of a customer tolling agreement.

Global pet supplies sales increased $157.7 million, or 26.3%, during the year ended September 30, 2015 compared to the year ended September 30, 2014, including a negative foreign exchange impact of $26.6 million. Excluding the foreign currency impact, the increase in sales was $184.3 million, which was attributable to the European IAMS & Eukanuba acquisition and the Salix acquisition that together contributed $200.1 million; partially offset by decrease in aquatics sales of $12.8 million. The decline in aquatics sales was primarily due to a reduction in promotion activity related to low margin products.

Home and garden sales increased $42.1 million, or 9.7%, during the year ended September 30, 2015 compared to the year ended September 30, 2014. The increase in sales were attributed to increases in lawn & garden control products of $13.1 million, repellants of $16.2 million and household insect control products of

$12.8 million. The sales increase for all categories within home and garden was a result of distribution gains, strong point of sale activity driving replenishment orders at existing customers and market share gains on certain brands.

Net sales from auto care products relate to the acquired AAG business subsequent to the acquisition date of May 21, 2015. The results of AAG s operations since the acquisition date are reported as a separate segment, Global Auto Care.

Gross Profit. Gross profit and gross profit margin for the year ended September 30, 2015 were $1,670.3 million and 35.6%, respectively, compared to the year ended September 30, 2014 of $1,568.9 million and 35.4%, respectively. The increase in gross profit was attributable to an increase in sales and the improvement in gross profit margin was primarily attributable to a shift towards higher margin sales and continuing cost improvements.

Operating Expenses. Operating expenses for the year ended September 30, 2015 were $1,189.8 million compared to $1,084.4 million for the year ended September 30, 2014. The $105.4 million increase in operating expenses during the year ended September 30, 2015 was primarily attributable to an increase of $55.9 million in selling and general and administrative expenses as a result of increased sales and increased acquisition and integration costs of $38.7 million as a result of the acquisitions of AAG, Salix, European IAMS and Eukanuba, and Tell during the year ended September 30, 2015. Acquisition and integration related charges include, but are not limited to, transaction costs such as banking, legal and accounting professional fees directly related to acquisitions, termination and related costs for transitional and certain other employees, integration related professional fees and other post business combination related expenses associated with our acquisitions. See Note 3, Acquisitions in Notes to Consolidated Financial Statements included elsewhere in this prospectus for additional information regarding our acquisition and integration related charges.

Restructuring and Related Charges. See Note 4, Restructuring and Related Charges, of Notes to Consolidated Financial Statements included elsewhere in this prospectus for information regarding our restructuring and related charges.

Interest Expense. Interest expense for the year ended September 30, 2015 was $271.9 million compared to $202.1 million for the year ended September 30, 2014. The increase of $69.8 million is primarily attributable to $58.8 million of non-recurring costs incurred related to the financing of the acquisition of AAG and the refinancing activity previously discussed, plus additional interest expense on debt issued in conjunction with the acquisitions of Tell, European IAMS and Eukanuba and Salix during the year ended September 30, 2015. Interest expense incurred in conjunction with the AAG acquisition included $14.1 million of costs related to bridge financing commitments and $4.5 million of costs related to interest on the assumed AAG senior notes from the date of the acquisition through the time of payoff in June 2015. Interest expense related to the refinancing of certain debt instruments included the following: (i) $16.9 million of cash expense related to the call premium upon the repayment of 6.75% senior unsecured notes; (ii) $4.1 million of non-cash expense for the write-off of debt issuance costs associated with the repayment of 6.75% senior unsecured notes; (iii) $10.4 million cash expense related to fees associated with refinancing of the then-existing senior term credit facility; and (iv) $8.8 million of non-cash expense for the write-off of unamortized deferred financing fees and unamortized discounts on the then-existing senior credit facility and asset based revolving loan facility. See Note 9, Debt in the Notes to the Consolidated Financial Statements, included elsewhere within this prospectus, for additional information regarding our outstanding debt.

Income Taxes. During the year ended September 30, 2015, we recorded income tax expense of $43.9 million on pre-tax income from continuing operations of $199.7 million, compared to the income tax expense of $59.0 million recorded on pre-tax income of $276.1 million for the year ended September 30, 2014. Our effective tax rate was 21.9% for the year ended September 30, 2015 compared to 21.3% for the year ended September 30, 2014. Our effective tax rate differs from the U.S. federal statutory rate of 35% primarily due to (i) income earned outside the

U.S. that is subject to statutory rates lower than 35%; (ii) the release of valuation allowance on U.S.

net operating loss deferred tax assets offsetting tax expense on both U.S. pretax income and foreign income not permanently reinvested; and (iii) deferred income tax expense related to the change in book versus tax basis of indefinite-lived intangibles, which are amortized for tax purposes but not for book purposes. Additionally for the year ended September 30, 2015, we recorded a tax benefit of $22.8 million for the reversal of a portion of the U.S. valuation allowance on deferred tax assets as a result of the AAG acquisition. For the year ended September 30, 2015, the Company also recognized $23.3 million of deferred tax assets related to its investment in one of its foreign subsidiaries because that timing difference is expected to reverse in the foreseeable future, but due to the US valuation allowance against deferred tax assets there is no net tax benefit for this item.

See Note 13, Income Taxes, of Notes to Consolidated Financial Statements included elsewhere in this prospectus for additional information regarding income taxes.

Fiscal Year Ended September 30, 2014 Compared to Fiscal Year Ended September 30, 2013

Net Sales. Net sales for year ended September 30, 2014 increased $343.5 million, of 8.4%, to $4,429.1 million from $4,085.6 million for the year ended September 30, 2013. The following tables set forth our consolidated net sales by segment for the years ended September 30, 2014 and 2013 and the principal components of the change in net sales from the year ended September 30, 2013 to the year ended September 30, 2014:

(in millions)	**2014**	**2013**
Consumer batteries	$ 957.8	$ 931.6
Small appliances	730.8	740.3
Personal care	542.1	531.7
Global Batteries & Appliances	2,230.7	$ 2,203.6
Hardware & Home Improvement	1,166.0	869.6
Global Pet Supplies	600.5	621.9
Home and Garden	431.9	390.5
Net sales	$ 4,429.1	$ 4,085.6

Net sales as of September 30, 2013	$ 4,085.6
Increase in hardware and home improvement products	296.4
Increase in home and garden products	41.4
Increase in consumer batteries	28.5
Increase in personal care products	12.1
Decrease in small appliances	(4.5)
Decrease in pet supplies	(22.7)
Foreign currency impact, net	(7.7)
Net sales as of September 30, 2014	$ 4,429.1

Consumer battery sales increased $26.2 million, or 2.8%, during the year ended September 30, 2014 compared to the previous year. Excluding the negative impact of foreign currency of $2.3 million, global consumer battery sales increased $28.5 million. The constant currency increase in global consumer battery sales was attributable to increases in European and Latin American consumer battery sales of $24.4 million and $9.8 million respectively, partially offset by a decrease in North American consumer battery sales of $5.7 million. The increases in European and Latin American sales were a result of retailer distribution gains, new customers and products, successful promotion activities and geographic expansion. The decrease in North America was primarily driven by the non-recurrence of approximately $10.0 million of flashlight sales in North America related to storm activity in the first quarter of the year ended September 30, 2013.

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Small appliance sales decreased $9.5 million, or 1.3%, during the year ended September 30, 2014 compared to the previous year. Excluding the negative exchange impact of $5.0 million, small appliances decreased $4.5 million. Excluding foreign exchange impacts, North American sales declined $20.2 million, which was tempered by gains in Europe and Latin America of $13.5 million and $2.2 million, respectively. The North American sales declines were due to our exit of low-margin promotions during the year ended September 30, 2014. The European and Latin American sales gains were attributable to promotions with existing retailers, coupled with innovative new product launches.

Personal care sales increased $10.4 million, or 1.9%, during the year ended September 30, 2014 compared to the previous year. Excluding the negative impact of foreign currency of $1.7 million, sales increased $12.1 million. The constant currency increase was attributable to European sales increases of $7.6 million and Latin America sales increases of $6.5 million, offset by a $2.1 million decline in North American sales. The gains in Europe were due to innovative new product launches, promotional activities and expansion into new channels. Latin America sales gains were attributable to volume expansion in Colombia, successful hair care accessories product launches throughout Central America, distribution gains in Brazil and increased promotional activities. The decrease in North America was due to the non-recurrence of promotions during the first quarter of the year ended September 30, 2013 and customer inventory management, offset by North American sales of innovative new products and successful promotions.

Hardware and home improvement sales increased $296.4 million, or 34.1%, during the year ended September 30, 2014 compared to the previous year. On a pro forma basis, as if the acquisition of the HHI Business had occurred at the beginning of the year ended September 30, 2013, hardware and home improvement sales increased approximately $104.8 million, or 9.8%, to $1,166.0 million for the year ended September 30, 2014 versus $1,061.2 million in the year ended September 30, 2013. This increase was attributable to the residential security category which accounted for $90.7 million of the increase due to strong retail positioning in North America coupled with the continued recovery of the U.S. housing market. The plumbing category increased $16.7 million while the hardware product category decreased $2.6 million. The plumbing product category increased due to growth in the U.S. from both retail and non-retail channels. Also contributing to the increase in sales was the TLM Business acquisition, as prior year results did not include the TLM Business until April 8, 2013.

Pet supply sales decreased $21.4 million, or 3.4%, during the year ended September 30, 2014 compared to the previous year, including a positive foreign currency exchange impact of $1.3 million. Excluding foreign exchange impacts, aquatic sales and companion animal sales decreased $18.6 million and $4.1 million, respectively. The decline in aquatic sales was driven by lower kit and equipment sales in North America and lower aquatic food sales internationally coupled with a one-time negative impact from product registration issues in Russia during the third and fourth quarters of the year ended September 30, 2014. The decline in companion animal sales was driven by adverse weather in North America, which negatively affected retail store traffic during the second quarter of the year ended September 30, 2014, and the non-recurrence of companion animal promotions that took place during the first quarter of the year ended September 30, 2013.

Home and garden sales increased $41.4 million, or 10.6%, during the year ended September 30, 2014 compared to the previous year. The increase in sales was attributable to increases in repellent product sales and lawn and garden control sales of $22.6 million and $20.2 million, respectively. The repellent product sales increase was driven by market share gains, the extended selling season due to favorable weather and a $12.6 million increase due to the Liquid Fence acquisition. The increase in lawn and garden control sales was primarily driven by distribution gains at key retailers and the extended selling season discussed above. These gains were partially offset by a slight decline in household insect control sales of $1.5 million.

Gross Profit. Gross profit and gross profit margin for the year ended September 30, 2014 was $1,568.9 million and 35.4%, respectively, compared to $1,390.3 million and 34.0%, respectively, for the year ended September 30, 2013. The increase in gross profit and improvement in gross profit margin was primarily attributable to an increase in sales, particularly the shift towards higher margin sales, and continuing cost improvements. In addition, the increase in gross profit margin was driven by the non-recurrence of a $30.5 million increase to cost of goods sold due to the sale of inventory that was revalued in connection with the acquisition of the HHI Business during the year ended September 30, 2013.

Operating Expenses. Operating expenses for the year ended September 30, 2014 were $1,084.4 million compared to $1,037.4 million for the year ended September 30, 2013. The $47.0 million increase in operating expenses during the year ended September 30, 2014 is primarily attributable to an increase of $75.5 million in selling and general and administrative expenses as a result of increased sales partially offset by a $28.3 million decrease in acquisition and integration related charges as a result of the HHI Business acquisition during the year ended September 30, 2013. Acquisition and integration related charges include, but are not limited to, transaction costs such as banking, legal and accounting professional fees directly related to acquisitions, termination and related costs for transitional and certain other employees, integration related professional fees and other post business combination related expenses associated with our acquisitions. See Note 3, Acquisitions in the Notes to the Consolidated Financial Statements included in this elsewhere in this prospectus for additional information regarding our acquisition and integration charges.

Restructuring and Related Charges. See Note 4, Restructuring and Related Charges, of Notes to Consolidated Financial Statements included elsewhere in this prospectus for information regarding our restructuring and related charges.

Interest Expense. Interest expense for the year ended September 30, 2014 was $202.1 million compared to $369.5 million for the year ended September 30, 2013. The decrease in interest expense of $167.4 million is primarily due to a non-recurrence of $122.2 million of costs related to extinguishment of our 9.5% senior unsecured notes in the year ended September 30, 2013 coupled with ongoing interest cost savings of $56.1 million from the refinancing of those notes, non-recurrence of expenses of $28.8 million related to financing for the HHI Business acquisition in the year ended September 30, 2013. These savings are partially offset by $11.3 million in costs related to the refinancing of our then-existing senior term loan facility in the year ended September 30, 2014, consisting of the write off of unamortized deferred financing fees and original issue discount, and the inclusion of a full year of interest related to the HHI Business acquisition financing during the year ended September 30, 2014. See Note 9, Debt, of Notes to the Consolidated Financial Statements included in this prospectus.

Income Taxes. During the year ended September 30, 2014, we recorded income tax expense of $59.0 million on pre-tax income from continuing operations of $276.1 million, compared to income tax expense of $27.4 million on pre-tax loss from continuing operations of $20.1 million for the year ended September 30, 2013. Our effective tax rate was 21.3% for the year ended September 30, 2014 compared to (136.3)% for the year ended September 30, 2013. During the year ended September 30, 2014, our effective tax rate differs from the U.S. federal statutory rate of 35% primarily due to (i) income earned outside the U.S. that is subject to statutory rates lower than 35%; (ii) the release of valuation allowance on U.S. net operating loss deferred tax assets offsetting tax expense on both U.S. pretax income and foreign income not permanently reinvested; and (iii) deferred income tax expense related to the change in book versus tax basis of indefinite-lived intangibles, which are amortized for tax purposes but not for book purposes. During the year ended September 30, 2013, our effective tax rate differed from the U.S. federal statutory rate of 35% principally due to: (i) losses in the U.S. and certain foreign jurisdictions for which no tax benefit can be recognized due to full valuation allowances that have been provided on our net operating loss carryforward tax benefits and other deferred tax assets; (ii) deferred income tax expense related to the change in book versus tax basis of indefinite lived intangibles, which are amortized for tax purposes but not for book purposes and (iii) the reversal of U.S. valuation allowances of $49.8 million on deferred tax assets as a result of the acquisition of the HHI Business. Additionally, in the year ended September 30, 2013, the consolidated pretax income was close to break even, resulting in a higher effective tax rate. See Note 13, Income Taxes of Notes to the Consolidated Financial Statements included elsewhere in this prospectus for additional information regarding income taxes.

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Segment Financial Data

The Company manages its business in five vertically integrated, product-focused reporting segments: (i) Global Batteries & Appliances, (ii) Global Pet Supplies, (iii) Home and Garden, (iv) Hardware & Home Improvement and (v) Global Auto Care. See Note 18, Segment Information of Notes to the Consolidated Financial Statements, included elsewhere in this prospectus for more information pertaining to segments

Segment profit does not include corporate expenses, acquisition and integration related charges, restructuring and related charges, impairment charges, interest expense, income tax expense, and other non-operating expenses. Corporate expenses primarily include general and administrative expenses and the costs of stock compensation plans which are evaluated on a consolidated basis and not allocated to the segments.

EBITDA and Adjusted EBITDA. The Company defines EBITDA as net income (loss) before interest expense, income tax expense (benefit), and depreciation and amortization expense. The Company defines Adjusted EBITDA as EBITDA, excluding share based compensation, acquisition and integration related charges, restructuring and related charges, purchase accounting fair value adjustments, and other items that are unusual in nature or not comparable from period to period.

Adjusted EBITDA is a metric used by management and frequently used by the financial community which provides insight into an organization s operating trends and facilitates comparisons between peer companies, since interest, taxes, depreciation and amortization can differ greatly between organizations as a result of differing capital structures and tax strategies. Adjusted EBITDA can also be a useful measure of a company s ability to service debt and is one of the measures used for determining our debt covenant compliance.

While we believe that EBITDA and Adjusted EBITDA is useful supplemental information, such adjusted results are not intended to replace our financial results in accordance with Accounting Principles Generally Accepted in the United States (GAAP) and should be read in conjunction with those GAAP results.

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Below is a reconciliation of net income (loss) to EBITDA and Adjusted EBITDA for each segment and the consolidated SB/RH Holdings, LLC group for the years ended September 30, 2015, 2014 and 2013:

SB/RH HOLDINGS, LLC (in millions)	Global Batteries & Appliances	Hardware & Home Improvement	Global Pet Supplies	Home and Garden	Global Auto Care	Corporate / Unallocated Items	Consolidated
For the year ended September 30, 2015							
Net income (loss), as adjusted	$ 219.6	$ 166.5	$ 60.0	$ 108.3	$ 18.2	$ (416.8)	$ 155.8
Income tax expense[1]						43.9	43.9
Interest expense[1]						271.9	271.9
Depreciation and amortization	71.0	39.4	39.7	13.3	6.6		170.0
EBITDA	290.6	205.9	99.7	121.6	24.8	(101.0)	641.6
Share based compensation						41.8	41.8
Acquisition and integration related charges	4.6	9.1	13.7	2.3	3.8	25.3	58.8
Restructuring and related charges	9.2	9.7	8.9	0.6		0.3	28.7
Purchase accounting fair value adjustment		0.8	2.2		18.7		21.7
Venezuela devaluation	2.5						2.5
Other[2]						6.1	6.1
Adjusted EBITDA	$ 306.9	$ 225.5	$ 124.5	$ 124.5	$ 47.3	$ (27.5)	$ 801.2
For the Year Ended September 30, 2014							
Net income (loss), as adjusted	$ 234.6	$ 157.2	$ 78.7	$ 88.1	$	$ (341.5)	$ 217.1
Income tax expense[1]						59.0	59.0
Interest expense[1]						202.1	202.1
Depreciation and amortization	73.1	40.4	31.5	12.6			157.6
EBITDA	307.7	197.6	110.2	100.7		(80.4)	635.8
Share based compensation						44.9	44.9
Acquisition and integration related charges	7.8	4.4		1.1		6.8	20.1
Restructuring and related charges	11.1	8.3	3.0			0.5	22.9
Other[3]						1.3	1.3
Adjusted EBITDA	$ 326.6	$ 210.3	$ 113.2	$ 101.8	$	$ (26.9)	$ 725.0
For the Year Ended September 30, 2013							
Net income (loss), as adjusted	$ 213.6	$ 75.4	$ 77.0	$ 77.7	$	$ (491.2)	$ (47.5)
Income tax expense[1]						27.4	27.4
Interest expense[1]						369.5	369.5
Depreciation and amortization	67.3	31.3	29.6	11.7			139.9

EBITDA	280.9	106.7	106.6	89.4		(94.3)	489.3
Share based compensation						43.1	43.1
Acquisition and integration related charges	6.1	7.4	2.2	0.1		32.6	48.4
Restructuring and related charges	14.8	6.2	11.2	0.6		1.2	34.0
Pre-acquisition earnings of HHI[4]		30.3					30.3
Purchase accounting fair value adjustment		31.5					31.5
Venezuela devaluation	1.9						1.9
Adjusted EBITDA	$ 303.7	$ 182.1	$ 120.0	$ 90.1	$	$ (17.4)	$ 678.5

(1) The Company s policy is to record income tax expense and interest expense on a consolidated basis. Accordingly, such amounts are not reflected in the operating results of the operating segments and are presented within Corporate/Unallocated Items.

(2) For the year ended September 30, 2015, other includes costs associated with onboarding for a key executive coupled with costs associated with exiting another key executive.

(3) For the year ended September 30, 2014, other includes costs associated with onboarding for a key executive.

(4) For the year ended September 30, 2013, the pre-acquisition earnings of HHI do not include the TLM Taiwan business as stand-alone financial data is not available for the periods presented. The TLM Taiwan business is not deemed material to the Company s operating results.

Global Batteries & Appliances

	2015	2014	2013
Net Sales	$ 2,092.2	$ 2,230.7	$ 2,203.6
Segment Profit	$ 240.8	$ 256.5	$ 237.5
Segment Profit as a % of net sales	11.5%	11.5%	10.8%
Adjusted EBITDA	$ 306.9	$ 326.6	$ 303.7

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Refer to Consolidated Results of Operations section for discussion on changes in net sales.

Segment profit for the year ended September 30, 2015 decreased $15.7 million from $256.5 million for the year ended September 30, 2014 to $240.8 million for the year ended September 30, 2015. Segment profit as a percentage of sales remained consistent for both years at 11.5%. The decrease in segment profit is attributable to the decreased sales as previously discussed, which was partially offset by cost improvements and favorable product mix. Adjusted EBITDA for the year ended September 30, 2015 decreased $19.7 million to $306.9 million from $326.6 million for the year ended September 30, 2014. The decrease was attributable to the factors discussed above.

Segment profit for the year ended September 30, 2014 increased to $256.5 million from $237.5 million for the year ended September 30, 2013. Segment profit as a percentage of net sales increased slightly to 11.5% for the year ended September 30, 2014 versus 10.8% for the year ended September 30, 2013. The increase was primarily attributable to increased sales as previously discussed and cost improvements, which were partially offset by unfavorable product mix and pricing pressures in the U.S. and Europe. Adjusted EBITDA for the year ended September 30, 2014 increased to $326.6 million from $303.7 million for the year ended September 30, 2013. The increase was driven by the factors discussed above.

Hardware & Home Improvement

	2015	2014	2013
Net Sales	$ 1,205.5	$ 1,166.0	$ 869.6
Segment Profit	$ 185.2	$ 172.2	$ 88.7
Segment Profit as a % of net sales	15.4%	14.8%	10.2%
Adjusted EBITDA	$ 225.5	$ 210.3	$ 182.1

Refer to Consolidated Results of Operations section for discussion on changes in net sales.

Segment profit increased $13.0 million from $172.2 million for the year ended September 30, 2014 to $185.2 for the year ended September 30, 2015. Segment profit as a percentage of net sales of 15.4% for the year ended September 30, 2015, was up from 14.8% for the year ended September 30, 2014. The increase in segment profit was primarily driven by the increase in sales volumes discussed above along with cost improvements and inclusion of Tell acquired during the year ended September 30, 2015. The cost improvements were responsible for the increase in segment profit as a percentage of net sales. Adjusted EBITDA was $225.5 million for the year ended September 30, 2015, increase of $15.2 million compared to $210.3 million for the year ended September 30, 2014. The increase in Adjusted EBITDA was attributable to the factors discussed above.

Segment profit increased $83.5 million to $172.2 million for the year ended September 30, 2014 compared to $88.7 million for the year ended September 30, 2013. Segment profit as a percentage of net sales was 14.8% for the year ended September 30, 2014 and 10.2% for the year ended September 30, 2013. Results of the HHI Business relate to operations subsequent to the acquisition of the HHI Business (on December 17, 2012) during the fiscal year ended September 30, 2013. A portion of the HHI Business, consisting of the TLM Business, is included in the results of the Hardware and Home Improvement segment subsequent to its acquisition on April 8, 2013. The increase was primarily driven by the inclusion of the HHI Business for an entire fiscal year for the year ended September 30, 2014 compared to a partial year due to the acquisition of the segment during the year ended September 30, 2013. Furthermore, the increase was driven by cost improvements, coupled with the non-recurrence of a $31.5 million cost of goods sold charge during the year ended September 30, 2013 associated with the sale of acquired inventory adjusted to fair value on the date of acquisition. Adjusted EBITDA was $210.3 million for the year ended September 30, 2014 compared to

$182.1 million for the year ended September 30, 2013. The increase in Adjusted EBITDA was driven by the increased sales, cost improvements and other factors discussed above.

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Global Pet Supplies

	2015	2014	2013
Net Sales	$ 758.2	$ 600.5	$ 621.9
Segment Profit	$ 83.9	$ 82.4	$ 91.1
Segment Profit as a % of net sales	11.1%	13.7%	14.6%
Adjusted EBITDA	$ 124.5	$ 113.2	$ 120.0

Refer to Consolidated Results of Operations section for discussion on changes in net sales.

Segment profit for the year ended September 30, 2015 was $83.9 million, an increase of $1.5 million from $82.4 million for the year ended September 30, 2014. Segment profit as a percentage of net sales decreased from 13.7% for the year ended September 30, 2014 to 11.1% for the year ended September 30, 2015. The decrease in segment profit as a percentage of net sales is attributable to increased product costs due to product mix compared to the prior year. Partially offsetting the decrease in segment profit was sales from the Salix and European IAMS and Eukanuba acquisitions. Adjusted EBITDA increased $11.3 million from $113.2 million to $124.5 million. The increase in Adjusted EBITDA is attributable to the factors discussed above and the inclusion of the Salix and European IAMS and Eukanuba acquisitions during the year ended September 30, 2015.

Segment profit decreased $8.7 million to $82.4 million for the year ended September 30, 2014 compared to $91.1 million for the year ended September 30, 2013. Segment profit as a percentage of net sales for the year ended September 30, 2014 decreased to 13.7%, compared to 14.6% for the year ended September 30, 2013. The decrease in segment profit and segment profitability as a percentage of sales was primarily driven by unfavorable product mix during the year ended September 30, 2014 as compared to year ended September 30, 2013, which was partially offset by cost improvements in manufacturing and sourcing. Also contributing to the decrease in segment profit was the decrease in sales previously discussed. Adjusted EBITDA for the year ended September 30, 2014 decreased $6.8 million to $113.2 million from $120.0 million for the year ended September 30, 2013. The decrease was driven by the unfavorable product mix discussed above.

Home and Garden Business

	2015	2014	2013
Net Sales	$ 474.0	$ 431.9	$ 390.5
Segment Profit	$ 111.2	$ 89.3	$ 78.5
Segment Profit as a % of net sales	23.5%	20.7%	20.1%
Adjusted EBITDA	$ 124.5	$ 101.8	$ 90.1

Refer to Consolidated Results of Operations section for discussion on changes in net sales.

Segment profit for the year ended September 30, 2015 increased $21.9 million to $111.2 million compared to $89.3 million for the year ended September 30, 2014. Segment profit as a percentage of net sales also increased to 23.5% for the year ended September 30, 2015 compared to 20.7% for the year ended September 30, 2014. Increases in segment profit and segment profit as a percentage of net sales were driven by cost improvements compared to the prior year. Also contributing to the increase in segment profit was the increase in sales previously discussed. Adjusted EBITDA was $124.5 million for the year ended September 30, 2015, increase of $22.7 million from $101.8 million for the year ended September 30, 2014. The increase in Adjusted EBITDA is attributable to the increased sales and cost improvements discussed above.

Segment profit for the year ended September 30, 2014 increased $10.8 million to $89.3 million from $78.5 million for the year ended September 30, 2013. Segment profit as a percentage of net sales for the year ended September 30, 2014 increased to 20.7% from 20.1%. Increases in segment profit and segment profit as a percentage of net sales were driven by the acquisition of Liquid Fence during the year ended September 30,

2014. Also contributing to the increase in segment profit was the increase in sales previously discussed. Adjusted EBITDA increased $11.7 million to $101.8 million for the year ended September 30, 2014 compared to segment Adjusted EBITDA of $90.1 million for the year ended September 30, 2013. The increases are driven by the increase in net sales coupled with cost and operating expense improvements.

Global Auto Care

	2015
Net Sales	$ 160.5
Segment Profit	$ 21.8
Segment Profit as a % of net sales	13.6%
Adjusted EBITDA	$ 47.3

Results of the AAG business, reported as a separate business segment, Global Auto Care, relate to operations subsequent to the acquisition date of May 21, 2015.

Liquidity and Capital Resources

The following is a summary of the Company s cash flows for the years ended September 30, 2015, 2014 and 2013:

	SB/RH Holdings, LLC		
(in millions)	**2015**	**2014**	**2013**
Net cash provided by operating activities	$ 441.8	$ 434.7	$ 258.2
Net cash used by investing activities	$ (1,279.7)	$ (93.5)	$ (1,476.7)
Net cash provided (used) by financing activities	$ 922.6	$ (338.2)	$ 1,263.4
Effect of exchange rate changes on cash and cash equivalents	$ (29.7)	$ (8.3)	$ (4.5)

Net cash provided by operating activities

The $7.1 million increase in cash provided by operating activities for the year ended September 30, 2015 was primarily due to: (i) cash generated from higher Adjusted EBITDA of $76.2 million; (ii) decrease in cash paid for taxes of $26.3 million; and (iii) decrease in cash paid for restructuring and related charges of $8.1 million; which was partially offset by (i) increased cash paid for acquisition and integration costs of $9.8 million from increased acquisition activity; (ii) increased cash paid for interest of $71.6 million due to charges associated with financing the AAG acquisition and increased debt; and (iii) $22.1 million of incremental use of cash from working capital driven by higher inventory and other working capital items partially offset by lower accounts receivable and higher accounts payable and other working capital accruals.

The $176.5 million increase in cash provided by operating activities for the year ended September 30, 2014 was primarily due to: (i) cash generated from higher Adjusted EBITDA of $79.3 million, excluding pre-acquisition earnings of the HHI Business; (ii) $67.5 million of additional generation of cash from working capital and other items driven by lower accounts receivable and inventory, partially offset by lower accounts payable and other working capital items; (iii) lower cash payments for interest of $46.4 million due to refinancing; and (iv) lower cash acquisition, integration and restructuring related costs of $14.0 million; which was partially offset by higher cash payments for income taxes of $30.7 million.

Net cash used by investing activities

The $1,186.2 million increase in cash used by investing activities during the year ended September 30, 2015 was primarily attributable to the cash used for acquisitions of $1,191.1 million during the year ended September 30, 2015, which related to the $898.4 million, net cash acquired, for the AAG acquisition; $147.8

million, net cash acquired, for the Salix acquisition; $115.7 million, net cash acquired, for the European IAMS and Eukanuba acquisition and $29.2 million, net cash acquired, for the Tell acquisition, compared to the $27.6 million, net cash acquired, used for the Liquid Fence acquisition during the year ended September 30, 2014.

The $1,383.2 million decrease in cash used by investing activities during the year ended September 30, 2014 was primarily driven by a decrease in cash used for acquisitions of $1,366.0 million, which related to the $1,351.0 million, net of cash acquired, for the HHI Business acquisition and the $42.6 million, net of cash acquired, for the Shaser acquisition during the year ended September 30, 2013, compared to the $27.6 million, net of cash acquired, used for the Liquid Fence acquisition during the year ended September 30, 2014.

Net cash provided (used) by financing activities

Net cash used by financing activities for the year ended September 30, 2015 consist of: (i) refinancing of the then-existing senior term facilities resulting in $2.036.5 million of proceeds for the issuance of the new Term Loans and $1,589.6 million payment on the then existing senior term facilities; (ii) $1,000.0 million proceeds from the issuance of the 5.75% Notes (iii) $540.0 million repayment of AAG debt assumed as part of the AAG acquisition (iv) $250.0 million proceeds from the issuance of the 6.125% Notes; (v) $300.0 million repayment of the 6.75% Notes; (vi) $363.6 million of amortizing payments on debt; (vii) payment of debt issuance costs of $37.8 million; (vi) $528.3 million of proceeds from the parent, SBH; and (vii) cash dividends paid to SBH of $72.1 million.

Net cash used by financing activities for the year ended September 30, 2014 consisted of: (i) proceeds related to the issuance of debt under our former senior term loans of $523.7 million; (ii) repayment of $764.9 million under the former senior credit facilities and $6.0 million of other debt; (iii) dividend payments to SBH of $77.0 million; (iv) payment of share-based tax withholdings of employees for vested stock awards of $24.9 million; and (v) payment of debt issuance costs of $5.4 million.

Net cash provided by financing activities for the year ended September 30, 2013 consisted of: (i) proceeds related to the issuance of debt under our former term facilities of $1,936.3 million, issuance of 6.625% Notes of $570.0 million, and issuance of 6.375% Notes of $520.0 million; (ii) extinguishment of 9.5% Notes of $950.0 million and repayment of former senior credit facilities of $571.1 million; (iii) payment of debt issuance costs of $60.9 million; (iv) dividend payment to SBH of $88.7 million; (v) payment of share-based tax withholdings of employees for vested stock awards of $20.1 million; (vi) proceeds from a $28.6 million contribution from parent and (ix) $11.9 million of proceeds from other financing activities.

Capital Expenditures

Capital expenditures for the Company totaled $89.1 million, $73.3 million and $82.0 million for the years ended September 30, 2015, 2014, and 2013, respectively. We expect to make investments in capital projects similar to historical levels, as well as incremental investments in high return cost reduction projects slightly above historical levels.

Depreciation and Amortization

Depreciation and amortization for the Company totaled $170.0 million, $157.6 million and $139.9 million for the years ended September 30, 2015, 2014, and 2013, respectively. The increase in depreciation and amortization for the year ended September 30, 2015 is due to the recognition of property, plant and equipment and definite lived intangible assets from the acquisitions of AAG, European IAMS and Eukanuba, Salix and Tell. The increase in depreciation and amortization for the year ended September 30, 2014 is due to the recognition of property, plant and equipment and definite lived intangible assets from the acquisition of Liquid Fence.

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Indebtedness

Refer to Note 9, Debt of Notes to Consolidated Financial Statements included elsewhere in this prospectus for additional information.

In addition to the outstanding principal on our debt obligations, we have annual interest payment obligations of $202.7 million in the aggregate. This includes interest under our: (i) 6.375% Notes of approximately $33.2 million; (ii) 6.625% Notes of approximately $37.8 million (iii) 6.125% Notes of approximately $15.3 million; (iv) 5.75% Notes of $57.5 million and (iv) Term Loans of $58.9 million. Interest on the 6.375% Notes, the 6.625% Notes, the 6.125% Notes and the 5.75% Notes is payable semi-annually in arrears and interest under the Term Loan and the Revolver Facility is payable on various interest payment dates as provided in the Senior Credit Agreement. We are required to pay certain fees in connection with our outstanding debt obligations including a quarterly commitment fee of up to 0.50% on the unused portion of the Revolver Facility and certain additional fees with respect to the letter of credit sub-facility under the Revolver Facility.

At September 30, 2015, we were in compliance with all covenants under the Senior Credit Agreement, the indenture governing both the 6.375% Notes and the 6.625% Notes, the indenture governing the 6.125% Notes, and the indenture governing the 5.75% Notes. See Risk Factors , for further a discussion of the risks associated with our ability to service all of our existing indebtedness, our ability to maintain compliance with financial and other covenants related to our indebtedness and the impact of other economic factors.

Credit Ratings

The Company s access to the capital markets and financing costs in those markets may depend on the credit ratings of the Company when it is accessing the capital markets. None of the Company s current borrowings are subject to default or acceleration as a result of a downgrading of credit ratings, although a downgrade of the Company s credit ratings could increase fees and interest charges on future borrowings.

Liquidity Outlook

The Company s ability to make principal and interest payment on borrowings under its U.S. and foreign credit facilities and its ability to fund planned capital expenditures will depend on its ability to generate cash in the future, which, to a certain extent, is subject to general economic, financial, competitive, regulatory and other conditions. Based on its current level of operations, the Company believes that its existing cash balances and expected cash flows from operations will be sufficient to meet its operating requirements for at least the next 12 months. However, the Company may request borrowings under its credit facilities and seek alternative forms of financing or additional investments to achieve its longer-term strategic plans.

At September 30, 2015, based on the Company s current tax strategy, there are no significant foreign cash balances available for repatriation. For the year ending September 30, 2016, we expect to generate between $75 million and $125 million of foreign cash that may be repatriated for general corporate purposes.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

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Contractual Obligations & Other Commercial Commitments

The following table summarizes our contractual obligations as of September 30, 2015 and the effect such obligations are expected to have on our liquidity and cash flow in future periods:

		Contractual Payments Due by Period			
(in millions)	**Total**	**Less than 1 year**	**1 to 3 years**	**3 to 5 years**	**Thereafter**
Debt, excluding capital lease obligations[1]	$ 3,889.6	$ 26.6	$ 30.8	$ 30.8	$ 3,801.4
Interest payments excluding capital lease obligations	1,530.9	203.8	403.5	401.2	522.4
Capital lease obligations[2]	119.7	11.1	20.2	17.1	71.3
Operating lease obligations	151.5	39.7	60.0	31.2	20.6
Employee benefit obligations[3]	111.9	9.3	19.6	22.1	60.9
Other purchase obligations	29.7	23.6	5.7	0.4	
Total Contractual Obligations[4]	$ 5,833.3	$ 314.1	$ 539.8	$ 502.8	$ 4,476.6

(1) See Note 9 Debt , included elsewhere in this prospectus.

(2) Capital lease payments due by fiscal year include executory costs and imputed interest not reflected in the Consolidated Statements of Financial Position included elsewhere in this prospectus.

(3) Employee benefit obligations represent the sum of our estimated future minimum required funding for our qualified defined benefit plans based on actuarially determined estimates and projected future benefit payments from our unfunded postretirement plans. For additional information about our employee benefit obligations, see Note 12, Employee Benefit Plans, of Notes to Consolidated Financial Statements, included elsewhere in this prospectus.

(4) At September 30, 2015, our Consolidated Statements of Financial Position includes reserves for uncertain tax positions. However, it is not possible to predict or estimate the timing of payments for these obligations. The Company cannot predict the ultimate outcome of income tax audits currently in progress for certain of our companies; however, it is reasonably possible that during the next 12 months, some portion of our unrecognized tax benefits could be recognized.

The following table summarizes our other commercial commitments as of September 30, 2015, consisting entirely of standby letters of credit that back the performance of certain of our entities under various credit facilities, insurance policies and lease arrangements:

		Contractual Payments Due by Period			
(in millions)	**Total**	**Less than 1 year**	**1 to 3 years**	**3 to 5 years**	**Thereafter**
Letters of credit	$ 32.7	$ 24.7	$ 8.0	$	$

Critical Accounting Policies and Estimates

Our Consolidated Financial Statements have been prepared in accordance with GAAP and fairly present our financial position and results of operations. The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company bases its accounting estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, and evaluates its estimates on an ongoing basis. The following policies are considered by management to be the most critical to understanding the judgments that are involved in the preparation of our consolidated financial statements and the uncertainties that could impact our results of operations, financial position and cash flows. The application of these accounting policies requires judgment and use of assumptions as to future events and outcomes that are uncertain and, as a result, actual results could differ from these estimates. Refer to Note 2 Summary of Significant Accounting Policies of Notes to the Consolidated Financial Statements for all relevant accounting policies.

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Goodwill, Intangible Assets and Other Long-Lived Assets

The Company s goodwill, intangible assets and tangible fixed assets are stated at historical cost, net of depreciation and amortization, less any provision for impairment. Intangible and tangible assets with determinable lives are amortized or depreciated on a straight line basis over estimated useful lives. Refer to Note 2 Significant Accounting Policies and Practices of Notes to Consolidated Financial Statements for more information about useful lives.

On an annual basis, or more frequently if triggering events occur, the Company compares the estimated fair value of its reporting units to the carrying value to determine if potential goodwill impairment exists; our reporting units are consistent with our segments (See Note 18, Segment Information for further discussion over operating and reporting segments). If the fair value of a reporting unit is less than its carrying value, an impairment loss, if any, is recorded for the difference between the implied fair value of the reporting unit goodwill and its carrying value. The estimated fair value represents the amount at which a reporting unit could be bought or sold in a current transaction between willing parties on an arms-length basis. In estimating the fair value of the reporting unit, we used a discounted cash flows methodology, which requires us to estimate future revenues, expenses, and capital expenditures and make assumptions about our weighted average cost of capital and perpetuity growth rate, among other variables. We test the aggregate estimated fair value of our reporting units by comparison to our total market capitalization, including both equity and debt capital. The fair value of Global Batteries & Appliances, Hardware and Home Improvement, Global Pet Supplies, and Home & Garden reporting units exceeded their carrying value by 54%, 38%, 29% and 66%, respectively.

As a result of the AAG acquisition in the third quarter of the year ended September 30, 2015, a new reporting unit and segment was established, Global Auto Care. Due to the recent closing of the acquisition and the measurement of net assets acquired to fair value, a qualitative assessment of the carrying value of goodwill was performed for this reporting unit. This included the evaluation of factors such as macroeconomic conditions, industry and market conditions, cost factors, overall financial performance and reporting unit factors, among others. Based on its qualitative assessment, management concluded that it is not more likely than not that the fair value of this reporting unit is less than its carrying amount, and a quantitative impairment test of the acquired goodwill for Global Auto Care was not deemed necessary.

In addition to goodwill, the Company has indefinite-lived intangible assets that consist of acquired tradenames. On an annual basis, or more frequently if triggering events occur, the Company compares the estimated fair value of the identified trade names to the carrying value to determine if potential impairment exists. If the fair value is less than its carrying value, an impairment loss is recorded for the excess. The fair value of indefinite-lived intangible assets is determined using an income approach, the relief from royalty methodology, which requires us to make estimates and assumptions about future revenues, royalty rates, and the discount rate, among others. The fair value of our tradenames exceeded the carrying values as of the date of our latest annual impairment testing resulting in no impairment of our indefinite lived intangible assets for the year ended September 30, 2015.

The Company also reviews other definite-lived intangible assets and tangible fixed assets for impairment when events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Circumstances such as the discontinuation of a product or product line, a sudden or consistent decline in the sales forecast for a product, changes in technology or in the way an asset is being used, a history of operating or cash flow losses or an adverse change in legal factors or in the business climate, among others, may trigger an impairment review. If such indicators are present, the Company performs undiscounted cash flow analyses to determine if impairment exists. The asset value would be deemed impaired if the undiscounted cash flows expected to be generated by the asset did not exceed the carrying value of the asset. If impairment is determined to exist, any related impairment loss is calculated based on fair value. There were no triggering events identified during the year that necessitated an impairment test over definite-lived assets.

A considerable amount of judgment and assumptions is required in performing the impairment tests, principally in determining the fair value of each reporting unit and assets subject to impairment testing. While the Company believes its judgments and assumptions are reasonable, different assumptions could change the estimated fair value and therefore, additional impairment changes could be required. The Company is subject to financial statement risk in the event that business or economic conditions unexpectedly decline and impairment is realized.

Pensions

The Company recognizes amounts on the consolidated financial statements related to defined benefit pension plans using a September 30 measurement date. The accounting for these plans requires us to recognize the overfunded and/or underfunded status of each pension plan (i.e. the estimated present value of future benefits, net of plan assets) on the consolidated statement of financial position. A substantial portion of our pension obligations are related to defined benefit pension plans in the U.S., a majority of which are frozen. The determination of the estimated present value of future benefits includes several important assumptions, particularly around discount rates, expected returns on plan assets, and retirement and mortality rates.

The Company s discount rate assumptions are based on the interest rate of high-quality corporate bonds, with appropriate consideration of our plans participants demographics and benefit payment terms. For the year ended September 30, 2015, we used discount rates ranging from 1.75% to 13.81%. We believe the discount rates used are reflective of the rates at which pension benefits could be effectively settled. If interest rates decline resulting in a lower discount rate, our pension liability, will increase along with the related pension expense and required funding contributions.

The Company s expected return on plan assets assumptions are based on our expectation of long-term average rates of return on assets in the pension funds, which reflect both the current and projected asset mix of the funds and consider the historical returns earned on the fund. If the actual rates of return are lower than we assume, our future pension expense and required funding contributions may increase. Actual returns above the assumed level could decrease future pension expense and lower the amount of required funding contributions. For the year ended September 30, 2015, we used an expected return on plan assets of 7.25%. If plan assets decline due to poor market performance, our pension liability will increase along with increasing pension expense and required funding contributions may increase.

The Company reviews its actuarial assumptions on an annual basis and makes modifications based on current rates and trends when appropriate. Based on the information provided by independent actuaries and other relevant sources, the Company believes that the assumptions used are reasonable; however, changes in these assumptions could impact our financial position, results of operations or cash flows in the future. See Note 12, Employee Benefit Plans, of Notes to Consolidated Financial Statements included elsewhere in this prospectus for further discussion of our employee benefit plans.

Acquisition Accounting

The fair value of the consideration we pay for each new acquisition is allocated to tangible assets and identifiable intangible assets, liabilities assumed, any non-controlling interest in the acquired entity and goodwill. The accounting for acquisitions involves a considerable amount of judgment and estimate, including the fair value of certain forms of consideration; fair value of acquired intangible assets involving projections of future revenues and cash flows that are then either discounted at an estimated discount rate or measured at an estimated royalty rate; fair value of other acquired assets and assumed liabilities, including potential contingencies; and the useful lives of the acquired assets. The assumptions used are determined at the time of the acquisition in accordance with accepted valuation models. Projections are developed using internal forecasts, available industry and market data and estimates of long-term rates of growth for our business. The impact of prior or future acquisitions on our financial position or results of operations may be materially impacted by the change in or initial selection of assumptions and estimates. Refer to Note 3, Acquisitions of Notes to Consolidated Financial Statements included elsewhere in this prospectus for further discussion of business combination accounting valuation methodology and assumptions. See Note 3, Acquisitions of Notes to the Consolidated Financial Statements included elsewhere in this prospectus for further discussion of our acquisition and valuation assumptions.

Restructuring and Related Charges

Restructuring charges include, but are not limited to, termination and related costs consisting primarily of one-time termination benefits such as severance costs and retention bonuses, and contract termination costs consisting primarily of lease termination costs. Related charges, as defined by us, include, but are not limited to, other costs directly associated with exit and relocation activities, including impairment of property and other assets, departmental costs of full-time incremental employees, and any other items related to the exit or relocation activities. Costs for such activities are estimated by us after evaluating detailed analyses of the costs to be incurred.

Liabilities from restructuring and related charges are recorded for estimated costs of facility closures, significant organizational adjustments and measures undertaken by us to exit certain activities. Costs for such activities are estimated by us after evaluating detailed analyses of the costs to be incurred. Such liabilities could include amounts for items such as severance costs and related benefits (including settlements of pension plans), impairment of property and equipment and other current or long term assets, lease termination payments and any other items directly related to the exit activities.

Restructuring and related charges associated with manufacturing and related initiatives are reported in cost of goods sold. Restructuring and related charges reflected in cost of goods sold include, but are not limited to, termination and related costs associated with manufacturing employees, asset impairments relating to manufacturing initiatives and other costs directly related to the restructuring initiatives implemented. Restructuring and related charges associated with administrative functions are reported in operating expenses, such as initiatives impacting sales, marketing, distribution or other non-manufacturing related functions. Restructuring and related charges reflected in operating expenses include, but are not limited to, termination and related costs, any asset impairments relating to the administrative functions and other costs directly related to the initiatives implemented.

While the actions are carried out as expeditiously as possible, restructuring and related charges are estimates. Changes in estimates resulting in an increase to or a reversal of a previously recorded liability may be required as we execute a restructuring plan. See Note 4, Restructuring and Related Charges of Notes to Consolidated Financial Statements included elsewhere in this prospectus for a more complete discussion of our restructuring initiatives and related costs.

Income Taxes

The Company is subject to income taxes in the U.S. and numerous foreign jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes and recording the related deferred tax assets and liabilities.

The Company assesses its income tax positions and records tax liabilities for all years subject to examination based upon management s evaluation of the facts and circumstances and information available for reporting. For those income tax positions where it is more-likely-than-not that a tax benefit will not be sustained upon conclusion of an examination, the Company has recorded a reserve based upon the largest amount of tax benefit having a cumulatively greater than 50% likelihood of being realized upon ultimate settlement with the applicable taxing authority assuming that it has full knowledge of all relevant information. For those income tax positions where it is more-likely-than-not that a tax benefit will be sustained, the Company did not recognize a reserve. As of September 30, 2015, the total amount of unrecognized tax benefits, including interest and penalties, that if not recognized, would affect the effective tax rate in future periods was $14.3 million. Our effective tax rate includes the impact of income tax reserves and changes to those reserves when considered appropriate. A number of years may elapse before a particular matter for which we have established a reserve is finally resolved. Unfavorable settlement of any particular issue may require the use of cash or a reduction in our net operating loss carryforwards. Favorable resolution would be recognized as a reduction to the effective rate in the year of resolution.

The Company recognizes deferred tax assets and liabilities for future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases, net operating losses, tax credit, and other carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company regularly reviews its deferred tax assets for recoverability and establishes a valuation allowance based on historical losses, projected future taxable income, expected timing of the reversals of existing temporary differences, and ongoing prudent and feasible tax planning strategies. We base these estimates on projections of future income, including tax planning strategies, in certain jurisdictions. Changes in industry conditions and other economic conditions may impact our ability to project future income. Should we determine that we would not be able to realize all or part of our net deferred tax asset in the future, an adjustment to the deferred tax asset would be charged to income in the period we make that determination.

As of September 30, 2015, we have U.S. federal net operating loss carryforwards (NOLs) of $894.5 million, with a federal tax benefit of $313.1 million and future tax benefits related to state NOLs of $68.7 million and capital loss carryforwards of $14.2 million with a federal and state tax benefit of $5.4 million. Our total valuation allowance for the tax benefit of deferred tax assets that may not be realized is $305.4 million at September 30, 2015. Of this amount, $268.7 million relates to U.S. net deferred tax assets and $36.7 million relates to foreign net deferred tax assets. For the year ended September 30, 2015, we generated domestic pretax profits of $9.8 million. Should we continue to generate domestic pretax profits in subsequent periods, there is a reasonable possibility that some or most of the domestic valuation allowance of $268.7 million could be released at some future date, which could result in a material tax benefit. We estimate that $118.6 million of valuation allowance related to domestic deferred tax assets cannot be released regardless of the amount of domestic operating income generated due to prior period ownership changes that limit the amount of NOLs we can use and legal limitations on the use of capital losses.

As of September 30, 2015, we have provided no residual US taxes on earnings not yet taxed in the U.S. Due to the valuation allowance recorded against U.S. net deferred tax assets, including NOLs, we do not recognize any incremental U.S. tax expense on the expected future repatriation of foreign earnings. Should the U.S. valuation allowance be released at some future date, the U.S. tax on future foreign earnings not considered to be permanently reinvested might have a material effect on our effective tax rate. As of September 30, 2015, we project $2.4 million of additional tax expense from non-U.S. withholding and other taxes expected to be incurred on repatriation of foreign earnings.

See Note 13, Income Taxes of Notes to Consolidated Financial Statements elsewhere included in this prospectus.

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which supersedes the revenue recognition requirements in ASC 605, *Revenue Recognition.* This ASU requires revenue recognition to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new revenue recognition model requires identifying the contract and performance obligations, determining the transaction price, allocating the transaction price to performance obligations and recognizing the revenue upon satisfaction of performance obligations. This

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ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments, and assets recognized from costs incurred to obtain or fulfill a contract. This ASU can be applied either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying the updates recognized at the date of the initial application along with additional disclosures. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers (Topic 606) Deferral of the Effective Date*, which amends the previously issued ASU to provide for a one year deferral from the original effective date. As a result, the ASU will become effective for us beginning in the first quarter of our fiscal year ending September 30, 2019, with early application only being for us beginning in the first quarter of our fiscal year ending September 30, 2018. We are currently assessing the impact this pronouncement will have on the consolidated financial statements of the Company.

In August 2015, the FASB issued ASU 2015-16, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments*. The amendments require that an acquirer (i) recognize measurement period adjustments to estimated amounts in the reporting period in which the adjustment amounts are determined; (ii) record, in the same period s financial statements, the effect on earnings of changes in depreciation, amortization, or other income effects, if any, as a result of the change to the estimated amounts, calculated as if the accounting had been completed at the acquisition date; and (iii) present separately on the face of the income statement or disclose in the notes the portion of the amount recorded in current period earnings by line item that would have been recorded in previous reporting periods if the adjustment to the estimated amounts had been recognized as of the acquisition date. The ASU will become effective for us beginning in the first quarter of our fiscal year ending September 30, 2017, with early adoption permitted. The amendments are applied to adjustments to provision amounts that occur after the effective date and the impact of the adoption of this guidance on the Company s consolidated financial statements will depend on the future business combination activity.

In July 2015, the FASB issued ASU 2015-11, *Inventory (Topic 330) Simplifying the Measurement of Inventory*, which changes the measurement principle for inventory from the lower of cost or market to lower of cost and net realizable value. Net realizable value is defined as the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. This ASU eliminates the guidance that entities consider replacement cost or net realizable value less an approximately normal profit margin in the subsequent measurement of inventory when cost is determined on a first-in, first-out or average cost basis. The ASU will become effective for us beginning in the first quarter of our fiscal year ending September 30, 2018, with early adoption permitted. We are currently assessing the impact this pronouncement will have on the consolidated financial statements of the Company.

In April 2015, the FASB issued ASU No. 2015-03, *Interest Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs.* This ASU requires debt issuance costs related to a recognized debt liability to be presented on the balance sheet as a direct deduction from the debt liability, similar to the presentation of debt discounts. This ASU will become effective for us beginning in the first quarter of our fiscal year ending September 30, 2017, with early adoption permitted. We are currently assessing the impact this pronouncement will have on the consolidated financial statements of the Company.

In April 2015, the FASB issued ASU No. 2015-05, *Intangibles Goodwill and Other Internal-Use Software (Subtopic 350-40) Customer s Accounting for Fees Paid in Cloud Computing Arrangements*, which provides for guidance on the accounting for fees paid in cloud computing arrangements. The ASU provides guidance to customers about whether the cloud computing arrangement includes a software license, which could be accounted for as a separate element of the arrangement similar to the acquisition of other software licenses. The absence of a software license would result in recognizing the arrangement as a service contract. This ASU will become effective for us beginning in the first quarter of our fiscal year ending September 30, 2017, with early adoption permitted. We are currently assessing the impact this pronouncement will have on the consolidated financial statements of the Company.

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In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements Going Concern (Subtopic 205-40) Disclosure of Uncertainties about the Entity s Ability to Continue as a Going Concern,* which provides guidance on determining when and how reporting entities must disclose going-concern uncertainties in their financial statements. The new standard requires management to perform interim and annual assessments of an entity s ability to continue as a going concern for a period of one year from the date of issuance of the entity s financial statements. Further, an entity must provide certain disclosures if there is substantial doubt about the entity s ability to continue as a going concern. This ASU will become effective for us beginning in the first quarter of our fiscal year ending September 30, 2017. The adoption of this guidance is not expected to have a material impact on the Company s consolidated financial statements.

In April, 2014, the FASB issued ASU No. 2014-08, *Presentation of Financial Statements (Topic 2015) and Property, Plant and Equipment (Topic 360) Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*. This ASU changes the criteria for reporting discontinued operations where only disposals representing a strategic shift in operations should be presented as discontinued operations. Such strategic shifts should have a major effect on the organization s operating and financial results. This new guidance also expanded the disclosure requirements about discontinued operations. This ASU will become effective for us during our fiscal year ending September 30, 2016. The impact of the adoption of this guidance on the Company s consolidated financial statements will depend on the Company s future disposal activity.

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BUSINESS

General

We are a diversified global branded consumer products company. The Company manufactures, markets and/or distributes its products in approximately 160 countries in the North America, Europe, Middle East & Africa (MEA), Latin America and Asia-Pacific regions through a variety of trade channels, including retailers, wholesalers and distributors, original equipment manufacturers (OEMs), construction companies and hearing aid professionals. We enjoy strong name recognition in our regions under our various brands and patented technologies. Our diversified global branded consumer products have positions in seven major product categories: consumer batteries, small appliances, personal care, hardware and home improvement, pet supplies, home and garden and auto care. We manage the businesses in five vertically integrated, product-focused segments: (i) Global Batteries & Appliances, (ii) Global Pet Supplies, (iii) Home and Garden, (iv) Hardware & Home Improvement and (v) Global Auto Care. Global and geographic strategic initiatives and financial objectives are determined at the corporate level. Each segment is responsible for implementing defined strategic initiatives and achieving certain financial objectives and has a general manager responsible for sales and marketing initiatives and the financial results for all product lines within that segment. See Note 18, Segment Information of Notes to the Consolidated Financial Statements, included elsewhere in this prospectus for more information pertaining to segments. The following table summarizes the respective product types, brands, and regions for each of the segments:

Segment	Products	Brands	Regions
Global Batteries & Appliances	*Consumer batteries:* Alkaline, zinc carbon, and NiMH rechargeable batteries; hearing aid and other specialty battery products; battery powered portable lighting products.	*Consumer batteries:* Rayovac, VARTA. *Small appliances:* Black & Decker, George Foreman, Russell Hobbs, Juiceman, Breadman, and Toastmaster. *Personal care:* Remington.	North America Europe/MEA Latin America Asia-Pacific
	Small appliances: small kitchen and home appliances. *Personal care:* electric shaving and grooming products, hair care appliances and accessories.		
Hardware & Home Improvement	*Hardware and home improvement:* Residential locksets and door hardware including hinges, security hardware, screen and storm door products, garage hardware, window hardware and floor protection; commercial doors, locks, and hardware; kitchen, bath and shower faucets and plumbing products.	*Hardware and home improvement:* Kwikset, Weiser, Baldwin, National Hardware, Stanley, Tell, Pfister.	North America Europe/MEA Latin America Asia-Pacific
Global Pet Supplies	*Pet supplies:* Dog, cat and small animal food and treats; clean-up and training aid products and accessories; pet health and grooming products; aquariums and aquatic health supplies.	*Pet Supplies:* 8-in-1, Dingo, Nature s Miracle, Wild Harvest, Littermaid, Tetra, Marineland, Whisper, Jungle, Instant Ocean, FURminator, IAMS, Eukanuba,	North America Europe/MEA Latin America Asia-Pacific

		Healthy-Hide, Digest-eeze.	
Home and Garden	*Home and garden:* Household insecticides; insect and animal repellent products; insect and weed control solutions.	*Home and garden:* Cutter, Repel, Spectracide, Garden Safe, Liquid Fence, Hot Shot, Black Flag.	North America Latin America
Global Auto Care(1)	*Auto care:* Aftermarket appearance products; performance chemicals & additives; do-it-yourself air conditioner recharge products.	*Auto care:* Armor All, STP, A/C PRO.	North America Europe/MEA Latin America Asia-Pacific

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(1) On May 21, 2015, the Company acquired Armored AutoGroup Parent Inc. (AAG). For more information pertaining to the AAG acquisition, see Note 3, Acquisitions in the Notes to the Consolidated Financial Statements included elsewhere in this prospectus.

Our operating performance is influenced by a number of factors including: general economic conditions; foreign exchange fluctuations; trends in consumer markets; consumer confidence and preferences; our overall product line mix, including pricing and gross margin, which vary by product line and geographic market; pricing of certain raw materials and commodities; energy and fuel prices; and our general competitive position, especially as impacted by our competitors advertising and promotional activities and pricing strategies.

Our Products

Net sales of each product category sold, as a percentage of net sales of our consolidated operations for the years ended September 30, 2015, 2014 and 2013, are as follows.

	2015	2014	2013
Hardware and home improvement products	26%	26%	21%
Consumer batteries	18%	22%	23%
Small appliances	16%	16%	18%
Pet supplies	16%	14%	15%
Personal care products	11%	12%	13%
Home and garden products	10%	10%	10%
Auto care products	3%	%	%
	100%	100%	100%

Hardware and Home Improvement Products

In the hardware and home improvement product category we market and sell a broad range of residential locksets and door hardware, including knobs, levers, deadbolts, handlesets and electronics. We offer our security hardware under three main brands, Kwikset, Weiser and Baldwin. On a global basis we are one of the largest producers of tubular residential locksets. Kwikset includes opening to mid-price point residential door hardware sold primarily in the U.S. retail and wholesale channels. Products are offered under the three brands Safe Lock, Kwikset and Kwikset Signature Series. Weiser offers opening to mid-price point residential door hardware sold primarily in the Canadian retail and wholesale channels. Baldwin offers high price point luxury hardware sold globally through the showroom and lumber yard channels.

As a demonstration of our design and engineering team s ability to innovate, our patented SmartKey technology enables consumers to easily rekey their locks without hiring a locksmith. SmartKey is sold across all channels of distribution and provides opportunities for further growth. Market share gains stemming from our SmartKey products further augment our overall market share in the residential lockset space. Also in security, we are capitalizing on the emerging trend in home automation and have developed further innovation in electronics where we utilize open-platform electronics to build scalable partnerships with technology and access control industry leaders.

Our Kwikset brand has launched the Kevo Bluetooth enabled deadbolt. The Kevo Bluetooth deadbolt turns a smart phone into a key and allows authorized users to open their Kwikset deadbolt by simply touching the lock. Owners of Kevo can also send digital EKeys and monitor the use of their lock by downloading the Kevo app for Apple iPhone and Google Android phone users.

We also offer other hardware products that include hinges, security hardware, screen and storm door products, garage door hardware, window hardware and floor protection under the Stanley and National Hardware brand names throughout the U.S. and Canada. Although the product line is largely harmonized between the brands, the dual branding approach has been utilized to protect legacy business with key customers and avoid channel conflict.

On October 1, 2014, the Company acquired privately owned Tell Manufacturing, Inc. (Tell), a leading U.S. manufacturer and distributor of commercial doors, locks and hardware. Tell provides the Hardware and Home Improvement segment with an established commercial security sales position through a high-quality and well recognized brand and a platform to expand our patented SmartKey and Kevo residential lock technologies into growing commercial channels. Tell also adds doors and hollow metal door manufacturing capabilities, a strategically important adjacent category.

Furthermore, we provide kitchen, bath and shower faucets as well as other plumbing products through our Pfister brand. Pfister is recognized for bringing showroom styles to the mass market at affordable prices and offers a lifetime warranty on all of its products. We have combined robust customer collaboration with consumer driven research to drive innovative products that are well-received by the market. With its affordable, quick-to-market and custom designed solutions, Pfister has an established capability to effectively service hospitality and international markets. Pfister seeks to differentiate itself from competition through its breadth of styles and finishes designed to meet consumer, plumber and builder needs.

Consumer Batteries

We market and sell a full line of alkaline batteries to both retail and industrial customers. Our alkaline batteries are marketed and sold primarily under the Rayovac and VARTA brands. We also manufacture alkaline batteries for third parties who sell the batteries under their own private labels. Our zinc carbon batteries are also marketed and sold primarily under the Rayovac and VARTA brands and are designed for low and medium drain battery powered devices. We also sell Nickel Metal Hydride (NiMH) rechargeable batteries and a variety of battery chargers under the Rayovac and VARTA brands. Recently, Rayovac introduced its highest performing alkaline battery, FUSION. Rayovac s FUSION features a slim seal technology and optimized chemistry.

We believe that we are currently the largest worldwide marketer and distributor of hearing aid batteries. We sell our hearing aid batteries through retail trade channels and directly to professional audiologists under several brand names and private labels, including Beltone, Miracle Ear and Starkey. Our other specialty battery products include camera batteries, lithium batteries, silver oxide batteries, keyless entry batteries and coin cells for use in watches, cameras, calculators, communications equipment, medical instruments and on the go chargers.

We also offer a broad line of battery-powered, portable lighting products, including flashlights and lanterns for both retail and industrial markets. We sell our portable lighting products under the Rayovac and VARTA brand names, under other proprietary brand names and pursuant to licensing arrangements with third parties. Recently, Rayovac introduced an outdoor portable charging line including the Rescuer™, the Adventurer™ and the rechargeable Power Pack duo, consisting of the DayTripper™ and Weekender™ Power Packs. The featured portable chargers were designed for the outdoor enthusiast. Rayovac s flagship chargers were named International CES Innovations 2014 Design and Engineering Award Honorees.

Small Appliances

We market and sell a broad range of products in the branded small household appliances category under the George Foreman, Black & Decker, Russell Hobbs, Juiceman and Breadman brands, including grills, bread makers, sandwich makers, kettles, toaster ovens, toasters, blenders, juicers, can openers, coffee grinders, coffeemakers, electric knives, deep fryers, food choppers, food processors, hand mixers, rice cookers and steamers. We also market small home product appliances, including hand-held irons, vacuum cleaners, air purifiers, clothes shavers and heaters, primarily under the Black & Decker and Russell Hobbs brands.

The Black and Decker brand debuted a new look in 2014 and continues to release new lines of products to meet customer needs. These items include FusionBlade Technology blenders, a variety of coffee makers, choppers and a new category for the brand, slow cookers. Black and Decker also premiered its 5 Minute Pizza Oven and Snack Maker, which cooks frozen or fresh pizzas, frozen snacks, baked goods and more. Additionally, the George Foreman brand continues to introduce new grilling systems, including its Evolve Grill System that comes with advanced ceramic and accessory plates such as baking dishes and muffin pans, the Camp & Tailgate Propane Grill, the Dual Surface Friddle + Grill, and the Grill & Broil which broils and top melts. The George Foreman iConnect Platform, a platform of smart device connected products, has also been introduced.

Pet Supplies

In the pet supplies product category we market and sell a variety of leading branded pet supplies for fish, dogs, cats, birds and other small domestic animals. We have a broad line of consumer and commercial aquatics products, including integrated aquarium kits, stand-alone tanks and stands, filtration systems, heaters, pumps, and other equipment, fish food and water treatment products. Our largest aquatics brands are Tetra, Marineland, Whisper, Jungle and Instant Ocean. We also sell a variety of specialty pet products, including dog and cat treats, small animal food and treats, clean up and training aid products, health and grooming aids, bedding products, and consumable accessories including privacy tents, litter carpets, crystal litter cartridges, charcoal filters, corn-based litter and replaceable waste receptacles. Our largest specialty pet brands include FURminator, 8-in-1, Dingo, Nature s Miracle, Wild Harvest and Littermaid.

On December 31, 2014, we completed the acquisition of Procter & Gamble s European pet food business, consisting of the complementary IAMS and Eukanuba premium brands for dogs and cats, which are in an adjacent category to our global pet business. The acquired business provides access to the growing European dog and cat food market. Eukanuba, a premium brand in the pet specialty channel, is a popular brand with breeders and veterinarians in Europe. IAMS, a premium brand with broad consumer appeal, has a leadership share of the premium dry dog food market in the United Kingdom primarily through the food and mass merchandiser channel with opportunities to grow further across Europe. IAMS is positioned for consumers who treat their pets as family members and view the food they feed their pets as a way to make them happy.

On January 16, 2015, we acquired privately owned Salix Animal Health, a vertically integrated producer and distributor of premium, natural rawhide dog chews, treats and snacks, offering a comprehensive line of chews made from beef hides, pork, chicken, beef and other various proteins. Branded and private label products are sold to mass merchandisers, grocery stores, pet specialty stores and warehouse clubs. Its two flagship brands are Healthy-Hide that is marketed across the Good n Fun, Good n Fit, and Good n Tasty family of brands, and Digest-eeze. With a flexible supply chain, including multiple manufacturing plants in Ecuador, Mexico and two in Colombia, Salix will provide the Pet Supplies segment with increased optionality for a low-cost global rawhide production and supply; and expand our strong Dingo dog treats business with complementary product offerings.

Personal Care Products

Our personal care products, marketed and sold under the Remington brand name, include hand-held dryers, curling irons, straightening irons, brush irons, hair setters, facial brushes, skin appliances, electric toothbrushes and hair accessories.

We market and sell a broad line of electric shaving and grooming products under the Remington brand name, including men s rotary and foil shavers, beard and mustache trimmers, body, nose and ear trimmers, women s shavers, haircut kits and intense pulsed light hair removal systems. Recently, we introduced the Remington SmartEdge Foil

Shaver. This shaving system combines the closeness of a foil and mobility of a rotary to create ActiveHybrid technology. Additionally, our Remington brand introduced other new personal care products such as the HyperFlex rotary shaver, Vacuum Beard and Grooming kit and Virtually Indestructible Hair Clipper.

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Home and Garden Products

In the home, lawn and garden products category, we currently sell and market a variety of leading insect and weed control products, including household insecticides, insect repellents, and lawn insect and weed control solutions. We offer a broad array of household pest control solutions such as spider and scorpion killers; roach and ant killers; flying insect killers; insect foggers; wasp and hornet killers; bedbug, flea and tick control products; and roach and ant baits. We also offer powerful rodent traps and rodenticides with discreet designs that are easy to refill and reuse. Our largest brands in the household insect control and rodenticide category are Hot Shot and Black Flag. Recently we introduced our novel, award-winning Black Flag Refillable Rat Bait Station, a reusable rodenticide product that is easy to refill.

This segment also manufactures and markets a complete line of insect repellent products that provide protection from various outdoor nuisance pests, especially mosquitoes. These products include both personal repellents available in a variety of formulas (such as aerosols, lotions, pump sprays and wipes) to match consumers dynamic needs, as well as area repellents (such as yard sprays, citronella candles and patio lanterns) that let consumers enjoy the outdoors without bothersome pests. Our brands in the insect repellents category are Cutter and Repel. We have recently increased our pest repellent offerings with the Cutter Backwoods Dry Insect Repellent aerosol and the Repel Tick Defense aerosol.

In addition to providing pest solutions, our line of outdoor insect and weed control solutions allows consumers to conquer bugs and weeds, and tackle their biggest lawn and landscaping projects themselves. From selective and non-selective herbicides to pest-specific solutions, our outdoor products are available in easy-to-use formulations (such as aerosols, granules, ready-to-use or hose-end ready-to-sprays) designed to fulfill a variety of consumer needs. Our outdoor insecticide and herbicide brands include Spectracide, Garden Safe and Liquid Fence. Continuing our pursuit of innovation, we started offering the Mulch-Lock Ready-to-Use and Mulch-Lock Concentrate, which are versatile landscaping tools that can be used to eliminate frequent groundcover maintenance and help customers save time, effort and money. The Spectracide brand recently introduced the AccuShot Sprayer, which was recognized recently with a Gold Innovation Award from Home Improvement Executive magazine. The AccuShot Sprayer is a handheld applicator that allows for continuous spraying and precise application of product. It features a comfortable, ergonomic grip, and an extendable wand that makes it easier to target only the pests and weeds you want to kill. In addition, it features a one-touch continuous spray that requires no repetitive squeezing, pumping or pulling. Another key benefit for consumers is the fact that the AccuShot Sprayer is reusable with exclusive refill products available for purchase.

Auto Care Products

On May 21, 2015, we completed the acquisition of AAG, a consumer products company consisting primarily of Armor All and STP products, two of the most recognizable brands in the automotive aftermarket appearance products and performance chemicals categories, respectively; and the A/C Pro Brand of do-it-yourself automotive air conditioner recharge products.

Armor All is a leading automotive aftermarket appearance product brand in the United States with a comprehensive line of products. We believe that Armor All has distinguished itself as a leader in the automotive aftermarket appearance products category based upon its household name, high quality product formulations, convenient application methods and tradition of innovation. Armor All s current product line of protectants, wipes, tire and wheel care products, glass cleaners, leather care products, air fresheners and washes is designed to clean, shine, refresh and protect interior and exterior automobile surfaces.

The STP brand has been characterized by a commitment to technology, performance and motor sports partnerships for over 60 years. We believe the STP brands fuel and oil additives, functional fluids and automotive appearance products benefit from a rich heritage in the car enthusiast and racing scenes. We believe that the strong brand equity of STP also provides for attractive licensing opportunities that augment our presence in our core performance categories.

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The results of AAG s operations are included as a new segment, Global Auto Care, within the Company s consolidated operating results from the acquisition date of May 21, 2015.

Sales and Distribution

We sell our products through a variety of trade channels, including retailers, wholesalers and distributors, hearing aid professionals, construction companies and OEMs. Our sales generally are made through the use of individual purchase orders, consistent with industry practice. Retail sales of the consumer products we market have been increasingly consolidated into a small number of regional and national mass merchandisers. This trend towards consolidation is occurring on a worldwide basis. As a result of this consolidation, a significant percentage of our sales are attributable to a very limited group of retailer customers, including Wal-Mart, The Home Depot, Lowe s, Carrefour, Target, PetSmart, Canadian Tire, PetCo and Gigante. Our sales to our largest customer represented approximately 15% of our consolidated net sales for the fiscal year ended September 30, 2015. No other customer accounted for more than 10% of our consolidated net sales in the fiscal year ended September 30, 2015.

Segment information as it relates to revenues, profits and total assets as well as information concerning our revenues and long-lived assets by geographic location is set forth in Note 18, Segment Information, of Notes to Consolidated Financial Statements included elsewhere in this prospectus. Sales and distribution practices in each of our reportable segments are as set forth below.

Global Batteries & Appliances

We manage our Global Batteries & Appliances sales force by geographic region and product group. Our sales team is divided into four major geographic territories: North America, Latin America, Europe and Asia-Pacific. Within each major geographic territory, we have additional subdivisions designed to meet our customers needs. We manage our sales force in North America by distribution channel. We maintain separate sales groups to service (i) our retail sales and distribution channel, (ii) our hearing aid professionals channel and (iii) our industrial distributors and OEM sales and distribution channel. In addition, we utilize a network of independent brokers to service participants in selected distribution channels. We manage our sales force in Latin America by distribution channel and geographic territory. We sell primarily to large retailers, wholesalers, distributors, food and drug chains and retail outlets. In countries where we do not maintain a sales force, we sell to distributors who market our products through all channels in the market. The sales force serving our customers in Europe and Asia-Pacific is supplemented by an international network of distributors to promote the sale of our products. Our sales operations throughout Europe and Asia-Pacific are organized by geographic territory and the following sales channels: (i) food/retail, which includes mass merchandisers, discounters and drug and food stores; (ii) specialty trade, which includes clubs, consumer electronics stores, department stores, photography stores and wholesalers/distributors; and (iii) industrial, government, hearing aid professionals and OEMs.

Global Pet Supplies

Our Global Pet Supplies sales force is aligned by customer, geographic region and product group. We sell pet supply products to mass merchandisers, grocery and drug chains, pet superstores, independent pet stores and other retailers.

Home and Garden

The Home and Garden Business sales force is geographically aligned with our key customers. We sell primarily to home improvement centers, mass merchandisers, dollar stores, hardware stores, home and garden distributors, and food and drug retailers primarily in the U.S.

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Hardware & Home Improvement

The sales force of the Hardware & Home Improvement business is aligned by customer and geographic region. We sell primarily to large retailers, non-retail distributors, home improvement centers, hardware stores, home builders and other retailers.

Global Auto Care

The Global Auto Care business sales force is geographically aligned with key customers. We sell primarily to big box auto, auto specialty retail, mass retailers, food and drug retailers, and convenience retailers. We market our products in the U.S. through a number of channels and use a number of sales strategies. Sales personnel call directly on major accounts and have support teams for supply and marketing. Our small regional and convenience store customers are serviced by brokers and distributors. International distribution varies by region and is often executed on a country-by-country basis. A majority of international sales are completed using distributors.

Manufacturing, Raw Materials and Suppliers

The principal raw materials used in manufacturing our products are zinc, electrolytic manganese dioxide, brass and steel that are sourced either on a global or regional basis. The prices of these raw materials are susceptible to price fluctuations due to supply and demand trends, energy costs, transportation costs, government regulations and tariffs, changes in currency exchange rates, price controls, general economic conditions and other unforeseen circumstances. We have regularly engaged in forward purchase and hedging derivative transactions in an attempt to effectively manage the raw material costs we expect to incur over the next 12 to 24 months.

Substantially all of our rechargeable batteries and chargers, portable lighting products, hair care and other personal care products and our electric shaving and grooming products and small appliances are manufactured by third party suppliers that are primarily located in the Asia-Pacific region. We maintain ownership of most of the tooling and molds used by our suppliers.

We continually evaluate our manufacturing facilities capacity and related utilization. As a result of such analyses, we have closed a number of manufacturing facilities during the past five years. In general, we believe our existing facilities are adequate for our present and foreseeable needs.

Research and Development

Our research and development strategy is focused on new product development and performance enhancements of our existing products. We plan to continue to use our strong brand names, established customer relationships and significant research and development efforts to introduce innovative products that offer enhanced value to consumers through new designs and improved functionality.

During the years ended September 30, 2015, 2014 and 2013, we invested $51.3 million, $47.9 million and $43.3 million, respectively, in product research and development.

Patents and Trademarks

We use and maintain a number of trademarks in our business, including, among others, RAYOVAC, VARTA, REMINGTON, GEORGE FOREMAN, RUSSELL HOBBS, FARBERWARE, TOASTMASTER, BREADMAN, JUICEMAN, BLACK & DECKER, TETRA, 8IN1, DINGO, NATURE S MIRACLE, WILD HARVEST,

MARINELAND, FURMINATOR, LITTERMAID, BIRDOLA, HEALTHY HIDE, DIGEST-EEZE, IAMS, EUKANUBA, SPECTRACIDE, CUTTER, HOT SHOT, REAL KILL, ULTRA KILL, BLACK FLAG, LIQUID FENCE, RID-A-BUG, TAT, GARDEN SAFE, REPEL, KWIKSET, WEISER, BALDWIN, NATIONAL HARDWARE, FANAL, PFISTER, TELL, ARMOR ALL, STP, and A/C PRO. We seek trademark protection in the U.S. and in foreign countries.

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We own or license from third parties a significant number of patents and patent applications throughout the world relating to products we sell and manufacturing equipment we use. We hold a license that expires in March 2022 for certain alkaline battery designs, technology and manufacturing equipment from Matsushita Electrical Industrial Co., Ltd. (Matsushita), to whom we pay a royalty.

As a result of the October 2002 sale by VARTA AG of substantially all of its consumer battery business to us and VARTA AG s subsequent sale of its automotive battery business to Johnson Controls, Inc. (Johnson Controls), we acquired rights to the VARTA trademark in the consumer battery category and Johnson Controls acquired rights to the trademark in the automotive battery category. VARTA AG continues to have rights to use the trademark with travel guides and industrial batteries and VARTA Microbattery GmbH has the right to use the trade mark with micro batteries. We are party to a Trademark and Domain Names Protection and Delimitation Agreement that governs ownership and usage rights and obligations of the parties relative to the VARTA trademark.

As a result of the common origins of the Remington Products, L.L.C. (Remington Products) business we acquired in September 2003 and the Remington Arms Company, Inc. (Remington Arms), the REMINGTON trademark is owned by us and by Remington Arms each with respect to its principal products as well as associated products. Accordingly, we own the rights to use the REMINGTON trademark for electric shavers, shaver accessories, grooming products and personal care products, while Remington Arms owns the rights to use the trademark for firearms, sporting goods and products for industrial use, including industrial hand tools. In addition, the terms of a 1986 agreement between Remington Products and Remington Arms provides for the shared rights to use the REMINGTON trademark on products which are not considered principal products of interest for either company. We retain the REMINGTON trademark for nearly all products which we believe can benefit from the use of the brand name in our distribution channels.

We license the Black and Decker brand in North America, Latin America (excluding Brazil) and the Caribbean for four core categories of household appliances: beverage products, food preparation products, garment care products and cooking products. We have licensed the Black and Decker brand since 1998 for use in marketing various household small appliances. In July 2014, Spectrum Brands and The Black and Decker Corporation (BDC) extended the trademark license agreement through December 2018. Under the agreement as extended, Spectrum Brands agreed to pay BDC royalties based on a percentage of sales, with minimum annual royalty payments of $15.0 million through calendar year 2018. The agreement also requires us to comply with maximum annual return rates for products. If BDC does not agree to renew the license agreement, we have 18 months to transition out of the brand name. No minimum royalty payments will be due during such transition period. BDC has agreed not to compete in the four core product categories for a period of five years after the end of the transition period following termination of the license agreement. Upon request, BDC may elect to extend the license to use the Black & Decker brand to certain additional product categories. BDC has approved several extensions of the license to additional categories and geographies.

Through the acquisition of the residential hardware and home improvement business (the HHI Business), we own the patented SmartKey technology, which enables customers to easily rekey their locks without hiring a locksmith.

We own a 56% interest in Shaser, Inc. Through this ownership we have patented technology that is used in our i-Light and i-Light Reveal product line.

Competition

In our retail markets, we compete for limited shelf space and consumer acceptance. Factors influencing product sales include brand name recognition, perceived quality, price, performance, product packaging, design innovation, and consumer confidence and preferences as well as creative marketing, promotion and distribution strategies.

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The following factors contribute to our ability to succeed in these highly competitive product categories:

Strong Diversified Global Brand Portfolio. We have a global portfolio of well-recognized consumer product brands. We believe that the strength of our brands positions us to extend our product lines and provide our retail customers with strong sell-through to consumers.

Strong Global Retail Relationships. We have well-established business relationships with many of the top global retailers, distributors and wholesalers, which have assisted us in our efforts to expand our overall market penetration and promote sales.

Expansive Distribution Network. We distribute our products in approximately 160 countries through a variety of trade channels, including retailers, wholesalers and distributors, hearing aid professionals, construction companies and Original Equipment Manufacturers.

Innovative New Products, Packaging and Technologies. We have a long history of product and packaging innovations in each of our seven product categories and continually seek to introduce new products both as extensions of existing product lines and as new product categories.

Experienced Management Team. Our management team has substantial consumer products experience. On average, each senior management team member has more than 20 years of experience at Spectrum Brands, VARTA, Remington, Russell Hobbs or other branded consumer product companies such as Newell Rubbermaid.

Global Batteries & Appliances

The consumer battery product category consists of non-rechargeable alkaline or zinc carbon batteries in cell sizes of AA, AAA, C, D and 9-volt, specialty batteries, which include rechargeable batteries, hearing aid batteries, photo batteries and watch/calculator batteries; and portable lighting products. The battery product category is highly competitive. Most consumer batteries manufactured throughout the world are sold by one of four global companies: Spectrum Brands (manufacturer/seller of Rayovac and VARTA brands); Energizer Holdings, Inc. (Energizer) (manufacturer/seller of the Energizer brand); The Procter & Gamble Company (Procter & Gamble) (manufacturer/seller of the Duracell brand); and Matsushita (manufacturer/seller of the Panasonic brand). We also face competition from the private label brands of major retailers, particularly in Europe. The offering of private-label batteries by retailers may create pricing pressure in the consumer battery market. Typically, private-label brands are not supported by advertising or promotion, and retailers sell these private label offerings at prices below competing name-brands. The main barriers to entry for new competitors are investment in technology research, cost of building manufacturing capacity and the expense of building retail distribution channels and consumer brands.

The majority of consumers in North America and Europe purchase alkaline batteries. The Latin America market consists primarily of zinc carbon batteries but is gradually converting to higher-priced alkaline batteries as household disposable income grows. In the U.S. alkaline battery category, the Rayovac brand is positioned as a value brand, which is typically defined as a product that offers comparable performance at a lower price. In Europe, the VARTA brand is competitively priced with other premium brands. In Latin America, where zinc carbon batteries outsell alkaline batteries, the Rayovac brand is competitively priced.

We believe that we are the largest worldwide marketer of hearing aid batteries and that we continue to maintain a leading global market position. We believe that our close relationship with hearing aid manufacturers and other customers, as well as our product performance improvements and packaging innovations, position us for continued success in this category.

Products in our small appliances category consist of small electrical appliances primarily in the kitchen and home product categories. Primary competitive brands in the small appliance category include Hamilton Beach, Proctor Silex, Sunbeam, Mr. Coffee, Oster, General Electric, Rowenta, DeLonghi, Kitchen Aid, Cuisinart, Krups, Braun, Rival, Europro, Kenwood, Philips, Morphy Richards, Breville and Tefal. The key competitors in this market

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in the U.S. and Canada include Jarden Corporation, DeLonghi America, Euro-Pro Operating LLC, Metro Thebe, Inc., d/b/a HWI Breville, NACCO Industries, Inc. (Hamilton Beach) and SEB S.A. In addition, we compete with retailers who use their own private label brands for household appliances (for example, Wal-Mart).

We also operate in the personal care product category, consisting of electric shavers and accessories, electric grooming products and hair care appliances and accessories. Electric shavers include men s and women s shavers (both rotary and foil design) and electric shaver accessories consisting of shaver replacement parts (primarily foils and cutters), pre-shave products and cleaning agents. Electric shavers are marketed primarily under our Remington brand. Electric grooming products include beard and mustache trimmers, nose and ear trimmers, body groomers and haircut kits and related accessories. Hair care appliances include hair dryers, straightening irons, styling irons and hair-setters. Europe and North America account for the majority of our worldwide personal care product category sales.

Our primary competitors in the personal products category are Norelco, a division of Koninklijke Philips Electronics NV (Philips), which sells and markets rotary shavers, and Braun, a division of Procter & Gamble, which sells and markets foil shavers. Through our Remington brand, we sell both foil and rotary shavers. Other major competitors in the electric personal care product category are Conair Corporation, Wahl Clipper Corporation and Helen of Troy Limited (Helen of Troy).

Global Pet Supplies

Our global pet supplies segment comprises aquatics equipment (aquariums, filters, pumps, etc.), aquatics consumables (fish food, water treatments and conditioners, etc.) and specialty pet products for dogs, cats, birds and other small domestic animals. The pet supplies product category is highly fragmented with over 500 manufacturers in the U.S. alone, with no competitor holding a market share greater than twenty percent and consists primarily of small companies with limited product lines. We believe that our brand positioning, including the leading global aquatics brand in Tetra, our diverse array of innovative and attractive products and our strong retail relationships and global infrastructure will allow us to remain competitive in this fast growing industry.

Our largest competitors in this category are Mars Corporation (Mars), The Hartz Mountain Corporation (Hartz) and Central Garden & Pet Company (Central Garden & Pet). Both Hartz and Central Garden & Pet sell a comprehensive line of pet supplies and compete with a majority of the products we offer. Mars sells primarily aquatics products.

Home and Garden

Products in our home and garden segment are sold primarily in the U.S. market under the major brand names Spectracide, Hot Shot, Cutter, Repel, Black Flag, Garden Safe and Liquid Fence. We manufacture and market outdoor and indoor insect control products, rodenticides, herbicides, insect repellents and lawn maintenance products. In addition, we produce and market several private-label brands for many major retailers. Our marketing position is primarily that of a value brand, enhanced and supported by innovative products of outstanding quality and appealing packaging that is designed to drive sales at the point of purchase. Our commitment to quality and value has earned the trust of consumers and the confidence of retailers, who count on us to deliver the fast-selling products, merchandising solutions and quality service they require.

Products we sell in the home and garden category face competition from The Scotts Miracle-Gro Company (Scotts Company), which markets lawn and garden products under the Scotts, Ortho, Roundup, Miracle-Gro, and Tomcat brand names; Central Garden & Pet, which markets garden products under the AMDRO and Sevin brand names; and Bayer A.G., which markets home and garden products under the Bayer Advanced brand name.

Products we sell in the household insect control product category face competition from S.C. Johnson & Son, Inc. (S.C. Johnson), which markets insecticide and repellent products under the Raid and OFF! brands; Scotts Company, which markets household insect control products under the Ortho brand; and Henkel KGaA, which markets insect control products under the Combat brand.

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Hardware & Home Improvement

The Hardware & Home Improvement segment has developed a market-leading franchise with leading brands, making it a desired manufacturer among top home builders and major retailers. Hardware & Home Improvement is acclaimed as a market leader in the U.S. and Canadian lockset business. Competition within the industry varies based on location as well as product segment.

The main source of competition for residential locksets includes other third party manufacturers such as Schlage, a division of Allegion, and private label import brands such as Defiant and Gatehouse. Major competitors for hardware include The Hillman Group, Hampton Hardware, Crown Bolt and private label competitors. In plumbing, Pfister s major U.S. competitors are Masco, Fortune Brands, Kohler, and American Standard, as well as Glacier Bay and AquaSource, and the private label brands of The Home Depot and Lowe s.

Global Auto Care

During the year ended September 30, 2015, we entered the Global Auto Care segment with our acquisition of AAG, which consists of Armor All and STP products, two of the most recognizable brands in the automotive aftermarket appearance products and performance chemicals categories, respectively, and the AC/PRO brand of do-it-yourself automotive air conditioner recharge products.

Products we sell in the auto care product category compete with other widely advertised brands and with private label brands, including Valvoline, Prestone, Turtle Wax, Black Magic and private label brands. We also encounter competition from similar and alternative products, many of which are produced and marketed by major multinational or national companies, including Mothers, Meguiars, Lucas, and Sea Foam.

Some of our major competitors have greater resources and greater overall market share than we do. They have committed significant resources to protect their market shares or to capture market share from us and may continue to do so in the future. In some key product lines, our competitors may have lower production costs and higher profit margins than we do, which may enable them to compete more aggressively in advertising and in offering retail discounts and other promotional incentives to retailers, distributors, wholesalers and, ultimately, consumers.

Seasonality

On a consolidated basis our financial results are approximately equally weighted among our quarters, however, sales of certain product categories tend to be seasonal. Sales in the consumer battery and electric personal care product categories, particularly in North America, tend to be concentrated in the December holiday season (the Company s first fiscal quarter). Small appliances peak from July through December primarily due to the increased demand by customers in the late summer for back-to-school sales and in the fall for the holiday season. Sales for hardware and home improvement products increase during the spring and summer construction period (the Company s third and fourth fiscal quarters). Sales for pet supplies products remain fairly constant throughout the year. Sales for home and garden control products typically peak during the first six months of the calendar year (the Company s second and third fiscal quarters). Demand for auto care products is generally at its highest during the period from March to June (Spectrum s second and third fiscal quarters) based upon historical customer seasonal purchasing patterns and timing of promotional activities. Information about our sales by quarter as a percentage of annual sales during the years ended September 30, 2015, 2014 and 2013 is as follows:

Fiscal Quarter Ended	2015	2014	2013
First Quarter	23%	25%	21%
Second Quarter	23%	23%	24%
Third Quarter	26%	25%	27%
Fourth Quarter	28%	27%	28%

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For a more detailed discussion of the seasonality of our product sales, see Management s Discussion and Analysis of Financial Condition and Results of Operations Seasonality.

Governmental Regulations and Environmental Matters

Due to the nature of our operations, our facilities are subject to a broad range of federal, state, local and foreign legal and regulatory provisions relating to the environment, including those regulating the discharge of materials into the environment, the handling and disposal of solid and hazardous substances and wastes and the remediation of contamination associated with the releases of hazardous substances at our facilities. We believe that compliance with the federal, state, local and foreign laws and regulations to which we are subject will not have a material effect upon our capital expenditures, financial condition, earnings or competitive position.

From time to time, we have been required to address the effect of historic activities on the environmental condition of our properties. We have not conducted invasive testing at all facilities to identify all potential environmental liability risks. Given the age of our facilities and the nature of our operations, it is possible that material liabilities may arise in the future in connection with our current or former facilities. If previously unknown contamination of property underlying or in the vicinity of our manufacturing facilities is discovered, we could incur material unforeseen expenses, which could have a material adverse effect on our financial condition, capital expenditures, earnings and competitive position. Although we are currently engaged in investigative or remedial projects at some of our facilities, we do not expect that such projects, taking into account established accruals, will cause us to incur expenditures that are material to our business, financial condition or results of operations; however, it is possible that our future liability could be material.

We have been, and in the future may be, subject to proceedings related to our disposal of industrial and hazardous material at off-site disposal locations or similar disposals made by other parties for which we are held responsible as a result of our relationships with such other parties. In the U.S., these proceedings are under the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) or similar state laws that hold persons who arranged for the disposal or treatment of such substances strictly liable for costs incurred in responding to the release or threatened release of hazardous substances from such sites, regardless of fault or the lawfulness of the original disposal. Liability under CERCLA is typically joint and several, meaning that a liable party may be responsible for all costs incurred in investigating and remediating contamination at a site. As a practical matter, liability at CERCLA sites is shared by all of the viable responsible parties. We occasionally are identified by federal or state governmental agencies as being a potentially responsible party for response actions contemplated at an off-site facility. At the existing sites where we have been notified of our status as a potentially responsible party, it is either premature to determine whether our potential liability, if any, will be material or we do not believe that our liability, if any, will be material. We may be named as a potentially responsible party under CERCLA or similar state laws for other sites not currently known to us, and the costs and liabilities associated with these sites may be material.

It is difficult to quantify with certainty the potential financial impact of actions regarding expenditures for environmental matters, particularly remediation, and future capital expenditures for environmental control equipment. Nevertheless, based upon the information currently available, we believe that our ultimate liability arising from such environmental matters, taking into account established accruals of $4.4 million for estimated liabilities at September 30, 2015 should not be material to our business or financial condition.

Electronic and electrical products that we sell in Europe, particularly products sold under the Remington brand name, VARTA battery chargers, certain portable lighting and all of our batteries, are subject to regulation in European Union (EU) markets under three key EU directives. The first directive is the Restriction of the Use of Hazardous Substances in Electrical and Electronic Equipment (RoHS) which took effect in EU member states beginning July 1, 2006. RoHS prohibits companies from selling products which contain certain specified hazardous materials in EU member states. We believe that compliance with RoHS will not have a material effect on our capital expenditures, financial condition, earnings or competitive position. The second directive is entitled the Waste of Electrical and Electronic Equipment (WEEE). WEEE makes producers or importers of particular classes of electrical goods financially responsible for specified collection, recycling, treatment and disposal of past and future covered products. WEEE assigns levels of responsibility to companies doing business in EU markets based on their relative market share. WEEE calls on each EU member state to enact enabling legislation to implement the directive. To comply with WEEE requirements, we have partnered with other companies to create a comprehensive collection, treatment, disposal and recycling program. As EU member states pass enabling legislation we currently expect our compliance system to be sufficient to meet such requirements. Our current estimated costs associated with compliance with WEEE are not significant based on our current market share. However, we continue to evaluate the impact of the WEEE legislation as EU member states implement guidance and as our market share changes and, as a result, actual costs to our company could differ from our current estimates and may be material to our business, financial condition or results of operations. The third directive is the Directive on Batteries and Accumulators and Waste Batteries, which was adopted in September 2006 and went into effect in September 2008 (the Battery Directive). The Battery Directive bans heavy metals in batteries by establishing maximum quantities of those heavy metals in batteries and mandates waste management of batteries, including collection, recycling and disposal systems. The Battery Directive places the costs of such waste management systems on producers and importers of batteries. The Battery Directive calls on each EU member state to enact enabling legislation to implement the directive. We currently believe that compliance with the Battery Directive will not have a material effect on our capital expenditures, financial condition, earnings or competitive position. However, until such time as the EU member states adopt enabling legislation, a full evaluation of these costs cannot be completed. We will continue to evaluate the impact of the Battery Directive and its enabling legislation as EU member states implement guidance.

Certain of our products and facilities in each of our business segments are regulated by the United States Environmental Protection Agency (the EPA) and the United States Food and Drug Administration (the FDA) or other federal consumer protection and product safety agencies and are subject to the regulations such agencies enforce, as well as by similar state, foreign and multinational agencies and regulations. For example, in the U.S., all products containing pesticides must be registered with the EPA and, in many cases, similar state and foreign agencies before they can be manufactured or sold. Our inability to obtain or the cancellation of any registration could have an adverse effect on our business, financial condition and results of operations. The severity of the effect would depend on which products were involved, whether another product could be substituted and whether our competitors were similarly affected. We attempt to anticipate regulatory developments and maintain registrations of, and access to, substitute chemicals and other ingredients. We may not always be able to avoid or minimize these risks.

The Food Quality Protection Act (FQPA) established a standard for food-use pesticides, which is that a reasonable certainty of no harm will result from the cumulative effect of pesticide exposures. Under the FQPA, the EPA is evaluating the cumulative effects from dietary and non-dietary exposures to pesticides. The pesticides in certain of our products continue to be evaluated by the EPA as part of this program. It is possible that the EPA or a third party active ingredient registrant may decide that a pesticide we use in our products will be limited or made unavailable to us. We cannot predict the outcome or the severity of the effect of the EPA s continuing evaluations of active ingredients used in our products.

Certain of our products and packaging materials are subject to regulations administered by the FDA. Among other things, the FDA enforces statutory prohibitions against misbranded and adulterated products, establishes ingredients and manufacturing procedures for certain products, establishes standards of identity for certain products, determines the safety of products and establishes labeling standards and requirements. In addition, various states regulate these products by enforcing federal and state standards of identity for selected products, grading products, inspecting production facilities and imposing their own labeling requirements.

Employees

We had approximately 15,500 full-time employees worldwide as of September 30, 2015. Approximately 16% of our total labor force is covered by collective bargaining agreements. There are 4 collective bargaining

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agreements that will expire during our fiscal year ending September 30, 2016, which cover approximately 60% of the labor force under collective bargaining agreements, or approximately 10% of our total labor force. We believe that our overall relationship with our employees is good.

Properties

The following table lists our principal owned or leased manufacturing, packaging and distribution facilities at September 30, 2015:

Global Batteries and Appliances

Location	Function / Use	Owned / Leased
U.S. Locations		
Fennimore, Wisconsin	Battery Manufacturing	Owned
Portage, Wisconsin	Battery Manufacturing	Owned
Dixon, Illinois	Distribution	Leased
Redlands, California	Distribution	Leased
Non-U.S. Locations		
Dischingen, Germany	Battery Manufacturing	Leased
Washington, UK	Battery Manufacturing	Leased
Guatemala City, Guatemala	Battery Manufacturing	Owned
Jaboatao, Brazil	Battery Manufacturing	Owned
Ellwangen-Neunheim, Germany	Distribution	Leased
Manchester, England	Distribution	Owned
Wolverhampton, England	Distribution	Owned

Home & Hardware Improvement

Location	Function / Use	Owned / Leased
U.S. Locations		
Charlotte, North Carolina	Manufacturing & Distribution	Leased
Denison, Texas	Manufacturing & Distribution	Owned
Mira Loma, California	Distribution	Leased
Houston, Texas	Manufacturing & Distribution	Leased
Lititz, Pennsylvania	Manufacturing & Distribution	Leased
Elkhart, Indiana	Distribution	Leased
Birmingham, Alabama	Distribution	Leased
Dallas, Texas	Distribution	Leased
Non-U.S. Locations		
Brockville, Canada	Distribution	Leased
Cobourg, Canada	Distribution	Owned
Mexicali, Mexico	Manufacturing	Leased
Nogales, Mexico	Manufacturing	Leased
Shenzhen, China	Distribution	Leased
Chia-Yi, Taiwan	Manufacturing	Leased

Subic Bay, Philippines	Manufacturing	Owned
Xiamen, China	Manufacturing	Leased
Xiolan, China	Manufacturing	Leased

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Pet Supplies

Location	Function / Use	Owned / Leased
U.S. Locations		
Noblesville, Indiana	Manufacturing	Owned
Bridgeton, Missouri	Manufacturing	Leased
Blacksburg, Virginia	Manufacturing	Owned
Edwardsville, Illinois	Distribution	Leased
Daleville, Virginia	Distribution	Leased
Non-U.S. Locations		
Melle, Germany	Manufacturing	Owned
Melle, Germany	Distribution	Leased
Phnom Penh, Cambodia	Manufacturing	Leased
Coevorden, Netherlands	Manufacturing	Owned
Bogota, Colombia	Manufacturing	Leased
Leon, Mexico	Manufacturing	Leased
Ambato, Ecuador	Manufacturing	Leased

Home & Garden

Location	Function / Use	Owned / Leased
U.S. Locations		
St. Louis, Missouri	Manufacturing	Leased
Edwardsville, Illinois	Distribution	Leased

Global Auto Care

Location	Function / Use	Owned / Leased
U.S. Locations		
Garland, Texas	Manufacturing & Distribution	Leased
Mentor, Ohio	Manufacturing & Distribution	Leased
Painesville, Ohio	Manufacturing & Distribution	Owned
Non-U.S. Locations		
Ebbw Vale, Gwent, Wales	Manufacturing & Distribution	Leased
Brentford, Middlesex, England	Distribution	Leased
Tonbridge, Kent, England	Distribution	Leased

We also own, operate or contract with third parties to operate distribution centers, sales offices and administrative offices throughout the world in support of our business. We lease our administrative headquarters and primary research and development facility located in Middleton, Wisconsin. We believe that our existing facilities are suitable and adequate for our present purposes and that the productive capacity in such facilities is substantially being utilized or we have plans to utilize it.

Legal Proceedings

Litigation

We are a defendant in various matters of litigation generally arising out of the ordinary course of business.

We do not believe that any matters or proceedings presently pending will have a material adverse effect on our results of operations, financial condition, liquidity or cash flows.

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Environmental

We have provided for the estimated costs associated with environmental remediation activities at some of our current and former manufacturing sites. We believe that any additional liability that may result from the resolution of these matters in excess of the amounts provided of approximately $4.4 million will not have a material adverse effect on our financial condition, results of operations or cash flows.

We are subject to various federal, state and local environmental laws and regulations. We believe we are in substantial compliance with all such environmental laws that are applicable to our operations. See also the discussion captioned Governmental Regulations and Environmental Matters.

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MANAGEMENT

Executive Officers and Directors

The Board of Directors of Spectrum Brands consists of Nathan Fagre and John Beattie. Mr. Fagre has served as one of Spectrum Brands directors since April 2012. Mr. Fagre has also served as Spectrum Brands Senior Vice President, General Counsel and Secretary since May 2012, and Spectrum Brands Vice President, General Counsel and Secretary since January 2011. Mr. Beattie has served as one of Spectrum Brands directors since April 2012. Mr. Beattie has also served as Spectrum Brands Vice President and Treasurer since 2004 and as Division Vice President and Treasurer since 2000. Neither Mr. Fagre nor Mr. Beattie is independent.

In addition to the directors named above, Spectrum Brands executive officers consist of the following persons:

Name	Position
Andreas Rouvé	Chief Executive Officer and President
Nathan E. Fagre	Senior Vice President, General Counsel and Secretary
Douglas L. Martin	Executive Vice President and Chief Financial Officer

Andreas Rouvé (age 54) was appointed as Spectrum Brands, Chief Executive Officer, effective April 1, 2015, and he previously held the position of Chief Operating Officer, effective February 2014, until his appointment to Chief Executive Officer. Mr. Rouvé previously held the position of President of Spectrum Brands international activities beginning in January 2013. Previously, commencing in 2007, he served as Senior Vice President and Managing Director of Spectrum Brands European Battery and Personal Care business and subsequently led the integration of the Home Appliances and Pet Supplies European businesses in 2010-2011. Mr. Rouvé joined Spectrum Brands in 2002 as Chief Financial Officer of the European Battery division. Prior to that, he worked 13 years with VARTA AG in a variety of management positions, including Chief Financial Officer of VARTA Portable Batteries from 1999 to 2002, Managing Director Asia from 1997 to 1999, and Director of Finance of 3C Alliance L.L.P., a U.S. joint venture of VARTA, Duracell, and Toshiba, from 1995 to 1997. Mr. Rouvé holds a Master s of Business Administration (Diplom-Kaufmann) from the University of Mannheim (Germany) and a Doctor of Economics and Social Science (Dr. rer. soc. oec.) from the University of Linz (Austria).

John Beattie (age 61) has served as Spectrum Brands Vice President and Treasurer since 2004 and as Division Vice President and Treasurer since 2000. Mr. Beattie joined us in 1980 and has held numerous other positions with us. Mr. Beattie started his career at the Coca-Cola Bottling Company of Mid-America. Mr. Beattie holds a Bachelor of Arts degree in political science, a Bachelor of Business Administration degree in accounting and a Master of Business Administration degree in finance from the University of Wisconsin. Mr. Beattie s experience with the operations of Spectrum Brands has led us to conclude that he should be a member of the board of directors of Spectrum Brands.

Nathan Fagre (age 60) was appointed Spectrum Brands Vice President, General Counsel and Secretary in January 2011, and was promoted to Senior Vice President, General Counsel and Secretary in May 2012. He previously had served as Senior Vice President, General Counsel and Secretary for ValueVision Media, Inc. from May 2000 until January 2011. Prior to that time, he had served as Senior Vice President, General Counsel and Secretary for the exploration and production division of Occidental Petroleum Corporation, from May 1995 until April 2000. Before joining Occidental Petroleum Corporation, Mr. Fagre had been in private law practice with Sullivan & Cromwell, LLP and Gibson, Dunn & Crutcher, LLP. Mr. Fagre graduated with a bachelor s degree from Harvard College in 1977, received a master of philosophy (M.Phil.) degree in international relations from Oxford University in 1979, and received a J.D. from Harvard Law School in 1982. Mr. Fagre served as chairman of the Electronic Retailing

Association from 2008-2009 after becoming a director of the association in 2004. Mr. Fagre currently serves as a member of the board of directors of the Greater Madison Chamber of Commerce since 2012, and as a director of Shaser, Inc., a medical device company, since 2013. Mr. Fagre s experience with the operations of Spectrum Brands has led us to conclude that he should be a member of the board of directors of Spectrum Brands.

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Douglas Martin (age 53) was appointed Spectrum Brands Executive Vice President and Chief Financial Officer in September 2014. Prior to joining us, Mr. Martin served from September 2012 to August 2014 as Executive Vice President and Chief Financial Officer of Newell Rubbermaid Inc., a global marketer of consumer and commercial products, including writing, home solutions, tools, commercial products, and baby & parenting brands. Mr. Martin was employed by Newell Rubbermaid Inc. since 1987, serving in a variety of senior financial roles, including Deputy Chief Financial Officer from February 2012 to September 2012, Vice President of Finance Newell Consumer from November 2011 to February 2012, Vice President of Finance Office Products from December 2007 to November 2011, and Vice President and Treasurer from June 2002 to December 2007. Mr. Martin began his career with KPMG LLP, holds a bachelor s degree in accounting from Rockford College, Illinois, and is a Certified Public Accountant.

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EXECUTIVE COMPENSATION

General

Our compensation programs are administered by the Compensation Committee of SB Holdings. Solely for the purposes of this section, unless otherwise indicated, references to the Compensation Committee refer to such committee and references to the Company refer to SB Holdings and we and us and our refer to SB Holdings and its consolidated subsidiaries.

Our compensation programs are designed to attract and retain highly qualified executives, to align the compensation paid to executives with the business strategies of our Company, and to align the interests of our executives with the interests of our stockholders. These programs are based on our pay-for-performance philosophy in which variable compensation represents a majority of an executive s potential compensation.

In terms of our Fiscal 2015 performance, we nearly achieved our Company-wide adjusted EBITDA target as determined for our performance plans and slightly over-achieved our Company-wide adjusted free cash flow target as determined for our performance plans. Management maintained its disciplined focus on cost controls during the year, while working to integrate four acquisitions, invest for future growth, and overcome significant negative foreign exchange trends.

Compensation decisions for the named executive officers (NEOs) in Fiscal 2015 continued our philosophy of pay-for-performance and our focus on the corporate goals of increased growth, free cash flow generation, and building for superior long-term shareholder returns. During the year, our former chief executive officer departed our Company and the Compensation Committee negotiated a new employment agreement and compensation terms with Andreas Rouvé, who was internally promoted from his previous position as Chief Operating Officer. The Compensation Committee s compensation philosophy guided the compensation arrangements for Mr. Rouvé, with a strong weighting of total compensation on performance-based incentives. During the time periods of Fiscal 2014 and Fiscal 2015, the overall levels of executive compensation have been reduced from previous levels.

For Fiscal 2015, the Compensation Committee established the following incentive programs for the named executive officers and other officers and key employees:

- An annual cash incentive bonus plan, tied to Board-approved adjusted EBITDA and free cash flow targets;
- An annual equity incentive plan, tied to the same Board-approved targets for adjusted EBITDA and free cash flow; and
- The Spectrum $2B Plan, a two-year superior achievement incentive program for Fiscal 2015 and 2016, designed to provide incentives for the NEOs and key members of management to achieve stretch goals over the two years in the areas of adjusted EBITDA, adjusted free cash flow and adjusted earnings per share.

In establishing our compensation programs, our Compensation Committee obtains the advice of its independent compensation consultant, Lyons, Benenson & Company Inc. (LB & Co.), and evaluates the Company s programs with reference to a peer group of 15 companies, as specified in the section titled *Role of Committee-Retained Consultants*.

At our 2014 Annual Meeting of Stockholders (the 2014 Annual Meeting), our stockholders approved, on an advisory basis, the compensation of the Company s named executive officers as disclosed in the Executive Compensation tables, and related narrative disclosure in the proxy statement for the 2014 Annual Meeting. Our compensation practices as discussed herein are materially consistent with those discussed in the proxy statement for the 2014 Annual Meeting. Additionally, at our 2011 Annual Meeting of Stockholders, our stockholders held a

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separate vote, on an advisory basis, relating to the frequency of the advisory vote on the compensation of the Company s named executive officers, pursuant to which our stockholders indicated their preference that such vote be held every three years, which was the frequency recommended by the Board of Directors. The next stockholder advisory vote on executive compensation, as well as the next advisory vote relating to the frequency of the advisory vote on executive compensation, will be held at the Company s 2017 Annual Meeting of Stockholders.

Our Named Executive Officers

The Company s named executive officers during Fiscal 2015 consisted of the following persons:

Named Executive Officer	Position
Andreas Rouvé	Chief Executive Officer and President
Douglas L. Martin	Executive Vice President and Chief Financial Officer
Nathan E. Fagre	Senior Vice President, General Counsel and Secretary
Stacey L. Neu	Senior Vice President of Human Resources
David R. Lumley	Former Chief Executive Officer and President
Anthony L. Genito	Former Executive Vice President and Chief Accounting Officer

During Fiscal 2015, two of the named executive officers, Mr. Lumley and Mr. Genito, left the Company but because of their positions and overall compensation levels, they remained as named executive officers for the year.

Our Compensation Committee

The Compensation Committee is responsible for developing, adopting, reviewing, and maintaining the Company s executive compensation programs in order to ensure that they continue to benefit the Company.

Background on Compensation Considerations

The Company pursues several objectives in determining its executive compensation programs. It seeks to attract and retain highly qualified executives and ensure continuity of senior management for the Company as a whole and for each of the Company s business segments, to the extent consistent with the overall objectives and circumstances of the Company. It seeks to align the compensation paid to our executives with the overall business strategies of the Company while leaving the flexibility necessary to respond to changing business priorities and circumstances. It also seeks to align the interests of our executives with those of our stockholders and seeks to reward our executives when they perform in a manner that creates value for our stockholders. In order to carry out this function, the Compensation Committee:

- Considers the advice of the independent compensation consultant engaged to advise on executive compensation issues and program design, including advising on the Company s compensation program as it compares to similar companies;

- Reviews compensation summaries for each named executive officer at least once a year, including the compensation and benefit values offered to each executive, accumulated value of equity and other past compensation awards, and other contributors to compensation;

Consults with our Chief Executive Officer and other management personnel and Company consultants, including our Senior Vice President of Human Resources, in regards to compensation matters and periodically meets in executive session without management to evaluate management s input; and

Solicits comments and concurrence from other board members regarding its recommendations and actions at the Company s regularly scheduled board meetings.

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Philosophy on Performance Based Compensation

The Compensation Committee has designed the Company s executive compensation programs so that, at target levels of performance, a significant portion of the value of each executive s annual compensation (consisting of salary and incentive awards) is based on the Company s achievement of performance objectives set by the Compensation Committee. We believe that a combination of annual fixed base pay and incentive performance-based pay provides our named executive officers with an appropriate mix of current cash compensation and performance compensation. However, in applying these compensation programs to both individual and Company circumstances, the percentage of annual compensation based on the Company s achievement of performance objectives set by the Compensation Committee varies by individual, and the Compensation Committee is free to design compensation programs that provide for target-level performance-based compensation to be an amount greater than, equal to, or less than 50% of total annual compensation. For example, for Fiscal 2016, the percentage of annual compensation based on the Company s achievement of performance objectives (set by the Compensation Committee) for the named executive officers is expected to range from 83% to 90%. In addition, to highlight the alignment of the incentive plans with stockholder interests, all of the Company s equity-based incentive programs are completely performance-based plans.

The remainder of each executive s compensation is made up of amounts that do not vary based on performance. For all named executive officers, these non-performance based amounts are set forth in such executive s employment agreement or written terms of employment, as described below, subject to annual review and potential increase by the Compensation Committee. These amounts are determined by the Compensation Committee taking into account current market conditions, the Company s financial condition at the time such compensation levels are determined, compensation levels for similarly situated executives with other companies, experience level, and the duties and responsibilities of such executive s position.

A component of incentive compensation also consists of multi-year programs. We believe that awards that have multi-year performance periods and that vest over time enhance the stability of our senior management team and provide greater incentives for our named executive officers to remain at the Company.

Role of Committee-Retained Consultants

In Fiscal 2015, our Compensation Committee retained an outside consultant, LB & Co., to assist us in formulating and evaluating executive and director compensation programs. During the past year, the Compensation Committee, directly or through our Senior Vice President of Human Resources, periodically requested LB & Co. to:

- Provide comparative market data for our peer group, and other groups on request, with respect to compensation matters;
- Analyze our compensation and benefit programs relative to our peer group;
- Advise the Compensation Committee on compensation matters and management proposals with respect to compensation matters;
- Assist in the preparation of this report and the compensation tables provided herewith; and

On request, participate in meetings of the Compensation Committee.

In order to encourage an independent view point, the Compensation Committee and its members had access to LB & Co. at any time without management present and have consulted from time to time with LB & Co. without management present.

LB & Co., with input from management and the Compensation Committee, developed a peer group of companies based on a variety of criteria, including type of business, revenue, assets and market capitalization. The composition of this peer group is reviewed annually by the Compensation Committee and the compensation consultant and, if appropriate, revised, based on changes in business orientation of peer group companies, changes in financial size or performance of the Company and the peer group companies, and merger, acquisition, spin-off or bankruptcy of companies in the peer group. At the end of Fiscal 2015, the peer group utilized consisted of 15 companies, comprised of Central Garden & Pet Company, Church & Dwight Co., Inc., The Clorox Company, Edgewell Personal Care Company, Energizer Holdings, Inc. (Energizer), Fortune Brands Home & Security, Inc., Hanesbrands Inc., Hasbro, Inc., Jarden Corporation, Mattel, Inc., Newell Rubbermaid Inc., Nu Skin Enterprises, Inc., The Scotts Miracle-Gro Company, Stanley Black & Decker, Inc., and Tupperware Brands Corporation. During 2015, the peer group was revised to delete Exide Technologies because it is no longer a public company. Additionally, the peer group was revised to add Edgewell Personal Care Company (Edgewell) because of its personal care products industry focus, comparable annual revenues to the Company, and comparable market capitalization to the Company. Edgewell was formerly part of Energizer and is one of the two resulting entities from the spin-off of the personal care products business from the batteries business of Energizer into two separate, publicly traded companies in July 2015; the resulting entities from the spin-off are Edgewell and Energizer. Energizer is remaining in the peer group for 2015 because of its continuing focus on the batteries and lighting business. While the Compensation Committee does not target a particular range for total compensation as compared to our peer group, it does take this information into account when establishing compensation programs.

No fees were paid to LB & Co. for services other than executive and director compensation consulting during Fiscal 2015. In accordance with SEC rules, our Compensation Committee considered the independence of LB & Co., including an assessment of the following factors: (i) other services provided to the Company by the consultant; (ii) fees paid as a percentage of the consulting firm s total revenue; (iii) policies or procedures maintained by the consulting firm that are designed to prevent a conflict of interest; (iv) any business or personal relationships between the individual consultants involved in the engagement and any member of our Compensation Committee; (v) any Company stock owned by individual consultants involved in the engagement; and (vi) any business or personal relationships between our executive officers and the consulting firm or the individual consultants involved in the engagement. Our Compensation Committee has concluded that no conflict of interest exists that prevented LB & Co. from independently representing our Compensation Committee during Fiscal 2015.

Use of Employment Agreements

Current Employment and Severance Agreements

The Compensation Committee periodically evaluates the appropriateness of entering into employment agreements or other written agreements with members of the Company s senior management to govern compensation and other aspects of the employment relationship. The Company limits the use of employment agreements and instead uses severance agreements for most executives. With respect to the named executive officers, at the direction of the Compensation Committee, the Company has entered into written employment agreements with the following executive officers who were serving at the end of Fiscal 2015: (i) an Employment Agreement dated March 16, 2015 with Mr. Rouvé (the Rouvé Employment Agreement); and (ii) an Employment Agreement dated September 1, 2014 with Mr. Martin (the Martin Employment Agreement). The Rouvé and Martin Employment Agreements are with both SBI and the Company. In addition, Mr. Rouvé continues to be a party to a Pension Agreement between VARTA Gerätebatterie GMBH and Mr. Rouvé dated May 17, 1989, including the supplement of July 1, 1999, which was assumed by the Company and governs certain pension payments Mr. Rouvé is entitled to receive. See *Termination and Change in Control Provisions Andreas Rouvé* . Finally, SBI is a party to Severance Agreements with each of Mr. Fagre and Ms. Neu dated as of November 19, 2012 and September 1, 2009, respectively, which govern severance, confidentially, non-competition, and certain other post-employment matters in connection with termination of Mr. Fagre s and Ms. Neu s respective employment. The Severance Agreement with Mr. Fagre is referred to herein as the Fagre Severance Agreement and the Severance Agreement with Ms. Neu is referred to herein as the Neu

Severance Agreement.

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Term and Renewal

The current term of the Rouvé Employment Agreement expires on April 1, 2018, and the term of the Martin Employment Agreement expires on March 1, 2016. The Rouvé Employment Agreement provides that upon the expiration of the initial term of the agreement (any subsequent renewal term), the term of the agreement will automatically be extended for successive one year renewal periods, unless either party provides the other with notice of non-renewal at least 90 days prior to the commencement of the applicable renewal term. The Martin Employment Agreement provides that upon expiration of the current term (and any subsequent renewal term), unless earlier terminated in accordance with such agreement, the agreement will automatically renew for an additional one-year period on March 1st of each year.

Early Termination of Agreements

The Rouvé and Martin Employment Agreements each permit the Company to terminate the executive s employment upon written notice in the event of cause (as defined below under the heading *Termination and Change in Control Provisions*). In the case of both Mr. Rouvé and Mr. Martin, if the behavior giving rise to cause is the executive s willful failure or refusal to perform his duties or refusal to follow the direction of the Board of Directors (and, in the case of Mr. Martin, the direction of the Chief Executive Officer), or the executive s material breach of his employment agreement or any other agreement with the Company, then Mr. Rouvé and Mr. Martin, as applicable, will have 30 days to cure such behavior following notice.

Each of the Rouvé and Martin Employment Agreements permit the Company to terminate the applicable executive s employment without cause for any reason upon 90 days prior written notice or immediately with payment of base salary in lieu of notice thereof.

The Rouvé and Martin Employment Agreements each permit the Company to terminate the executive s employment upon 30 days written notice in the event that the executive is unable to perform his duties for a period of at least six consecutive months by reason of any mental, physical, or other disability. Each agreement also terminates immediately upon the death of the executive.

Both the Rouvé and Martin Employment Agreements allows the applicable executive to voluntarily terminate his employment for any reason upon 90 days prior written notice.

The Rouvé and Martin Employment Agreements also provide that if the applicable executive resigns upon the occurrence of specified circumstances that would constitute good reason (as defined below under the heading *Termination and Change in Control Provisions*), the executive s resignation will be treated as a termination by the Company without cause and entitle the executive to the payments and benefits due with respect to a termination without cause under his respective employment agreement. In order to constitute good reason under the respective employment agreements, certain specific notice requirements and cure periods must be satisfied. In this regard, each of Mr. Rouvé and Mr. Martin would have 90 days following the occurrence of the facts or circumstances giving rise to good reason to give written notice to the Company of his intent to terminate for good reason, and the Company will have 30 days thereafter to cure such facts or circumstances.

Both the Fagre and Neu Severance Agreements permit the Company to terminate Mr. Fagre s or Ms. Neu s employment, as applicable, at any time upon written notice for any reason. However, in order for such termination by the Company to be treated as a termination for cause (as defined below under the heading *Termination and Change in Control Provisions*) as a result of Mr. Fagre s or Ms. Neu s, as applicable, (i) willful failure or refusal to perform his or her duties and responsibilities to the Company or any of its affiliates, or (ii) breach of any of the terms of his or her severance agreement or any other agreement between Mr. Fagre or Ms. Neu, on the one hand, and the Company on the other, Mr. Fagre or Ms. Neu, as applicable, must not have remedied or cured such failure, refusal, or breach within a 30-day cure period. Mr. Fagre and Ms. Neu, as applicable, may also terminate his or her respective employment with the Company at any time upon written notice.

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The amounts and benefits payable to each such executive upon the termination of such executive s employment in accordance with their employment or severance agreements, as applicable, are further described under the heading *Termination and Change in Control Provisions*.

Grants of Restricted Stock Units to Andreas Rouvé

In connection with Mr. Rouvé s appointment as the Chief Executive Officer and President of the Company and entering into the Rouvé Employment Agreement, on April 1, 2015 the Company made a one-time grant to Mr. Rouvé of 15,074 performance-based restricted stock units (RSUs) pursuant to the 2015 EIP (defined below). This grant and the issuance of the RSUs were made under the Spectrum Brands Holdings, Inc. 2011 Omnibus Equity Award Plan (the 2011 Plan). The grant was part of an overall award valued at $3,000,000 at the times the two components of the award were made in accordance with the Rouvé Employment Agreement, consisting of an RSU grant having a value of a $2,000,000 originally awarded to Mr. Rouvé on December 15, 2014 and an award of RSUs made on April 1, 2015 valued at $1,000,000. The performance goals for the award were as follows: (i) fifty percent of the award was payable if the Company achieved adjusted EBITDA of at least $760 million for Fiscal 2015; and (ii) fifty percent was payable if the Company achieved free cash flow of at least $400 million for Fiscal 2015. Each of the foregoing performance goals was determined within 74 days following the end of Fiscal 2015, and as of such date, the adjusted EBITDA goal was achieved at a 93.2% rate and the adjusted free cash flow goal was achieved at a 109.5% rate. On such date, 50% of the earned RSUs became vested, with the remaining 50% of the RSUs vesting on the first anniversary of the original vesting date if Mr. Rouvé remains employed by the Company on such first anniversary. In addition, Mr. Rouvé was awarded 1,561 RSUs as an additional award for the over-achievement of the adjusted free cash flow target for Fiscal 2015. This additional award has a performance period extending through the end of Fiscal 2016, because in order to earn the award, the adjusted EBITDA and adjusted free cash flow results for Fiscal 2016 must be greater than the applicable results for Fiscal 2015.

In addition, on April 1, 2015 the Company made a one-time grant to Mr. Rouvé of performance-based RSUs pursuant to the Spectrum $2B Plan (defined below). This grant and the issuance of the RSUs also were made under the 2011 Plan. The grant was part of an overall award denominated in dollars and valued at $3,000,000 at the times the two components of the award were made in accordance with the Rouvé Employment Agreement, consisting of a $2,000,000 grant originally awarded to Mr. Rouvé on February 2, 2015 and the award made on April 1, 2015 valued at $1,000,000. The performance goals and vesting provisions for this award are as outlined below in the section entitled Spectrum $2B Plan . As per the terms of the Spectrum $2B Plan, the award was denominated in dollars but will be payable in RSUs or shares of restricted stock based on the fair market value of the Company s shares as of the last day of the performance period.

With respect to both awards described above, if a change in control (as defined in the 2011 Plan) occurs within 24 months of April 1, 2015, than all of Mr. Rouvé s outstanding and unvested equity awards will vest in full at 100% of the target level of performance upon the earlier of (i) the first anniversary of the change in control, or (ii) the date Mr. Rouvé s employment is terminated by the Company without cause or by Mr. Rouvé for good reason.

The above-described awards made to Mr. Rouvé are reflected in the Stock Awards column in the Summary Compensation Table.

Compensation Components

For Fiscal 2015, the basic elements of our executive compensation program, as designed by the Compensation Committee, were:

Base salary;

A performance-based annual cash incentive program tied to achievement of performance goals in Fiscal 2015, referred to as our Management Incentive Plan (MIP);

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A two-year performance based equity incentive program tied to achievement of superior results by the end of Fiscal 2016 and, with respect to 50% of any award earned, continued employment through the end of Fiscal 2017, referred to as the Spectrum $2B Plan; and

A performance based equity incentive program tied to achievement of performance goals in Fiscal 2015 and, with respect to 50% of any award earned, continued employment through the end of Fiscal 2016, referred to as the Equity Incentive Plan (EIP).

In addition, based on individual circumstances, title, position, and responsibilities, each named executive officer received certain other compensation components and perquisites as described herein.

For Fiscal 2016, the basic elements of our executive compensation program, as designed by our Compensation Committee, remain consistent with those outlined above for Fiscal 2015. The Compensation Committee has established an annual MIP and EIP for Fiscal 2016, with the performance targets and potential award amounts for the named executive officers as described below. In Fiscal 2015, the Compensation Committee also established the Spectrum $2B Plan, which covers a two-year performance period from October 1, 2014 to September 30, 2016.

Base Salary

The annual base salaries for Messrs. Rouvé and Martin were initially set forth in each executive s employment agreement, subject to subsequent increases by the Compensation Committee. Mr. Fagre s base salary was initially set by the Chief Executive Officer at the time he joined the Company in January 2011. Ms. Neu s base salary was initially set by the Chief Executive Officer at the time of her appointment as the head of Human Resources. In determining the initial annual base salary for each named executive officer or in making any subsequent increases, the Compensation Committee considered current market conditions, the Company s financial condition at the time such compensation levels were determined, compensation levels for similarly situated executives at other companies, experience level, and the duties and responsibilities of such executive s position. Base salary level is subject to evaluation from time to time by the Compensation Committee to determine whether any increase is appropriate. As of the end of Fiscal 2015, the annual base salaries for the named executive officers serving at the end of Fiscal 2015 were as follows:

Named Executive	Annual Base Salary at FYE $
Andreas Rouvé	735,000*
Douglas L. Martin	550,000
Nathan E. Fagre	375,000
Stacey L. Neu	250,000

* The amount in the table above for Mr. Rouvé with respect to the portion of his Fiscal 2015 base salary payable in Euros (which was 362,600) was converted to U.S. dollars at the rate of $1.12432 per Euro, which was the published rate from the OANDA Corporation currency database as of September 30, 2015.

In October 2014, the Compensation Committee, with the assistance of LB & Co., conducted a review of the compensation of the named executive officers. As a result of this review, the annual base salaries for Mr. Martin, Mr. Fagre, and Ms. Neu did not change from their annual base salaries in effect as of the end of Fiscal 2014. Effective April 1, 2015, upon Mr. Rouvé s promotion to Chief Executive Officer and President, his annual base salary increased from $407,678 (or 362,600 when converted to Euros based on the September 30, 2015 exchange rate disclosed above) to $735,000. On November 16, 2015 the Compensation Committee approved an increase of Ms. Neu s annual base salary to a level of $275,000, effective as of November 1, 2015.

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Management Incentive Plan

General Description

Our management personnel, including our named executive officers, participate in the Company s annual performance-based cash bonus program referred to as the Management Incentive Plan (or the MIP), which is designed to compensate executives and other managers based on achievement of annual corporate, business segment, and/or divisional financial goals. Under the MIP, each participant has the opportunity to earn a threshold, target, or maximum bonus amount that is contingent upon achieving the performance goals set by the Compensation Committee and reviewed by the Board of Directors. Particular performance objectives (such as increasing adjusted EBITDA) are established prior to or during the first quarter of the relevant fiscal year and reflect the Compensation Committee s views at that time of the critical indicators of Company success in light of the Company s primary business priorities.

The specific financial targets with respect to performance goals are then set by the Compensation Committee based on the Company s annual operating plan, as approved by our Board of Directors. The annual operating plan includes performance targets for the Company as a whole as well as for each business segment. In the case of divisional managers within those business segments, divisional level performance targets have also been established.

Fiscal 2015 MIP Program

The Fiscal 2015 MIP program supported the corporate goals of increasing EBITDA growth and free cash flow generation described above under the heading *Philosophy on Performance Based Compensation.* The performance goals for Fiscal 2015 were adjusted EBITDA and Free Cash Flow (as defined below), with the performance targets for each of Messrs. Rouvé, Martin, Fagre, and Lumley and for Ms. Neu equal to those established for the Company as a whole and were not subdivided with regard to the performance of specific business segments or units. Mr. Genito did not participate in the Fiscal 2015 MIP due to his departure from the Company during Fiscal 2015.

For Fiscal 2015, adjusted EBITDA was defined as earnings (defined as operating income (loss) of the Company plus other income less other expenses) before interest, taxes, depreciation, and amortization and excluding restructuring, acquisition, and integration charges, and other one-time charges. The result of the formula in the preceding sentence was then adjusted so as to negate the effects of acquisitions or dispositions; however, the Compensation Committee had the discretion to determine to include EBITDA from Board-approved acquisitions during the performance period on a case-by-case basis. Free Cash Flow meant adjusted EBITDA plus or minus changes in current and long term assets and liabilities, less cash payments for taxes, restructuring and interest, but excluding proceeds from acquisitions or dispositions. Any reductions in Free Cash Flow resulting from transaction costs or financing fees incurred in connection with any acquisition or refinancing approved by the Board of Directors (in each case during the performance period) was added back to Free Cash Flow.

The target Fiscal 2015 MIP award levels achievable at target for each participating named executive officer were as follows:

Named Executive	MIP Target as % of Annual Base
Andreas Rouvé(1)	75%
Andreas Rouvé(2)	115%
Douglas L. Martin	90%

Nathan E. Fagre	60%
Stacey L. Neu	60%
David R. Lumley	115%

(1) Applicable with respect to Mr. Rouvé s base salary level from October 1, 2014 through March 31, 2015 when he held the position of Chief Operating Officer.

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(2) Applicable with respect to Mr. Rouvé s base salary level from April 1, 2015 through September 30, 2015 in his position as Chief Executive Officer and President.

The Fiscal 2015 MIP plan design had a minimum financial threshold for each of adjusted EBITDA and Free Cash Flow, below which no payout would be earned with respect to that objective. The achievement of the goals of adjusted EBITDA and Free Cash Flow were determined and earned independently of one another. The named executive officer must have been an active employee of the Company on the payout date in order to receive any earned awards. In addition, the Compensation Committee provided the Chief Executive Officer with the discretionary authority to issue up to a total of $10 million in equity awards to designated participants in lieu of any cash bonuses earned under the Fiscal 2015 MIP. The table below reflects for each named executive officer the percentage of his or her target award achievable pursuant to the performance goals, the performance required to achieve the threshold, target, and maximum payouts based on those performance goals, and the actual 2015 payout achieved.

			Performance Required to Achieve Bonus % Indicated ($ in millions)			
NEO	**Performance Metric**	**Weight (% of Target Bonus)**	**Threshold (50%)**	**Target (100%)**	**Maximum (200%*)**	**Calculated 2015 Payout Factor (% of Target Bonus)**
Andreas Rouvé	Consolidated Adjusted EBITDA	50%	$724.2	$760.0	$798.0	46.60
Douglas L. Martin						
Nathan E. Fagre	Consolidated Free Cash Flow	50%	$360.0	$400.0	$436.0	59.13
David R. Lumley						
Stacey L. Neu						

* 250% for Mr. Rouvé and Mr. Lumley

Fiscal 2016 MIP Program

The Fiscal 2016 MIP program continues to follow the plan design from previous years, with the same corporate goals of increasing adjusted EBITDA growth and Free Cash Flow generation. The Committee changed the weighting of the adjusted EBITDA and Free Cash Flow performance measures for Fiscal 2016, with adjusted EBITDA having a weighting of 75% and Free Cash Flow having a weighting of 25%. The primary purpose of this change is to provide more incentives for individual business unit success, since for the management of the business units the adjusted EBITDA measure is based on that particular business unit s performance, while the Free Cash Flow measure is based on Company-wide performance. The performance targets for each of the named executive officers will equal those established for the Company as a whole and will not be subdivided with regard to the performance of specific business segments or units. The definitions of adjusted EBITDA and Free Cash Flow are generally the same as described above for the Fiscal 2015 MIP, with the exception that for the Fiscal 2016 MIP the financial results of the Global Auto Care segment (resulting from the acquisition of Armored AutoGroup in May of Fiscal 2015) will be included with the results of the Company operations.

The Fiscal 2016 MIP award levels achievable at target for the continuing named executive officers are as follows (Mr. Lumley is not participating in the Fiscal 2016 MIP due to his departure from the Company):

Named Executive	**MIP Target as % of Annual Base**
Andreas Rouvé	115%
Douglas L. Martin	90%
Nathan E. Fagre	60%
Stacey L. Neu	60%

The Fiscal 2016 MIP plan design has a minimum financial threshold for each of adjusted EBITDA and Free Cash Flow, below which there will be no payout with respect to that objective. The achievement of the goals of

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adjusted EBITDA and Free Cash Flow are determined and earned independently of one another. The named executive officer must be an active employee of the Company on the payout date in order to receive any earned awards. In addition, in the discretion of the Chief Executive Officer, the Company may issue up to a total of $10 million in equity awards to designated participants in lieu of any cash bonuses earned under the Fiscal 2016 MIP. Acquisitions by the Company may be included in the adjusted EBITDA calculations subject to approval by the board of directors. The table below reflects for each named executive officer the percentage of his or her target award achievable pursuant to the performance goals applicable to his or her award, and the performance required to achieve the threshold, target, and maximum payouts based on those performance goals.

			Performance Required to Achieve Bonus % Indicated ($ in millions)		
NEO	**Performance Metric**	**Weight (% of Target Bonus)**	**Threshold (50%)**	**Target (100%)**	**Maximum (200%)**
Andreas Rouvé	Consolidated Adjusted EBITDA	75%	$ 897.10	$ 935.00	$ 981.75
Douglas L. Martin					
Nathan E. Fagre	Consolidated Free Cash Flow	25%	$ 453.60	$ 510.00	$ 552.50
Stacey L. Neu					

Spectrum $2B Plan

During 2015, the Compensation Committee, in consultation with members of management, its independent compensation consultant, and outside counsel for the Compensation Committee, designed a two-year superior achievement incentive compensation program for the Company s named executive officers and other members of the Company s management team and key employees. The program, which is a successor to the Company s earlier Spectrum 750 Plan, is referred to as the Spectrum $2B Plan or Spectrum $2B, because the program reflects a strategy to achieve an additional $2 billion of value creation (as measured by stock market capitalization of the Company) by the end of Fiscal 2016. The purpose of the Spectrum $2B Plan is to incentivize senior management to drive the Company s performance in excess of key financial performance metrics over a two-year performance period consisting of Fiscal 2015 and Fiscal 2016. Awards under the Spectrum $2B Plan are granted pursuant to the Company s 2011 Plan.

The Spectrum $2B Plan has the following key performance targets: (1) achieving adjusted EBITDA of at least $800 million in Fiscal 2016; (2) achieving cumulative free cash flow during Fiscal 2015 and 2016 of at least $800 million; and (3) achieving adjusted diluted earnings per share (EPS) in Fiscal 2016 of at least $5.00 per share. In terms of potential award payouts for plan participants, 40% of the award is based on adjusted EBITDA, 40% on cumulative free cash flow, and 20% on adjusted diluted EPS. In addition, there is no payout with respect to a given metric if the performance target is not fully achieved as of September 30, 2016.

Participants in the Spectrum $2B Plan have the opportunity to earn additional award amounts based on achievement in excess of the performance targets. The overachievement performance targets and weighting are as follows: (1) 40% of the overachievement award is based on adjusted EBITDA of $835 million as of September 30, 2016, with linear interpolation of the award if adjusted EBITDA is between $800 million and $835 million for Fiscal 2016; (2) 40% is based on cumulative free cash flow of $875 million for Fiscal 2015 and 2016 combined, with linear interpolation of the award if such metric is between $800 million and $875 million for Fiscal 2015 and 2016 combined; and (3) 20% is based on adjusted diluted EPS of $5.25 per share for Fiscal 2016, with linear interpolation of the award if such metric is between $5.00 and $5.25 per share for Fiscal 2016. The maximum payout under each of the performance measures will be reduced by 50% if the performance on the remaining measures is less than 90% of target on each.

For purposes of determining achievement of the targets under the Spectrum $2B Plan, the Compensation Committee established the following definitions:

Adjusted Diluted EPS means GAAP diluted income per share adjusted for the following items as they relate to the calculation of net income: acquisition and integration related charges, restructuring and related charges, one-time debt refinancing costs, inventory fair-value adjustments related to acquisitions, discontinued operations, stock-based compensation amortization related to the Spectrum $2B Plan, the 2015 EIP, and the 2016 EIP, and normalizing the consolidated tax rate at 35 percent.

Adjusted EBITDA means earnings (defined as operating income (loss) of the Company plus other income less other expenses) before interest, taxes, depreciation, and amortization and excluding restructuring, acquisition, and integration charges, discontinued operations, and other one-time charges. The result of the formula in the preceding sentence was then adjusted so as to negate the effects of acquisitions or dispositions; provided, however that Adjusted EBITDA resulting from businesses or products lines acquired (in Board-approved transactions) during the Spectrum $2B performance period are subject to inclusion in the calculation from the date of acquisition subject to Compensation Committee approval.

Cumulative Free Cash Flow means the cumulative amount during the Spectrum $2B performance period of Adjusted EBITDA plus or minus changes in current and long term assets and liabilities, less cash payments for taxes, restructuring, and interest, but excluding proceeds from acquisitions or dispositions. Any reductions in Cumulative Free Cash Flow resulting from transaction costs or financing fees incurred in connection with any Board-approved acquisition, disposition, or refinancing (in each case during the Spectrum $2B performance period) could be added back to Cumulative Free Cash Flow.

Payment and Vesting; Eligibility

Under the plan design, awards are denominated in dollars for achieving 100% of the performance goals, but will be payable in RSUs or shares of restricted stock based on the fair market value of the Company s shares as of the last day of the performance period. Accordingly, each participant is granted a target dollar value, as set forth in the table below. If the above performance criteria are satisfied as of September 30, 2016, then 50% of the award will be paid in RSUs or restricted stock within 74 days after the end of Fiscal 2016, and 50% will be paid in RSUs or restricted stock which vest one year after the first vesting date, subject to continued employment and any other applicable terms in the underlying award agreement. The Company s named executive officers are required to retain at least 50% of the shares they receive upon vesting (net of any shares withheld by the Company upon vesting for tax purposes) for two years after vesting. There are approximately 175 participants in the Spectrum $2B Plan.

Awards Under the Spectrum $2B Plan

In Fiscal 2015, the Company s Board of Directors, upon the recommendation of the Compensation Committee, approved the following award opportunities under the Spectrum $2B Plan for the Company s continuing named executive officers. No award was made to Mr. Lumley under the Spectrum $2B Plan.

	Value of RSUs or Restricted Stock Granted (in $)		
Name	**Award at Target**	**Additional Award at Maximum Overachievement**	**Total**
Andreas Rouvé	$ 3,000,000	$ 1,500,000	$ 4,500,000

Douglas L. Martin	$ 2,000,000	$ 840,000	$ 2,840,000
Nathan E. Fagre	$ 750,000	$ 262,500	$ 1,012,500
Stacey L. Neu	$ 400,000	$ 140,000	$ 540,000

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Equity Incentive Plans Background

2015 EIP

The 2015 EIP program is consistent with the design of our prior years EIP programs. As with prior years, awards under the 2015 EIP for all participants are made in the form of performance-based RSUs and the award agreements provide that RSUs will vest based on the achievement of the performance goals set for the Company for Fiscal 2015 and on the continued employment of the participant through the fiscal year performance cycle. For the 2015 EIP the Company performance goals are adjusted EBITDA and Free Cash Flow, and the targets are as set forth in the Company s Annual Operating Plan approved by the Board of Directors. The weighting of these two goals is 50% for adjusted EBITDA and 50% for Free Cash Flow.

Under the 2015 EIP the two performance goals are earned independently of one another. The achievement of the performance goals for each of Messrs. Rouvé, Martin, and Fagre and for Ms. Neu are measured on a consolidated Company-wide basis and are not subdivided with regard to the performance of specific business segments or units.

The potential RSUs that could be earned by each participating named executive officer, for the 50% of the award based on adjusted EBITDA, expressed as a percentage of that portion of the award amount, ranged from 50% for achievement of the threshold adjusted EBITDA performance level established by the Compensation Committee of $724.2 million, 100% for achieving the performance goal in full at the target performance level of $760.0 million, and up to a maximum of 135% of the target award if performance reached or exceeded the upper achievement threshold of $798.0 million. For the 50% of the award based on Free Cash Flow, the named executive officers could achieve 50% of this portion of the award for achievement of the threshold Free Cash Flow performance level of $360.0 million, 100% for achieving the performance goal in full at the target performance level of $400.0 million, and up to a maximum of 135% of the target award if performance reached or exceeded the upper achievement threshold of $424.0 million.

The 2015 EIP design had a minimum financial threshold for each of adjusted EBITDA and Free Cash Flow, set at the level of greater than the prior year s actual performance, below which there was no payout with respect to that objective. The award agreements for the 2015 EIP provided that if an award was earned for Fiscal 2015, then 50% of the RSUs awarded would vest as soon as practicable after certification of the results by the Compensation Committee, but no later than 74 days following the end of Fiscal 2015, and 50% would vest on the first anniversary of the initial vesting date, subject to continued employment on such anniversary. Awards for performance between threshold and target levels, and between target and maximum levels, could be earned based on a linear curve between the various levels. The 2015 EIP design has a two-year performance period for any additional awards, requiring that the Fiscal 2016 performance in adjusted EBITDA and Free Cash Flow must be greater than such performance for Fiscal 2015, before any over-achievement awards would be paid to participants. This is referred to as the plan s consistency contingency provision. If both applicable threshold performances were not achieved, then no RSUs were earned. The Compensation Committee also provided in the award agreements for the named executive officers that such officers are required to hold at least 25% of the net shares they receive (after any shares withheld by the Company for tax purposes) for at least one year following the vesting date. In addition, the named executive officers, and all other officers at the Vice President level or higher, are subject to the share ownership guidelines discussed below.

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The table below reflects for each participating named executive officer the RSU award amount, the performance metrics established by the Compensation Committee, the weighting of each performance metric, the percentage of his or her target award achievable pursuant to the performance goals applicable to his or her award, the performance required to achieve the threshold, target, and maximum vesting eligibility based on those performance goals, and the percentage payout factor actually achieved (Mr. Genito is not included in this table because he was not a participant in the 2015 EIP):

			Performance Required to Be Eligible To Vest Indicated % of RSUs ($ in millions)			Calculated 2015 Payout Factor
NEO (# of RSUs Awarded)	**Performance Metric**	**Weight (% of Target Award)**	**Threshold (50%)**	**Target (100%)**	**Maximum (135%)**	**(% of Target Bonus)**
Andreas Rouvé (32,572)	Consolidated Adjusted EBITDA	50%	$ 724.2	$ 760.0	$ 798.0	46.600%
	Consolidated Free Cash Flow	50%	$ 360.0	$ 400.0	$ 424.0	54.795%
Douglas L. Martin (16,055)	Consolidated Adjusted EBITDA	50%	$ 724.2	$ 760.0	$ 798.0	46.600%
	Consolidated Free Cash Flow	50%	$ 360.0	$ 400.0	$ 424.0	54.795%
Nathan E. Fagre (13,914)	Consolidated Adjusted EBITDA	50%	$ 724.2	$ 760.0	$ 798.0	46.600%
	Consolidated Free Cash Flow	50%	$ 360.0	$ 400.0	$ 424.0	54.795%
Stacey L. Neu (7,754)	Consolidated Adjusted EBITDA	50%	$ 724.2	$ 760.0	$ 798.0	46.600%
	Consolidated Free Cash Flow	50%	$ 360.0	$ 400.0	$ 424.0	54.795%
David R. Lumley (54,771)	Consolidated Adjusted EBITDA	100%		$ 760.0	$ 798.0	0.000%

* Per the plan s consistency contingency, the plan s Free Cash Flow calculated 2015 payout factor of 54.795% requires 4.795% payout above target be held until the Company s 2016 Free Cash Flow achievement is certified as achieved at or above 2015 achievement of $406.575 million.

2016 EIP

The 2016 EIP program continues to be consistent with the design of our prior years EIP programs. As with prior years, awards under the 2016 EIP for all participants are made in the form of performance-based RSUs, and the award agreements will provide that RSUs will vest based on the achievement of the performance goals set for the Company for Fiscal 2016 and on the continued employment of the participant through the fiscal year performance cycle. As with prior years, for the 2016 EIP the Company performance goals are adjusted EBITDA and Free Cash Flow, and the targets are as set forth in the Company s Annual Operating Plan approved by the Board of Directors. The weighting of these two goals is 50% for adjusted EBITDA and 50% for Free Cash Flow. The definitions of adjusted EBITDA and Free Cash Flow are generally the same as described above, with the exception that for the Fiscal 2016 EIP the financial results of the Global Auto Care segment (resulting from the acquisition of Armored AutoGroup during Fiscal 2015) will be included with the results of the legacy Company operations for the full fiscal year.

As with prior years, under the 2016 EIP the two performance goals are earned independently of one another. For the 2016 EIP, the achievement of the performance goals for each of Messrs. Rouvé, Martin, and Fagre and for Ms. Neu are measured on a consolidated Company-wide basis and are not subdivided with regard to the performance of specific business segments or units. Acquisitions by the Company may be included in the adjusted EBITDA calculations at the discretion of the Compensation Commitee.

The potential 2016 RSUs that may be earned for each of our participating named executive officers, for the 50% of the award based on adjusted EBITDA, expressed as a percentage of that portion of the award amount, range from 50% for achievement of the threshold adjusted EBITDA performance level established by the Compensation Committee of $897.1 million, 100% for achieving the performance goal in full at the target performance level of $935.0 million, and up to a maximum of 135% of the target award if actual performance reaches or exceeds the upper achievement threshold of $981.75 million. For the 50% of the award based on Free

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Cash Flow, the named executive officers could achieve 50% of this portion of the award for achievement of the threshold Free Cash Flow performance level of $453.6 million, 100% for achieving the performance goal in full at the target performance level of $510.0 million, and up to a maximum of 135% of the target award if actual performance reaches or exceeds the upper achievement threshold of $540.6 million.

The 2016 EIP design has a minimum financial threshold for each of adjusted EBITDA and Free Cash Flow, set at the level of better than the prior year s actual performance, below which there will be no payout with respect to that objective. The award agreements for the 2016 EIP provide that if an award is earned for Fiscal 2016, then 50% of the RSUs awarded would vest as soon as practicable after certification of the results by the Compensation Committee, but no later than 74 days following the end of Fiscal 2016, and 50% would vest on the first anniversary of the initial vesting date, subject to continued employment on such anniversary. Performance between threshold and target levels, and between target and maximum levels, would be earned based on a linear curve between the various levels. If both applicable threshold performances are not achieved, then no RSUs will be earned. The Compensation Committee also will provide in the award agreements for the named executive officers in the 2016 EIP program that such officers are required to hold at least 25% of the net shares they receive (after any shares withheld by the Company for tax purposes) for at least one year. In addition, the named executive officers, and all other officers at the Vice President level or higher, are subject to the share ownership guidelines discussed below.

Other Compensation Matters

Stock Ownership Guidelines

The Board of Directors believes that certain of the Company s officers should own and hold Company common stock to further align their interests with the interests of stockholders and to further promote the Company s commitment to sound corporate governance. Therefore, effective January 29, 2013, the Board of Directors, upon the recommendation of the Compensation Committee, established stock ownership guidelines applicable to the Company s named executive officers and all other officers of the Company and its subsidiaries with a level of Vice President or above.

Under the stock ownership guidelines, the applicable officers are expected to achieve the levels of stock ownership indicated below (which equal a dollar value of stock based on a multiple of the officer s base salary) in the applicable time periods:

Position	$ Value of Stock to be Retained (Multiple of Base Salary)	Years to Achieve
Chief Executive Officer	5x Base Salary	2 years
Chief Financial Officer, General Counsel, and General Managers of business units	3x Base Salary	2 years
Senior Vice Presidents	2x Base Salary	3 years
Vice Presidents	1x Base Salary	3 years

The stock ownership levels attained by an officer are based on shares directly owned by the officer, whether through earned and vested RSU or restricted stock grants or open market purchases. Unvested restricted shares, unvested RSUs, and stock options are not counted toward the ownership goals. The Compensation Committee reviews, on an annual basis, the progress of the officers in meeting the guidelines, and in some circumstances failure to meet the guidelines by an officer could result in additional retention requirements or other actions by the Compensation Committee.

In addition, the Chief Executive Officer, Chief Financial Officer, business unit General Managers, the General Counsel, and two other officers also are subject to an additional stock retention requirement requiring them to retain at least 25% of their earned net shares of Company stock (after tax withholding) received under

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awards granted per the Fiscal 2015 EIP. For Fiscal 2016 EIP, 25% of earned net shares of Company stock (after tax with-holding) must be held for one year after the vesting date of such awards for all participants of the program. In addition, under the terms of the Spectrum $2B Plan, all participants at the level of Vice President or higher are subject to the 50% stock retention requirement (net of tax withholding) for two years after the date of vesting of awards under that plan.

Deferral and Post-Termination Benefits

Retirement Benefits

The Company maintains a 401(k) plan for its employees, including the named executive officers.

Supplemental Executive Life Insurance Program

Each of Messrs. Rouve and Martin participates in a program pursuant to which the Company on behalf of each participant makes an annual contribution on October 1 each year equal to 15% of such participant s base salary as of that date into a company-owned executive life insurance policy for such participant. The investment options for each such policy are selected by the participant from among a limited number of alternatives provided by the insurance provider.

Post-Termination Benefits

As described above, the Company has entered into agreements with Messrs. Rouvé, Martin, and Fagre and with Ms. Neu which govern, among other things, post-termination benefits payable to each such named executive officer should his or her employment with the Company terminate. In addition, the Company entered into the Lumley Transition Agreement and SBI entered into the Genito Retention Agreement, which provide for certain benefits and compensation to Mr. Lumley and Mr. Genito, respectively, in connection with their terminations of employment with the Company. A detailed description of the post-termination rights and benefits pursuant to each of the agreements described in this paragraph is set forth under the heading *Termination and Change in Control Provisions* below.

Perquisites and Benefits

The Company provides certain limited perquisites and other special benefits to certain executives, including the named executive officers. Among these benefits are financial planning services, tax planning services, car allowances or leased car programs, executive medical exams, and executive life and disability insurance.

Timing and Pricing of Stock-Based Grants

The Company currently does not issue stock options to any officers or employees. Traditionally, annual grants of restricted stock or RSUs to our named executive officers are made on the date or as soon as practicable following the date on which such grants are approved by the Compensation Committee or the Board, or, if the award dictates the achievement of a particular event prior to grant, as soon as practicable after the achievement of such event. For purposes of valuing awards made under the 2011 Plan, the grant price is the closing sales price of the Company s common stock on the exchange on which the Company s shares are listed on the grant date.

Tax Treatment of Certain Compensation

Pursuant to Section 162(m) of the Internal Revenue Code, the Company may not be able to deduct certain forms of compensation paid to its Chief Executive Officer and the three other most highly compensated named executive officers (other than the Chief Financial Officer) who remain employed at the end of a fiscal year to the extent such compensation exceeds $1,000,000. This section also includes an exception for certain performance-based compensation awards. While the Compensation Committee believes that it is generally in the Company s best interests to satisfy these deductibility requirements, it retains the right to authorize payments in excess of the deductibility limits if it believes it to be in the interests of the Company and its stockholders. The Company has had in the past, and specifically reserves the right to have in the future, instances where it pays compensation to its executives that exceeds the deductibility limits.

Tax Payments

The Company provides increases in payments to the named executive officers and other management personnel to cover personal income tax due as a result of imputed income in connection with the provision of the following perquisites: company leased car, financial planning and tax planning and executive life and disability insurance, and Company-required relocation. Beyond these tax payments, the Company does not make any other payments to the named executive officers to cover personal income taxes.

Governing Plans

On October 21, 2010, our Board of Directors approved the 2011 Plan, subject to the approval of the stockholders at the 2011 Annual Meeting. The 2011 Plan was subsequently approved at the 2011 Annual Meeting. At the 2014 Annual Meeting, our stockholders approved an amendment to the 2011 Plan to increase by 1,000,000 the number of shares of Common Stock available for issuance under the 2011 Plan, for an aggregate total of 5,625,676 shares. As of December 9, 2015, we have issued a total of 4,076,674 restricted shares and RSUs under the 2011 Plan, and have remaining authorization under the 2011 Plan to issue up to a total of 1,549,002 shares of our common stock, or options or restricted stock units exercisable for shares of common stock.

Clawback/Forfeiture and Recoupment Policy

Under the 2011 Plan, any equity award agreement granted may be cancelled by the Compensation Committee in its sole discretion, except as prohibited by applicable law, if the participant, without the consent of the Company, while employed by or providing services to the Company or any affiliate or after termination of such employment or service, violates a non-competition, non-solicitation, or non-disclosure covenant or agreement or otherwise engages in activity that is in conflict with or adverse to the interests of the Company or any affiliate, including fraud or conduct contributing to any financial restatements or irregularities engaged in activity, as determined by the Compensation Committee in its sole discretion. The Compensation Committee may also provide in any award agreement that the participant will forfeit any gain realized on the vesting or exercise of such award, and must repay the gain to the Company, in each case except as prohibited by applicable law, if (a) the participant engages in any activity referred to in the preceding sentence, or (b) the amount of any such gain is in excess of what the participant should have received under the terms of the award for any reason (including without limitation by reason of a financial restatement, mistake in calculations, or other administrative error). Additionally, awards are subject to claw-back, forfeiture, or similar requirements to the extent required by applicable law (including without limitation Section 302 of the Sarbanes-Oxley Act and Section 954 of the Dodd Frank Act). All equity awards that have been granted under the 2011 Plan to date include such provisions.

Executive Compensation Tables

The following tables and footnotes show the compensation earned for service in all capacities during Fiscal 2015, Fiscal 2014, and Fiscal 2013 by the Company s named executive officers. For 2013, the Stock Awards for the named executive officers include the 2013 EIP awards, the HHI Integration Bonus awards (with respect to Mr. Lumley and

Mr. Genito), and the Spectrum 750 Plan awards. For 2014, the Stock Awards for the named executive officers include the 2014 EIP awards, and, with respect to Mr. Martin, a one-time restricted stock grant made in connection with joining the Company and his forfeiture of equity awards at his former employer. For 2015, the Stock Awards for the named executive officers include the 2015 EIP awards and the Spectrum $2B Plan awards.

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Summary Compensation Table

Name and Principal Position[(1)]	Year	Salary $	Bonus $	Stock Awards[(2)] $	Non-Equity Incentive Plan Compen-sation[(3)] $	All Other Compen-sation[(4)] $	Total $
Andreas Rouvé[(5)]	2015	571,339[(6)]		5,872,199	639,354	126,621	7,209,513
Chief Executive Officer	2014	452,659		1,650,038	372,519	16,063	2,491,279
and President	2013	439,397		1,661,400	354,897	14,062	2,469,757
Douglas L. Martin	2015	550,688		3,415,730	523,364	142,594	4,632,376
Executive Vice President and Chief Financial Officer	2014	45,833	845,000	2,500,000		82,500	3,473,333
Nathan E. Fagre	2015	375,016		1,976,937	237,893	83,074	2,672,920
Senior Vice President,	2014	372,917		1,300,013	249,818	31,139	1,953,887
General Counsel and Secretary	2013	343,269		1,014,800	210,000	39,359	1,607,428
Stacey L. Neu *Senior Vice President of Human Resources*	2015	250,000		1,107,821	158,595	27,426	1,543,842
David R. Lumley[(7)]	2015	945,000		4,829,707	1,149,021	4,748,513	11,672,241
Former Chief Executive	2014	939,375		5,500,017	1,206,619	258,918	7,904,929
Officer and President	2013	882,692		16,837,640	1,035,000	243,710	18,999,041
Anthony L. Genito[(8)]	2015	123,636				2,648,552	2,772,188
Former Executive Vice	2014	480,000		2,500,014	532,944	173,294	3,686,252
President and Chief Accounting Officer	2013	470,769		7,157,948	480,000	194,058	8,302,775

(1) Titles included in this column are as of September 30, 2015.

(2) For Fiscal 2015, this column reflects grants of performance-based restricted stock units under the 2015 EIP, and grants under the Spectrum $2B Plan. For Fiscal 2014, this column reflects grants of performance-based restricted stock units under the 2014 EIP, and, with respect to Mr. Martin only, under the 2011 Plan relating to a one-time grant of 28,868 shares of time-based restricted stock granted on September 1, 2014 in connection with his

appointment as the Executive Vice President and Chief Financial Officer of the Company. For Fiscal 2013, this column reflects grants of performance-based restricted stock units under the 2013 EIP, a one-time special incentive integration bonus award in connection with the acquisition of the hardware and home improvement business from Stanley Black & Decker, Inc., and grants under the Spectrum 750 Plan. This column reflects the aggregate grant date fair value of the awards computed in accordance with ASC Topic 718. For a discussion of the relevant ASC 718 valuation assumptions, see Note 2, Significant Accounting Policies and Practices, of the Notes to Consolidated Financial Statements, included in the Company s Annual Report on Form 10-K for Fiscal 2015. The performance-based restricted stock unit awards are subject to performance conditions and the values listed in this column with respect to such awards are based on the probable outcome of such conditions at target as of the grant date. If the conditions for the highest level of performance are achieved, the value of the awards would be as follows (with the exception of Mr. Martin, who did not receive any grants of performance-based RSUs in Fiscal 2014): Mr. Rouvé (2015 $8,608,323; 2014 $2,343,048; and 2013 $2,242,890, which includes $1,046,250 under Spectrum 750); Mr. Martin (2015 $4,865,025; Mr. Martin did not receive any grants of performance-based RSUs in Fiscal 2014); Mr. Fagre (2015 $2,767,480; 2014 $1,846,020; and 2013 $1,369,980, which includes $472,500 under Spectrum 750); Ms. Neu (2015 $1,552,450); Mr. Lumley

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(2015 $6,908,294; 2014 $7,810,030; and 2013 $23,561,200, which includes $15,000,000 under Spectrum 750); and Mr. Genito (2014 $3,550,033; and 2013 $9,519,706, which includes $5,000,000 under Spectrum 750; Mr. Genito was not eligible to receive grants of performance-based RSUs in Fiscal 2015). At the lowest level of performance, the performance-based restricted stock unit awards are forfeited.

(3) For Fiscal 2015, 2014, and 2013, this column represents amounts earned under the Company s 2015, 2014, and 2013 MIP, as applicable. For additional detail on the 2015 MIP and the determination of the cash awards thereunder, please refer to the discussion under the heading *Management Incentive Plan* and the table entitled *Grants of Plan-Based Awards Table for Fiscal Year 2015* and its accompanying footnotes. The cash incentive awards payable under the 2015 and 2014 MIP for Messrs. Rouvé, Martin, Fagre, and Lumley were settled in shares of common stock in lieu of cash on December 5, 2014 and December 1, 2015, respectively, as follows: Mr. Rouvé 4,117 shares for the 2014 MIP and 7,046 shares for the 2015 MIP; Mr. Martin 0 shares for the 2014 MIP and 5,768 shares for the 2015 MIP; Mr. Fagre 2,761 shares for the 2014 MIP and 2,622 shares for the 2015 MIP; and Mr. Lumley 13,336 shares for the 2014 MIP and 12,663 shares for the 2015 MIP. The cash incentive award payable under the 2014 MIP for Mr. Genito was settled in 5,890 shares of common stock in lieu of cash on December 5, 2014. The cash incentive award payable under the 2015 MIP for Ms. Neu was settled in 1,748 shares of common stock in lieu of cash on December 1, 2015.

(4) Please see the following tables for the details of the amounts that comprise the All Other Compensation column.

(5) Mr. Rouvé was appointed Chief Executive Officer and President effective April 1, 2015, and prior to that he served as Chief Operating Officer during Fiscal 2015. The amounts shown in this table for Fiscal 2015 represent all amounts earned by Mr. Rouvé for his service as both Chief Operating Officer and Chief Executive Officer and President. All amounts in the table above for Fiscal 2015 for Mr. Rouvé which were denominated in Euros were converted to U.S. dollars at the rate of $1.12432 per Euro, which was the published rate from the OANDA Corporation currency database as of September 30, 2015.

(6) A portion of Mr. Rouvé s base salary for Fiscal 2015 was payable in Euros (362,600). This amount was converted to U.S. dollars at the exchange rate set forth in footnote 5 above.

(7) Effective April 1, 2015, Mr. Lumley resigned from his positions as Chief Executive Officer and President; he subsequently retired from the Company effective September 30, 2015. See *Lumley Transition Agreement* below for a description of the amounts payable to Mr. Lumley under that agreement.

(8) Effective January 2, 2015, Mr. Genito resigned from his position as Executive Vice President and Chief Accounting Officer of the Company. See *Genito Retention Agreement* below for a description of the amounts payable to Mr. Genito under that agreement.

All Other Compensation Table for Fiscal Year 2015

Name	Financial Planning Services Provided to Executive $	Life Insurance Premiums Paid on Executive s Behalf(1) $	Car Allowance/ Personal Use of Company Car(2) $	Tax Equaliza-tion Payments(3) $	Company Contribu-tions to Executive s Qualified Retirement Plan(4) $	Company Contribu-tions to Executive s Supplemental Life Insurance Policy $	Vacation Pay-Out(5) $	Relocation Bonus $	Separation Payments $	Health Care Insurance Bonus $	Total
Andreas Rouvé(6)		324	4,850	609	7,503	110,250				3,086	126,621
Douglas L. Martin	20,000	1,173	16,257	14,337	7,977	82,500		350			142,594

Nathan E. Fagre	20,000	6,992	17,250	20,382	5,469		12,981		83,074
Stacey L. Neu		1,249	14,250	673	5,365		5,889		27,426
David R. Lumley	90,000	95,664	49,256	134,601	7,800	135,000	72,692	4,163,500[7]	4,748,513
Anthony L. Genito		29,320	42,799	31,090	1,420	72,000	51,923	2,420,000[8]	2,648,552

(1) The amount represents the life insurance premium paid for the fiscal year. The Company provides life insurance coverage equal to three times base salary for each executive officer.

(2) The Company sponsors a leased car and car allowance program. Under the leased car program, costs associated with using the vehicle are also provided. These include maintenance, insurance, and license and registration. Under the car allowance program, the executive receives a fixed monthly allowance. Mr. Rouvé, Ms. Neu, Mr. Lumley, and Mr. Genito participated in the leased car program. Mr. Fagre received up to $1,500 per month for a car allowance.
(3) Includes tax payments for the financial benefits received for the following executive benefits and perquisites: financial planning, executive life insurance, and executive leased car program.
(4) Represents amounts contributed under the Company-sponsored 401(k) retirement plan.
(5) Effective January 1, 2014 the Company eliminated the ability for employees to carry over their vacation balance from calendar year to calendar year. Employees had all of calendar year 2014 to use up their vacation balance. Beginning in the 2nd quarter of Fiscal 2015 the Company paid out 50% of any unused vacation balances upon separation from the Company.
(6) The amounts disclosed are denominated in U.S. dollars after being converted from Euros at the rate of $1.12432 per Euro, which was the published rate from the OANDA Corporation currency database as of September 30, 2015.
(7) Amount represents the following separation payments to Mr. Lumley paid or accrued under the Transition Agreement dated January 8, 2015 between Mr. Lumley and the Company: (i) $100,000 cash payment (payable $25,000 on the first anniversary of the termination date and an additional payment of $75,000 thereafter); and (ii) $4,063,500, equal to the sum of 2x Mr. Lumley s base salary and the prior year s annual target bonus, payable in installments over 24 months commencing on the six month anniversary of the end of the transition period. See *Executive Specific Provisions Lumley Transition Agreement* below.
(8) Amount represents the following separation payments to Mr. Genito paid or accrued under the Retention Agreement dated April 29, 2014 between Mr. Genito and SBI: (i) $500,000 transitional award which will be paid in the form of Company stock; and (ii) $1,920,000, equal to 2x Mr. Genito s annual base salary and target bonus, payable in monthly installments in the form of Company stock over a period of 24 months. See *Executive Specific Provisions Genito Retention Agreement* below.

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Grants of Plan-Based Awards

The following table and footnotes provide information with respect to equity grants made to the named executive officers indicated in the table during Fiscal 2015 as well as the range of future payouts under non-equity incentive plans for the named executive officers indicated. Mr. Genito did not participate in the 2015 MIP, therefore he is not included in the table below.

Grants of Plan-Based Awards Table for Fiscal Year 2015

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			Grant Date Fair Value of Stock and Option Awards[5]
Name	Grant Date	Threshold $	Target $	Maximum $	Threshold #	Target #	Maximum #	$
Andreas Rouvé	10/1/2014[1]	38,220[2]	152,879[2]	305,759[2]				
	10/1/2014[3]	114,688	459,375	1,148,437				
	4/1/2015[4]				2,792	11,166	15,074	984,618
	12/15/2014[4]				5,352	21,406	28,898	1,887,581
	2/2/2015[6]				4,536	22,681	34,021	2,000,000
	4/1/2015[6]				2,268	11,340	17,011	1,000,000
Douglas L. Martin	10/1/2014[1]	123,750	495,000	990,000				
	12/15/2014[4]				4,014	16,055	21,674	1,415,730
	2/2/2015[6]				4,536	22,681	32,207	2,000,000
Nathan E. Fagre	10/1/2014[1]	56,250	225,000	450,000				
	12/15/2014[4]				3,479	13,914	18,784	1,226,937
	2/2/2015[6]				1,701	8,505	11,482	750,000
Stacey L. Neu	10/1/2014[1]	37,500	150,000	300,000				
	12/15/2014[4]				2,007	8,027	10,836	707,821
	2/2/2015[6]				907	4,536	6,124	400,000
David R. Lumley	10/1/2014[1]	271,688	1,086,750	2,716,875				
	12/15/2014[4]					54,771	73,941	4,829,707

(1)

Represents the threshold, target, and maximum payouts under the Company s 2015 MIP. The actual amounts earned under the plan for Fiscal 2015 are disclosed in the Summary Compensation Table above as part of the column entitled Non-Equity Incentive Plan Compensation. For Mr. Lumley, the maximum payout for the disclosed award is equal to 250% of target, while the maximum payouts for Messrs. Rouvé, Martin, and Fagre and for Ms. Neu for the disclosed awards are equal to 200% of target. For Mr. Rouvé, the award disclosed in connection with this footnote relates to the grant made corresponding to his position as Chief Operating Officer of the Company.

(2) For Mr. Rouvé, the disclosed amount was denominated in Euros and converted to U.S. dollars at the rate of $1.12432 per Euro, which was the published rate from the OANDA Corporation currency database as of September 30, 2015.

(3) For Mr. Rouvé, the disclosed amounts represent the threshold, target, and maximum payouts under the Company s 2015 MIP for the grant made corresponding to his position as Chief Executive Officer of the Company. The actual amount earned under the plan for Fiscal 2015 is disclosed in the Summary Compensation Table above as part of the column entitled Non-Equity Incentive Plan Compensation. The maximum payout for the disclosed award is equal to 250% of target.

(4) Except as otherwise disclosed, the amounts represent the threshold, target, and maximum payouts, denominated in the number of shares of stock, in respect of performance-based RSUs granted under the Company s 2015 EIP. For Mr. Lumley, he was provided no award opportunity for performance below target.

(5) Reflects the value at the grant date based upon the probable outcome of the relevant performance conditions at target. This amount is consistent with the estimate of aggregate compensation costs to be recognized over the service period determined as of the grant date under FASB ASC Topic 718, excluding the effect of any estimated forfeitures.

(6) Represents the threshold, target, and maximum payouts under the Company s Spectrum $2B Plan for Fiscal 2015-2016. The potential award amounts are denominated in dollars, but will be payable in RSUs or shares of restricted stock based on the fair market value of the Company s shares at the time of the award payout. For purposes of this table, the threshold, target, and maximum number of RSUs or shares of restricted stock disclosed with respect to the award are determined by dividing the dollar value of the potential award opportunity by the closing price per share of the Company s common stock on the NYSE on the date of grant, which was $88.18 on October 1, 2014.

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We refer you to the *Compensation Discussion and Analysis* and the *Termination and Change in Control Provisions* sections of this prospectus as well as the corresponding footnotes to the tables for material factors necessary for an understanding of the compensation detailed in the Summary Compensation Table, All Other Compensation Table for Fiscal Year 2015, and Grants of Plan-Based Awards Table for Fiscal Year 2015.

Outstanding Equity Awards at Fiscal Year End

The following table and footnotes set forth information regarding outstanding restricted stock and restricted stock unit awards as of September 30, 2015 for the named executive officers. The market value of shares that have not vested was determined by multiplying $91.51, the closing market price of the Company s stock on September 30, 2015, the last trading day of Fiscal 2015, by the number of shares.

Outstanding Equity Awards at 2015 Fiscal Year-End

	Stock Awards			
	Number of Shares or Units of Stock That Have Not Vested #	Market Value of Shares or Units of Stock That Have Not Vested $	Equity Incentive Plan Awards: Number of Unearned Shares, Units, or Other Rights That Have Not Vested #	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units, or Other Rights That Have Not Vested $
Andrea Rouvé	14,099(1)	1,290,199	34,530(2)	3,159,840
Douglas L. Martin			16,055(3)	1,469,193
Nathan E. Fagre	10,254(4)	938,344	15,444(5)	1,413,280
Stacey L. Neu	3,524(6)	322,481	8,498(7)	777,652
David R. Lumley	72,101(8)	6,597,963	54,771(9)	5,012,094
Anthony L. Genito				

(1) Represents 11,788 performance-based RSUs granted to Mr. Rouvé pursuant to the Company s 2014 EIP, and 2,311 performance-based RSUs granted pursuant to the Spectrum 750 Plan. The RSUs granted to Mr. Rouvé under both the 2014 EIP and Spectrum 750 Plan vest as follows: 50% of the award vested on December 1, 2014, and the remaining 50% vested on December 1, 2015.

(2) Represents 32,572 performance-based RSUs granted to Mr. Rouvé pursuant to the Company s 2015 EIP, and 1,958 performance-based RSUs granted pursuant to the Company s 2014 EIP for reaching or exceeding the upper achievement thresholds for the performance goals. The RSUs granted to Mr. Rouvé under the 2015 EIP vest as follows: 50% of the award vested on December 1, 2015, and the remaining 50% (plus any over-achievement upside) will vest on December 1, 2016, subject to continued employment on that date. The RSUs granted to

Mr. Rouvé under the 2014 EIP relating to the over-achievement upside vested on December 1, 2015.

(3) Represents 16,055 performance-based RSUs granted to Mr. Martin pursuant to the Company s 2015 EIP. The RSUs granted to Mr. Martin under the 2015 EIP vest as follows: 50% of the award vested on December 1, 2015, and the remaining 50% (plus any over-achievement upside) will vest on December 1, 2016, subject to continued employment on that date. The RSUs granted to Mr. Martin under the 2014 EIP relating to the over-achievement upside vested on December 1, 2015.

(4) Represents 9,210 performance-based RSUs granted to Mr. Fagre pursuant to the Company s 2014 EIP, and 1,044 performance-based RSUs granted pursuant to the Spectrum 750 Plan. The RSUs granted to Mr. Fagre under both the 2014 EIP and Spectrum 750 Plan vest as follows: 50% of the award vested on December 1, 2014, and the remaining 50% vested on December 1, 2015.

(5) Represents 13,914 performance-based RSUs granted to Mr. Fagre pursuant to the Company s 2015 EIP, and 1,530 performance-based RSUs granted pursuant to the Company s 2014 EIP for reaching or exceeding the

upper achievement thresholds for the performance goals. The RSUs granted to Mr. Fagre under the 2015 EIP vest as follows: 50% of the award vested on December 1, 2015, and the remaining 50% (plus any over-achievement upside) will vest on December 1, 2016, subject to continued employment on that date. The RSUs granted to Mr. Fagre under the 2014 EIP relating to the over-achievement upside vested on December 1, 2015.

(6) Represents 2,834 performance-based RSUs granted to Ms. Neu pursuant to the Company s 2014 EIP, and 690 performance-based RSUs granted pursuant to the Spectrum 750 Plan. The RSUs granted to Ms. Neu under both the 2014 EIP and Spectrum 750 Plan vest as follows: 50% of the award vested on December 1, 2014, and the remaining 50% vested on December 1, 2015.

(7) Represents 8,027 performance-based RSUs granted to Ms. Neu pursuant to the Company s 2015 EIP, and 471 performance-based RSUs granted pursuant to the Company s 2014 EIP for reaching or exceeding the upper achievement thresholds for the performance goals. The RSUs granted to Ms. Neu under the 2015 EIP vest as follows: 50% of the award vested on December 1, 2015, and the remaining 50% (plus any over-achievement upside) will vest on December 1, 2016, subject to continued employment on that date. The RSUs granted to Ms. Neu under the 2014 EIP relating to the over-achievement upside vested on December 1, 2015.

(8) Represents 38,963 performance-based RSUs granted to Mr. Lumley pursuant to the Company s 2014 EIP, and 33,138 performance-based RSUs granted pursuant to the Spectrum 750 Plan. The RSUs granted to Mr. Lumley under both the 2014 EIP and Spectrum 750 Plan vest as follows: 50% of the award vested on December 1, 2014, and the remaining 50% vested on December 1, 2015.

(9) Represents 54,771 performance-based RSUs granted to Mr. Lumley pursuant to the Company s 2015 EIP. The RSUs granted to Mr. Lumley under the 2015 EIP vest as follows: 50% of the award vested on December 1, 2015, and the remaining 50% will vest on December 1, 2016.

Option Exercises and Stock Vested

The following table and footnotes provide information regarding stock vesting during Fiscal 2015 for the named executive officers. No options were outstanding during Fiscal 2015.

Stock Vesting Information for Fiscal Year 2015

	Stock Awards	
	Number of Shares Acquired on Vesting	Value Realized On Vesting
Name	#	$
Andreas Rouvé	28,214	2,580,810(1)
Douglas L. Martin	28,868	2,545,580(2)
Nathan E. Fagre	20,513	1,875,209(3)
Stacey L. Neu	8,864	811,780(4)
David R. Lumley	140,993	12,863,641(5)
Anthony L. Genito	98,108	9,153,584(6)

(1) The amount for Mr. Rouvé in this column represents the value realized upon the vesting of 10,000 RSUs on November 25, 2014, 14,097 RSUs on December 1, 2014, and 4,117 RSUs on December 5, 2014. The value was computed by multiplying the number of shares vested by the closing price per share of the Company s common stock on each such vesting date, which was $89.75 on November 25, 2014, $91.72 on December 1, 2014, and $94.81 on December 5, 2014.

(2)

The amount for Mr. Martin in this column represents the value realized upon the vesting of 28,868 shares of time-based restricted stock on October 1, 2014. This restricted stock award was granted on September 1, 2014 in connection with Mr. Martin s appointment as the Executive Vice President and Chief Financial Officer of the Company. The value was computed by multiplying the number of shares vested by the closing price per share of the Company s common stock on the vesting date, which was $88.18 on October 1, 2014.

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(3) The amount for Mr. Fagre in this column represents the value realized upon the vesting of 7,500 RSUs on November 25, 2014, 10,252 RSUs on December 1, 2014, and 2,761 RSUs on December 5, 2014. The value was computed by multiplying the number of shares vested by the closing price per share of the Company s common stock on each such vesting date, which was $89.75 on November 25, 2014, $91.72 on December 1, 2014, and $94.81 on December 5, 2014.

(4) The amount for Ms. Neu in this column represents the value realized upon the vesting of 3,500 RSUs on November 25, 2014, 3,523 RSUs on December 1, 2014, and 1,841 RSUs on December 5, 2014. The value was computed by multiplying the number of shares vested by the closing price per share of the Company s common stock on each such vesting date, which was $89.75 on November 25, 2014, $91.72 on December 1, 2014, and $94.81 on December 5, 2014.

(5) The amount for Mr. Lumley in this column represents the value realized upon the vesting of 55,556 RSUs on November 25, 2014, 72,101 RSUs on December 1, 2014, and 13,336 RSUs on December 5, 2014. The value was computed by multiplying the number of shares vested by the closing price per share of the Company s common stock on each such vesting date, which was $89.75 on November 25, 2014, $91.72 on December 1, 2014, and $94.81 on December 5, 2014.

(6) The amount for Mr. Genito in this column represents the value realized upon the vesting of 27,778 RSUs on November 25, 2014, 28,689 RSUs on December 1, 2014, 5,890 RSUs on December 5, 2014, 28,691 RSUs on January 1, 2015, 5,491 RSUs on July 1, 2015, 755 RSUs on August 1, 2015, and 814 RSUs on September 1, 2015. The value was computed by multiplying the number of shares vested by the closing price per share of the Company s common stock on each such vesting date (or, as applicable, the last trading date immediately prior to the vesting date if the vesting date fell on a date when the NYSE was closed), which was $89.75 on November 25, 2014, $91.72 on December 1, 2014, $94.81 on December 5, 2014, $95.68 on December 31, 2014, $103.34 on July 1, 2015, $105.95 on July 31, 2015, and $95.99 on September 1, 2015.

Pension Benefits

None of our named executive officers participated in any Company pension plans during or as of the end of Fiscal 2015. Mr. Rouvé is entitled to receive certain pension payments under a Pension Agreement between Mr. Rouvé and VARTA Geratebatterie GmbH dated May 17, 1989 as supplemented on July 1, 1999. The Company s subsidiary, Rayovac Europe, has assumed the obligations of this agreement. For a description of this pension agreement and the payments to Mr. Rouvé thereunder, see *Executive Specific Provisions Andreas Rouvé* below, which description is incorporated by reference herein.

Non-Qualified Deferred Compensation

None of our named executive officers participated in any Company non-qualified deferred compensation programs during or as of the end of Fiscal 2015.

Termination and Change in Control Provisions

Awards under the Company s Incentive Plans

Awards under the 2011 Plan. During Fiscal 2013, 2014, and 2015 each current named executive officer received RSU awards under the 2011 Plan made pursuant to the Company s incentive programs. Each of these is governed by the 2011 Plan and, as such, contain provisions triggered by a change in control of the Company. For purposes of these incentive plans, change in control generally means the occurrence of any of the following events:

(i) the acquisition, by any individual, entity or group of beneficial ownership of more than 50% of the combined voting power of the Company s then outstanding securities;

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(ii) individuals who constituted the Board of Directors at the effective time of the plan and directors who are nominated and elected as their successors from time to time cease for any reason to constitute at least a majority of the Board;

(iii) consummation of a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other entity, other than (A) a merger or consolidation which results in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no individual, entity or group is or becomes the beneficial owner, directly or indirectly, of voting securities of the Company (not including in the securities beneficially owned by such individual, entity or group any securities acquired directly from the Company or any of its direct or indirect subsidiaries) representing 50% or more of the combined voting power of the Company s then outstanding voting securities or (C) a merger or consolidation affecting the Company as a result of which a Designated Holder owns after such transaction more than 50% of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation; or

(iv) approval by the stockholders of the Company of either a complete liquidation or dissolution of the Company or the sale or other disposition of all or substantially all of the assets of the Company, other than a sale or disposition by the Company of all or substantially all of the assets of the Company to an entity, more than 50% of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

Provided that, in each case, it shall not be a change in control if, immediately following the occurrence of the event described above (i) the record holders of the common stock of the Company immediately prior to the event continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following the event, or (ii) the Harbinger Master Fund, the Harbinger Special Situations Fund, HRG, and their respective affiliates and subsidiaries beneficially own, directly or indirectly, more than 50% of the combined voting power of the Company or any successor.

In general, in the event a change in control occurs, the Board of Directors may, in its sole discretion, provide that, with respect to any particular outstanding awards:

(i) all stock options and stock appreciation rights outstanding as of immediately prior to the change in control will become immediately exercisable;

(ii) the restricted period shall expire immediately prior to the change in control with respect to up to 100 percent of the then-outstanding shares of restricted stock or RSUs (including, without limitation, a waiver of any applicable performance goals);

(iii) all incomplete performance periods in effect on the date the change in control occurs shall end on that date, and the Compensation Committee may (i) determine the extent to which performance goals with respect to each such performance period have been met based on such audited or unaudited financial information or other information then available it deems relevant and (ii) cause the participant to receive partial or full payment of awards for each such performance period based upon the Compensation Committee s determination of the degree of attainment of such performance goals, or assuming that the applicable target levels of performance have been attained or on such other basis determined by the Compensation Committee; and

(iv) any awards previously deferred shall be settled as soon as practicable.

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Executive-Specific Provisions

As discussed under the heading *Current Employment and Severance Agreements*, each of the continuing named executive officers are parties to continuing employment or other written agreements with the Company that govern various aspects of the employment relationship, including the rights and obligations of the parties upon termination of that employment relationship. Set forth below is a brief description of the provisions of those agreements with respect to a termination of employment and/or in the event of a change in control, as well as descriptions of certain transition and retention agreements entered into with named executive officers who have departed the Company.

Andreas Rouvé

The Rouvé Employment Agreement contains the following provisions applicable upon the termination of Mr. Rouvé s employment with the Company.

Termination with Cause or Voluntary Termination by the Executive (other than for Good Reason). In the event that Mr. Rouvé is terminated with cause or terminates his employment voluntarily, other than for good reason, Mr. Rouvé s salary and other benefits provided under his employment agreement cease at the time of such termination and Mr. Rouvé is entitled to no further compensation under his employment agreement. Notwithstanding this, Mr. Rouvé would be entitled to continue to participate in the Company s medical benefit plans to the extent required by law. Further, upon any such termination of employment, the Company would pay to Mr. Rouvé accrued pay and benefits.

Termination without Cause, for Good Reason, Death, or Disability. If the employment of Mr. Rouvé with the Company is terminated by the Company without cause, by Mr. Rouvé for good reason, or is terminated due to Mr. Rouvé s death or disability, Mr. Rouvé is entitled to receive certain post-termination benefits, detailed below, contingent upon execution of a separation agreement with a release of claims agreeable to the Company and Mr. Rouvé s compliance with the non-competition and confidentiality restrictions set forth in his employment agreement. In such event the Company will:

- pay Mr. Rouvé a cash payment equal to 1.5x his base salary, and a cash payment equal to 1x the target annual MIP bonus of 125% of Mr. Rouvé s then current base salary, each payable ratably on a monthly basis over the 18-month period following termination;

- pay Mr. Rouvé a pro rata portion, in cash, of the annual MIP bonus Mr. Rouvé would have earned for the fiscal year in which termination occurs if his employment had not ceased;

- provide medical insurance coverage and certain other employee benefits for Mr. Rouvé and his dependents for the 18-month period following termination; and

- pay Mr. Rouvé his accrued vacation time pursuant to Company policy.

For Mr. Rouvé, good reason is defined, in general, subject to notification and cure rights as described above under the heading *Use of Employment Agreements*, as the occurrence of any of the following events without Mr. Rouvé s consent:

any reduction in Mr. Rouvé s base salary or target MIP bonus opportunity then in effect;

the relocation of the Company s office at which he is principally employed as of April 1, 2015 to a location more than 50 miles from such office, or the requirement by the Company that Mr. Rouvé be based at an office other than the Company s office at such location on an extended basis, except for required business travel;

a substantial diminution or other substantive adverse change in the nature or scope of his responsibilities, authorities, powers, functions, or duties;

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a breach by the Company of any of its material obligations under the Rouvé Employment Agreement; or

the failure of the Company to obtain the agreement for any successor to the Company to assume and agree to perform the Rouvé Employment Agreement.

For Mr. Rouvé, cause is defined, in general, subject to notification and cure rights as described above in *Use of Employment Agreements*, as the occurrence of any of the following events: (i) the commission by Mr. Rouvé of any deliberate and premeditated act taken by Mr. Rouvé in bad faith against the interests of the Company that causes or is reasonably anticipated to cause material harm to the Company; (ii) Mr. Rouvé has been convicted of, or pleads nolo contendere with respect to any felony, or of any lesser crime or offense having as its predicate element fraud, dishonesty, or misappropriation of the property of the Company that causes or is reasonably anticipated to cause material harm to the Company; (iii) the habitual drug addiction or intoxication of Mr. Rouvé which negatively impacts his job performance or Mr. Rouvé s failure of a company-required drug test; (iv) the willful failure or refusal of Mr. Rouvé to perform his duties as set forth in the employment agreement or the willful failure or refusal to follow the direction of the Board of Directors, provided such failure or refusal continues after 30 calendar days of the receipt of written notice from the Board of such failure or refusal; or (v) Mr. Rouvé materially breaches any of the terms of the Rouvé Employment Agreement.

The above benefits will cease immediately upon the discovery by the Company of Mr. Rouvé s breach of the non-compete and non-solicitation provisions or the secret processes and confidentiality provisions included in his employment agreement. The Rouvé Employment Agreement includes non-competition and non-solicitation provisions that extend for 18 months following Mr. Rouvé s termination, and confidentiality provisions that extend for seven years following Mr. Rouvé s termination.

The Company s subsidiary, Rayovac Europe, also assumed the obligations of the Pension Agreement between Mr. Rouvé and VARTA Geratebatterie GmbH dated May 17, 1989 as supplemented on July 1, 1999 (the Rouvé Pension Agreement). Under the Rouvé Pension Agreement, pension payments will be paid to Mr. Rouvé upon permanent disablement, reaching 65 years of life or earlier retirement at the requirement of the Company. Pension pay will be $20,120 (17,895) per year. In the case of resignation or termination the acquired pension benefit is nonlapsable. The pension plan is based on accruals during the employment period of Mr. Rouvé, for which Rayovac Europe makes all contributions to the accrual. As of September 30, 2015 the accrual for Mr. Rouvé s pension plan equaled $243,259 (216,361). Rayovac Europe s allocation to the accrual amount for Fiscal 2015 was $40,601 (36,112). Every three years after retirement the current pay will be increased according to the Employers Retirement Benefits Law (Betriebsrentengesetz). All amounts in this paragraph for Mr. Rouvé were denominated in Euros and converted to U.S. dollars at the rate of $1.12432 per Euro, which was the published rate from the OANDA Corporation currency database as of September 30, 2015.

Douglas L. Martin

The Martin Employment Agreement contains the following provisions applicable upon the termination of Mr. Martin s employment with the Company or in the event of a change in control of the Company.

Termination with Cause or Voluntary Termination by the Executive (other than for Good Reason). In the event that Mr. Martin is terminated with cause or terminates his employment voluntarily, other than for good reason, Mr. Martin s salary and other benefits provided under his employment agreement cease at the time of such termination and Mr. Martin is entitled to no further compensation under his employment agreement. Notwithstanding this, Mr. Martin would be entitled to continue to participate in the Company s medical benefit plans to the extent required by law. Further, upon any such termination of employment, the Company would pay to Mr. Martin accrued pay and benefits.

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Termination without Cause, for Good Reason, Death, or Disability, or Upon a Change in Control. If the employment of Mr. Martin with the Company is terminated by the Company without cause, by Mr. Martin for good reason, is terminated due to Mr. Martin s death or disability, or by Mr. Martin following a change in control (as defined in the 2011 Plan), Mr. Martin is entitled to receive certain post-termination benefits, detailed below, contingent upon execution of a separation agreement with a release of claims agreeable to the Company and Mr. Martin s compliance with the non-competition and confidentiality restrictions set forth in his employment agreement. In such event the Company will:

pay Mr. Martin (i) 1.5 times his base salary in effect immediately prior to his termination, plus (ii) 1.0 times his target annual bonus award for the fiscal year in which such termination occurs, ratably over the 18-month period immediately following his termination;

pay Mr. Martin the pro rata portion of the annual bonus (if any) he would have earned by him pursuant to any annual bonus or incentive plan maintained by the Company in respect of the fiscal year in which such termination occurs if his employment had not ceased, to be paid at the same time such bonus would have been paid to Mr. Martin for such fiscal year if his employment had not terminated; and

for the 18-month period immediately following such termination, arrange to provide Mr. Martin and his dependents with insurance and other benefits on a basis substantially similar to those provided to Mr. Martin and his dependents by the Company immediately prior to the date of termination at no greater cost to Mr. Martin or the Company than the cost to Mr. Martin and the Company immediately prior to such date.

For Mr. Martin, good reason is defined, in general, subject to notification and cure rights as described above under the heading *Use of Employment Agreements*, as, the occurrence of any of the following events without Mr. Martin s consent:

any material reduction in Mr. Martin s annual base salary;

the required relocation of Mr. Martin s place of principal employment to a location more than 50 miles from Mr. Martin s current office, or the requirement by the Company that Mr. Martin be based at an office other than his current office on an extended basis;

a substantial diminution or other substantive adverse change in the nature or scope of Mr. Martin s responsibilities, authorities, powers, functions, or duties;

a breach by the Company of any of its other material obligations under the Martin Employment Agreement; or the failure of the Company to obtain the agreement of any successor to the Company to assume and agree to perform the Martin Employment Agreement.

For Mr. Martin, cause is defined, in general, subject to notification and cure rights as described above in *Use of Employment Agreements*, as the occurrence of any of the following events: (i) the commission by Mr. Martin of any deliberate and premeditated act taken by Mr. Martin in bad faith against the interests of the Company; (ii) Mr. Martin has been convicted of, or pleads nolo contendere with respect to any felony, or of any lesser crime or offense having as its predicate element fraud, dishonesty or misappropriation of the property of the Company; (iii) the habitual drug addiction or intoxication of Mr. Martin which negatively impacts his job performance or Mr. Martin s failure of a company-required drug test; (iv) the willful failure or refusal of Mr. Martin to perform his duties as set forth in the employment agreement or the willful failure or refusal to follow the direction of the Chief Executive Officer or the Board of Directors; or (v) Mr. Martin materially breaches any of the terms of the Martin Employment Agreement.

The above benefits will cease immediately upon the discovery by the Company of Mr. Martin s breach of the non-compete and non-solicitation provisions or the secret processes and confidentiality provisions included in

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his employment agreement. The Martin Employment Agreement includes non-competition and non-solicitation provisions that extend for 18 months following Mr. Martin s termination, and confidentiality provisions that extend for seven years following Mr. Martin s termination.

Nathan E. Fagre

The Fagre Severance Agreement contains the following provisions applicable upon the termination of Mr. Fagre s employment with the Company or in the event of a change in control of the Company.

Termination for Cause or Voluntary Termination by the Executive. In the event that Mr. Fagre is terminated for cause or terminates his employment voluntarily, Mr. Fagre s salary and other benefits provided under his severance agreement cease at the time of such termination and Mr. Fagre is entitled to no further compensation under his severance agreement. Notwithstanding this, Mr. Fagre would be entitled to continue to participate in the Company s medical benefit plans to the extent required by law. Further, upon any such termination of employment, the Company would pay to Mr. Fagre accrued pay and benefits.

Termination without Cause or for Death or Disability. If the employment of Mr. Fagre with the Company is terminated by the Company without cause or due to Mr. Fagre s death or disability, Mr. Fagre is entitled to receive certain post-termination benefits, detailed below, contingent upon execution of a separation agreement with a release of claims agreeable to the Company within 30 days following his termination date. In such event the Company will pay Mr. Fagre an amount in cash equal to the sum of Mr. Fagre s (i) annual base salary in effect immediately prior to Mr. Fagre s termination, and (ii) target annual bonus award for the fiscal year in which such termination occurs, to be paid ratably over the 12-month period immediately following his termination. In addition, for the 12-month period immediately following such termination, the Company will arrange to provide Mr. Fagre and his dependents with insurance and other benefits on a basis substantially similar to those provided to Mr. Fagre and his dependents prior to his termination. For Mr. Fagre, cause is defined, in general, subject to notification and cure rights as described above in *Use of Employment Agreements*, as the occurrence of any of the following events: (i) the commission by Mr. Fagre of any deliberate and premeditated act taken by Mr. Fagre in bad faith against the interests of the Company; (ii) Mr. Fagre has been convicted of, or pleads nolo contendere with respect to any felony or other crime, the elements of which are substantially related to the duties and responsibilities associated with Mr. Fagre s employment; (iii) Mr. Fagre s willful misconduct; (iv) the willful failure or refusal of Mr. Fagre to perform his duties as set forth herein or the willful failure or refusal to follow the direction of the Chief Executive Officer or the Board of Directors; or (v) Mr. Fagre materially breaches any of the terms of the Fagre Severance Agreement.

The above benefits will cease immediately upon the discovery by the Company of Mr. Fagre s breach of the agreement not to compete and secret processes and confidentiality provisions included in the Fagre Severance Agreement. The Fagre Severance Agreement includes non-competition and non-solicitation provisions that extend for two years following Mr. Fagre s termination and confidentiality provisions that extend for seven years.

Stacey L. Neu

The Neu Severance Agreement contains the following provisions applicable upon the termination of Ms. Neu s employment with the Company.

Termination for Cause or Voluntary Termination by the Executive. In the event that Ms. Neu is terminated for cause or terminates her employment voluntarily, Ms. Neu s salary and other benefits provided under her severance agreement cease at the time of such termination and Ms. Neu is entitled to no further compensation under her severance agreement. Notwithstanding this, Ms. Neu would be entitled to continue to participate in the Company s medical benefit plans to the extent required by law. Further, upon any such termination of employment, the Company would pay to Ms. Neu accrued pay and benefits.

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Termination without Cause or for Death or Disability. If the employment of Ms. Neu with the Company is terminated by the Company without cause or due to Ms. Neu s death or disability, Ms. Neu is entitled to receive certain post-termination benefits, detailed below, contingent upon execution of a separation agreement with a release of claims agreeable to the Company. In such event the Company will pay Ms. Neu an amount in cash equal to the sum of Ms. Neu s (i) annual base salary in effect at the time such termination occurs, which will be paid in equal semi-monthly installments for the period ending one year after the date of termination, and (ii) target annual MIP bonus award for the fiscal year in which such termination occurs, which will be paid in a single lump sum to Ms. Neu on or before December 31st following the end of the fiscal year in which termination occurs. In addition, for the 12-month period immediately following such termination, the Company will arrange to provide Ms. Neu and her dependents with insurance benefits on a basis substantially similar to those provided to Ms. Neu and her dependents prior to her termination. For Ms. Neu, cause is defined, in general, subject to notification and cure rights as described above in *Use of Employment Agreements*, as the occurrence of any of the following events: (i) the commission by Ms. Neu of any fraud, embezzlement, or other material act of dishonesty with respect to the Company or any of its affiliates (including the unauthorized disclosure of confidential or proprietary information of the Company or any of its affiliates or subsidiaries); (ii) Ms. Neu has been convicted of, or pleads nolo contendere with respect to any felony or other crime, the elements of which are substantially related to the duties and responsibilities associated with Ms. Neu s employment; (iii) Ms. Neu s willful misconduct; (iv) the willful failure or refusal of Ms. Neu to perform her duties and responsibilities to the Company or any of its affiliates which failure or refusal to perform is not remedied within 30 days after receipt of written notice from the Company of such failure or refusal to perform; or (v) Ms. Neu breaches any of the terms of the Neu Severance Agreement and such breach is not cured within 30 days after receiving notice of the breach from the Company.

The above benefits will cease immediately upon the discovery by the Company of Ms. Neu s breach of the agreement not to compete and secret processes and confidentiality provisions included in the Neu Severance Agreement. The Neu Severance Agreement includes non-competition and non-solicitation provisions that extend for one year following Ms. Neu s termination and confidentiality provisions that extend for two years.

Lumley Transition Agreement

Effective January 8, 2015, the Company entered into a transition employment agreement (the Lumley Transition Agreement) with Mr. Lumley providing for his continued employment as the Chief Executive Officer of the Company through a mutually agreed upon transition period (the Transition Period) and the payment of certain amounts upon his departure from the Company. Effective April 1, 2015, Mr. Lumley resigned from his position as Chief Executive Officer of the Company in accordance with Mr. Rouvé s appointment as the new Chief Executive Officer and President. Mr. Lumley continued to be employed with the Company through September 30, 2015, at which time he retired from the Company.

The Lumley Transition Agreement provided that during the Transition Period, Mr. Lumley would continue to receive his base salary and employee benefits as set forth in his employment agreement with the Company dated as of August 11, 2010, as amended from time to time (the Lumley Employment Agreement). For Fiscal 2015, Mr. Lumley was entitled to participate in the annual cash bonus program and received an equity award consisting of restricted stock units equal to $5 million on the date of grant, provided that such award would vest and be payable only if the Company achieved adjusted EBITDA of at least $760 million for Fiscal 2015. The equity award, to the extent earned based on achievement of $760 million of adjusted EBITDA for Fiscal 2015, would vest 50% each year over the following two years. Mr. Lumley will not receive any grants or participate in the Company s annual bonus plan or equity plan for Fiscal 2016 and will not participate in the Spectrum $2B Plan.

At the end of the Transition Period, the Lumley Transition Agreement provides that, subject to Mr. Lumley s execution of a separation agreement and release of claims, the Company will pay pursuant to a retention bonus for Mr. Lumley s agreement to enter into the Lumley Transition Agreement, an amount in cash

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equal to two times the sum of Mr. Lumley s base salary and prior year s annual target bonus, payable in installments over 24 months generally commencing on the six month anniversary of the end of the Transition Period. In addition, Mr. Lumley would be entitled to $25,000 on the first anniversary of the termination date as well as the continuation of certain benefits for a period of 24 months following the termination date, plus an additional payment of $75,000. Mr. Lumley is not entitled to any severance, whether pursuant to the Lumley Employment Agreement or the Lumley Transition Agreement. During the Transition Period and for a period of two years thereafter, Mr. Lumley is subject to noncompete and nonsolicit covenants.

Genito Retention Agreement

On April 29, 2014, SBI and Mr. Genito mutually agreed that, effective December 31, 2014 (or such other date that is agreed to), Mr. Genito s employment would terminate and he would resign from any and all titles, positions, and appointments that he held with the Company. In connection with his resignation, the Company and Mr. Genito entered into the Genito Retention Agreement. Effective January 2, 2015, Mr. Genito resigned from his position as Executive Vice President and Chief Accounting Officer of the Company.

Under the terms of the Genito Retention Agreement, Mr. Genito would continue to remain employed by the Company through December 31, 2014 (unless earlier terminated) and was required to assist with the transition of the hiring of a new Chief Financial Officer (Mr. Martin was appointed the Company s new Chief Financial Officer on September 1, 2014). Under the Genito Retention Agreement, Mr. Genito was entitled to receive the following payments and benefits: (i) $1,920,000, which was equal to two (2) times Mr. Genito s annual base salary and target bonus, payable in monthly installments of $80,000 in the form of Company common stock over a period of twenty-four (24) months; (ii) an additional MIP payment for 2014 equal to the amount determined for Mr. Genito pursuant to the Company s 2014 MIP based on the Company s actual performance results for Fiscal 2014, which amount was paid at the same time as other payments are made to 2014 MIP participants, and in any case no later than December 31, 2014; (iii) payment for accrued but unused vacation days; (iv) for a period of twenty-four (24) months, a monthly payment equal to the monthly COBRA continuation coverage cost; (v) the Executive Life Insurance benefit for Mr. Genito and his eligible dependents for twenty-four (24) months at the level and of the type provided to active employees of the Company from time to time; (vi) entitlement to purchase his Company vehicle pursuant to Company policy; and (vii) the reimbursement of any unreimbursed business expenses. In addition, if Mr. Genito performed his duties and responsibilities in a satisfactory matter (including the smooth transition of his duties to a new Chief Financial Officer and the related preparation, filing, and certification of the Company s annual filings for Fiscal 2014) as determined by the Chairman of the Compensation Committee, then Mr. Genito was entitled to receive a payment of $500,000 (payable in the form of Company common stock).

In addition, Mr. Genito was eligible to earn and vest in restricted stock units under the Company s 2014 equity award programs and the Spectrum 750 Plan, to the extent that the applicable performance criteria were met for Fiscal 2014.

Mr. Genito agreed to a customary release of potential claims against the Company and to customary post-employment restrictive covenants in favor of the Company, as well as being available to consult with the Company during the 24-month period after termination of his employment.

Tables of Amounts Payable Upon Termination or Change of Control

The following tables set forth the amounts that would have been payable at September 30, 2015 to each of the named executive officers who are currently employed by the Company under the various scenarios for termination of employment or a change-in-control of the Company had such scenarios occurred on September 30, 2015.

On January 8, 2015, the Company and Mr. Lumley entered into the Lumley Transition Agreement providing for Mr. Lumley s retirement as Chief Executive Officer and President and his continued employment with the

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Company through September 30, 2015 or such earlier date as determined by the Board of Directors (see *Lumley Transition Agreement* above). In connection with Mr. Rouvé s appointment as Chief Executive Officer and President of the Company, effective April 1, 2015, Mr. Lumley resigned from his positions as Chief Executive Officer and President and retired from the Company effective September 30, 2015. The amounts to be paid to Mr. Lumley under the provisions of the Lumley Transition Agreement in connection with retirement from the Company are set forth below in *Payments to David R. Lumley Upon Retirement*.

In addition, on April 29, 2014, SBI and Mr. Genito mutually agreed that, effective December 31, 2014 (or such other date that is agreed to), Mr. Genito s employment would terminate and he would resign from any and all titles, positions, and appointments that he held with the Company. In connection with his resignation, the Company and Mr. Genito entered into the Genito Retention Agreement (see *Genito Retention Agreement* above). Effective January 2, 2015, Mr. Genito resigned from his position as Executive Vice President and Chief Accounting Officer of the Company. The amounts to be paid to Mr. Genito under the provisions of the Genito Retention Agreement in connection with his termination of employment from the Company are set forth below in *Payments to Anthony L. Genito Upon Resignation*.

Andreas Rouvé

	Termination Scenarios (assumes termination 9/30/2015)			
Component	**Without Good Reason or For Cause**	**With Good Reason or Without Cause**	**Death or Disability**	**Change in Control and Termination**
Cash Severance[1]		$ 2,021,250	$ 2,021,250	$ 2,021,250
Annual Bonus[2]		$ 639,520	$ 639,520	$ 639,520
Equity Awards (Intrinsic Value)[3]				
Unvested Restricted Stock		$ 4,348,647[4]	$ 211,480[5]	$ 4,348,647[4]
Other Benefits				
Health and Welfare[6]		$ 9,424	$ 9,424	$ 9,424
Leased Vehicle[7]		$ 25,561	$ 25,561	$ 25,561
Tax Gross-Up[8]				
Total		$ 7,044,402	$ 2,907,234	$ 7,044,402

(1) Reflects cash severance payment, under the applicable termination scenarios, of 1.5x the sum of the executive s current base salary and 1.0x the Fiscal 2015 target bonus. Payments are to be made in monthly installments over 18 months, subject to the requirements of Section 409A of the Internal Revenue Code.

(2) Reflects annual MIP bonus earned based on Fiscal 2015 performance. Payment is subject to the requirements of Section 409A of the Internal Revenue Code.

(3) Reflects equity value using a stock price of $91.51, which was the Company s closing price on September 30, 2015.

(4) Upon a termination without cause or in connection with a change in control, or for resignation with good reason, 50% of the Fiscal 2014 EIP award (the unvested portion of the 2014 EIP award) and all RSUs earned under the Spectrum 750 award would vest immediately. Additionally, 96.6% of the Fiscal 2015 EIP award would be paid in

full.

(5) Upon a termination due to death or disability, all RSUs earned under the Spectrum 750 award would vest immediately. Any unvested portion of the Fiscal 2014 EIP award and the entire Fiscal 2015 EIP award would be forfeited and cancelled.

(6) Reflects 18 months of insurance and other benefits continuation for the executive and any dependents.

(7) Reflects 12 months of car allowance continuation.

(8) The Company does not provide any tax gross-up payments to cover excise taxes.

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Douglas L. Martin

Component	Without Good Reason or For Cause	With Good Reason or Without Cause	Death or Disability	Change in Control and Termination
	Termination Scenarios (assumes termination 9/30/2015)			
Cash Severance[1]		$ 1,320,000	$ 1,320,000	$ 1,320,000
Annual Bonus[2]		$ 523,363	$ 523,363	$ 523,363
Equity Awards (Intrinsic Value)[3]				
Unvested Restricted Stock		$ 1,419,137[4]	[5]	$ 1,419,137[4]
Other Benefits				
Health and Welfare[6]		$ 9,424	$ 9,424	$ 9,424
Tax Gross-Up[7]				
Total		$ 3,271,924	$ 1,852,787	$ 3,271,924

(1) Reflects cash severance payment, under the applicable termination scenarios, of 1.5x the executive s current base salary, plus 1.0x the Fiscal 2015 target bonus. Payments are to be made in monthly installments over 18 months, subject to the requirements of Section 409A of the Internal Revenue Code.

(2) Reflects annual MIP bonus earned based on Fiscal 2015 performance. Payment is subject to the requirements of Section 409A of the Internal Revenue Code.

(3) Reflects equity value using a stock price of $91.51, which was the Company s closing price on September 30, 2015.

(4) Upon a termination without cause or in connection with a change in control, or for resignation with good reason, 50% of the Fiscal 2014 EIP award (the unvested portion of the 2014 EIP award) and all RSUs earned under the Spectrum 750 award would vest immediately. Additionally, 96.6% of the Fiscal 2015 EIP award would be payable.

(5) Upon a termination due to death or disability, the entire Fiscal 2015 EIP award would be forfeited and cancelled.

(6) Reflects 18 months of insurance and other benefits continuation for the executive and any dependents.

(7) The Company does not provide any tax gross-up payments to cover excise taxes.

Nathan E. Fagre

Component	Without Good Reason or For Cause	With Good Reason or Without Cause	Death or Disability	Change in Control and Termination
	Termination Scenarios (assumes termination 9/30/2015)			
Cash Severance[1]		$ 600,000	$ 600,000	$ 600,000

Equity Awards (Intrinsic Value)[2]			
Unvested Restricted Stock	$ 2,308,248[3]	$ 95,536[4]	$ 2,308,248[3]
Other Benefits			
Health and Welfare[5]	$ 6,283	$ 6,283	$ 6,283
Tax Gross-Up[6]			
Total	$ 2,914,531	$ 701,819	$ 2,914,531

(1) Reflects cash severance payment, under the applicable termination scenarios, of 1.0x the sum of executive s current base salary and 1.0x the Fiscal 2015 target bonus. Payments are to be made in semi-monthly installments over 12 months, subject to the requirements of Section 409A of the Internal Revenue Code.

(2) Reflects equity value using a stock price of $91.51, which was the Company s closing price on September 30, 2015.

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(3) Upon a termination without cause or in connection with a change in control, or for resignation with good reason, 50% of the Fiscal 2014 EIP award (the unvested portion of the 2014 EIP award) and all RSUs earned under the Spectrum 750 award would vest immediately. Additionally, 96.6% of the Fiscal 2015 EIP award would be payable.

(4) Upon a termination due to death or disability, all RSUs earned under the Spectrum 750 award would vest immediately. Any unvested portion of the Fiscal 2014 EIP award and the entire Fiscal 2015 EIP award would be forfeited and cancelled.

(5) Reflects 12 months of insurance and other benefits continuation for the executive and any dependents.

(6) The Company does not provide any tax gross-up payments to cover excise taxes.

Stacey L. Neu

	Termination Scenarios (assumes termination 9/30/2015)			
Component	**Without Good Reason or For Cause**	**With Good Reason or Without Cause**	**Death or Disability**	**Change in Control and Termination**
Cash Severance[1]		$ 400,000	$ 400,000	$ 400,000
Equity Awards (Intrinsic Value)[2]				
Unvested Restricted Stock		$ 1,075,151[3]	$ 63,142[4]	$ 1,075,151[3]
Other Benefits				
Health and Welfare[5]		$ 6,283	$ 6,283	$ 6,283
Tax Gross-Up[6]				
Total		$ 1,481,433	$ 469,424	$ 1,481,433

(1) Reflects cash severance payment, under the applicable termination scenarios, of 1.0x the sum of executive s current base salary and 1.0x the Fiscal 2015 target bonus. Payments are to be made in semi-monthly installments over 12 months, subject to the requirements of Section 409A of the Internal Revenue Code.

(2) Reflects equity value using a stock price of $91.51, which was the Company s closing price on September 30, 2015.

(3) Upon a termination without cause or in connection with a change in control, or for resignation with good reason, 50% of the Fiscal 2014 EIP award (the unvested portion of the 2014 EIP award) and all RSUs earned under the Spectrum 750 award would vest immediately. Additionally, 96.6% of the Fiscal 2015 EIP award would be payable.

(4) Upon a termination due to death or disability, all RSUs earned under the Spectrum 750 award would vest immediately. Any unvested portion of the Fiscal 2014 EIP award and the entire Fiscal 2015 EIP award would be forfeited and cancelled.

(5) Reflects 12 months of insurance and other benefits continuation for the executive and any dependents.

(6) The Company does not provide any tax gross-up payments to cover excise taxes.

Payments to David R. Lumley Upon Retirement

As discussed above, David R. Lumley resigned as the Company s Chief Executive Officer and President effective April 1, 2015 and retired from the Company effective September 30, 2015 pursuant to the terms of the Lumley

Transition Agreement. Therefore, pursuant to Regulation S-K Item 402(j), Instruction 4, the following table illustrates the actual payments made to Mr. Lumley or amounts accrued under the provisions of the Lumley Transition Agreement in connection with his retirement from the Company:

				Equity Awards (Intrinsic Value)[4]			
Name	**Cash Retention Bonus**[1]	**Additional Retention Payment**[2]	**Annual Bonus**[3]	**2014 EIP**	**Spectrum 750**	**Healthcare Benefits**[6]	**Vehicles**[7]
David R. Lumley	$ 4,063,500	$ 100,000	$ 1,149,021	$ 3,565,504[5]	$ 3,032,458[5]	$ 12,565	$ 20,442

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(1) Reflects the retention bonus of 2x the sum of the executive s base salary plus 2x the annual target bonus in effect in the fiscal year prior to the termination date. The retention bonus shall be paid beginning on the 60th day following the termination date, subject to the requirements under Section 409A of the Internal Revenue Code.
(2) Executive is entitled to an additional retention payment of $100,000, of which $75,000 is payable on the 60th day following the termination date and the remaining $25,000 is payable on the one-year anniversary of the termination date.
(3) Reflects annual MIP bonus earned based on Fiscal 2015 performance. Payment is subject to the requirements of Section 409A of the Internal Revenue Code.
(4) Reflects equity value using a stock price of $91.51, which was the Company s closing price on September 30, 2015.
(5) 50% of the Fiscal 2014 EIP award (the unvested portion of the 2014 EIP award) and all RSUs earned under the Spectrum 750 award vested immediately. The executive s Fiscal 2015 EIP award has been forfeited.
(6) Reflects 24 months of insurance and other benefits continuation for the executive and any dependents.
(7) Reflects 12 months of car allowance continuation.

Payments to Anthony L. Genito Upon Resignation

As discussed above, SBI and Mr. Genito mutually agreed to the termination of Mr. Genito s employment with the Company pursuant to the terms of the Genito Retention Agreement. Mr. Genito departed from the Company on January 2, 2015. Therefore, pursuant to Regulation S-K Item 402(j), Instruction 4, the following table illustrates the actual payments made to Mr. Genito or accrued under the provisions of the Genito Retention Agreement in connection with his termination of employment from the Company:

Name	Severance Payment(1)	2014 Annual Bonus(2)	Additional Severance for Transition(3)	Equity Awards (Intrinsic Value)(4) 2014 EIP	Spectrum 750	Healthcare Benefits(6)	Life Insurance Benefits(7)	Vehicles(8)
Anthony L. Genito	$ 4,063,500	$ 100,000	$ 1,149,021	$ 3,565,504(5)	$ 3,032,458(5)	$ 12,565	$ 29,320	$ 20,442

(1) Reflects severance payment of 2x the sum of the executive s annual base salary and the annual target bonus. Payments are to be made as monthly stock grants for 24 months, subject to the requirements of Section 409A of the Internal Revenue Code.
(2) Reflects annual MIP bonus earned based on Fiscal 2014 performance.
(3) Reflects additional severance for transitioning duties to the new Chief Financial Officer. The Company may pay this additional severance within 30 days after the termination date in the form of a stock grant.
(4) Reflects equity value using a stock price of $92.84, which was the Company s closing price on Mr. Genito s termination date of January 2, 2015.
(5) 50% of the Fiscal 2014 EIP award (the unvested portion of the 2014 EIP award) and all RSUs earned under the Spectrum 750 award vested immediately.
(6) Reflects 24 months of insurance and other benefits continuation for the executive and any dependents.
(7) Reflects executive life insurance benefits for Mr. Genito for 24 months after his termination date.
(8) Reflects 24 months of car allowance continuation.

Director Compensation

The Compensation Committee is responsible for approving, subject to review by the Board of Directors as a whole, compensation programs for our non-employee directors. In that function, the Compensation Committee considers market and peer company data regarding director compensation and evaluates the Company s director compensation practices in light of that data and the characteristics of the Company as a whole, with the assistance of its independent compensation advisors.

Under the director compensation program in place at the beginning of Fiscal 2015, each non-employee director receives an annual cash retainer of $105,000 and an annual grant of restricted stock units equal to that

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number of shares of the Company s common stock with a value on the date of grant of $105,000. The Chair of the Audit Committee receives an additional annual cash retainer of $20,000, and the Chairs of the Nominating and Corporate Governance Committee and the Compensation Committee each receive an additional annual cash retainer of $15,000. Directors are permitted to make an annual election to receive all of their director compensation in the form of Company stock in lieu of cash. In the second quarter of Fiscal 2015, the Compensation Committee recommended, and the Board approved, an increase in the compensation levels for the directors and the chairman of the board, after completing a review of the Company s director compensation program as against other peer group companies and other benchmarking data, and considering the degree of effort and time commitment expected of the Company s directors and of its chairman of the board. Accordingly, the level of annual equity compensation for directors was increased to $125,000 of value annually from the prior level of $105,000 of value annually. For Fiscal 2015, the amount was pro-rated from the effective date of the increase. Also, the level of annual cash compensation for the chairman of the board was increased from $105,000 to $210,000 annually; this amount was also pro-rated for Fiscal 2015 from the effective date of the increase.

The Board of Directors has established Stock Ownership Guidelines for Directors. Under these guidelines, each Director is expected to hold shares of the Company s common stock equal to at least one times the Director s annual compensation for service as a director.

For Fiscal 2015, the grants of RSUs were made on October 1, 2014 and vested on October 1, 2015. An additional grant of RSUs was made to each of the non-employee directors and the chairman of the board on April 1, 2015 to reflect the increase in annual director compensation discussed above. In addition, grants of RSUs were made on November 25, 2014 to Mr. Maura, which will vest in accordance with the grant award, and on September 25, 2015 to Mr. Steinberg, which vested on October 1, 2015. For Fiscal 2016, the grants of RSUs were made on October 1, 2015 and will vest on October 1, 2016.

David R. Lumley, who was an employee of the Company during a portion of Fiscal 2015 in addition to his service as a director, received no additional compensation for his service as a director of the Company. Mr. Lumley resigned from the Company s Board of Directors effective September 30, 2015. Andreas Rouvé replaced Mr. Lumley as a director effective October 1, 2015. Because Mr. Rouvé did not serve on the Board of Directors during Fiscal 2015, he is not reflected in the table below. Joseph S. Steinberg was elected to the Company s board of directors on February 19, 2015. He received a grant of RSUs during Fiscal 2015 based on a pro-rata calculation of his days of service as a director during the fiscal year.

The table set forth below, together with its footnotes, provides information regarding compensation paid to the Company s directors for Fiscal 2015. David R. Lumley, who received no compensation as a director during Fiscal 2015, is omitted from the table

Director Compensation Table for Fiscal Year 2015

Name(1)	**Fees Earned or Paid in Cash(2) $**	**Stock Awards(3) $**	**All Other Compensation $**	**Total $**
Kenneth C. Ambrecht		232,494(4)	4,784(5)	237,278
Omar M. Asali		217,856(6)	2,120(7)	219,976
Eugene I. Davis	93,750	115,568(8)	2,082(9)	211,400

Norman S. Matthews	232,494(10)	789(11)	233,283
David M. Maura	9,262,548(12)	2,120(13)	9,264,668
Terry L. Polistina	217,856(14)	2,382(15)	220,238
Hugh R. Rovit	217,856(16)	2,108(17)	219,964
Joseph S. Steinberg	139,869(18)		139,869

(1) This column reflects only directors who received compensation during Fiscal 2015. Note that David R. Lumley, who was a director during Fiscal 2015, is not reflected in this table.

(2) Amounts reflected in this column include the annual retainer fees and committee chair fees paid in cash to Mr. Davis during Fiscal 2015. All of the other directors named in this table elected to receive the cash portion of their annual director compensation in the form of RSUs in lieu of cash, and such amounts are included in the Stock Awards column of this table.

(3) Amounts in this column represent the aggregate grant date fair value of each award computed in accordance with FASB ASC Topic 718. The value was computed by multiplying the number of shares underlying the stock award by the closing price per share of the Company s common stock on each grant date (or, as applicable, the last trading date immediately prior to the grant date if the grant date fell on a date when the NYSE was closed), which was $88.18 on October 1, 2014, $89.75 on November 25, 2014, $89.12 on April 1, 2015, and $93.06 on September 25, 2015.

(4) Includes 1,326 RSUs granted to Mr. Ambrecht on October 1, 2014 and 149 RSUs granted on April 1, 2015 under the 2011 Plan representing the equity portion of his annual director compensation (which each vested in full on October 1, 2015), and grants of 1,160 RSUs on October 1, 2014 in lieu of the cash portion of Mr. Ambrecht s annual director compensation (which vested in full on October 1, 2015). As of September 30, 2015, Mr. Ambrecht held 2,635 outstanding unvested RSUs.

(5) Includes dividends paid on RSUs held by Mr. Ambrecht ($2,613) which were not factored into the grant date fair value of the RSUs, and reimbursements of travel expenses for board of directors meetings ($2,171).

(6) Includes 1,160 RSUs granted to Mr. Asali on October 1, 2014 and 149 RSUs granted on April 1, 2015 under the 2011 Plan representing the equity portion of his annual director compensation (which each vested in full on October 1, 2015), and grants of 1,160 RSUs on October 1, 2014 in lieu of the cash portion of Mr. Asali s annual director compensation (which vested in full on October 1, 2015). As of September 30, 2015, Mr. Asali held 2,469 outstanding unvested RSUs.

(7) Represents dividends paid on RSUs held by Mr. Asali which were not factored into the grant date fair value of the RSUs.

(8) Includes 1,160 RSUs granted to Mr. Davis on October 1, 2014 and 149 RSUs granted on April 1, 2015 under the 2011 Plan representing the equity portion of his annual director compensation (which each vested in full on October 1, 2015). As of September 30, 2015, Mr. Davis held 1,309 outstanding unvested RSUs.

(9) Includes dividends paid on RSUs held by Mr. Davis ($1,834) which were not factored into the grant date fair value of the RSUs, and reimbursements of travel expenses for board of directors meetings ($245).

(10) Includes 1,326 RSUs granted to Mr. Matthews on October 1, 2014 and 149 RSUs granted on April 1, 2015 under the 2011 Plan representing the equity portion of his annual director compensation (which each vested in full on October 1, 2015), and grants of 1,160 RSUs on October 1, 2014 in lieu of the cash portion of Mr. Matthews annual director compensation (which vested in full on October 1, 2015). As of September 30, 2015, Mr. Matthews held 2,635 outstanding unvested RSUs.

(11) Represents reimbursements of travel expenses for board of directors meetings.

(12) Includes 1,160 RSUs granted to Mr. Maura on October 1, 2014 and 149 RSUs granted on April 1, 2015 under the 2011 Plan representing the equity portion of his annual director compensation (which each vested in full on October 1, 2015), and grants of 1,160 RSUs on October 1, 2014 and 782 RSUs on April 1, 2015 in lieu of the cash portion of Mr. Maura s annual director compensation and pro-rata portion of his chairman compensation (which vested in full on October 1, 2015). This amount also includes a grant of 100,000 shares of restricted stock made to Mr. Maura on November 25, 2014 as compensation for his services as a director and chairman of the Company. This grant vests as follows: 20% on the first anniversary of the date of grant; 50% on the second anniversary; and 30% on the third anniversary. As of September 30, 2015, Mr. Maura held 103,251 outstanding unvested RSUs.

(13) Represents dividends paid on RSUs held by Mr. Maura which were not factored into the grant date fair value of the RSUs.

(14) Includes 1,160 RSUs granted to Mr. Polistina on October 1, 2014 (which vested quarterly in equal installments on October 1, 2014, January 1, 2015, April 1, 2015, and July 1, 2015) and 149 RSUs granted on April 1, 2015

(which vested in full on October 1, 2015) under the the 2011 Plan representing the equity portion of his annual director compensation, and grants of 1,160 RSUs on October 1, 2014 in lieu of the cash portion of Mr. Polistina s annual director compensation (which vested in full on October 1, 2015). As of September 30, 2015, Mr. Polistina held 1,309 outstanding unvested RSUs.

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(15) Represents dividends paid on RSUs held by Mr. Polistina which were not factored into the grant date fair value of the RSUs.

(16) Includes 1,160 RSUs granted to Mr. Rovit on October 1, 2014 and 149 RSUs granted on April 1, 2015 under the 2011 Plan representing the equity portion of his annual director compensation (which each vested in full on October 1, 2015), and grants of 1,160 RSUs on October 1, 2014 in lieu of the cash portion of Mr. Rovit s annual director compensation (which vested in full on October 1, 2015). As of September 30, 2015, Mr. Rovit held 2,469 outstanding unvested RSUs.

(17) Includes dividends paid on RSUs held by Mr. Rovit ($1,769) which were not factored into the grant date fair value of the RSUs, and reimbursements of travel expenses for board of directors meetings ($339).

(18) Includes 1,503 RSUs granted to Mr. Steinberg on September 25, 2015 under the 2011 Plan representing a combined pro-rata equity portion of his annual director compensation and pro-rata in lieu of cash portion of Mr. Steinberg s annual director compensation for Fiscal 2015 (which vested in full on October 1, 2015). The pro-rata calculation was based on the number of days of service as a director by Mr. Steinberg during the fiscal year, following his election to the board of directors. As of September 30, 2015, Mr. Steinberg held 1,503 outstanding unvested RSUs.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

All of Spectrum s issued and outstanding common stock is held by SB/RH Holdings, our direct parent and a wholly owned subsidiary of SB Holdings.

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TRANSACTIONS WITH RELATED PERSONS

Review, Approval or Ratification of Transactions with Related Persons

SB Holdings policies and procedures for review and approval of related-person transactions appear in the Code of Ethics for the Principal Executive Officer and Senior Financial Officers and the Spectrum Brands Code of Business Conduct and Ethics, each of which is posted on our website at *www.spectrumbrands.com* under Investor Relations Corporate Governance. Information contained on or accessible through our website is not part of, and is not incorporated by reference into, this prospectus.

All of SB Holdings executive officers, directors, and employees are required to disclose to SB Holdings General Counsel all transactions which involve any actual, potential, or suspected activity or personal interest that creates or appears to create a conflict between the interests of SB Holdings and the interests of their executive officers, directors, or employees. In cases involving executive officers, directors, or senior-level management, SB Holdings General Counsel will investigate the proposed transaction for potential conflicts of interest and then refer the matter to SB Holdings Audit Committee to make a full review and determination. In cases involving other employees, SB Holdings General Counsel, in conjunction with the employee s regional supervisor and SB Holdings Director of Internal Audit, will review the proposed transaction. If they determine that no conflict of interest will result from engaging in the proposed transaction, then they will refer the matter to SB Holdings Chief Executive Officer for final approval.

SB Holdings Audit Committee is required to consider all questions of possible conflicts of interest involving executive officers, directors, and senior-level management and to review and approve certain transactions, including all (i) transactions in which a director, executive officer, or an immediate family member of a director or executive officer has an interest, (ii) proposed business relationships between SB Holdings and a director, executive officer, or other member of senior management, (iii) investments by an executive officer in a company that competes with SB Holdings or has an interest in a company that does business with SB Holdings, and (iv) situations where a director or executive officer proposes to be a customer of SB Holdings, be employed by, serve as a director of, or otherwise represent a customer of SB Holdings.

SB Holdings legal department and financial accounting department monitor transactions for an evaluation and determination of potential related person transactions that would need to be disclosed in SB Holdings and our periodic reports or proxy materials under generally accepted accounting principles and applicable SEC rules and regulations.

Transactions with Related Persons

Merger Agreement and Registration Rights Agreement

On June 16, 2010, the Company completed a merger with Russell Hobbs, Inc. (Russell Hobbs) (the Merger) pursuant to the Agreement and Plan of Merger, dated as of February 9, 2010, as subsequently amended, by and among SB Holdings, Russell Hobbs, and affiliated parties (the Merger Agreement). In connection with the Merger, Harbinger Capital Partners Master Fund I, Ltd., Harbinger Capital Partners Special Situations Fund, L.P. and Global Opportunities Breakaway Ltd. (together the Harbinger Parties) and SB Holdings entered into a stockholder agreement, dated February 9, 2010 (the Stockholder Agreement), which provides for certain protective provisions in favor of minority stockholders and provides certain rights and imposes certain obligations on the Harbinger Parties, including:

for so long as the Harbinger Parties and their affiliates beneficially own 40% or more of the outstanding voting securities of SB Holdings, the Harbinger Parties and SB Holdings will cooperate to ensure, to the greatest extent possible, the continuation of the structure of SB Holdings board of directors as described in the Stockholder Agreement;

the Harbinger Parties will not effect any transfer of equity securities of SB Holdings to any person that would result in such person and its affiliates owning 40% or more of the outstanding voting securities of SB Holdings, unless specified conditions are met; and

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the Harbinger Parties will be granted certain access and informational rights with respect to SB Holdings and its subsidiaries.

Pursuant to a joinder to the Stockholder Agreement entered into by the Harbinger Parties and HRG, upon consummation of the previously disclosed share exchange between the Harbinger Parties and HRG on January 7, 2011 (such transaction, the Share Exchange), HRG became a party to the Stockholder Agreement, and is subject to all of the covenants, terms and conditions of the Stockholder Agreement to the same extent as the Harbinger Parties were bound thereunder prior to giving effect to the Share Exchange.

Certain provisions of the Stockholder Agreement terminate on the date on which the Harbinger Parties or HRG no longer constitutes a Significant Stockholder (as defined in the Stockholder Agreement). The Stockholder Agreement terminates when any person (including the Harbinger Parties or HRG) acquires 90% or more of the outstanding voting securities of SB Holdings.

Also in connection with the Merger, the Harbinger Parties and SB Holdings entered into a registration rights agreement, dated as of February 9, 2010 (the SB Holdings Registration Rights Agreement), pursuant to which the Harbinger Parties have, among other things and subject to the terms and conditions set forth therein, certain demand and so-called piggy back registration rights with respect to their shares of SB Holdings common stock. On September 10, 2010, the Harbinger Parties and HRG entered into a joinder to the SB Holdings Registration Rights Agreement, pursuant to which, effective upon the consummation of the Share Exchange, HRG became a party to the SB Holdings Registration Rights Agreement, entitled to the rights and subject to the obligations of a holder thereunder.

Arrangement with HRG Relating to Executives Tax Withholding Obligations

After the end of Fiscal 2015, HRG entered into purchase agreements with three named executive officers of SB Holdings, pursuant to which, upon the vesting of an executive s stock awards granted by SB Holdings, HRG would agree to purchase from the executive, in a private sale, that certain number of shares of SB Holdings common stock corresponding to the executive s tax withholding obligation resulting from the vesting of the award. In each case, the executive used the proceeds of the sales to satisfy the tax withholding obligations. As of the date of this prospectus, HRG has made the following purchases from SB Holdings executives under this arrangement: (i) 10,481 shares from Mr. Fagre on December 1, 2015 at a price per share of $95.25 (for an aggregate purchase price of $998,315); (ii) 19,324 shares from Mr. Rouvé on December 1, 2015 at a price per share of $95.25 (for an aggregate purchase price of $1,840,611); and (iii) 3,368 shares from Ms. Neu on December 1, 2015 at a price per share of $95.25 (for an aggregate purchase price of $320,802).

Director Independence

The Board of Directors of SB Holdings has affirmatively determined that none of the following directors has a material relationship with SB Holdings (either directly or as a partner, stockholder, or officer of an organization that has a relationship with the Company): Norman S. Matthews, Eugene I. Davis, Kenneth C. Ambrecht, and Hugh R. Rovit. The Board of Directors of SB Holdings has adopted the definition of independent director set forth under Section 303A.02 of the NYSE Listed Company Manual to assist it in making determinations of independence. The Board of Directors of SB Holdings has determined that the directors referred to above currently meet these standards and qualify as independent. The Board of Directors of SB Holdings has made no determination with respect to the remaining directors.

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DESCRIPTION OF OTHER INDEBTEDNESS

Credit Agreement

On June 23, 2015, we entered into the Credit Agreement by and among Spectrum Brands, SB/RH Holdings, Deutsche Bank AG New York Branch, as administrative agent, and the lenders party thereto from time to time.

General

The terms of the Credit Agreement allows Spectrum Brands and certain of its subsidiaries, subject to certain conditions, to increase the amount of the commitment thereunder by an aggregate incremental amount not to exceed at the time of incurrence the sum of (x) $900 million plus (y) all voluntary prepayments (unless funded by a contemporaneous refinancing or new long-term indebtedness) of the New Credit Facilities. Incremental amounts may be incurred in reliance on the basket in clause (x) or clause (y) plus (z) additional amounts so long as on the date of incurrence thereof (or, at our option, on the date of establishment of the commitments in respect thereof), the First Lien Leverage Ratio (as defined in the Credit Agreement) on a pro forma basis would not exceed 3.25:1.00. As of the date hereof, no such incremental amounts have been committed to by any lender.

Obligations under the Credit Agreement and, at our option, under certain interest rate protection or other hedging arrangements and certain cash management arrangements (collectively, the Secured Obligations) are guaranteed by SB/RH Holdings and the direct and indirect wholly-owned domestic subsidiaries of SB/RH Holdings, other than Spectrum Brands (the Subsidiary Guarantors), subject to certain exceptions, pursuant to the Loan Guaranty, dated as of June 23, 2015, by and among SB/RH Holdings, the subsidiary guarantors party thereto from time to time and Deutsche Bank AG New York Branch, as administrative agent and collateral agent (the Loan Guaranty). The Secured Obligations are secured by first-priority liens on substantially all of the assets of Spectrum Brands and the Subsidiary Guarantors and on the equity interests of Spectrum Brands directly held by SB/RH Holdings pursuant to the Security Agreement, dated as of June 23, 2015, by and among Spectrum Brands, SB/RH Holdings, the subsidiary guarantors party thereto from time to time and Deutsche Bank AG New York Branch, as collateral agent (the Security Agreement).

All outstanding amounts under the USD Term Loan Facility (if funded in U.S. dollars) will bear interest, at Spectrum s option, at a rate per annum equal to (x) the LIBO rate with a 0.75% floor, adjusted for statutory reserves, plus a margin equal to 3.00% or (y) the Alternate Base Rate (as defined in the Credit Agreement), plus a margin equal to 2.00%, which margins may be reduced by 0.25% based on achieving a certain First Lien Leverage Ratio specified in the Credit Agreement. The Euro Term Loan Facility (if funded in Euros) will bear interest at a rate per annum equal to the EURIBOR Rate (as defined in the Credit Agreement) with a 0.75% per annum floor, plus a margin equal to 2.75% per annum. The CAD Term Loan Facility (if funded in Canadian dollars) will bear interest, at Spectrum s option, at a rate per annum equal to (x) the BA Rate (as defined in the Credit Agreement) with a 0.75% floor, plus a margin equal to 3.50% or (y) the Canadian Base Rate (as defined in the Credit Agreement), plus a margin equal to 2.50%. The Term Credit Facilities will mature on the seventh anniversary of June 23, 2015.

All outstanding amounts under the Revolving Credit Facility (if funded in U.S. dollars) will bear interest, at Spectrum s option, at a rate per annum equal to (x) the LIBO rate with a 0.75% floor, adjusted for statutory reserves, plus a margin equal to 3.00% or (y) the Alternate Base Rate (as defined in the Credit Agreement), plus a margin equal to 2.00%, which margins may be reduced by 0.25% based on achieving a certain First Lien Leverage Ratio specified in the Credit Agreement. The Revolving Credit Facility (if funded in Euros) will bear interest at a rate per annum equal to the EURIBOR Rate (as defined in the Credit Agreement) with a 0.75% per annum floor, plus a margin equal to 2.75% per annum, which margin may be reduced by 0.25% based on achieving a certain First Lien Leverage Ratio specified in the Credit Agreement. The Revolving Credit Facility (if funded in Canadian dollars) will bear interest, at Spectrum s option, at a rate per annum equal to (x) the BA Rate (as defined in the Credit Agreement) with a 0.75% floor, plus a margin equal to 3.50% or (y) the Canadian

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Base Rate (as defined in the Credit Agreement), plus a margin equal to 2.50%, which margins may be reduced by 0.25% based on achieving a certain First Lien Leverage Ratio specified in the Credit Agreement. The Revolving Credit Facility will mature on the fifth anniversary of June 23, 2015.

Subject to certain exceptions, the Credit Agreement requires mandatory prepayments, in amounts equal to (i) 50% (reduced to 25% and 0% upon the achievement of certain specified First Lien Leverage Ratio) of excess cash flow (as defined in the Credit Agreement), at the end of each fiscal year commencing with the fiscal year ending September 30, 2016, (ii) 100% of the net cash proceeds from certain asset sales by Spectrum Brands or any of its restricted subsidiaries and certain casualty and condemnation events (subject to certain exceptions and reinvestment rights) and (iii) 100% of the net cash proceeds from the issuance or incurrence after June 23, 2015 of any additional debt by Spectrum Brands or any of its restricted subsidiaries excluding debt permitted under the Credit Agreement except for permitted refinancing indebtedness.

Voluntary prepayments of borrowings under the Credit Agreement are permitted at any time, in agreed-upon minimum principal amounts. There is a prepayment fee equal to 1.00% of the principal amount of the loans under any New Term Loan Facility optionally prepaid with the proceeds of lower cost debt on or prior to the date that is six months following June 23, 2015. Prepayment made after such date will not be subject to premium or penalty (except customary LIBOR breakage costs, if applicable).

6.375% and 6.625% Senior Notes

On December 17, 2012, Spectrum Brands assumed $520,000,000 aggregate principal amount of 6.375% Senior Notes at par value, due November 15, 2020 (the 6.375% Notes) and $570,000,000 aggregate principal amount of 6.625% Senior Notes at par value, due November 15, 2022, previously issued by Spectrum Brands Escrow Corporation. The 6.375% Notes and the 6.625% Notes are unsecured and guaranteed by Spectrum Brands parent company, SB/RH Holdings, as well as by existing and future domestic restricted subsidiaries.

The indenture governing the 6.375% Notes and the 6.625% Notes (the 2020/22 Indenture) provides that Spectrum Brands may redeem all or part of the 6.375% Notes and the 6.625% Notes, upon not less than 30 or more than 60 days notice, at specified redemption prices. Further, the 2020/22 Indenture requires Spectrum Brands to make an offer, in cash, to repurchase all or a portion of the applicable outstanding notes for a specified redemption price, including a redemption premium, upon the occurrence of a change of control of Spectrum Brands, as defined in such indenture.

The 2020/22 Indenture contains customary covenants that limit, among other things, the incurrence of additional indebtedness, payment of dividends on or redemption or repurchase of equity interests, the making of certain investments, expansion into unrelated businesses, creation of liens on assets, merger or consolidation with another company, transfer or sale of all or substantially all assets, and transactions with affiliates.

In addition, the 2020/22 Indenture provides for customary events of default, including failure to make required payments, failure to comply with certain agreements or covenants, failure to make payments when due or on acceleration of certain other indebtedness, and certain events of bankruptcy and insolvency. Events of default under the 2020/22 Indenture arising from certain events of bankruptcy or insolvency will automatically cause the acceleration of the amounts due under the 6.375% Notes and the 6.625% Notes. If any other event of default under the 2020/22 Indenture occurs and is continuing, the trustee for the 2020/22 Indenture or the registered holders of at least 25% in the then aggregate outstanding principal amount of the 6.375% Notes, or the 6.625% Notes, may declare the acceleration of the amounts due under those notes.

THE EXCHANGE OFFER

Terms of the Exchange Offer

We are offering to exchange our exchange notes for a like and corresponding aggregate principal amount of our initial notes.

The exchange notes that we propose to issue in this exchange offer will be substantially identical to the form and terms of our initial notes, except that, unlike our initial notes, the exchange notes (i) have been registered under the Securities Act and will be freely tradable by persons who are not our affiliates or subject to restrictions due to being a broker-dealer, (ii) are not entitled to the registration rights applicable to the initial notes under the applicable Registration Rights Agreement and (iii) our obligation to pay additional interest on the initial notes due to the failure to consummate the exchange offer by a prior date does not apply to the exchange notes. In addition, our obligation to pay interest on the initial notes due to the failure to consummate the exchange offer by a prior date does not apply to the exchange notes. You should read the description of the exchange notes in the sections in this prospectus entitled Description of 2024 Notes and Description of 2025 Notes, as applicable.

Initial notes may be exchanged only for a minimum principal denomination of $2,000 and in integral multiples of $1,000 in excess thereof.

We reserve the right in our sole discretion to purchase or make offers for any initial notes that remain outstanding following the expiration or termination of this exchange offer and, to the extent permitted by applicable law, to purchase initial notes in the open market or privately negotiated transactions, one or more additional tender or exchange offers or otherwise. The terms and prices of these purchases or offers could differ significantly from the terms of this exchange offer.

Expiration Date; Extensions; Amendments; Termination

This exchange offer will expire at 5:00 p.m., New York City time, on the expiration date unless we extend it in our reasonable discretion. The expiration date of this exchange offer will be at least 20 business days after the commencement of the exchange offer in accordance with Rule 14e-1(a) under the Securities Exchange Act of 1934, as amended (the Exchange Act).

We expressly reserve the right to delay acceptance of any initial notes (only due to an extension of this exchange offer) in accordance with Rule 14e-1(c), extend or terminate this exchange offer and not accept any initial notes that we have not previously accepted if any of the conditions described below under Conditions to the Exchange Offer have not been satisfied or waived by us. We will notify the exchange agent of any extension by oral notice promptly confirmed in writing or by written notice. We will also notify the holders of the initial notes by a press release or other public announcement communicated before 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date unless applicable laws require us to do otherwise.

We also expressly reserve the right to amend the terms of this exchange offer in any manner. If we make any material change, we will promptly disclose this change in a manner reasonably calculated to inform the holders of our initial notes of the change including providing public announcement or giving oral or written notice to these holders. A material change in the terms of this exchange offer could include a change in the timing of this exchange offer, a change in the exchange agent and other similar changes in the terms of this exchange offer. If we make any material change to this exchange offer, we will disclose this change by means of a post-effective amendment to the registration statement which includes this prospectus and will distribute an amended or supplemented prospectus to each registered holder of initial notes. In addition, we will extend this exchange offer for an additional five to ten business days as required by the Exchange Act, depending on the significance of the amendment, if this exchange offer would otherwise expire during that period. We will promptly notify the exchange agent by oral notice, promptly confirmed in writing, or written notice of any delay in acceptance, extension, termination or amendment of this exchange offer.

Procedures for Tendering Initial Notes

Proper Execution and Delivery of Letters of Transmittal

To tender your initial notes in this exchange offer, you must use *one of the three* alternative procedures described below:

(1) *Regular delivery procedure*: Complete, sign and date the letter of transmittal, or a facsimile of the letter of transmittal. Have the signatures on the letter of transmittal guaranteed if required by the letter of transmittal. Mail or otherwise deliver the letter of transmittal or the facsimile together with the certificates representing the initial notes being tendered and any other required documents to the exchange agent before 5:00 p.m., New York City time, on the expiration date.

(2) *Book-entry delivery procedure*: Send a timely confirmation of a book-entry transfer of your initial notes, if this procedure is available, into the exchange agent s account at DTC in accordance with the procedures for book-entry transfer described under Book-Entry Delivery Procedure below, before 5:00 p.m., New York City time, on the expiration date.

(3) *Guaranteed delivery procedure*: If time will not permit you to complete your tender by using the procedures described in (1) or (2) above before the expiration date and this procedure is available, comply with the guaranteed delivery procedures described under Guaranteed Delivery Procedure below.

The method of delivery of the initial notes, the letter of transmittal and all other required documents is at your election and risk. Instead of delivery by mail, we recommend that you use an overnight or hand-delivery service. If you choose the mail, we recommend that you use registered mail, properly insured, with return receipt requested. **In all cases, you should allow sufficient time to assure timely delivery.** You should not send any letters of transmittal or initial notes to us. You must deliver all documents to the exchange agent at its address provided below. You may also request your broker, dealer, commercial bank, trust company or nominee to tender your initial notes on your behalf.

Only a holder of initial notes may tender initial notes in this exchange offer. A holder is any person in whose name initial notes are registered on our books or any other person who has obtained a properly completed bond power from the registered holder.

If you are the beneficial owner of initial notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your notes, you must contact that registered holder promptly and instruct that registered holder to tender your notes on your behalf. If you wish to tender your initial notes on your own behalf, you must, before completing and executing the letter of transmittal and delivering your initial notes, either make appropriate arrangements to register the ownership of these notes in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.

You must have any signatures on a letter of transmittal or a notice of withdrawal guaranteed by:

(1) a member firm of a registered national securities exchange or of the Financial Industry Regulatory Authority, Inc. (FINRA);

(2) a commercial bank or trust company having an office or correspondent in the United States; or

(3) an eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act, *unless* the initial notes are tendered:

(a) by a registered holder or by a participant in DTC whose name appears on a security position listing as the owner, who has not completed the box entitled Special Issuance Instructions or Special Delivery Instructions on the letter of transmittal and only if the exchange notes are being issued directly to this registered holder or deposited into this participant s account at DTC; or

(b) for the account of a member firm of a registered national securities exchange or of FINRA, a commercial bank or trust company having an office or correspondent in the United States or an eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act.

If the letter of transmittal or any bond powers are signed by:

(1) the registered holder(s) of the initial notes tendered: the signature must correspond with the name(s) written on the face of the initial notes without alteration, enlargement or any change whatsoever.

(2) a participant in DTC: the signature must correspond with the name as it appears on the security position listing as the holder of the initial notes.

(3) a person other than the registered holder of any initial notes: these initial notes must be endorsed or accompanied by bond powers and a proxy that authorize this person to tender the initial notes on behalf of the registered holder, in satisfactory form to us as determined in our sole discretion, in each case, as the name of the registered holder or holders appears on the initial notes.

(4) trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity: these persons should so indicate when signing. Unless waived by us, evidence satisfactory to us of their authority to so act must also be submitted with the letter of transmittal.

To tender your initial notes in this exchange offer, you must make the following representations:

(1) you are authorized to tender, sell, assign and transfer the initial notes tendered and to acquire exchange notes issuable upon the exchange of such tendered initial notes, and that we will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim when the same are accepted by us;

(2) any exchange notes acquired by you pursuant to this exchange offer are being acquired in the ordinary course of business, whether or not you are the holder;

(3) you or any other person who receives exchange notes, whether or not such person is the holder of the exchange notes, has no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of such exchange notes and is not participating in, and does not intend to participate in, the distribution of such exchange notes;

(4) you or such other person who receives exchange notes, whether or not such person is the holder of the exchange notes, is not an affiliate, (as defined in Rule 405 of the Securities Act), of ours, or if you or such other person is an affiliate, you or such other person will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;

(5) if you are not a broker-dealer, you represent that you are not engaged in, and do not intend to engage in, a distribution of exchange notes; and

(6) if you are a broker-dealer that will receive exchange notes for your own account in exchange for initial notes that were acquired by you as a result of market-making or other trading activities, you acknowledge that you will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such exchange notes.

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You must also warrant that the acceptance of any tendered initial notes by us and the issuance of exchange notes in exchange therefor shall constitute performance in full of our obligations under the Registration Rights Agreements relating to the initial notes.

To effectively tender notes through DTC, the financial institution that is a participant in DTC will electronically transmit its acceptance through the Automatic Tender Offer Program. DTC will then edit and verify the acceptance and send an agent s message to the exchange agent for its acceptance. An agent s message is a message transmitted by DTC to the exchange agent stating that DTC has received an express acknowledgment from the participant in DTC tendering the notes that this participant has received and agrees to be bound by the terms of the letter of transmittal, and that we may enforce this agreement against this participant.

Book-Entry Delivery Procedure

Any financial institution that is a participant in DTC s systems may make book-entry deliveries of initial notes by causing DTC to transfer these initial notes into the exchange agent s account at DTC in accordance with DTC s procedures for transfer. To effectively tender the initial notes through DTC, the financial institution that is a participant in DTC will electronically transmit its acceptance through the Automatic Tender Offer Program. DTC will then edit and verify the acceptance and send an agent s message to the exchange agent for its acceptance. An agent s message is a message transmitted by DTC to the exchange agent stating that DTC has received an express acknowledgment from the participant in DTC tendering the initial notes that such participant has received and agrees to be bound by the terms of the letter of transmittal, and that we may enforce this agreement against such participant. The exchange agent will make a request to establish an account for the initial notes at DTC for purposes of this exchange offer within two business days after the date of this prospectus.

A delivery of initial notes through a book-entry transfer into the exchange agent s account at DTC will only be effective if an agent s message, or the letter of transmittal or a facsimile of the letter of transmittal with any required signature guarantees and any other required documents, is transmitted to and received by the exchange agent at the address indicated below under Exchange Agent before 5:00 p.m., New York City time, on the expiration date unless the guaranteed delivery procedures described below are complied with. **Delivery of documents to DTC does not constitute delivery to the exchange agent.**

Guaranteed Delivery Procedure

If you are a registered holder of initial notes and desire to tender your notes, and (1) these notes are not immediately available, (2) time will not permit your notes or other required documents to reach the exchange agent before 5:00 p.m., New York City time, on the expiration date, or (3) the procedures for book-entry transfer cannot be completed on a timely basis, you may still tender your initial notes in this exchange offer if:

(1) you tender through a member firm of a registered national securities exchange or of FINRA, a commercial bank or trust company having an office or correspondent in the United States, or an eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act;

(2) before 5:00 p.m., New York City time, on the expiration date, the exchange agent receives a properly completed and duly executed letter of transmittal or facsimile of the letter of transmittal, and a notice of guaranteed delivery, substantially in the form provided by us, with your name and address as holder of the

initial notes and the amount of notes tendered, stating that the tender is being made by that letter and notice and guaranteeing that within three New York Stock Exchange (the NYSE) trading days after the expiration date the certificates for all the initial notes tendered, in proper form for transfer, or a book-entry confirmation with an agent s message, as the case may be, and any other documents required by the letter of transmittal will be deposited by the eligible institution with the exchange agent; and

(3) the certificates for all your tendered initial notes in proper form for transfer or a book-entry confirmation as the case may be, and all other documents required by the letter of transmittal are received by the exchange agent within three NYSE trading days after the expiration date.

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Acceptance of Initial Notes for Exchange; Delivery of Exchange Notes

Your tender of initial notes will constitute an agreement between you and us governed by the terms and conditions provided in this prospectus and in the related letter of transmittal.

We will be deemed to have received your tender as of the date when your duly signed letter of transmittal accompanied by your initial notes tendered, or a timely confirmation of a book-entry transfer of these notes into the exchange agent s account at DTC with an agent s message, or a notice of guaranteed delivery from an eligible institution is received by the exchange agent.

All questions as to the validity, form, eligibility, including time of receipt, acceptance and withdrawal of tenders will be determined by us in our sole discretion. Our determination will be final and binding.

We reserve the absolute right to reject any and all initial notes not properly tendered or any initial notes which, if accepted, would, in our opinion or our counsel s opinion, be unlawful. We also reserve the absolute right to waive any conditions of this exchange offer or irregularities or defects in tender as to particular notes with the exception of conditions to this exchange offer relating to the obligations of broker dealers, which we will not waive. If we waive a condition to this exchange offer, the waiver will be applied equally to all note holders. Our interpretation of the terms and conditions of this exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of initial notes must be cured within such time as we shall determine. None of us, the exchange agent or any other person will be under any duty to give notification of defects or irregularities with respect to tenders of initial notes. None of us, the exchange agent or any other person will incur any liability for any failure to give notification of these defects or irregularities. Tenders of initial notes will not be deemed to have been made until such irregularities have been cured or waived. The exchange agent will return without cost to their holders any initial notes that are not properly tendered and as to which the defects or irregularities have not been cured or waived promptly following the expiration date.

If all the conditions to this exchange offer are satisfied or waived on the expiration date, we will accept all initial notes properly tendered and will issue the exchange notes promptly thereafter. Please refer to the section of this prospectus entitled Conditions to the Exchange Offer below. For purposes of this exchange offer, initial notes will be deemed to have been accepted as validly tendered for exchange when, as and if we give oral or written notice of acceptance to the exchange agent.

We will issue the exchange notes in exchange for the initial notes tendered pursuant to a notice of guaranteed delivery by an eligible institution only against delivery to the exchange agent of the letter of transmittal, the tendered initial notes and any other required documents, or the receipt by the exchange agent of a timely confirmation of a book-entry transfer of initial notes into the exchange agent s account at DTC with an agent s message, in each case, in form satisfactory to us and the exchange agent.

If any tendered initial notes are not accepted for any reason provided by the terms and conditions of this exchange offer or if initial notes are submitted for a greater principal amount than the holder desires to exchange, the unaccepted or non-exchanged initial notes will be returned without expense to the tendering holder, or, in the case of initial notes tendered by book-entry transfer procedures described above, will be credited to an account maintained with the book-entry transfer facility, promptly after withdrawal, rejection of tender or the expiration or termination of this exchange offer.