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June 18, 2008

Via: United Parcel Service

Ms. Beverly Kolenberg
Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 2
290 Broadway, 17th Floor
New York, NY 10007-1866

Mr. Carlos O'Neil
Remedial Project Manager
Caribbean Environmental Protection Division
Response and Remediation Branch
Centro Europa Building, Suite 417
1492 Ponce de Leon Avenue
San Juan, PR 00907

Re: Notice of Potential Liability and Request for Information Pursuant to 42 U.S.C. Sections 9607(a) and 9604(e) of the Comprehensive Environmental Response, Compensation, and Liability Act, regarding the am German Ground Water Contamination Superfund Site, San German, Puerto Rico

Responses of Wallace Silversmiths de Puerto Rico Ltd., Lifetime Brands, Inc. and Syratech Acquisition Corporation

Dear Ms. Kolenberg and Mr. O'Neil:

At the request of David Fitzgerald, Senior Vice President of Lifetime Brands, Inc., attached please find the response to the U.S. Environmental Protection Agency Region 2 correspondence and Request for Information dated May 29, 2008.

We have also included supporting enclosures where requested.

Should you have any questions, please do not hesitate to contact Mr. Fitzgerald directly at 617-568-1381 or Luis Rodriguez, General Manager of Wallace Silversmiths de Puerto Rico Ltd. at 787-892-2065 extension 236.

Sincerely,

Sara A. Shindel
General Counsel

EPA RCRA 3007 Request for Supplementary Information

GENERAL: For purposes of this response, any response in reference to “Wallace” as identified in the EPA’s Request for Supplementary Information shall relate to Wallace Silversmiths de Puerto Rico Ltd., an exempted company incorporated in the Cayman Islands on April 18, 2006 and the current occupant of the facility located in San German, Puerto Rico. For clarification purposes, Wallace International de P.R., Inc., a Delaware corporation, is a subsidiary of Syratech Corporation and was the former occupant of the facility located in San German, Puerto Rico.

As previously stated, on April 27, 2006, Syratech Acquisition Corporation, a subsidiary of Lifetime Brands, Inc. (hereinafter collectively referred to as the “Company”) acquired certain assets and the related business (but not the stock) of Syratech Corporation and its Wallace International de P.R., Inc., CHI International, Inc. and Syratech (H.K.) Limited subsidiaries (hereinafter referred to as the “Asset Purchase”).

REQUEST #1:

The RCRA response in May 2007 to EPA’s Request for Information stated that the former General Manager of Wallace Silversmiths de Puerto Rico from 1993 to 2005 was replaced in August 2005. The Senior VP of Manufacturing was released from employment in January 2006 and the Senior Manufacturing Manager and Co-General Manager was released from the company in May 2006. Kindly state the full names of these individuals, the present or last known addresses and telephone numbers and describe both the nature of their work at the Facility and their duties for company during the period of their employment. In the event that their work and/or duties changed, explain the nature of any such changes and the dates of such changes.

RESPONSE TO #1:

Pursuant to our files, the full names, last known address, telephone and numbers for the former Senior VP of Manufacturing, former Senior Manufacturing Manager and former Co-General Manager, to the best of our knowledge and belief, is as follows:

Jesevino Lourenco

Title: Senior Vice President of Manufacturing

Last known address: 1376 High Land Avenue, Fall River, MA 02720

Last known telephone number: 508-673-7345

Jose Arroyo

Title: General Manager

Last known address: Box 1251, San German, PR 00683

Last known telephone number: 787-209-6899

Renee Lugo

Title: Co-General Manager (Dec 2005 to April 2006), Production Manager (prior to Dec 2005)

Last known address: HC - 10 Box 6718, Sabana Grande, PR 00637

Last known telephone number: 787-873-2996

IMPORTANT NOTE: Renee Lugo was the only one of the above employees whose employment was transferred to the Company at the time of the Asset Purchase. Both Jose Arroyo's and Jesevino Lourenco's employment terminated prior to the Asset Purchase and neither one was an employee of the Company. We respectfully refer you to Syratech Corporation should further information, other than what we have provided above, be required with respect to these employees. The last known address for Syratech Corporation is as follows:

Syratech Corporation
c/o J.H. Cohn LLP
333 Thornall Street
Edison, New Jersey 08837
Attention: Walter Jones, Agent
Telephone: 732-590-3962

REQUEST #2:

When Wallace was acquired by Lifetime Brands, Inc., on April 27, 2006, identify the assets that were acquired. If any assets of Wallace Silversmiths de Puerto Rico, Inc., Wallace's predecessor, were sold or disposed of in any way at the time of this acquisition, identify those assets.

RESPONSE TO #2:

On April 27, 2006, the Company purchased all right, title and interest in and to certain assets (but not the stock) of Syratech Corporation (a Delaware corporation) and its subsidiaries, including, all right, title and interest in and to certain assets (but not the stock) of its Wallace International de P.R., Inc. (a Delaware corporation) subsidiary (which we assume is meant by "Wallace Silversmiths de Puerto Rico, Inc., Wallace's predecessor"). The following assets were part of the Asset Purchase:

- All right to conduct the business of the Sellers (including the exclusive right to sell any and all of the products and the exclusive right to sell and manage all of the product lines and brand names). The purchased business was the design, license, manufacture, import, market and sell, at wholesale (for ultimate sale to consumers through various channels including department stores, high end specialty stores, jewelers, mass merchants and discounters) and by direct marketing and internet marketing, a variety of high quality branded products for the home, including: (i) tabletop products: including sterling silver flatware, stainless steel flatware, silver plated hollowware, dinnerware, glassware, crystal, giftware and alternative metal products; (ii) frames: including photo albums, picture frames and photo storage products; and (iii) home décor products: including lighting, giftware, ceramics, holiday items, decorative glassware, wall and garden products).
- All receivables including accounts receivables.

- All of the Sellers' worldwide right, title, and interest in, to and under the Sellers intellectual property and all intellectual property licenses;
- All inventory, including inventory located in San German, Puerto Rico;
- All furniture and equipment, including certain equipment located in San German, Puerto Rico.
- Certain of Seller's leases and leased real property, including the Lease Agreement, as amended and extended, by and between Wallace International de P.R., Inc. and the Puerto Rico Industrial Development Company ("PRIDCO"), as well as the Lease Contract dated as of July 1, 2003 by and between Estado Libre Asociado de Puerto Rico (the City of San German, Puerto Rico) and Wallace International de P.R., Inc. for parking spaces.
- Certain tangible personal property of Sellers including a Leasing Agreement by and between PopularLeasing (Puerto Rico) and Wallace International de P.R., Inc. for a 2002 Nissan Pathfinder.
- Copies of certain records and files, including those which may be located in San German, Puerto Rico.
- All rights to obtain any permits with respect to the business (and to the extent assignable in connection with the acquisition transactions, all such assignable Permits), including the following permits associated with the San German, Puerto Rico facility:
 - Water and Sewer Permit (leased space in building #1)
 - Water and Sewer Permit (leased space in building #2)
 - Permit for Generator and Used Oil
 - Water Evaporator Permit

Please note that the foregoing represents the assets that the Company acquired under the Asset Purchase which relate to the Puerto Rico facility and are not inclusive of all assets acquired by the Company at the time of the Asset Purchase.

As disclosed by Syratech Corporation at the time of the Asset Purchase, on March 31, 2006, Syratech Corporation entered into a separate Purchase Agreement between Premier-Ware LTD. (as "Buyer") and Syratech Corporation and Wallace International de Puerto Rico Inc. (together as the "Seller") for certain equipment. We respectfully refer you to Syratech Corporation as identified above for further information with respect to this transaction and for any other information relating to the sale or disposal of any assets of Wallace International de P.R., Inc., a subsidiary of Syratech Corporation, at the time of the Asset Purchase.

REQUEST #3:

The RCRA response stated that Wallace is an exempted company incorporated in the Cayman Islands. Please provide the names of the current officers, including, but not

limited to, the President, Chairman of the Board, Chief Executive Officer, Secretary and Treasurer and describe their duties for Wallace.

RESPONSE TO #3:

The Officers of Wallace Silversmiths de Puerto Rico Ltd., an exempted company incorporated in the Cayman Islands are as follows:

Officers:

Jeffrey Siegel, Chairman, Chief Executive Officer and President - responsible for strategic decisions relating to the company.

Ronald Shiftan, Vice President and Assistant Secretary – responsible for the operations of the company.

Laurence Winoker, Senior Vice President – Finance – responsible for the financial reporting of the company.

Sara A. Shindel, Secretary – responsible for the corporate record keeping for the company.

REQUEST #4:

If Wallace currently is, or was at any time, a subsidiary or affiliate of another corporation or other business entity, identify the corporation or other business entity and explain the parent/subsidiary/affiliate relationship. Provide the names and addresses of each of those other entities' officers.

RESPONSE TO #4:

Wallace Silversmiths de Puerto Rico Ltd., an exempted company incorporated in the Cayman Islands, is a wholly-owned subsidiary of Lifetime Brands, Inc., a Delaware corporation. Lifetime Brands, Inc. owns 100% of the Common Stock of Wallace Silversmiths de Puerto Rico Ltd. The names and addresses of the officers of Lifetime Brands, Inc. are as follows:

Jeffrey Siegel, Chairman, Chief Executive Officer and President

Ronald Shiftan, Vice Chairman and Chief Operating Officer

Evan Miller, President of Sales and Executive Vice President

Robert Reichenbach, President of Cutlery, Cutting Boards and Bakeware Product Groups and Executive Vice President

Larry Sklute, President of Kitchenware Products Group and Vice President

Craig Phillips, Senior Vice President – Distribution

Laurence Winoker, Chief Financial Officer, Senior Vice President – Finance and Treasurer

Sara A. Shindel, General Counsel and Secretary

The business address for each of the above is as follows:

Lifetime Brands, Inc.
1000 Stewart Avenue
Garden City, NY 11530

REQUEST #5:

How many individuals are currently employed by Wallace? How many have management duties? Please identify the names and current addresses of the supervisors and managers. State whether the Facility has an environmental compliance employee or manager. Identify such individual by name and current address. For the individuals identified in this question, please state the dates of each individual's employment, his or her respective position, and describe the nature of the work performed by each.

RESPONSE TO #5:

The Wallace Silversmiths de Puerto Rico Ltd., San German facility currently has 67 employees. There are 56 hourly personnel and 11 exempt personnel. Nine personnel have management or supervisory responsibilities.

Plant Supervisors and Managers, Names and Addresses:

Luis Santiago, General Manager
902 Portales Del Monte
Coto Laurel, PR 00780

Edwin Santos, Making A Department Supervisor
HC 01 Box 894
San German, PR 00683

Sergio Ocasio, Making B / C Department Supervisor
Residencial Sabana Calle P.R. Casa B-8
Sabana Grande, PR 00637

Manuel Cruz, Finishing Department Supervisor
HC 01 Box 9789
San German, PR 00683

Felix Rosado, Quality Control Supervisor
Apartado 2931
San German, PR 00683

Roberto Oliveras, Machine Shop Supervisor
Alturas San Jose Calle 17 JJ-1
Sabana Grande, PR 00637

Raymond Rodriguez, CAD/CAM Supervisor
Pmb 186, P.O. Box 5103
Cabo Rojo, PR 00623

Edwin Colon PMW, Maintenance Manager
P.O. Box 5000-138
San German, PR 00683

Aracelis Vazquez, Production Inventory Control Manager
Po Box 1550
San German, PR 00683

The facility does not have an environmental compliance employee or position. The position was eliminated in May 2007 and the employee, Adiel Ramos, who filled the position in question, was retained as a consultant. Mr. Ramos has acted as the Facility's Environmental Health and Safety consultant since May of 2007. He currently supports the Facility with 40 hours per month of on-site consulting.

Adiel Ramos Carrero

Environmental Health and Safety Consultant from May 31, 2006 to Present
Former Environmental Health and Safety Manager (employee) from April 1, 1998 to May 31, 2006
URB. Private Court 225
Mayaguez, PR 00682

Plant Supervisors and Managers: Basic Overview of Duties

Luis Santiago (General Manager). Manages all operations and administrative functions for entire San German Facility.
Plant Controller from July 2002 to December 2005. General Manager, January 2006 to present.
Date of Hire: July 15, 2002

Edwin Santos (Making A Supervisor) – Supervises the start of the flatware production process. Sterling blanks are shaped and cut-out to form raw piece ready for stamping operations. Mechanical operations include blanking, rolling and cut-out.
Date of Hire: September 28, 1992

Sergio Ocasio (Making B & C Supervisor) – Supervises the stamping, annealing, forming and cutting of flatware items and the blanking, stamping, trimming and soldering of ornaments and hollow handles. Mechanical operations include electric, pneumatic and hydraulic press operations.
Date of Hire: September 26, 1975

Manuel Cruz (Finishing Supervisor) – Supervisors the detail trimming, buffing, bending, polishing and cleaning of all flatware items, the assembly of hollow handle items and the assembly and soldering and polishing ornaments.
Date of Hire: August 16, 1982

Felix Rosado (QC Supervisor) – Supervises and performs final inspection on 100% of all finished items, engraving, bagging and labeling of each individual item.
Date of Hire: June 28, 1982

Roberto Oliveras (Machine Shop Supervisor) – Supervises the manufacture and repair of tools and dies through metal machine shop operations, computer numerically controlled (CNC) milling and cutting machines and acid etching process.

Date of Hire: September 8, 1988

Raymond Rodríguez (Computer Aided Design (CAD)/Computer Aided Manufacturing (CAM) Supervisor) – Completes manufacturing design elements on submitted models and generates CNC programs for milling and cutting machines. Reverse engineers existing tools to support manufacture of replacements through CNC programs.

Date of Hire: March 10, 2008

Edwin Colon – (Maintenance, Security and Precious Metal Works (PMW) Manager) – Manages facility maintenance, housekeeping, plant security and safety. Supervises the production of sterling silver sheet and coil raw material to support sterling flatware manufacturing.

Date of Hire: March 8, 1982

Aracelis Vázquez (Production and Inventory Control (PIC) Manager) – Responsible for the planning, scheduling, preparation and tracking of all production work orders for PMW and sterling flatware production. Plans and manages quarterly and year end physical inventories.

Date of Hire: April 17, 1989

REQUEST #6:

Explain the nature of the corporate relationships between Wallace International de Puerto Rico, Inc. and Syratech Corporation prior to the Chapter 11 bankruptcy proceedings in the United States Bankruptcy Court for the District of Massachusetts Eastern Division. After the consolidated bankruptcy proceedings involving these companies was closed, explain the nature of the corporate relationships between newly created Wallace and Syratech Corporation. Kindly provide documents that support your response to this question.

RESPONSE TO #6:

With respect to the corporate relationships between Wallace International de Puerto Rico, Inc., (which is assumed to be the former occupant of the facility in San German under Syratech Corporation) and Syratech Corporation prior to the chapter 11 bankruptcy proceedings in the United States Bankruptcy Court for the District of Massachusetts Eastern Division, we are unable to provide you with this information, since neither of the entities are or ever have been affiliated with the Company or with Wallace Silversmiths de Puerto Rico Ltd. and no corporate relationship exists or has ever existed. Further, Neither the Company nor Wallace Silversmiths de Puerto Rico Ltd. has ever had any ownership interest in either of these entities. We respectfully refer you to Syratech Corporation as identified above for this information.

No corporate relationship existed or currently exists between Syratech Corporation and Wallace Silversmiths de Puerto Rico Ltd., a subsidiary of Lifetime Brands, Inc. They are separate, unaffiliated entities. Further, neither the Company nor Wallace Silversmiths de Puerto Rico Ltd. has ever had any ownership interest in Syratech Corporation or any of its subsidiaries.

REQUEST #7:

Explain the nature of the corporate relationships between Wallace and (A) Wallace International Silversmiths, Inc. of Boston, MA, (B) Syratech Acquisition Corp. and (C) Lifetime Brands, Inc. In addition, explain whether the corporate relationships between Wallace International de Puerto Rico, Inc. and Wallace International Silversmiths, Inc. of Boston, MA, Syratech Acquisition Corp. and Lifetime Brands, Inc. were different in any way from the current relationship of these companies with Wallace. Kindly provide documents that support your response to this question.

RESPONSE TO #7:

(A) Wallace Silversmiths de Puerto Rico Ltd., an exempted company incorporated in the Cayman Islands, has no corporate relationship with Wallace International Silversmiths, Inc. of Boston, MA. Neither the Company nor Wallace Silversmiths de Puerto Rico, Ltd. has ever had any ownership interest in Wallace International Silversmiths, Inc. of Boston, MA. Further, neither the Company nor Wallace Silversmiths de Puerto Rico, Ltd. are or have ever been affiliated with Wallace International Silversmiths, Inc. of Boston, MA. We respectfully refer you to Syratech Corporation as identified above, for further information with respect to this Wallace International Silversmiths, Inc. of Boston corporate entity.

(B) Wallace Silversmiths de Puerto Rico Ltd., an exempted company incorporated in the Cayman Islands, and Syratech Acquisition Corporation, a Delaware corporation, are both wholly-owned subsidiaries of Lifetime Brands, Inc., a Delaware corporation and the parent company. Please see enclosure (1).

(C) Wallace Silversmiths de Puerto Rico Ltd., an exempted company incorporated in the Cayman Islands, is a wholly-owned subsidiary of Lifetime Brands, Inc., a Delaware corporation and the parent company.

Neither Wallace Silversmiths de Puerto Rico Ltd., Syratech Acquisition Corporation nor Lifetime Brands, Inc. are or ever have been affiliated with either Wallace International de P.R., Inc. or Wallace International Silversmiths, Inc. of Boston, MA or have any corporate relationship thereto. Wallace Silversmiths de Puerto Rico Ltd., Syratech Acquisition Corporation and Lifetime Brands, Inc., were never under common ownership by any parent with Wallace International de P.R., Inc. and Wallace International Silversmiths, Inc. of Boston, MA, and no affiliation with these entities exists or ever existed in the past. Further, neither Wallace Silversmiths de Puerto Rico Ltd., Syratech Acquisition Corporation nor Lifetime Brands, Inc. has ever had ownership interest of Wallace International de P.R., Inc. or Wallace International Silversmiths, Inc. of Boston, MA.

Notwithstanding the foregoing, the Company did assume the Wallace brand and related trademarks as part of the Asset Purchase, however, the Company did not assume the corporate legal entity, Wallace International Silversmiths, Inc. or any liability related thereto.

REQUEST #8:

Identify and describe the entity or individual that entered into the lease with the Puerto Rico Industrial Development Corporation for the property and structures at Calle B within the El Retiro Industrial Park in San German, Puerto Rico and the dates of the lease. State whether the lease formerly held by Wallace International de Puerto Rico, Inc. was assumed by Wallace. If any terms and conditions in the lease were changed at the time of that assumption, explain such changes. Provide copies of all the leases and any attachments thereto.

RESPONSE TO #8:

From information acquired during the Asset Purchase, the entity that entered into the lease agreement with the Puerto Rico Industrial Development Corporation for the property and structures at Calle B within the El Retiro Industrial Park in San German, Puerto Rico (the "Lease Agreement") was Wallace International de P.R., Inc. The Lease Agreement was originally entered into on or about May 25, 1984 and is currently due to expire on December 31, 2009. This Lease Agreement was assumed by the Company as part of the Asset Purchase, however, the Company did not assumed any liability with respect to periods prior to the acquisition of these certain assets relating to the Lease Agreement.

Copies of documents in our files related to the assumed Lease Agreement are provided in enclosure (2). For information on any other leases held by Syratech Corporation and its subsidiaries prior to the Asset Purchase, we respectfully refer you to Syratech Corporation as identified above for further information.

REQUEST #9:

Describe in detail the nature of the business and the production processes conducted at the Wallace Facility from April 26, 2007 to the present. State whether the nature of the business and/or the production processes at the Wallace Facility have changed during this period and, if so, the nature of the changes. In addition, explain whether the nature of the business and the production processes are different from those at the Facility during the operation of the Facility by Wallace Silversmiths de Puerto Rico, Inc.

RESPONSE TO #9:

The Wallace Silversmiths de Puerto Rico Ltd. San German plant is the single supplier to the Company for sterling silver flatware, hollow sterling silver Christmas ornaments and a single brass item (sleigh bell). The following sections describe the production processes and methods from April 26, 2007 to present and discuss the changes implemented since that date. We believe that other than the changes discussed below, particularly as described in the "Finishing Department" portion of this Response to #9, the processes and methods for the manufacture of sterling flatware are essentially the same as the operation prior to the Asset Purchase by the Company, however, we respectfully refer you to Syratech Corporation as identified above for further information with respect to the operations prior to the Asset Purchase.

Precious Metal Works (PMW)

There have been no changes in the production methods for casting or rolling sterling silver sheet and coil stock by this department.

- PMW casts fine (.999) silver and sterling silver (>.925 silver) scrap into sterling silver sheet and coil stock (raw material) for plant production of sterling flatware, hollow handles (HH) and hollow Christmas ornaments.
- Fine silver is purchased on the spot market in 1,000 troy oz ounce ingots. The fine ingots are melted into small pellets and dried. The silver pellets are melted along with copper pellets in a mix (92.7% silver, 7.3% copper) and cast continually into sterling silver bars 6 inches wide by 0.50 inches thick.
- During casting, the molten metal leaves the bottom of the crucible through a graphite die (6”) and cooled to a solid state. It is then extracted with a hydraulic pulling drive after which it is sheared to optimum lengths (typically 10 feet).
- During casting, the metal is tested by an in-house metallurgical laboratory to make certain it meets all specifications for sterling silver (.927 % silver).
- The metal is then run through a trimming operation and prepared for rolling. The metal is passed many times through various types of rolling equipment until the exact specifications (gauge) are achieved.
- During the rolling process, the metal is annealed (softened) in an atmospherically-controlled oven at various temperatures to prevent tool breakage and to make sure the flatware pattern design will be properly detailed in the pressed sterling.
- When the desired gauge is reached, it is then trimmed and prepared for movement to Make A & B. (Production Departments)

Make A / B / C – Manufacturing Departments

There have been no changes to the manufacturing process for solid and hollow handle (HH) sterling flatware items.

The Plant began manufacturing hollow sterling Christmas ornaments in December of 2007. The process for manufacturing is described below and is the same for the manufacture of sterling HHs. In addition the Plant also began the manufacture of a brass seasonal ornament (sleigh bell). The manufacturing process for this particular item is described in the subsequent section.

- Based on demand and finished goods inventory position, work orders are created for specific sterling flatware items. Each work order identifies the required stock size (length and width), gauge and weight of sterling silver required whether in blank form or thin coil stock (raw material).
- Raw materials is received from PMW, inspected, weighed and held until the associated work orders is schedule on the floor.
- Upon scheduling of the work order steel dies are issued to the manufacturing floor (Make B).

- The manufacturing of flatware starts in Making A. Raw material blanks are rolled and the cut out to the initial shape and gauge required for press forming operations (Make B). Once cut-out the pieces are annealed to soften the metal before striking.
- Forming or striking operations in Make B are completed through the use of hydraulic and electrical presses and mechanical hammers in order to shape the pieces using steel dies. The pieces are formed with complete pattern detail with one or two strikes within the steel dies. Pieces maybe annealed between strikes.
- Formed flatware items are then trimmed of excess silver on edges or between tines and sent to finishing operations.
- Pieces are inspected for proper weight, gauge and pattern detail throughout the process.
- Hollow handles (HH) for flatware items with a stainless steel blade or implement along with hollow Christmas ornaments are manufactured in Making C. Using a punch and die within a press, each half of the HH or ornament is cutout and then trimmed from sterling silver coil (.010 to .030 x 4”). Halves are soldered using a silver braze alloy and cured within an oven. HH items are leak tested using water and sent to Finishing.

Sleigh Bell Manufacturing

- The Plant procures brass sheet in coil form (.0125 x 4“) along with brass components (finial, wire, knocker).
- The sleigh bell is a spherical shape. Top and bottom shells are formed in a 35 ton electric press. The shells are then polished on an eight-head electric rotary polishing machine. The bottom shell is pierced to create seven uniform openings in the bottom of the bell. The shells are then washed in an aqueous solution (water and Spray Jet 790 XS soap).
- The upper shell is embossed with the annual design and the finial is soldered (by hand) to the top shell. Sleigh bells are then assembled by hand (wire and knocker and snap fit of shells).
- The border of the top and bottom shell is soldered by hand and the completed bell is again washed in the same aqueous solution as above. Bells are sent to finishing for final polishing. Cleaning of the bells is only done with the aqueous soap solution. Trichloroethylene (TCE) has not and is not used in this process.
- MSDS for the soap and solder are provided in enclosure 3.

Finishing Department

There have been no changes in the production methods for finishing solid sterling and hollow handle (HH) flatware items.

TCE has been used in the vapor degreaser in connection with the cleaning/degreasing process, relating to sterling silver only, however, such usage by the Wallace Silversmiths de Puerto Rico

Ltd. plant since the Asset Purchase has been in accordance with necessary safeguarding measures, with all TCE being contained and checked frequently for any leakage. There is no possibility of contamination based on Wallace Silversmiths de Puerto Rico Ltd.'s use of TCE since the Asset Purchase. We respectfully request that you direct any further inquiries with respect to the usage of TCE by Syratech Corporation and its subsidiaries prior to the Asset Purchase directly to Syratech Corporation as identified above.

Notwithstanding the Company's and Wallace Silversmiths de Puerto Rico Ltd.'s strong belief that the soil contamination did not occur as a result of Wallace Silversmiths de Puerto Rico Ltd.'s usage of TCE since the Asset Purchase, upon the EPA's notification to Wallace Silversmiths de Puerto Rico Ltd. in February of 2008 that there was TCE contamination in the soil at the Facility, the Wallace Silversmiths de Puerto Rico Ltd. plant determined to further safeguard its operations by investigating alternatives to replace TCE used in the vapor degreaser. The alternatives that the Wallace Silversmiths de Puerto Rico Ltd. plant explored were the possible adoption of (i) the aqueous soap solution described in the preceding section as used in the sleigh bell production; (ii) a poly bromide solvent; (iii) soft and dry final polishing (no polishing compound); and (iv) a white vinegar and water mixture. The Wallace Silversmiths de Puerto Rico Ltd. plant has conducted testing on each of these alternatives (with the poly bromide solvent testing conducted at vendor site), to confirm what was a viable alternative to the use of TCE in the vapor degreaser and as a result of Wallace Silversmiths de Puerto Rico Ltd.'s exploration of these alternative efforts, the Wallace Silversmiths de Puerto Rico Ltd. plant has adopted the dry and clean polishing step and discontinued the use of TCE. The Wallace Silversmiths de Puerto Rico Ltd. plant will also adopt the water and vinegar mixture in combination with the dry and clean polishing step to reduce some of the added labor. It requires further equipment investigation and possible procurement of additional tanks.

- Solid sterling flatware, HHs and hollow ornaments are received unfinished directly from Make B and C.
- Sterling HHs are filled with cement and mated with the stainless steel blade or implement. The items are cured in an oven in order to create the bond and seal at the bolster.
- All items then undergo trimming, edge finishing, buffing and polishing. Equipment used to support these operations include sand bobs, belt sanders, lathe grinding wheels, lathe polishers and Clair polishing machines.
- Pieces are cleaned/degreased using a soft and dry buffing wheel on a lathe as discussed above (TCE in vapor degreaser was used, but has been discontinued as stated above).
- Once completed, the pieces are ready for final inspection and shipping.

Quality Control (QC)

- Pieces received from Finishing Department are 100% inspected to make sure details, weight, and overall quality of the items matches the previously established requirements.

Shipping Department

Once approved by QC, the pieces are packed and shipped to the finished goods warehouse in East Boston, MA. All pieces are weighed and manifested during the shipping process. The plant makes monthly finished goods shipments to East Boston.

REQUEST #10:

Following the RCRA inspection of the Facility on or about July 26 and 27, 2006, did Wallace perform any environmental audits and/or studies to determine whether there was contamination at or emanating from the Facility? If so, state who performed any such audits and/or studies, and the dates they were performed. Provide the documents relating to such work.

RESPONSE TO #10:

No environmental auditing or studies have been completed since July 2006.

There was follow-up to the EPA and Weston Solutions who were contracted by the EPA to conduct soil and ground water sampling at the plant in January of 2007. In February of 2007 the extracted soil was determined to be non-hazardous by Geo Enviro Tech Inc. and Weston Solutions and the soil was picked up for disposal in a Ponce PR landfill.

Follow-up calls continued to be made in 2007 to Weston Solutions and to the EPA concerning the ground water results but no direct response was received. The follow-up call to Idelfonso Acosta in Feb 2008 confirmed to Wallace personnel that volatile compounds were detected in the ground water samples taken in January 2007.

REQUEST #11:

Explain the corporate relationships between PMW Silver de Puerto Rico, located at Calle B within the El Retiro Industrial Park in San German, Puerto Rico, and Wallace International de Puerto Rico, Inc., and also International Silver de Puerto de Puerto, Inc. State whether Wallace has a relationship with PMW Silver de Puerto Rico and, if so, describe that relationship. Kindly provide documents that support your response tot his question.

RESPONSE TO #11:

We are unable to answer to the corporate relationships between PMW Silver de P.R., Inc., International Silver de P.R., and Wallace International de Puerto Rico, Inc. Neither the Company nor Wallace Silversmiths de Puerto Rico Ltd. are or ever have been affiliated with or have a corporate relationship with these entities. Further, neither the Company nor Wallace Silversmiths de Puerto Rico Ltd. has ever had ownership interest in these entities. We respectfully refer you to Syratech Corporation as identified above for further information.

REQUEST #12:

Describe in detail the nature of the business and the production processes conducted at the PMW Silver de Puerto Rico facility referenced in question 11, above. If there were changes

in the nature of the business and/or the production processes, explain the changes and the dates of such changes.

RESPONSE TO #12:

As previously stated, the Company and Wallace Silversmiths de Puerto Rico Ltd. neither have a corporate relationship with the PMW Silver de Puerto Rico entity, are or ever have been affiliated with this entity nor have they ever had ownership interest in this entity, and we respectfully refer you to Syratech Corporation as identified above for further information. Notwithstanding the foregoing, Wallace Silversmiths de Puerto Rico Ltd does have a precious metal works (“PMW”) section in its operations. Please refer to discussion in response #9 above for information on this operation.

REQUEST #13:

In the event that you have any additional information or documents which may help EPA identify other companies that may have contributed to contamination of the ground water at the Site, please provide that information and those documents, and identify the source of your information.

RESPONSE TO #13:

Neither the Company nor Wallace Silversmiths de Puerto Rico, Ltd. has information or documents that identify other companies that may have contributed to contamination of the ground water at the site. We respectfully refer you to Syratech Corporation as identified above for information related to this request.

REQUEST #14:

Please state the name, title and address of each individual who assisted or was consulted in the preparation of your response to this CERCLA Request for Information. In addition, state whether this person has personal knowledge of the information in the answers provided.

RESPONSE TO #14:

The following individuals assisted or consulted in the preparation of this response

David Fitzgerald
Senior VP of Operations
Lifetime Brands, Inc. / Syratech Acquisition Corporation
175 McClellan Highway
East Boston, MA 02128

Luis Santiago
General Manager

Wallace Silversmiths de Puerto Rico. Ltd.
Calle B El Retiro Industrial Park
P.O. Box 1177
San German, Puerto Rico

In conclusion, please update your records to reflect the following change:

Any further notices with respect to this matter to be sent to the attention of Syratech Corporation, should be sent as follows:

Syratech Corporation
c/o J.H. Cohn LLP
333 Thornall Street
Edison, New Jersey 08837
Attention: Walter Jones, Agent

Additionally, any further notices with respect to this matter should also be sent to the following:

Syratech Acquisition Corporation
175 McClellan Highway
East Boston, MA 02128
Attention: David Fitzgerald, Senior Vice President

The contact information for Wallace International de Puerto Rico, Ltd. and for Lifetime Brands, Inc. should remain the same as addressed in your May 29, 2008 correspondence.