REMINDER NOTIFICATION

IMPORTANT SAFETY RECALL INFORMATION

Please note: This is not a new recall!

Ongoing Recall of Cadet Manufacturing Company In-Wall Electric Heaters in Series FW, FX, LX, TK, ZA, Z, RA, RK, RLX, RW, RX, and ZC

July 9, 2001

Dear Fire Marshal or Authority Having Jurisdiction:

We are writing to remind you of urgent news regarding certain Cadet in-wall electric heaters that may be installed in homes and other buildings in your jurisdiction. If you are not already, you should become aware of and familiarize yourself with this situation, and the steps being taken to correct it, and the vital role you can play as protector of the public safety. To date, over 336,000 replacement heaters have been shipped.

In cooperation with the U.S. Consumer Product Safety Commission ("CPSC"), Cadet announced the recall of approximately 1.9 million in-wall electric heaters under the brand names Cadet and Encore on February 17, 2000. This ongoing recall includes all models and variants of Cadet and Encore Series listed above, **regardless of manufacture or purchase date**. According to the CPSC, these heaters may be defective, and could overheat, fail, catch fire, and spew flames and molten particles. Cadet and the CPSC are aware of a number of incidents of the heaters malfunctioning, causing the heaters to emit flames, sparks, and/or smoke. Some of these incidents have allegedly led to property damage, personal injury, and death. Cadet and the CPSC continue to urge consumers to participate in the recall, if they have not done so already. Participation deadline is February 17, 2002.

This recall is distinct from Cadet's 1997 recall program. In the 1997 recall, Cadet offered to provide new over temperature limit control switches for replacement in certain of its heaters. The current recall, announced last year, involves **the removal and replacement of the entire heatbox**, not including any fittings, fixtures, wall cans, grills or thermostats.

We also want to make you aware of an important safety issue with series RM and ZM recall replacement heaters. Please see attached notice for more information.

Cadet needs your continued assistance in identifying locations containing the recalled heaters and in helping owners and residents determine whether they have the affected heaters. The attached summary includes product identification to help you and homeowners in your area determine whether they have the recalled heaters on their premises, and if they do, what model they have. We ask that you refer all interested parties to the **Cadet Heater Recall Hotline at (800) 567-2613 or our website at www.cadetco.com**. This recall program is offered only by Cadet, not through its retail, wholesale, or distribution channels. The Hotline and website are the first places consumers should go to request an order form to participate in the recall. Also, we

encourage you to distribute copies of this letter and the attached summary to owners of recalled heaters in your jurisdiction.

Under the terms of the recall, Cadet will continue to provide replacement heaters at the prices listed in the attached summary, which are substantially below the normal retail prices for these heaters. Consumers who have already removed and replaced the recalled units on or after October 23, 1997 but prior to February 17, 2000 may be eligible to receive a reimbursement of up to $25.00 per unit, subject to the availability of funds in a special remediation fund. Due to our 1999 Chapter 11 Bankruptcy, we are not able to provide free replacements or full reimbursements.

Timing is critical, because owners of recalled Cadet heaters must complete the necessary forms and return them by February 17, 2002 to receive replacement heaters and/or reimbursements. It typically takes 5-8 weeks for consumers to receive their replacement heater(s). We are providing replacement heaters on a first come, first served basis. Replacement heaters are provided by Cadet at the reduced prices set forth in the enclosed summary. While waiting for replacement heaters, consumers should keep their heaters clean (cleaning instructions can be found at www.cadetco.com or on the Cadet Recall Hotline at (800) 567-2613) and keep everything at least three (3) feet away from their heaters.

Please be aware that all replacement heaters provided under the recall are from our Cadet Series 2000 product line, which was designed to exceed industry standards and specifically to satisfy the CPSC Consent Agreement. The replacement heaters have oversized high temperature manual reset limit switches with a 25 amp rating at 240 volts. This manual reset limit alerts the user of a potential problem (commonly the heater is blocked or needs to be cleaned), and requires the user to manually reset the switch to resume operation. The replacement heaters also contain over temperature, back-up thermal protection devices. If severe overload or component failure occurs, this back-up thermal device is designed to completely shut the unit down, requiring service to reactivate the heater or replacement.

We continue to utilize public relations and direct mail strategies to inform consumers about the recall. However, in identifying buildings and residences that contain recalled Cadet heaters, there is no substitute for intervention from fire protection leaders such as yourself. On behalf of all of us who are committed to consumer product safety, we thank you for your support in this important safety recall effort.

Sincerely,

Hutch Johnson
President, Cadet Manufacturing Company

Attachments

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In cooperation with the U.S. Consumer Product Safety Commission ("CPSC"), Cadet announced a recall of approximately 1.9 million in-wall electric heaters under the brand names Cadet and Encore on February 17, 2000. The recall includes all models and variants of Cadet and Encore Series listed above, **regardless of manufacture or purchase date**. According to the CPSC, these heaters may be defective, and could overheat, fail, catch fire, and spew flames and molten particles. Under the terms of the recall, Cadet will provide you with replacement heaters at the prices listed below, which are substantially below the normal retail prices for these heaters.

Heaters to be Replaced	Replacement Heaters	Replacement Heater Price/Unit
Model FW, RW	Model C	$34.11 (includes adapter plate and grill)
Models FX, RX	Model C	$25.26
Models LX, RLX	Model CT	$48.73
Models TK, RK	Model UC	$56.76
Models Z, ZA, RA, ZC	Model RM	$33.44

In addition, consumers who have already removed and replaced the recalled units on or after October 23, 1997, but prior to February 17, 2000, may be eligible to receive a reimbursement of up to $25.00 per unit, subject to the availability of funds in a special remediation fund. Due to our 1999 Chapter 11 Bankruptcy, we are not able to provide free replacements or full reimbursements.

We also want to make you aware of an important safety issue with series RM and ZM recall replacement heaters. Please see attached notice for more information.

To request an order packet to participate in this safety recall, please call the **Cadet Recall Hotline at (800) 567-2613 or visit the Cadet website at www.cadetco.com .** This recall program is offered only by Cadet, not through its retail, wholesale or distribution channels. The Hotline and website are the first places consumers should go to participate in the recall.

Timing is critical. Owners of recalled Cadet heaters must complete the necessary forms and return them by February 17, 2002 to receive replacement heaters and/or reimbursements. It typically takes 5-8 weeks for consumers to receive their replacement heaters. Cadet will provide replacement heaters on a first come, first served basis. While waiting for your replacement heater, please keep your heater clean (find cleaning instructions at www.cadetco.com and on the Cadet Recall Hotline (800) 567-2613) and keep everything at least three (3) feet away from the heater. If you have a Z or ZC model heater, we urge you to stop using your heater and use an alternate heat source if available. If no alternate heat source is available, use the heater only while you are in the room and able to watch it carefully, keep everything at least 3 feet away from the heater, and follow the cleaning instructions referenced above.

How To Identify The Model Of Your Heater

1.) **WARNING! Before removing grill, turn the electrical power off at the electrical panel board (circuit breaker or fuse box) and lock or tag the circuit breaker door to prevent someone from accidentally turning the power on while you are working on the heater. Failure to do so could result in serious electrical shock, burns, or possible death.**
2.) Turn the heater thermostat all the way up and wait approximately 30 seconds. If the heater turns on, you have turned off the wrong circuit breaker at the electrical panel board.
3.) If the heater does not turn on, proceed to Step #4.
4.) Remove screws and take off grill.
5.) Locate sticker on heatbox (usually clear sticker with gold lettering). This will have the model of that particular heater.
6.) If the letters FW, FX, LX, TK, ZA, Z, RA, RK, RLX, RW, RX, or ZC appear within the model number, your heater is part of this recall program. (Note: X, L, ZM, and RM Model heaters are **NOT** part of this recall.)

If you need further assistance, please **visit our website www.cadetco.com or call our Hotline (800) 567-2613** for further instructions. This is the only number you should call to initiate a replacement effort or learn more about the recall program. Cadet and the CPSC urge you to take advantage of this safety recall program.

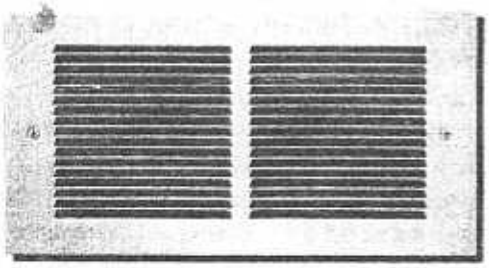
IMPORTANT SAFETY NOTICE ON RM AND ZM HEATBOXES

Our records indicate that you may have recently purchased a Cadet Model RM or ZM heater. We have discovered a possible safety issue if this heater was used to replace an existing ZA or RA model heatbox in the original ZAC wall can.

When an RM or ZM model heatbox (replacing a ZA or RA model heatbox*) is inserted into a ZAC wall can and wired through a fitting in a specific wall can knock-out (see diagrams on back), the RM or ZM model has the potential for continuous heater operation, regardless of thermostat settings or room temperature. This can cause the heater to overheat and create a risk to nearby flammables.

We stand by our commitment to safety and quality and urge you to inspect your wall can. Simply remove the grill (**after reading the important safety instructions on back**) to determine whether your RM or ZM heater is affected by these conditions. Also, please read important *Safety Note* on bottom of next page regarding maintenance of your RM or ZM heater.

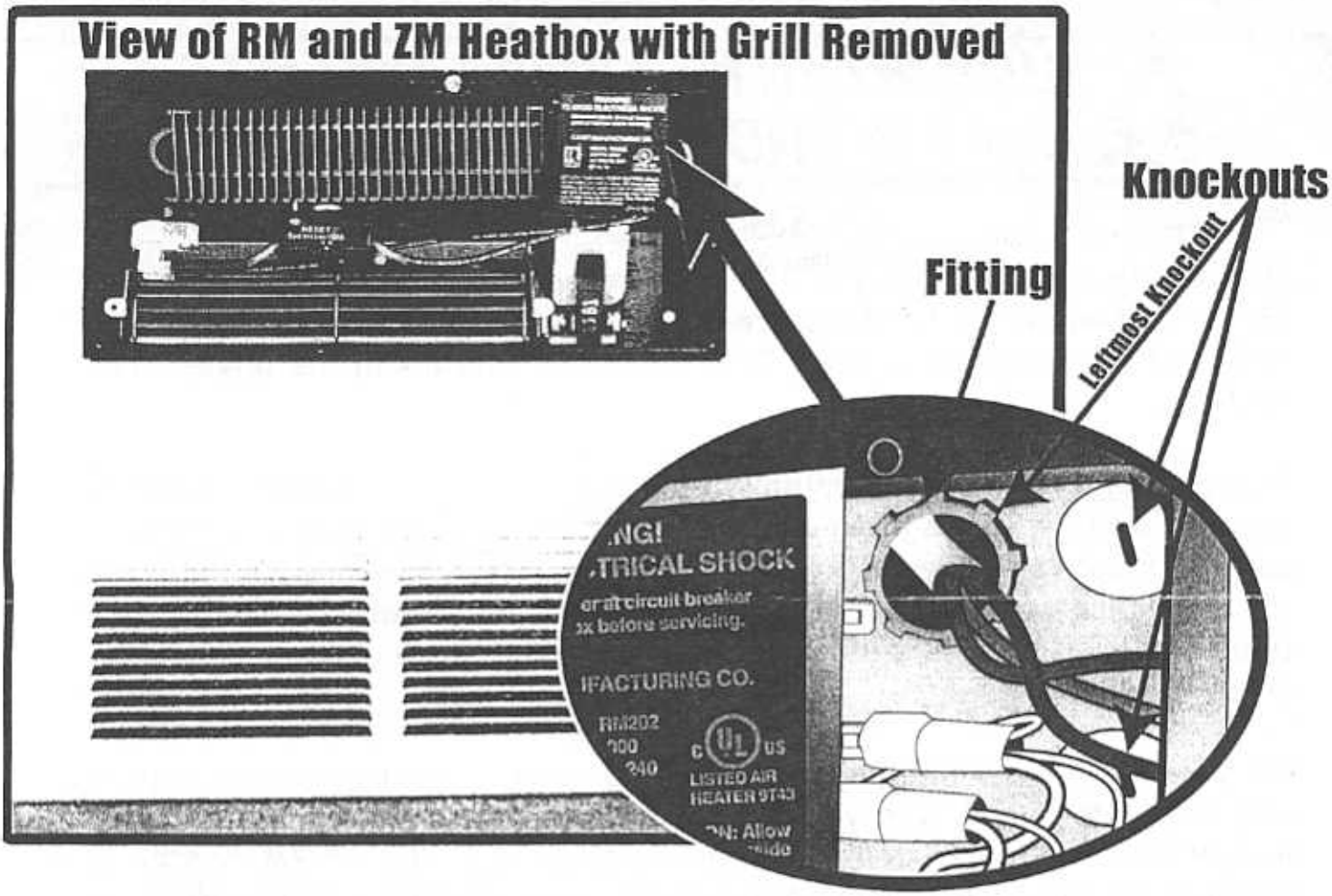
If you determine that your RM or ZM model meets these conditions, please discontinue use of the heater by turning it off at the electrical panel board and contact Cadet at (800) 567-2613. A qualified technician will be sent to your home to perform a quick and simple remedy, at no expense to you.



ZA, RA, Z, ZC,

If you have a grill that looks like this and you're not sure if the heater you replaced was a ZA or an RA, please follow instructions on back. If you know the heater you replaced was a Z or ZC, no further action is required.

* Heater Models Recalled February 2000	Models Affected by this Safety Notice
FW, RW	NONE
FX, RX	NONE
LX, RLX	NONE
TK, RK	NONE
ZA, RA, Z, ZC	ZA, RA ONLY



If you are uncomfortable with the following instructions, please call our hotline at (800) 567-2613 for further information. Press option #6 at the main greeting to be connected to an operator.

1. ⚠*WARNING* **Before removing grill, turn the electrical power off at the electrical panel board (circuit breaker or fuse box) and lock or tag the panel board door to prevent someone from turning on power while you are working on the heater. Failure to do so could result in serious electrical shock, burns, or possible death.**
2. Turn the heater thermostat all the way up and wait approximately 30 seconds. If the heater turns on, you have turned off the wrong circuit breaker at the electrical panel board.
3. If heater does not turn on, proceed to step #4.
4. Remove screws and take off grill.
5. Looking at the top right corner, you should see something similar to the diagram above. If you see only <u>two</u> knockouts on the back face of your wall can, no further action is necessary. If your heater is wired through one of the two knock-outs at bottom of wall can (not shown), no further action is necessary. If your wall can has <u>three</u> knockouts as shown, you have a ZAC wall can. Proceed to step #6.
6. If a knock-out other than the leftmost knock-out is used, no further action is necessary. If the leftmost knockout is used for the supply wires as shown above, **please discontinue use of the heater by turning it off at the electrical panel board and contact Cadet for further instructions.** The number to call is **(800) 567-2613**. Press option #6 at the main greeting to be connected to an operator.

SAFETY NOTE: This is a great opportunity (while your grill is off and the power is disconnected at the electrical panel board) to maintain your heater by cleaning it and/or checking for sagging wires that may contact the blower wheel. If the blower wheel and sagging wire make contact, the blower could potentially rub the plastic insulation off, exposing copper wires which could create a shock hazard or short-out the heater. Please be certain the heater is powered off at the electrical panel board (#1 above) to avoid possible shock. If you do have a sagging wire, Cadet will ship you a nylon strap and instructions on securing the wire, free of charge. Call the toll-free number provided above. To clean: using a hair dryer on cool setting or vacuum on blow cycle, blow debris through the top element while holding fan below so it doesn't spin to avoid bending or damaging the fan. Vacuum fan area without touching the elements, then replace grill and secure with screws. Turn thermostat to desired setting and turn power back on at the electrical panel board.