APPENDIX III
CONDITIONS OF THE ACQUISITION AND THE SCHEME

Part A

The Acquisition and the Scheme will comply with the Takeover Rules and, where relevant, the rules and regulations of the United States Securities Exchange Act of 1934 (as amended), and are subject to the conditions set out in this document. The Acquisition and the Scheme are governed by the laws of Ireland and subject to the exclusive jurisdiction of the courts of Ireland, which exclusivity shall not limit the right to seek provisional or protective relief in the courts of another state after any substantive proceedings have been instituted in Ireland, nor shall it limit the right to bring enforcement proceedings in another state pursuant to an Irish judgement.

The Acquisition and the Scheme will be subject to the following conditions:

1. The Acquisition will be conditional upon the Scheme becoming effective and unconditional by not later than May 21, 2013 (or such earlier date as may be specified by the Panel, or such later date as Eaton and Cooper may, with (if required) the consent of the Panel, agree and (if required) the High Court may allow).

2. The Scheme will be conditional upon:

    (a) the approval of the Scheme by a majority in number of the Cooper Shareholders representing three-fourths (75 per cent.) or more in value of the Cooper Shares, at the Voting Record Time, held by such holders, present and voting either in person or by proxy, at the Court Meeting (or at any adjournment of such meeting);

    (b) the resolutions to be proposed at the Extraordinary General Meeting for the purposes of approving and implementing the Scheme and the reduction of capital of Cooper, and such other matters as Cooper reasonably determines to be necessary for the purposes of implementing the Acquisition or, subject to the consent of Eaton (such consent to be not unreasonably withheld, conditioned or delayed), desirable for the purposes of implementing the Acquisition and set out in the notice of the Extraordinary General Meeting being duly passed by the requisite majority of Cooper Shareholders at the Extraordinary General Meeting (or at any adjournment of such meeting);

    (c) the sanction by the High Court (with or without modification) of the Scheme pursuant to Section 201 of the Act and the confirmation of the reduction of capital involved therein by the High Court (the date on which the condition in this paragraph 2(c) is satisfied, the "**Sanction Date**"); and

    (d) office copies of the Court Order and the minute required by Section 75 of the Act in respect of the reduction (referred to in paragraph 2(c)), being delivered for registration to the Registrar of Companies and registration of the Court Order and minute confirming the reduction of capital involved in the Scheme by the Registrar of Companies.

3. The Eaton Parties and Cooper have agreed that, subject to paragraph 6 of this Appendix III, the Acquisition will also be conditional upon the following matters having been satisfied or waived on or before the Sanction Date:

    (a) the adoption of the Transaction Agreement by the holders of Eaton Shares as required by Article SIXTH of the Amended and Restated Articles of Incorporation of Eaton;

    (b) the NYSE shall have authorised, and not withdrawn such authorisation, for listing all of the Share Consideration to be issued in the Acquisition and all of the Holdco Shares to be

delivered pursuant to the Merger subject to satisfaction of any conditions to which such approval is expressed to be subject;

(c) all applicable waiting periods under the HSR Act shall have expired or been terminated, in each case in connection with the Acquisition;

(d) to the extent that the Acquisition constitutes a concentration within the scope of the EC Merger Regulation or is otherwise a concentration that is subject to the EC Merger Regulation, the European Commission deciding that it does not intend to initiate any proceedings under Article 6(1)(c) of the EC Merger Regulation in respect of the Acquisition or to refer the Acquisition (or any aspect of the Acquisition) to a competent authority of an EEA member state under Article 9(1) of the EC Merger Regulation or otherwise deciding that the Acquisition is compatible with the common market pursuant to article 6(1)(b) of the EC Merger Regulation;

(e) all required regulatory clearances shall have been obtained and remain in full force and effect and all applicable waiting periods shall have expired, lapsed or been terminated (as appropriate), in each case in connection with the Acquisition, under the antitrust, competition or foreign investment laws of Canada, the People's Republic of China, the Republic of China (Taiwan), Russia, South Africa, South Korea and Turkey;

(f) no injunction, restraint or prohibition by any court of competent jurisdiction or Antitrust Order by any Relevant Authority which prohibits consummation of the Acquisition or the Merger shall have been entered and shall continue to be in effect; and

(g) the Form S-4 shall have become effective under the Securities Act and shall not be the subject of any stop order or proceedings seeking any stop order.

4. The Eaton Parties and Cooper have agreed that, subject to paragraph 6 of this Appendix III, the Eaton Parties' obligation to effect the Acquisition will also be conditional upon the following matters having been satisfied (or waived by Eaton) on or before the Sanction Date:

(a) (i) The representations and warranties of Cooper set forth in Clause 6.1(b)(i), 6.1(b)(ii) (to the extent relating to shares in the capital of Cooper), 6.1(m), 6.1(v) and the second sentence of Clause 6.1(j) of the Transaction Agreement (which representations and warranties are set forth below in Part B) (the "Specified Cooper Representations") shall be true and correct in all material respects at and as of the date of the Transaction Agreement and at and as of the Sanction Date as though made at and as of the Sanction Date and the representations and warranties of Cooper set forth in Clause 6.1(c)(i) shall be true and correct other than as would not materially impede or prevent the consummation of the Acquisition at and as of the date of the Transaction Agreement and at and as of the Sanction Date as though made at and as of the Sanction Date (the representations and warranties referred to in this clause (i), the "Specified Cooper Representations"), (ii) the representations and warranties of Cooper set forth in Clause 6.1 of the Transaction Agreement (which are set forth below in Part B) (other than the Specified Cooper Representations) which are qualified by a "Cooper Material Adverse Effect" qualification shall be true and correct in all respects as so qualified at and as of the date of the Transaction Agreement and at and as of the Sanction Date as though made at and as of the Sanction Date and (iii) the representations and warranties of Cooper set forth in Clause 6.1 of the Transaction Agreement (which is set forth below in Part B) (other than the Specified Cooper Representations) which are not qualified by a "Cooper Material Adverse Effect" qualification shall be true and correct at and as of the date of the Transaction Agreement and at and as of the Sanction Date as though made at and as of the Sanction Date, except for such failures to be true and correct as would not, individually or in the aggregate, reasonably be expected to have a Cooper Material Adverse Effect; provided that with respect

to clauses (i) and (ii) hereof, representations and warranties that expressly relate to a particular date or period shall be true and correct (in the manner set forth in clauses (i) or (ii), as applicable), only with respect to such date or period;

(b) Cooper shall have in all material respects performed all obligations and complied with all covenants required by the Transaction Agreement (such agreement being set forth below in Part D) to be performed or complied with by it prior to the Sanction Date; and

(c) Cooper shall have delivered to Eaton a certificate, dated as of the Sanction Date and signed by an executive officer of Cooper, certifying on behalf of Cooper to the effect that the conditions set forth in paragraphs 4(a) and 4(b) have been satisfied.

5. The Eaton Parties and Cooper have agreed that, subject to paragraph 6 of this Appendix III, Cooper's obligation to effect the Acquisition will also be conditional upon the following matters having been satisfied (or waived by Cooper) on or before the Sanction Date:

(a) (i) The representations and warranties of Eaton set forth in Clause 6.2(a)(ii)(B), 6.2(b)(i), 6.2(b)(ii) (to the extent relating to shares of capital stock of Eaton), 6.2(u) and the second sentence of Clause 6.2(j) of the Transaction Agreement (which representations and warranties are set forth below in Part B) shall be true and correct in all material respects at and as of the date of the Transaction Agreement and at and as of the Sanction Date as though made at and as of the Sanction Date and the representations and warranties of Eaton set forth in Clause 6.2(c)(i) shall be true and correct other than as would not materially impede or prevent the consummation of the Acquisition at and as of the date of the Transaction Agreement and at and as of the Sanction Date as though made at and as of the Sanction Date (the representations and warranties referred to in this clause (i), the "Specified Eaton Representations"), (ii) the representations and warranties of Eaton set forth in Clause 6.2 of the Transaction Agreement (which are set forth below in Part B) (other than the Specified Eaton Representations) which are qualified by an "Eaton Material Adverse Effect" qualification shall be true and correct in all respects as so qualified at and as of the date of the Transaction Agreement and at and as of the Sanction Date as though made at and as of the Sanction Date and (iii) the representations and warranties of Eaton set forth in Clause 6.2 of the Transaction Agreement (which are set forth below in Part B) (other than the Specified Eaton Representations) which are not qualified by an "Eaton Material Adverse Effect" qualification shall be true and correct at and as of the date of the Transaction Agreement and at and as of the Sanction Date as though made at and as of the Sanction Date, except for such failures to be true and correct as would not, individually or in the aggregate, reasonably be expected to have an Eaton Material Adverse Effect; provided that with respect to clauses (i) and (ii) hereof, representations and warranties that expressly relate to a particular date or period shall be true and correct (in the manner set forth in clauses (i) or (ii), as applicable), only with respect to such date or period;

(b) The Eaton Parties shall have in all material respects performed all obligations and complied with all covenants required by the Transaction Agreement (such agreement being set forth below in Part D) to be performed or complied with by them prior to the Sanction Date; and

(c) Eaton shall have delivered to Cooper a certificate, dated as of the Sanction Date and signed by an executive officer of Eaton, certifying on behalf of Eaton to the effect that the conditions set forth in paragraphs 5(a) and 5(b) have been satisfied.

6. Subject to the requirements of the Panel:

(a) Eaton and Cooper reserve the right (but shall be under no obligation) to waive (to the extent permitted by applicable Law), in whole or in part, all or any of the conditions in paragraph 3 (provided that both Parties agree to any such waiver);

(b) Eaton reserves the right (but shall be under no obligation) to waive, in whole or in part, all or any of conditions in paragraph 4); and

(c) Cooper reserves the right (but shall be under no obligation) to waive, in whole or in part, all or any of the conditions in paragraph 5.

7. The Scheme will lapse unless it is effective on or prior to May 21, 2013.

8. If Eaton is required to make an offer for Cooper Shares under the provisions of Rule 9 of the Takeover Rules, Eaton may make such alterations to any of the conditions set out in paragraphs 1, 2, 3, 4 and 5 above as are necessary to comply with the provisions of that rule.

9. Eaton reserves the right, subject to the prior written approval of the Panel, to effect the Acquisition by way of a takeover offer in the circumstances described in and subject to the terms of Clause 3.6 of the Transaction Agreement. Without limiting Clause 3.6 of the Transaction Agreement, in such event, such offer will be implemented on terms and conditions that are at least as favourable to the Cooper Shareholders (except for an acceptance condition set at 80 per cent of the nominal value of the Cooper Shares to which such an offer relates and which are not already in the beneficial ownership of Eaton so far as applicable) as those which would apply in relation to the Scheme.

10. As required by Rule 12(b)(i) of the Takeover Rules, to the extent that the Acquisition would give rise to a concentration with a Community dimension within the scope of the EC Merger Regulation, the Scheme shall lapse if the European Commission initiates proceedings in respect of that concentration under Article 6(1)(c) of the EC Merger Regulation or refers the concentration to a competent authority of a Member State under Article 9(1) of the EC Merger Regulation prior to the date of the Court Meeting.

Conditions of the Acquisition and the Scheme

Part B

Clause 6.1 of the Transaction Agreement states:

6.1 Cooper Representations and Warranties

Except as disclosed in the Cooper SEC Documents filed or furnished with the SEC since January 1, 2010 and publicly available prior to the date hereof (but excluding any forward looking disclosures set forth in any "risk factors" section, any disclosures in any "forward looking statements" section and any other disclosures included therein to the extent they are predictive or forward looking in nature) or in the applicable section of the disclosure schedule delivered by Cooper to Eaton immediately prior to the execution of this Agreement (the "**Cooper Disclosure Schedule**") (it being agreed that disclosure of any item in any section of the Cooper Disclosure Schedule shall be deemed disclosure with respect to any other section of this Agreement to which the relevance of such item is reasonably apparent), Cooper represents and warrants to Eaton as follows:

(a) Qualification, Organisation, Subsidiaries, etc. Each of Cooper and its Subsidiaries is a legal entity duly organised, validly existing and, where relevant, in good standing under the Laws of its respective jurisdiction of organisation and has all requisite corporate or similar power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted and is qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the ownership, leasing or operation of its assets or properties or conduct of its business requires such qualification, except where the failure to be so organised, validly existing, qualified or, where relevant, in good standing, or to have such power or authority, would not, individually or in the aggregate, reasonably be expected to have a Cooper Material Adverse Effect. Cooper has filed with the SEC, prior to the date of this Agreement, a complete and accurate copy of the Memorandum and Articles of Association of Cooper (the "**Cooper Memorandum and Articles of Association**") as amended to the date hereof. The Cooper Memorandum and Articles of Association are in full force and effect and Cooper is not in violation of the Cooper Memorandum and Articles of Association.

(i) Subsidiaries. All the issued and outstanding shares of capital stock of, or other equity interests in, each Significant Subsidiary of Cooper have been validly issued and are fully paid and nonassessable and are owned, directly or indirectly, by Cooper free and clear of all Liens, other than Cooper Permitted Liens.

(ii) Tools Joint Venture. Cooper Industries, LLC, a wholly owned Subsidiary of Cooper, owns a 50% membership interest in Apex Tool Group, LLC (the "**Tools JV**"). The equity interests of Tools JV owned by Cooper Industries, LLC are owned free and clear of all Liens, other than Cooper Permitted Liens and have not been issued in violation of any preemptive or similar rights. All of the issued and outstanding membership interests in Tools JV owned by Cooper Industries, LLC have been duly authorized and are validly issued, fully paid and nonassessable.

(b) Capital.

(i) The authorised capital of Cooper consists of 40,000 ordinary shares, par value €1.00 per share ("**Cooper Euro-Denominated Shares**"), 750,000,000 Cooper Shares and 10,000,000 preferred shares, par value $0.01 per share ("**Cooper Preferred Shares**"). As of May 15, 2012 (the "**Capitalisation Date**"), (A) (i) 159,166,699 Cooper Shares (together with the preferred share purchase rights granted pursuant to the Cooper Rights Agreement) were issued and outstanding and (ii) no Cooper Euro-

Denominated Shares were issued or outstanding, (B) (i) 14,325,562 Cooper Shares were held in treasury and (ii) no Cooper Shares were held by Subsidiaries of Cooper, (C) 19,011,085 Cooper Shares were reserved for issuance pursuant to the Cooper Share Plans and (D) no Cooper Preferred Shares were issued or outstanding. All the outstanding Cooper Shares are, and all Cooper Shares reserved for issuance as noted above shall be, when issued in accordance with the respective terms thereof, duly authorised, validly issued, fully paid and non-assessable and free of pre-emptive rights.

(ii) Except as set forth in sub-clause (i) above, as of the date hereof: (A) Cooper does not have any shares of capital in issue or outstanding other than Cooper Shares that have become outstanding after the Capitalisation Date, but were reserved for issuance as set forth in sub-clause (i) above, and (B) there are no outstanding subscriptions, options, warrants, puts, calls, exchangeable or convertible securities or other similar rights, agreements or commitments relating to the issuance of shares of capital to which Cooper or any of Cooper's Subsidiaries is a party obligating Cooper or any of Cooper's Subsidiaries to (I) issue, transfer or sell any shares in the capital or other equity interests of Cooper or any Subsidiary of Cooper or securities convertible into or exchangeable for such shares or equity interests (in each case other than to Cooper or a wholly owned Subsidiary of Cooper); (II) grant, extend or enter into any such subscription, option, warrant, put, call, exchangeable or convertible securities or other similar right, agreement or commitment; (III) redeem or otherwise acquire any such shares in its capital or other equity interests; or (IV) provide a material amount of funds to, or make any material investment (in the form of a loan, capital contribution or otherwise) in, any Subsidiary that is not wholly owned.

(iii) Neither Cooper nor any of its Subsidiaries has outstanding bonds, debentures, notes or other similar obligations, the holders of which have the right to vote (or which are convertible into or exercisable for securities having the right to vote) with the Cooper Shareholders on any matter.

(iv) There are no voting trusts or other agreements or understandings to which Cooper or any of its Subsidiaries is a party with respect to the voting of the shares in the capital or other equity interest of Cooper or any of its Subsidiaries.

(c) Corporate Authority Relative to this Agreement; No Violation.

(i) Cooper has all requisite corporate power and authority to enter into this Agreement and the Expenses Reimbursement Agreement and, subject (in the case of this Agreement) to receipt of the Cooper Shareholder Approval (and, in the case of the Holdco Distributable Reserves Creation, to approval of the Cooper Distributable Reserves Resolution by the Cooper Shareholders and the Eaton Distributable Reserves Resolution by the Eaton Shareholders, to the adoption by the shareholders of Holdco of the resolution contemplated by Clause 7.10(c)(i) and to receipt of the required approval by the High Court), to consummate the transactions contemplated hereby and thereby, including the Acquisition. The execution and delivery of this Agreement and the Expenses Reimbursement Agreement and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorised by the Cooper Board and, except for (A) the Cooper Shareholder Approval and (B) the filing of the required documents and other actions in connection with the Scheme with, and to receipt of the required approval of the Scheme by, the High Court, no other corporate proceedings on the part of Cooper are necessary to authorise the consummation of the transactions contemplated hereby. On or prior to the date hereof, the Cooper Board has determined that the

transactions contemplated by this Agreement are fair to and in the best interests of Cooper and the Cooper Shareholders and has adopted a resolution to make, subject to Clause 5.3 and to the obligations of the Cooper Board under the Takeover Rules, the Scheme Recommendation. This Agreement has been duly and validly executed and delivered by Cooper and, assuming this Agreement constitutes the valid and binding agreement of the Eaton Parties, constitutes the valid and binding agreement of Cooper, enforceable against Cooper in accordance with its terms.

(ii) Other than in connection with or in compliance with (A) the provisions of the Companies Acts, (B) the Takeover Panel Act and the Takeover Rules, (C) the Securities Act, (D) the Exchange Act, (E) the HSR Act, (F) any applicable requirements under the EC Merger Regulation, (G) any applicable requirements of other Antitrust Laws, (H) any applicable requirements of the NYSE and (I) the Clearances set forth on Clause 6.1(c)(ii) of the Cooper Disclosure Schedule, no authorisation, consent or approval of, or filing with, any Relevant Authority is necessary, under applicable Law, for the consummation by Cooper of the transactions contemplated by this Agreement, except for such authorisations, consents, approvals or filings (I) that, if not obtained or made, would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect or (II) as may arise as a result of facts or circumstances relating to Eaton or its Affiliates or Laws or contracts binding on Eaton or its Affiliates.

(iii) The execution and delivery by Cooper of this Agreement and the Expenses Reimbursement Agreement do not, and, except as described in Clause 6.1(c)(ii), the consummation of the transactions contemplated hereby and compliance with the provisions hereof will not (A) result in any violation or breach of, or default or change of control (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, modification, cancellation or acceleration of any material obligation or to the loss of a material benefit under any loan, guarantee of indebtedness or credit agreement, note, bond, mortgage, indenture, lease, agreement, contract, instrument, permit, concession, franchise, right or license binding upon Cooper or any of Cooper's Subsidiaries or result in the creation of any liens, claims, mortgages, encumbrances, pledges, security interests, equities or charges of any kind (each, a "**Lien**") upon any of the properties, rights or assets of Cooper or any of Cooper's Subsidiaries, other than Cooper Permitted Liens, (B) conflict with or result in any violation of any provision of the Organisational Documents of Cooper or any of Cooper's Subsidiaries or (C) conflict with or violate any Laws applicable to Cooper or any of Cooper's Subsidiaries or any of their respective properties or assets, other than, (I) in the case of sub-clauses (A), (B) (with respect to Subsidiaries that are not Significant Subsidiaries) and (C), any such violation, conflict, default, termination, cancellation, acceleration, right, loss or Lien that would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect, and (II) as may arise as a result of facts or circumstances relating to Eaton or its Affiliates or Laws or contracts binding on Eaton or its Affiliates.

(d) Reports and Financial Statements.

(i) From December 31, 2009 through the date of this Agreement, Cooper has filed or furnished all forms, documents and reports (including exhibits and other information incorporated therein) required to be filed or furnished prior to the date hereof by it with the SEC (the "**Cooper SEC Documents**"). As of their respective dates, or, if amended, as of the date of the last such amendment, the Cooper SEC Documents complied in all material respects with the requirements of the Securities Act and the

Exchange Act, as the case may be, and the applicable rules and regulations promulgated thereunder, and none of the Cooper SEC Documents contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made not misleading.

(ii) The consolidated financial statements (including all related notes and schedules) of Cooper included in the Cooper SEC Documents when filed complied as to form in all material respects with the applicable accounting requirements and the published rules and regulations of the SEC with respect thereto in effect at the time of such filing and fairly present in all material respects the consolidated financial position of Cooper and its consolidated Subsidiaries, as at the respective dates thereof, and the consolidated results of their operations and their consolidated cash flows for the respective periods then ended (subject, in the case of the unaudited statements, to normal year-end audit adjustments and to any other adjustments described therein, including the notes thereto) in conformity with US GAAP (except, in the case of the unaudited statements, as permitted by the SEC) applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto).

(e) Internal Controls and Procedures. Cooper has established and maintains disclosure controls and procedures and internal control over financial reporting (as such terms are defined in paragraphs (e) and (f), respectively, of Rule 13a-15 under the Exchange Act) as required by Rule 13a-15 under the Exchange Act. Cooper's disclosure controls and procedures are reasonably designed to ensure that all material information required to be disclosed by Cooper in the reports that it files or furnishes under the Exchange Act is recorded, processed, summarised and reported within the time periods specified in the rules and forms of the SEC, and that all such material information is accumulated and communicated to Cooper's management as appropriate to allow timely decisions regarding required disclosure and to make the certifications required pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**").

(f) No Undisclosed Liabilities. Except (i) as disclosed, reflected or reserved against in Cooper's consolidated balance sheet (or the notes thereto) as of March 31, 2012 included in the Cooper SEC Documents filed or furnished on or prior to the date hereof, (ii) for liabilities incurred in the ordinary course of business since March 31, 2012, (iii) as expressly permitted or contemplated by this Agreement and (iv) for liabilities which have been discharged or paid in full in the ordinary course of business, as of the date hereof, neither Cooper nor any Subsidiary of Cooper has any liabilities of any nature, whether or not accrued, contingent or otherwise, that would be required by US GAAP to be reflected on a consolidated balance sheet of Cooper and its consolidated Subsidiaries (or in the notes thereto), other than those which, individually or in the aggregate, would not reasonably be expected to have a Cooper Material Adverse Effect.

(g) Compliance with Law; Permits.

(i) Cooper and each of Cooper's Subsidiaries are in compliance with and are not in default under or in violation of any Laws applicable to Cooper, such Subsidiaries or any of their respective properties or assets, except where such non-compliance, default or violation would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect.

(ii) Cooper and Cooper's Subsidiaries are in possession of all franchises, grants, authorisations, licenses, permits, easements, variances, exceptions, consents, certificates, approvals and orders of any Relevant Authority necessary for Cooper and Cooper's Subsidiaries to own, lease and operate their properties and assets or to

carry on their businesses as they are now being conducted (the "**Cooper Permits**"), except where the failure to have any of the Cooper Permits would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect. All Cooper Permits are in full force and effect, except where the failure to be in full force and effect would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect.

(iii) Notwithstanding anything contained in this Clause 6.1(g), no representation or warranty shall be deemed to be made in this Clause 6.1(g) in respect of the matters referenced in Clause 6.1(d) or 6.1(e), or in respect of environmental, Tax, employee benefits or labour Laws matters.

(h) Environmental Laws and Regulations. Except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Cooper Material Adverse Effect: (i) Cooper and its Subsidiaries are in compliance with all, and have not since December 31, 2009 violated any, applicable Environmental Laws; (ii) to the knowledge of Cooper, no property currently or formerly owned, leased or operated by Cooper or any of its Subsidiaries (including soils, groundwater, surface water, buildings or other structures), or any other location, is contaminated with any Hazardous Substance in a manner that is or is reasonably likely to be required to be Remediated or Removed (as such terms are defined below), that is in violation of any Environmental Law, or that is reasonably likely to give rise to any Environmental Liability, in any case by or affecting Cooper or any of its Subsidiaries; (iii) neither Cooper nor any of its Subsidiaries has received any notice, demand letter, claim or request for information alleging that Cooper or any of its Subsidiaries may be in violation of or subject to liability under any Environmental Law; and (iv) neither Cooper nor any of its Subsidiaries is subject to any order, decree, injunction or agreement with any Relevant Authority, or any indemnity or other agreement with any third party, concerning liability or obligations relating to any Environmental Law or otherwise relating to any Hazardous Substance. As used herein, the term "**Environmental Laws**" means all Laws (including any common law) relating to: (A) the protection, investigation or restoration of the environment or natural resources, (B) the handling, use, presence, disposal, Release or threatened Release of any Hazardous Substance or (C) noise, odour, indoor air, employee exposure, electromagnetic fields, wetlands, pollution, contamination or any injury or threat of injury to persons or property relating to any Hazardous Substance. As used herein, the term "**Environmental Liability**" means any obligations or liabilities (including any notices, claims, complaints, suits or other assertions of obligations or liabilities) that are: (A) related to the environment (including on-site or off-site contamination by Hazardous Substances of surface or subsurface soil or water); and (B) based upon (I) any provision of Environmental Laws or (II) any order, consent, decree, writ, injunction or judgment issued or otherwise imposed by any Relevant Authority and includes: fines, penalties, judgments, awards, settlements, losses, damages, costs, fees (including attorneys' and consultants' fees), expenses and disbursements relating to environmental matters; defence and other responses to any administrative or judicial action (including notices, claims, complaints, suits and other assertions of liability) relating to environmental matters; and financial responsibility for (x) cleanup costs and injunctive relief, including any Removal, Remedial or Response actions, and (y) compliance or remedial measures under other Environmental Laws. As used herein, the term "**Hazardous Substance**" means any "hazardous substance" and any "pollutant or contaminant" as those terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("**CERCLA**"); any "hazardous waste" as that term is defined in the Resource Conservation and Recovery Act ("**RCRA**"); and any "hazardous material" as that term is defined in the Hazardous Materials Transportation Act (49 U.S.C. § 1801 et seq.), as amended (including as those terms are further defined, construed, or otherwise used in rules, regulations, standards, orders, guidelines, directives, and publications issued pursuant to, or otherwise in implementation of, said Laws); and including any petroleum product or

byproduct, solvent, flammable or explosive material, radioactive material, asbestos, lead paint, polychlorinated biphenyls (or PCBs), dioxins, dibenzofurans, heavy metals, radon gas, mould, mould spores, and mycotoxins. As used herein, the term "**Release**" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, placing, discarding, abandonment, or disposing into the environment (including the placing, discarding or abandonment of any barrel, container or other receptacle containing any Hazardous Substance or other material). As used herein, the term "**Removal, Remedial or Response**" actions include the types of activities covered by CERCLA, RCRA, and other comparable Environmental Laws, and whether such activities are those which might be taken by a Relevant Authority or those which a Relevant Authority or any other person might seek to require of waste generators, handlers, distributors, processors, users, storers, treaters, owners, operators, transporters, recyclers, reusers, disposers, or other persons under "removal," "remedial," or other "response" actions.

(i) Employee Benefit Plans.

(i) Except as would not, individually or in the aggregate, reasonably be expected to have a Cooper Material Adverse Effect, (A) each of the Cooper Benefit Plans has been operated and administered in accordance with applicable Laws, including, but not limited to, ERISA, the Code and in each case the regulations thereunder; (B) no Cooper Benefit Plan is subject to Title IV or Section 302 of ERISA or Section 412 or 4971 of the Code; (C) no Cooper Benefit Plan provides benefits, including death or medical benefits (whether or not insured), with respect to current or former employees or directors of Cooper or its Subsidiaries beyond their retirement or other termination of service, other than (I) coverage mandated by applicable Law or (II) death benefits or retirement benefits under any "employee pension plan" (as such term is defined in Section 3(2) of ERISA); (D) no liability under Title IV of ERISA has been incurred by Cooper, its Subsidiaries or any of their respective ERISA Affiliates that has not been satisfied in full, and no condition exists that presents a risk to Cooper, its Subsidiaries or any of their ERISA Affiliates of incurring a liability thereunder; (E) no Cooper Benefit Plan is a "multiemployer pension plan" (as such term is defined in Section 3(37) of ERISA) or a plan that has two or more contributing sponsors at least two of whom are not under common control, within the meaning of Section 4063 of ERISA; (F) all contributions or other amounts payable by Cooper or its Subsidiaries as of the Effective Time pursuant to each Cooper Benefit Plan in respect of current or prior plan years have been timely paid or accrued in accordance with US GAAP; (G) neither Cooper nor any of its Subsidiaries has engaged in a transaction in connection with which Cooper or its Subsidiaries could be subject to either a civil penalty assessed pursuant to Section 409 or 502(i) of ERISA or a tax imposed pursuant to Section 4975 or 4976 of the Code; and (H) there are no pending, threatened or anticipated claims (other than routine claims for benefits) by, on behalf of or against any of the Cooper Benefit Plans or any trusts related thereto.

(ii) Except as would not, individually or in the aggregate, reasonably be expected to have a Cooper Material Adverse Effect, each of the Cooper Benefit Plans intended to be "qualified" within the meaning of Section 401(a) of the Code, (A) is so qualified and there are no existing circumstances or any events that have occurred that would reasonably be expected to adversely affect the qualified status of any such plan and (B) has received a favourable determination letter or opinion letter as to its qualification. Each such favourable determination letter has been provided or made available to Eaton.

(iii) Except as would not, individually or in the aggregate, reasonably be expected to have a Cooper Material Adverse Effect, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby (either alone or in conjunction with any other event) will (A) result in any payment (including severance, unemployment compensation, "excess parachute payment" (within the meaning of Section 280G of the Code), forgiveness of indebtedness or otherwise) becoming due to any current or former director or any employee of the Cooper Group under any Cooper Benefit Plan or otherwise, (B) increase any benefits otherwise payable under any Cooper Benefit Plan or (C) result in any acceleration of the time of payment, funding or vesting of any such benefits.

(iv) Since December 31, 2011, no Cooper Benefit Plan has been materially amended or otherwise materially modified to increase benefits (or the levels thereof) in a manner that would be material to the Cooper Group.

(v) Section 6.1(i)(v) of the Cooper Disclosure Schedule sets forth (A) with respect to each Cooper Share Plan (I) the aggregate number of Cooper Shares that are subject to Cooper Options, (II) the aggregate number of Cooper Shares that are subject to performance-based Cooper Share Awards, assuming target performance and assuming maximum performance and the aggregate amount of any corresponding dividend equivalents and (III) the aggregate number of Cooper Shares that are subject to Cooper Share Awards that do not include performance-based vesting criteria and the aggregate amount of any corresponding dividend equivalents (such schedule, the "Cooper Equity Schedule"), in each case as of May 15, 2012 (B) each Management Continuity Agreement (each, an "MCA") entered into between Cooper and an employee of the Cooper Group in existence as of the date hereof. Cooper shall provide Eaton with an updated Cooper Equity Schedule within three (3) business days prior to Closing to reflect any changes occurring between May 15, 2012 and the applicable date of delivery.

(j) Absence of Certain Changes or Events. From December 31, 2011 through the date of this Agreement, other than the transactions contemplated by this Agreement, the businesses of Cooper and its Subsidiaries have been conducted, in all material respects, in the ordinary course of business. Since December 31, 2011, there has not been any event, development, occurrence, state of facts or change that has had, or would reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect. From March 29, 2012 through the date of this Agreement, neither Cooper nor any of its Subsidiaries has taken any action that would constitute a breach of Clause 5.1(b)(xvi) had such action been taken after the execution of this Agreement.

(k) Investigations; Litigation. As of the date hereof, (i) there is no investigation or review pending (or, to the knowledge of Cooper, threatened) by any Relevant Authority with respect to Cooper or any of Cooper's Subsidiaries or any of their respective properties, rights or assets, and (ii) there are no claims, actions, suits or proceedings pending (or, to the knowledge of Cooper, threatened) against Cooper or any of Cooper's Subsidiaries or any of their respective properties, rights or assets before, and there are no orders, judgments or decrees of, any Relevant Authority, which, in the case of sub-clause (i) or (ii), would reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect.

(l) Information Supplied. The information relating to Cooper and its Subsidiaries to be contained in the Joint Proxy Statement and the Form S-4 will not, on the date the Joint Proxy Statement (and any amendment or supplement thereto) is first posted to Cooper Shareholders and at the time the Form S-4 is declared effective or at the time of the Court Meeting, contain any untrue statement of any material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, at the time and in light of the

circumstances under which they were made, not false or misleading. The Joint Proxy Statement (other than the portions thereof relating solely to the Eaton Shareholder Meeting) will comply in all material respects as to form with the requirements of the Exchange Act and the rules and regulations promulgated thereunder. The parts of the Scheme Document for which the Cooper Directors are responsible under the Takeover Rules and any related filings for which the Cooper Directors are responsible under the Takeover Rules will comply in all material respects as to form with the requirements of the Takeover Rules and the Act. Notwithstanding the foregoing provisions of this Clause 6.1(l), no representation or warranty is made by Cooper with respect to information or statements made or incorporated by reference in the Joint Proxy Statement and the Form S-4 which were not supplied by or on behalf of Cooper.

(m) Rights Plan. The Cooper Board has resolved to take, and as promptly as practicable after the execution of this Agreement Cooper will have taken, all action necessary to render the rights issued pursuant to the terms of the Second Amended and Restated Rights Agreement, dated as of September 8, 2009, between Cooper, Cooper Bermuda and Computershare Trust Company, N.A., as Rights Agent, as amended (the "**Cooper Rights Agreement**"), inapplicable to the Scheme, this Agreement and the transactions contemplated hereby.

(n) Tax Matters.

(i) Except as would not, individually or in the aggregate, reasonably be expected to have a Cooper Material Adverse Effect:

(A) all Tax Returns that are required to be filed by or with respect to Cooper or any of its Subsidiaries have been timely filed (taking into account any extension of time within which to file), and all such Tax Returns are true and complete;

(B) Cooper and its Subsidiaries have paid all Taxes required to be paid by any of them, including any Taxes required to be withheld from amounts owing to any employee, creditor, or third party, except with respect to matters for which adequate reserves have been established in accordance with US GAAP in the most recent Cooper annual financial statement, as adjusted for operations in the ordinary course of business since the last date which is covered by such statement;

(C) there is no audit, examination, deficiency, refund litigation, proposed adjustment, or matter in controversy with respect to any Taxes or Tax Return of Cooper or any of its Subsidiaries;

(D) the Tax Returns of Cooper and each of its Subsidiaries have been examined by the applicable Tax Authority (or the applicable statutes of limitations for the assessment of income Taxes for such periods have expired) for all periods through and including 2010, and no deficiencies were asserted as a result of such examinations which have not been resolved and fully paid or accrued as a liability on the most recent Cooper annual financial statement;

(E) neither Cooper nor any of its Subsidiaries has waived any statute of limitations with respect to Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency;

(F) all Taxes due and payable by Cooper or any of its Subsidiaries have been adequately provided for, in accordance with US GAAP, in the financial

statements of Cooper and its Subsidiaries for all periods ending on or before the date hereof;

(G) neither Cooper nor any of its Subsidiaries has constituted a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock intended to qualify for tax-free treatment under Section 355 of the Code (or any similar provision of state, local, or non-U.S. law) in the two years prior to the date of this Agreement;

(H) none of Cooper or any of its Subsidiaries has any liability for Taxes of any Person (other than Cooper or any of its Subsidiaries) under U.S. Treasury Regulation § 1.1502-6 (or any similar provision of state, local, or non-U.S. law), as transferee or successor, by contract or otherwise;

(I) there are no liens for Taxes upon any property or assets of Cooper or any of its Subsidiaries, except for Cooper Permitted Liens; and

(J) no private letter rulings, technical advice memoranda, or similar agreements or rulings have been entered into or issued by any Tax Authority with respect to Cooper or any of its Subsidiaries for any taxable year for which the statute of limitations has not yet expired.

(ii) As used in this Agreement, (A) the term "**Tax**" (including the plural form "**Taxes**" and, with correlative meaning, the terms "**Taxable**" and "**Taxation**") means all U.S. federal, state, local and non-U.S. income, gain, profits, windfall profits, franchise, gross receipts, environmental, customs duty, capital stock, severances, stamp, payroll, sales, employment, unemployment, disability, use, property, unclaimed property, escheat, withholding, excise, production, value added, occupancy and other taxes, duties or assessments of any nature whatsoever, together with all interest, penalties and additions imposed with respect to such amounts and any interest in respect of such penalties and additions, (B) the term "**Tax Return**" means all returns and reports (including elections, declarations, disclosures, schedules, estimates and information returns) filed or required to be filed with a Tax Authority relating to Taxes, (C) the term "**Tax Authority**" means any Relevant Authority responsible for the assessment, collection or enforcement of laws relating to Taxes (including the Internal Revenue Service (the "**IRS**") and the Revenue Commissioner) and any similar state, local, or non-U.S. revenue agency), and (D) the term "**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

(o) Labour Matters.

(i) As of the date hereof, no member of the Cooper Group is a party to, or bound by, any collective bargaining agreement, contract or other agreement or binding understanding with a labour union or labour organisation. No member of the Cooper Group is subject to a labour dispute, strike or work stoppage except as would not have, individually or in the aggregate, a Cooper Material Adverse Effect. To the knowledge of Cooper, there are no organisational efforts with respect to the formation of a collective bargaining unit presently being made or threatened involving employees of the Cooper Group, except for those the formation of which would not have, individually or in the aggregate, a Cooper Material Adverse Effect.

(ii) Except as set forth in Section 6.1(o)(ii) of the Cooper Disclosure Schedule, the transactions contemplated by this Agreement will not require the consent of, or advance notification to, any works councils, unions or similar labour organisations

with respect to employees of the Cooper Group, other than any such consents the failure of which to obtain or advance notifications the failure of which to provide as would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect.

(p) Intellectual Property. Except as would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect, either Cooper or a Subsidiary of Cooper owns, or is licensed or otherwise possesses legally enforceable rights to use, all Intellectual Property used in their respective businesses as currently conducted. There are no pending or, to the knowledge of Cooper, threatened claims by any person alleging infringement by Cooper or its Subsidiaries for their use of any material trademarks, trade names, service marks, service names, mark registrations, logos, assumed names, registered and unregistered copyrights, patents or applications and registrations therefor (collectively, the "**Intellectual Property**") in their respective businesses as currently conducted that would reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect. Except as would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect, to the knowledge of Cooper, the conduct of the businesses of Cooper and its Subsidiaries does not infringe upon any intellectual property rights or any other proprietary right of any person. As of the date hereof, neither Cooper nor any of its Subsidiaries has made any claim of a violation or infringement by others of its rights to or in connection with the Intellectual Property used in their respective businesses which violation or infringement would reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect.

(q) Real Property.

(i) With respect to the real property owned by Cooper or any Subsidiary as of the date hereof (such property collectively, the "**Cooper Owned Real Property**"), except as would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect, either Cooper or a Subsidiary of Cooper has good and valid title to such Cooper Owned Real Property, free and clear of all Liens, other than any such Lien (A) for Taxes or governmental assessments, charges or claims of payment not yet due and payable, being contested in good faith or for which adequate accruals or reserves have been established, (B) which is a carriers', warehousemen's, mechanics', materialmen's, repairmen's or other similar lien arising in the ordinary course of business, (C) which is disclosed on the most recent consolidated balance sheet of Cooper or notes thereto or securing liabilities reflected on such balance sheet, (D) which was incurred in the ordinary course of business since the date of the most recent consolidated balance sheet of Cooper or (E) which would not reasonably be expected to materially impair the continued use of the applicable property for the purposes for which the property is currently being used (any such Lien described in any of sub-clauses (A) through (E), a "**Cooper Permitted Lien**"). As of the date hereof, neither Cooper nor any of its Subsidiaries has received notice of any pending, and to the knowledge of Cooper there is no threatened, condemnation proceeding with respect to any Cooper Owned Real Property, except proceedings which would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect.

(ii) Except as would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect, (A) each material lease, sublease and other agreement under which Cooper or any of its Subsidiaries uses or occupies or has the right to use or occupy any material real property at which the material operations of Cooper and its Subsidiaries are conducted as of the date hereof (the "**Cooper Leased Real Property**"), is valid, binding and in full force and effect and (ii)

no uncured default of a material nature on the part of Cooper or, if applicable, its Subsidiary or, to the knowledge of Cooper, the landlord thereunder exists with respect to any Cooper Leased Real Property. Except as would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect, Cooper and each of its Subsidiaries has a good and valid leasehold interest, subject to the terms of any lease, sublease or other agreement applicable thereto, in each parcel of Cooper Leased Real Property, free and clear of all Liens, except for Cooper Permitted Liens. As of the date hereof, neither Cooper nor any of its Subsidiaries has received notice of any pending, and, to the knowledge of Cooper, there is no threatened, condemnation proceeding with respect to any Cooper Leased Real Property, except such proceeding which would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect.

(r) Opinion of Financial Advisor. The Cooper Board has received the opinion of Goldman, Sachs & Co., dated the date of this Agreement, to the effect that, as of such date, the Scheme Consideration is fair to the Cooper Shareholders from a financial point of view.

(s) Required Vote of Cooper Shareholders. The Cooper Shareholder Approval is the only vote of holders of securities of Cooper which is required to consummate the transactions contemplated hereby (other than, in the case of the Holdco Distributable Reserves Creation, the approval of the Cooper Distributable Reserves Resolution by the Cooper Shareholders).

(t) Material Contracts.

(i) Except for this Agreement or any contracts filed as exhibits to the Cooper SEC Documents, as of the date hereof, neither Cooper nor any of its Subsidiaries is a party to or bound by any "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC) (all contracts of the type described in this Clause 6.1(t)(i), other than Cooper Benefit Plans, being referred to herein as "**Cooper Material Contracts**").

(ii) Neither Cooper nor any Subsidiary of Cooper is in breach of or default under the terms of any Cooper Material Contract where such breach or default would reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect. To the knowledge of Cooper, as of the date hereof, no other party to any Cooper Material Contract is in breach of or default under the terms of any Cooper Material Contract where such breach or default would reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect. Except as would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect, each Cooper Material Contract is a valid and binding obligation of Cooper or the Subsidiary of Cooper which is party thereto and, to the knowledge of Cooper, of each other party thereto, and is in full force and effect, except that (i) such enforcement may be subject to applicable bankruptcy, insolvency, examinership, reorganisation, moratorium or other similar Laws, now or hereafter in effect, relating to creditors' rights generally and (ii) equitable remedies of specific performance and injunctive and other forms of equitable relief may be subject to equitable defences and to the discretion of the court before which any proceeding therefor may be brought.

(u) Insurance. Except as would not reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect, as of the date hereof, (i) all current, material insurance policies and contracts of Cooper and its Subsidiaries are in full force and effect and are valid and enforceable and cover against the risks as are customary in all material respects for companies of similar size in the same or similar lines of business and (ii) all premiums due thereunder have been paid. Neither Cooper nor any of its Subsidiaries has received notice of

cancellation or termination with respect to any material third party insurance policies or contracts (other than in connection with normal renewals of any such insurance policies or contracts) where such cancellation or termination would reasonably be expected to have, individually or in the aggregate, a Cooper Material Adverse Effect.

(v) Finders or Brokers. Except for Goldman, Sachs & Co., neither Cooper nor any of its Subsidiaries has employed any investment banker, broker or finder in connection with the transactions contemplated by this Agreement who might be entitled to any fee or any commission in connection with or upon consummation of the Acquisition.

(w) No Other Representations. Except for the representations and warranties contained in this Clause 6.1 or in any certificates delivered by Cooper in connection with the Completion pursuant to Condition 4(c), Eaton acknowledges that neither Cooper nor any Representative of Cooper makes any other express or implied representation or warranty with respect to Cooper or any of its Subsidiaries or with respect to any other information provided or made available to Eaton in connection with the transactions contemplated by this Agreement, including any information, documents, projections, forecasts or other material made available to Eaton or to Eaton's Representatives in certain "data rooms" or management presentations in expectation of the transactions contemplated by this Agreement.

Clause 6.2 of the Transaction Agreement states:

6.2 Eaton Representations and Warranties

Except as disclosed in the Eaton SEC Documents filed or furnished with the SEC since January 1, 2010 and publicly available prior to the date hereof (but excluding any forward looking disclosures set forth in any "risk factors" section, any disclosures in any "forward looking statements" section and any other disclosures included therein to the extent they are predictive or forward looking in nature) or in the applicable section of the disclosure schedule delivered by Eaton to Cooper immediately prior to the execution of this Agreement (the "**Eaton Disclosure Schedule**") (it being agreed that disclosure of any item in any section of the Eaton Disclosure Schedule shall be deemed disclosure with respect to any other section of this Agreement to which the relevance of such item is reasonably apparent), Eaton and Holdco jointly and severally represent and warrant to Cooper as follows:

(a) Qualification, Organisation, Subsidiaries, etc. Each of Eaton and its Subsidiaries and each of the Eaton Merger Parties is a legal entity duly organised, validly existing and, where relevant, in good standing under the Laws of its respective jurisdiction of organisation and has all requisite corporate or similar power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted and is qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the ownership, leasing or operation of its assets or properties or conduct of its business requires such qualification, except where the failure to be so organised, validly existing, qualified or, where relevant, in good standing, or to have such power or authority, would not, individually or in the aggregate, reasonably be expected to have an Eaton Material Adverse Effect. Eaton has filed with the SEC, prior to the date of this Agreement, complete and accurate copies of the Amended and Restated Articles of Incorporation of Eaton (the "**Eaton Articles of Incorporation**") and the Amended Regulations of Eaton (the "**Eaton Regulations**") as amended to the date hereof. The Eaton Articles of Incorporation and the Eaton Regulations are in full force and effect and Eaton is not in violation of the Eaton Articles of Incorporation or the Eaton Regulations.

(i) Subsidiaries. All the issued and outstanding shares of capital stock of, or other equity interests in, each Significant Subsidiary of Eaton have been validly issued and

are fully paid and nonassessable and are owned, directly or indirectly, by Eaton free and clear of all Liens, other than Eaton Permitted Liens.

(ii) Eaton Merger Parties.

(A) Since their respective dates of formation, none of the Eaton Merger Parties have carried on any business or conducted any operations other than the execution of this Agreement, the performance of their obligations hereunder and thereunder and matters ancillary thereto.

(B) The authorised share capital of Holdco consists of 750,000,000 ordinary shares, par value $0.01 per share, and 40,000 deferred ordinary shares, par value €1.00 per share, of which 100 ordinary shares, par value $0.01 per share, are currently issued. All of the issued shares in Holdco have been validly issued, are fully paid and nonassessable and are owned directly by Matsack Nominees Limited (95 shares) and Matsack Trust Limited, Matsack UK Limited, Matsack Nominees UK Limited, George Brady and Pat English (1 share each), free and clear of any Lien. The authorised share capital of IrSub consists of 100,000,000 ordinary shares, par value $0.01 per share, of which 100 ordinary shares are currently issued. All of the issued shares in IrSub have been validly issued, are fully paid and nonassessable and are owned directly by Holdco free and clear of any Lien. The authorised share capital of EHC consists of 900 ordinary shares, par value €100.00 per share, of which 180 ordinary shares are currently issued. All of the issued shares in EHC have been validly issued, are fully paid and nonassessable and are owned directly by IrSub free and clear of any Lien. The authorised capital stock of MergerSub consists of 10,000 common shares, with no par value, of which 1,000 common shares are currently issued. All of the issued shares in MergerSub have been validly issued, are fully paid and nonassessable and are owned directly by EHC free and clear of any Lien. All of the Share Consideration, when issued pursuant to the Acquisition and the Merger and this Agreement and delivered pursuant hereto will, at such time, be duly authorised, validly issued, fully paid and non-assessable and free of all Liens and pre-emptive rights.

(C) Eaton has made available to Cooper, prior to the date of this Agreement, complete and accurate copies of the Memorandum and Articles of Association of Holdco (the "**Holdco Memorandum and Articles of Association**") and the Organisational Documents of each of the other Eaton Merger Parties (the "**Other Eaton Merger Party Organisational Documents**") as amended to the date hereof. The Eaton Articles of Incorporation, the Eaton Regulations the Holdco Memorandum and Articles of Association and the Other Eaton Merger Party Organisational Documents are in full force and effect, Holdco is not in violation of the Holdco Memorandum and Articles of Association and the other Eaton Merger Parties are not in violation of the Other Eaton Merger Party Organisational Documents.

(b) Capital Stock.

(i) The authorised capital stock of Eaton consists of 500,000,000 Eaton Shares and 14,106,394 serial preferred shares ("**Eaton Preferred Shares**"). As of the Capitalisation Date, (A) 337,692,106 Eaton Shares were issued and outstanding, (B) 45,014,018 Eaton Shares were held in treasury, (C) 21,000,000 Eaton Shares were reserved for issuance pursuant to the Eaton Share Plans and (D) no Eaton Preferred

Shares were issued or outstanding. All the outstanding Eaton Shares are, and all Eaton Shares reserved for issuance as noted above shall be, when issued in accordance with the respective terms thereof, duly authorised, validly issued, fully paid and non-assessable and free of pre-emptive rights.

(ii) Except as set forth in sub-clause (i) above, as of the date hereof: (A) Eaton does not have any shares of capital stock issued or outstanding other than Eaton Shares that have become outstanding after the Capitalisation Date, but were reserved for issuance as set forth in sub-clause (i) above, and (B) there are no outstanding subscriptions, options, warrants, puts, calls, exchangeable or convertible securities or other similar rights, agreements or commitments relating to the issuance of capital stock to which Eaton or any of Eaton's Subsidiaries is a party obligating Eaton or any of Eaton's Subsidiaries to (I) issue, transfer or sell any shares of capital stock or other equity interests of Eaton or any Subsidiary of Eaton or securities convertible into or exchangeable for such shares or equity interests (in each case other than to Eaton or a wholly owned Subsidiary of Eaton); (II) grant, extend or enter into any such subscription, option, warrant, put, call, exchangeable or convertible securities or other similar right, agreement or commitment; (III) redeem or otherwise acquire any such shares of capital stock or other equity interests; or (IV) provide a material amount of funds to, or make any material investment (in the form of a loan, capital contribution or otherwise) in, any Subsidiary that is not wholly owned.

(iii) Neither Eaton nor any of its Subsidiaries has outstanding bonds, debentures, notes or other similar obligations, the holders of which have the right to vote (or which are convertible into or exercisable for securities having the right to vote) with the Eaton Shareholders on any matter.

(iv) There are no voting trusts or other agreements or understandings to which Eaton or any of its Subsidiaries is a party with respect to the voting of the capital stock or other equity interest of Eaton or any of its Subsidiaries.

(c) Corporate Authority Relative to this Agreement; No Violation.

(i) Eaton and each Eaton Merger Party has all requisite corporate power and authority to enter into this Agreement and, with respect to Eaton, the Expenses Reimbursement Agreement and, subject (in the case of this Agreement) to receipt of the Eaton Shareholder Approval (and, in the case of the Holdco Distributable Reserves Creation, to approval of the Cooper Distributable Reserves Resolution by the Cooper Shareholders and the Eaton Distributable Reserves Resolution by the Eaton Shareholders and to receipt of the required approval by the High Court), to consummate the transactions contemplated hereby and thereby, including the Acquisition and the Merger, as applicable. The execution and delivery of this Agreement and the Expenses Reimbursement Agreement and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorised by the Eaton Board and (in the case of this Agreement) the board of directors of each Eaton Merger Party and, except for (A) the Eaton Shareholder Approval, (B) the filing of the Certificate of Merger with the Secretary of State of the State of Ohio and (C) the filing of the required documents in connection with the Scheme with, and to receipt of the required approval of the Scheme by, the High Court, no other corporate proceedings on the part of Eaton or any Eaton Merger Party are necessary to authorise the consummation of the transactions contemplated hereby. On or prior to the date hereof, the Eaton Board has determined that the transactions contemplated by this Agreement are fair to and in the best interests of Eaton and the Eaton Shareholders and has adopted a resolution to make the Eaton Recommendation. This Agreement has been duly and validly

executed and delivered by Eaton and each Eaton Merger Party and, assuming this Agreement constitutes the valid and binding agreement of Cooper, constitutes the valid and binding agreement of Eaton and each Eaton Merger Party, enforceable against Eaton and each Eaton Merger Party in accordance with its terms.

(ii) Other than in connection with or in compliance with (A) the provisions of the Companies Acts, (B) the Takeover Panel Act and the Takeover Rules, (C) the Securities Act, (D) the Exchange Act, (E) the HSR Act, (F) any applicable requirements under the EC Merger Regulation, (G) any applicable requirements of other Antitrust Laws, (H) the requirement to file a certificate of merger with the Secretary of State of the State of Ohio, (I) any applicable requirements of the NYSE or the Chicago Stock Exchange and (J) the Clearances set forth on Clause 6.2(c)(ii) of the Eaton Disclosure Schedule, no authorisation, consent or approval of, or filing with, any Relevant Authority is necessary, under applicable Law, for the consummation by Eaton and each Eaton Merger Party of the transactions contemplated by this Agreement, except for such authorisations, consents, approvals or filings (I) that, if not obtained or made, would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect or (II) as may arise as a result of facts or circumstances relating to Cooper or its Affiliates or Laws or contracts binding on Cooper or its Affiliates.

(iii) The execution and delivery by Eaton and each Eaton Merger Party of this Agreement and (in the case of Eaton) the Expenses Reimbursement Agreement do not, and, except as described in Clause 6.2(c)(ii), the consummation of the transactions contemplated hereby and compliance with the provisions hereof will not (A) result in any violation or breach of, or default or change of control (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, modification, cancellation or acceleration of any material obligation or to the loss of a material benefit under any loan, guarantee of indebtedness or credit agreement, note, bond, mortgage, indenture, lease, agreement, contract, instrument, permit, concession, franchise, right or license binding upon Eaton or any of Eaton's Subsidiaries or result in the creation of any Liens upon any of the properties, rights or assets of Eaton or any of Eaton's Subsidiaries, other than Eaton Permitted Liens (B) conflict with or result in any violation of any provision of the Organisational Documents of Eaton or any of Eaton's Subsidiaries or the Eaton Merger Parties or (C) conflict with or violate any Laws applicable to Eaton or any of Eaton's Subsidiaries or any of their respective properties or assets, other than, (I) in the case of sub-clauses (A), (B) (with respect to Subsidiaries that are not Significant Subsidiaries or Eaton Merger Parties) and (C), any such violation, conflict, default, termination, cancellation, acceleration, right, loss or Lien that would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect and (II) as may arise as a result of facts or circumstances relating to Cooper or its Affiliates or Laws or contracts binding on Cooper or its Affiliates.

(d) Reports and Financial Statements.

(i) From December 31, 2009 through the date of this Agreement, Eaton has filed or furnished all forms, documents and reports (including exhibits and other information incorporated therein) required to be filed or furnished prior to the date hereof by it with the SEC (the "**Eaton SEC Documents**"). As of their respective dates, or, if amended, as of the date of the last such amendment, the Eaton SEC Documents complied in all material respects with the requirements of the Securities Act and the Exchange Act, as the case may be, and the applicable rules and regulations promulgated thereunder, and none of the Eaton SEC Documents contained any

untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made not misleading.

(ii) The consolidated financial statements (including all related notes and schedules) of Eaton included in the Eaton SEC Documents when filed complied as to form in all material respects with the applicable accounting requirements and the published rules and regulations of the SEC with respect thereto in effect at the time of such filing and fairly present in all material respects the consolidated financial position of Eaton and its consolidated Subsidiaries, as at the respective dates thereof, and the consolidated results of their operations and their consolidated cash flows for the respective periods then ended (subject, in the case of the unaudited statements, to normal year-end audit adjustments and to any other adjustments described therein, including the notes thereto) in conformity with US GAAP (except, in the case of the unaudited statements, as permitted by the SEC) applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto).

(e) Internal Controls and Procedures. Eaton has established and maintains disclosure controls and procedures and internal control over financial reporting (as such terms are defined in paragraphs (e) and (f), respectively, of Rule 13a-15 under the Exchange Act) as required by Rule 13a-15 under the Exchange Act. Eaton's disclosure controls and procedures are reasonably designed to ensure that all material information required to be disclosed by Eaton in the reports that it files or furnishes under the Exchange Act is recorded, processed, summarised and reported within the time periods specified in the rules and forms of the SEC, and that all such material information is accumulated and communicated to Eaton's management as appropriate to allow timely decisions regarding required disclosure and to make the certifications required pursuant to Sections 302 and 906 of the Sarbanes-Oxley Act.

(f) No Undisclosed Liabilities. Except (i) as disclosed, reflected or reserved against in Eaton's consolidated balance sheet (or the notes thereto) as of March 31, 2012 included in the Eaton SEC Documents filed or furnished on or prior to the date hereof, (ii) for liabilities incurred in the ordinary course of business since March 31, 2012, (iii) as expressly permitted or contemplated by this Agreement and (iv) for liabilities which have been discharged or paid in full in the ordinary course of business, as of the date hereof, neither Eaton nor any Subsidiary of Eaton has any liabilities of any nature, whether or not accrued, contingent or otherwise, that would be required by US GAAP to be reflected on a consolidated balance sheet of Eaton and its consolidated Subsidiaries (or in the notes thereto), other than those which, individually or in the aggregate, would not reasonably be expected to have an Eaton Material Adverse Effect.

(g) Compliance with Law; Permits.

(i) Eaton and each of Eaton's Subsidiaries are in compliance with and are not in default under or in violation of any Laws, applicable to Eaton, such Subsidiaries or any of their respective properties or assets, except where such non-compliance, default or violation would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

(ii) Eaton and Eaton's Subsidiaries are in possession of all franchises, grants, authorisations, licenses, permits, easements, variances, exceptions, consents, certificates, approvals and orders of any Relevant Authority necessary for Eaton and Eaton's Subsidiaries to own, lease and operate their properties and assets or to carry on their businesses as they are now being conducted (the "**Eaton Permits**"), except where the failure to have any of the Eaton Permits would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

All Eaton Permits are in full force and effect, except where the failure to be in full force and effect would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

(iii) Notwithstanding anything contained in this Clause 6.2(g), no representation or warranty shall be deemed to be made in this Clause 6.2(g) in respect of the matters referenced in Clause 6.2(d) or 6.2(e), or in respect of environmental, Tax, employee benefits or labour Laws matters.

(h) Environmental Laws and Regulations. Except for such matters as would not, individually or in the aggregate, reasonably be expected to have an Eaton Material Adverse Effect: (i) Eaton and its Subsidiaries are in compliance with all, and have not since December 31, 2009 violated any, applicable Environmental Laws; (ii) to the knowledge of Eaton, no property currently or formerly owned, leased or operated by Eaton or any of its Subsidiaries (including soils, groundwater, surface water, buildings or other structures), or any other location, is contaminated with any Hazardous Substance in a manner that is or is reasonably likely to be required to be Remediated or Removed (as such terms are defined below), that is in violation of any Environmental Law, or that is reasonably likely to give rise to any Environmental Liability, in any case by or affecting Eaton or any of its Subsidiaries; (iii) neither Eaton nor any of its Subsidiaries has received any notice, demand letter, claim or request for information alleging that Eaton or any of its Subsidiaries may be in violation of or subject to liability under any Environmental Law; and (iv) neither Eaton nor any of its Subsidiaries is subject to any order, decree, injunction or agreement with any Relevant Authority, or any indemnity or other agreement with any third party, concerning liability or obligations relating to any Environmental Law or otherwise relating to any Hazardous Substance.

(i) Employee Benefit Plans.

(i) Except as would not, individually or in the aggregate, reasonably be expected to have an Eaton Material Adverse Effect, (A) each of the Eaton Benefit Plans has been operated and administered in accordance with applicable Laws, including, but not limited to, ERISA, the Code and in each case the regulations thereunder; (B) no Eaton Benefit Plan is subject to Title IV or Section 302 of ERISA or Section 412 or 4971 of the Code; (C) no Eaton Benefit Plan provides benefits, including death or medical benefits (whether or not insured), with respect to current or former employees or directors of Eaton or its Subsidiaries beyond their retirement or other termination of service, other than (I) coverage mandated by applicable Law or (II) death benefits or retirement benefits under any "employee pension plan" (as such term is defined in Section 3(2) of ERISA); (D) no liability under Title IV of ERISA has been incurred by Eaton, its Subsidiaries or any of their respective ERISA Affiliates that has not been satisfied in full, and no condition exists that presents a risk to Eaton, its Subsidiaries or any of their ERISA Affiliates of incurring a liability thereunder; (E) no Eaton Benefit Plan is a "multiemployer pension plan" (as such term is defined in Section 3(37) of ERISA) or a plan that has two or more contributing sponsors at least two of whom are not under common control, within the meaning of Section 4063 of ERISA; (F) all contributions or other amounts payable by Eaton or its Subsidiaries as of the Effective Time pursuant to each Eaton Benefit Plan in respect of current or prior plan years have been timely paid or accrued in accordance with US GAAP; (G) neither Eaton nor any of its Subsidiaries has engaged in a transaction in connection with which Eaton or its Subsidiaries could be subject to either a civil penalty assessed pursuant to Section 409 or 502(i) of ERISA or a tax imposed pursuant to Section 4975 or 4976 of the Code; and (H) there are no pending, threatened or anticipated claims (other than routine claims for benefits) by, on behalf of or against any of the Eaton Benefit Plans or any trusts related thereto.

(ii) Except as would not, individually or in the aggregate, reasonably be expected to have an Eaton Material Adverse Effect, each of the Eaton Benefit Plans intended to be "qualified" within the meaning of Section 401(a) of the Code (A) is so qualified, and there are no existing circumstances or any events that have occurred that would reasonably be expected to adversely affect the qualified status of any such plan, and (B) has received a favourable determination letter or opinion letter as to its qualification. Each such favourable determination letter has been provided or made available to Cooper.

(iii) Except as would not, individually or in the aggregate, reasonably be expected to have an Eaton Material Adverse Effect, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby (either alone or in conjunction with any other event) will (A) result in any payment (including severance, unemployment compensation, "excess parachute payment" (within the meaning of Section 280G of the Code), forgiveness of indebtedness or otherwise) becoming due to any current or former director or any employee of the Eaton Group under any Eaton Benefit Plan or otherwise, (B) increase any benefits otherwise payable under any Eaton Benefit Plan or (C) result in any acceleration of the time of payment, funding or vesting of any such benefits.

(iv) Since December 31, 2011, no Eaton Benefit Plan has been materially amended or otherwise materially modified to increase benefits (or the levels thereof) in a manner that would be material to the Eaton Group.

(j) Absence of Certain Changes or Events. From December 31, 2011 through the date of this Agreement, other than the transactions contemplated by this Agreement, the businesses of Eaton and its Subsidiaries have been conducted, in all material respects, in the ordinary course of business. Since December 31, 2011, there has not been any event, development, occurrence, state of facts or change that has had, or would reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

(k) Investigations; Litigation. As of the date hereof, (i) there is no investigation or review pending (or, to the knowledge of Eaton, threatened) by any Relevant Authority with respect to Eaton or any of Eaton's Subsidiaries or any of their respective properties, rights or assets, and (ii) there are no claims, actions, suits or proceedings pending (or, to the knowledge of Eaton, threatened) against Eaton or any of Eaton's Subsidiaries or any of their respective properties, rights or assets before, and there are no orders, judgments or decrees of, any Relevant Authority, which, in the case of sub-clause (i) or (ii), would reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

(l) Information Supplied. The information relating to Eaton, its Subsidiaries and the Eaton Merger Parties to be contained in the Joint Proxy Statement and the Form S-4 will not, on the date the Joint Proxy Statement (and any amendment or supplement thereto) is first mailed to Eaton Shareholders and at the time the Form S-4 is declared effective (and any amendment or supplement thereto) or at the time of the Eaton Shareholders Meeting, contain any untrue statement of any material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, at the time and in light of the circumstances under which they were made, not false or misleading. The Joint Proxy Statement and the Form S-4 (other than the portions thereof relating solely to the Court Meeting or the EGM) will comply in all material respects as to form with the requirements of both the Exchange Act and the Securities Act and the rules and regulations promulgated thereunder. The parts of the Scheme Document for which the Eaton Directors are responsible under the Takeover Rules and any related filings for which the Eaton Directors are responsible under the Takeover Rules will comply in all material respects as to form with the requirements of the Takeover Rules and the Act. Notwithstanding the foregoing provisions of

this Clause 6.2(l), no representation or warranty is made by Eaton with respect to information or statements made or incorporated by reference in the Joint Proxy Statement and the Form S-4 which were not supplied by or on behalf of Eaton.

(m) Tax Matters.

Except as would not, individually or in the aggregate, reasonably be expected to have an Eaton Material Adverse Effect:

(i) all Tax Returns that are required to be filed by or with respect to Eaton or any of its Subsidiaries have been timely filed (taking into account any extension of time within which to file), and all such Tax Returns are true and complete;

(ii) Eaton and its Subsidiaries have paid all Taxes required to be paid by any of them, including any Taxes required to be withheld from amounts owing to any employee, creditor, or third party, except with respect to matters for which adequate reserves have been established in accordance with US GAAP in the most recent Eaton annual financial statement, as adjusted for operations in the ordinary course of business since the last date which is covered by such statement;

(iii) there is no audit, examination, deficiency, refund litigation, proposed adjustment, or matter in controversy with respect to any Taxes or Tax Return of Eaton or any of its Subsidiaries;

(iv) the Tax Returns of Eaton and each of its Subsidiaries have been examined by the applicable Tax Authority (or the applicable statutes of limitations for the assessment of income Taxes for such periods have expired) for all periods through and including 2006, and no deficiencies were asserted as a result of such examinations which have not been resolved and fully paid or accrued as a liability on the most recent Eaton annual financial statement;

(v) neither Eaton nor any of its Subsidiaries has waived any statute of limitations with respect to Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency;

(vi) all Taxes due and payable by Eaton or any of its Subsidiaries have been adequately provided for, in accordance with US GAAP, in the financial statements of Eaton and its Subsidiaries for all periods ending on or before the date hereof;

(vii) neither Eaton nor any of its Subsidiaries has constituted a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock intended to qualify for tax-free treatment under Section 355 of the Code (or any similar provision of state, local, or non-U.S. law) in the two years prior to the date of this Agreement;

(viii) none of Eaton or any of its Subsidiaries has any liability for Taxes of any Person (other than Eaton or any of its Subsidiaries) under U.S. Treasury Regulation § 1.1502-6 (or any similar provision of state, local, or non-U.S. law), as transferee or successor, by contract or otherwise;

(ix) there are no liens for Taxes upon any property or assets of Eaton or any of its Subsidiaries, except for Eaton Permitted Liens; and

(x) no private letter rulings, technical advice memoranda, or similar agreements or rulings have been entered into or issued by any Tax Authority with respect to Eaton

or any of its Subsidiaries for any taxable year for which the statute of limitations has not yet expired.

(n) Labour Matters.

(i) As of the date hereof, no member of the Eaton Group is a party to, or bound by, any collective bargaining agreement, contract or other agreement or binding understanding with a labour union or labour organisation. No member of the Eaton Group is subject to a labour dispute, strike or work stoppage except as would not have, individually or in the aggregate, an Eaton Material Adverse Effect. To the knowledge of Eaton, there are no organisational efforts with respect to the formation of a collective bargaining unit presently being made or threatened involving employees of the Eaton Group, except for those the formation of which would not have, individually or in the aggregate, an Eaton Material Adverse Effect.

(ii) Except as set forth in Section 6.2(n)(ii) of the Eaton Disclosure Schedule, the transactions contemplated by this Agreement will not require the consent of, or advance notification to, any works councils, unions or similar labour organisations with respect to employees of the Eaton Group, other than any such consents the failure of which to obtain or advance notifications the failure of which to provide as would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

(o) Intellectual Property. Except as would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect, either Eaton or a Subsidiary of Eaton owns, or is licensed or otherwise possesses legally enforceable rights to use, all Intellectual Property used in their respective businesses as currently conducted. There are no pending or, to the knowledge of Eaton, threatened claims by any person alleging infringement by Eaton or its Subsidiaries for their use of any Intellectual Property in their respective businesses as currently conducted that would reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect. Except as would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect, to the knowledge of Eaton, the conduct of the businesses of Eaton and its Subsidiaries does not infringe upon any intellectual property rights or any other proprietary right of any person. As of the date hereof, neither Eaton nor any of its Subsidiaries has made any claim of a violation or infringement by others of its rights to or in connection with the Intellectual Property used in their respective businesses which violation or infringement would reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

(p) Real Property.

(i) With respect to the real property owned by Eaton or any Subsidiary as of the date hereof (such property collectively, the "**Eaton Owned Real Property**"), except as would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect, either Eaton or a Subsidiary of Eaton has good and valid title to such Eaton Owned Real Property, free and clear of all Liens, other than any such Lien (A) for Taxes or governmental assessments, charges or claims of payment not yet due and payable, being contested in good faith or for which adequate accruals or reserves have been established, (B) which is a carriers', warehousemen's, mechanics', materialmen's, repairmen's or other similar lien arising in the ordinary course of business, (C) which is disclosed on the most recent consolidated balance sheet of Eaton or notes thereto or securing liabilities reflected on such balance sheet, (D) which was incurred in the ordinary course of business since the date of the most recent consolidated balance sheet of Eaton or (E) which would not reasonably be expected to materially impair the continued use of the applicable property for

the purposes for which the property is currently being used (any such Lien described in any of sub-clauses (A) through (E), a "**Eaton Permitted Lien**"). As of the date hereof, neither Eaton nor any of its Subsidiaries has received notice of any pending, and to the knowledge of Eaton there is no threatened, condemnation proceeding with respect to any Eaton Owned Real Property, except proceedings which would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

(ii) Except as would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect, (A) each material lease, sublease and other agreement under which Eaton or any of its Subsidiaries uses or occupies or has the right to use or occupy any material real property at which the material operations of Eaton and its Subsidiaries are conducted as of the date hereof (the "**Eaton Leased Real Property**"), is valid, binding and in full force and effect and (ii) no uncured default of a material nature on the part of Eaton or, if applicable, its Subsidiary or, to the knowledge of Eaton, the landlord thereunder exists with respect to any Eaton Leased Real Property. Except as would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect, Eaton and each of its Subsidiaries has a good and valid leasehold interest, subject to the terms of any lease, sublease or other agreement applicable thereto, in each parcel of Eaton Leased Real Property, free and clear of all Liens, except for Eaton Permitted Liens. As of the date hereof, neither Eaton nor any of its Subsidiaries has received notice of any pending, and, to the knowledge of Eaton, there is no threatened, condemnation proceeding with respect to any Eaton Leased Real Property, except such proceeding which would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

(q) Opinion of Financial Advisor. The Eaton Board has received the opinion of each of Morgan Stanley & Co. LLC and Citigroup Global Markets Inc., dated the date of this Agreement, to the effect that, as of such date, the Merger Consideration to be received by the Eaton Shareholders pursuant to the Merger is fair to the Eaton Shareholders from a financial point of view.

(r) Required Vote of Eaton Shareholders. The Eaton Shareholder Approval is the only vote of holders of securities of Eaton which is required to consummate the transactions contemplated hereby (other than, in the case of the Holdco Distributable Reserves Creation, the approval of the Eaton Distributable Reserves Resolution by the Eaton Shareholders).

(s) Material Contracts.

(i) Except for this Agreement or any contracts filed as exhibits to the Eaton SEC Documents, as of the date hereof, neither Eaton nor any of its Subsidiaries is a party to or bound by any "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC) (all contracts of the type described in this Clause 6.2(s)(i), other than Eaton Benefit Plans, being referred to herein as "**Eaton Material Contracts**").

(ii) Neither Eaton nor any Subsidiary of Eaton is in breach of or default under the terms of any Eaton Material Contract where such breach or default would reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect. To the knowledge of Eaton, as of the date hereof, no other party to any Eaton Material Contract is in breach of or default under the terms of any Eaton Material Contract where such breach or default would reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect. Except as would not reasonably be expected to have, individually or in the aggregate, an Eaton

Material Adverse Effect, each Eaton Material Contract is a valid and binding obligation of Eaton or the Subsidiary of Eaton which is party thereto and, to the knowledge of Eaton, of each other party thereto, and is in full force and effect, except that (i) such enforcement may be subject to applicable bankruptcy, insolvency, examinership, reorganisation, moratorium or other similar Laws, now or hereafter in effect, relating to creditors' rights generally and (ii) equitable remedies of specific performance and injunctive and other forms of equitable relief may be subject to equitable defences and to the discretion of the court before which any proceeding therefor may be brought.

(t) Insurance. Except as would not reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect, as of the date hereof, (i) all current, material insurance policies and contracts of Eaton and its Subsidiaries are in full force and effect and are valid and enforceable and cover against the risks as are customary in all material respects for companies of similar size in the same or similar lines of business and (ii) all premiums due thereunder have been paid. Neither Eaton nor any of its Subsidiaries has received notice of cancellation or termination with respect to any material third party insurance policies or contracts (other than in connection with normal renewals of any such insurance policies or contracts) where such cancellation or termination would reasonably be expected to have, individually or in the aggregate, an Eaton Material Adverse Effect.

(u) Finders or Brokers. Except for Morgan Stanley & Co. LLC and Citigroup Global Markets Inc., neither Eaton nor any of its Subsidiaries has employed any investment banker, broker or finder in connection with the transactions contemplated by this Agreement who might be entitled to any fee or any commission in connection with or upon consummation of the Acquisition or the Merger.

(v) Financing. At the date of the Effective Time, Holdco will have sufficient cash, available lines of credit or other sources of immediately available and cleared funds to enable Holdco to pay the aggregate Cash Consideration in full as well as to make all other required payments payable in connection with the transactions contemplated under this Agreement, including those payments required under the Cooper Equity Award Holder Proposal.

(w) No Other Representations. Except for the representations and warranties contained in this Clause 6.2 or in any certificates delivered by Eaton in connection with the Completion pursuant to Condition 5(c), Cooper acknowledges that neither Eaton nor any Representative of Eaton makes any other express or implied representation or warranty with respect to Eaton or with respect to any other information provided or made available to Cooper in connection with the transactions contemplated hereby, including any information, documents, projections, forecasts or other material made available to Cooper or to Cooper's Representatives in certain "data rooms" or management presentations in expectation of the transactions contemplated by this Agreement.

Conditions of the Acquisition and the Scheme

Part C

For the purpose of these conditions, capitalized terms shall have the meanings set forth in Appendix III to this announcement, as set forth above in these conditions and:

"**Acting in Concert**", shall have the meaning given to that term in the Irish Takeover Panel Act 1997;

"**Agreement**", means the Transaction Agreement;

"**Antitrust Laws**", means the HSR Act, the EC Merger Regulation and any other federal, state or foreign Law designed to prohibit, restrict or regulate actions for the purpose or effect of monopolisation or restraint of trade;

"**Antitrust Order**", means any legislative, administrative or judicial action, decree, judgment, injunction or other order (whether temporary, preliminary or permanent) that restricts, prevents or prohibits the consummation of the Acquisition or the Merger or any other transactions contemplated by the Agreement under any Antitrust Law;

"**Cash Consideration**", means $39.15 in cash;

"**Certificate of Merger**", means a certificate of merger satisfying the applicable requirements of the OGCL duly executed by Eaton and MergerSub and filed as soon as practicable following the Completion on the Completion Date with the Secretary of State of Ohio;

"**Clearances**", all consents, clearances, approvals, permissions, permits, nonactions, orders and waivers to be obtained from, and all registrations, applications, notices and filings to be made with or provided to, any Relevant Authority or other third party;

"**Companies Acts"**,the Companies Acts 1963 to 2009 and Parts 2 and 3 of the Investment Funds, Companies and Miscellaneous Provisions Act 2006;

"**Completion**", completion of the Acquisition and the Merger;

"**Cooper Benefit Plan**", each employee or director benefit plan, arrangement or agreement, whether or not written, including any employee welfare benefit plan within the meaning of Section 3(1) of ERISA, any employee pension benefit plan within the meaning of Section 3(2) of ERISA (whether or not such plan is subject to ERISA) and any bonus, incentive, deferred compensation, vacation, stock purchase, stock option, severance, employment, change of control or fringe benefit plan, program or agreement that is or has been sponsored, maintained or contributed to by the Cooper Group;

"**Cooper Director Share Plans**", the Amended and Restated Cooper Industries plc Directors' Stock Plan and the Cooper Industries plc Amended and Restated Directors' Retainer Fee Stock Plan;

"**Cooper Distributable Reserves Resolution**", the resolution to be submitted to the vote of the Cooper Shareholders at the EGM to approve the reduction of share premium of Holdco to allow the Holdco Distributable Reserves Creation;

"**Cooper Employees**", the employees of Cooper or any Subsidiary of Cooper who remain employed after the Effective Time;

"**Cooper Employee Share Plans**", the Cooper Industries plc 2011 Omnibus Incentive Compensation Plan and the Cooper Industries plc Amended and Restated Stock Incentive Plan;

"**Cooper Equity Award Holder Proposal**", the proposal of Eaton to the Cooper Equity Award Holders to be made in accordance with Clause 4, Rule 15 of the Takeover Rules and the terms of the Cooper Share Plans;

"**Cooper Equity Award Holders**", the holders of Cooper Options and/or Cooper Share Awards;

"**Cooper Group**", Cooper and all of its Subsidiaries;

"**Cooper Material Adverse Effect**", such event, development, occurrence, state of facts or change that has a material adverse effect on the business, operations or financial condition of Cooper and its Subsidiaries, taken as a whole, but shall not include (a) events, developments, occurrences, states of facts or changes (i) generally affecting the industries or the segments thereof in which Cooper and its Subsidiaries operate (including changes to commodity prices) in the United States or elsewhere, (ii) generally affecting the economy or the financial, debt, credit or securities markets, in the United States or elsewhere, (iii) resulting from any political conditions or developments in general, or resulting from any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism (other than any of the foregoing to the extent that it causes any direct damage or destruction to or renders physically unusable or inaccessible any facility or property of Cooper or any of its Subsidiaries), (iv) reflecting or resulting from changes or proposed changes in Law (including rules and regulations), interpretations thereof, regulatory conditions or US GAAP or other accounting standards (or interpretations thereof), or (v) resulting from actions of Cooper or any of its Subsidiaries which Eaton has expressly requested in writing or to which Eaton has expressly consented in writing; or (b) any decline in the stock price of the Cooper Shares on the NYSE or any failure to meet internal or published projections, forecasts or revenue or earning predictions for any period (provided that the underlying causes of such decline or failure may, to the extent applicable, be considered in determining whether there is a Cooper Material Adverse Effect); or (c) any events, developments, occurrences, states of facts or changes resulting from the announcement or the existence of the Agreement or the transactions contemplated hereby or the performance of and the compliance with the Agreement (except that this clause (c) shall not apply with respect to Cooper's representations and warranties in Clause 6.1(c)(iii));

"**Cooper Option**", an option to purchase Cooper Shares;

"**Cooper Share Award**", each right of any kind, contingent or accrued, to receive Cooper Shares or benefits measured in whole or in part by the value of a number of Cooper Shares (including restricted stock units, performance stock units, phantom stock units, and deferred stock units), other than Cooper Options;

"**Cooper Share Plans**", the Cooper Director Share Plans and the Cooper Employee Share Plans;

"**Cooper Shareholder Approval**", (i) the approval of the Scheme by a majority in number of the Cooper Shareholders representing three-fourths (75 per cent.) or more in value of the Cooper Shares held by such holders, present and voting either in person or by proxy, at the Court Meeting (or at any adjournment of such meeting) and (ii) the EGM Resolutions being duly passed by the requisite majorities of Cooper Shareholders at the Extraordinary General Meeting (or at any adjournment of such meeting);

"**Eaton Benefit Plan**", each employee or director benefit plan, arrangement or agreement, whether or not written, including any employee welfare benefit plan within the meaning of Section 3(1) of ERISA, any employee pension benefit plan within the meaning of Section 3(2) of ERISA (whether or not such plan is subject to ERISA) and any bonus, incentive, deferred compensation, vacation, stock purchase, stock option, severance, employment, change of control or fringe benefit plan, program or agreement that is or has been sponsored, maintained or contributed to by the Eaton Group;

"**Eaton Closing Price**", the average, rounded to the nearest cent, of the closing sale prices of an Eaton Share on the NYSE as reported by The Wall Street Journal for the five trading days immediately preceding the day on which the Effective Time occurs;

"**Eaton Material Adverse Effect**", such event, development, occurrence, state of facts or change that has a material adverse effect on the business, operations or financial condition of Eaton and its Subsidiaries, taken as a whole, but shall not include (a) events, developments, occurrences, states of facts or changes (i) generally affecting the industries or the segments thereof in which Eaton and its Subsidiaries operate (including changes to commodity prices) in the United States or elsewhere, (ii) generally affecting the economy or the financial, debt, credit or securities markets, in the United States or elsewhere, (iii) resulting from any political conditions or developments in general, or resulting from any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism (other than any of the foregoing to the extent that it causes any direct damage or destruction to or renders physically unusable or inaccessible any facility or property of Eaton or any of its Subsidiaries), (iv) reflecting or resulting from changes or proposed changes in Law (including rules and regulations), interpretations thereof, regulatory conditions or US GAAP or other accounting standards (or interpretations thereof), or (v) resulting from actions of Eaton or any of its Subsidiaries which Cooper has expressly requested in writing or to which Cooper has expressly consented in writing; or (b) any decline in the stock price of the Eaton Shares on the NYSE or any failure to meet internal or published projections, forecasts or revenue or earning predictions for any period (provided that the underlying causes of such decline or failure may, to the extent applicable, be considered in determining whether there is an Eaton Material Adverse Effect); or (c) any events, developments, occurrences, states of facts or changes resulting from the announcement or the existence of the Agreement or the transactions contemplated hereby or the performance of and the compliance with the Agreement (except that this clause (c) shall not apply with respect to Cooper's representations and warranties in Clause 6.2(c)(iii));

"**Eaton Merger Parties**", collectively Holdco, EHC, IrSub and MergerSub;

"**Eaton Parties**", collectively, Eaton, Holdco, EHC, IrSub and MergerSub;

"**Eaton Recommendation**", the recommendation of the Eaton Board that Eaton Shareholders vote in favour of the adoption of the Agreement;

"**Eaton Share Award**", an award denominated in Eaton Shares, other than an Eaton Share Option;

"**Eaton Share Plans**", the 2012 Stock Plan, the 2009 Stock Plan, the 2008 Stock Plan, the 2004 Stock Plan, the 2002 Stock Plan, the 1998 Stock Plan, the 1995 Stock Plan, the 1991 Stock Option Plan, the 2008 Executive Strategic Incentive Plan and the Supplemental Executive Strategic Incentive Plan;

"**Eaton Shareholder Approval**", means the adoption of the Agreement by the holders of Eaton Shares as required by article SIXTH of the Amended and Restated Articles of Incorporation of Eaton;

"**Eaton Shareholders Meeting**", means the Eaton Special Meeting;

"**Eaton Share Option**", means an option or other right to acquire Eaton Shares granted under any Eaton Share Plan;

"**End Date**", the date that is nine months after the date of the Agreement; provided, that if as of such date all Conditions (other than Conditions 2(c), 2(d), 3(c), 3(d) and 3(e)) have been satisfied (or, in the sole discretion of the applicable Party, waived (where applicable)) or would be satisfied (or, in the sole discretion of the applicable Party, waived (where applicable)) if the Acquisition were completed on such date, the "**End Date**" shall be the date that is one year after the date of the Agreement;

"**ERISA**", the United States Employee Retirement Income Security Act of 1974, as amended;

"**ERISA Affiliate**", with respect to any entity, trade or business, any other entity, trade or business that is a member of a group described in Section 414(b), (c), (m) or (o) of the Code or Section 4001(b)(1) of ERISA that includes the first entity, trade or business, or that is a member of the same "controlled group" as the first entity, trade or business pursuant to Section 4001(a)(14) of ERISA;

"**Fractional Entitlements**" means fractions of Holdco Shares;

"**Group**", in relation to any Party, such Party and its Subsidiaries;

"**Holdco Board**", the board of directors of Holdco;

"**Holdco Distributable Reserves Creation**" means the reduction of the share premium of Holdco, to allow the creation of distributable reserves of Holdco;

"**Holdco Shares**", the ordinary shares of US$0.01 each in the capital of Holdco;

"**Holdco Subscriber Shares**", the one hundred (100) Holdco Shares in issue at the date of the Agreement;

"**HSR Act**", the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder;

"**knowledge**", in relation to Cooper, the actual knowledge, after due inquiry, of the executive officers of Cooper listed in Clause 1.1(a) of the Cooper Disclosure Schedule, and in relation to Eaton, the actual knowledge, after due inquiry, of the executive officers of Eaton listed in Clause 1.1(a) of the Eaton Disclosure Schedule;

"**Law**", any federal, state, local, foreign or supranational law, statute, ordinance, rule, regulation, judgment, order, injunction, decree, agency requirement, license or permit of any Relevant Authority;

"**Organisational Documents"**, articles of association, articles of incorporation, certificate of incorporation or by-laws or other equivalent organisational document, as appropriate;

"**Parties**", Cooper and the Eaton Parties and "**Party**" shall mean either Cooper, on the one hand, or Eaton or the Eaton Parties (whether individually or collectively), on the other hand (as the context requires);

"**Person**" or "**person**", an individual, group (including a "group" under Section 13(d) of the Exchange Act), corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organisation or other entity or any Relevant Authority or any department, agency or political subdivision thereof;

"**Relevant Authority**", any Irish, United States, foreign or supranational, federal, state or local governmental commission, board, body, bureau, or other regulatory authority, agency, including courts and other judicial bodies, or any competition, antitrust or supervisory body or other governmental, trade or regulatory agency or body, securities exchange or any self-regulatory body or authority, including any instrumentality or entity designed to act for or on behalf of the foregoing, in each case, in any jurisdiction, including the Panel;

"**Representatives**", in relation to any person, the directors, officers, employees, agents, investment bankers, financial advisors, legal advisors, accountants, brokers, finders, consultants or representatives of such person;

"**Resolutions**", the resolutions to be proposed at the EGM and Court Meeting required to effect the Scheme, which will be set out in the Scheme Document;

"**Rule 2.5 Announcement**", this announcement;

"**Scheme Consideration**", the Share Consideration together with the Cash Consideration and any cash in lieu of Fractional Entitlements due a holder;

"**Scheme Document**", a document (or the relevant sections of the Joint Proxy Statement comprising the scheme document) (including any amendments or supplements thereto) to be distributed to Cooper Shareholders and, for information only, to Cooper Equity Award Holders containing (i) the Scheme, (ii) the notice or notices of the Court Meeting and EGM, (iii) an explanatory statement as required by Section 202 of the Act with respect to the Scheme, (iv) such other information as may be required or necessary pursuant to the Act or the Takeover Rules and (v) such other information as Cooper and Eaton shall agree;

"**Scheme Recommendation**", the recommendation of the Cooper Board that Cooper Shareholders vote in favour of the Resolutions;

"**Share Consideration**", means 0.77479 of a Holdco Share;

"**Significant Subsidiary**", a significant subsidiary as defined in Rule 1-02(w) of Regulation S-X of the Securities Act;

"**Subsidiary**", in relation to any person, any corporation, partnership, association, trust or other form of legal entity of which such person directly or indirectly owns securities or other equity interests representing more than 50% of the aggregate voting power (provided that the Eaton Merger Parties shall be deemed to be Subsidiaries of Eaton for purposes of the Agreement);

"**Takeover Panel Act**", the Irish Takeover Panel Act 1997 (as amended); and

"**US GAAP**", U.S. generally accepted accounting principles.