discount and other expenses payable by us, will be approximately $271 5 million We intend to use the net proceeds from the offering principally to repay current maturities of long-term debt and to repay outstanding short-term debt as the debt becomes due. As of September 30, 2002, our current maturities of long-term debt totaled approximately $210 million with a weighted average annual interest rate of approximately 6% This included approximately $60 million of medium-term notes maturing at or before November 2002 and an additional approximately $150 million of medium-term notes maturing at or before February 2003 As of September 30, 2002, our outstanding short-term debt was approximately $60 million with a weighted average annual interest rate of 3 7% The short-term debt included approximately $20 million of commercial paper and approximately $40 million of debt owed to an affiliate of The Royal Bank of Scotland plc, an underwriter of this offering, under a pound sterling credit facility with a final maturity of June 2003 We also may use some of the net proceeds of this offering for general corporate purposes Pending application of all of the net proceeds, we plan to invest the net proceeds in short-term instruments

DESCRIPTION OF NOTES

The following description of certain terms of the notes supplements and, to the extent inconsistent with, replaces the more general description of the terms and provisions of debt securities set forth under the caption "Description of the Debt Securities" in the accompanying prospectus The following description is not complete and should be read together with that more general description of debt securities set forth under such caption in the accompanying prospectus

GENERAL

The notes will be issued under an indenture, dated as of January 15, 1990, between Cooper Industries, Inc and The Chase Manhattan Bank (National Association) (now JPMorgan Chase Bank), as trustee, as supplemented by the First Supplemental Indenture, dated as of May 15, 2002, the Second Supplemental Indenture, dated as of June 21, 2002, and the Third Supplemental Indenture, to be dated as of October 28, 2002, each among Cooper Industries, Inc , Cooper Industries, Ltd , and JPMorgan Chase Bank, as trustee The original indenture together with any supplements to such indenture are collectively referred to in this description as the indenture

The notes will be senior unsecured obligations and will rank equally with all of our other existing and future senior unsecured indebtedness, unless we are required by the covenant described in the accompanying prospectus under the caption "Certain Covenants - Covenant Limiting Secured Indebtedness" to secure the notes The notes will be fully and unconditionally guaranteed on a senior unsecured basis by Cooper Industries, Ltd , as the guarantor The guarantee will rank equally with all of the guarantor's other existing and future senior unsecured indebtedness, unless the guarantor similarly is required by the same covenant to secure the guarantee

The notes will mature on November 1, 2009 Interest on the notes will accrue at the rate of 5 50% per year from October 28, 2002 and will be payable semi-annually in arrears on each May 1 and November 1, commencing on May 1, 2003, to the holders of record of the notes on the immediately precedmg April 15 and October 15 The registered holder of a note will be treated as the owner of the note for all purposes

The notes will be issuable in denominations of $1,000 and any integral multiple of $1,000.

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