US EXECUTIVE APPROVAL FORM

CUSTOMER NAME: Cooper Industries 3/4/03

Section I – Approval Request:
Request #8:

1. increase discount to 93.5%
2. license 5750 professional users (20% of total employee population for Cooper Industries and its majority owned subs)
3. add nonstandard language to the ordering doc that covers the following concepts:
   - fees are due and payable net 30 after they go live with 2600 professional users
   - customer must report every 3 months of status of deployment
   - if by 12 months from the Effective Date, 2600 professional users are not using the programs, customer must pay all fees net 30 or return the software and stop all useage.

OC has to do the implementation. this offer is contingent upon them accepting OC to do the implementation. we understand that this deal is not segmentable. keith approved and spoke to larry. no hosting at this time- it is optional.

justification: competitive situation and we've decided that we want to displace SAP. revenue stream of 9 - 9.5m for OC. support will be paid after they accept the programs back to the effective date.

CURRENT REQUEST #7:
Previosly approved (3/4)
Need additional discount to compete with last SAP offer to client.

Client requested that hosting services not be included in the ordering document

HQAPP Request

1. 93% discount on this purchase
   - Previous list L $22.360M @ 77% disct = $ 5.1428M
   - Now list L $38.86M @ 93% disct = $2.7M
2. 93% discount hold for future purchases for 5 years as approved previously
3. No increase for the 4 renewal years for support as approved previously
4. Add language to include majority owned subs with list.

Previously Approved by HQAPP 2/26/2003

Section I - Approval Requests:

PREVIOUS REQUEST #6: Need increased discount to compete with SAP to get the business. Overall, Oracle 5 yr TCO still more expensive than SAP. Additionally, Oracle plans to bid on on $9.5M (approx) worth of implementation costs.

Approved by HQAPP 2/26/2003

PENGAD-Bayonne, N. J. GOVERNMENT EXHIBIT P 1151

1. Increase Discount from 77.3% to 86.5% worst-case

PREVIOUS REQUEST #5: Approved by HQAPP 2/19/03 as follows:

> **Approved as requested. #1 approved provided Priscilla/Tim approve. If they are not able to respond by the 8:30 am meeting, go with it.**
>
> **Priscilla,**
>
> **Let us know if you have an issue with #1.**
>
> **Rich Allison**
>
> **2/20/03 - We also clarified with Brian that the actual discount was 77.3, not 77% even as was approved.**

Cooper has indicated there are 3 "pinchpoints" for getting the deal done.

1. Extend hosting flatline from 4 yrs previously approved to 5 yrs
2. Increase license discount from 70% as previously approved to 77% worst-case. SAP has offered discount migrations to My SAP. COM for Cooper Tools and Cooper Power--both SAP customers. We believe the discounts are amount to $500 a users. Additionally, SAP's charging 17% of net on support and they are not charging for the 1st year. .
   - Previous List L: $20.60M @ 70% disct = $ 6.18M
   - Now List L: $22.360M @ 77% disct = $ 5.1428M

PREVIOUS REQUEST #4: Approved by HQAPP 1/30/03 as follows:

> **This is approved by LJE at a worst case of 70%. There is 80% listed in the deal summary table but that is not approved. Only the 70% worst case is approved. Hopefully we are close to settling on a discount. Alot of these original issues were approved when the discounts were around 50% and we need to keep that in mind.**
>
> **If you come for another round of discounts please have a good idea of the worst case required to we can assess the deal in total while knowing where we might have to go.**

Our executive team met with Cooper leaders last week.. We are about to start final negotiations and believe we 'll need extra incentive to swing the deal our way.

3. Increase discount on apps/db deal from 65% as previously approved to 80% worst-case, going in at 65%.
   A. Previous List L: $23.38M @ 65% disct = $ 8.18M
   B. Now List L: $20.60M @ 80% disct = $ 4.12M

   Delta in list L due to at $23M, we had 7400 Emp users on the suite and Payroll for 28,753. HRSS for 18,753 at ($150). And iRec for 26,753. Now we have 15,000 on Payroll, HRSS, and iRec.

4. If we win the technology portion only, request 65% discount on list L of $4.014M = $1.4M net L

HQAPP Request #3: Approved by HQAPP 1/24/03 as follows:

This is approved by LJE with the following comments:

> **-- You need to see Priscilla's other email with her requirements for changes to #1 and #2. You will need to follow her contingencies for both of these requests.**
>
> **-- For #4, why aren't we licensing for the same 15K employees as the HR programs? Why are we excluding HQ. I'm ok with it as long as there is a good reason. Let me know what it is and then when we draft this contract we need to be very clear on the the specific divisions that we are licensing for all of the products on this agreement. I don't want there to be any confusion that only these divisions can use the software and for Cooper's benefit we need to make sure that it is clear that only the employee counts for those divisions that are licensed to use drive their user mins for the suite.**

1. Customer requesting language that if we can no longer provide hosting services we need to provide 6 months advanced notice of Oracle's intent to terminate.
2. 4 year hosting term based on standard pricing at no price increase over the 4 years
3. Requesting to license Payroll, HR, SS HR, Advanced Benefits via a standard "Person" metric for their US Employees (a total of 15,000 users for each product – 10k for the two subs and 5k for Cooper's HQ)
4. Requesting to license Balanced Scorecard via standard "Employee" metric for their US Employees (a total of 10,000, 5k for each sub). Sales has confirmed that the quantities are correct given the differing customer definitions

Justification:

- Customer only needs one product in the Employee User Suite. Pricing by individual component is preferable rather than giving high discounts on the e-bus suite employee bundle. This way they can upgrade to the bundle in the future or add more a la carte products but either way it leaves us a way to generate more revenue in the future.
- Cooper is concerned if we terminate Oracle's Outsourcing service their business will be at significant risk.
- Cooper also believes this will minimize their risk of price increases.

HQAPP Request #2 (HQAPP approved 1/8/03 per the underlined below):

> **HQAPP APPVL COMMENTS: For #1 - The read only users can only have access to the programs in the Professional User Bundle. They do not need access to the employee bundle as all of those programs are already in the professional bundle. They are approved at the 1495 list price provided it is clear they are read-only and only for the programs in the professional bundle.**
>
> **We are not approving giving them access to the add-on programs. This is not how the add-ons are licensed. They are licensed via other metrics that are typically not user based. Since they are usually transaction based anyone can have read-only access as long as they don't exceed the transactions (i.e. order lines). If an add-on program does happen to be user based, then we want to require them to license it normally.**
>
> **It is not approved to give them these read-only users access to anything but the programs in the professional bundle. I am sure that as long as you walk them through how they are licensed this will not be an issue. Similarly, the wording about negotiating fees to access to future add-on programs is not needed.**
>
> **The other requests are approved by LJE.**

All of the below are worst-case approvals.

1. Non-standard "E-Business Suite Professional Read-Only User" at $1495 list per Employee. This internal user would have read-only access to all suite programs (Professional and Employee) HQAPP – there are no add-on programs at this time, but would request that if they are purchased in this Ordering Document, the Suite Professional Read-Only User will include the add-ons. Additionally, if add-ons are purchased in the future, we'll put language in the contract stating we'll negotiate fees for addn'l read-only usage for those programs in good faith. If no add-ons are purchased in this Order Doc, we'll stay silent.
2. 65% worst-case discount
3. 65% worst-case discount for 3 year price hold. Applies to upfront deal and for Cooper's other majority owned subs provided the majority subs maintain support, meet the mins and migrate all existing licenses per std policy.
4. 5 year flatline, 4% cap year 6-7

For example:

Two Cooper Divisions (Lighting and Crouse-Hinds) – 10,000 Employees
1. 1950 Professional Users
2. 650 Casual Users
3. 7400 Employee Users

Justification:
- Cooper has employees that need to read only static data like reports, BOM, budgets, etc in eBusiness suite yet have access to Employee User programs.
- SAP has a similar metric for read only called "Contractor User" for their suite pricing. "Read Only" will help us remain competitive.
- Partnership is very important to Coooper. Addressing their concern around user definitions will help them feel they are receiving a complete solution and improve our partnering position.

HQAPP Request #1 – Previously approved 12/2/02 Licenses and Support

SECTION I - Approval Requests: We're responding to an RFP for db and apps and it's down to Oracle and SAP. We are only in the initial negotiation stages and are requesting approval for discounts at this point. Cooper Industries has several different subsidiaries, two subs will be purchasing the e-business suite, and five other divisions will be purchasing Self Service HR and Payroll. The customer has also requested pricing for a technology development environment

HQAPP Requests:

Two Cooper Divisions (Lighting and Crouse-Hinds) – 10,000 Employees. Cooper's holding company is an Oracle apps user, but we do not expect any migrations to affect the deal below.

Products: ebusiness suite, e-business add-ons, Payroll,
Discount: 65% worst-case discount for final pricing negotiations, going in at 40%

Five other Cooper Divisions – 18,753 Employees

Products: Payroll, HR, SS HR, Adv Benefits, HR Intelligence
Products: ebusiness suite, e-business add-ons, Payroll,
Discount: 65% worst-case discount for final pricing negotiations, going in at 40%

TIER 1 Requests:

1. 3 year price hold
2.

TIER 2/3 Requests:

1.
2.

Previously approved requests (include date of approval):
1.
2.

SECTION II – Deal Summary:

Deal Summary	
Programs	EBusiness suite and technology
License Discount	77% (ebiz + 40%) (now 77% worst-case)
Support Discount	77% (ebiz + 40%) (now 77% worst-case)
Comp & Admin Discount	90%
Phased Implementation for Comp & Admin?	See checklist below and forward a spreadsheet to NASINFO/OGEHINFO and Priscilla Morgan for review.
Support Options/Holds	20%, Flatline yrs 1-5, 4% cap yrs 6-7
Price Holds	3 years (we will lead with no price holds)
List License	$22,361,980 (#5 Applications $18,347,980, Tech $4,014,000, Total $22,361,980) $23,379,510 (#4: Applications $16,587,730, Tech 4,014,000, Total $20,601,730)
List Support	$5,142,085 (#5 Applications $4,036,556, Tech $883,080, Total $4,919,636) $5,143,492 (#4: Applications $3,517,546, Technology 802,800, Total $4,120,346)
List Comp & Admin	
Net License	$5,142,085
Net Support	$1,131,259
Net Comp & Admin	$1,200,418
Net Total Price	$7,473,762
Price List Used	11/7/02

Customer History - Existing Price Holds	
Existing contractual discount (price hold)	%
Date of Price List for price hold	11/7/02
When does price hold expire?	

Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	
Name of Agreement if applicable	

Section III – Justification 1/22/03

1. It's a better way to go instead of high discounts on the entire employee bundle. This way they can upgrade to the bundle in the future or add more a la carte products but either way it leaves us a way to generate more revenue in the future.

Section III – Justification 1/17/03

1. Cooper is concerned if we terminate Oracle's Outsourcing service their business will be at significant risk.
2. Cooper also believes this will minimize their risk of price increases.

Section III - Justification 1/8/03:

1. Cooper has employees that need to read only static data like reports, BOM, budgets, etc in eBusiness suite yet have access to Employee User programs.
2. SAP has a similar metric for read only called "Contractor User" for their suite pricing. "Read Only" will help us remain competitive.
3. Partnership is very important to Coooper. Addressing their concern around user definitions will help them feel they are receiving a complete solution and improve our partnering position.

SECTION III – Justification 12/02/02:

1. SAP is the incumbent in 2 locations. Client feels they have SAP capability already and has indicated the ability to implement will be easier. We anticipate a highly competitive bidding on the cost of licenses with SAP. We wish to hold on the 40% discount at this time, but feel a 65% discount might be necessary ultimately in the final negotiations. Our plan is to hold at 40% until all sales activity on establishing our value proposition is complete and our meetings are over and the total cost of ownership has been determined. At that time, we expect SAP to become aggressive on licenses requiring us to do so as well.

Cooper Industries has 7 divisions -- two have SAP R/3. In addition, 2 of the 5 non SAP installs, Lighting and Crouse-Hinds will be transitioning from Legacy Systems to new EFP. All 7 divisions are considering moving to a Common HR/PR system. As a result, this will be a very competitive transaction and have been told it most likely will come down to the lowest bidder.

Lighting and C-H have 10,000 employees. 2000 are professional users 8000 employee users. The 5 other divisions have 18,750 emloyees. We have priced the HR component as follows:

Lighting/C-H	7,990	@ $400 per employee user	(eBusiness Suite)
5 other division	18,753	@ $150 per employee user	(Component Applications Price which includes: HR, Self Service HR, Advanced Benefits, HR Intelligence)

List license fees are $18,703,610 List support $4,114,794

Going in price will be $11,222,166, a 40% discount. Support will equal $2,468,877 (22% of net fees)
Worst case license fees will be $6,546,264 or 65%. Support will equal $1,440,178 (see spreadsheet attached).

Recommendation: *(leave blank for HQAPP to fill out)*

Submitted By: ASM - Bruce McCombs RM – Jay Carter AVP – Matt Mills
Field RM name if submitted by iSD:

R: *(leave blank for HQAPP to fill out)*
C:
L:
A:
BP:

****
PLEASE NOTE THAT HQAPP WILL NOT REVIEW ANYTHING BELOW AND NOTHING BELOW WAS CONSIDERED FOR THEIR APPROVAL. ONLY DETAILS IN THE REQUEST SECTION (SECTION I) ABOVE WERE CONSIDERED IN THE APPROVAL GRANTED.

SECTION IV – Computer and Admin Services:
(Delete this section if not applicable)

If Computer and Administration Services or Administration Services are being ordered please provide information below:

Does this deal include Phased Implementation? No, for C&A	
License minimums met at each implementation phase? Is customer purchasing the Ebusiness Suite? Yes If so what is the total employee population? 28K **Is the 20% rule met in each phase?** **Is the 10% professional user rule met in each phase?**	
Computer and Administration or Administration Services hosting minimums met at each implementation phase? ($6,000 monthly for C&A and $4,000 monthly for Admin) NA	
Standard Ordering Document Terms? Yes	
Standard pricing? Yes	
Is Customer using the Certified Configuration (applies to Admin only)? NA	
Administration Services or Computer and Administration Services: C&A	
Applications or Technology or both: Both	
Customer email address (required): smitht@cooperindustries.com	
Service Implementer (required): OCS	
For existing licenses - (NOTE: Validation of existing licenses and support must be obtained from licmgmt@us.oracle.com)	CSI Number_____ Original License Agreement_____ Original Order Entry No._____ Date of Original License Purchase _____
Are additional users being purchased for applications that are already hosted? No	
Is this purchase of Administration Services or Computer and Administration Services by a customer who is purchasing Outsourcing for additional products which were not previously hosted? No	
Are any self-service apps for use outside the firewall being purchased? No	
Did customer purchase FastForward OnLine Financials RPM (5 day implementation preconfigured general ledger)? No	
Is customer purchasing an iLearning Subscription? No	

SECTION V – Ordering Document Details

Instructions - Fill in all sections completely.

APPROVAL REQUIREMENTS - Refer to the Approval Matrix at http://esource.oraclecorp.com
PRICING REQUIREMENTS – Refer to Price List and Price List Supplement for minimums and prerequisites.
PRICING SPREADSHEET – Include a pricing spreadsheet showing all products, quantities, license types, pricing, and discounts. Indicate if discount for drafting contract differs from approved discount.
MIGRATIONS - If your deal contains a migration, you must submit a Migration Worksheet to the ELM (eBusiness License Migrations) team. Refer to http://nafo.us.oracle.com under the Contract Management tab and e-Business License Migrations header to download the spreadsheet and for additional information.

Note: All business approvals & quotes are valid through the quarter they were approved, unless a formal RFP or Tender requires a longer validity period.

General Information	
Contract requested by (insert date): After all approvals are obtained - Allow 24 hours for standard contracts and 48 hours for non-standard contracts.	12/16/02
Opportunity I.D. (OSO Number):	4279
Is this a ship order?	_x__ Yes _____ No
Deal Structure (indicate Direct, Pass-Through, Sublicense, or Trial License):	Direct
Is this deal the result of a compliance issue that LMS has been involved in?	_____Yes __x__No
Does deal contain new licenses with an *approved* non-supported license type (i.e. metric is not nor ever has been on Oracle's price list):	_____Yes (specify non-supported license type and eBusiness license type used to determine conversion) _x__ No
Quote Valid Through (insert date):	2/28/03
Partner (insert name, if applicable)? _None_	Margin or % of net license fees_____
VAD (insert name, if applicable)? __None_	Margin or % of net license fees_____
PARTNER PAYMENT: If this is a direct deal, does it involve a Partner Referral Fee? If yes, specify payment type:	____Yes __x__No ____Applications Affiliate Fee ____ROP Fee *(GB Use Only)*
MIGRATIONS OR UPDATES:	____Yes _x__No
PREMIUM SERVICES:	____Yes _x__No
INCIDENT PACKS:	____Yes _x__No
INTERNATIONAL: Requires an International Notification Form to be forwarded to your manager, contract specialist, and NASINFO or OGEHINFO.	____Yes ____No
Payment Terms:	_x__Net 30 ____Other (Specify)
Referenced Agreement:	__x__New OLSA ____Other (Specify)

Customer and Administrative Information – all fields must be filled in	
Customer's EXACT Legal Name:	**Cooper Industries, Inc.**
Business Address:	600 Travis, Suite 5800
City / State / Zip:	Houston, TX 77002
Customer Contract Admin:	Terry Klebe
Phone #:	
Fax #:	
E-mail ID:	
Billing Contact:	same
(Partner/VAD if Indirect):	
Address:	
City / State / Zip:	
Phone #:	
Fax #:	
E-mail ID:	
Tax Status :	Exempt ___ (Need certificate for ship to state if not on Oracle's Tax Exemption Log)
	Non-Exempt __x_
Shipping Contact:	**same**
Address:	
City / State / Zip:	
Phone #:	
Fax #:	
E-mail ID:	
Technical Support Contact:	Terry Smith
Address:	same
City / State / Zip:	
Phone #:	
Fax #:	
Email ID:	
Partner Name (Indirect):	
Address:	
City / State / Zip:	
Contact Admin:	
Phone #:	
Fax #:	
E-mail ID:	

Education (EPPC)	
Education Prepaid Credit Amount:	$___NA_____
Education Discount:	_____%
Education Revenue:	$_____
Education Sales Rep:	

PROCESSOR/NAMED USER PROGRAMS/COMPUTER PROGRAMS (REQUIRED INFORMATION)

Make and Operating System required for each program:
Make: HP
OS: Unixs
PROGRAMS: Windows and Windows NT

Applications	
Will applications be modified:	___Yes _x__No
Will users be accessing modified Apps from the web:	___Yes _x__No
Have all prerequisites been included:	_x___Yes ___No
Will users use Fast Forward RPM:	___Yes _x__No
Will applications be hosted:	___Yes _x__No
Indicate database that Apps will run on:	9i
Indicate CSI for existing prerequisite database and tools:	

Options not requiring HQAPP, Tier 1, or Tier 2 Approval	
(1)	
(2)	
(3)	
(4)	

Internal Administrative Information	
Applications Sales Manager	Jay Carter
Technology Sales Manager	
Account Manager	ASM Bruce McCombs, ASM Debra Grooms
iSD Rep	Laurie Rousse
Education Sales Rep	Chris McCrorie
Support Renewals Rep	
Premium Support Rep	
Migrations Manager	
Is there a teaming agreement?	___Yes (if yes, list all appropriate reps) _Not yet___No
Requester:	Name: Bruce McCombs Business Telephone: 214.693.1411 Cell Phone: 214.693.1411