**EATON CORP** Form 4

February 23, 2006

# FORM 4

Check this box

if no longer

Section 16.

Form 4 or

subject to

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES** 

Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person \* **COOK SUSAN J** 

2. Issuer Name and Ticker or Trading Symbol

EATON CORP [ETN]

(Middle) 3. Date of Earliest Transaction

(Month/Day/Year)

EATON CENTER, 1111 SUPERIOR 02/21/2006 AVE.

(Street)

CLEVELAND, OH 44114

(First)

4. If Amendment, Date Original

Filed(Month/Day/Year)

**OMB APPROVAL** 

**OMB** 3235-0287 Number:

January 31, Expires: 2005 Estimated average

10% Owner

burden hours per response... 0.5

(Check all applicable)

5. Relationship of Reporting Person(s) to

Other (specify X\_ Officer (give title below)

Vice President-Human Resources

6. Individual or Joint/Group Filing(Check

Applicable Line) \_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

Person

Issuer

Director

(City)	(State)	(Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned								
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactio Code (Instr. 8)	on(A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code V	Amount	or (D)	Price	Transaction(s) (Instr. 3 and 4)			
Common Shares	02/21/2006		M	15,180		\$ 34.65	15,180	D		
Common Shares	02/21/2006		M	24,000	A	\$ 40.6	39,180	D		
Common Shares	02/21/2006		M	22,000	A	\$ 36.47	61,180	D		
Common Shares	02/21/2006		M	30,204	A	\$ 30.76	91,384	D		
Common Shares	02/21/2006		M	46,468	A	\$ 30.74	137,852	D		

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Common Shares	02/21/2006	M	10,455	A	\$ 38.05	148,307	D
Common Shares	02/21/2006	S	8,807	D	\$ 69.34	139,500	D
Common Shares	02/21/2006	S	300	D	\$ 69.33	139,200	D
Common Shares	02/21/2006	S	800	D	\$ 69.32	138,400	D
Common Shares	02/21/2006	S	1,100	D	\$ 69.31	137,300	D
Common Shares	02/21/2006	S	1,400	D	\$ 69.3	135,900	D
Common Shares	02/21/2006	S	2,800	D	\$ 69.29	133,100	D
Common Shares	02/21/2006	S	200	D	\$ 69.28	132,900	D
Common Shares	02/21/2006	S	200	D	\$ 69.22	132,700	D
Common Shares	02/21/2006	S	100	D	\$ 69.2	132,600	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. Number of or Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisab Expiration Date (Month/Day/Year		7. Title and Amount o Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Share
Stock Option	\$ 38.05	02/21/2006	<u>(1)</u>	M	10,455	08/05/2004(2)	01/27/2008	Common Shares	10,455
Stock Option	\$ 30.74	02/21/2006	<u>(1)</u>	M	46,468	01/26/2000(3)	01/26/2009	Common Shares	46,468

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Stock Option	\$ 30.76	02/21/2006	(1)	M	30,204	01/25/2001(3)	01/25/2010	Common Shares	30,204
Stock Option	\$ 36.47	02/21/2006	<u>(1)</u>	M	22,000	02/27/2002(3)	02/27/2011	Common Shares	22,000
Stock Option	\$ 40.6	02/21/2006	<u>(1)</u>	M	24,000	02/26/2003(3)	02/26/2012	Common Shares	24,000
Stock Option	\$ 34.65	02/21/2006	<u>(1)</u>	M	15,180	02/25/2004(3)	02/25/2013	Common Shares	15,180

# **Reporting Owners**

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

COOK SUSAN J EATON CENTER 1111 SUPERIOR AVE. CLEVELAND, OH 44114

Vice President-Human Resources

#### **Signatures**

/s/ Claudia J. Taller as attorney-in-fact 02/23/2006

\*\*Signature of Reporting Person Date

### **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This field is not applicable.
- (2) Performance Option 50% of these options vested on August 5, 2004. The remaining 50% will become exercisable on January 17, 2008.
- (3) Thirty-three percent (33%) of these options become exercisable on the first and second anniversaries of the date granted and thirty-four percent (34%) on the third anniversary of the date granted.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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