

EATON CORP
Form 4
February 16, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
CUTLER ALEXANDER M

(Last) (First) (Middle)

EATON CENTER, 1111 SUPERIOR AVE.

(Street)

CLEVELAND, OH 44114

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
EATON CORP [ETN]

3. Date of Earliest Transaction (Month/Day/Year)
02/15/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

Chairman and CEO; President

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount (A) or Price (D) | | |
| Common Shares | 02/15/2007 | | J(1) | | 2,792 A \$ 73.44 | 191,695 (2) | D |
| Common Shares | 02/15/2007 | | J(3) | | 2,793 A \$ 74.23 | 194,488 (2) | D |
| Common Shares | 02/15/2007 | | J(4) | | 5,599 A \$ 74.8 | 200,087 (2) | D |
| Common Shares | 02/15/2007 | | J(5) | | 2,816 A \$ 76.32 | 202,903 (2) | D |
| Common Shares | 02/15/2007 | | J(6) | | 2,860 A \$ 76.51 | 205,763 (2) | D |

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| | | | |
|---------------|--------------------------|---|-------------------|
| Common Shares | 15,933.154 <u>(7)</u> | I | by trustee of ESP |
| Common Shares | 1,000 <u>(8)</u> | I | by spouse |

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. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 3) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| CUTLER ALEXANDER M EATON CENTER 1111 SUPERIOR AVE. CLEVELAND, OH 44114 | X | | Chairman and CEO; President | |

Signatures

/s/ Claudia J. Taller as attorney-in-fact
Date: 02/16/2007

**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) On January 11, 2007, Mr. Cutler sold shares pursuant to his 10b5-1 plan. The broker in this transaction, Fidelity Brokerage Services LLC ("Fidelity"), mistakenly sold 2,792 shares in contravention of such plan. The transaction reported in this Form 4 is for the purpose of

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unwinding such sale, and was handled through Fidelity's error account.

- (2) Certain of these shares represent restricted shares issued under an Eaton Corporation stock plan and are subject to risk of forfeiture.

On January 12, 2007, Mr. Cutler sold shares pursuant to his 10b5-1 plan. The broker in this transaction, Fidelity, mistakenly sold 2,793 shares in contravention of such plan. The transaction reported in this Form 4 is for the purpose of unwinding such sale, and was handled through Fidelity's error account.

- (4) On January 16, 2007, Mr. Cutler sold shares pursuant to his 10b5-1 plan. The broker in this transaction, Fidelity, mistakenly sold 5,599 shares in contravention of such plan. The transaction reported in this Form 4 is for the purpose of unwinding such sale, and was handled through Fidelity's error account.

- (5) On January 17, 2007, Mr. Cutler sold shares pursuant to his 10b5-1 plan. The broker in this transaction, Fidelity, mistakenly sold 2,816 shares in contravention of such plan. The transaction reported in this Form 4 is for the purpose of unwinding such sale, and was handled through Fidelity's error account.

- (6) On January 18, 2007, Mr. Cutler sold shares pursuant to his 10b5-1 plan. The broker in this transaction, Fidelity, mistakenly sold 2,860 shares in contravention of such plan. The transaction reported in this Form 4 is for the purpose of unwinding such sale, and was handled through Fidelity's error account.

- (7) These shares are held in the Eaton Savings Plan.

- (8) These shares are held in an Ohio Uniform Gifts for Minors account for a child of which Mr. Cutler's spouse is the custodian.

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.