

EATON CORP
Form 4
August 12, 2005

FORM 4

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

OMB APPROVAL

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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 *
FRANKLIN EARL R

(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)
08/10/2005

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)

Vice President and Secretary

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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Shares | 08/09/2005 | (1) | G | 2,273 (2) D \$ 66.5 | 22,079 | D | |
| Common Shares | 08/10/2005 | (1) | M | 13,012 A \$ 22.81 | 35,091 | D | |
| Common Shares | 08/10/2005 | (1) | M | 17,426 A \$ 30.91 | 52,517 | D | |
| Common Shares | 08/10/2005 | (1) | F | 1,487 (3) D \$ 67.21 | 51,030 | D | |
| Common Shares | 08/10/2005 | (1) | F | 744 (3) D \$ 67.21 | 50,286 | D | |

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| | | | | | | | | |
|---------------|------------|------------|---|------------------|---|----------|--------|---|
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 8,000 | D | \$ 66.8 | 42,286 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 4,000 | D | \$ 67.36 | 38,286 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 2,000 | D | \$ 67.46 | 36,286 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 2,000 | D | \$ 67.5 | 34,286 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 300 <u>(4)</u> | D | \$ 67.55 | 33,986 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 300 <u>(4)</u> | D | \$ 67.6 | 33,686 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 300 <u>(4)</u> | D | \$ 67.61 | 33,386 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 300 <u>(4)</u> | D | \$ 67.62 | 33,086 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 1,800 <u>(4)</u> | D | \$ 67.63 | 31,286 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 700 <u>(4)</u> | D | \$ 67.64 | 30,586 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 2,900 | D | \$ 67.65 | 27,686 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 400 <u>(4)</u> | D | \$ 67.7 | 27,286 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 200 | D | \$ 67.7 | 27,086 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 800 <u>(4)</u> | D | \$ 67.71 | 26,286 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 700 <u>(4)</u> | D | \$ 67.72 | 25,586 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 2,000 <u>(4)</u> | D | \$ 67.73 | 23,586 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 278 <u>(4)</u> | D | \$ 67.74 | 23,308 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 800 | D | \$ 67.75 | 22,508 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 100 | D | \$ 67.77 | 22,408 | D |
| Common Shares | 08/10/2005 | <u>(1)</u> | S | 4,038 | D | \$ 67.8 | 18,370 | D |
| | 08/10/2005 | <u>(1)</u> | S | 400 | D | | 17,970 | D |

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Common Shares \$ 67.81

Common Shares 5,318.536 I by trustee of ESP ⁽⁵⁾

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Stock Option | \$ 30.91 | 08/10/2005 | (1) | M | 17,426 | 07/21/1997 ⁽⁶⁾ 01/21/2007 | Common Shares | 17,426 |
| Stock Option | \$ 22.81 | 08/10/2005 | (1) | M | 13,012 | 07/23/1996 ⁽⁶⁾ 01/23/2006 | Common Shares | 13,012 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| FRANKLIN EARL R EATON CENTER 1111 SUPERIOR AVE. CLEVELAND, OH 44114 | | | Vice President and Secretary | |

Signatures

/s/ Claudia J. Taller as attorney-in-fact 08/12/2005

 **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) This amount represents a gift to a charitable entity.
- (3) These shares were delivered to the issuer to pay for the applicable option exercise price.
- (4) These shares are owned by KeyBank National Association Investment Manager Under Agreement Dated 11/27/2003 for Barbara C. Franklin, Trustee of the B.C. Franklin Living Trust Dated 9/26/1993 with whom Earl R. Franklin shares beneficial ownership.
- (5) Eaton Savings Plan
- (6) These options are exercisable in their entirety 6 months from the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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