

EATON CORP
Form 4
November 13, 2006

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 *
CRAIG ARNOLD

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
EATON CENTER, 1111 SUPERIOR AVE.

3. Date of Earliest Transaction (Month/Day/Year)
11/08/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr VP & President-Fluid Power

(Street)
CLEVELAND, OH 44114

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(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. 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 Beneficial Ownership (Instr. 4)
				(A) or (D) Code V Amount Price			
Common Shares	11/08/2006		S	6,000 D \$ 73.57	41,985 ⁽¹⁾	D	
Common Shares	11/08/2006		S	1,000 D \$ 73.58	40,985 ⁽¹⁾	D	
Common Shares	11/08/2006		S	1,000 D \$ 73.56	39,985 ⁽¹⁾	D	
Common Shares	11/08/2006		S	2,000 D \$ 73.6	37,985 ⁽¹⁾	D	
Common Shares	11/08/2006		S	10,000 D \$ 73.61	27,985 ⁽¹⁾	D	

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Common Shares	11/08/2006	S	5,000	D	\$ 73.67	22,985 ⁽¹⁾	D	
Common Shares						58,467 ⁽²⁾	I	by trustee of ESP

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

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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. 6)
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Reporting Owners

Reporting Owner Name / Address	Relationships
CRAIG ARNOLD EATON CENTER 1111 SUPERIOR AVE. CLEVELAND, OH 44114	Director 10% Owner Officer Sr VP & President-Fluid Power

Signatures

/s/ Claudia J. Taller as attorney-in-fact
11/13/2006

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

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

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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