EATON CORP Form 4 March 08, 2006

FORM 4

OMB APPROVAL

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

OMB Number: 3235-0287

Check this box if no longer subject to Section 16. Form 4 or

Expires: January 31, 2005

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Estimated average burden hours per response... 0.5

Section 16. Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * SWEETNAM JAMES E			2. Issuer Name and Ticker or Trading Symbol EATON CORP [ETN]	5. Relationship of Reporting Person(s) to Issuer		
(Last)	(Last) (First) (Middle)		3. Date of Earliest Transaction	(Check all applicable)		
			(Month/Day/Year)	Director 10% Owner		
EATON CE	NTER, 1111 S	SUPERIOR	03/06/2006	X Officer (give title Other (specify below) Sr VP and President - Truck		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
			Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person		
CLEVELAND, OH 44114				Form filed by More than One Reporting Person		

(City)	(State)	(Zip) Tabl	e I - Non-E	Derivative S	Securi	ties Acqu	ired, Disposed of	, or Beneficial	y 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)	4. Securities Acquired on(A) or Disposed of (D) (Instr. 3, 4 and 5) (A) or			5. Amount of Securities Ownership Beneficially Form: Direct Owned (D) or Following Indirect (I) Reported (Instr. 4) Transaction(s) (Instr. 3 and 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
Common	03/06/2006		Code V M	Amount 14,960	(D)	Price \$ 40.6	48,689 (1)	D	
Shares	03/00/2000		141	14,200	11	φ 10.0	10,007	D	
Common Shares	03/06/2006		M	29,480	A	\$ 34.65	78,169 <u>(1)</u>	D	
Common Shares	03/06/2006		S	600	D	\$ 69.5	77,569 <u>(1)</u>	D	
Common Shares	03/06/2006		S	500	D	\$ 69.49	77,069 (1)	D	
Common Shares	03/06/2006		S	500	D	\$ 69.48	76,569 <u>(1)</u>	D	

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Common Shares	03/06/2006		S	792	D	\$ 69.47	75,777 <u>(1)</u>	D	
Common Shares	03/06/2006		S	300	D	\$ 69.44	75,477 <u>(1)</u>	D	
Common Shares	03/06/2006		S	2,500	D	\$ 69.42	72,977 (1)	D	
Common Shares	03/06/2006		S	100	D	\$ 69.41	72,877 (1)	D	
Common Shares	03/06/2006		S	200	D	\$ 69.4	72,677 (1)	D	
Common Shares	03/06/2006		S	4,000	D	\$ 69.39	68,677 <u>(1)</u>	D	
Common Shares	03/06/2006		S	4,600	D	\$ 69.38	64,077 (1)	D	
Common Shares	03/06/2006		S	500	D	\$ 69.37	63,577 (1)	D	
Common Shares	03/06/2006		S	100	D	\$ 69.36	63,477 (1)	D	
Common Shares	03/06/2006		S	8,800	D	\$ 69.35	54,677 (1)	D	
Common Shares	03/06/2006		S	2,000	D	\$ 69.32	52,677 (1)	D	
Common Shares	03/06/2006		S	2,000	D	\$ 69.3	50,677 (1)	D	
Common Shares	03/06/2006		S	5,600	D	\$ 69.28	45,077 (1)	D	
Common Shares	03/06/2006		S	6,000	D	\$ 69.27	39,077 (1)	D	
Common Shares							309.538 (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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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	2.	3. Transaction Date	3A. Deemed	4.	5. Number of	6. Date Exercisable and	7. Title and Amount o
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transactio	orDerivative	Expiration Date	Underlying Securities
Security	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and 4)
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Acquired (A)		

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	Derivative Security					(D)	sposed of : 3, 4,				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Share
Stock Option	\$ 40.6	03/06/2006	<u>(3)</u>	M			14,960	02/26/2003(4)	02/26/2012	Common Shares	14,960
Stock Option	\$ 34.65	03/06/2006	<u>(3)</u>	M			29,480	02/25/2004(4)	02/25/2013	Common	29,480

Reporting Owners

Reporting Owner Name / Address	Relationships						
reporting owner runner runners	Director	10% Owner	Officer	Other			
SWEETNAM JAMES E EATON CENTER 1111 SUPERIOR AVE CLEVELAND, OH 44114			Sr VP and President - Truck				

Signatures

/s/ Claudia J. Taller as attorney-in-fact 03/08/2006

**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.
- (2) These shares are held in the Eaton Savings Plan.
- (3) This field is not applicable.
 - These options combined grants of Non-Qualified Stock Options and Incentive Stock Options. Thirty-five percent (35%) of the
- (4) Non-Qualified Stock Options become exercisable on the first and second anniversaries of the date granted and thirty percent (30%) on the third anniversary of the date granted. The Incentive Stock Options are exercisable in their entirety three years 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. 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.

Reporting Owners 3