

EATON CORP
Form 3
May 11, 2006

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Holder Richard D		(Month/Day/Year)	EATON CORP [ETN]	
(Last)	(First)	05/01/2006		
EATON CENTER, 1111 SUPERIOR AVENUE		4. Relationship of Reporting Person(s) to Issuer		5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)				
CLEVELAND, OH 44114		(Check all applicable)		6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input type="checkbox"/> Form filed by More than One Reporting Person
			(give title below) (specify below)	
			VP-Eaton Business System	

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Shares	5,400 ⁽¹⁾	D	

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

SEC 1473 (7-02)

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Title			

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		Expiration Date		Amount or Number of Shares		or Indirect (I) (Instr. 5)	
Stock Option	02/26/2003 ⁽¹⁾⁽²⁾	02/26/2012	Common Shares	16,000	\$ 40.6	D	Â
Stock Option	02/25/2004 ⁽¹⁾⁽²⁾	02/25/2013	Common Shares	8,000	\$ 34.65	D	Â
Stock Option	02/24/2005 ⁽¹⁾⁽²⁾	02/24/2014	Common Shares	10,000	\$ 59.07	D	Â
Stock Option	02/22/2006 ⁽¹⁾⁽²⁾	02/22/2015	Common Shares	9,000	\$ 68.22	D	Â
Stock Option	02/21/2007 ⁽¹⁾⁽²⁾	02/21/2016	Common Shares	7,000	\$ 68.62	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Holder Richard D EATON CENTER 1111 SUPERIOR AVENUE CLEVELAND, OH 44114	Â	Â	Â VP-Eaton Business System	Â

Signatures

/s/ Claudia Taller, as attorney
in fact

05/11/2006

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(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.

These options combined grants of Non-Qualified Stock Options and Incentive Stock Options. Thirty-five percent (35%) of the

(2) 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.

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