EATON CORP
Form 4
August 21, 2007

FORM 4

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

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

OMB APPROVAL
OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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

(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)
08/17/2007

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Chairman and CEO; President

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Shares	08/17/2007		M		50,000	A	$ 30.74	260,898 (1)	D	
Common Shares	08/17/2007		S		200	D	$ 89.11	260,698	D	
Common Shares	08/17/2007		S		200	D	$ 89.115	260,498	D	
Common Shares	08/17/2007		S		900	D	$ 89.125	259,598	D	
Common Shares	08/17/2007		S		700	D	$ 89.155	258,898	D	

Common Shares	08/17/2007	S	400	D	$ 89.16	258,498	D
Common Shares	08/17/2007	S	200	D	$ 89.165	258,298	D
Common Shares	08/17/2007	S	600	D	$ 89.175	257,698	D
Common Shares	08/17/2007	S	500	D	$ 89.185	257,198	D
Common Shares	08/17/2007	S	200	D	$ 89.195	256,998	D
Common Shares	08/17/2007	S	300	D	$ 89.215	256,698	D
Common Shares	08/17/2007	S	300	D	$ 89.24	256,398	D
Common Shares	08/17/2007	S	5,000	D	$ 89.25	251,398	D
Common Shares	08/17/2007	S	900	D	$ 89.26	250,498	D
Common Shares	08/17/2007	S	700	D	$ 89.27	249,798	D
Common Shares	08/17/2007	S	400	D	$ 89.28	249,398	D
Common Shares	08/17/2007	S	100	D	$ 89.295	249,298	D
Common Shares	08/17/2007	S	15,100	D	$ 89.3	234,198	D
Common Shares	08/17/2007	S	300	D	$ 89.31	233,898	D
Common Shares	08/17/2007	S	600	D	$ 89.32	233,298	D
Common Shares	08/17/2007	S	100	D	$ 89.325	233,198	D
Common Shares	08/17/2007	S	200	D	$ 89.33	232,998	D
Common Shares	08/17/2007	S	300	D	$ 89.335	232,698	D
Common Shares	08/17/2007	S	1,100	D	$ 89.345	231,598	D
Common Shares	08/17/2007	S	18,800	D	$ 89.35	212,798	D
	08/17/2007	S	300	D	$ 89.37	212,498	D

Common Shares									
Common Shares	08/17/2007		S	300	D	$ 89.375	212,198	D	
Common Shares							16,013.664 (2)	I	by trustee of ESP
Common Shares							1,000 (3)	I	by spouse

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 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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	$ 30.74	08/17/2007		M			50,000	01/26/2000	01/26/2009	Common Shares	50,000

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/Kathleen S. O'Connor, as Attorney-in-Fact	08/21/2007
**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) Aggregate holdings have been adjusted to correct the amount previously misstated.

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

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

Remarks:

This is Form 1 of 2.

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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