

EATON CORP
Form 4
October 27, 2004

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 *
BUENTE STEPHEN M

(Last) (First) (Middle)

EATON CORPORATION, EATON CENTER

(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)
10/25/2004

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)
Sr VP and Grp Exec Automotive

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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Shares | 10/25/2004 | | M | | 36,710 | A | \$ 30.74 |
| Common Shares | 10/25/2004 | | S | | 3,100 | D | \$ 61.78 |
| Common Shares | 10/25/2004 | | S | | 100 | D | \$ 61.76 |
| Common Shares | 10/25/2004 | | S | | 1,000 | D | \$ 61.75 |
| Common Shares | 10/25/2004 | | S | | 1,900 | D | \$ 61.77 |
| Common Shares | 10/25/2004 | | | | | | \$ 68,937 |
| | | | | | | | \$ 65,837 |
| | | | | | | | \$ 65,737 |
| | | | | | | | \$ 64,737 |
| | | | | | | | \$ 62,837 |

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| | | | | | | | | |
|---------------|------------|---|----------------------|---|---------------------|----------|---|----------------------------------|
| Common Shares | 10/25/2004 | S | 2,800 | D | \$ 61.8 | 60,037 | D | |
| Common Shares | 10/25/2004 | S | 2,700 | D | \$ 61.88 | 57,337 | D | |
| Common Shares | 10/25/2004 | S | 1,000 | D | \$ 61.85 | 56,337 | D | |
| Common Shares | 10/25/2004 | S | 1,500 | D | \$ 61.84 | 54,837 | D | |
| Common Shares | 10/25/2004 | S | 400 | D | \$ 61.86 | 54,437 | D | |
| Common Shares | 10/25/2004 | S | 300 | D | \$ 61.83 | 54,137 | D | |
| Common Shares | 10/25/2004 | S | 2,300 | D | \$ 61.89 | 51,837 | D | |
| Common Shares | 10/25/2004 | S | 1,200 | D | \$ 61.91 | 50,637 | D | |
| Common Shares | 10/25/2004 | S | 18,400 | D | \$ 61.9 | 32,237 | D | |
| Common Shares | 10/25/2004 | S | 10 | D | \$ 61.93 | 32,227 | D | |
| Common Shares | 10/25/2004 | M | 8,350 | A | \$ 30.74 | 40,577 | D | |
| Common Shares | 10/25/2004 | M | 1,215 | A | \$ 30.91 | 41,792 | D | |
| Common Shares | 10/25/2004 | F | 609 ⁽¹⁾ | D | \$ 61.63 | 41,183 | D | |
| Common Shares | 10/25/2004 | F | 4,164 ⁽¹⁾ | D | \$ 61.63 | 37,019 | D | |
| Common Shares | 10/27/2004 | G | 485 ⁽²⁾ | D | \$ 0 ⁽³⁾ | 36,534 | D | |
| Common Shares | 10/27/2004 | G | 485 ⁽²⁾ | A | \$ 0 ⁽³⁾ | 485 | I | by Charitable Trust |
| Common Shares | 10/27/2004 | S | 485 ⁽²⁾ | D | \$ 63.34 | 0 | I | by Charitable Trust |
| Common Shares | | | | | | 5,642.16 | I | by trustee of ESP ⁽⁴⁾ |

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

SEC 1474
(9-02)

displays a currently valid OMB control number.

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 | \$ 30.74 | 10/25/2004 | | M | 36,710 | 01/26/2000 ⁽⁵⁾ 01/26/2009 | Common Shares | 36,710 |
| Stock Option | \$ 30.74 | 10/25/2004 | | M | 8,350 | 01/26/2000 ⁽⁵⁾ 01/26/2009 | Common Shares | 8,350 |
| Stock Option | \$ 30.91 | 10/25/2004 | | M | 1,215 | 07/21/1997 ⁽⁶⁾ 01/21/2007 | Common Shares | 1,215 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| BUENTE STEPHEN M EATON CORPORATION EATON CENTER CLEVELAND, OH 44114 | | | Sr VP and Grp Exec Automotive | |

Signatures

/s/ Stephen M. Buente, by Claudia J. Taller
attorney-in-fact

10/27/2004

**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) These shares were delivered to the issuer to pay for the applicable option exercise price.
- (2) These shares were transferred to a charitable trust held by Mr. Buente and sold by the trust.
- (3) This field is not applicable.
- (4) Eaton Savings Plan
- (5) Thirty-three percent (33%) of these options become exercisable on the first and second anniversaries of the date granted and thirty-four percent (34%) on the third anniversary of the date granted.

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(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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