

EATON CORP  
Form 4  
February 23, 2012

**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 \*  
ARNOLD CRAIG

(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)  
02/21/2012

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)

VC & COO-Industrial Sector

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |                                   |
| Common Shares                   | 02/22/2012                           |  | M                              | 2,750   | A \$ 0  | 138,724  | D                                 |
| Common Shares                   | 02/22/2012                           |  | F                              | 898 <sup>(1)</sup>  | D \$ 52.24  | 137,826  | D                                 |
| Common Shares                   |                                      |  |                                |   |   | 136.308 <sup>(2)</sup>                                   | 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)

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 Security (Instr. 3 and 4) |               |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title         |
| Stock Option                               | \$ 51.94   | 02/21/2012                           |  | A                              | 44,100  | 02/21/2013 <sup>(3)</sup>                                | 02/21/2022  | Common Shares |
| Restricted Stock Units                     | \$ 0   | 02/21/2012                           |  | A                              | 11,925  | <sup>(4)</sup>   | <sup>(5)</sup>  | Common Shares |
| Restricted Stock Units                     | \$ 0   | 02/22/2012                           |  | M                              | 2,750   | <sup>(5)</sup>   | <sup>(5)</sup>  | Common Shares |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                            |       |
|---|---------------|-----------|----------------------------|-------|
|   | Director      | 10% Owner | Officer                    | Other |
| ARNOLD CRAIG<br>EATON CENTER<br>1111 SUPERIOR AVE.<br>CLEVELAND, OH 44114 |               |           | VC & COO-Industrial Sector |       |

## Signatures

/s/Kathleen S. O'Connor, as Attorney-in-Fact  
 Date: 02/23/2012  
 \*\*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 withholding tax due upon vesting of certain restricted stock units.
- (2) These shares are held in the Eaton Savings Plan.
- (3) Thirty-three percent (33%) of these options become exercisable on the first and second anniversary of the date granted and thirty-four percent (34%) on the third anniversary of the date granted.
- (4) These restricted stock units vest as follows: thirty-three percent (33%) of the total shares granted vest on the first and second anniversary of the date of the grant and the remaining thirty-four percent (34%) of the total shares granted vest on the third anniversary of the date of the grant.

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(5) This field is not applicable.

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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