

Holder Richard D
Form 3
February 11, 2009

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 | |
| Â Holder Richard D | | (Month/Day/Year) | EATON CORP [ETN] | |
| (Last) | (First) | (Middle) | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| | | 02/01/2009 | | |
| EATON CENTER,Â 1111 | | | (Check all applicable) | |
| SUPERIOR AVENUE | | | <input type="checkbox"/> Director | <input type="checkbox"/> 10% Owner |
| (Street) | | | <input checked="" type="checkbox"/> Officer | <input type="checkbox"/> Other |
| | | | (give title below) | (specify below) |
| CLEVELAND,Â OHÂ 44114 | | | EVP-Eaton Business System | 6. Individual or Joint/Group Filing(Check Applicable Line) |
| (City) | (State) | (Zip) | | <input checked="" type="checkbox"/> Form filed by One Reporting Person |
| | | | | <input type="checkbox"/> Form filed by More than One Reporting Person |

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 | 12,598 ⁽¹⁾ | D | Â |
| Common Shares | 2,425.258 ⁽²⁾ | I | by trustee of ESP |

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 | 5. Ownership Form of Derivative | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|--|--|---|------------------------------------|---------------------------------|---|
|--|--|---|------------------------------------|---------------------------------|---|

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| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | Derivative Security | Security: Direct (D) or Indirect (I) (Instr. 5) | |
|----------------|---------------------------|------------------|---------------|----------------------------|---------------------|---|---|
| Stock Option | 02/25/2004 ⁽³⁾ | 02/25/2013 | Common Shares | 80 | \$ 34.65 | D | Â |
| Stock Option | 02/24/2005 ⁽³⁾ | 02/24/2014 | Common Shares | 10,000 | \$ 59.07 | D | Â |
| Stock Option | 02/22/2006 ⁽³⁾ | 02/22/2015 | Common Shares | 9,000 | \$ 68.22 | D | Â |
| Stock Option | 02/21/2007 ⁽³⁾ | 02/21/2016 | Common Shares | 7,000 | \$ 68.62 | D | Â |
| Stock Option | 02/27/2008 ⁽³⁾ | 02/27/2017 | Common Shares | 9,100 | \$ 80.81 | D | Â |
| Stock Option | 02/26/2009 ⁽³⁾ | 02/26/2018 | Common Shares | 8,500 | \$ 83.13 | D | Â |
| Phantom Shares | Â ⁽⁴⁾ | Â ⁽⁴⁾ | Common Shares | 670,269 ⁽⁵⁾ | \$ 0 | 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 EVP-Eaton Business System | Â |

Signatures

/s/Kathleen S. O'Connor, as
Attorney-in-Fact

02/11/2009

__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.
- (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 anniversaries of the date granted and thirty-four percent (34%) on the third anniversary of the date granted.
- (4) This field is not applicable.
- (5) Phantom Share Units acquired under the Company's deferred incentive compensation plans.

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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