

EATUN

Fluid Power Group

Aerospace Division Aeroquip Fluid Conveyance Products 2500 W. Aigyle Street Jackson, MI 49202

January 17, 2007

Deborah Hennessey Section Chief Rapid Response 201 N. Washington Square Victor Office Center, 5th Floor Lansing, MI 48913

Dear Deborah Hennessey

Eaton Corporation's Argyle Plant and the East Avenue Plant in Jackson MI located at the respective addresses below will be consolidating and/or relocating designated product lines to an existing Eaton manufacturing facility in Tijuana Mexico and other existing Eaton U.S. locations. Due to this business action, we will be closing the Argyle Plant and displacing employees at the East Ave Plant. This reduction in force will result in approximately 160 employees being displaced at the conclusion of the business action.

49202

Argyle 2500 W. Argyle Jackson, Michigan

East Ave Plant 300 S. East Ave Jackson, Michigan

49203

The reduction of the workforce will commence on or about 3Q07. The State will be notified when dates are determined for affected employees at least 60 days prior to their anticipated departure. Significant changes in the consolidation / plant closing activities that affect the 3Q07 date will be communicated as soon as appropriate.

The bargaining unit employees are represented by the UAW Locals 1966 (Argyle Plant) and 475 (East Ave Plant). The elected officers are: Local 1966 - President Ruben Marquez

Local 475 - President Ray Valdez 1002 East South Street

Jackson, MI 49203

Please feel free to contact Bobbi Johnson, Division HR Manager, Aerospace Fluid Conveyance Division 517-789-2975 with any questions you might have.

Ray Snell - Blackman Township Jerry Ludwig - City of Jackson Gary Klein - UAW International Rep. Ruben Marquez - UAW Local 1966 Ray Valdez - UAW Local 475

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