

EASTERN CO
Form 4
July 11, 2008

FORM 4

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

OMB APPROVAL

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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 *
LEGANZA LEONARD F

(Last) (First) (Middle)
112 BRIDGE STREET
(Street)

NAUGATUCK, CT 06770

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
EASTERN CO [EML]

3. Date of Earliest Transaction
(Month/Day/Year)
07/10/2008

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)
Chairman, President & CEO

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 | | | |
| | | | Code V | Amount | | | |
| Common Stock ⁽¹⁾ | 07/10/2008 | | M | 10,712 | \$ 9.33 | D | |

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)

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| 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 Underlying Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Qualified employee stock option <u>(2)</u> | \$ 9.33 | 09/09/1998 | | M | 10,712.25 | 09/09/1998 | 09/09/1998 | Common Stock |
| Non-qualified employee stock option <u>(3)</u> | \$ 9.33 | 09/09/1998 | | A | 0 | 09/09/1998 | 09/09/1998 | Common Stock |
| Qualified employee stock option <u>(4)</u> | \$ 10.17 | 12/15/1999 | | A | 0 | 12/15/1999 | 12/15/1999 | Common Stock |
| Non-qualified employee stock option <u>(5)</u> | \$ 10.17 | 12/15/1999 | | A | 0 | 12/15/1999 | 12/15/1999 | Common Stock |
| Qualified employee stock option <u>(6)</u> | \$ 9.5 | 07/19/2000 | | A | 0 | <u>(6)</u> | 07/19/2000 | Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| LEGANZA LEONARD F 112 BRIDGE STREET NAUGATUCK, CT 06770 | X | | Chairman, President & CEO | |

Signatures

/s/Leonard F.
Leganza

07/11/2008

**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).

- 10,712.25 shares were exercised on July 10, 2008 at \$9.33 per share. Mr. Leganza recieved cash in lieu of the .25 share exercised. The
- (1) original 9/9/1998 option was for 4,761 shares at \$21.00 per share. As a result of a 3-for-2 stock split effective 5/28/1999 and a 3-for-2 stock split effective 10/18/2006, this option became 10,712.25 shares at \$9.33 per share.
- (2) Original 9/9/1998 option was for 4,761 shares at \$21.00 per share. As a result of a 3-for-2 stock split effective 5/28/1999 and a 3-for-2 stock split effective 10/18/2006, this option is now 10,712.25 shares at \$9.33 per share. On July 10, 2008, 10,712.25 shares were exercised at \$9.33 per share, leaving a zero balance.
- (3) Original 9/9/1998 option was for 25,239 shares at \$21.00 per share. As a result of a 3-for-2 stock split effective 5/28/1999 and a 3-for-2 stock split effective 10/18/2006, this option is now 56,787.75 shares at \$9.33 per share.
- (4) Original 12/15/1999 option was for 13,114 shares at \$15.25 per share. As a result of a 3-for-2 stock split effective 10/18/2006, this option is now 19,671 shares at \$10.17 per share.
- (5) Original 12/15/1999 option was for 41,886 shares at \$15.25 per share. As a result of a 3-for-2 stock split effective 10/18/2006, this option is now 62,829 shares at \$10.17 per share.
- (6) The original 7/19/2000 option was for 32,500 shares at \$14.25 per share. 7,017 shares were vested on 1/1/2001; 7,017 shares were vested on 1/1/2002; 7,017 shares were vested on 1/1/2003; 7,017 shares were vested on 1/1/2004 and the remaining 4,432 shares vested on 1/1/2005. As a result of a 3-for2 stock split effective 10/18/2006, this option is now 48,750 shares at \$9.50 per share.

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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