ROCKWELL AUTOMATION INC
Form DEF 14A
December 18, 2009

Table of Contents

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant þ
Filed by a Party other than the Registrant o
Check the appropriate box:
o Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to §240.14a-12

Rockwell Automation, Inc.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):
þ No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

December 11, 2009

Dear Shareowner:

You are cordially invited to attend our 2010 Annual Meeting of Shareowners.

We will hold the annual meeting in Bradley Hall at the Rockwell Automation Global Headquarters, 1201 South Second Street, Milwaukee, Wisconsin, USA on Tuesday, February 2, 2010, at 5:30 p.m. (Central Standard Time). At the meeting I will report on the Corporation s activities and performance during the past fiscal year, and we will discuss and act on the matters described in the accompanying Proxy Statement. At this year s meeting, you will have an opportunity to vote on whether to:

elect three directors named in the Proxy Statement;

approve the selection of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2010; and

approve the amendments to our 2008 Long-Term Incentives Plan described in the Proxy Statement.

Shareowners will then have an opportunity to comment on or to inquire about the affairs of the Corporation that may be of interest to shareowners generally.

Your vote is important to us. Whether or not you plan to attend the meeting, please return your proxy card as soon as possible. You also have the option of voting via the Internet or by telephone.

If you plan to attend the meeting, please request an admittance card in one of the ways described on the last page of the Proxy Statement.

We sincerely hope that as many shareowners as can conveniently attend will do so. Please note that we are holding the meeting at our Global Headquarters on a Tuesday evening instead of on a Wednesday morning as in past years.

We have enclosed the Proxy Statement for our 2010 Annual Meeting of Shareowners and our 2009 Annual Report. I hope you find them interesting and useful in understanding your company.

Sincerely yours,

Keith D. Nosbusch

Chairman and Chief Executive Officer

Table of Contents

Rockwell Automation, Inc.

1201 South Second Street, Milwaukee, Wisconsin 53204, USA

Notice of 2010 Annual Meeting of Shareowners

To the Shareowners of
ROCKWELL AUTOMATION, INC.:

The 2010 Annual Meeting of Shareowners of Rockwell Automation, Inc. will be held in Bradley Hall at the Rockwell Automation Global Headquarters, 1201 South Second Street, Milwaukee, Wisconsin, USA on Tuesday, February 2, 2010, at 5:30 p.m. (Central Standard Time) for the following purposes:

(a) to vote on whether to elect as directors the three nominees named in the accompanying proxy statement;

(b) to vote on a proposal to approve the selection by the Audit Committee of our Board of Directors of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2010;

(c) to vote on a proposal to approve the amendments to our 2008 Long-Term Incentives Plan described in the accompanying proxy statement; and

(d) to transact such other business as may properly come before the meeting.

Only shareowners of record at the close of business on December 7, 2009 will be entitled to notice of, and to vote at, the meeting.

By order of the Board of Directors.

Douglas M. Hagerman
Secretary

December 11, 2009

Note: The Board of Directors solicits votes by the execution and prompt return of the accompanying proxy in the enclosed return envelope or by use of the Corporation s telephone or Internet voting procedures.

Rockwell Automation, Inc.
Proxy Statement for 2010 Annual Meeting

INDEX

2010 Annual Meeting	1
General Information About this Proxy Statement and the Annual Meeting	1
Rockwell Automation	4
Stock Ownership by Certain Beneficial Owners	5
Corporate Governance	5
Election of Directors	7
Information About Director Nominees and Continuing Directors	7
Board of Directors and Committees	9
Director Compensation	12
Director Compensation Table	13
Audit Committee Report	14
Ownership of Equity Securities by Directors and Executive Officers	16
Executive Compensation	17
Compensation Discussion and Analysis	17
Summary Compensation Table	29
Grants of Plan-Based Awards Table	31
Outstanding Equity Awards at Fiscal Year-End Table	33
Option Exercises and Stock Vested Table	34
Pension Benefits Table	35
Non-Qualified Deferred Compensation	37
Non-Qualified Deferred Compensation Table	38
Potential Payments Upon Termination or Change of Control	39
Compensation Committee Report	43
Proposal to Approve the Selection of Independent Registered Public Accounting Firm	43
Proposal to Approve Amendments to the 2008 Long-Term Incentives Plan	44
Other Matters	53
Section 16(a) Beneficial Ownership Reporting Compliance	53
Annual Report	53
Shareowner Proposals for 2011 Annual Meeting	54
Expenses of Solicitation	54
Supplemental Financial Information	54
Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareowners to be held on February 2, 2010	56
Appendix A: Rockwell Automation, Inc. 2008 Long-Term Incentives Plan (As Amended and Restated through February 2, 2010)	A-1

Table of Contents

Rockwell Automation, Inc.
Proxy Statement

2010 ANNUAL MEETING

The 2010 Annual Meeting of Shareowners of Rockwell Automation, Inc. will be held at 5:30 p.m. (Central Standard Time) on February 2, 2010, for the purposes set forth in the accompanying Notice of 2010 Annual Meeting of Shareowners. This proxy statement and the accompanying proxy are furnished in connection with the solicitation by our Board of Directors of proxies to be used at the meeting and at any adjournment of the meeting. We will refer to your company in this proxy statement as we, us, our, the Corporation or Rockwell Automation.

GENERAL INFORMATION ABOUT THIS PROXY STATEMENT AND THE ANNUAL MEETING

Distribution and Electronic Availability of Proxy Materials

Again this year we are taking advantage of Securities and Exchange Commission (SEC) rules that allow companies to furnish proxy materials to shareowners via the Internet. If you received a Notice of Internet Availability of Proxy Materials (Notice) by mail, you will not receive a printed copy of the proxy materials, unless you specifically request one. The Notice instructs you on how to access and review this proxy statement and our 2009 annual report as well as how to vote by Internet. If you received the Notice and would still like to receive a printed copy of our proxy materials, you should follow the instructions for requesting these materials included in the Notice.

We will mail the Notice to certain shareowners by December 24, 2009. We will continue to mail a printed copy of this proxy statement and form of proxy to certain shareowners and we expect that mailing to begin on December 18, 2009.

Shareowners Sharing the Same Address

SEC rules permit us to deliver only one copy of our annual report and this proxy statement or the Notice to multiple shareowners who share the same address and have the same last name, unless we received contrary instructions from a shareowner. This delivery method, called householding, reduces our printing and mailing costs. Shareowners who participate in householding will continue to receive separate proxy cards.

We will deliver promptly upon written or oral request a separate copy of our annual report and proxy statement or Notice to any shareowner who received these materials at a shared address. To receive a separate copy, please write or call Rockwell Automation Shareowner Relations, 1201 South Second Street, Milwaukee, Wisconsin 53204, USA, telephone: +1-414-382-8410.

If you are a holder of record and would like to revoke your householding consent and receive a separate copy of our annual report and proxy statement or Notice in the future, please contact Broadridge Financial Solutions, Inc. (Broadridge), either by calling toll free at +1-800-542-1061 or by writing to Broadridge, Householding Department, 51 Mercedes Way, Edgewood, New York 11717, USA. You will be removed from the householding program within 30 days.

Any shareowners of record who share the same address and wish to receive only one copy of future Notices, proxy statements and annual reports for your household should contact Rockwell Automation Shareowner Relations at the address or telephone number listed above.

If you hold your shares in street name with a broker or other nominee, please contact them for information about householding.

Location and Date of Annual Meeting

This year we are holding the Annual Meeting at our Global Headquarters, 1201 South Second Street, Milwaukee, Wisconsin, USA, to lower the cost of the meeting. We also changed the date and time of the meeting from Wednesday morning to Tuesday evening at 5:30 p.m. (Central Standard Time) after regular business hours. You will find directions and instructions for parking and entering the building on your admittance card.

Table of Contents

What am I voting on?

You will be voting on whether to:

- elect the three members of our Board of Directors named in this proxy statement;
- approve the appointment by the Audit Committee of our Board of Directors of Deloitte & Touche LLP (D&T) as our independent registered public accounting firm for fiscal year 2010 (the D&T appointment); and
- approve the amendments to our 2008 Long-Term Incentives Plan described in this proxy statement (the LTIP amendments).

Who is entitled to vote at the Annual Meeting?

Only holders of record of our common stock at the close of business on December 7, 2009, the record date for the meeting, may vote at the Annual Meeting. Each shareowner of record is entitled to one vote for each share of our common stock held on the record date. On December 7, 2009, we had outstanding 142,361,339 shares of our common stock.

Who may attend the Annual Meeting?

Shareowners as of the record date, or individuals holding their duly appointed proxies, may attend the Annual Meeting. Please note that if you hold your shares in street name through a broker or other nominee, you will need to provide a copy of a brokerage statement reflecting your stock ownership as of the record date to be admitted to the Annual Meeting.

How do I vote my shares?

Shareowners may vote in person at the Annual Meeting. If you hold your shares in street name and wish to vote in person at the Annual Meeting, you should contact your broker or other nominee to obtain a broker s proxy card and bring it, together with proper identification and your brokerage statement reflecting your stock ownership as of the record date, with you to the Annual Meeting.

In addition you may vote by proxy:

- for shareowners of record and participants in our savings plans and BNY Mellon Shareowner Services Program (dividend reinvestment and stock purchase plan), by completing, signing and returning the enclosed proxy card or direction card, or via the Internet or by telephone; or
- for shares held in street name, by using the method directed by your broker or other nominee. You may vote over the Internet or by telephone if your broker or nominee makes those methods available, in which case they will provide instructions with your proxy materials.

How will my proxy be voted?

If you properly complete, sign and return a proxy or use our telephone or Internet voting procedures to authorize the named proxies to vote your shares, your shares will be voted as specified. If your proxy card is signed but does not contain specific instructions, your shares will be voted as recommended by our Board of Directors, subject to applicable New York Stock Exchange (NYSE) regulations.

For shareowners participating in our savings plans or in the BNY Mellon Shareowner Services Program (dividend reinvestment and stock purchase plan), the trustee or administering bank will vote the shares that it holds for a participant s account only in accordance with instructions given in a signed, completed and returned proxy card or direction card, or in accordance with instructions given pursuant to our Internet or telephone voting procedures. If they do not receive instructions, the shares will not be voted. **To allow sufficient time for voting by the trustees of the savings plans, your voting instructions for shares held in the plans must be received by January 28, 2010.**

Table of Contents

May I revoke or change my proxy?

For shareowners of record, you may revoke or change your proxy at any time before it is voted by:

delivering a written notice of revocation to the Secretary of the Corporation;

submitting a properly signed proxy card with a later date;

casting a later vote using the telephone or Internet voting procedures; or

voting in person at the Annual Meeting (except for shares held in the savings plans).

If your shares are held in street name, you must contact your broker or other nominee to revoke or change your proxy. Your proxy is not revoked simply because you attend the Annual Meeting.

Will my vote be confidential?

It is our policy to keep confidential all proxy cards, ballots and voting tabulations that identify individual shareowners, except (i) as may be necessary to meet any applicable legal requirements, (ii) in the case of any contested proxy solicitation, as may be necessary to permit proper parties to verify the propriety of proxies presented by any person and the results of the voting, and (iii) if a shareowner writes comments on the proxy card directed to our Board of Directors or management. Representatives of Broadridge will tabulate votes and act as the independent inspector of election at this year s meeting. The independent inspector of election and any employees involved in processing proxy cards or ballots and tabulating the vote are required to comply with this policy of confidentiality.

What is required for there to be a quorum at the Annual Meeting?

Holders of at least a majority of the shares of our common stock issued and outstanding on the record date for the Annual Meeting must be present, in person or by proxy, for there to be a quorum in order to conduct business at the meeting.

How many votes are needed to approve each of the proposals?

Election of Directors. Directors are elected by a plurality of votes cast. This means that the three nominees for election as directors who receive the greatest number of votes cast by the holders of our common stock entitled to vote at the meeting will become directors. The election of directors, however, is subject to our majority vote policy.

Our Guidelines on Corporate Governance set forth our policy if a director is elected by a plurality of votes cast but receives a greater number of votes withheld from his or her election than votes for such election. In an uncontested election, any nominee for director who receives more votes withheld than votes for his or her election must promptly tender his or her resignation to the Board. The Board Composition and Governance Committee will consider the resignation offer and make a recommendation to the Board of Directors. The Board will act on the tendered resignation within 90 days following certification of the election results. The Board Composition and Governance Committee, in making its recommendation, and the Board of Directors, in making its decision, may consider any factors or other information that it considers appropriate and relevant, including any stated reasons why the shareowners withheld votes from the director, the director s tenure, the director s qualifications, the director s past and expected contributions to the Board, and the overall composition of the Board. We will promptly disclose the Board s decision regarding whether to accept or reject the director s resignation offer in a Form 8-K furnished to the SEC. If the Board rejects the tendered resignation or pursues any additional action, the disclosure will include the rationale behind the decision. Any director who tenders his or her resignation may not participate in the Board Composition and Governance Committee deliberations and recommendation or in the Board s decision whether to accept or reject the resignation offer.

The D&T Appointment. An affirmative vote of the holders of a majority of the voting power of our common stock present in person or represented by proxy and entitled to vote on the matter is necessary to approve the D&T appointment.

The LTIP Amendments. An affirmative vote of the holders of a majority of the voting power of our common stock present in person or represented by proxy and entitled to vote on the matter is necessary to approve the

Table of Contents

LTIP amendments. In addition, under NYSE rules, the total votes cast on the proposal must represent a majority of the shares of our common stock issued and outstanding on the record date.

How are votes counted?

Under Delaware law and our Restated Certificate of Incorporation and By-Laws, all votes entitled to be cast by shareowners present in person or represented by proxy at the meeting and entitled to vote on the subject matter, whether those shareowners vote for, against or abstain from voting, will be counted for purposes of determining the minimum number of affirmative votes required to approve the D&T appointment and the LTIP amendments.

What is the effect of an abstention?

The shares of a shareowner who abstains from voting on a matter will be counted for purposes of determining whether a quorum is present at the meeting so long as the shareowner is present in person or represented by proxy. An abstention from voting on a matter by a shareowner present in person or represented by proxy at the meeting has no effect in the election of directors but has the same legal effect as a vote against the proposals to approve the D&T appointment and the LTIP amendments.

How will votes be counted on shares held through brokers?

Brokers are not entitled to vote on the election of directors or the proposal to approve the LTIP amendments unless they receive voting instructions from the beneficial owner. If a broker does not receive voting instructions, the broker may return a proxy card with no vote on the election of directors or the proposal to approve the LTIP amendments, which is usually referred to as a broker non-vote. The shares of a shareowner whose shares are not voted because of a broker non-vote on a particular matter will be counted for purposes of determining whether a quorum is present at the meeting so long as the shareowner is represented by proxy. A broker non-vote on a matter has no effect in the election of directors or the proposals to approve the D&T appointment and the LTIP amendments. However, since broker non-votes are not counted as votes cast for purposes of the requirement of the NYSE that the total votes cast on the proposal to approve the LTIP amendments represent a majority of the shares of our common stock issued and outstanding on the record date, broker non-votes could impair our ability to satisfy this requirement.

Can I receive electronic access to shareowner materials?

As noted above, under SEC rules we are permitted to furnish proxy materials to shareowners via the Internet. However, we may choose to continue to provide printed copies to certain shareowners. If we send you printed copies, you can save us printing and mailing costs by electing to access proxy statements, annual reports and related materials electronically instead of receiving these documents in print. You must have an e-mail account and access to the Internet and expect to have such access in the future to be eligible for electronic access to these materials. To enroll for these services, please go to *https://enroll1.icsdelivery.com/rok_/Default.aspx* or visit our website at w*ww.rockwellautomation.com*, click on the heading: About Us, then the heading: Investor Relations, then the heading Shareowner Information, Transfer Agent & Dividends. If you own your shares through a broker or other nominee, you may contact them directly to request electronic access.

Your consent to electronic access will be effective until you revoke it. You may cancel your consent at no cost to you at any time by going to *https://enroll1.icsdelivery.com/rok_/Default.aspx* and following the instructions or by contacting your broker or other nominee.

ROCKWELL AUTOMATION

We are a leading global provider of industrial automation power, control, and information solutions that help manufacturers achieve a competitive advantage for their businesses. We were incorporated in 1996 in connection with a tax-free reorganization completed on December 6, 1996, pursuant to which we divested our former aerospace and defense business to The Boeing Company. In the reorganization, the former Rockwell International Corporation (RIC) contributed all of its businesses, other than the aerospace and defense business, to us and distributed all of our capital stock to RIC s shareowners. Boeing then acquired RIC. RIC was incorporated in 1928. Our principal executive office is located at 1201 South Second Street, Milwaukee, Wisconsin 53204, USA. Our telephone number is +1-414-382-2000 and our website is located at *www.rockwellautomation.com.* Our common stock trades on the New York Stock Exchange (NYSE) under the symbol ROK.

STOCK OWNERSHIP BY CERTAIN BENEFICIAL OWNERS

We do not believe that any person is the beneficial owner of more than 5% of our common stock as of December 7, 2009, as determined in accordance with Rule 13d-3 of the Securities Exchange Act of 1934 (the Exchange Act).

CORPORATE GOVERNANCE

Guidelines on Corporate Governance. The Board of Directors has adopted Guidelines on Corporate Governance, which are available at *www.rockwellautomation.com* under the Investor Relations page under the link About Us, then the heading Corporate Governance. They are also available in print to any shareowner upon request. The Guidelines contain general principles regarding the responsibilities and function of our Board and Board Committees.

Related Person Transactions. The Board of Directors adopted a written policy regarding how it will review and approve of related person transactions (as defined below), which is available at *www.rockwellautomation.com* under the Investor Relations page under the link About Us, then the heading Corporate Governance. The Board Composition and Governance Committee is responsible for administering this policy.

The policy defines a related person transaction as any transaction in which we are or will be a participant, in which the amount involved exceeds $120,000, and in which any director, director nominee, executive officer or more than 5% shareowner or any of their immediate family members has or will have a direct or indirect material interest. The policy sets forth certain transactions, arrangements and relationships not reportable under SEC rules that do not constitute related person transactions.

Under this policy, each director, director nominee and executive officer must report each proposed or existing transaction between us and that individual or any of that individual s immediate family members to our general counsel. Our general counsel will assess and determine whether any transaction reported to him or of which he learns constitutes a related person transaction. If our general counsel determines that a transaction constitutes a related person transaction, he will refer it to the Board Composition and Governance Committee. The Committee will approve or ratify a related person transaction only if it determines that the transaction is in, or is not inconsistent with, the best interests of the Corporation and its shareowners. In determining whether to approve or ratify a related person transaction, the Committee will consider factors it deems appropriate, including:

- the fairness to the Corporation;
- whether the terms of the transaction would be on the same basis if a related person was not involved;
- the business reasons for the Corporation to participate in the transaction;
- whether the transaction may involve a conflict of interest;
- the nature and extent of the related person s and our interest in the transaction; and
- the amount involved in the transaction.

There are no related person transactions to report in this proxy statement.

Potential Director Candidates. The Board Composition and Governance Committee is responsible for screening potential director candidates and recommending qualified candidates to the full Board.

The Committee will consider candidates for director recommended by shareowners. Shareowners can recommend director candidates by writing to the Secretary at 1201 South Second Street, Milwaukee, Wisconsin 53204, USA. The recommendation must include the candidate s name, biographical data and qualifications and any other information required by the SEC to be included in a proxy statement with respect to a director nominee. Any shareowner recommendation must be accompanied by a written statement from the candidate indicating his or her willingness to serve if nominated and elected. The recommending shareowner also must provide evidence of being a shareowner of record of our common stock at that time.

Table of Contents

The Committee, the Chairman and Chief Executive Officer or other members of the Board may identify a need to add new members to the Board or fill a vacancy on the Board. In that case, the Committee will initiate a search for qualified director candidates, seeking input from senior management and Board members, and to the extent it deems it appropriate, outside search firms. The Committee will evaluate qualified candidates and then make its recommendation to the Board.

In making its recommendations to the Board with respect to director candidates, the Committee considers various criteria set forth in our Board Membership Criteria (see Exhibit A to the Committee s Charter), including experience, professional background, specialized expertise and concern for the best interests of shareowners as a whole. In addition, directors must be of the highest character and integrity, be free of conflicts of interest with the Corporation, and have sufficient time available to devote to the affairs of the Corporation. The Committee from time to time reviews with the Board our Board Membership Criteria.

The Committee will evaluate properly submitted shareowner recommendations under substantially the same criteria and in substantially the same manner as other potential candidates.

In addition to recommending director candidates to the Committee, shareowners may also nominate candidates for election to the Board at annual shareowner meetings by following the procedures set forth in our By-Laws. See Shareowner Proposals for 2011 Annual Meeting set forth later in this proxy statement.

Communications to the Board and Ombudsman. Shareowners and other interested parties may send communications to the Board, an individual director, the non-management directors as a group, or a Board Committee at the following address:

Rockwell Automation, Inc.
c/o Corporate Secretary
1201 South Second Street
Milwaukee, Wisconsin 53204, USA
Attn: Board of Directors

The Secretary will receive and process all communications before forwarding them to the addressee. The Secretary will forward all communications unless the Secretary determines that a communication is a business solicitation or advertisement, or requests general information about us.

In accordance with procedures approved by the Audit Committee of our Board of Directors, concerns about accounting, internal controls or auditing matters should be reported to the Ombudsman as outlined in our Standards of Business Conduct and Code of Conduct, which are available on our website at *www.rockwellautomation.com*; please click on the heading About Us, then the heading Who We Are, then the heading Ethics. These standards are also available in print to any shareowner upon request. The Ombudsman is required to report promptly to the Audit Committee all reports of questionable accounting or auditing matters that the Ombudsman receives. You may contact the Ombudsman by addressing a letter to:

Ombudsman
Rockwell Automation, Inc.
1201 South Second Street
Milwaukee, Wisconsin 53204, USA

You may also contact the Ombudsman by telephone at 1-800-552-3589 (US only) or +1-414-382-8484, e-mail at *ombudsman@rockwell.com* or fax at +1-414-382-8485.

Executive Sessions. The non-management directors meet in executive session without any officer or member of management present in conjunction with regular meetings of the Board. The non-management directors designate the chair of one of the Board Committees as chair of the executive session, in part depending upon whether the principal items to be considered at the session are within the scope of the applicable Committee. The Board has adopted an annual schedule designating the presumptive chair for executive sessions from among the chairs of the Board Committees, which the Board may override as appropriate by designating the chair of another Board Committee.

ELECTION OF DIRECTORS

Our Restated Certificate of Incorporation provides that the Board of Directors will consist of three classes of directors serving staggered three-year terms that are as nearly equal in number as possible. One class of directors is elected each year with terms extending to the third succeeding Annual Meeting after election.

The terms of three directors expire at the 2010 Annual Meeting. The Board has nominated these directors, upon the recommendation of the Board Composition and Governance Committee, for election as directors with terms expiring at the 2013 Annual Meeting.

Proxies properly submitted will be voted at the meeting, unless authority to do so is withheld, for the election of the three nominees specified in *Nominees for Election as Directors* below, subject to applicable NYSE regulations. If for any reason any of these nominees is not a candidate when the election occurs (which is not expected), proxies and shares properly authorized to be voted will be voted at the meeting for the election of a substitute nominee. Alternatively, the Board of Directors may reduce the number of directors.

INFORMATION ABOUT DIRECTOR NOMINEES AND CONTINUING DIRECTORS

For each director nominee and continuing director, we have stated the person s name, age (as of December 11, 2009) and principal occupation; the position, if any, with the Corporation; the period of service as a director of the Corporation (or a predecessor corporation); and other directorships held.

NOMINEES FOR ELECTION AS DIRECTORS WITH TERMS EXPIRING IN 2013

Barry C. Johnson, Ph.D. Director Since 2005 Age 66
Retired Dean, College of Engineering, Villanova University. Dr. Johnson served as Dean, College of Engineering, Villanova University from August 2002 until March 2006. He served as Chief Technology Officer of Honeywell International Inc. (diversified technology and manufacturing company) from July 2000 to April 2002. Before that, he served as Corporate Vice President of Motorola, Inc. (global communications company) and Chief Technology Officer for that company s Semiconductor Product Sector. Dr. Johnson also serves as a director of Cytec Industries Inc. and IDEXX Laboratories, Inc.

William T. McCormick, Jr. Director Since 1989 Age 65
Retired Chairman of the Board and Chief Executive Officer, CMS Energy Corporation (diversified energy). Mr. McCormick served as Chairman of the Board and Chief Executive Officer of CMS Energy Corporation from November 1985 until May 2002. Before joining CMS, he had been Chairman and Chief Executive Officer of American Natural Resources Company (natural gas company) and Executive Vice President and a director of its parent corporation, The Coastal Corporation (energy holding company).

Keith D. Nosbusch Director Since 2004 Age 58
Chairman of the Board, President and Chief Executive Officer. Mr. Nosbusch has been our Chairman of the Board since February 2005 and our President and Chief Executive Officer

since February 2004. He served as Senior Vice President and President, Rockwell Automation Control Systems from November 1998 until February 2004. Mr. Nosbusch is a director of The Manitowoc Company, Inc. and serves as a director or member of a number of business, civic and community organizations.

CONTINUING DIRECTORS WITH TERMS EXPIRING IN 2011

Donald R. Parfet Director Since 2008 Age 57

Managing Director, Apjohn Group, LLC (business development); General Partner, Apjohn Ventures Fund (venture capital fund). Mr. Parfet has served as Managing Director of Apjohn Group since 2001. Before that, he served as Senior Vice President of Pharmacia Corporation (pharmaceuticals). Mr. Parfet is a director of Kelly Services, Inc. and serves as a director or trustee of a number of business, civic and charitable organizations.

Bruce M. Rockwell Director Since 1969 Age 70

Retired Executive Vice President, Fahnestock & Co. Inc. (now part of Oppenheimer & Co., Inc.) (investment banking). Mr. Rockwell joined First of Michigan Corporation (investment banking) in 1961, was elected Senior Vice President in 1983, and was named Vice Chairman, First of Michigan Division of Fahnestock & Co. Inc. in March 1998 following the acquisition of First of Michigan by Fahnestock & Co. He is past chairman of the Municipal Advisory Council of Michigan and past President of the Bond Club of Detroit.

Joseph F. Toot, Jr. Director Since 1977 Age 74

Retired President and Chief Executive Officer, The Timken Company (tapered roller bearings and specialty steel). Mr. Toot joined The Timken Company in 1962 and served in various senior executive positions until his election as President in 1979 and Chief Executive Officer in 1992. He retired as President and Chief Executive Officer of Timken in December 1997 and then served as Chairman of the Executive Committee from January 1998 until April 2000. Mr. Toot served as a director of Timken from 1968 until May 2009. He is a member of the Supervisory Board of PSA Peugeot Citroën.

CONTINUING DIRECTORS WITH TERMS EXPIRING IN 2012

Betty C. Alewine Director Since 2000 Age 61

Retired President and Chief Executive Officer, COMSAT Corporation (now part of Lockheed Martin Corporation) (global satellite services and digital networking services and technology). Ms. Alewine joined COMSAT in 1986 as Vice President of Sales and Marketing, and then served as the Vice President and General Manager and in 1994 as President of COMSAT International, the company s largest operating unit. Ms. Alewine was named Chief Executive Officer of COMSAT in July 1996 and served in that position until the merger of COMSAT and Lockheed Martin Corporation in August 2000. Ms. Alewine is a director of New York Life Insurance Company and The Brink s Company. She also serves as a director or member of a number of civic and charitable organizations.

Verne G. Istock Director Since 2003 Age 69

Retired Chairman and President, Bank One Corporation (now part of JPMorgan Chase & Co.) (financial holding company). Mr. Istock served as Chairman of the Board of Bank One Corporation from October 1998, following completion of the merger of First Chicago NBD Corporation and Banc One Corporation, until October 1999, and as President of Bank One Corporation from October 1999 until September 2000. He served as Acting Chief Executive

Officer of Bank One Corporation from December 1999 until March 2000. He served as Chairman of First Chicago NBD from 1996 to 1998 and as President and Chief Executive Officer of First Chicago NBD from 1995 to 1998. Mr. Istock is a director of Kelly Services, Inc. and presiding director of Masco Corporation. He also serves as a director or member of a number of civic and community organizations.

David B. Speer **Director Since 2003** **Age 58**

Chairman and Chief Executive Officer, Illinois Tool Works Inc. (engineered components and industrial systems and consumables). Mr. Speer joined Illinois Tool Works in 1978. In October 1995, he was elected Executive Vice President of worldwide construction products businesses and in 2003 assumed similar responsibilities for the company s Wilsonart businesses. He was elected President of Illinois Tool Works in August 2004, Chief Executive Officer in August 2005 and Chairman in May 2006. Mr. Speer is a director of Deere & Company. He is also a member of the Chicago Economic Club and a director or member of a number of other business and community organizations.

The Board of Directors recommends that you vote FOR the election as directors of the three nominees described above, which is presented as item (a).

BOARD OF DIRECTORS AND COMMITTEES

Our business is managed under the direction of the Board of Directors. The Board has established the Audit Committee, the Board Composition and Governance Committee, the Compensation and Management Development Committee and the Technology and Corporate Responsibility Committee, whose principal functions are briefly described below. The duties and responsibilities of each committee are set forth in committee charters that are available on our website at *www.rockwellautomation.com*; click on the heading About Us, then the heading Investor Relations, then the heading Corporate Governance. The committee charters are also available in print to any shareowner upon request. The committees review and assess the adequacy of their charters each year and recommend any proposed changes to the Board for approval. There were no changes to the committees charters during fiscal 2009, other than the Technology and Corporate Responsibility Committee s charter. In fiscal 2009, the Board held seven meetings, and all of the directors attended 100% of the meetings of the Board and the committees on which they served. Directors are expected to attend the Annual Meeting of Shareowners. All directors attended the 2009 Annual Meeting.

Director Independence. Our Guidelines on Corporate Governance require that a substantial majority of the members of the Board be independent directors. For a director to be independent, the Board must affirmatively determine that the director has no direct or indirect material relationship with the Corporation. The Board has established guidelines, which are contained in our Guidelines on Corporate Governance, to assist it in determining director independence in conformity with the NYSE listing requirements. These guidelines are available on our website at *www.rockwellautomation.com* under the Investor Relations page under the link About Us, then the heading Corporate Governance.

After considering these guidelines and the independence criteria of the NYSE, the Board has determined that none of the current directors, other than Mr. Nosbusch (who is a current employee of the Corporation), has a material relationship with the Corporation and each of our current directors (other than Mr. Nosbusch) meets the independence requirements of the NYSE. There were no transactions, relationships or arrangements that required review by the Board for purposes of determining director independence.

Director Qualifications. Our Board Membership Criteria provide that our Board should be comprised of directors who have a variety of experience and backgrounds and have high level managerial experience. We believe this type of composition better enables the Board to direct the management of the business and affairs of the Corporation. We have provided certain information about the skills and experiences of our directors in their biographies set forth above. We also believe that it is important to have a Board with experience in the areas of finance, relevant business risk management and industrial and manufacturing.

Finance Experience. Several directors have executive level finance experience. Mr. Istock served as CEO of a bank and bank holding company for five years. Mr. Parfet has served as a general partner of Apjohn Ventures Fund, a venture capital fund, since 2002 and is past chair of the Audit Committee of Kelly Services, Inc. Mr. Rockwell worked as an investment banker for 42 years during which time he managed the municipal bond department of First of Michigan for 16 years, served as senior vice president in charge of financial services for 14 years and vice chairman, First of Michigan for four years, with responsibility for all operations in Michigan.

Table of Contents

Ms. Alewine serves as chairperson of the Audit Committee of New York Life Insurance and chairperson of the Finance and Strategy Committee of The Brink s Company.

Business Risk Management Experience. Our Board has experience in overseeing several areas of risk. Mr. Istock was responsible for overseeing risk management, including financial risks, as CEO of a bank and bank holding company for five years. Ms. Alewine addressed risk management as President and CEO of COMSAT Corporation for four years. Mr. Speer has exposure to reviews of risk management across business enterprises as CEO of Illinois Tool Works Inc. (ITW). During most of his 17 years at Motorola and Honeywell, Dr. Johnson acquired and used skills in risk identification, assessment, prioritization, mitigation and control to manage programs. Dr. Johnson primarily employed such processes as project management, road mapping and six sigma to manage technology development risks at Motorola, and expanded their use to risk management in Honeywell s business and technology strategies and programs. Mr. McCormick chaired the Risk Management Committee of the Board of First Chicago NBD Bank for two years. Mr. Parfet is an active investor in early stage pharmaceutical development companies and as such actively evaluates risk associated with science and medicine as well as the financial exposure to such risks. Mr. Rockwell was involved in or managed assessment of risk relating to securities underwritten, purchased or traded for clients during his career in investment banking. Mr. Toot also has risk management experience, having served as CEO of The Timken Company, a public company that made large investments in steel and bearings.

Industrial and Manufacturing Knowledge. Several directors have relevant work experience that gives them knowledge of our industry. As Chairman and CEO of ITW, which serves a number of end markets such as automotive, energy and pharmaceuticals that overlap with the Corporation s markets, Mr. Speer has detailed insights into the major trends and issues in these industries. From 1991 to 2000 at Motorola, Dr. Johnson was involved in the development of analog and digital components, integrated circuits and modules for use in automation and related industries. From 2000 to 2002 at Honeywell, Dr. Johnson participated in the development of business and technology strategies and products for the automation components, systems, software and solutions markets. Mr. Parfet served as a corporate officer of a Fortune 500 company for 14 years where he had overall responsibilities for engineering and information technology as well as manufacturing of pharmaceuticals and research instruments, which gave him exposure to factory floor management and process control principles. Ms. Alewine served as the United States representative to the Board of Governors of the International Telecommunications Satellite Organization (INTELSAT) and Chairman and Vice Chairman of the INTELSAT Board. She also served on the President s National Security Telecommunications Advisory Council. Mr. Toot served as CEO, a Board member and in other senior management positions of a publicly traded manufacturing company for 32 years.

Committees of the Board

	Audit Committee	Board Composition & Governance Committee	Compensation & Management Development Committee	Technology & Corporate Responsibility Committee
Members	Verne G. Istock*	William T. McCormick, Jr.*	Joseph F. Toot, Jr.*	Bruce M. Rockwell*
	Barry C. Johnson	Verne G. Istock	Betty C. Alewine	Betty C. Alewine
	Donald R. Parfet	David B. Speer	William T. McCormick, Jr.	Barry C. Johnson
	David B. Speer	Joseph F. Toot, Jr.	Bruce M. Rockwell	Donald R. Parfet
Number of meetings in fiscal 2009	7	2, plus 1 action	5, plus 1 action	3

	taken by written consent	taken by written consent

* Chair

Audit Committee. The Audit Committee assists the Board in overseeing and monitoring the integrity of our financial reporting processes, our internal control and disclosure control systems, the integrity and audits of our financial statements, our compliance with legal and regulatory requirements, the qualifications and independence of our independent registered public accounting firm and the performance of our internal audit function and independent registered public accounting firm. The main duties of the Committee are to appoint our independent registered public accounting firm, subject to shareowner approval; approve all audit and audit-related fees and services and permitted non-audit fees and services of our independent registered

Table of Contents

public accounting firm; review with our independent registered public accounting firm and management our annual audited and quarterly financial statements; discuss periodically with management our quarterly earnings releases; and review with our independent registered public accounting firm and management the quality and adequacy of our internal controls. All members of the Audit Committee meet the independence and financial literacy standards and requirements of the NYSE and the SEC. The Board has determined that Messrs. Istock, Parfet and Speer qualify as audit committee financial experts as defined by the SEC.

Board Composition and Governance Committee. The principal functions of the Board Composition and Governance Committee are to consider and recommend to the Board qualified candidates for election as directors of the Corporation, to consider matters of corporate governance, and administer the Corporation s related person transactions policy. The Committee annually assesses and reports to the Board on the performance of the Board of Directors as a whole and of the individual directors. The Committee also recommends to the Board the members of the committees of the Board and the terms of our Guidelines on Corporate Governance. All members of the Committee are independent directors as defined by the NYSE.

Compensation and Management Development Committee. The principal functions of the Compensation and Management Development Committee are to evaluate the performance of our senior executives, review management succession and development plans for the CEO and other senior executives, review the design and competitiveness of our compensation plans, review and approve salaries, incentive compensation, equity awards and other compensation of officers and review the salary plan for other executives who are direct reports to the CEO, review and approve corporate goals and objectives and administer our incentive, deferred compensation and long-term incentives plans. All members of the Committee are independent directors as defined by the NYSE and are not eligible to participate in any of our plans or programs administered by the Committee, except our 2003 and 1995 Directors Stock Plans and Directors Deferred Compensation Plan.

> *Role of Executive Officers.* The Chief Executive Officer and certain other executives assist the Committee with its review of compensation of our officers. See Executive Compensation Compensation Discussion and Analysis Compensation Review Process below.
>
> *Role of Compensation Consultants.* The Committee directly retained Towers Perrin as its outside compensation consultant. During fiscal 2009, Towers Perrin assisted the Committee with a comprehensive analysis of market data and its implications for pay at the Corporation, as well as various other compensation issues. See Executive Compensation Compensation Discussion and Analysis Compensation Review Process below.

Technology and Corporate Responsibility Committee. The Technology and Corporate Responsibility Committee reviews and assesses our technological activities as well as our policies and practices in the following areas: employee relations, with emphasis on diversity and inclusion; the protection and enhancement of the environment and energy resources; product integrity and safety; employee health and safety; and community and civic relations, including programs for and contributions to educational, cultural and other social institutions. All members of the Committee are independent directors as defined by the NYSE.

DIRECTOR COMPENSATION

Our director compensation program is designed to attract and retain qualified directors, fairly compensate directors for the time they must spend in fulfilling their duties and align their compensation directly with the interests of shareowners. We use a combination of cash and equity-based awards. Employees who serve as directors do not receive any compensation for their director service. There are three elements of our director compensation program: an annual retainer, equity awards and committee fees. The following table describes each element of director compensation for fiscal 2009.

	Annual Retainer		Equity Awards	Committee Fees
	Cash	Common Stock	Common Stock	Cash
Amount or Number of Shares	$70,000	$62,000	500	Varies by Committee
Timing of Payment/Award	Paid in equal installments on 1st business day of each quarter	Granted on 1st business day of fiscal year (or pro-rata amount upon initial election to the Board)	Granted on date of Annual Shareowners Meeting (or pro-rata amount upon initial election to the Board)	Paid in equal installments on 1st business day of each quarter
Deferral Election Available	Yes	Yes	Yes	Yes
Dividend/Dividend Equivalent Eligible	Not Applicable	Yes	Yes	Not Applicable

Annual Retainer. Directors receive an annual retainer that consists of cash and shares of common stock. The total annual retainer, excluding committee fees, is $132,000, of which $70,000 is paid in cash and $62,000 in shares of common stock under the 2003 Directors Stock Plan. The $62,000 equated to 1,690 shares granted on October 1, 2008.

Equity Awards. Directors receive an annual grant of 500 shares of common stock under the 2003 Directors Stock Plan immediately after our Annual Meeting of Shareowners (and for directors elected after the Annual Meeting, a pro-rated number of shares are awarded upon election).

Committee Fees. Directors receive additional annual compensation for serving on committees of the Board. The fees for the Chair and for serving on certain committees are higher than others due to the greater work-load and responsibilities.

During fiscal 2009, annual committee fees were as follows:

	Compensation & Management	Board Composition &	Technology & Corporate

	Audit Committee	Development Committee	Governance Committee	Responsibility Committee
Chair	$ 25,000	$ 16,000	$ 12,000	$ 10,000
Member	$ 12,500	$ 8,000	$ 6,000	$ 5,000

Deferral Election. Under the terms of our Directors Deferred Compensation Plan, directors may elect to defer all or part of the cash payment of Board retainer or committee fees until such time as the director specifies, with interest on deferred amounts accruing quarterly at 120% of the federal long-term rate set each month by the Secretary of the Treasury. In addition, under the 2003 Directors Stock Plan, each director has the opportunity each year to defer all or any portion of the annual grant of common stock, cash retainer, common stock retainer and committee fees by electing to instead receive restricted stock units (or before November 7, 2007, restricted shares), valued, in the case of cash deferrals, at the closing price of our common stock on the NYSE on the date each payment would otherwise be made in cash.

Other Benefits. We reimburse directors for transportation, lodging and other expenses actually incurred in attending Board and committee meetings. We also reimburse directors for similar travel, lodging and other expenses for their spouses to accompany them to a limited number of Board meetings held as retreats to which

Table of Contents

we invite spouses for business purposes. Spouses were invited to one meeting in fiscal 2009. The directors spouses are generally expected to attend Board meetings held as retreats. From time to time and when available, directors and their spouses are permitted to use our corporate aircraft for travel to Board meetings.

Directors are eligible to participate in a matching gift program under which we match donations made to eligible educational, arts or cultural institutions. Gifts are matched up to an annual calendar year maximum of $10,000. This same program is available to all of our U.S. salaried employees.

Stock Ownership Requirement. Non-management directors are subject to stock ownership guidelines. To further the direct correlation of directors and shareowners economic interests, our Guidelines on Corporate Governance provide that non-management directors are required to own, within five years after joining the Board, shares of our common stock (including restricted shares and restricted stock units) equal in value to three times the portion of the annual retainer that is payable in cash. All directors meet the guidelines as of September 30, 2009.

The following table shows the total compensation earned by each of our directors during fiscal 2009.

DIRECTOR COMPENSATION TABLE

Name (a)	Fees Earned or Paid In Cash[1] ($) (b)	Stock Awards[2][4] ($) (c)	Option Awards[3][4] ($) (d)	Non-Equity Incentive Plan Compensation ($) (e)	Change in Pension Value and Nonqualified Deferred Compensation Earnings[5] ($) (f)	All Other Compensation[6] ($) (g)	Total ($) (h)
Betty C. Alewine	83,000	74,363	20,226	0	0	20,515	198,104
Verne G. Istock	101,000	74,363	20,226	0	0	4,457	200,046
Barry C. Johnson	87,500	70,167	20,226	0	0	2,052	179,945
William T. McCormick, Jr.	90,000	74,363	0	0	0	17,040	181,403
Donald R. Parfet	87,500	70,167	40,354	0	0	10,614	208,635
Bruce M. Rockwell	88,000	79,295	0	0	0	14,555	181,850
David B. Speer	88,500	74,363	20,226	0	0	27,448	210,537
Joseph F. Toot, Jr.	92,000	74,363	0	0	0	16,612	182,975

(1) This column represents the amount of cash compensation earned in fiscal 2009 for Board and committee service (whether or not deferred and whether or not the directors elected to receive restricted stock units in lieu of all or any portion of their cash fees).

(2)

This column represents the expense we recognized for restricted and non-restricted stock awards for financial statement reporting purposes for the fiscal year in accordance with accounting principles generally accepted in the United States (U.S. GAAP), except that pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. Amounts in this column include awards granted in fiscal 2009 and in previous years. Amounts we recognized under U.S. GAAP have been determined using the assumptions set forth in note 11, Share-Based Compensation, to our audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2009. The amounts shown do not correspond to the actual value that may be realized by the directors. Each director received 500 shares of common stock under the 2003 Directors Stock Plan on February 4, 2009 (the date of our annual meeting) with a grant date fair value of $24.50 per share (equal to the closing price of our stock on the grant date) for directors who elected to receive restricted stock units and $24.725 per share (calculated based on the average of the high and low prices of our stock on the grant date) for directors who elected to receive shares. On October 1, 2008 each director received 1,690 shares with an aggregate grant date fair value of $62,000 in payment of the share portion of the annual retainer.

(3) This column represents the expense we recognized for stock option awards for financial statement reporting purposes for the fiscal year in accordance with U.S. GAAP, except that pursuant to SEC rules, the amounts shown exclude the

Table of Contents

impact of estimated forfeitures related to service-based vesting conditions. Amounts in this column include awards granted in fiscal 2008 and prior years. There was no stock option grant in fiscal 2009. Amounts we recognized under U.S. GAAP have been determined using the assumptions set forth in note 11, Share-Based Compensation, to our audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2009. The amounts shown do not correspond to the actual value that may be realized by the directors.

(4) Before fiscal 2009, director compensation included stock options and restricted stock. The aggregate number of stock and option awards outstanding as of September 30, 2009 for the non-employee directors were as follows:

Director	Stock Awards * (#)	Option Awards (#)
Betty C. Alewine	9,065	18,500
Verne G. Istock	3,842	15,500
Barry C. Johnson	1,894	12,250
William T. McCormick, Jr.	11,672	8,500
Donald R. Parfet	654	8,125
Bruce M. Rockwell	12,672	5,500
David B. Speer	6,421	15,500
Joseph F. Toot, Jr.	10,872	16,834

* Includes restricted stock and restricted stock units paid as part of the annual retainer, and restricted stock and restricted stock units issued in lieu of annual grants of shares and cash compensation that directors elected to receive in the form of restricted stock or restricted stock units.

(5) Aggregate earnings in fiscal 2009 on the directors deferred cash compensation balances were $21,565 for Ms. Alewine. We do not pay above market interest on non-qualified deferred compensation; therefore, this column does not include these amounts.

(6) This column consists of cash dividends paid on restricted shares, cash dividend equivalents paid on restricted stock units and, for Ms. Alewine and Messrs. McCormick, Parfet, Speer and Toot, the Corporation s matching donations of $10,000, $3,500, $10,000, $20,000 (for fiscal 2009 but includes calendar years 2008 and 2009) and $4,000, respectively, under our matching gift program. This column does not include the perquisites and personal benefits provided to each non-employee director because the aggregate amount provided to each director was less than $10,000.

AUDIT COMMITTEE REPORT

The Audit Committee assists the Board in overseeing and monitoring the integrity of the Corporation s financial reporting processes, its internal control and disclosure control systems, the integrity and audits of its financial statements, the Corporation s compliance with legal and regulatory requirements, the qualifications and independence of its independent registered public accounting firm and the performance of its internal audit function and independent registered public accounting firm.

Our Committee s roles and responsibilities are set forth in a written Charter adopted by the Board, which is available on the Corporation s website at *www.rockwellautomation.com* under the heading About Us, then the heading Investor Relations. We review and reassess the Charter annually, and more frequently as necessary to address any changes in NYSE corporate governance and SEC rules regarding audit committees, and recommend any changes to the Board for approval.

Management is responsible for the Corporation s financial statements and reporting processes, including the system of internal control. Deloitte & Touche LLP (D&T), the Corporation s independent registered public accounting firm, is responsible for expressing an opinion on the conformity of those audited financial statements with U.S. generally accepted accounting principles, and on the Corporation s internal control over financial reporting.

Table of Contents

Our Committee is responsible for overseeing the Corporation s overall financial reporting processes. In fulfilling our responsibilities for the financial statements for fiscal 2009, we:

Reviewed and discussed the audited financial statements for the fiscal year ended September 30, 2009 with management and D&T;

Reviewed management s assessment of the Corporation s internal control over financial reporting and D&T s report pursuant to Section 404 of the Sarbanes-Oxley Act;

Discussed with D&T the matters required to be discussed by Statement on Auditing Standards No. 61, as amended, relating to the conduct of the audit; and

Received written disclosures and the letter from D&T regarding its independence as required by Independence Standards Board Standard No. 1. We also discussed with D&T its independence.

We reviewed and approved all audit and audit-related fees and services. For information on fees paid to D&T for each of the last two years, see Proposal to Approve the Selection of Independent Registered Public Accounting Firm on page 43.

We considered the non-audit services provided by D&T in fiscal 2009 and determined that engaging D&T to provide those services is compatible with and does not impair D&T s independence.

In fulfilling our responsibilities, we met with the Corporation s General Auditor and D&T, with and without management present, to discuss the results of their examinations, the evaluations of the Corporation s internal control over financial reporting and the overall quality of the Corporation s financial reporting. We considered the status of pending litigation, taxation matters and other areas of oversight relating to the financial reporting and audit processes that we determined appropriate. We also met separately with the Corporation s Chief Executive Officer, Chief Financial Officer, Controller, General Counsel and Ombudsman.

Based on our review of the audited financial statements and discussions with, and the reports of, management and D&T, we recommended to the Board that the audited financial statements be included in the Corporation s Annual Report on Form 10-K for the fiscal year ended September 30, 2009 for filing with the SEC.

The Audit Committee has selected D&T as the independent registered public accounting firm of the Corporation for the fiscal year ending September 30, 2010, subject to the approval of shareowners.

Audit Committee
Verne G. Istock, *Chair*
Barry C. Johnson
Donald R. Parfet
David B. Speer

Table of Contents

OWNERSHIP OF EQUITY SECURITIES BY DIRECTORS AND EXECUTIVE OFFICERS

The following table shows the beneficial ownership, reported to us as of October 31, 2009, of our common stock, including shares as to which a right to acquire ownership within 60 days exists, of each director, each executive officer listed in the table on page 29 (named executive officers) and of these persons and other executive officers as a group.

	Beneficial Ownership on October 31, 2009			
Name	Shares of Common Stock[(1)]	Derivative Securities[(2)]	Total Shares[(1)]	Percent of Class[(3)]
Betty C. Alewine	15,738(4)	17,000	32,738	
Verne G. Istock	16,440(4)	14,000	30,440	
Barry C. Johnson	4,834(4)	10,750	15,584	
William T. McCormick, Jr.	24,270(4)	7,000	31,270	
Keith D. Nosbusch	306,156(5,6)	1,513,814	1,819,970	1.3
Donald R. Parfet	5,815(4)	2,708	8,523	
Bruce M. Rockwell	40,672(4)	4,000	44,672	
David B. Speer	13,519(4)	14,000	27,519	
Joseph F. Toot, Jr.	28,270(4)	15,334	43,604	
Theodore D. Crandall	55,538(5,6)	240,293	295,831	
Steven A. Eisenbrown	34,253(5,6)	263,993	298,246	
Douglas M. Hagerman	23,733(5,6)	174,520	198,253	
Robert A. Ruff	30,380(5,6)	130,630	161,010	
All of the above and other executive officers as a group (24 persons)	780,289(4,5,6)	3,201,460	3,981,749	2.8%

(1) Each person has sole voting and investment power with respect to the shares listed (either individually or with spouse).

(2)

Represents shares that may be acquired upon the exercise of outstanding stock options and, for executive officers, settlement of performance shares, within 60 days.

(3) The shares owned by each person, and by the group, and the shares included in the number of shares outstanding have been adjusted, and the percentage of shares owned (where such percentage exceeds 1%) has been computed, in accordance with Rule 13d-3(d)(1) under the Exchange Act.

(4) Includes 9,065; 3,842; 1,394; 11,672; 11,672; 6,421; and 10,872 shares granted as restricted stock under our 1995 and 2003 Directors Stock Plans or otherwise as compensation for services as directors for Ms. Alewine and Messrs. Istock, Johnson, McCormick, Rockwell, Speer and Toot, respectively. Does not include 2,008, 2,162 and 2,508 restricted stock units granted under the 2003 Directors Stock Plan as compensation for services as directors for Messrs. Johnson, Parfet and Rockwell, respectively. Includes 3,900 shares and 12,500 stock options held by a family limited partnership for Mr. Speer.

(5) Includes shares held under our savings plan. Does not include 1,850; 1,287; 2,247; 2,132; 1,301; and 10,719 share equivalents for Messrs. Nosbusch, Crandall, Eisenbrown, Hagerman, Ruff and the group, respectively, held under our supplemental savings plan.

(6) Includes 31,900; 9,100; 9,100; 7,200; and 8,867 shares granted as restricted stock under our 2000 and 2008 Long-Term Incentives Plans for Messrs. Nosbusch, Crandall, Eisenbrown, Hagerman and Ruff, respectively, and 165,105 shares granted as restricted stock for the group.

Table of Contents

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

Rockwell Automation has had a long-standing strong orientation in its executive compensation program toward pay for performance. This orientation has held constant throughout the business cycles that our organization has confronted over time. The compensation decisions made for fiscal 2009 reflect our company s performance, the continued challenging economic climate as a result of the global credit crisis and recession, and our expectations for the year. We believe the decisions described in this proxy statement reflect our orientation toward pay for performance and demonstrate our ongoing commitment to our shareowners, employees and other stakeholders.

Fiscal 2009 Performance

Early in the year, the Board of Directors approved a business plan that reflected our initial expectations for our company performance. The Compensation and Management Development Committee (the Compensation Committee) set goals for sales, earnings per share from continuing operations (EPS), free cash flow, return on invested capital (ROIC), and segment operating earnings. These goals served as targets for our incentive compensation plans (ICP). In establishing these goals, the Compensation Committee considered the uncertainty related to the impact of the liquidity crisis, the economic recession, and currency exchange rate volatility. The Compensation Committee determined that meeting these goals would require continued execution of our growth and performance strategy.

Fiscal 2009 was a challenging year as a result of the global economic climate. Market conditions deteriorated more than our original expectations, resulting in sales decreasing by 24% (19% excluding the effect of currency) and EPS decreasing by 61% from the prior year. Management responded to the deteriorating economic climate by taking cost savings actions including an increased focus on free cash flow by aligning our working capital to lower demand and limiting our capital expenditures, suspending salary increases, requiring employees to take unpaid time off or temporary salary reductions, and suspending the Corporation matching contributions to the savings plans. We carefully balanced these actions to preserve investments in our core technologies and global domain expertise. We did not achieve our goals for sales, EPS, ROIC and segment operating earnings; however, we had strong free cash flow performance and exceeded our goal for free cash flow. Free cash flow was $431 million or 198% of income from continuing operations.

Even though we missed most of our ICP financial goals, the Compensation Committee believes that management performed well during fiscal 2009 by anticipating the drop in market conditions. Management took appropriate cost saving actions while preserving our ability to invest in new technologies and respond to increased demand in the future.

Fiscal 2009 Pay Implications

We did not change our overall approach to our executive compensation as a result of the economic crisis and global recession, although the Compensation Committee retained more discretion in fiscal 2009 in determining ICP awards for performance above or below our goals. In light of our pay for performance philosophy and based on our sales and EPS performance, there were no fiscal 2009 ICP awards. We provided no relief to offset the zero payout for fiscal 2009 ICP. Our Total Shareowner Return (TSR) was at the 38th percentile of the companies in the S&P 500 Index over the performance period from October 1, 2006 to September 30, 2009. This resulted in an 87% reduction in the number of performance shares paid out for that performance period as compared to the target amount. We expected market data to show lower values of long-term incentives granted at other companies in 2009 and as a result we lowered the value of our long-term incentives grants for our named executive officers in 2009. As a result of this decision and our lower stock price, the grant date fair market value of the fiscal 2009 long-term incentive grants was down an average of 16.2% from the grant date fair market value of the fiscal 2008 grants.

Table of Contents

Our executives base salaries were reviewed at the start of fiscal 2009. We did not grant salary increases at that time to any of our named executive officers with the exception of Mr. Ruff whose pay was below market following his promotion on October 29, 2007. In April of 2009, at the request of management, salaries were reduced by 20% for the CEO and 10% for the other named executive officers and other direct reports to the CEO.

The net result is that total direct compensation (base salary, ICP, grant date fair market value of long term incentive grants) for the named executive officers was 23% lower than in fiscal 2008.

The Compensation Committee and the Board believe that the skill and motivation of our employees, and especially our executive leaders, are essential to the Corporation s performance and creation of shareowner value. We believe our compensation program motivates performance that differentiates us from our competitors. We will continue to provide a compensation program that we believe is effective, serves shareowner interests and is worthy of shareowner support.

Compensation Philosophy

Our long-term growth and performance business strategy seeks sustained organic growth through, among other things, expanding our served markets and enhancing our market access. We have developed a strong productivity culture that has allowed us to reinvest in organic growth. We believe that our employees knowledge of our customers, their applications, and our technology is a key factor that makes this strategy work. We also believe that it is important to align the compensation of our leadership with this strategy and therefore we choose the factors in our short and long-term incentives plans, among other things, to focus the management team s efforts in the areas that are critical to the success of this strategy.

The quality of our leadership has a direct impact on our performance, and with the oversight of the Compensation Committee, we offer compensation plans, programs and policies intended to attract and retain executive talent and pay for performance, including the creation of shareowner value. Our compensation programs include base salary, annual incentive compensation, long-term incentives, defined benefit and defined contribution pension plans and a limited perquisite package.

The following table highlights the principal purposes of the main elements of our compensation programs:

		Pay for Performance		
	Attraction & Retention	Current Year Financial & Operational Performance	Long-Term Financial Performance	Creation of Shareowner Value
Base Salary	X	X		
Annual Incentive Compensation	X	X		X
Long-Term Incentives	X		X	X
Pension Plans	X			

We believe that a significant portion of an executive s compensation should be directly linked to our performance and the creation of shareowner value. In fiscal 2009, for our named executive officers, the Compensation Committee planned a targeted mix of total direct compensation in which 70% to 83% was based on pay for performance. The

Compensation Committee targeted 52% to 67% of total direct compensation of our named executive officers in the form of long-term incentives directly linked to the creation of shareowner value. Total direct compensation consists of base salary, annual ICP awards and long-term incentives (calculated at the grant date fair market value outlined in the Grants of Plan-Based Awards Table). As shown in the following table, our actual mix in fiscal 2009 differed from the targeted mix as a result of no payouts being earned for ICP.

Table of Contents

2009 Total Direct Compensation Mix

Compensation Review Process

We evaluate and take into account market data in setting each element of our officers compensation. As we do not believe that a peer group of companies directly comparable to us exists, we instead use the results of executive compensation surveys of major companies (the Major Companies) provided by Towers Perrin and Hewitt Associates (collectively, the Survey Providers). The Towers Perrin database includes over 650 companies and the Hewitt Associates database includes over 450 companies. In setting compensation levels for each element of pay, we analyze data relating to the Major Companies using regression analyses developed by the Survey Providers based on our sales. The market data analysis is typically the starting point for, and a significant factor in, our compensation determinations, but is not the only factor as we also consider the scope of the individual officer s responsibilities and more subjective factors, such as the Compensation Committee s (and the CEO s in the case of other officers) assessment of the officer s individual performance and expected future contributions and leadership.

The Compensation Committee has also engaged Towers Perrin, an independent executive compensation consulting firm that is directly accountable to the Compensation Committee, to provide advice on compensation trends and market information to assist the Compensation Committee in fulfilling its duties. Towers Perrin does not provide any other services to us, except for our utilization of general compensation surveys conducted by Towers Perrin. The Compensation Committee has limited our expenditures for use of these surveys to no more than $20,000 per year.

We consider the total compensation (earned or potentially available) of each of the named executive officers and the other officers in establishing each element of compensation. As part of our compensation review process we conduct a total compensation or Tally Sheet review with the Compensation Committee for each of our officers in which we review all elements of compensation, including base salary, annual incentives, long-term incentive grants, perquisites, health benefits and retirement and termination benefits. This review includes a consideration of amounts to be paid and other benefits accruing to our officers upon their retirement or other termination of employment. We consider the potential outcomes of annual incentives and long-term incentive grants under a variety of scenarios from low to high performance. We also review the officers current balances in various compensation and benefit plans. Based upon the results of this analysis we concluded that our

Table of Contents

compensation programs are in line with our compensation philosophy and provide an appropriate range of outcomes.

We do not believe our compensation program encourages our executives to take excessive risk. Our ICP provides a balance among revenue, earnings, cash flow and asset performance, limiting the effect of over-performance in one area at the expense of others. Additionally, payouts under our ICP are capped at twice the individual s ICP target, limiting excessive rewards for short-term results. The Compensation Committee can reduce or withhold the incentive if it determines that the executive has caused the Corporation to incur excessive risk. Moreover, the majority of the total direct compensation for our executives is in the form of long-term incentives. We believe our mix of equity vehicles appropriately motivates long-term performance. In addition, the majority of equity vests over a period of several years with performance shares and restricted stock vesting at three years. We also have stock ownership guidelines for our named executive officers, which encourage a long term view. In September 2009, the Corporation entered into letter agreements with Mr. Nosbusch as CEO and Mr. Crandall as CFO with respect to the reimbursement (or claw-back) of certain compensation. If we are required to restate any financial statements for periods from and after fiscal 2009 due to a material non-compliance with any financial reporting requirement under the securities laws, Messrs. Nosbusch and Crandall have agreed to reimburse the Corporation for any incentive- or equity-based compensation received during the 12 months following the public filing of such financial statements with the SEC. Incentive compensation subject to the claw-back includes: ICP, equity-based compensation received, profits realized from the sale of securities of the Corporation, and other incentive-based compensation. The Committee will have the ability to exercise its discretion to enforce the agreements to reimburse the Corporation to the extent that it deems appropriate in light of all of the circumstances regarding the restatement.

We review the amounts of prior equity grants held by our officers, but do not take these values into account in determining future long-term incentive grants for the following reasons:

- we want to encourage long-term holding of equity grants, rather than encourage early sales in order to receive future grants;
- the value of prior equity grants varies from year to year;
- we have stock ownership guidelines for our officers that require officers to hold an amount of equity we believe sufficient to align the financial interests of our officers with those of our shareowners;
- our officers are not allowed to sell equity, net of taxes, if they are not above our ownership guidelines; and
- we want to continue to provide additional incentives for increasing shareowner value.

In making recommendations and determinations regarding each of our officers compensation, the Compensation Committee and the CEO also consider internal comparisons to the compensation we pay to our other executives.

Role of Management. The Compensation Committee assesses the performance of the CEO and sets the CEO s compensation in executive session without the CEO present. The CEO reviews the performance of our other officers, including the named executive officers, with the Compensation Committee and makes recommendations regarding each element of their compensation for the Compensation Committee s review and approval. The Compensation Committee and the CEO are assisted in their review by Towers Perrin, the Senior Vice President, Human Resources and the Vice President, Compensation & Benefits. The other named executive officers do not play a role in their own compensation determination other than discussing their performance with the CEO.

Elements of Compensation

Base Salary

We set base salaries for our officers generally at the median of the Major Companies, using regression analyses developed by the Survey Providers based on our sales. However, the Compensation Committee may deviate from the median in setting base salaries based on the scope of the individual s responsibilities and more subjective factors, such as the Compensation Committee s (and the CEO s in the case of other officers) assessment of the officer s individual performance and expected future contributions and leadership. The Compensation Committee reviews base salaries for our officers every year.

In March 2009, as a result of the deterioration in market conditions, the Corporation announced to its employees the following actions:

- it was anticipated that there would be no ICP payouts;

- suspension of the Corporation matching contributions to the savings plans in the U.S.; and

- three unpaid days off in each of the third and fourth quarters of fiscal 2009, or for U.S exempt employees, a 4.6% salary reduction in exchange for additional time off.

Our senior management believes they should show leadership in responding to market conditions and accordingly, instead of a 4.6% salary reduction, Mr. Nosbusch asked the Committee to reduce his salary by 20%. Messrs. Crandall, Eisenbrown, Hagerman, Ruff and other direct reports to the CEO asked the Committee to reduce their salaries by 10%. Effective April 13, 2009, the Committee approved their requests.

Annual Incentive Compensation

Our annual incentive compensation plans (ICP) are designed to reward our executives for achieving Corporation and business segment results and for individual performance. Under our ICP, we establish for each executive at the start of each fiscal year an incentive compensation target equal to a percentage of the individual s base salary. The target for annual incentive compensation is generally the median of the Major Companies, using regression analyses developed by the Survey Providers based on our sales. Actual incentive compensation payments under our ICP may be higher or lower than the incentive compensation target based on financial, operating and individual performance as described below.

In the early part of each fiscal year, the CEO reviews with the Compensation Committee, and the Compensation Committee establishes, financial and operating goals for the fiscal year for purposes of our ICP. These goals include:

- measurable financial and operating goals with respect to our overall performance; and

- for certain officers engaged in our business segments, measurable financial goals with respect to the performance of those business segments.

Each year, the Compensation Committee allocates a weighting of the target incentive compensation among the various goals that it establishes.

After the end of the fiscal year, the Compensation Committee and the CEO evaluate our performance and the performance of our business segments and consider the results against the pre-established goals. As a starting point, target amounts under our ICP are generally earned if we achieve our financial and operating goals for the year. For fiscal 2009, the Compensation Committee, in its discretion, determined the payout levels for performance above or below the pre-determined goals after considering:

- actual fiscal 2009 performance compared to fiscal 2009 performance goals;

- currency fluctuations;

changes in the manufacturing economy; and

other factors the Compensation Committee deemed to be important.

Awards to each officer under our ICP may be adjusted based on the Compensation Committee s assessment (and except in the case of the CEO, based on the CEO s recommendation) as to the individual s achievement of individual goals and objectives and certain more subjective assessments of leadership acumen and the individual s expected future contributions. Accordingly, while achieving our financial and operating goals is extremely important in determining our annual incentive compensation, the Compensation Committee maintains discretion to adjust annual incentive compensation upward or downward, notwithstanding achievement of these goals.

Table of Contents

Under our Annual Incentive Compensation Plan for Senior Executive Officers (Senior ICP), which applies to the CEO and our four other most highly compensated officers, annual incentive compensation payments to those officers in total may not exceed 1% of our applicable net earnings (as defined in that plan) with the CEO s maximum payment not to exceed 35% of the available funds, and each of the other four officers maximum payouts not to exceed 15% of the available funds.

The annual incentive compensation for Messrs. Nosbusch, Crandall and Hagerman is based upon our overall performance and the annual incentive compensation for Mr. Eisenbrown and Mr. Ruff is based upon a combination of our overall performance and the performance of their segments.

The following table shows our principal 2009 financial goals used for determining awards under our ICP for fiscal 2009 and our performance against those goals:

ICP FACTORS

Sales[1]		EPS[2]		Return on Invested Capital[3]		Segment Operating Earnings[4]		
Goal	Performance	Goal	Performance	Goal	Performance	Goal	Performance	Go
$ 5,266.0 million	$ 4,366.4 million	$ 3.35	$1.69	18.9%	10.7%			$ 413.0
$ 2,188.0 million	$ 1,741.3 million					$ 457.0 million	$ 244.8 million	
$ 3,078.0 million	$ 2,625.1 million					$ 369.0 million	$ 213.6 million	

(1) Sales for the Corporation are for continuing operations only and exclude the effect of changes in currency exchange rates ($49.6 million) and acquisitions ($15.7 million). Sales for Architecture & Software exclude the effect of changes in currency exchange rates ($17.8 million). Sales for Control Products & Solutions exclude the effect of changes in currency exchange rates ($31.8 million) and acquisitions ($15.7 million). We use sales excluding the effect of changes in currency exchange rates and acquisitions as one measure to monitor and evaluate our performance. We determine the effect of changes in currency exchange rates, for this internal performance measure, by translating the respective period s sales using currency exchange rates that were incorporated into our 2009 annual operating plan. We determine the effect of acquisitions by excluding sales in the current year of businesses acquired during the year for which there are no sales in our 2009 annual operating plan.

(2) Earnings per share are diluted earnings per share from continuing operations excluding special items, restructuring costs not included as part of the 2009 annual operating plan, and acquisitions. The Corporation s earnings per share performance amount of $1.69 is calculated as follows: (a) diluted earnings per share from continuing operations of $1.53 plus (b) special items recorded during 2009 of ($0.02) per diluted share plus (c) restructuring charges not included as part of the 2009 annual operating plan of $0.17 per diluted share plus (d) acquisition impact not included as part of the 2009 annual operating plan of $0.01 per diluted share.

(3) For a complete definition and explanation of our calculation of return on invested capital, see Supplemental Financial Information on page 54.

(4) Architecture & Software Segment Operating Earnings exclude the unfavorable effect of changes in currency exchange rates ($0.3 million) and restructuring costs not included as part of the 2009 annual operating plan ($21.5 million). Control Products & Solutions Segment Operating Earnings exclude the favorable effect of changes in currency exchange rates ($6.4 million), and the unfavorable effect of acquisitions ($1.7 million) and restructuring costs not included as part of the 2009 annual operating plan ($11.6 million). Information regarding how we define segment operating earnings is set forth in note 18, Business Segment Information, to our audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2009.

(5) We calculated the $430.8 million in free cash flow performance, an internal performance measure, as cash provided by continuing operating activities ($526.4 million), plus excess income tax benefit from share-based compensation ($2.4 million), minus capital expenditures ($98.0 million). We account for share-based compensation under U.S. GAAP which requires that we report excess tax benefits related to share-based compensation as a financing cash flow rather than as an operating cash flow. We have added this benefit back to our calculation of free cash flow in order to generally classify cash flows arising from income taxes as operating cash flows. Our definition of free cash flow for this internal performance measure also takes into consideration the capital investment required to maintain the operations of our businesses and execute our strategy. We use free cash flow as one measure to monitor and evaluate performance. Our definition of free cash flow may differ from definitions used by other companies.

The Compensation Committee determined based upon the performance compared to the sales and EPS goals, that no fiscal 2009 ICP should be awarded. However, the Compensation Committee noted that fiscal 2009 was far more challenging than originally expected due to the severity of the global recession and believes that management performed very well during fiscal 2009 in anticipating the changing market environment and taking appropriate cost actions.

Long-Term Incentives

The principal purposes of our long-term incentives are to reward management for creating shareowner value and to align the financial interests of management with shareowners. Our long-term incentive awards are designed to reward the increase in both absolute and relative shareowner value. Our annual long-term incentive awards for executives include a combination of stock options, performance shares and restricted stock.

We grant annual long-term incentive awards with an aggregate anticipated value that is generally set between the 50th and 75th percentile of the Major Companies participating in the Towers Perrin executive compensation database, using a regression analysis developed by Towers Perrin based on our sales (the Hewitt Associates executive compensation database does not provide a regression analysis on long-term equity incentives). For fiscal 2009 we calculated the number of options, performance shares and shares of restricted stock based on the anticipated value of these grants using the 3-month average of our stock price prior to November 13, 2009. We used this approach to avoid single day anomalies in our stock price when determining the anticipated value of the long-term incentive grants and to provide an equal time period before the end of the previous fiscal year and after the start of the new fiscal year. The actual value of the grants to our executives may be higher or lower based upon the stock price on the day of the grant, and the ultimate amount realized by the executives from the grants.

We generally make long-term incentive grants near the beginning of each fiscal year at the same time the Compensation Committee performs its annual management performance evaluation and takes other compensation actions. Annual equity grants for officers occur on the same dates as our annual equity grants for our other professional and managerial employees, which in fiscal 2009 was the date of the Compensation Committee s December meeting. As the grant date for our annual long-term incentive awards generally occurs at a Compensation Committee meeting held in the first quarter of our fiscal year, the grant date is effectively set approximately one year in advance when all Compensation Committee meetings for the next year are scheduled. We do not grant equity awards in anticipation of the release of material non-public information. Similarly, we do not time the release of information based on equity award grant dates.

The CEO recommends to the Compensation Committee the equity grants for other executives, and the Compensation Committee approves all equity grants for executives. We also at times award equity grants to new executives as they are hired or promoted during the year. These grants are approved by the Compensation Committee, and the grant date is the date the Compensation Committee approves the grant or, if later, the start date for a new executive.

In fiscal 2009 we did not adjust our approach to equity grants as a result of the economic crisis; however, we expected market data to show lower values of long-term incentives granted at other companies in 2009 and as a result we lowered the value of our long-term incentive grants to our named executive officers in 2009. As a result of this decision and our lower stock price, the grant date fair market value of the fiscal 2009 long-term incentive grants (determined in the manner described in the Grants of Plan-Based Awards Table) decreased an average of 16.2% from the grant date fair market value of the fiscal 2008 grants. Our equity grants to vice presidents and above continued to have three components. We targeted stock options at approximately 5/8 of the anticipated value of the long-term incentive grant, performance shares at approximately 1/4 of the anticipated value of the grant and restricted stock at approximately 1/8 of the anticipated value of the grant. We determined this allocation of equity vehicles taking into account a review of approximately 233 Fortune 500 companies that had filed proxy statements as of March 31, 2008. This review was conducted by Towers Perrin. Compared to this review, we grant a greater percentage of our long-term incentives as stock options and performance shares than market practice because we believe that a greater proportion of long-term incentives should depend on an increase in shareowner value.

Options: We believe that stock options are an appropriate vehicle to reward management for increases in shareowner value, as they provide no value if share price does not increase. Our stock option grants vest in 1/3 increments at one, two and three years from the grant date and have a 10 year life. The exercise price of all stock

Table of Contents

option grants is the fair market value of our stock at the close of trading on the date of the grant. Our long-term incentives plan does not allow us to reprice stock options. During fiscal 2009, stock options equal to approximately 2.0% of the average outstanding shares during the year were granted to executives and other employees. Total options outstanding at the end of fiscal 2009 were approximately 7.1% of outstanding shares at end of fiscal 2009. The Compensation Committee takes these figures into account when determining the annual stock option grant.

Performance Shares: Performance shares are designed to reward management for our relative performance compared to the performance of companies in the S&P 500 Index over a three-year period. The payout in respect of performance shares granted in December 2007, December 2008, and December 2009 will be made in shares of our common stock or cash, and will range from zero to 200% of the target number of shares awarded based on our total shareowner return compared to the performance of companies in the S&P 500 Index over a three-year period. The payouts will be at zero, the target amount and the maximum amount if our total shareowner return is equal to or less than the 30th percentile, equal to the 60th percentile and equal to or greater than the 75th percentile of the total shareowner return of companies in the S&P 500 Index, respectively, over the applicable three-year period, with the payout interpolated for results between those percentiles. If performance shares are earned and total shareowner return is negative, the amount of shares earned will be reduced by 50%.

For the performance period from October 1, 2006 to September 30, 2009, we had a TSR of -17.7% (including the value of reinvested dividends), which equated to the 38th percentile of the companies in the S&P 500 Index. This resulted in an 87% reduction in the number of performance shares paid out as compared to the target amount. The starting price for this performance period of $56.45 was based on the 20-day average trading price prior to October 1, 2006 and the ending price of $42.95 was based on the 20-day average trading price prior to October 1, 2009.

Restricted Stock: We grant restricted shares primarily in order to retain high quality executives throughout a business cycle. Accordingly, restricted shares generally do not vest until three years after the grant date.

Perquisites

During fiscal 2009, our officers received a limited perquisite package that included personal liability insurance, an annual physical and tax gross-ups on personal liability insurance and FICA tax due on the Corporation matching contributions to certain non-qualified plans (which tax gross-ups will be eliminated effective January 1, 2010). Upon retirement, officers may elect to continue the personal liability insurance coverage at their own expense.

Other

With regard to other benefits, our officers receive the same benefits as other eligible U.S. salaried employees. They participate on the same basis as other eligible U.S. salaried employees in:

- our health and welfare plans, pension plan and 401(k) savings plan;
- our non-qualified pension and savings plans (these plans use the same formulas as our qualified plans and provide benefits that may not be paid under our qualified plans due to Internal Revenue Code limitations); and
- our deferred compensation plan (this plan offers investment measurement options similar to those in our 401(k) savings plan and does not have any guaranteed rates of return).

Compensation Deductibility

Internal Revenue Code Section 162(m) provides that we may not deduct in any taxable year compensation in excess of $1 million paid in that year to our chief executive officer and our other three most highly compensated executive officers, other than the chief financial officer, unless the compensation is performance based. Grants of stock options, performance shares and awards under our Senior ICP are considered performance based compensation for this purpose. Base salaries, restricted stock awards and other annual incentive compensation awards do not qualify as performance based compensation for this purpose. With the exception of a portion of the restricted stock granted to Mr. Nosbusch, we do not anticipate that any portion of our fiscal 2009 compensation to the named executive officers covered by Section 162(m) will exceed the deductibility limitations of Section 162(m).

Change of Control and Severance Agreements

We do not have employment contracts with any officers. However, in November 2007, we entered into change of control agreements with Messrs. Nosbusch, Crandall, Eisenbrown, Hagerman and Ruff and certain other officers. There are two main purposes of these agreements.

First, they provide protection for the executive officers who would negotiate any potential acquisitions of the Corporation, thus encouraging them to negotiate a good outcome for shareowners, without concern that their negotiating stance will put at risk their financial situation immediately after an acquisition.

Second, the agreements seek to ensure continuity of business operations during times of potential uncertainty, by removing the incentive to seek other employment in anticipation of a possible change of control.

In short, they seek to ensure that we may rely on key executives to continue to manage our business consistent with the Corporation s best interests despite concerns for personal risks. We do not believe these agreements encourage our executives to favor or oppose a change of control. We believe these agreements strike a balance that the amounts are neither so low to cause an executive to oppose a change of control nor so high as to cause an executive to favor a change of control. For a description of these change of control agreements, see Potential Payments Upon Termination or Change of Control.

In the case of terminations other than those to which our change of control agreements apply, we have no severance agreements in place. However, in the past we have at times entered into severance agreements with executives upon termination of their employment with the terms and conditions depending upon the individual circumstances of the termination, the transition role we expect from the executive and our best interests.

Executive Stock Ownership

We believe our focus on pay for performance is sharpened by aligning closely the financial interests of our officers with those of shareowners. Accordingly, we have set the following minimum ownership guidelines for our named executive officers. These guidelines must be met within 5 years after becoming an officer.

	Common Stock Market Value (Multiple of Base Salary)
Chief Executive Officer	5
Senior Vice Presidents	3

Shares owned directly (including restricted shares) or through our savings plans (including share equivalents under our non-qualified savings plans) and the after-tax value of vested unexercised stock options are considered in determining whether an officer meets the guidelines, except that no more than 50% of the guidelines can be met by the after-tax value of vested unexercised stock options. At September 30, 2009, the five named executive officers owned an aggregate of 458,840 shares (including share equivalents under our non-qualified savings plans) of our common stock, with an aggregate market value of $19.6 million. As of September 30, 2009, four of the named executive officers met the guidelines. The named executive officer who did not meet the guideline had previously met the guideline on December 31, 2007 and has not sold any shares since that time. With the increase in our share price since September 30, 2009, that named executive officer meets the guideline as of the date of this proxy statement. If a named executive officer subject to the guidelines does not make appropriate progress to meet the guidelines, the named executive officer s future long-term incentive grants may be adversely affected.

Compensation of the Chairman of the Board and Chief Executive Officer

At Mr. Nosbusch s request, the Compensation Committee did not increase his base salary of $1,040,000 in the December 2008 review of his compensation. The Committee considered the market value for CEOs, Mr. Nosbusch s salary as a multiple of the other named executive officers and our merit plan for other employees. Mr. Nosbusch s base salary was positioned near the median for CEOs as compared to the Major Companies using regression analyses developed by the Survey Providers based on our sales. As we implemented cost savings actions in the second half of fiscal 2009, Mr. Nosbusch asked the Committee to reduce his salary by 20% instead of the 4.6% salary reduction other employees were receiving. Our senior management believes they should show leadership in responding to market conditions and accordingly effective April 13, 2009, the Committee approved his request. His total annual compensation continues to depend significantly on incentive compensation tied to the Compensation Committee s assessment of his and our performance.

Near the beginning of fiscal 2009, in light of the anticipated lower financial performance, we granted to Mr. Nosbusch options for 238,700 shares, 14,200 restricted shares and 33,500 performance shares. Consistent with our executive compensation philosophy, the anticipated value of this grant was in the lower portion of the corridor between the 50th and 75th percentile of long-term incentives grants to CEOs of the Major Companies using the regression analysis developed by Towers Perrin based on our sales. In determining these grants, the Compensation Committee considered:

information on Mr. Nosbusch s total compensation compared to the total compensation of CEOs of the Major Companies in the Survey Providers compensation databases, using regression analyses developed by the Survey Providers based on our sales. For long-term incentives the results of the Towers Perrin database were used for conducting the comparison. The data showed that Mr. Nosbusch s total compensation and long-term incentives compensation are consistent with our compensation philosophy and are largely based on performance;

our expectation that market data would show lower values of long-term incentives granted at other companies in 2009;

internal comparisons with the other named executive officers. Mr. Nosbusch s pay relative to the other named executive officers is in line with the survey data of CEOs to other named executive officers of the Major Companies in the Survey Providers database using the regression analyses developed by the Survey Providers based on our sales. Mr. Nosbusch s pay is higher than the other named executive officers due to his greater level of responsibility and accountability;

historical information regarding Mr. Nosbusch s long-term compensation opportunities. This information indicated that Mr. Nosbusch s long-term compensation opportunities have yielded significant realized and unrealized value for Mr. Nosbusch, particularly with respect to equity awards. The value is a product of Mr. Nosbusch s long service to the Corporation, the fact that he has held his equity awards rather than cashing them in, and most importantly, the value of his equity awards has varied along with the returns to our shareowners. We believe this is in line with the creation of shareowner value objective of our pay for performance philosophy; and

Mr. Nosbusch s past and expected future contributions to our long-term performance. The Compensation Committee concluded that Mr. Nosbusch has contributed significantly to our growth and profitability and is expected to continue to contribute to our success for the benefit of shareowners, customers and other stakeholders.

The grant date fair market value of these awards to Mr. Nosbusch in fiscal 2009 was $3,332,949, which was down 24.3% from the grant date fair market value of $4,403,352 of the equity awards granted to Mr. Nosbusch in fiscal 2008, which amounts were determined using the valuation method described in the Grants of Plan-Based Awards Table. These amounts differ from the amounts in the Summary Compensation Table, which amounts represent the expense we recognized for all outstanding awards for the fiscal year in accordance with U.S. GAAP, except that, pursuant to SEC rules, those amounts exclude the impact of estimated forfeitures related to service-based vesting conditions. Amounts in the Summary Compensation Table include awards granted in previous years.

In determining Mr. Nosbusch s annual incentive compensation for fiscal 2009, the Compensation Committee concluded that under his leadership the Corporation had performed well in light of the difficult economic environment. However, the Committee did not award any ICP awards based on the overall financial performance relative to the goals set even though the Committee attributed the primary reason for the Corporation not achieving its goals to the economic environment rather than the performance by management.

Table of Contents

The following line graph compares the cumulative total shareowner return on our common stock against the cumulative total return of the S&P 500 Index for the period of five years from October 1, 2004 to September 30, 2009, assuming in each case a fixed investment of $100 at the respective closing prices on September 30, 2004 and reinvestment of all dividends. Our 5-year performance outpaces the S&P 500.

Comparison of Five-Year Cumulative Total Return

Rockwell Automation and S&P 500 Index

The cumulative total returns on Rockwell Automation common stock and the S&P 500 Index as of each September 30, 2004-2009 plotted in the above graph are as follows:

	10/1 2004	**9/30 2005**	**9/30 2006**	**9/30 2007**	**9/30 2008**	**9/30 2009**
Rockwell Automation*	$ 100.00	$ 138.73	$ 154.57	$ 188.20	$ 103.23	$ 122.24
S&P 500 Index	100.00	112.25	124.37	144.81	112.99	105.19
Cash dividends per common share	0.66	0.78	0.90	1.16	1.16	1.16

* Includes the reinvestment of all dividends in our common stock

We believe the returns to shareowners shown in this graph indicate that our pay-for-performance philosophy and our emphasis on long-term incentives are well in line with the interests of shareowners, and that Mr. Nosbusch s compensation is appropriate given both the fiscal 2009 and long-term performance of our company.

Compensation of Other Named Executive Officers

Instead of the 4.6% salary reduction that all employees received, Messrs. Crandall, Eisenbrown, Hagerman, Ruff, and other direct reports to the CEO asked the Compensation Committee to reduce their base salaries by 10%. The Compensation Committee approved their request effective April 13, 2009.

In determining the compensation for Messrs. Crandall, Eisenbrown, Hagerman and Ruff we considered:

the market data for their positions;

internal equity between each named executive officer and our other officers; and

our performance and the performance of their organizations (where applicable) as well as their performance compared to their operating and leadership objectives.

Our executives base salaries were reviewed at the start of fiscal 2009. We did not grant salary increases at that time to any of our named executive officers with the exception of Mr. Ruff, whose pay was below market following his promotion in October 2007. In December 2008, Mr. Ruff s salary was increased to $500,000. In April 2009, at the request of management, salaries were reduced 10% for the direct reports to the CEO. The salaries for Messrs. Crandall, Eisenbrown, Hagerman and Ruff were decreased to $488,610, $483,210, $444,150 and $450,000, respectively.

At the beginning of fiscal 2009, Messrs. Crandall, Eisenbrown, and Ruff were each granted options for 69,600 shares, 4,200 restricted shares and 9,800 performance shares, and Mr. Hagerman was granted options for 55,300 shares, 3,300 restricted shares and 7,800 performance shares. Consistent with our executive compensation philosophy, in determining these grants, we considered:

- information on the officers total compensation compared to the compensation of similar positions at the Major Companies in the Towers Perrin executive compensation database, using a regression analysis developed by Towers Perrin based on our sales;
- internal comparisons with other officers;
- historical information regarding their long-term compensation opportunities; and
- past and expected future contributions to our long-term performance.

The grant date fair market values of these awards was down 14.1% on average from the grant date fair market value of equity awards granted in fiscal 2008 (with grant date fair market value determined in the manner described in the Grants of Plan-Based Awards Table) and differ from the amounts in the Summary Compensation Table as described above.

Based upon the performance compared to the financial goals, the Compensation Committee determined that no fiscal 2009 ICP should be awarded. We provided no relief to offset the zero payout for fiscal 2009 ICP.

Changes in Compensation Program for Fiscal 2010

Base Salary

The salaries for Messrs. Nosbusch, Crandall, Eisenbrown, Hagerman and Ruff have not been increased for fiscal 2010. Their salaries continue to reflect the 20% reduction for Mr. Nosbusch and the 10% reduction for the other named executive officers implemented in April 2009, and may be restored to their former level when salaries are restored for other employees.

Annual Incentive Compensation

The Compensation Committee considered the uncertainty related to the current economic situation in determining the ICP structure for fiscal 2010 and decided to continue the same approach as fiscal 2009. For fiscal 2010, the ICP financial measures will remain the same (sales, EPS, free cash flow and ROIC or segment operating earnings). In establishing the fiscal 2010 ICP goals and target compensation levels, the Compensation Committee considered the uncertainty related to an economic recovery and currency exchange rate volatility. Target amounts will generally be earned under our ICP if we achieve our financial goals for the year. The Compensation Committee, in its discretion, will determine the payout levels for performance above or below the pre-determined goals after considering:

actual fiscal 2010 performance compared to fiscal 2010 performance goals;

currency fluctuations;

changes in the manufacturing economy;

overall economic environment;

free cash flow conversion; and

other factors the Compensation Committee deems to be important.

Table of Contents

Long-Term Incentives

For the fiscal 2010 grants, the overall structure of our long-term incentive program remains unchanged from fiscal 2008 and fiscal 2009 (stock options, performance shares and restricted stock, with value allocated generally in the same proportions as in fiscal 2008 and fiscal 2009). We calculated the number of options, performance shares and shares of restricted stock using the 3-month average of our stock price prior to November 13, 2009. This affects only the number of options, performance shares and shares of restricted stock that are granted, not the exercise price, which continues to be the closing price on the date of the grant. We expect the value of these grants will be on average near the median of the Major Companies.

SUMMARY COMPENSATION TABLE

The following table sets forth the total compensation earned by each of the named executive officers for the fiscal years ended September 30, 2009, 2008 and 2007.

nd Principal Position (a)	Year (b)	Salary ($) (c)	Bonus ($) (d)	Stock Awards[1] ($) (e)	Option Awards[2] ($) (f)	Non-Equity Incentive Plan Compensation[3] ($) (g)	Change in Pension Value and Nonqualified Deferred Compensation Earnings[4] ($) (h)	All Other Compensation[5] ($) (i)	
Nosbusch	2009	941,977	0	1,857,371	1,936,433	0	2,447,238	63,170	7
& Chief	2008	1,030,840	0	2,006,525	2,320,657	561,600	1,611,617	63,820	7
Officer	2007	982,692	0	1,343,233	2,151,801	1,100,000	2,050,625	68,093	7
D. Crandall	2009	517,315	0	517,005	635,462	0	415,591	26,154	2
ce President	2008	531,931	0	534,334	1,073,140	183,200	210,172	25,371	2
inancial Officer	2007	478,846	0	342,111	763,896	350,000	254,082	66,281	2
Eisenbrown	2009	511,598	0	520,578	556,592	0	620,962	26,033	2
ce	2008	527,305	0	570,902	631,318	174,500	317,776	25,813	2
	2007	481,154	0	378,679	592,792	311,000	364,129	65,620	2
M. Hagerman	2009	470,243	0	415,614	474,772	0	117,462	22,799	1
ce President,	2008	483,538	0	464,679	547,950	166,600	10,386	23,270	1
Counsel & Secretary	2007	446,077	0	343,435	711,848	300,000	68,829	60,748	1
Ruff[6]	2009	454,215	0	390,283	534,237	0	500,536	25,397	1

ce President

(1) This column represents the expense we recognized for all outstanding restricted stock and performance shares for financial statement reporting purposes for the fiscal year in accordance with U.S. GAAP, except that pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. Amounts in this column include awards granted in the applicable fiscal year and in previous years. Amounts we recognized under U.S. GAAP have been determined using the assumptions set forth in note 11, Share-Based Compensation, to our audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2009. The amounts shown do not correspond to the actual value that may be realized by the named executive officers. For additional information on awards made in fiscal 2009, see the Grants of Plan-Based Awards Table and Outstanding Equity Awards Table.

(2) This column represents the expense we recognized for outstanding stock option awards for financial statement reporting purposes for the fiscal year in accordance with U.S. GAAP, except that pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. Amounts in this column include awards granted in the applicable fiscal year and in previous years. Since Messrs. Nosbusch, Crandall, Eisenbrown and Ruff are eligible for retirement, under U.S. GAAP, their options have been expensed over the 12-month period from the date of grant as opposed to being expensed over the vesting period of the award. Additionally, we recognized the remaining expense associated with Mr. Crandall s 2006 and 2007 option grants in fiscal 2008 as Mr. Crandall became eligible for retirement during fiscal 2008. Amounts we recognized under U.S. GAAP have been determined using the assumptions set forth in note 11, Share-Based Compensation, to our audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2009. The amounts shown do not correspond to the actual value that may be realized by the named executive officers. For additional information on options granted in fiscal 2009, see the Grants of Plan-Based Awards Table and Outstanding Equity Awards Table.

Table of Contents

(3) This column represents amounts paid under our ICP for services performed in the fiscal year. For more information about our ICP, see the Compensation Discussion and Analysis and Grants of Plan-Based Awards Table.

(4) We do not pay above market interest on non-qualified deferred compensation; therefore, this column reflects changes in pension values only. The changes in pension value amounts represent for fiscal 2009 the difference from June 30, 2008 (the measurement date for 2008) to September 30, 2009 (the measurement date for 2009), for 2008 the difference from June 30, 2007 (the measurement date for 2007) to June 30, 2008 and for 2007 the difference from June 30, 2006 (the measurement date for 2006) to June 30, 2007 in the actuarial present value of the named executive officers accrued pension benefit at their unreduced retirement age under our qualified and non-qualified pension plans. For additional information, including the assumptions used to calculate these amounts, see the Pension Benefits Table.

(5) This column represents the Corporation matching contributions for the named executive officers under our savings plans and, for Mr. Eisenbrown, under our deferred compensation plan; the amount of matching contributions made on December 2, 2009 under the voluntary non-elective contribution of 1.69% of salaries under our savings plans for all U.S. based employees, which was accrued for in fiscal 2009; the amount of tax gross-ups paid to the named executive officers, cash dividends paid on restricted stock held; and, for fiscal 2007, the incremental cost to the Corporation of perquisites received by the named executive officers. The aggregate amount of personal benefits and perquisites (such as tickets to cultural and sporting events, recreational activities at Board retreats, and spouse travel and recreational activities at Board retreats and certain customer and employee events) provided to each named executive officer during fiscal 2009 and 2008 are less than $10,000 and, therefore, are not included in All Other Compensation. The Corporation matching contributions to the savings plans was suspended for all plan participants effective April 24, 2009. The Compensation Committee resolved to eliminate effective January 1, 2010 the tax gross-ups on personal liability insurance and FICA tax due on the Corporation matching contributions to the non-qualified savings plan and, for Mr. Eisenbrown, to the deferred compensation plan.

(6) Mr. Ruff first became a named executive officer for fiscal 2009.

ALL OTHER COMPENSATION TABLE

The following table describes each element of the All Other Compensation column in the Summary Compensation Table for fiscal 2009.

Name	**Value of Company Contributions to Savings Plans(1) $**	**Tax Gross-up Payments(2) $**	**Dividends on Restricted Stock(3) $**	**Total $**
Keith D. Nosbusch	$ 28,763	$ 1,521	$ 32,886	$ 63,170
Theodore D. Crandall	15,441	1,375	9,338	26,154
Steven A. Eisenbrown	15,354	1,341	9,338	26,033

Douglas M. Hagerman	14,036	1,368	7,395	22,799
Robert A. Ruff	13,528	1,351	10,518	25,397

(1) This column includes the Corporation matching contributions to the named executive officers 401(k) savings plan and non-qualified savings plan accounts and, for Mr. Eisenbrown, to his deferred compensation plan account. This is consistent with the practice we use for all eligible employees. The Corporation matching contributions to the savings plans was suspended for all plan participants effective April 24, 2009. On December 2, 2009, the Corporation made a voluntary non-elective contribution of 1.69% of salaries to the savings plans for all U.S. based employees, which was accrued for in fiscal 2009.

(2) This column represents amounts reimbursed to the named executive officers for the payment of taxes related to personal liability insurance and, consistent with the practice for all eligible employees, amounts for FICA tax due on Corporation matching contributions to the nonqualified savings plan and, for Mr. Eisenbrown, to the deferred compensation plan. The Compensation Committee resolved to eliminate effective January 1, 2010 the tax gross-ups on personal liability insurance and FICA tax due on the Corporation matching contributions to the non-qualified savings plan and for Mr. Eisenbrown, the deferred compensation plan.

(3) This column represents cash dividends paid on restricted shares held by the named executive officers that were not factored into the grant date fair value of the restricted shares.

Table of Contents

GRANTS OF PLAN-BASED AWARDS TABLE

The following table provides information about equity and non-equity awards made to the named executive officers in fiscal 2009.

	Grant Date (b)	Compensation Committee Approval Date[3]	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards[1] Threshold ($) (c)	Target ($) (d)	Maximum ($) (e)	Estimated Future Payouts Under Equity Incentive Plan Awards[2] Threshold (#) (f)	Target (#) (g)	Maximum (#) (h)	All Other Stock Awards[4]: Number of Shares of Stock or Units (#) (i)	All Ot Optic Award Numbe Securi Underl Optic (#) (j)
	12/3/2008	12/3/2008	0	832,000	1,664,000					
es	12/3/2008	12/3/2008				0	33,500	67,000		
	12/3/2008	12/3/2008							14,200	
	12/3/2008	12/3/2008								238,7
	12/3/2008	12/3/2008	0	305,381	610,762					
es	12/3/2008	12/3/2008				0	9,800	19,600		
	12/3/2008	12/3/2008							4,200	
	12/3/2008	12/3/2008								69,6
	12/3/2008	12/3/2008	0	302,006	604,012					
es	12/3/2008	12/3/2008				0	9,800	19,600		
	12/3/2008	12/3/2008							4,200	
	12/3/2008	12/3/2008								69,6
	12/3/2008	12/3/2008	0	277,594	555,188					
es	12/3/2008	12/3/2008				0	7,800	15,600		
	12/3/2008	12/3/2008							3,300	
	12/3/2008	12/3/2008								55,3
	12/3/2008	12/3/2008	0	281,250	562,500					
es	12/3/2008	12/3/2008				0	9,800	19,600		
	12/3/2008	12/3/2008							4,200	
	12/3/2008	12/3/2008								69,6

(1) These columns show the potential value of the cash payout for each named executive officer under the ICP for fiscal 2009 if the target and maximum goals are met. There is established for each named executive officer at the

beginning of the year an incentive compensation target equal to a percentage of the individual s base salary. Base salary was reduced in April 2009. Amounts shown are based on base salary at September 30, 2009. Actual incentive compensation payments under the plan may be higher or lower than the incentive compensation target based on financial, operating and individual performance. Additional information about these performance measures is included in the Compensation Discussion and Analysis. The Compensation Committee has discretion to change the amount of any award irrespective of whether the measures are met. Generally, our earnings per share must exceed a minimum threshold for any payments to be made under the plan. No amounts were paid under the Senior ICP for fiscal 2009 as disclosed in the Summary Compensation Table. For fiscal year 2010, ICP targets as a percentage of base salary remain unchanged from fiscal year 2009 and are 100% for Mr. Nosbusch and 62.5% for each of Messrs. Crandall, Eisenbrown, Hagerman and Ruff. Incentive compensation payments under the Senior ICP may not exceed 1% of our applicable net earnings (as defined in the plan).

(2) These columns show the threshold, target and maximum payouts under performance shares awarded during fiscal year 2009. The payout in respect of these performance shares will be made in shares of our common stock and/or cash (generally calculated based on the closing price of our common stock on the trading day before the payout), in an amount determined based on the total shareowner return of our common stock, assuming reinvestment of all dividends, compared to the performance of companies in the S&P 500 Index for the period from October 1, 2008 to September 30, 2011, if the individual continues as an employee until the third anniversary of the grant date (subject to provisions relating to the grantee s death, disability or retirement or a change of control of the Corporation). The payouts will be at zero, the target amount and the maximum amount if our shareowner return is equal to or less than the 30th percentile, equal to the 60th percentile and equal to or greater than the 75th percentile of the total shareowner return of companies in the S&P 500 Index, respectively, over the applicable three-year period, with the payout interpolated for results between those percentiles. We use the 20-trading day average prior to September 30 to determine the starting price and the final TSR. We use this approach to avoid single day anomalies in our share price. The potential value of a payout will fluctuate with the market value of our common stock.

(3) In fiscal 2009 annual equity grants were made at the Compensation Committee meeting on December 3, 2008.

(4) This column shows the number of shares of restricted stock granted in fiscal 2009 to the named executive officers. The restricted stock vests on December 3, 2011 (three years from the grant date), provided the individual is still employed by the Corporation on that date. Restricted stock owners are entitled to any cash dividends paid, but are not entitled to any dividends paid in shares until the restricted shares vest. Cash dividends are paid at the Corporation s regular dividend rate. The grant date fair value of these awards was $29.37 per share computed in accordance with U.S. GAAP and the

assumptions set forth in note 11, Share-Based Compensation, to our audited financial statements included in our annual report on Form 10-K for the fiscal year ended September 30, 2009.

(5) This column shows the number of stock options granted in fiscal 2009 to the named executive officers under our 2008 Long-Term Incentives Plan. The options vest and become exercisable in three substantially equal installments beginning on December 3, 2009, one year after the grant date. The grant date fair value of these awards computed in accordance with U.S. GAAP was $7.75 per share. This amount was calculated using the Black-Scholes pricing model and the assumptions set forth in note 11, Share-Based Compensation, to our audited financial statements included in our annual report on Form 10-K for the fiscal year ended September 30, 2009.

(6) This column shows the exercise price for stock options granted, which was the closing price of our common stock on December 3, 2008, the grant date of the options.

(7) This column shows the aggregate grant date fair value of the performance share awards at target, which was based on $31.82 per share computed in accordance with U.S. GAAP and the assumptions set forth in note 11, Share-Based Compensation, to our audited financial statements included in our annual report on Form 10-K for the fiscal year ended September 30, 2009. The aggregate grant date fair value of the performance share awards at two times the target number of shares was $2,131,940, $623,672, $623,672, $496,392, and $623,672 for Messrs. Nosbusch, Crandall, Eisenbrown, Hagerman, and Ruff, respectively.

The Compensation Committee approved the following grants of equity awards to the named executive officers at its December 2009 meeting:

Name	Options	Performance Shares	Shares of Restricted Stock
Keith D. Nosbusch	180,700	25,200	10,100
Theodore D. Crandall	53,200	7,500	3,000
Steven A. Eisenbrown	50,500	7,100	2,900
Douglas M. Hagerman	42,600	6,000	2,400
Robert A. Ruff	53,200	7,500	3,000

The grants were effective December 9, 2009, the day of the Compensation Committee meeting, and the exercise price of the options is the closing price of our common stock on that date. The performance shares and restricted stock grants have terms and conditions that are substantially the same as the grants made in fiscal year 2009. See footnotes 2 and 4 to the Grants of Plan-Based Awards Table.

Table of Contents

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END TABLE

The following table provides information about equity awards made to the named executive officers that are outstanding as of September 30, 2009.

		Option Awards[1]					Stock Awards		
	Grant Date	Number of Securities Underlying Unexercised Options EXERCISABLE (#) (b)	Number of Securities Underlying Unexercised Options UNEXERCISABLE (#) (c)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#) (d)	Option Exercise Price ($) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested[2] (#) (g)	Market Value of Shares or Units of Stock That Have Not Vested[3] ($) (h)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested[4] (#) (i)
sch	12/3/2008		238,700		29.3700	12/3/2018	14,200	604,920	33,500
	12/5/2007	43,499	87,001		68.0400	12/5/2017	9,000	383,400	21,100
	12/6/2006	76,933	38,467		63.5900	12/6/2016	8,700	370,620	20,400
	11/7/2005	145,500			56.3600	11/7/2015			
	11/8/2004	300,000			43.9000	11/8/2014			
	2/5/2004	100,000			30.8000	2/5/2014			
	10/6/2003	146,400			27.7500	10/6/2013			
	10/7/2002	118,600			15.5000	10/7/2012			
	10/1/2001	117,600			13.4000	10/1/2011			
	10/2/2000	301,097			11.6038	10/2/2010			
andall	12/3/2008		69,600		29.3700	12/3/2018	4,200	178,920	9,800
	12/5/2007	11,833	23,667		68.0400	12/5/2017	2,500	106,500	5,800
	12/6/2006	20,933	10,467		63.5900	12/6/2016	2,400	102,240	5,600
	11/7/2005	36,300			56.3600	11/7/2015			
	11/8/2004	70,000			43.9000	11/8/2014			
	10/6/2003	55,000			27.7500	10/6/2013			
nbrown	12/3/2008		69,600		29.3700	12/3/2018	4,200	178,920	9,800

	12/5/2007	11,833	23,667	68.0400	12/5/2017	2,500	106,500	5,800
	12/6/2006	20,933	10,467	63.5900	12/6/2016	2,400	102,240	5,600
	11/7/2005	43,600		56.3600	11/7/2015			
	11/8/2004	80,000		43.9000	11/8/2014			
	10/6/2003	61,400		27.7500	10/6/2013			
german	12/3/2008		55,300	29.3700	12/3/2018	3,300	140,580	7,800
	12/5/2007	9,466	18,934	68.0400	12/5/2017	2,000	85,200	4,600
	12/6/2006	16,733	8,367	63.5900	12/6/2016	1,900	80,940	4,500
	11/7/2005	36,300		56.3600	11/7/2015			
	11/8/2004	67,800		43.9000	11/8/2014			
	5/1/2004	7,370		32.6900	5/1/2014			
	12/3/2008		69,600	29.3700	12/3/2018	4,200	178,920	9,800
	12/5/2007	9,466	18,934	68.0400	12/5/2017	2,000	85,200	4,600
	12/6/2006	8,399	4,201	63.5900	12/6/2016	1,000	42,600	2,300
	11/7/2005	18,200		56.3600	11/7/2015			
	6/2/2005					1,667	71,014	
	11/8/2004	35,000		43.9000	11/8/2014			
	10/6/2003	22,400		27.7500	10/6/2013			

(1) All options vest 1/3 per year beginning on the first anniversary of the grant date (subject to provisions related to the grantee s death, retirement or a change of control).

(2) All restricted stock vests in full on the third anniversary of the grant date (subject to provisions related to the grantee s death, retirement or a change of control), except for Mr. Ruff s grant dated June 2, 2005, which vests 1/3 per year beginning on June 2, 2008.

(3) The market value of the stock awards is based on the closing market price of our common stock as of September 30, 2009, which was $42.60.

Table of Contents

(4) This column shows the target number of performance shares outstanding. The payout can be from 0 to 200% of the target as described in footnote 2 to the Grants of Plan-Based Awards Table. All performance shares will be earned on the third anniversary of the grant date (subject to provisions relating to the grantee s death, disability or retirement or a change of control). After September 30, 2009, it was determined that the performance shares awarded on December 6, 2006 were earned at 13% of target. The Compensation Committee approved at its November 2009 meeting the payout of such performance shares in shares of our common stock, which resulted in the following number of shares being delivered to the named executive officers:

Name	Shares of Common Stock Delivered in Respect of Performance Shares Awarded on December 6, 2006
Keith D. Nosbusch	2,652
Theodore D. Crandall	728
Steven A. Eisenbrown	728
Douglas M. Hagerman	585
Robert A. Ruff	299

OPTION EXERCISES AND STOCK VESTED TABLE

The following table provides additional information about stock option exercises and shares acquired upon the vesting of stock awards, including the value realized, during the fiscal year ended September 30, 2009 by the named executive officers.

	OPTION AWARDS		STOCK AWARDS	
Name (a)	Number of Shares Acquired on Exercise (#) (b)	Value Realized on Exercise[3] ($) (c)	Number of Shares Acquired on Vesting (#) (d)	Value Realized on Vesting[3] ($) (e)
Keith D. Nosbusch	154,623(1)	1,744,302	11,200	285,600
Theodore D. Crandall	60,889(2)	655,193	2,800	71,400
Steven A. Eisenbrown			3,400	86,700
Douglas M. Hagerman			2,800	71,400

Robert A. Ruff	3,067	90,394

(1) Mr. Nosbusch paid cash for the exercise price of the shares and retained all the shares.

(2) Mr. Crandall retained 11,468 shares and sold the remaining shares to cover the exercise price and taxes.

(3) Based on the closing price of our common stock on the NYSE on the exercise date or vesting as applicable.

Table of Contents

PENSION BENEFITS TABLE

The following table shows the present value of accumulated benefits as of September 30, 2009 payable to the named executive officers under the Rockwell Automation Pension (Qualified) Plan and Rockwell Automation Non-Qualified Pension Plan based on the assumptions described in Footnote 1 to the Table.

Name (a)	Plan Name (b)	Number of Years Credited Service (#) (c)	Present Value of Accumulated Benefit ($) (d)	Payments During Last Fiscal Year ($) (e)
Keith D. Nosbusch	Rockwell Automation Pension (Qualified) Plan	35	1,260,915	
	Rockwell Automation Pension (Non-Qualified) Plan	35	11,393,614	
Theodore D. Crandall	Rockwell Automation Pension (Qualified) Plan	23	410,302	
	Rockwell Automation Pension (Non-Qualified) Plan	23	1,146,878	
Steven A. Eisenbrown	Rockwell Automation Pension (Qualified) Plan	34	698,686	
	Rockwell Automation Pension (Non-Qualified) Plan	34	1,867,723	
Douglas M. Hagerman	Rockwell Automation Pension (Qualified) Plan	5	72,636	
	Rockwell Automation Pension (Non-Qualified) Plan	5	198,798	
Robert A. Ruff	Rockwell Automation Pension (Qualified) Plan	33	748,115	
	Rockwell Automation Pension (Non-Qualified) Plan	33	1,009,167	

(1) These amounts have been determined using the assumptions set forth in note 12, Retirement Benefits, to our audited financial statements included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2009, and represent the accumulated benefit obligation for benefits earned to date, based on age, service and earnings through the measurement date of September 30, 2009.

The named executive officers participate in two pension plans with the same requirements/benefits as other employees: the Rockwell Automation Pension (Qualified) Plan (the Qualified Pension Plan), which is qualified under the Internal Revenue Code, and the Rockwell Automation Non-Qualified Pension Plan (the Non-Qualified Pension Plan), which is an unfunded, non-tax-qualified plan. The Qualified Pension Plan provides retirement benefits to nearly all U.S. employees of the Corporation. The Non-Qualified Pension Plan provides benefits that may not be paid from the Qualified Pension Plan due to limitations imposed by the Internal Revenue Code on qualified plan benefits. Non-Qualified Pension Plan benefits are provided to any U.S. salaried employee whose benefits are affected by these limits. Our policy with respect to funding our pension obligations is to fund at least the minimum amount required by applicable laws and governmental regulations. We maintain a rabbi trust for our non-qualified plans, including the Non-Qualified Pension Plan, which we will fund in the event there is a change of control of the Corporation.

Although illustration of a present value is required under SEC rules, these executives are not able to receive the present values of their accumulated benefits shown above in a lump sum payment.

Benefits provided by both the Qualified Pension Plan and the Non-Qualified Pension Plan have the same requirements for vesting, which occurs at five years of service. Benefits in both plans are determined using the same formula. Named executive officers do not receive any additional service or other enhancements in determining the form, timing or amount of their benefits.

Normal retirement benefits

Normal retirement benefits are payable at age 65 with five years of service.

Early retirement with reduced benefits

Reduced early retirement benefits after 10 years of service are payable at the earlier of either:

age 55 or older; or

75 or more points (age plus credited service equals or exceeds 75).

The reduction for early retirement benefits is determined using an actuarial equivalence with an applicable interest rate and mortality table similar to those used for Social Security purposes. Currently, Messrs. Crandall, Eisenbrown and Ruff have met the eligibility requirements for early retirement with a reduced benefit.

Grandfathered corporate staff as a result of the Rockwell Collins spin

Employees of the Corporation hired before January 1, 1993, who were part of our corporate staff at the time of the spin-off of our former Rockwell Collins avionics and communications business on June 29, 2001, are entitled to the benefits under our corporate retirement plan existing at June 29, 2001 if they are higher than our current pension plan.

Mr. Nosbusch currently meets the requirements for an unreduced pension benefit under our corporate retirement plan existing at June 29, 2001 (55 years of age and 85 points (age plus credited service equals 85)). If he continues in our employment until he has 95 points (which would occur in 2010), he will at that time also meet the eligibility requirements to retire with an unreduced pension benefit, before age 62, under our current pension plan. Similar to other grandfathered employees, if this occurs, Mr. Nosbusch may opt for the better of the benefits available under either of the two plans, having qualified for a full benefit under both.

Pension plan formula

Pension plan benefits are payable beginning at a named executive officer s normal retirement date and are determined by the following formula:

Two-thirds (662/3%) of the participant s average monthly earnings up to $1,666.67;

Multiplied by a fraction, not to exceed 1.00, the numerator of which is the participant s years of credited service, including fractional years, and the denominator of which is thirty-five (35);

Plus 1.50% of the participant s average monthly earnings in excess of $1,666.67 times the participant s years of credited service, including fractional years, up to a maximum of thirty-five (35) years;

Plus 1.25% of the participant s average monthly earnings in excess of $1,666.67 times the participant s years of credited service, including fractional years, in excess of thirty-five (35) years;

Less 50% of primary Social Security benefit times a fraction not to exceed 1.00, the numerator of which is the participant s years of credited service, including fractional years, and the denominator of which is thirty-five (35).

Average monthly earnings represent the monthly average of the participant s pensionable earnings for the highest five calendar years during the last 10 calendar years while the participant was actively employed. A participant s earnings used for calculating pension plan benefits (pensionable earnings) include base salary and annual incentive compensation awards. Awards of stock options, restricted stock, performance shares and performance-based long-term cash awards, and all other cash awards are not considered when determining pension benefits.

Mr. Ruff was employed by our former subsidiary Reliance Electric at December 31, 1997 so his pension is determined in two parts. The pension plan formula described above applies only to credited service after December 31, 1997. For credited service prior to December 31, 1997, Mr. Ruff s pension benefit under the former Reliance Electric plan formula applies and is adjusted for subsequent growth in average monthly earnings prior to his retirement.

Table of Contents

Disability pension benefits

Disability pension benefits are available under the Qualified Pension Plan and the Non-Qualified Pension Plan to active employees before age 65 upon total and permanent disability if the participant has at least 15 years of credited service or at least 10 years of credited service with 70 points or more (age plus credited service is equal to or greater than 70). The benefit is generally calculated in the same manner as the normal retirement benefit.

Pension benefits payable to beneficiaries upon death of a participant

Pension benefits under the Qualified Pension Plan and the Non-Qualified Pension Plan are payable to the participant s beneficiaries upon the death of the participant while eligible for normal or early retirement.

The surviving spouse will receive a monthly lifetime benefit calculated as if the participant retired and elected the 50% surviving spouse option.

If the participant dies after starting to receive benefits, the benefit payments are processed in accordance with the benefit option selected.

If the retiree has started pension benefit payments, the beneficiary is eligible for a lump-sum death benefit equal to $150 per year of credited service up to $5,250.

If the participant dies before he or she is eligible for early retirement, pension benefits will begin in the month following the date the participant would have attained earliest retirement date; otherwise they will begin in the month following the date of death.

NON-QUALIFIED DEFERRED COMPENSATION

The following table provides information on our non-qualified defined contribution and other non-qualified deferred compensation plans in which all eligible U.S. salaried employees, including the named executive officers participate, which consist of the following:

Rockwell Automation Non-Qualified Savings Plan (the Non-Qualified Savings Plan): Our U.S. salaried employees, including the named executive officers, whose earnings exceed certain applicable federal limitations on compensation that may be recognized under our Qualified Savings Plan, are entitled to defer earnings on a pre-tax basis to the Non-Qualified Savings Plan. Corporation matching contributions that cannot be made to the Qualified Savings Plan due to applicable federal tax limits are also made to the Non-Qualified Savings Plan. Under the Qualified Savings Plan, we match half up to 6% of the employee s eligible earnings contributed to the Plan, subject to a maximum amount of earnings under applicable federal tax regulations. Corporation matching contributions to the Non-Qualified Savings Plan were suspended for all plan participants effective April 24, 2009. Earnings under the Non-Qualified Savings Plan are credited to participant accounts on a daily basis in the same manner as under the Qualified Savings Plan. Investment options are selected by the participant, may be changed daily, and include the same mutual fund and Corporation stock investments that are offered by the Qualified Savings Plan. No preferential interest or earnings are provided under the Non-Qualified Savings Plan. Account balances under the Non-Qualified Savings Plan are distributed in a lump-sum cash payment within 60 days after the end of the month occurring six months after the employee terminates employment or retires.

***Rockwell Automation Deferred Compensation Plan (the Deferred Compensation Plan)**:* Our U.S. salaried employees whose base salary is at least $150,000 including the named executive officers, may elect annually to defer up to 50% of base salary and up to 100% of their annual incentive compensation award to the Deferred Compensation Plan.

Matching. For participants who defer base salary to the plan, we provide a matching contribution equal to what we would have contributed to the Qualified Savings Plan or Non-Qualified Savings Plan for the deferred amounts.

Table of Contents

Distribution elections.

For contributions before 2005: Participants could opt to receive the deferred amounts on a specific date, at retirement, or in installments up to 15 years following retirement. Participants may make a one-time change of distribution election or timing (at least one year before retirement).

Contributions after January 1, 2005: Participants may elect either a lump-sum distribution at termination of employment or installment distributions for up to 15 years following retirement. Participants may make a one-time change of the distribution election or timing (at least one year before retirement), provided that the changed distribution cannot begin until five years after the original distribution date.

Timing of distributions.

For contributions before 2005: We make distributions within the first 60 days of a calendar year.

For contributions after January 1, 2005: We make distributions beginning in July of the year following termination or retirement. Ongoing installment payments are made in February of each year.

Earnings on deferrals. Participants select investment measurement options, including hypothetical mutual fund investments that correspond to those offered by the Qualified Savings Plan. Investment options may be changed daily. Earnings are credited to participant accounts on a daily basis in the same manner as under the Qualified Savings Plan. No preferential interest or earnings are provided under the Deferred Compensation Plan.

Rockwell Automation Deferred Compensation Plan (the Old Plan)*:* Of the named executive officers, only Mr. Crandall participates in the Old Plan, which is a closed plan. Participants were only permitted to defer incentive compensation to this plan. Distributions are made annually in January; however, if a participant is considered a key employee under the terms of the Internal Revenue Code, there may be a six-month delay in the commencement of distributions. The plan provides an interest rate that is one-twelfth of the annual interest rate for quarterly compounding that is 120% of the applicable Federal long-term monthly rate for the three-month period ending on the last day of each calendar year quarter. The interest is applied to participant accounts quarterly on the last business day of the quarter.

We maintain a rabbi trust for our non-qualified plans, including the Non-Qualified Savings Plan and deferred compensation plans, which we will fund in the event there is a change of control of the Corporation.

NONQUALIFIED DEFERRED COMPENSATION TABLE

Name (a)	Executive Contributions in Last Fiscal Year(1) ($) (b)	Registrant Contributions in Last Fiscal Year(2) ($) (c)	Aggregate Earnings in Last Fiscal Year(3) ($) (d)	Aggregate Withdrawals/ Distributions ($) (e)	Aggregate Balance at Last Fiscal Year End(4) ($) (f)
Keith D. Nosbusch	56,113	18,363	13,322	0	763,836

Theodore D. Crandall	21,933	7,307	20,200	0	515,815
Steven A. Eisenbrown	77,438	7,771	(15,864)	0	928,412
Douglas M. Hagerman	36,251	7,358	(6,098)	0	972,209
Robert A. Ruff	25,418	5,790	12,260	0	88,422

(1) These amounts include contributions made by each named executive officer to the Non-Qualified Savings Plan. It also includes amounts deferred by Mr. Eisenbrown to the Deferred Compensation Plan. These amounts are also reported in the Salary column in the Summary Compensation Table.

(2) These amounts represent Corporation matching contributions for each named executive officer under the Non-Qualified Savings Plan, and for Mr. Eisenbrown under the Deferred Compensation Plan. Corporation matching contributions under the Deferred Compensation Plan are made for deferrals of base salary only. Only Mr. Eisenbrown elected to defer base salary to the Deferred Compensation in 2009. Corporation matching contributions to the Non-Qualified Savings Plan were suspended for all plan participants effective April 24, 2009. On December 2, 2009, the Corporation made a voluntary non-elective contribution of 1.69% of salaries to the savings plans for all U.S. based employees which was accrued for in fiscal 2009. These amounts are also reported in the All Other Compensation column in the Summary Compensation Table and as part of the Value of Company Contributions to Savings Plans column in the All Other Compensation Table.

(3) These amounts include earnings (losses), dividends and interest provided on current contributions and existing balances, including the change in value of the underlying investment options in which the named executive officer is deemed to be invested. These amounts are not reported in the Summary Compensation Table as compensation.

(4) These amounts represent each named executive officer s aggregate balance in the Non-Qualified Savings Plan, and for Mr. Eisenbrown in the Deferred Compensation Plan, at September 30, 2009, and include the contributions made by each named executive officer to the Non-Qualified Savings Plan and amounts deferred by Mr. Eisenbrown to the Deferred Compensation Plan, which are also reported in the Salary column of the Summary Compensation Table, and the Corporation matching contributions, which are also reported in the All Other Compensation column in the Summary Compensation Table for each fiscal year. The amounts included in the Summary Compensation Table for fiscal 2007 for Messrs. Nosbusch, Crandall, Eisenbrown and Hagerman are $90,454, $29,679, $86,410 and $209,729, respectively, for fiscal 2008 for Messrs. Nosbusch, Crandall, Eisenbrown and Hagerman are $88,297, $33,560, $91,433 and $228,597, respectively, and for fiscal 2009 for Messrs. Nosbusch, Crandall, Eisenbrown, Hagerman and Ruff are $65,636, $25,692, $82,394, $39,668 and $28,187, respectively.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL

The tables and narrative below describe and quantify compensation that would become payable to the named executive officers under existing plans and arrangements if the named executive officer s employment had terminated on September 30, 2009 for the reasons set forth below. We do not have employment agreements with the named executive officers, but do have change of control agreements with Messrs. Nosbusch, Crandall, Eisenbrown, Hagerman and Ruff and certain other officers. There are two main purposes of these agreements.

1. They provide protection for the executive officers who would negotiate any potential acquisitions of the Corporation, thus encouraging them to negotiate a good outcome for shareowners, without concern that their negotiating stance will put at risk their financial situation immediately after an acquisition.

2. The agreements seek to ensure continuity of business operations during times of potential uncertainty, by removing the incentive to seek other employment in anticipation of a possible change of control.

In short, they seek to ensure that we may rely on key executives to continue to manage our business consistent with the Corporation s best interests despite concerns for personal risks. We do not believe these agreements encourage our executives to favor or oppose a change of control. We believe these agreements strike a balance that the amounts are neither so low to cause an executive to oppose a change of control nor so high as to cause an executive to favor a change of control. In addition, in the past we at times have entered into severance arrangements with executive officers upon termination of their employment, with the terms and conditions depending on the individual circumstances of the termination, the transition role we expect from the officer and our best interests. The information set forth below does not include payments and benefits to the extent they are provided on a non-discriminatory basis to salaried employees upon termination of employment, including unused vacation pay, distributions of balances under savings and deferred compensation plans and accrued pension benefits. The information set forth below also does not include any payments and benefits that may be provided under severance arrangements that may be entered into with any named executive officer upon termination of their employment.

In November 2007, we entered into change of control agreements with Messrs. Nosbusch, Crandall, Eisenbrown, Hagerman and Ruff, and certain other officers. Each agreement becomes effective if there is a change of control of the Corporation before September 30, 2010. Each agreement provides for the continuing employment of the executive for two years after the change of control on conditions no less favorable than those

Table of Contents

in effect before the change of control. If the executive s employment is terminated by us without cause or if the executive terminates his employment for good reason within that two year period, the executive is entitled to:

- severance benefits equal to two times (three times in the case of Mr. Nosbusch) his annual compensation, including ICP;
- prorated annual ICP at termination;
- continuation of other benefits and perquisites for two years (three years in the case of Mr. Nosbusch);
- immediate vesting of all options, restricted stock and performance shares; and
- an additional payment, if necessary, to make them whole as a result of any excise tax imposed on these change of control payments, unless the safe harbor amount above which the excise tax is imposed is not exceeded by more than 10%, in which event the payments will be reduced to avoid the excise tax.

In addition, in each change of control agreement, the executive agreed to certain confidentiality provisions.

Under the change of control agreements, a change of control would include any of the following events:

- any person , as defined in Section 13(d)(3) or 14(d)(2) of the Exchange Act, acquires 20 percent or more of our outstanding voting securities;
- a majority of our directors are replaced by persons who are not endorsed by a majority of our directors;
- we are involved in a reorganization, merger, sale of assets or other business combination that results in our shareowners owning 50% or less of our outstanding shares or the outstanding shares of the resulting entity; or
- shareowners approve a liquidation or dissolution of the Corporation.

The following table provides details with respect to potential post-employment payments to the named executive officers under our change of control agreements in the event of separation due to a change of control of the Corporation, assuming a termination covered by the change of control agreement occurred on September 30, 2009.

Name	Severance ($)	Prorated Annual ICP[1] ($)	Cost of Benefit Continuation	Other Perquisites	Outplacement Services[2]	Excise Tax Gross-up	Total Benefit to Employee[3]
Keith D. Nosbusch	6,240,000	1,100,000	34,489	26,823	100,000	0	7,501,312
Theodore D. Crandall	1,764,425	350,000	19,604	9,484	100,000	0	2,243,513
Steven A. Eisenbrown	1,744,925	311,000	19,564	10,164	100,000	0	2,185,653
Douglas M. Hagerman	1,603,875	300,000	19,268	10,310	100,000	0	2,033,453
Robert A. Ruff	1,625,000	244,800	18,630	13,130	100,000	0	2,001,560

(1) In the year of termination, the executive is entitled to receive a prorated ICP payout based on the highest ICP payout in the previous three years.

(2) Estimate (actual value not specified).

(3) Equals total of all compensation and benefits, not including value of equity awards.

In addition, upon a change of control of the Corporation, the following would occur with respect to outstanding equity-based awards under our long-term incentives plans:

- all outstanding stock options would become fully exercisable;
- the restrictions on all shares of restricted stock would lapse; and
- grantees of performance shares would be entitled to a performance share payout equal to 100% of the target shares.

Table of Contents

The following represents the intrinsic value of such results had a change of control occurred on September 30, 2009:

Equity Awards (Intrinsic value)[1]

Name	Unvested Stock Options ($)	Unvested Restricted Stock ($)	Performance Shares ($)
Keith D. Nosbusch	3,158,001	1,358,940	3,195,000
Theodore D. Crandall	920,808	387,660	903,120
Steven A. Eisenbrown	920,808	387,660	903,120
Douglas M. Hagerman	731,619		