

Rockwell Automation

April 2014

To: Rockwell Automation Pension Plan Participants

Attached is a copy of the Annual Funding Notice for the Rockwell Automation Pension Plan (“Notice”) for your records. This Notice is for the plan year beginning January 1, 2013 and ending December 31, 2013. We are providing this Notice to all Rockwell Automation Pension Plan participants as required by the United States Department of Labor. This is for your information only; no action is required on your part.

Included on the last page of the Notice is a supplement that is required by the federal law named Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 was passed into law in 2012 and changed how pension plans calculate their liabilities by requiring the use of a 25-year average of interest rates.

As a reminder, participants no longer employed by Rockwell Automation can commence monthly benefits or request a lump sum optional form of distribution when they are eligible for early or normal retirement, or if they terminated employment on or after January 1, 2014. Note that the lump sum distribution option is *not* available to participants already receiving monthly annuity payments, to participants in union sub-plans B001 or B002, or to terminated vested participants who reached their normal retirement date prior to January 1, 2011. To confirm your eligibility, you may call the Rockwell Automation Service Center at the number below.

Before making an election, participants should carefully consider their benefit commencement date, early reduction factors that apply, and the payment option, as several factors may affect payment options and benefit amounts.

You can find more details about your benefit in the Summary Plan Description for your sub-plan. At any time, you can obtain a copy of the Summary Plan Description, an estimate of your benefits, and more information by:

- visiting the Web site **www.employeeconnect.rockwellautomation.com** or
- calling the **Rockwell Automation Service Center** at 1.877.OUR.RASC (**1.877.687.7272**); representatives are available from 8 a.m. to 4 p.m. Central time, Monday through Friday -- say “pension” or “retirement” when prompted to reach a Pension Specialist.

You may use the online tools to select various assumptions regarding employment termination, earnings and benefits commencement date to estimate your benefits (former employees may select a commencement date assumption).

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ANNUAL FUNDING NOTICE

For the ROCKWELL AUTOMATION PENSION PLAN

Introduction

This notice includes important funding information about your pension plan (“the Plan”). This notice also provides a summary of federal rules governing the termination of single-employer defined benefit pension plans and of benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal agency. All traditional pension plans (called “defined benefit pension plans”) must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is for the plan year beginning January 1, 2013 and ending December 31, 2013 (“Plan Year”).

Funding Target Attainment Percentage

The funding target attainment percentage of a plan is a measure of how well the plan is funded on a particular date. This percentage for a plan year is obtained by dividing the Plan’s Net Plan Assets by Plan Liabilities on the Valuation Date. In general, the higher the percentage, the better funded the plan. The Plan’s funding target attainment percentage for the Plan Year and 2 preceding plan years is shown in the chart below, along with a statement of the value of the Plan’s assets and liabilities for the same period.

	2013	2012	2011
1. Valuation Date	1/1/2013	1/1/2012	1/1/2011
2. Plan Assets			
a. Total Plan Assets	\$2,426,352,863	\$2,309,560,209	\$1,941,978,967
b. Funding Standard Carryover Balance	\$121,616,570	\$155,503,113	\$199,944,724
c. Prefunding Balance	\$230,538,646	\$202,262,367	\$0
d. Net Plan Assets (a) - (b) - (c) = (d)	\$2,074,197,647	\$1,951,794,729	\$1,742,034,243
3. Plan Liabilities	\$2,179,578,121	\$1,951,702,520	\$2,177,280,973
4. At-Risk Liabilities	N/A	N/A	N/A
5. Funding Target Attainment Percentage (2d)/(3)	95.16%	100.00%	80.00%

Plan Assets and Credit Balances

Total Plan Assets is the value of the Plan's assets on the Valuation Date (see line 2 in the chart above). Credit balances were subtracted from Total Plan Assets to determine Net Plan Assets (line 2 d) used in the calculation of the funding target attainment percentage shown in the chart above. While pension plans are permitted to maintain credit balances (also called "funding standard carryover balances" or "prefunding balances," see 2 b & c in the chart above) for funding purposes, such credits may not be taken into account when calculating a plan's funding target attainment percentage. A plan might have a credit balance, for example, if in a prior year an employer made contributions at a level in excess of the minimum level required by law. Generally, the excess payments are counted as "credits" and may be applied in future years toward the minimum level of contributions a plan sponsor is required by law to make to the plan in those years.

Plan Liabilities

Plan Liabilities shown in line 3 of the chart above are the liabilities used to determine the Plan's Funding Target Attainment Percentage. This figure is an estimate of the amount of assets the Plan needs on the Valuation Date to pay for promised benefits under the plan.

Year-End Assets and Liabilities

The asset values in the chart above are measured as of the first day of the Plan Year and are actuarial values. Because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values that are designed to smooth out those fluctuations for funding purposes. The asset values below are market values and are measured as of the last day of the plan year. Market values tend to show a clearer picture of a plan's funded status as of a given point in time. As of December 31, 2013, the fair market value of the Plan's assets was estimated at \$2,694,906,551. On this same date, the Plan's estimated liabilities were \$2,617,862,371.

Participant Information

The total number of participants in the plan as of the Plan's valuation date (January 1, 2013) was 27,962. Of this number, 6,650 were active participants, 8,400 were retired or separated from service and receiving benefits, 1,894 were deceased participants whose beneficiaries are receiving or are entitled to receive benefits, and 11,018 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

The law requires that every pension plan have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of contributions needed to pay for promised benefits. The funding policy of the Plan is to fund the minimum amount required by applicable laws and governmental regulations. However, discretionary amounts in excess of the minimum amount required by laws and regulations may be funded into the Plan.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning various types or categories of investment management decisions. The investment policy of the Plan is to provide a return, that when coupled with contributions, meets future benefit payments provided for under the Plan in accordance with the terms of the Plan and applicable laws and regulations.

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year (December 31, 2013). These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Interest-bearing cash	0.10%
2. U.S. Government securities	13.00%
3. Corporate debt instruments (other than employer securities):	
Preferred	-
All other	19.00%
4. Corporate stocks (other than employer securities):	
Preferred	-
Common	26.40%
5. Partnership/joint venture interests	-
6. Real estate (other than employer real property)	-
7. Loans (other than to participants)	-
8. Participant loans	-
9. Value of interest in common/collective trusts	30.50%
10. Value of interest in pooled separate accounts	-
11. Value of interest in master trust investment accounts	-
12. Value of interest in 103-12 investment entities	-
13. Value of interest in registered investment companies (e.g., mutual funds)	8.00%
14. Value of funds held in insurance co. general account (unallocated contracts)	-
15. Employer-related investments:	
Employer Securities	-
Employer real property	-
16. Buildings and other property used in plan operation	-
17. Other	3.00%

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor an annual report (i.e., Form 5500) containing financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 1.202.693.8673. You may also obtain a copy of the Plan's annual report by making a written request to the Rockwell Automation Service Center, P.O. Box 563939, Charlotte, NC 28256-3939, or calling the Rockwell Automation Service Center at 1.877.OUR.RASC (1.877.687.7272). Copies of this report are available on-line.

Summary of Rules Governing Termination of Single-Employer Plans

If a plan is terminated, there are specific termination rules that must be followed under federal law. A summary of these rules follows.

Employers can end a pension plan through a process called "plan termination." There are two ways an employer can terminate its pension plan. The employer can end the plan in a "standard termination" but only after showing the PBGC that the plan has enough money to pay all benefits owed to participants. The plan must either purchase an annuity from an insurance company (which will provide you with lifetime benefits when you retire) or, if your plan allows, issue one lump-sum payment that covers your entire benefit. Before purchasing your annuity, your plan administrator must give you advance notice that identifies the insurance company (or companies) that your employer may select to provide the annuity. The PBGC's guarantee ends when your employer purchases your annuity or gives you the lump-sum payment.

If the plan is not fully-funded, the employer may apply for a distress termination if the employer is in financial distress. To do so, however, the employer must prove to a bankruptcy court or to the PBGC that the employer cannot remain in business unless the plan is terminated. If the application is granted, the PBGC will take over the plan as trustee and pay plan benefits, up to the legal limits, using plan assets and PBGC guarantee funds.

Under certain circumstances, the PBGC may take action on its own to end a pension plan. Most terminations initiated by the PBGC occur when the PBGC determines that plan termination is needed to protect the interests of plan participants or of the PBGC insurance program. The PBGC can do so if, for example, a plan does not have enough money to pay benefits currently due.

Benefit Payments Guaranteed by the PBGC

If a single-employer pension plan terminates without enough money to pay all benefits, the PBGC will take over the plan and pay pension benefits through its insurance program. Most participants and beneficiaries receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits that are not guaranteed.

The PBGC pays pension benefits up to certain maximum limits. The maximum guaranteed benefit is \$4,943 per month, or \$59,318 per year, payable in the form of a straight life annuity, for a 65-year-old person in a plan that terminates in 2014. The maximum benefit may be reduced for an individual who is younger than age 65. The maximum benefit will also be reduced when a benefit is provided to a survivor of a plan participant.

The PBGC guarantees “basic benefits” earned before a plan is terminated, which includes:

- pension benefits at normal retirement age;
- most early retirement benefits;
- annuity benefits for survivors of plan participants; and
- disability benefits for a disability that occurred before the date the plan terminated.

The PBGC does not guarantee certain types of benefits:

- The PBGC does not guarantee benefits for which you do not have a vested right when a plan terminates, usually because you have not worked enough years for the company.
- The PBGC does not guarantee benefits for which you have not met all age, service, or other requirements at the time the plan terminates.
- Benefit increases and new benefits that have been in place for less than one year are not guaranteed. Those that have been in place for less than five years are only partly guaranteed.
- Early retirement payments that are greater than payments at normal retirement age may not be guaranteed. For example, a supplemental benefit that stops when you become eligible for Social Security may not be guaranteed.
- Benefits other than pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay, are not guaranteed.
- The PBGC generally does not pay lump sums exceeding \$5,000.

Even if certain benefits are not guaranteed, participants and beneficiaries still may receive some of those benefits from the PBGC depending on how much money the terminated plan has and how much the PBGC collects from the employer.

Where to Get More Information

For more information about this Notice, you may contact the Rockwell Automation Service Center; P.O. Box 563939, Charlotte, NC 28256-3939; Telephone number: 1.877.OUR.RASC (1.877.687.7272). For identification purposes, the official plan number is 002 and the plan sponsor’s employer identification number or “EIN” is 25-1797617. For more information about the PBGC and benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1.800.400.7242 (TTY/TDD users may call the Federal relay service toll free at 1.800.877.8339 and ask to be connected to 1.800.400.7242).

**MAP-21 SUPPLEMENT TO ANNUAL FUNDING NOTICE
OF ROCKWELL AUTOMATION PENSION PLAN (PLAN) FOR
PLAN YEAR BEGINNING 1/1/2013 AND ENDING 12/31/2013 (“Plan Year”)**

This is a temporary supplement to your annual funding notice. It is required by a new federal law named Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 changed how pension plans calculate their liabilities. The purpose of this supplement is to show you the effect of these changes. Prior to MAP-21, pension plans determined their liabilities using a two-year average of interest rates. Now pension plans also must take into account a 25-year average of interest rates. This means that MAP-21 interest rates likely will be higher and plan liabilities lower than they were under prior law. As a result, your employer may contribute less money to the plan at a time when market interest rates are at or near historical lows.

The “MAP-21 Information Table” shows how the MAP-21 interest rates affect the Plan’s: (1) Funding Target Attainment Percentage, (2) Funding Shortfall, and (3) Minimum Required Contribution. The funding target attainment percentage of a plan is a measure of how well the plan is funded on a particular date. The funding shortfall of a plan is the amount by which liabilities exceed net plan assets. The minimum required contribution is the amount of money an employer is required by law to contribute to a plan in a given year. The following table shows this information determined with and without the MAP-21 rates to illustrate the effect of MAP-21. The information is provided for the Plan Year and for each of the two preceding plan years, if applicable.

MAP-21 INFORMATION TABLE						
	2013		2012		2011	
	With MAP-21 Interest Rates	Without MAP-21 Interest Rates	With MAP-21 Interest Rates	Without MAP-21 Interest Rates	With MAP-21 Interest Rates	Without MAP-21 Interest Rates
Funding Target Attainment Percentage	95.16%	77.10%	100.00%	82.04%	Not Applicable	80.00%
Funding Shortfall	\$105,380,474	\$609,775,894	\$0	\$427,322,050	Not Applicable	\$435,246,730
Minimum Required Contribution	\$56,873,615	\$165,257,062	\$48,803,192	\$136,111,190	Not Applicable	\$125,061,890

Note that the January 1, 2013 asset value used to determine the “Without MAP-21” information provided in this table is \$2,406,155,356. This asset value is slightly lower than the asset value shown in line 2a of the Funding Target Attainment Percentage section, because interest rates ignoring MAP-21 are used in the asset smoothing used to determine actuarial value of assets.