

ROCKWELL AUTOMATION INC

Form 11-K

June 13, 2014

Table of Contents

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 11-K**

**(Mark One):**

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2013**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_.**

**Commission file number 1-12383**

A. Full title of the plan and the address of the plan, if different from that of the issuer named below: Rockwell Automation 1165(e) Plan

- B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:  
Rockwell Automation, Inc., 1201 South 2<sup>nd</sup> Street, Milwaukee, Wisconsin 53204

**Table of Contents**

**ROCKWELL AUTOMATION 1165(e) PLAN**

**TABLE OF CONTENTS**

	<b>Page No.</b>
<b><u>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u></b>	1
FINANCIAL STATEMENTS:	
<u>Statements of Net Assets Available for Benefits as of December 31, 2013 and 2012</u>	2
<u>Statements of Changes in Net Assets Available for Benefits for the Years Ended December 31, 2013 and 2012</u>	3
<u>Notes to Financial Statements</u>	4
SUPPLEMENTAL SCHEDULE:	
<u>Form 5500, Schedule I, Part I - Schedule of Assets (Held at End of Year), December 31, 2013</u>	14
<b><u>SIGNATURES</u></b>	15
EXHIBIT:	
<u>Consent of Independent Registered Public Accounting Firm</u>	16
All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.	

**Table of Contents**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Rockwell Automation 1165(e) Plan

and Participants therein:

We have audited the accompanying statements of net assets available for benefits of Rockwell Automation 1165(e) Plan (the Plan ) as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2013 and 2012, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule, as listed in the Table of Contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic 2013 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic 2013 financial statements taken as a whole.

/s/ BAKER TILLY VIRCHOW KRAUSE, LLP

Milwaukee, Wisconsin

June 10, 2014

**Table of Contents****ROCKWELL AUTOMATION 1165(e) PLAN****STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS****AS OF DECEMBER 31, 2013 AND 2012**

	<b>2013</b>	<b>2012</b>
<b>ASSETS</b>		
Investment in Master Trust, at fair value (Note 3)	\$ 3,698,224	\$ 2,992,424
Notes receivable from participants	37,337	36,721
Total assets	3,735,561	3,029,145
Adjustment from fair value to contract value for interest in Master Trust relating to fully benefit-responsive investment contracts	(16,210)	(10,826)
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<b>\$ 3,719,351</b>	<b>\$ 3,018,319</b>

See notes to financial statements.

**Table of Contents****ROCKWELL AUTOMATION 1165(E) PLAN****STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS****FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	<b>2013</b>	<b>2012</b>
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR	\$ 3,018,319	\$ 2,448,736
<b>ADDITIONS:</b>		
Income:		
Interest in income of Master Trust	743,844	332,734
Interest on notes receivable from participants	1,678	1,662
Total income	745,522	334,396
Contributions:		
Employer	59,142	65,182
Employee	136,874	159,819
Other		67,570
Total contributions	196,016	292,571
Total additions	941,538	626,967
<b>DEDUCTIONS:</b>		
Payments to participants or beneficiaries	218,250	8,771
Administrative expenses	22,256	48,613
Total deductions	240,506	57,384
NET INCREASE	701,032	569,583
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	\$ 3,719,351	\$ 3,018,319

See notes to financial statements.

**Table of Contents**

**ROCKWELL AUTOMATION 1165(e) PLAN**

**NOTES TO FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

**1. DESCRIPTION OF THE PLAN**

The following brief description of the Rockwell Automation 1165(e) Plan (the Plan ) is provided for general information purposes only. Participants should refer to the Summary Plan Description and Plan document for more complete information.

- a. *General* The Plan is a defined contribution savings plan sponsored by Rockwell Automation, Inc. ( Rockwell Automation ). The Plan covers all employees in Puerto Rico who elect to participate in the Plan. The Rockwell Automation Employee Benefit Plan Committee and the Plan Administrator control and manage the operation and administration of the Plan. Popular de Puerto Rico (the Trustee ) is the trustee of the Plan. Fidelity Management Trust Company ( Fidelity ) has custody of the Plan s assets and manages the assets along with several other investment managers. Fidelity is the trustee of the Rockwell Automation Defined Contribution Master Trust (the Master Trust ). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ( ERISA ).

Participants in the Plan may invest in a suite of ten mutual funds, seven core investment options and a brokerage option. In addition, the Rockwell Automation Stock Fund was available in 2013 and 2012 and is specific to the Plan.

- b. *Participation* The Plan provides that eligible employees electing to become participants may contribute up to a maximum of 50% of base compensation, as defined in the Plan document. However, contributions by highly compensated participants are limited to 16% of the participant s base compensation. Participant contributions can be made either before or after Puerto Rico taxation of a participant s base compensation. Rockwell Automation contributes an amount equal to 50% of the first 6% of base compensation contributed by the participants. All Rockwell Automation matching contributions are made to the Rockwell Automation Stock Fund. Participants may elect to transfer a portion or all of their holdings in the Rockwell Automation Stock Fund to one or more of the other investment funds.

- c. *Investment Elections* Participants may contribute to any or all of the funds that are available for investments in 1% increments. Participants may change such investment elections on a daily basis. If a participant does not have an investment election on file, contributions are made to one of the Fidelity Freedom K Funds, based on the participant s projected retirement date.

- d. *Unit Values* Participants do not own specific securities or other assets in the various funds, but have an interest therein represented by units valued as of the end of each business day. However, voting rights are extended to participants in proportion to their interest in each stock fund and each mutual fund, as

represented by common units. Participants' accounts are charged or credited for Plan earnings or losses from investments, as the case may be, with the number of units properly attributable to each participant.



**Table of Contents**

- e. *Vesting* Each participant is fully vested at all times in the portion of the participant's account that relates to the participant's contributions and earnings thereon. Rockwell Automation's matching contributions and earnings are vested after the participant has completed three years of vesting service, as defined in the Plan document.
- f. *Notes Receivable From Participants* A participant may obtain a loan in an amount as defined in the Plan document (not less than \$1,000 and not greater than the lower of \$50,000, reduced by the participant's highest outstanding loan balance during the 12 month period before the date of the loans, or 50% of the participant's vested account balance less any outstanding loans) from the balance of the participant's account. Loans are secured by the remaining balance in the participant's account. Interest is charged at a rate equal to the prime rate plus 1% as of the last day of the month before the loan is requested. The loans can be repaid through payroll deductions over terms of 12, 24, 36, 48 or 60 months, or up to 120 months for the purchase of a primary residence, or repaid in full after a minimum of one month. Payments of principal and interest are credited to the participant's account. Participants may have up to two outstanding loans at any time from the Plan.
- g. *Forfeitures* When certain terminations of participation in the Plan occur, the nonvested portion of the participant's account represents a forfeiture, as defined in the Plan document. Forfeitures remain in the Plan and subsequently are used to reduce Rockwell Automation's contributions to the Plan in accordance with ERISA. However, if the participant is re-employed with Rockwell Automation and fulfills certain requirements, as defined in the Plan document, the participant's account will be restored. As of December 31, 2013 forfeited nonvested accounts totaled \$3,642. As of December 31, 2012 forfeited nonvested accounts were inconsequential. During the years ended December 31, 2013 and 2012, there was no reduction in Rockwell Automation's contributions from forfeited nonvested accounts.
- h. *Plan Termination* Although Rockwell Automation has not expressed any current intent to terminate the Plan, Rockwell Automation has the authority to terminate or modify the Plan and to suspend contributions to the Plan in accordance with ERISA. If the Plan is terminated or contributions by Rockwell Automation are discontinued, each participant's employer contribution account will be fully vested. Benefits under the Plan will be provided solely from Plan assets.
- i. *Withdrawals and Distributions* Active participants may withdraw certain amounts up to their entire vested interest when the participant attains the age of 59-1/2. Active participants may also withdraw certain amounts when financial hardship is demonstrated. Participant vested amounts are payable upon retirement, death or other termination of employment.
- j. *Expenses* A majority of Plan fees and expenses, including fees and expenses associated with the provision of administrative services by external service providers, are paid from Plan assets with the remainder being paid by Rockwell Automation.

**Table of Contents**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- a. *Valuation of Investments* The Plan has an interest in the net assets of the Master Trust. The net assets of the Master Trust are stated at fair value. Benefit-responsive investment contracts held in the Master Trust are then adjusted and stated at contract value. Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a separate account fund (the Stable Value fund ) held by the Master Trust. The Statements of Net Assets Available for Benefits present the fair value of the investment in the separate account fund as well as the adjustment of the investment in the separate account fund from fair value to contract value relating to the investment contracts. The Statements of Changes in Net Assets Available for Benefits are presented on a contract value basis.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the dividend payable date.

- b. *Notes Receivable From Participants* Notes receivable from participants are valued at their unpaid principal balance plus any accrued interest, which approximates fair value.
- c. *Fair Value Measurements* Accounting Standards Codification ( ASC ) Topic 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC Topic 820 are described below:

*Level 1* Valuation based on quoted prices in active markets for identical assets or liabilities that the Master Trust has the ability to access. Since the valuation is based on quoted prices that are readily and regularly available in the active market, valuation of these investments does not entail a significant degree of judgment.

*Level 2* Valuation based on quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly. Valuation methodology for these assets include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* Valuation based on inputs that are unobservable and significant to the overall fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**Table of Contents**

- d. *Use of Estimates* Estimates and assumptions made by the Plan's management affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases to Plan assets during the reporting period. Actual results could differ from those estimates.
- e. *Payment of Benefits* Benefits are recorded when paid.
- f. *Risks and Uncertainties* The Plan invests in various investments. In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.
- g. *Subsequent Events* Management has evaluated the impact of all subsequent events through June 10, 2014, the date the Plan's financial statements were available to be issued, and determined that all subsequent events have been appropriately recognized and disclosed in the accompanying financial statements.

**3. MASTER TRUST**

The Plan's investments are held in the Master Trust account at Fidelity. Use of the Master Trust permits the commingling of the trust assets of a number of benefit plans of Rockwell Automation and its subsidiaries for investment and administrative purposes. Although assets are commingled in the Master Trust, Fidelity maintains supporting records for the purpose of allocating the net earnings or loss of the investment accounts to the various participating plans.

The Master Trust investments are valued at fair value at the end of each day. If available, quoted market prices are used to value investments. If quoted market prices are not available, the fair value of investments is estimated primarily by independent investment brokerage firms and insurance companies.

The net earnings or loss of the accounts for each day are allocated by the Trustee to each participating plan based on the relationship of the interest of each plan to the total of the interests of all participating plans.

The net assets of the Master Trust at December 31, 2013 and 2012 are summarized as follows:

	<b>2013</b>	<b>2012</b>
<b>Investments:</b>		
Mutual funds	\$ 114,116,921	\$ 94,951,998
Lifecycle commingled pools	654,218,072	624,021,138
Common collective trusts	505,991,010	358,316,078
Separate account funds	1,409,606,132	1,272,006,848
Brokerage accounts	53,546,306	41,180,331
<b>Total investments at fair value</b>	<b>2,737,478,441</b>	<b>2,390,476,393</b>

Edgar Filing: ROCKWELL AUTOMATION INC - Form 11-K

Accrued fees	(169,272)	(217,048)
Net assets at fair value	2,737,309,169	2,390,259,345
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(10,208,836)	(19,545,604)
Net assets	\$ 2,727,100,333	\$ 2,370,713,741

- 7 -

## Table of Contents

The following is a description of the valuation methodologies used for the Master Trust's investments measured at fair value. There have been no changes in the methodologies during the years ended December 31, 2013 and 2012.

*Mutual funds* Valued at the closing price reported on the active market on which the individual funds are traded.

*Lifecycle commingled pools* Valued at the net asset value ( NAV ) as determined by the custodian of the fund. The NAV is based on the fair value of the underlying assets owned by the fund, minus its liabilities, then divided by the number of units outstanding. The investment objective of these funds is to match performance of the appropriate custom target date fund index.

*Brokerage accounts* Consist primarily of equity and fixed income investments valued at the most recent closing price reported on the market on which the individual securities are traded.

*Separate account funds; Stable Value fund* Valued at fair value, based on information provided by Fidelity, by discounting the related cash flows based on current yields of similar instruments with comparable durations and considering the credit-worthiness of the issuer of the specific instruments held by the fund at year end. The fair value of the interests in the Stable Value fund is based upon the net asset value of the fund reflecting all investments at fair value, including interests in fully benefit-responsive contracts as reported by the fund's manager. The investment objective of the Stable Value fund is to provide for preservation of capital, stability and predictability of returns.

*Separate account funds; Rockwell Automation Stock fund* Valued at the NAV of shares held at year end based on the fair value of the underlying investments, primarily Rockwell Automation common stock and short-term investments. The fund seeks to increase value of the participant investments over the long-term by investing in Rockwell Automation common stock. Short-term investments provide needed liquidity to the fund.

*Separate account funds; Other* Valued at the NAV of shares held at year end based on the fair value of the underlying investments. The objective of these funds is to provide long-term capital growth and current income (Diversified fund) and to outperform the benchmark Russell 2500 Index over the long-term (Small & Mid Cap Equity fund).

*Common collective trusts* Valued at NAV, as reported by the fund manager based on the fair value of the underlying investments. The investment objective of the funds is to match the performance, adjusted for investment fees, of the S&P 500 Index (Northern Trust S&P 500 Index fund), Barclays Capital US Aggregate Bond Index (Northern Trust Collective Aggregate Index Bond fund), and Morgan Stanley All Country World ex-US Investable Market Index (Northern Trust ACWI ex-US Investable Market fund).

The lifecycle commingled pools, separate account funds, and common collective trusts provide daily liquidity; therefore, the redemption frequency is immediate for the participant, with no redemption notice period. The funds do not have any unfunded commitments.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Master Trust believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**Table of Contents**

The following tables set forth by level, within the fair value hierarchy, the fair value of the Master Trust's investments as of December 31, 2013 and 2012:

**Investments at Fair Value as of December 31, 2013**

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 114,116,921	\$	\$	\$ 114,116,921
Lifecycle commingled pools		654,218,072		654,218,072
Common collective trusts		505,991,010		505,991,010
Separate account funds:				
Rockwell Automation Stock fund	363,678,365			363,678,365
Stable Value fund			503,118,958	503,118,958
Other funds	542,808,809			542,808,809
Total separate account funds	906,487,174		503,118,958	1,409,606,132
Brokerage accounts:				
Cash	7,547,049			7,547,049
Common stocks	15,925,461			15,925,461
Mutual funds	29,293,552			29,293,552
Other	780,244			780,244
Total brokerage accounts	53,546,306			53,546,306
	\$ 1,074,150,401	\$ 1,160,209,082	\$ 503,118,958	\$ 2,737,478,441

**Investments at Fair Value as of December 31, 2012**

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 94,951,998	\$	\$	\$ 94,951,998
Lifecycle commingled pools		624,021,138		624,021,138
Common collective trusts		358,316,078		358,316,078
Separate account funds:				
Rockwell Automation Stock fund	301,009,633			301,009,633
Stable Value fund			549,227,645	549,227,645
Other funds	421,769,570			421,769,570
Total separate account funds	722,779,203		549,227,645	1,272,006,848
Brokerage accounts:				
Cash	7,522,270			7,522,270
Common stocks	10,103,583			10,103,583
Mutual funds	22,802,531			22,802,531

Other	751,947			751,947
Total brokerage accounts	41,180,331			41,180,331
	\$ 858,911,532	\$ 982,337,216	\$ 549,227,645	\$ 2,390,476,393

The Stable Value fund, a level 3 investment, was valued using an income approach, as described earlier in this footnote. Unobservable inputs impacting fair value primarily relate to discount rates of underlying contracts. These rates ranged from 1.67% to 1.70% in 2013 and 1.89% to 2.08% in 2012. Discount rates are determined based on inputs that market participants would use when pricing investments, including credit and liquidity risk. An increase in the discount rate would result in a decrease in fair value.



**Table of Contents**

The table below sets forth a summary of changes in fair market value of the Master Trust's level 3 investments for the years ended December 31, 2013 and 2012:

	Separate Account Fund Stable Value Fund December 31, 2013	Separate Account Fund Stable Value Fund December 31, 2012
Balance, beginning of year	\$ 549,227,645	\$ 547,371,962
Change in adjustment to fair value from contract value	(9,336,768)	(696,804)
Sales	(196,221,438)	(152,031,480)
Purchases	151,742,505	145,120,597
Interest	8,478,228	10,803,813
Fees	(771,214)	(1,340,443)
Balance, end of year	\$ 503,118,958	\$ 549,227,645

The Plan offers a Stable Value fund option which, through the Master Trust, invests primarily in guaranteed investment contracts (GICs) and money market investments. The GICs are fully benefit-responsive and are designed to allow the Stable Value fund to maintain a constant NAV and to protect the funds in extreme circumstances. The contracts accrue interest using a formula called the crediting rate. The contracts use the crediting rate formula to convert fair value changes in the covered assets into income distributions in order to minimize the difference between the fair and contract value of the covered assets over time. Using the crediting rate formula, an estimated future fair value is calculated by compounding the fund's current fair value at the fund's current yield to maturity for a period equal to the fund's duration. The crediting rate is the discount rate that equates that estimated future fair value with the fund's current contract value. Crediting rates are reset quarterly. The contracts provide a guarantee that the crediting rate will not fall below 0%. The crediting interest rate for the Stable Value fund was 1.57% and 1.82% at December 31, 2013 and 2012, respectively. The crediting interest rates on the underlying investments are reviewed on a quarterly basis for resetting. The average yield for the years ended December 31, 2013 and 2012 was 1.68% and 2.08%, respectively.

The fair value of the Stable Value fund equals the fair value of the underlying assets in the related separate account fund reported to the Plan by the Trustee. In determining the net assets available for benefits, the Stable Value fund is recorded at contract value. An investment contract is generally valued at contract value, rather than fair value, to the extent it is fully benefit-responsive. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. There are currently no reserves against contract values for credit risk of the contract issuers or otherwise.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (i) amendments to the Plan documents (including complete or partial plan termination or merger with another plan); (ii) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions; (iii) bankruptcy of the plan sponsor or other plan sponsor events (e.g. divestitures or spin-offs of a subsidiary) which cause a significant withdrawal from the Plan; or (iv) the failure of the trust to qualify for exemption

from federal income taxes or any required prohibited transaction exemption under ERISA. The Plan Administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

- 10 -

**Table of Contents**

An issuer may terminate a contract at any time. In the event that the fair value of the fund's covered assets is below their contract value at the time of such termination, the Trustee may elect to keep the wrap contract in place until such time as the fair value of the fund's covered assets is equal to their contract value. A wrap issuer may also terminate a wrap contract if Fidelity's investment management authority over the fund is limited or terminated as well as if all of the terms of the wrap contract fail to be met. In the event that the fair value of the fund's covered assets is below their contract value at the time of such termination, the terminating wrap provider would not be required to make a payment to the fund.

The Plan's interest in the Stable Value Fund was less than 1% at December 31, 2013 and 2012.

The net investment income of the Master Trust for the years ended December 31, 2013 and 2012 is summarized as follows:

	<b>2013</b>	<b>2012</b>
Interest	\$ 10,062,648	\$ 11,766,227
Dividends	9,148,032	9,904,462
Net appreciation in fair value of investments:		
Mutual funds	20,735,165	37,050,521
Lifecycle commingled pools	79,342,340	59,454,483
Common collective trusts	82,026,437	15,908,675
Separate account funds	258,326,826	98,923,515
Brokerage accounts	5,180,603	1,965,334
<b>Net investment income</b>	<b>\$ 464,822,051</b>	<b>\$ 234,973,217</b>

The Plan's interest in the Master Trust, as a percentage of net assets held by the Master Trust, was less than 1% at December 31, 2013 and 2012. While the Plan participates in the Master Trust, the investment portfolio is not ratable among the various participating plans. As a result, those plans with smaller participation in the common stock funds recognized disproportionately less net appreciation in 2013 and 2012.

The Master Trust's investments that exceeded 5% of net assets as of December 31, 2013 and 2012 are as follows:

Description of Investment	2013	2012
Stable Value fund	\$ 503,118,958	\$ 549,227,645
Diversified fund	416,989,939	333,173,451
Rockwell Automation Stock fund	363,678,365	301,009,633
NorthernTrust S&P 500 Index fund	315,562,099	225,601,406
Pyramis Index Lifecycle 2020 Class X	147,970,834	140,528,965
Pyramis Index Lifecycle 2025 Class X	138,268,068	124,359,472

**Table of Contents****4. NON-PARTICIPANT DIRECTED INVESTMENTS**

Information about the net assets and the significant components of the changes in net assets relating to the non-participant directed investments in the Rockwell Automation Stock fund for the years ended December 31, 2013 and 2012 is as follows:

	<b>2013</b>	<b>2012</b>
Net Assets, Beginning of Year*	\$ 540,861	\$ 411,200
Changes in net assets:		
Contributions	59,142	65,182
Dividends	12,748	10,445
Net appreciation in fair value	206,967	65,325
Benefits paid to participants	(42,402)	(2,731)
Transfers	(60,115)	(8,560)
Total changes in net assets	176,340	129,661
Net Assets, End of Year*	\$ 717,201	\$ 540,861

\* These net assets are included in the Master Trust.

**5. TAX STATUS**

The Commonwealth of Puerto Rico Treasury Department has determined and informed Rockwell Automation by letter dated February 11, 2010, that the Plan and related trust are designed in accordance with section 1165 (e) of the Puerto Rico Internal Revenue Code of 1994, as amended (the PR Code ). The Plan Administrator believes that the Plan is currently designed and is being operated in compliance with the applicable provisions of the PR Code and the Plan continues to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require the Plan's management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits to be sustained upon examination by the Commonwealth of Puerto Rico Treasury Department. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013 and 2012, there were no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes the Plan is no longer subject to income tax examinations for tax returns filed prior to 2010.

**6. RELATED-PARTY TRANSACTIONS**

Certain Master Trust investments are shares of mutual funds managed by Fidelity Management Trust Company. Fidelity is the recordkeeper as defined by the Master Trust; therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Master Trust for investment management services were included as a reduction of the return earned on each fund. Popular de Puerto Rico is the trustee and trustee fees have been paid from the settlement account of the Plan.

**Table of Contents**

At December 31, 2013 and 2012, the Master Trust held 3,040,664 and 3,553,886 shares, respectively, of common stock of Rockwell Automation, the sponsoring employer, with a cost basis of \$67,175,372 and \$76,696,863, respectively, and a fair value of \$359,284,858 and \$298,490,885, respectively.

During 2013 and 2012, dividends on Rockwell Automation common stock, held in the Master Trust, paid and/or credited to eligible plan participants' accounts totaled \$6,832,834 and \$7,021,821, respectively.

**7. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500**

Reconciliation of net assets available for benefits reported in the financial statements to the net assets reported on line 1(c) of the 2013 Form 5500 Schedule I, Part I is presented below.

	<b>2013</b>	<b>2012</b>
Net assets available for benefits reported in the financial statements	\$ 3,719,351	\$ 3,018,319
Adjustment from contract value to fair value for interest in Master Trust relating to fully benefit-responsive investment contracts	16,210	10,826
Net assets reported on Form 5500	\$ 3,735,561	\$ 3,029,145

Reconciliation of net increase in plan assets reported in the financial statements to the net income reported on line 2(k) of the 2013 Form 5500 Schedule I, Part I is presented below.

	<b>2013</b>
Net increase in net assets available for benefits as reported in the financial statements	\$ 701,032
Change in adjustment from contract value to fair value for interest in Master Trust relating to fully benefit-responsive investment contracts	5,384
Net income as reported on Form 5500	\$ 706,416

\* \* \* \* \*

**Table of Contents****ROCKWELL AUTOMATION 1165(e) PLAN****FORM 5500, SCHEDULE I, PART I -****SCHEDULE OF ASSETS (HELD AT END OF YEAR),****DECEMBER 31, 2013****EIN 25-1797617****PLAN NUMBER 011**

<b>Column A</b>	<b>Column B</b>	<b>Column C</b>	<b>Column D</b>	<b>Column E</b>
	<b>Identity of Issuer, Borrower, Lessor or Similar Party</b>	<b>Description of Investment Including Collateral, Rate of Interest, Maturity Date, Par or Maturity Value</b>	<b>Cost</b>	<b>Current Value</b>
*	Fidelity Management Trust Company	Rockwell Automation, Inc. Defined Contribution Master Trust	\$ 2,761,115	\$ 3,698,224
*	Various participants	Loans From Participants; rates at 4.25%, due 2014 to 2018		37,337
	Total assets (held at end of year)		\$ 2,761,115	\$ 3,735,561

\* Party-in-interest

Table of Contents

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

ROCKWELL AUTOMATION 1165(e) PLAN

By /s/ Teresa E. Carpenter

Teresa E. Carpenter

Plan Administrator

Date: June 10, 2014

- 15 -



**Table of Contents**

Exhibit A

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

-

We consent to the incorporation by reference in the Registration Statement No. 333-157203 of Rockwell Automation, Inc. on Form S-8 of our report dated June 10, 2014, appearing in this Annual Report on Form 11-K of Rockwell Automation 1165(e) Plan for the year ended December 31, 2013.

/s/ BAKER TILLY VIRCHOW KRAUSE,  
LLP

Milwaukee, Wisconsin  
June 10, 2014

- 16 -