

Woodward, Inc.  
Form 4  
January 17, 2014

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**HALBROOK JOHN A**

(Last) (First) (Middle)  
  
1000 E. DRAKE ROAD  
  
(Street)

FORT COLLINS, CO 80525

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**Woodward, Inc. [WWD]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/15/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Woodward, Inc. Common Stock	01/15/2014		M		23,033.616 (1)	A	11 710,948.295
Woodward, Inc. Common Stock	01/15/2014		F		7,838.617 (2)	D	\$ 46.53 703,109.678
Woodward, Inc. Common Stock							206,035 I
							By self as trustee for the Benita K.

Woodward, Inc. Common Stock					28,965	I	Halbrook Grantor Retained Annuity Trust  By self as co-trustee for The Benita K. Halbrook Living Trust
Woodward, Inc. Common Stock					258,364	I	By self as holder of note <sup>(3)</sup>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Phantom Stock Units	<u>(1)</u>	01/15/2014		<u>M</u> <sup>(4)</sup>	23,033.616	<u>(1)</u> 01/15/2014	Woodward, Inc. Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HALBROOK JOHN A 1000 E. DRAKE ROAD FORT COLLINS, CO 80525		X		

## Signatures

Jody L. Harrell, by Power of  
Attorney

01/17/2014

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- The reporting person participates in the Woodward Executive Benefit Plan (Plan). Pursuant to an election made under the Plan, each phantom stock unit (PSU) accrued under the Plan entitled the reporting person to receive on 01/15/14 1 share of Woodward, Inc. (Company) common stock, less shares not distributed to the reporting person to cover tax liabilities. See Footnote 2. The reporting person received a net distribution of 15,194 shares of Company common stock. PSUs are accrued under the Plan and are to be settled in 100% stock on a 1-for-1 basis at the distribution date specified at the time of election. Each PSU is the economic equivalent of 1 share of Company common stock. The total shown represents the dollar amount of deferrals divided by the current share price and, therefore, the number of shares reported may fluctuate from period to period. The total shown also includes PSUs acquired in connection with dividend reinvestments and other acquisitions made under the Plan.
- (1) Shares withheld to cover the tax liability incident to the issuance of shares under the Plan in accordance with Rule 16b-3.  
Mr. Halbrook beneficially owns 258,364 shares sold in 2011 to The Halbrook Family Irrevocable Trust (the "Halbrook Family Trust Shares"), of which Mr. Halbrook's children are the beneficiaries and trustees without dispositive power with respect to these shares. The Halbrook Family Trust Shares were sold by Mr. Halbrook in exchange for a promissory note in the principal amount of \$8,936,200, accruing interest at the rate of 1.5% per year.
  - (2) Phantom stock units disposed of incident to the settlement of a distribution from the Plan in accordance with Rule 16b-3.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.