

Edgar Filing: CARTER STEPHEN P - Form 4

FORM 4 (CONTINUED)

TABLE II - DERIVATIVE SECURITIES ACQUIRED, DISPOSED OF, OR BENEFICIAL
(E.G., PUTS, CALLS, WARRANTS, OPTIONS, CONVERTIBLE SECURITIES)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Deriv- ative Security	3. Trans- action Date (Month/ Day/ Year)	4. Transac- tion Code (Instr. 8)	5. Number of Deriv- ative Securities Ac- quired (A) or Dis- posed of (D) (Instr. 3, 4, and 5)		
			Code	V	(A)	(D)
Nonqualified Stock Option (right to buy)	\$16.625					
Nonqualified Stock Option (right to buy)	\$23.50					
Nonqualified Stock Option (right to buy)	\$32.25					
Nonqualified Stock Option (right to buy)	\$32.00					
Nonqualified Stock Option (right to buy)	\$22.00					
Nonqualified Stock Option (right to buy)	\$24.75					
Nonqualified Stock Option (right to buy)	\$41.813					
Phantom Stock Units	1-for-1					

7. Title and Amount of Under- lying Securities (Instr. 3 and 4)	8. Price of Deriv- ative Secur- ity (Instr. 5)	9. Number of Deriv- ative Securi- ties Bene- ficially Owned	10. Owner- ship Form of De- rivative Secu- rity: Direct	11. Nature of In- direct Bene- ficial Own- ership (Instr. 4)

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Title	Amount or Number of Shares		at End of Month (Instr. 4)	(D) or Indi- rect (I) (Instr. 4)
Common Stock	3,000 (a)		3,000	D
Common Stock	17,600 (b)		20,600	D
Common Stock	20,068 (b)		40,668	D
Common Stock	7,542 (b)		48,210	D
Common Stock	18,000 (b)		66,210	D
Common Stock	13,000 (b) (c)		79,210	D
Common Stock	10,000 (b) (c)		89,210	D
Common Stock	13,395	\$41.813	102,605	D

Explanation of Responses:

- (a) Stock options originally granted on January 17, 1996 under the Woodward Governor Company 1996 Long-Term Incentive Compensation Plan remaining upon partial attainment of performance goals for Fiscal Year 1996.
- (b) Grant to reporting person of option to buy shares of common stock under the Woodward Governor Company 1996 Long-Term Incentive Compensation Plan is an exempt transaction under Rule 16b-3.
- (c) Shares become exercisable at the rate of 25% per year beginning one year from date of grant.
- (1) The phantom stock units were accrued under the Woodward Governor Company Unfunded Deferred Compensation Plan No. 2 and are to be settled in 100% cash upon separation from the Company.

/s/ Stephen

**Intentional misstatements or omissions of facts constitute
Federal Criminal Violations. SEE 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

**Signature o

Note: File three copies of this Form, one of which must be manually signed.
If space is insufficient, SEE Instruction 6 for procedure.

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