

NORWOOD FINANCIAL CORP

Form 4

September 02, 2008

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
KASPER EDWARD C

(Last) (First) (Middle)

P O BOX 269, 717 MAIN ST

(Street)

HONESDALE, PA 18431

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
NORWOOD FINANCIAL CORP
[NWFL]

3. Date of Earliest Transaction
(Month/Day/Year)
08/29/2008

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

Senior Vice President

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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 Ownership (Instr. 4)
Common Stock	08/29/2008		M	V Amount (A) or (D) Price 3,938 A \$ 15.24	7,293	D	
Common Stock	08/29/2008		M	V Amount (A) or (D) Price 2,362 A \$ 14.12	9,655	D	
Common Stock	08/29/2008		S	V Amount (A) or (D) Price 3,938 D \$ 30.45	5,717	D	
Common Stock	08/29/2008		S	V Amount (A) or (D) Price 2,362 D \$ 30.45	3,355	D	
Common Stock					756	I	IRA

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Common Stock 8,622 I ESOP

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

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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)	8. Amount or Number of Shares
Options - Right to Buy	\$ 15.24	08/29/2008		M	3,938	12/08/1999 12/08/2008	Common Stock	3,938
Options - Right to Buy	\$ 14.12	08/29/2008		M	2,362	12/14/2000 12/14/2009	Common Stock	2,362

Reporting Owners

Reporting Owner Name / Address	Relationships
KASPER EDWARD C P O BOX 269 717 MAIN ST HONESDALE, PA 18431	Director 10% Owner Officer Other Senior Vice President

Signatures

/s/ Edward C. Kasper, by Lewis J. Critelli,
Attorney-in-Fact 08/29/2008

**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).

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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