Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
UNITED TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 07/01/1941

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
UNITED TECHNOLOGIES CORPORATION

UTC BUILDING
ONE FINANCIAL PLAZA
HARTFORD, CT 06101

2b Employer Identification Number (EIN)
06-0570975

2c Sponsor's telephone number
860-728-7000

2d Business code (see instructions)
336410

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2010	PETER HOLOWESKO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
UNITED TECHNOLOGIES CORPORATION

UTC BUILDING
ONE FINANCIAL PLAZA
HARTFORD, CT 06101

3b Administrator's EIN
06-0570975

3c Administrator's telephone number
860-728-7000

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:
a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	145888
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	47116
b	Retired or separated participants receiving benefits	**6b**	50472
c	Other retired or separated participants entitled to future benefits	**6c**	41286
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	138874
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	7450
f	Total. Add lines **6d** and **6e**	**6f**	146324
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	762
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1C 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	X	Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	X	Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	X	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)	X	3	**A** (Insurance Information)
(4)			**C** (Service Provider Information)
(5)	X		**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
UNITED TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500.
UNITED TECHNOLOGIES CORPORATION

D Employer Identification Number (EIN)
06-0570975

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
METLIFE INSURANCE COMPANY OF CONNECTICUT

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year (f) From	Policy or contract year (g) To
13-5581829	65978	*SEE BELOW		01/01/2009	12/31/2009

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid (c) Amount	Fees and other commissions paid (d) Purpose	(e) Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid (c) Amount	Fees and other commissions paid (d) Purpose	(e) Organization code

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	6053866
5	Current value of plan's interest under this contract in separate accounts at year end	5	0

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☒ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			7b	6192583
c	Additions: (1) Contributions deposited during the year	7c(1)			
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	198351		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below) ▶	7c(5)			
	(6) Total additions			7c(6)	198351
d	Total of balance and additions (add **b** and **c(6)**)			7d	6390934
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	295326		
	(2) Administration charge made by carrier	7e(2)	41559		
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below) ▶ RECONCILING ADJUSTMEN TO BALANCE SCHEDULE A TO SCHEDULE H	7e(4)	183		
	(5) Total deductions			7e(5)	337068
f	Balance at the end of the current year (subtract **e(5)** from **d**)			7f	6053866

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in **c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
UNITED TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500.
UNITED TECHNOLOGIES CORPORATION

D Employer Identification Number (EIN)
06-0570975

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
METROPOLITAN LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
13-5581829	65978	GAC 243RP A-C		01/01/2009	12/31/2009

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	2164644
5	Current value of plan's interest under this contract in separate accounts at year end	5	14910931

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☒ immediate participation guarantee

(3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			7b	2179817
c	Additions: (1) Contributions deposited during the year	7c(1)			
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	3103		
	(4) Transferred from separate account	7c(4)	511686		
	(5) Other (specify below)	7c(5)			
	▶				
	(6) Total additions			7c(6)	514789
d	Total of balance and additions (add **b** and **c(6)**)			7d	2694606
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	293814		
	(2) Administration charge made by carrier	7e(2)	33178		
	(3) Transferred to separate account	7e(3)	200422		
	(4) Other (specify below)	7e(4)	2548		
	▶ RISK CHARGE				
	(5) Total deductions			7e(5)	529962
f	Balance at the end of the current year (subtract **e(5)** from **d**)			7f	2164644

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in **c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
UNITED TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500.
UNITED TECHNOLOGIES CORPORATION

D Employer Identification Number (EIN)
06-0570975

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	**(g)** To
06-1050034	93629	GR 105*		01/01/2009	12/31/2009

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	4	158668254
5	Current value of plan's interest under this contract in separate accounts at year end	5	0

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount.	6d	

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity

(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee

(3) ☒ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			7b	180307071
c	Additions: (1) Contributions deposited during the year	7c(1)			
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	11609022		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)	334781		
	▶ RECONCILING ADJUSTMENT TO BALANCE SCHEDULE A TO SCHEDULE H				
	(6) Total additions			7c(6)	11943803
d	Total of balance and additions (add **b** and **c(6)**)			7d	192250874
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	31294591		
	(2) Administration charge made by carrier	7e(2)			
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below)	7e(4)	2288029		
	▶ ANNUITY GUARANTEE FEE MARKET VALUE CHARGE				
	(5) Total deductions			7e(5)	33582620
f	Balance at the end of the current year (subtract **e(5)** from **d**)			7f	158668254

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

a ☐ Health (other than dental or vision) **b** ☐ Dental **c** ☐ Vision **d** ☐ Life insurance
e ☐ Temporary disability (accident and sickness) **f** ☐ Long-term disability **g** ☐ Supplemental unemployment **h** ☐ Prescription drug
i ☐ Stop loss (large deductible) **j** ☐ HMO contract **k** ☐ PPO contract **l** ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in **c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.			**10b**	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
UNITED TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
UNITED TECHNOLOGIES CORPORATION

D Employer Identification Number (EIN)
06-0570975

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2009			
2	Assets:			
a	Market value	**2a**		9754317619
b	Actuarial value	**2b**		10729749381
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	56804	5485912558
b	For terminated vested participants	**3b**	40885	939256201
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		372375136
	(2) Vested benefits	**3c(2)**		2764499601
	(3) Total active	**3c(3)**	48199	3136874737
d	Total	**3d**	145888	9562043496
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
a	Funding target disregarding prescribed at-risk assumptions	**4a**		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	**4b**		
5	Effective interest rate	**5**		8.12 %
6	Target normal cost	**6**		282828546

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

09/29/2010
Signature of actuary — Date

JAY MITCHELL, F.S.A — 08-05718
Type or print name of actuary — Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC. — 212-309-3400
Firm name — Telephone number (including area code)

335 MADISON AVENUE
NEW YORK, NY 10017-4605
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	2000279236	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	197854269	0
9	Amount remaining (Item 7 minus item 8)	1802424967	0
10	Interest on item 9 using prior year's actual return of -26.71 %	-481427709	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		204896613
b	Interest on (a) using prior year's effective rate of 6.09 %		12478204
c	Total available at beginning of current plan year to add to prefunding balance		217374817
d	Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	1320997258	0

Part III Funding percentages

14	Funding target attainment percentage	14	98.39 %
15	Adjusted funding target attainment percentage	15	112.21 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	116.30 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
07/01/2009		81610	05/21/2010	49999954	
09/30/2009	120000000		05/21/2010	5999994	
12/31/2009	230400000		06/30/2010	115200000	
12/31/2009	80000000		06/30/2010	40000000	
12/31/2009	9600000		06/30/2010	4800000	
05/21/2010	143999866		09/01/2010	114000000	
			Totals ► 18(b)	958999814	18(c) 81610

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	870795634

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)		
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)		
9	Amount remaining (Item 7 minus item 8)		
10	Interest on item 9 using prior year's actual return of _____%		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		
	b Interest on (a) using prior year's effective rate of _____%		
	c Total available at beginning of current plan year to add to prefunding balance		
	d Portion of (c) to be added to prefunding balance		
12	Reduction in balances due to elections or deemed elections		
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)		

Part III Funding percentages

14	Funding target attainment percentage	14	%
15	Adjusted funding target attainment percentage	15	%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/01/2010	40000000	0			
09/01/2010	5000000	0			
			Totals ► 18(b)		18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment: %	2nd segment: %	3rd segment: %	[X] N/A, full yield curve used

b Applicable month (enter code) — **21b**: 3

22 Weighted average retirement age — **22**: 61

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] Prescribed - separate [ ] Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. [X] Yes [ ] No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment — **27**:

Part VII Reconciliation of unpaid minimum required contributions for prior years

28	Unpaid minimum required contribution for all prior years	**28**	0
29	Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	**29**	0
30	Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	**30**	0

Part VIII Minimum required contribution for current year

31	Target normal cost, adjusted, if applicable (see instructions)	**31**	282828546

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount — **33**:

34	Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33)	**34**	282828546

35 Balances used to offset funding requirement

Carryover balance	Prefunding balance	Total balance
159828876	0	159828876

36	Additional cash requirement (item 34 minus item 35)	**36**	122999670
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	870795634
38	Interest-adjusted excess contributions for current year (see instructions)	**38**	747795964
39	Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	**39**	0
40	Unpaid minimum required contribution for all years	**40**	0

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
UNITED TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
UNITED TECHNOLOGIES CORPORATION

D Employer Identification Number (EIN)
06-0570975

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: UTC MASTER RETIREMENT TRUST

b Name of sponsor of entity listed in (a): UNITED TECHNOLOGIES CORPORATION

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
13-3064404-001	M	11221866143

a Name of MTIA, CCT, PSA, or 103-12 IE: SEPARATE ACCOUNT 00041

b Name of sponsor of entity listed in (a): METROPOLITAN LIFE INSURANCE COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
13-5581829-000	P	14910931

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

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a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
UNITED TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
UNITED TECHNOLOGIES CORPORATION

D Employer Identification Number (EIN)
06-0570975

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	15358
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	350000000	553999814
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	4330126	400508
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	239622	714532
(2) U.S. Government securities	1c(2)	5411131	5252525
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	5052664	9485887
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	-1025448	0
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	9104738722	11221866143
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	188765733	166886764
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	9657512550	11958621531
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j	0	957879
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	957879
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	9657512550	11957663652

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	993999814	
	(B) Participants	2a(1)(B)	81610	
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		994081424
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)	11660927	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		11660927
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	1252969	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		1252969
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		1995432599
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		3002427919
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	702276817	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		702276817
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		702276817
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		2300151102
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: KPMG LLP (2) EIN: 13-5565207

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		90000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
UNITED TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
UNITED TECHNOLOGIES CORPORATION

D Employer Identification Number (EIN)
06-0570975

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 06-1050034 _____

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3** 1243

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☒ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 34% Investment-Grade Debt: 8% High-Yield Debt: 9% Real Estate: 6% Other: 43%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☒ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Financial Statements and Supplemental Schedule

December 31, 2009 and 2008

(With Independent Auditors' Report Thereon)

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Financial Statements and Supplemental Schedule

December 31, 2009 and 2008

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Note: Certain supplemental schedules specified by the Employee Retirement Income Security Act of 1974 (ERISA) are not applicable and have been omitted.

KPMG LLP
One Financial Plaza
755 Main Street
Hartford, CT 06103

Independent Auditors' Report

The Participants and Administrator
United Technologies Corporation Employee Retirement Plan:

We were engaged to audit the accompanying statements of net assets available for plan benefits of United Technologies Corporation Employee Retirement Plan (the Plan) as of December 31, 2009 and 2008 and the related statements of changes in net assets available for plan benefits for the years then ended, the statement of accumulated plan benefits as of December 31, 2008, and the related statement of changes in accumulated plan benefits for the year then ended, and the supplemental schedule H, Line 4i – Schedule of Assets (held at end of year) as of December 31, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in note 6, which was certified by Prudential Retirement Insurance and Annuity Company, and Metropolitan Life Insurance Company (the Insurance Companies), and the information summarized in note 7, which was certified by The Bank of New York Mellon, N.A., the Trustee, (the Trustee), except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the Insurance Companies and Trustee hold the Plan's investment assets and execute investment transactions. The Plan Administrator has obtained certifications from the Insurance Companies and Trustee as of and for the years ended December 31, 2009 and 2008, that the information provided to the Plan Administrator by the Insurance Companies and Trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Insurance Companies and Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

KPMG LLP

October 14, 2010

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Statements of Net Assets Available for Plan Benefits

December 31, 2009 and 2008

	2009	2008
Assets:		
Investments:		
Plan interest in Master Trust, at fair value, as certified by Trustee (note 7)	$ 11,221,866,143	9,104,738,722
Investment contracts with Insurance Companies, at contract value, as certified by insurance companies (note 6)	166,886,764	188,765,733
Investment in pooled separate accounts, at fair value, as certified by Metropolitan Life Insurance Company (note 6)	14,910,931	14,008,095
Total investments	11,403,663,838	9,307,512,550
Employer contributions receivable	518,999,814	350,000,000
Net assets available for plan benefits	$ 11,922,663,652	9,657,512,550

See accompanying notes to financial statements.

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Statements of Changes in Net Assets Available for Plan Benefits

Years ended December 31, 2009 and 2008

	2009	2008
Additions (reductions):		
Investment income:		
Investment income – plan interest in net appreciation (depreciation), investment advisors' and trustee's fees, and investment income of Master Trust, as certified by Trustee (note 7)	$ 2,012,056,276	(3,585,611,141)
Interest income – investment contracts, as certified by Insurance Companies (note 6)	11,660,927	13,631,488
Net appreciation (depreciation) in pooled separate accounts, as certified by Metropolitan Life Insurance Company (note 6)	1,252,969	(7,951)
Total investment income (loss)	2,024,970,172	(3,571,987,604)
Employee contributions	81,610	92,500
Employer contributions	958,999,814	565,035,940
Total contributions	959,081,424	565,128,440
Total additions (reductions)	2,984,051,596	(3,006,859,164)
Deductions:		
Benefit payments	(702,276,817)	(669,497,260)
Administrative expenses	(16,623,677)	(14,090,886)
Total deductions	(718,900,494)	(683,588,146)
Net increase (decrease)	2,265,151,102	(3,690,447,310)
Net assets available for plan benefits:		
Beginning of year	9,657,512,550	13,347,959,860
End of year	$ 11,922,663,652	9,657,512,550

See accompanying notes to financial statements.

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Statement of Accumulated Plan Benefits

December 31, 2008

Actuarial present value of accumulated plan benefits:	
Vested benefits:	
Participants currently receiving payments	$ 6,417,474,191
Other participants	4,991,337,539
	11,408,811,730
Nonvested benefits	478,367,022
Total actuarial present value of accumulated plan benefits	$ 11,887,178,752

See accompanying notes to financial statements.

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Statement of Changes in Accumulated Plan Benefits

Year ended December 31, 2008

Actuarial present value of accumulated plan benefits at beginning of year	$ 11,358,889,040
Increase/(decrease) during the year attributable to:	
Benefits accumulated	391,471,282
Increase for interest due to the decrease in the discount period	683,794,709
Benefits paid	(669,958,629)
Plan amendments	155,602
Change in actuarial assumptions (note 3)	122,826,748
Net increase	528,289,712
Actuarial present value of accumulated plan benefits at end of year	$ 11,887,178,752

See accompanying notes to financial statements.

(1) Description of the Plan

(a) General

The United Technologies Corporation Employee Retirement Plan (the Plan) is a defined benefit retirement plan and, except for former participants of the Sundstrand Electric Power Systems Retirement Plan and certain former participants of the Kidde (US) Pension Plan, is noncontributory. The Plan covers certain domestic salaried employees of United Technologies Corporation and its subsidiaries (UTC). The Plan also covers the hourly paid employees at certain of UTC's factory locations, which are not covered by a collective bargaining agreement. Employees are eligible to participate after completing 1,000 hours of eligible service and the earlier of attaining (i) age 21 after January 1 or (ii) age 20½ after July 1 and six months of continuous service. The Plan is administered by UTC (the Plan Administrator) and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective July 1, 2002, a hypothetical account is to be maintained for each new salaried participant in which contributions are credited for the benefit of the individual and for all active salaried participants as of June 30, 2002 who selected the Cash Balance formula for future benefits. Participants who chose the Cash Balance formula for future benefits will receive benefits under a final average earnings formula for service through the date of election and under the cash balance formula for service subsequent to the date of election.

The following brief description of the Plan is provided for general information purposes only. More complete information is provided by the Summary Plan Description and Plan Document which are available from the Plan Administrator.

(b) Vesting and Benefit Provisions

Final Average Earnings

Under the terms of the Plan, participants are fully vested after 5 years of service and are eligible for pension benefits upon retirement. Generally, participants are eligible for retirement at age 65.

Under the final average earnings formula, at retirement, eligible employees are entitled to monthly pension benefits based on either a percentage of final average earnings multiplied by years of credited service, subject to reductions determined by applying a specified percentage to the participant's social security amount, or a fixed benefit multiplied by the years of credited service. Eligible participants will receive early retirement benefits, reduced in a manner set forth in the Plan document, based upon age and service at termination. If, upon termination, the present value of the pension benefit as of the participant's normal retirement age is equal to or less than $5,000, the vested portion of the benefit will be transferred to an IRA account if the participant does not elect otherwise. The Plan also provides for disability and pre-retirement death benefits, for certain groups of employees.

Cash Balance

Under the terms of the Plan, participants are fully vested after 3 years of service and are eligible for pension benefits upon the earlier of termination after vesting and retirement. Under the cash balance formula, for each calendar month, a pay credit will be added to the participant's cash balance account in an amount equal to the pay credit rate for the plan year times the earnings paid to the participant during the month. For each calendar month, an interest credit will be added to a participant's cash balance account in an amount equal to his or her cash balance account as of the last day of the immediately preceding calendar month times the monthly applicable interest rate for the calendar month. Under the cash balance formula of the Plan, certain participants may elect single lump-sum payments, rollover their single lump sum payment, or receive monthly annuity payments. Other participants may only choose to receive monthly benefit payments from the Plan upon retirement. If, upon termination, the present value of the pension benefit as of the participant's normal retirement age is equal to or less than $5,000, the vested portion of the benefit will be transferred to an IRA account if the participant does not elect otherwise.

(2) Summary of Accounting and Reporting Policies

The significant accounting and reporting policies followed by the Plan are summarized below:

(a) Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) Payment of Benefits

Benefits are recorded when paid.

(c) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to makes estimates and assumptions that affect the reported amounts of net assets available for plan benefits at the dates of the financial statements and the changes in net assets available for plan benefits during the reporting periods. The actuarial present value of accumulated plan benefits and contributions to the Plan are based upon the actuarial methods and assumptions selected regarding salary rates, employee termination rates, mortality rates and other factors. Actual results could differ from those estimates.

(d) Contributions

Employer contributions are determined on an actuarial basis and are recorded during the Plan year to which they pertain. Participants of the Plan who were former Sundstrand Electric Power Systems Retirement Plan participants may elect to contribute annually 1.5% of their total compensation. Participants of the Plan who were former employees of Kidde Dual Spectrum and were former Kidde (US) Pension Plan participants may elect to contribute annually 3% of their total compensation. Accumulated employees' contributions as of December 31, 2009 and 2008 were $1,866,803 and $1,478,486, respectively, including interest credited at 5.0% for 2009 and 2008, respectively.

(Continued)

(e) Administrative Expenses/Related Party Transactions

Expenses incurred in the administration of the Plan including fees paid to third party administrators and other expenses, primarily actuarial fees and Pension Benefit Guaranty Corporation (PBGC) premiums, are paid from the Plan's assets.

Certain plan investments are managed by the Trustee and Insurance Companies. These transactions qualify as party-in-interest transactions. For the years ended December 31, 2009 and 2008, fees paid by the Plan or allocated to the Plan in the Master Trust for investment advisory services and trustee services to the Trustee amounted to $22,170,295 and $36,364,609, respectively. For the years ended December 31, 2009 and 2008, fees paid by the Plan or allocated to the Plan in the Master Trust for investment advisory services, trustee and administrative expenses to the Insurance Companies amounted to $2,365,315 and $2,340,122, respectively.

(f) Investments in Insurance Contracts and Pooled Separate Accounts

The Plan's investments in insurance contracts are reported based upon unaudited statements certified by Prudential Retirement Insurance and Annuity Company (Prudential) and Metropolitan Life Insurance Company (the Insurance Companies) (see note 6). Under these contracts a portion of the investments are held in Immediate Participation Guarantee (IPG) Funds held by the Insurance Companies, and pooled separate accounts held by Metropolitan Life Insurance Company. The IPG Funds are reported at contract value based on the deposited assets plus interest on such assets less costs of administration and payment of benefits. Contract value approximates fair value. Interest is credited to the IPG Funds in accordance with the estimated allocation procedures of the Insurance Companies. Investments in pooled separate accounts are valued at fair value. The Insurance Companies have discretionary authority concerning investment of such deposits. The investments held in the IPG Funds were established prior to March 20, 1992 and therefore are reported at contract values as permitted by ASC 960, *Reporting by Defined Benefit Pension Plans of Investment Contracts*.

(g) Master Trust

The Plan's interest in the UTC Master Trust (Master Trust) is based upon the value of units of participation as certified by the Master Trust Trustee (see note 7). Master Trust investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of the Plan's interest in investment income/(loss) and realized and unrealized appreciation/(depreciation) in the market value of the invested assets of the Master Trust, net of investment advisory and trustee fees, is allocated to the Plan by the Trustee based on the Plan's proportionate interest in the Master Trust.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded as earned.

(h) Risks and Uncertainties

The investment managers retained by the Plan Administrator have discretion to invest Master Trust assets in derivative financial instruments to manage risk as well as to enhance yields. These derivatives are primarily in the form of forward foreign exchange contracts, and various equity and interest rate futures. Such derivative instruments are reported at fair value within the Master Trust, and the changes in fair value are reported currently in the net appreciation/(depreciation) of the Master Trust and not deferred. The future foreign exchange contracts represent an obligation to receive or disburse the change in the market value of the index. A portion of the Master Trust's assets are invested in international securities. As a result, the Master Trust assets are exposed to risk from fluctuations in foreign exchange rates.

By nature, all financial instruments involve risk, generally market risk, arising from changes in stock and bond prices, interest rates or currency exchange rates, credit risk, and the risk that an issuer or counter party will default on an agreed-upon transaction.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

(i) Fair Value Measurement

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the 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 FASB ASC 820 are described as follows:

- **Level 1 –** The types of instruments classified as Level 1 are valued based on quoted market prices in active markets.

- **Level 2 –** The types of instruments classified as Level 2 are valued based on inputs other than quoted prices that are observable for the asset, such as quoted prices for similar instruments in active markets or similar instruments in markets that are not active and model-based valuations for which all significant assumptions are observable or can be corroborated by observable market data.

- **Level 3 –** Investments classified as Level 3 have inputs based on unobservable price data. They typically trade infrequently and therefore have little or no price transparency. Fair value pricing is developed based on the best information available which can include the reporting entity's own data.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan 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.

(j) New Accounting Pronouncements

In June 2009, the FASB updated ASC 106, *Generally Accepted Accounting Principles*, to establish the FASB ASC as the single source of authoritative source or GAAP. The ASC reorganizes GAAP pronouncements into accounting topics and displays all topics using a consistent structure. The Plan adopted the updates to ASC 105 effective June, 2009. The ASC impacted the reference to accounting pronouncements with the Plan's notes to the financial statements, but had no impact on its financial position or changes in net assets.

In May 2009, the FASB updated ASC 855, *Subsequent Events*, to establish the period after the statement of net assets date during which management of a reporting entity shall evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which an entity shall recognize events or transaction occurring after the statement of net assets date in its financial statements and the disclosures that a plan shall make about events or transactions that occurred after the balance sheet date. The Plan adopted the updates to ASC 855 effective May, 2009. The updates to ASC 855 did not impact the Plan's results of operations or changes in net assets.

In October 2008, the FASB updated ASC 820, *Fair Value Measurements and Disclosures*, to provide additional guidance for determining fair value when the volume and level of activity for an asset or liability has significantly decreased and on identifying circumstances that indicate a transaction is not orderly. The updates to ASC 820 are effective for 2009 and have been reflected in the financial statements.

In March 2008, the FASB updated ASC 815, *Derivative and Hedging,* to enhance disclosure requirements for derivative instruments and hedging activities regarding how any why derivative instruments are used; how derivative instruments are accounted for under ASC 815 and its related interpretations; and how they affect financial position and financial performance. The Plan's adoption of this guidance resulted in expanded disclosure.

In September 2009, FASB issued Accounting Standards Update No. 2009-12, "*Fair Value Measurements and Disclosures (Topic 820)*" (ASU). The ASU provides guidance on using the net asset value provided by the investee to estimate the fair value of certain alternative investments. The ASU also provides guidance on factors that should be considered in determining the appropriate fair value categorization in the fair value hierarchy if a reporting entity cannot redeem its investment

with the investee at net asset value per share (or its equivalent) at the measurement date, but the investment may be redeemable with the investee at a future date. The ASU allows for a reclassification of certain investments from Level 3 to Level 2 in the FAS 157 fair value hierarchy reported in Note 7. The adoption of the ASU is reflected in these financial statements. The Plan's management does not believe this adoption had a material impact on these financial statements.

In January 2010, the FASB issued ASC Update 2010-06, *Fair Value Measurements and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements*. This guidance requires: (i) separate disclosure of significant transfers between Level 1 and Level 2 and reasons for the transfers; (ii) disclosure, on a gross basis, of purchases, sales, issuances, and net settlements within Level 3; (iii) disclosures by class of assets and liabilities; and (iv) a description of the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements. This guidance is effective for reporting periods beginning after December 15, 2009, except for the Level 3 disclosure requirements, which will be effective for fiscal years beginning after December 15, 2010 and interim periods within those fiscal years. The Plan's management does not believe the adoption of this guidance will have a material impact on the financial statements.

(k) Reclassification

Certain prior year balances have been reclassified to conform to the current year's presentation.

(3) Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump sum distributions, that are attributable under the Plan's provisions to the service employees have rendered as of the actuarial valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation to determine benefit obligations as of December 31, 2008 were:

	2008
a. Discount rate	6.10% per year
b. Mortality	RP-2000
c. Retirement age	Decrements averaging at age 61

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits.

(4) Funding Policy

UTC's funding policy is to make periodic contributions to the Plan in amounts computed by the Plan's actuary using the Present Value of Accrued Benefits Method. This method and the actuarial assumptions have been designed to provide sufficient funds to pay benefits as they become payable under the Plan. UTC's contributions, if any, for the years ended December 31, 2009 and 2008 have met the minimum funding requirements of ERISA.

(5) Plan Termination

Although UTC has not expressed any intent to terminate the Plan, it may do so at any time. In the event the Plan terminates, the net assets generally will not be available on a pro rata basis to provide for participant's benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the PBGC at that time. The maximum amount of PBGC guaranteed benefits for terminations in 2010 is $4,500 per month. Some benefits may be fully or partially provided for by the existing Plan assets and the PBGC guarantee while other benefits may not be provided for at all.

Upon termination, UTC shall give notice to the PBGC and shall comply with its procedures and lawful orders. As soon as it may do so, UTC thereupon shall cause all amounts in the hands of the Trustee and Insurance Companies to be allocated and distributed in the manner and order set forth in Section 4044 of ERISA to the extent of the sufficiency of the Plan's assets.

Additional information concerning the priority order of participants' claims to the assets of the Plan upon termination can be obtained from the Summary Plan Description, which is available from the Plan Administrator.

(6) Immediate Participation Guarantee (IPG) Funds and Pooled Separate Accounts (Unaudited)

A portion of the Plan's assets are held in IPG Funds with the Insurance Companies and separate accounts with Metropolitan Life Insurance Company. Amounts invested in IPG Funds are primarily invested in Prudential's General Account under a contract established on January 1, 1978 and earn the same rate of return that Prudential's general fund achieves. The remaining assets in IPG Funds and pooled separate accounts are held by the Insurance Companies under various contracts. These contracts continue in perpetuity and may be terminated by either party. Under the terms of the IPG Funds' contracts, the Insurance Companies maintain separate accounting of investment income and expenses.

(Continued)

The following is a summarization of the unaudited amounts held under the contracts certified by the Insurance Companies in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA:

	December 31	
	2009	**2008**
Immediate participation guarantee funds	$ 166,886,764	188,765,733
Separate accounts held by Metropolitan Life Insurance Company	14,910,931	14,008,095
Total investment contracts with insurance companies	$ 181,797,695	202,773,828

	Years ended December 31	
	2009	**2008**
Interest income	$ 11,660,927	13,631,488
Net appreciation/(depreciation) in separate accounts	1,252,969	(7,951)
	$ 12,913,896	13,623,537

The following table sets forth by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2009 and 2008. The following table does not include the plan's interest in the Master Trust because that information is presented in a separate table (See note 7).

	Fair value measurements as of December 31, 2009			
	Level 1	**Level 2**	**Level 3**	**Fair value**
Separate accounts	$ —	14,910,931	—	14,910,931
Total at fair value	$ —	14,910,931	—	14,910,931

	Fair value measurements as of December 31, 2008			
	Level 1	**Level 2**	**Level 3**	**Fair value**
Separate accounts	$ —	14,008,095	—	14,008,095
Total at fair value	$ —	14,008,095	—	14,008,095

Separate Accounts are valued at fair value based on underlying fixed income securities that are generally valued using current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

(7) Investment in Master Trust (Unaudited)

UTC has entered into a Master Trust agreement with Bank of New York Mellon, N.A. as Trustee. Under this agreement, certain pension plans of UTC and its subsidiaries combine certain of their investments in the Master Trust.

Participating plans receive units of participation in this pool of investments based on their contributions to the Master Trust. The plans redeem units of participation to meet plan requirements to pay pension benefits and administrative expenses. The Plan's interest in the total Master Trust was approximately 77% at December 31, 2009 and 2008, respectively.

UTC stock held in the Master Trust had a fair value of $602,040,823 and $622,025,213 at December 31, 2009 and 2008, respectively. UTC stock held in the Master Trust represents approximately 4% and 5% of the Master Trust's Net Assets at December 31, 2009 and 2008, respectively.

The following is a summarization of the unaudited financial information and data for the Master Trust and the portion applicable to the Plan, certified by the Trustee in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA:

	December 31	
	2009	**2008**
	(In thousands)	
Assets:		
Short-term instruments:		
Cash and equivalents	$ 358,475	311,928
Securities held as collateral for securities lending	625,334	1,308,289
Equity securities, including $602,041 at 2009 and $622,025 at 2008 of UTC stock	4,191,486	5,109,674
U.S. Government and related agency obligations	235,109	719,714
Corporate issues:		
Debt instruments	5,120,714	1,694,882
Common collective trust	1,769,893	1,116,918
Real estate	466,818	608,368
Limited partnerships	2,286,468	2,031,410
Other	60,033	178,945
Subtotal	15,114,330	13,080,128
Interest and dividends receivable	83,726	32,171
Other receivables	1,244,376	2,418,389
Total assets	16,442,432	15,530,688
Liabilities:		
Other payables	1,273,688	2,259,189
Obligation to return securities lending collateral	703,245	1,459,032
Total liabilities	1,976,933	3,718,221
Net assets	14,465,499	11,812,467
Net assets of the Master Trust allocable to the Plan	$ 11,221,866	9,104,739

(Continued)

Master Trust Statement of Changes in Net Assets
(In thousands of dollars)

	Year ended December 31	
	2009	**2008**
	(In thousands)	
Additions:		
Interest income	$ 244,721	228,119
Dividend income	106,125	216,738
Net appreciation (depreciation) in value of invested assets	2,073,716	(4,934,017)
Other income	41,993	(120,771)
Total net additions	2,466,555	(4,609,931)
Deductions:		
Investment advisors' and trustee's fees	(28,379)	(47,478)
Total deductions	(28,379)	(47,478)
Net increase/(decrease) prior to transfer	2,438,176	(4,657,409)
Net transfers	214,856	(591,238)
Net increase/(decrease) in net assets	2,653,032	(5,248,647)
Net assets:		
Beginning of year	11,812,467	17,061,114
End of year	$ 14,465,499	11,812,467

During the years ended December 31, 2009 and 2008, the Master Trust's investments (including investments bought and sold, as well as investments held during the year) appreciated/(depreciated) as follows:

	Net appreciation/(depreciation) in fair value	
	2009	**2008**
	(In thousands)	
Equity securities	$ 1,527,498	(3,597,051)
Common collective trust	355,199	(488,736)
Debt instruments (including U.S. Government and related agency obligations)	285,697	(398,294)
Limited partnerships	165,750	(240,159)
Real estate	(157,833)	(167,723)
Other	(102,595)	(42,054)
	$ 2,073,716	(4,934,017)

(Continued)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Quoted market prices are used to value equity, certain actively traded debt, and mutual fund investments when available. Investments in securities traded on national and foreign securities exchanges are valued using the pricing services' reported sale prices on the last business day of the year or, if no sales were reported on that date, at the last reported bid prices.

Forward currency contracts, futures and options are valued at the exchange rates and market prices prevailing on the last business day of the year. Both exchange rates and market prices are readily available from published sources. Temporary cash investments are stated at fair value.

For securities that have no quoted market price, many factors are considered in arriving at that fair market value.

Common Collective Trusts invest in other public or private individual assets as determined and managed by the fund. The Plan's interest in the common/collective trust funds are based on the fair values of the underlying investments. Investments in collective trust funds are valued at their respective net asset value per share/unit on the valuation date.

For fixed income securities, the market approach pricing methodology is primarily used where observable prices are obtained by market transactions involving identical or comparable securities of issuers with similar credit ratings. Mortgages have been valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar investments.

Real estate investments are valued on a quarterly basis; principally rental property subject to long-term leases has been estimated on the basis of future rental receipts and estimated residual values discounted at interest rates commensurate with the risks involved. These valuation estimates are supplemented by third-party appraisals on an annual basis.

Limited partnerships, principally private equity investments, are valued quarterly by the general partner using various valuation methods such as discounted cash flows, earnings multiples and market multiples. Valuation adjustments occur which reflect changes in operating results, financial condition, or prospects of the applicable portfolio company. Since valuation estimates are typically lagged a quarter, a third quarter roll-forward valuation process is used for fund level partnerships. This process takes into account latest reported valuation, monthly capital calls, management fees, return of capital, income distributions, and realized gains/losses.

(Continued)

Fair value information for investments that are measured at fair value on a recurring basis is as follows at December 31, 2009 and 2008 (in thousands):

	Fair value measurements as of December 31, 2009			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and equivalents	$ 358,475	—	—	358,475
Equity:				
Mutual Funds	422,277	—	—	422,277
Financial services	411,582	—	—	411,582
Healthcare	181,954	—	—	181,954
Consumer non-durables	146,490	—	—	146,490
Consumer services	139,710	—	—	139,710
Energy	217,465	—	—	217,465
Technology	326,266	—	—	326,266
Basic industries	113,886	—	—	113,886
Capital goods	734,293	—	—	734,293
Utilities	102,319	—	—	102,319
Other	1,377,441	17,803	—	1,395,244
Total equity	4,173,683	17,803	—	4,191,486
Common collective trusts	—	1,755,683	14,210	1,769,893
Debt:				
Banking and finance	—	1,450,746	—	1,450,746
Industrial	—	1,039,682	—	1,039,682
Utilities	—	958,513	—	958,513
Other	155,071	1,751,811	—	1,906,882
Total debt	155,071	5,200,752	—	5,355,823
Limited partnerships	—	1,164,080	1,122,388	2,286,468
Real estate	—	—	466,818	466,818
Other	—	60,033	—	60,033
Securities held as collateral	—	625,334	—	625,334
Total assets at fair value	$ 4,687,229	8,823,685	1,603,416	15,114,330

(Continued)

	Fair value measurements as of December 31, 2008			
	Level 1	**Level 2**	**Level 3**	**Fair value**
Cash and cash equivalents	$ 249,522	—	—	249,522
Equity	4,563,139	397,668	301	4,961,108
Common collective trusts	—	964,327	152,591	1,116,918
Debt	67,177	2,596,413	353	2,663,943
Limited partnerships	—	972,854	1,093,831	2,066,685
Real estate	—	—	608,319	608,319
Other	207	105,137	—	105,344
Securities held as collateral	—	1,308,289	—	1,308,289
Total assets at fair value	$ 4,880,045	6,344,688	1,855,395	13,080,128

In preparing its 2008 ASC 820 disclosures, the Plan has considered the nature of the underlying investments in classifying its investments by type and valuation level. The classification of investments in the Master Trust statement of net assets reflects a classification based on the structure of the investment. As an example, real estate held within a limited partnership structure may be classified differently. The Plan believes the presentation of investments by ASC 820 valuation levels is representative of the required disclosures.

(Continued)

The Plan's interest in certain common collective trusts and limited partnerships are reported at the net asset value (NAV) reported by the fund managers. NAV is used to estimate the fair value of the Plan's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of December 31, 2009, the Plan had no specific plans or intentions to sell investments at amounts different than NAV. The following summarizes these investments:

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	Fair value (in millions)	Unfunded commitments	Lockups	Redemption frequency (if currently eligible)	Redemption notice period	Major category
Equity commingled fund of emerging market common stocks	$ 709	—	None	Monthly	60 days for < 10% of assets, 90 days for 10-25% of assets, 120 days for > 25% of assets	Common Collective Trust
Market neutral commingled fund of long and short global fixed income securities	274	—	None	Monthly	30 Days	Limited Partnerships
Market neutral commingled fund of long and short global commons stocks	209	—	None	Quarterly	30 Days	Limited Partnerships
Global balanced risk commingled fund of equity, fixed income and some commodities	682	—	None	Monthly	5 Business Days	Limited Partnerships
Total	$ 1,874	—				

For the remaining funds in the limited partnerships category that report fair value using the Plan's proportionate interest in the fund, the Plan cannot dissolve its interest before periods that may range up to 10 years from the closing date.

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the plan's Level 3 assets for the year ended December 31, 2009 and 2008:

	Level 3 Assets					
	Equity	Debt	Limited Partnerships	Common Collective Trusts	Real Estate	Total
Balance, at December 31, 2008	$ 301	353	1,093,831	152,591	608,319	1,855,395
Realized gains/(losses)	(184)	—	(92,872)	10,336	(41)	(82,761)
Unrealized gains/(losses) relating to instruments still held at the reporting date	387	653	102,082	9,718	(157,886)	(45,046)
Purchases, sales, issuances and settlements (net)	1	13	19,347	(158,435)	16,426	(122,648)
Transfers in/out (net)	(505)	(1,019)	—	—	—	(1,524)
Balance, at December 31, 2009	$ —	—	1,122,388	14,210	466,818	1,603,416

	Level 3 Assets					
	Equity	Debt	Limited Partnerships	Common Collective Trusts	Real Estate	Total
Balance, at December 31, 2007	$ 787	—	2,019,747	138,353	732,254	2,891,141
Realized gains/(losses)	(2,932)	—	(768,088)	(7,777)	38,764	(740,033)
Unrealized gains/(losses) relating to instruments still held at the reporting date	(9,266)	18	(205,670)	(22,220)	(206,743)	(443,881)
Purchases, sales, issuances, and settlements (net)	(16)	5	37,682	(45,949)	44,044	35,766
Transfers in/out (net)	11,728	330	10,160	90,184	—	112,402
Balance, at December 31, 2008	$ 301	353	1,093,831	152,591	608,319	1,855,395

Securities Lending Activities

The Master Trust participates in a fee-based securities lending program whereby certain securities in the separate investment accounts are loaned to third-party brokers. The Master Trust retains control over loaned securities, which remain assets of the Master Trust and are not removed from the accounting records. The Master Trust has the ability to sell the securities while on loan. Fees received for loaning the securities, net of direct expenses, are recorded as interest income under the Master Trust. To minimize lending risk, the Securities Lending Agreement requires cash-collateral loans maintain collateralization ratios of 100% to 102% while non-cash-collateral loans maintain collateralization ratios of 100% to 105%. Collateral is priced daily and re-balanced as required. Cash collateral is invested during the period securities are on loan. The value of reinvested collateral has been reduced to reflect unrealized losses as a result of declines in market value.

At December 31, 2009 and 2008, Master Trust assets lent under this arrangement had a market value of $678,587,749 and $1,395,513,530, respectively, and earned interest net of fees of $5,709,498 and $14,076,252 for the twelve months ended December 31, 2009 ad 2008, respectively.

Derivative Financial Instruments

At December 31, 2009 and 2008, the Master Trust had open foreign currency contracts to purchase approximately $1,253,000,000 and $1,857,000,000, respectively, and sell approximately $1,253,000,000 and $1,871,000,000, respectively, of various foreign currencies. The open foreign currency contracts receivable and payable balances are included in the other receivables and other payables captions in the Master Trust statement of net assets.

(8) Tax Status of the Plan

The Internal Revenue Service has determined and informed the Plan Administrator by a letter dated March 1, 2004 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

(9) Subsequent Events

The Plan was closed to new entrants effective January 1, 2010 with the exception of hourly management represented employees. Additionally, participants under the Final Average Earnings formula will have their benefits frozen as of December 31, 2014 and then begin participating under the cash balance formula. These changes are not expected to have a material impact on the financial statements.

The Plan evaluated subsequent events through October 14, 2010, the date of issuance of its financial statements.

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2009

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost of asset	(e) Current value
*	Prudential Retirement Insurance and Annuity Company	Immediate Participation Guarantee Fund	$ 158,668,254	158,668,254
*	Metropolitan Life Insurance Company	Separate Accounts-Blackrock Managed Broad Market Bond Fund	14,468,808	14,910,931
*	Metropolitan Life Insurance Company	Immediate Participation Guarantee Fund	8,218,510	8,218,510
	Total		$ 181,355,572	181,797,695

* Denotes a party-in-interest to the Plan.

The information in this schedule has been certified as to its completeness and accuracy by Prudential Retirement Insurance and Annuity Company and Reporting and Disclosure under ERISA.Metropolitan Life Insurance Company in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for

See accompanying independent auditors' report.

United Technologies Corporation
Employee Retirement Plan
EIN: 06-0570975 PN: 001
Schedule SB, line 22 - Description of Weighted Average Retirement Age

(1)	(2)	(3)	(4)	(5)
Age	Retirement Qx	tPx	Number of Expected Retirements =(2)x(3)	Weighted Retirement Age =(1)x(4)
55	0.050	1.000	0.050	2.750
56	0.050	0.950	0.048	2.660
57	0.100	0.903	0.090	5.144
58	0.100	0.812	0.081	4.711
59	0.100	0.731	0.073	4.313
60	0.150	0.658	0.099	5.921
61	0.100	0.559	0.056	3.411
62	0.250	0.503	0.126	7.801
63	0.250	0.377	0.094	5.945
64	0.250	0.283	0.071	4.530
65	1.000	0.212	0.212	13.802

WEIGHTED AVERAGE RETIREMENT AGE 60.988

United Technologies Corporation
Employee Retirement Plan
EIN: 06-0570975 PN: 001
Schedule SB, Line 24 – Change in Actuarial Assumptions

The non-prescribed actuarial assumptions were reviewed and modified to reflect my best estimate of future plan experience. As a result, the following changes were made:

Type	From	To
Marriage Assumption	80%	81% to account for the addition of death benefit coverage for domestic partners.

United Technologies Corporation.
Employee Retirement Plan
EIN: 06-0570975 PIN: 001
Schedule SB, line 25 – Change in Method

- The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Aspect of the Valuation	**Old**	**New**
Actuarial Value of Assets	Fair Market Value	Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings. The average asset value must be within 10% of fair value, including contributions receivable.
Funding Interest Rate for Contributions	IRS prescribed segment rates without 3-year transition, as of January 2008	IRS prescribed full corporate bond yield curve, based on bond yields published in November 2008 (based on October 2008 yields)
Assumed plan-related expenses	None	0.2% of the fair value of assets

United Technologies Corporation
Employee Retirement Plan
EIN: 06-0570975 PN: 001
Schedule SB - Line 26 - Schedule of Active Participant Data

Total Non-Rep

Attained Age		Total Years of Credited Service									
		<1	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
<25	Count	722	843	6	0	0	0	0	0	0	0
	Average Earnings	52,153	51,035								
25 to 29	Count	685	2,577	471	9	0	0	0	0	0	0
	Average Earnings	58,782	61,446	68,117							
30 to 34	Count	500	1,834	1,214	473	0	0	0	0	0	0
	Average Earnings	70,653	70,437	77,392	80,314						
35 to 39	Count	428	1,741	1,141	816	199	24	0	0	0	0
	Average Earnings	76,556	80,335	83,721	86,813	90,300	62,140				
40 to 44	Count	470	1,681	1,137	895	850	816	14	0	0	0
	Average Earnings	75,866	82,080	91,501	92,900	100,225	96,679				
45 to 49	Count	430	1,716	1,216	988	897	1,996	815	62	1	2
	Average Earnings	80,993	86,308	94,711	95,775	100,319	105,706	104,616	80,477		
50 to 54	Count	356	1,291	944	811	750	1,473	1,815	663	35	0
	Average Earnings	78,000	80,548	89,693	89,356	96,859	98,127	109,776	102,981	74,068	
55 to 59	Count	178	774	541	475	432	816	797	768	349	22
	Average Earnings	77,727	80,061	88,798	83,972	93,906	95,370	100,981	105,978	105,028	74,250
60 to 64	Count	61	401	301	267	195	347	283	255	229	165
	Average Earnings	71,262	85,525	82,707	86,119	87,579	90,762	91,719	104,590	117,381	101,931
65 to 69	Count	15	102	76	48	46	71	47	26	24	72
	Average Earnings		87,868	85,774	79,521	84,871	168,592	79,659	93,619	113,246	112,000
70 & up	Count	6	27	12	9	3	8	8	4	3	11
	Average Earnings		88,785								

Average Age: 45.11 **Average Service:** 11.95

United Technologies Corporation
Employee Retirement Plan
EIN: 06-0570975 PN: 001
Schedule SB - Line 26 - Schedule of Active Participant Data

Total Non-Rep Cash Balance

Attained Age		Total Years of Credited Service <1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
<25	Count	659	751	6	0	0	0	0	0	0	0
	Average Cash Balance	803	2,732								
25 to 29	Count	636	2,349	364	4	0	0	0	0	0	0
	Average Cash Balance	953	4,519	10,325							
30 to 34	Count	468	1,649	807	219	0	0	0	0	0	0
	Average Cash Balance	1,517	6,626	13,908	16,569						
35 to 39	Count	392	1,592	682	318	43	3	0	0	0	0
	Average Cash Balance	2,136	9,489	19,273	21,173	19,568					
40 to 44	Count	408	1,489	565	261	146	123	3	0	0	0
	Average Cash Balance	2,655	11,397	23,618	25,976	29,563	40,022				
45 to 49	Count	379	1,503	482	241	212	281	92	3	0	0
	Average Cash Balance	3,132	14,111	28,385	30,447	40,669	54,385	71,775			
50 to 54	Count	290	1,163	342	147	150	242	231	61	4	0
	Average Cash Balance	3,544	15,309	32,493	40,360	51,406	65,351	82,677	74,313		
55 to 59	Count	161	680	186	94	82	121	99	77	18	2
	Average Cash Balance	3,333	15,396	35,188	48,099	57,789	76,513	85,234	103,558		
60 to 64	Count	51	315	110	48	20	55	34	24	17	6
	Average Cash Balance	3,079	16,471	40,487	45,537	69,393	82,828	92,124	93,371		
65 to 69	Count	10	67	22	9	7	10	4	2	3	5
	Average Cash Balance		15,174	35,984							
70 & up	Count	2	13	2	0	1	1	2	3	0	2
	Average Cash Balance										

Average Age: 45.19 **Average Service:** 12.02

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan

United Technologies Corporation Employee RetirementPlan

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

United Technologies Corporation

D Employer Identification Number (EIN)

06-0570975

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2009

2	Assets:			
	a Market value		**2a**	9,754,317,619
	b Actuarial value		**2b**	10,729,749,381
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
	a For retired participants and beneficiaries receiving payment	**3a**	56,804	5,485,912,558
	b For terminated vested participants	**3b**	40,885	939,256,201
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		372,375,136
	(2) Vested benefits	**3c(2)**		2,764,499,601
	(3) Total active	**3c(3)**	48,199	3,136,874,737
	d Total	**3d**	145,888	9,562,043,496
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions		**4a**	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor		**4b**	
5	Effective interest rate		**5**	8.12 %
6	Target normal cost		**6**	282,828,546

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE Jay Mitchell

Signature of actuary

09/29/2010

Date

Jay Mitchell, F.S.A

Type or print name of actuary

08-05718

Most recent enrollment number

Towers Watson Pennsylvania, Inc.

Firm name

(212)309-3400

Telephone number (including area code)

335 Madison Avenue

New York NY 10017-4605

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	2,000,279,236	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	197,854,269	0
9	Amount remaining (Item 7 minus item 8)	1,802,424,967	0
10	Interest on item 9 using prior year's actual return of (26.71)%	(481,427,709)	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		204,896,613
b	Interest on (a) using prior year's effective rate of 6.09 %		12,478,204
c	Total available at beginning of current plan year to add to prefunding balance		217,374,817
d	Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	1,320,997,258	0

Part III Funding percentages

14	Funding target attainment percentage	14	98.39 %
15	Adjusted funding target attainment percentage	15	112.21 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	116.30 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
07/01/2009		81,610	05/21/2010	49,999,954	
09/30/2009	120,000,000		05/21/2010	5,999,994	
12/31/2009	230,400,000		06/30/2010	115,200,000	
12/31/2009	80,000,000		06/30/2010	40,000,000	
12/31/2009	9,600,000		06/30/2010	4,800,000	
05/21/2010	143,999,866		09/01/2010	114,000,000	
			Totals ► 18(b)	958,999,814	18(c) 81,610

19	Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	870,795,634

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used

b Applicable month (enter code) — **21b**: 3

22 Weighted average retirement age — **22**: 61

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment — **27**:

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)		**31**	282,828,546
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	0		0
b Waiver amortization installment	0		0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)		**34**	282,828,546
	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	159,828,876	0	159,828,876
36 Additional cash requirement (item 34 minus item 35)		**36**	122,999,670
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)		**37**	870,795,634
38 Interest-adjusted excess contributions for current year (see instructions)		**38**	747,795,964
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)		**39**	0
40 Unpaid minimum required contribution for all years		**40**	0

United Technologies Corporation

Employee Retirement Plan

EIN: 06-0570975 PN:001

Schedule SB, Part V – Summary of Assumptions & Methods

Economic Assumptions

	Non-Rep
Funding interest rate basis:	
▸ Applicable month	October 2008 (rates published in November 2008)
▸ Yield curve basis	Full Yield Curve
▸ Transition from current liability rates	N/A
Funding interest rates:	
▸ 10-year rate	8.81%
▸ 20-year rate	8.22%
▸ 30-year rate	7.50%
▸ Effective interest rate	8.12%
Crediting rate on cash balance accounts	5.00%*
Annual rates of increase in:	
▸ Salaries	4.50%
▸ Future Social Security wage bases	3.50%
▸ Future Social Security CPI	3.00%

* Crediting rate for Rocketdyne cash balance accounts is 5.25%.

United Technologies Corporation

Employee Retirement Plan

EIN: 06-0570975 PN:001

Schedule SB, Part V – Summary of Assumptions & Methods

Demographic and Other Assumptions

Mortality:

▸ Healthy	RP-2000 (IRS) 2009 Static, with separate rates for annuitants and non-annuitants and projections of mortality improvements based on Scale AA
▸ Disabled	RP-2000 (IRS) 2009 Static, with separate rates for annuitants and non-annuitants and projections of mortality improvements based on Scale AA
Termination	Rates varying by age and service See Exhibit B
Disability	Rates varying by age See Exhibit C
Retirement	Rates varying by age; For certain Subplans, rates were increased to anticipate the sunset of the Retiree Medical program. See Exhibit D.
Form of payment	50% life annuity and 50% CA benefit (equally split between option 50% and option 100% CA); For Non-Rep Rocketdyne: 30% life annuity and 70% CA benefit (option 50%); For Non-Rep cash balance participants (other than P&W San Antonio and Dallas): for retirement and death, immediate lump sum; for vested termination, 75% immediate lump sum and 25% deferred to age 55 lump sum. For Non-Rep vested terminations, the PPA liability is increased by 0.5% to estimate the impact of the optional forms.
Administrative expense	For Non-Rep: 0.2% of the fair value of assets.
Percentage married	100% at age 55 for subplans with the 100% CA annuity that allows non-spouse beneficiaries; 81% for all others in Non-Rep
Spouse age	Wives 3 years younger than husbands
Valuation Pay	For current year hires, the maximum of pay rate and the prior year's pensionable earnings, annualized and increased by 3.00%. For participants on leave of absence, pay rate. For all other participants, prior year's pensionable earnings increased by 3.00%. For Non-Rep, a minimum of $25,000 is placed on valuation pay.
Participant data	The company supplied a census for all participants as of January 1, 2009
Special at-risk assumptions	N/A

United Technologies Corporation

Employee Retirement Plan

EIN: 06-0570975 PN:001

Schedule SB, Part V – Summary of Assumptions & Methods

Actuarial Methods

▸ Valuation date	First day of plan year
▸ Funding target	Present value of accrued benefits
▸ Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year
▸ Actuarial value of assets	Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings. The average asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

All benefits described in the summary of plan provisions were valued except the automatic payment of lump sums under $5,000. Towers Perrin has reviewed plan documentation provided by UTC and is not aware of any significant benefits that were not valued.

Change in Methods and Assumptions Since Last Year

Contributions

The interest rates used to calculate the funding target and target normal cost were changed from the segment interest rates as of January 2008 to the full corporate bond yield curve with October 2008 lookback (rates published in November 2008).

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

For Non-Rep, assumed plan-related expenses of 0.2% of the fair value of assets were added to the target normal cost.

For Non-Rep, the marriage percentage (where other than 100%) was modified from 80% to 81% to account for the addition of death benefit coverage for domestic partners.

For all three plans, the asset valuation method was changed from Fair Market Value of Assets to a “smoothed” value of assets, as described above.

United Technologies Corporation

Employee Retirement Plan

EIN: 06-0570975 PN:001

Schedule SB, Part V – Summary of Assumptions & Methods

Data Sources	Towers Perrin used asset data supplied by the trustee. The company furnished participant data and the dates and amounts of the 2008 contributions that were paid in 2009. Data were reviewed for reasonableness and consistency, but no audit was performed. Assumptions or estimates were made by Towers Perrin when data was not available. Towers Perrin is not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

United Technologies Corporation

Employee Retirement Plan

EIN: 06-0570975 PN:001

Schedule SB, Part V – Summary of Assumptions & Methods

Exhibit A

Mortality Assumptions

Annual Rates per 1,000 Participants

Plan: Non-Rep

	Non-Anuitants		Annuitants	
Age	Male	Female	Male	Female
20	0.218	0.130		
25	0.295	0.148		
30	0.394	0.207		
35	0.685	0.364		
40	0.890	0.491		
45	1.102	0.763		
50	1.383	1.111		
55	1.911	2.083	4.344	3.105
60	3.312	3.485	6.332	5.722
65	5.399	5.161	10.709	9.565
70	6.903	6.750	17.436	15.452
75	19.968	16.092	30.193	24.716
80	54.807	41.002	54.807	41.002

United Technologies Corporation

Employee Retirement Plan

EIN: 06-0570975 PN:001

Schedule SB, Part V – Summary of Assumptions & Methods

Exhibit B

Termination Assumptions

Annual Rates per 1,000 Participants

Plan: Non-Rep

	Years of Service	
Age	0-5	5 and up
25	147.4	94.0
30	137.6	89.0
35	129.4	75.0
40	118.6	58.6
45	110.0	49.0
50	105.0	44.0
55	98.5	38.9
60	0.0	0.0
65	0.0	0.0
70	0.0	0.0
75	0.0	0.0
80	0.0	0.0

United Technologies Corporation

Employee Retirement Plan

EIN: 06-0570975 PN:001

Schedule SB, Part V – Summary of Assumptions & Methods

Exhibit C

Disability Assumptions

Annual Rates per 1,000 Participants

Plan:	Non-Rep	
Age	Male	Female
25	0.5	0.6
30	0.6	0.9
35	0.9	1.5
40	1.4	2.0
45	2.6	3.3
50	5.1	5.5
55	9.6	8.5
60	14.7	10.9
65	0.0	0.0
70	0.0	0.0
75	0.0	0.0
80	0.0	0.0

Exhibit D

Retirement Assumptions

Plan	Assumed Retirement Age
UTC Non-Rep:	
Aerospace	Decrements averaging at age 61 (see Exhibit E for rates)
Alma Non-Union	N.A.
Arma	N.A.
Auto B	N.A.
Automotive Systems (Sheller Salaried)	N.A.
Auto Salaried	N.A.
Carrier A	Decrements averaging at age 61 (see Exhibit E for rates)
Carrier C	N.A.
Carrier SEC	Decrements averaging at age 61 (see Exhibit E for rates)
Control Hourly	N.A.
Fire & Security	Decrements averaging at age 61 (see Exhibit E for rates)
Hamilton Sundstrand Commercial	Decrements averaging at age 61 (see Exhibit E for rates)
Hamilton Test Systems	N.A.
Microelectronics	N.A.
Otis Salaried	Decrements averaging at age 61 (see Exhibit E for rates)
Otis Salaried Local Rep	Decrements averaging at age 61 (see Exhibit E for rates)
Rocketdyne	Decrements averaging at age 61 (see Exhibit E for rates)
Sheller Leece-Neville	N.A.
Sheller Northern Fibre	N.A.

For Rocketdyne, the rates for 2009 are 75% for all ages for those hired prior to 1998.

United Technologies Corporation

Employee Retirement Plan

EIN: 06-0570975 PN:001

Schedule SB, Part V – Summary of Assumptions & Methods

Exhibit E

Retirement Assumptions

Age	Rates Averaging at Age 61(1)
55	0.05
56	0.05
57	0.10
58	0.10
59	0.10
60	0.15
61	0.10
62	0.25
63	0.25
64	0.25
65	1.00

(1) Applies to Non-Rep: Aerospace, Carrier A, Carrier SEC, Fire & Security, Hamilton Sundstrand Commercial, Otis Salaried, Otis Salaried Local Rep and Rocketdyne.

United Technologies Corporation

Employee Retirement Plan

EIN: 06-0570975 PN:001

Schedule SB, Part V – Summary of Plan Provisions

Summary of Plan Changes

Plan	Changes	Effective Date
Non-Rep:		
All Subplans	Death benefit coverage was added for domestic partners	07/01/2008
	IRC 401(a)(17) compensation limit was increased from $230,000 to $245,000	01/01/2009
	415 Limit at SSRA was increased from $185,000 to $195,000	01/01/2009

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
All Salaried Employees
Cash Balance Plan

1. Eligibility

   a. Eligible Employees: Salaried employees of United Technologies Corporation who were hired after June 30, 2002 or who elected the cash balance formula during My Pension.My Choice. to be effective as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

   b. Participation Requirements: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

2. Accrued Benefit

   a. Formula: Cash balance account, equal to the sum of (i), (ii), minus (iii), if applicable; plus (iv), if applicable:

      (i) Pay Credits: Upon becoming an eligible participant, pay credits accrue from the date of hire or, for participants who elected the cash balance formula during My Pension.My Choice., from the cash balance effective date. Pay credits are added to the cash balance account at the end of each month and are expressed as a percentage of monthly earnings. Pay credits are based on attained age as of December 31 of the current year according to the table below:

Age as of December 31	Pay Credit as Percent of Earnings
Up to age 30	3%
Age 30 to 34	4%
Age 35 to 39	5%
Age 40 to 44	6%
Age 45 to 49	7%
Age 50 and above	8%

      Pay credits stop accruing when the participant retires, terminates or dies, that is, when the participant's credited service ends.

      (ii) Interest Credits: An interest credit is added to the account at the end of each month. It is equal to the product of the account balance as of the end of the prior month and 1/12 [or (1+i)^(1/12)-1] of the annual interest rate in effect for the year. The annual interest rate is set each January 1 and is based on the average yield on 30-year Treasury Bonds during the month of November of the prior year. Interest credits continue until the date payments begin.

(iii) The cash balance account of (a) certain Carrier Enterprises participants and (b) certain Otis participants will be offset by the amounts described below:

(a) For Carrier Enterprises participants who participate in the profit sharing plan (part of UTC Savings Plan II), the value of the post-March 31, 2003 notional profit sharing account will be offset.

(b) For Otis Group or Otis Local Group participants who participate in the National Elevator Industry Multi-Employer Pension Plan (NEI Pension Plan), the value of the NEI Pension Plan benefit attributable to service on or after April 1, 2003 will be offset.

(iv) If the Participant elected the cash balance formula during My Pension.My Choice., the accrued benefit under the prior Final Average Earnings (FAE) formula, frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable), will be paid under the rules of that prior formula. In general, any prior FAE benefit is only available as an annuity commencing at age 55 or later.

b. Definitions

(i) Earnings: Total compensation including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009).

(ii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iii) Continuous Service (service): The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability, or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(iv) Credited Service: Continuous Service or, for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date, but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company,
- service prior to January 1, 1985 for former Plan A participants, and
- for layoffs occurring after December 31, 2004, any period of time following the date of layoff.

(v) Annuitization Basis (to convert cash balance account to life annuity): The annuitization basis is set each January 1 for the year, and is based on the IRS 417(e) basis for the month of November of the prior year, and the 417(e) government mandated mortality table.

3. Normal Retirement
   a. Date: First of the month following the date on which a participant attains age 65.
   b. Benefit: Cash balance account converted to an equivalent annuity payable monthly, or a lump sum payment option equal to the cash balance account.
4. Postponed Retirement
   a. Date: First of the month following retirement after the Normal Retirement Date.
   b. Benefit: Cash balance account converted to an equivalent annuity payable monthly, or a lump sum payment option equal to the cash balance account.
5. Vested Termination
   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for normal or postponed retirement.
   b. Benefit: Cash balance account at termination, increased with accumulated monthly interest credits to the date payments commence, converted to an equivalent annuity payable monthly, or else a lump sum payment option equal to the cash balance account. A participant can commence payment of the benefit on the first day of any month following termination.
6. Disability Benefit
   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.
   b. Benefit: Cash balance account continues to earn pay credits, using base earnings at the date of disability, as well as interest credits during the period of disability, but not beyond the Normal Retirement Date. The cash balance account can be paid at any time, but, once paid, the pay credits and the interest credits will stop.
7. Pre-retirement Death Benefits
   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefit is payable:
   b. Benefit: If the participant dies after becoming vested, the spouse or beneficiary will receive the full account balance if the death occurs before the cash balance payments are scheduled to begin. The spouse can elect an annuity or to defer payment to as late as when the participant would have attained age 65.

8. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      (viii) Lump-Sum Payment

      The normal form of payment is converted to an optional form under 417(e) government mandated basis.

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Cash Balance Groups
Pratt & Whitney Hourly Management Represented

1. Eligibility

   a. Eligible Employees: Hourly management represented employees of Pratt & Whitney San Antonio Product Team, Pratt & Whitney Dallas Airfoil Repair Operations, Pratt & Whitney PSD Nordam and Pratt & Whitney Hourly Management Represented Wichita Falls not covered by a collective bargaining agreement.

   b. Participation Requirements: Eligible Employees become participants on the later of:

      - January 1, 1999 (San Antonio), January 1, 2001 (Dallas), January 1, 2008 (Pratt PSD Nordam), January 1, 2008 (Pratt HMR Wichita Falls)
      - date of employment

2. Accrued Benefit

   a. Formula: Cash balance account, equal to the sum of (i) and (ii):

      (i) Pay Credits: At the end of each month, pay credits are added to the cash balance account and are expressed as a percentage of monthly earnings. Pay credits are based on attained age as of December 31 of the current year according to the table below:

Age as of December 31	Pay Credit as Percent of Earnings
Up to age 30	3.00%
Age 30 to 34	3.75%
Age 35 to 39	4.50%
Age 40 to 44	5.25%
Age 45 to 49	6.00%
Age 50 and above	7.00%

      Pay credits stop accruing when the participant retires, terminates (whether by reason of discharge, layoff or otherwise) or dies.

      (ii) Interest Credits: An interest credit is added to the account at the end of each month. It is equal to the product of the account balance as of the end of the prior month and 1/12 [or (1+i)^(1/12)-1] of the annual interest rate in effect for the year. The annual interest rate is set each January 1 and is based on the average yield on 30-year Treasury Bonds during the months of August and September of the prior year, subject to a minimum interest rate of 4.0%. Interest credits continue until the date payments begin.

b. Definitions

(i) Annual Earnings: Total compensation including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009).

(ii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iii) Continuous Service (service): The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability, or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(iv) Credited Service: Continuous Service after January 1, 1999 (San Antonio) or January 1, 2001 (Dallas) or January 1 2008 (Pratt PSD Nordam and Pratt HMR Wichita Falls) but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year, and
- service counted as Credited Service under any other defined benefit retirement plan of the company

(v) Annuitization Basis (to convert cash balance account to life annuity): The annuitization basis is set each January 1 for the year, and is based on the IRS 417(e) basis for the months of August and September of the prior year, and the 417(e) government mandated mortality table.

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: Cash balance account converted to an equivalent annuity payable monthly.

4. Early Retirement

a. Date: First of the month following retirement after the attainment of age 55 and the completion of 5 years of service, but before the Normal Retirement Date.

b. Benefit: Cash balance account converted to an equivalent annuity payable monthly.

5. Postponed Retirement

a. Date: First of the month following retirement after the Normal Retirement Date.

b. Benefit: Cash balance account converted to an equivalent annuity payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: Cash balance account at termination, increased with accumulated monthly interest credits to the date payments commence, converted to an equivalent annuity payable monthly. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55.

7. Disability Benefit

   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.

   b. Benefit: Cash balance account continues to earn pay credits on any eligible pay received, as well as interest credits during the period of disability, but not beyond the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, at which time any pay credits and the interest credits will stop.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form under 417(e) government mandated basis.

   c. Automatic Lump Sum Payment: for participants whose benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
Non-Howmet/Non-Sundstrand Divisions

1. Eligibility

   a. Eligible Employees: Employees of the Aerospace Group not covered by a collective bargaining agreement who were hired on or before June 30, 2002.

   b. Participation Requirements: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

2. Accrued Benefit

   a. Formula: The greatest of (i), (ii) or (iii) below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) Pre-78 Benefit % x Final Average Earnings + 2% Final Average Earnings x post-77 Credited Service (max 20) + 1% Final Average Earnings x post-77 Credited Service in excess of 20

      Minus (a) or, for participants with pre-91 Credited Service, (b) if less

      (a) 1.5% Primary Social Security benefit x post-77 Credited Service (max 33-1/3)

      (b) 50% Primary Social Security benefit x post-77 Credited Service / Aerospace Group continuous service

      (ii) 1.5% Final Average Earnings x pre-78 Credited Service + 2% Final Average Earnings x post-77 Credited Service (max 20) + 1% Final Average Earnings x post-77 Credited Service in excess of 20

      Minus (a) or, for participants with pre-91 Credited Service, (b) if less

      (a) 1.5% Primary Social Security benefit x Credited Service (max 33-1/3)

      (b) 50% Primary Social Security benefit x Credited Service / Aerospace Group continuous service

      (iii) Graded benefit level of $276 for Final Average Earnings under $18,000 to $360 for Final Average Earnings of $30,000 and over x Credited Service.

      For purposes of determining the 50% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the date of participation in the Aerospace Group and end at the date of termination.

      For purposes of determining the 1.5% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination. Calendar years with zero earnings are excluded.

(iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iv) Continuous Service (service): The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability, or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(v) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.

5. Postponed Retirement

a. Date: First of the month following retirement after the Normal Retirement Date.

b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year benefit commencement precedes the Normal Retirement Date.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4.b. above.

7. Disability Benefit

   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service continue up to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
Howmet Salaried Divisions

1. Eligibility

   a. Eligible Employees: Salaried employees of the Howmet divisions not covered by a collective bargaining agreement who were hired on or before June 30, 2002.

   b. Participation Requirements*: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

      * Employees who were hired at Howmet prior to the sale to UTC became plan participants automatically upon the sale date of September 10, 1997.

2. Accrued Benefit

   a. Formula: For all participants, the greater of (i) or (ii), reduced at the Participant's election, by the actuarial equivalent of (iii):

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) 2% Final Average Earnings x Credited Service (max 20 years) + 1% Final Average Earnings x Credited Service in excess of 20 years

      Minus

      1.5% Primary Social Security benefit x Credited Service (max 33-1/3)

      (ii) Graded benefit level of $276 for Final Average Earnings under $18,000 to $360 for Final Average Earnings of $30,000 and over x Credited Service.

      (iii) A lump sum distribution of the Cash Balance Account as of September 10, 1997 with interest compounded monthly through the distribution date, at the Cash Balance Interest Crediting Rate (if not distributed upon termination of employment).

      For purposes of determining the 1.5% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive plan years in the last ten plan years before termination. Last ten plan years may include pre-sale Howmet earnings.

(iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iv) Continuous Service (service):

Prior to September 10, 1997: Continuous service as determined under the rules of the prior Howmet plan.

On or After September 10, 1997: The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability or layoff not exceeding one year (two years for a child care leave, or if re-employed, two years for a layoff or a military leave).

(v) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

Credited Service is based on the later of the date of hire or January 1, 1996.

(vi) Cash Balance Interest Crediting Rate: Reset annually based on:

- average of 1 year Treasury bill yields in November prior to Plan Year, plus 1%

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year the benefit commencement date precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service*, but before becoming eligible for early, normal or postponed retirement.

      * Participants active on the sale date are automatically vested in both their Cash Balance Account and UTC benefits.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year the benefit commencement date precedes the Normal Retirement Date.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service is greater than or equal to 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in section 4.b. above.

7. Disability Benefit

   a. Eligibility: Disability after completing 10 years of service and qualified to receive Social Security benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service accrue to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuity benefit is payable and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

   If the participant dies before meeting the requirements of (i) above and is not married, no survivor benefits are payable. However, a lump sum benefit equal to the Cash Balance Account plus interest is due to the estate or beneficiary(s) if so elected.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      (viii) Partial lump sum*

         * Participants may withdraw their Cash Balance Account with interest at either termination or retirement.

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
Howmet Hourly - Tulsa and Wichita Falls Divisions

1. Eligibility
   a. Eligible Employees: Hourly employees of the Howmet division not covered by a collective bargaining agreement at the Tulsa and Wichita Falls locations. Employees hired after December 31, 2007 at Wichita Falls are covered by the Pratt & Whitney Hourly Management Represented Cash Balance plan.
   b. Participation Requirements*: Eligible Employees become participants on the January 1 or July 1 coincident with or following the earlier of:
      - age 21 and one year of eligibility service
      - five years of eligibility service
        * Employees who were hired at Howmet prior to the sale to UTC became plan participants automatically upon the sale date of September 10, 1997.
2. Accrued Benefit
   a. Formula for Tulsa: The sum of (i) and (ii):
      (i) $180.00 x Howmet Credited Service (Howmet benefit)
      (ii) $192.00 x UTC Credited Service (UTC benefit)
   b. Formula for Wichita Falls: The sum of (i) and (ii)
      (i) $180.00 x Howmet Credited Service (Howmet benefit)
      (ii) Monthly benefit level from the table below based on Final Average Earnings times months of UTC Credited Service from September 1, 1997 until December 31, 2007:

Final Average Earnings	Monthly Benefit Level
Under $25,000	$22.00
25,000 - 29,999	23.00
30,000 - 34,999	24.00
35,000 and over	25.00

      Effective January 1, 2008, the benefit formula follows the Pratt & Whitney Hourly Management Represented Cash Balance formula.
   c. Definitions
      (i) Annual Earnings: Total compensation as a participant including tax deferred contributions to the savings plan and pre-tax contributions for UTC Choice benefits, but excluding awards and reimbursements. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay rate in the first and last partial year of participation is annualized.
      (ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination.

(iii) Continuous Service (service): The total period of a participant's employment, including service after the Normal Retirement Date.

(iv) Howmet Credited Service: The period of employment calculated under the prior Howmet plan through September 10, 1997.

(v) UTC Credited Service: Continuous Service after September 10, 1997 but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year, and
- service counted as Credited Service under any other defined benefit retirement plan of the company

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

b. Benefit: The accrued benefit at retirement payable monthly reduced as follows:

(i) For Howmet benefit: The accrued benefit at retirement payable monthly reduced 3% per year for each year the benefit commencement date precedes the Normal Retirement Date.

(ii) For UTC benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year the benefit commencement date precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.

5. Postponed Retirement

a. Date: First of the month following retirement after the Normal Retirement Date.

b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55. The benefit is reduced as follows:

(i) For Howmet benefit: The accrued benefit at termination payable monthly reduced 3% per year for each year the benefit commencement date precedes the Normal Retirement Date.

(ii) For UTC benefit: The accrued benefit at termination payable monthly reduced 5% per year for each year the benefit commencement date precedes the Normal Retirement Date.

7. Disability Benefit

   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. The accrued benefit is determined using the benefit multiplier in effect as of the disability onset date as determined by the Social Security Administration. Service and Credited Service continue up to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuity benefit is payable and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 55.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable. Payment of the UTC benefit commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      The Howmet benefit is available to the spouse immediately, payable anytime on or after the first of the month following the month in which the participant dies. The Howmet benefit is reduced 3% per year from age 65 to age 55 and 2% per year under age 55. The lump sum option is available on this portion of the benefit.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable. Payment of the UTC benefit commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      The Howmet benefit is available to the spouse immediately, payable anytime on or after the first of the month following the month in which the participant dies. The Howmet benefit is reduced 3% per year from age 65 to age 55 and 2% per year under age 55. The lump sum option is available on this portion of the benefit.

   If the participant dies before meeting the requirements of (i) above and is not married, no survivor benefits are payable. However, a lump sum benefit equal to 85% of the actuarial equivalent of the Howmet benefit calculated at the date of death is due to the estate.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity*

      (ii) 10 year certain and continuous annuity*

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity*

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      (viii) Partial lump sum**

      * 10 year certain and continuous annuity and 66-2/3% contingent annuity are only available on the UTC benefit.

      ** Partial lump sum is available only on the Howmet benefit.

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
PSD Nordam Hourly

1. Eligibility

   a. Eligible Employees: Hourly employees of the Nordam division not covered by a collective bargaining agreement. Employees hired after December 31, 2007 at PSD Nordam are covered by the Pratt & Whitney Hourly Management Represented Cash Balance Plan.

   b. Participation Requirements*: Eligible Employees become participants on the January 1 or July 1 coincident with or following the earlier of:

      - age 21 and one year of eligibility service
      - five years of eligibility service

      * Employees who were hired at Nordam prior to the sale to UTC became plan participants automatically upon the sale date of April 1, 1996.

2. Accrued Benefit

   a. Formula: $252.00 x Credited Service until December 31, 2007. Effective January 1, 2008 the benefit formula follows the Pratt & Whitney Hourly Management Represented Cash Balance formula

   b. Definitions

      (i) Continuous Service (service): The total period of a participant's employment, including service after the Normal Retirement Date.

      (ii) Credited Service: Continuous Service after April 1, 1996 but excluding:

         - a break in service which exceeds 30 days,
         - leaves of absence without compensation in excess of one year, and
         - service counted as Credited Service under any other defined benefit retirement plan of the company

3. Normal Retirement

   a. Date: First of the month following the date on which a participant attains age 65.

   b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year the benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.

5. Postponed Retirement

a. Date: First of the month following retirement after the Normal Retirement Date.

b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year the benefit commencement precedes the Normal Retirement Date.

7. Disability Benefit

a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security benefits.

b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. The accrued benefit is determined using the benefit multiplier in effect as of the disability onset date as determined by the Social Security Administration. Service and Credited Service continue up to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

b. Benefit:

(i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuity benefit is payable and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

(ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable. Payment of the benefit commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

(iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable. Payment of the benefit commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
Hamilton Sundstrand Puerto Rico Exempt

1. Eligibility

   a. Eligible Employees: Puerto Rico Exempt employees, not covered by a collective bargaining agreement.

   b. Participation Requirements: Eligible Employees become participants on the later of:

      - date of employment
      - May 9, 1992

2. Accrued Benefit

   a. Formula: the greater of (i) or (ii)

      (i) Career Accumulation Method (CAM): The sum of (a) and (b):

         (a) the greater of 2% of Annual Earnings (contributory years only) or $180

         (b) $180 (noncontributory years only)

      (ii) Final Average Compensation Method (FAC): The sum of (a) and (b):

         (a) Graded benefit level of $300 for Final Average Earnings under $27,750 to $366 for Final Average Earnings of $34,050 and over x Credited Service (contributory years only)

         (b) $156 x Credited Service (noncontributory years only)

   b. Definitions

      (i) Annual Earnings: Total compensation as a participant including overtime, bonuses, pre-tax contributions and certain commissions. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009).

      (ii) Final Average Earnings: The average Annual Earnings for the highest three plan years in the last ten plan years before termination. Calendar years with zero earnings are excluded.

      (iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

      (iv) Continuous Service (service): Assumed to be the same as Credited Service.

      (v) Credited Service: Elapsed, with fractional years prorated based on 365 days.

      (vi) Voluntary Employee Contributions: 1.5% of Annual Earnings, where employee can elect to contribute or not to contribute.

3. Normal Retirement

   a. Date: First of the month following the date on which a participant attains age 65 and completes 5 years of service.

   b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of the earlier of age 60 and the completion of 10 years of service or the attainment of age 58 and the completion of 30 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced as follows:

      (i) if less than 30 years of service, the accrued benefit at retirement is the greater of the benefit described in 2.a.(i) above payable monthly reduced 4% per year for each year benefit commencement precedes age 65, or the accrued benefit at retirement described in 2.a.(ii) above, unreduced.

      (ii) if 30 or more years of service and under age 60, the accrued benefit at retirement described in 2.a. above payable monthly reduced 3% per year for each year benefit commencement precedes age 60.

   c. Early Retirement Supplement:

      (i) Eligibility: Retire before age 62

      (ii) Benefit: $132 x Credited Service, payable until the earlier of age 62 or death.

   d. Special Early Retirement Supplement:

      (i) Eligibility: Retire between ages 58 and 60 with at least 30 years of service, or retire between ages 60 and 62 with at least 25 years of service.

      (ii) Benefit: $1,200 per year payable to age 60 and $2,400 per year payable from age 60 to age 62.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit as described in 4.a. above, with the benefit reduced 6% for each year the benefit commencement date precedes the Normal Retirement Date.

7. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit or completing 25 years of service or attaining age 50 with 15 years of service, a 55% contingent annuity benefit is payable and payment commences immediately, reduced based on age and service of participant, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) above, a 55% spouse's benefit is payable, and payment commences when the participant would have attained age 65.

8. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 55% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 100% contingent annuity

      (iii) 75% contingent annuity

      (iv) 55% contingent annuity

      (v) 50% contingent annuity

      (vi) Life annuity for married participants

      (vii) Lump sum

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
Hamilton Sundstrand Aerospace Divisions

1. Eligibility

   a. Eligible Employees: Salaried employees of the Sundstrand Aerospace divisions, not covered by a collective bargaining agreement who were hired on or before June 30, 2002.

   b. Participation Requirements*: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

        * Employees who were hired at Sundstrand Aerospace prior to the sale to UTC became plan participants automatically upon January 1, 2000.

2. Accrued Benefit

   a. Formula:

      The greater of (i) or (ii), plus (iii) below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) 2% Final Average Earnings x Credited Service (max 20 years) + 1% Final Average Earnings x Credited Service in excess of 20 years

      Minus

      1.5% Primary Social Security benefit x Credited Service (max 33-1/3)

      (ii) Graded benefit level of $276 for Final Average Earnings under $18,000 to $360 for Final Average Earnings of $30,000 and over x Credited Service.

      (iii) For participants hired prior to sale date:

      Benefit accrued as of December 31, 1999 under the Sundstrand Aerospace plan provisions multiplied by the Special UTC Final Average Earnings divided by Sundstrand Final Average Earnings as of December 31, 1999.

      For purposes of determining the 1.5% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive plan years in the last ten plan years before termination. Last ten plan years may include pre-sale Sundstrand earnings. Calendar years with zero earnings are excluded.

(iii) Special UTC Final Average Earnings: The average Annual Earnings for the highest three consecutive plan years in the last ten plan years before termination. Last ten plan years may include pre-sale Sundstrand earnings. Calendar years with zero earnings are excluded.

(iv) Sundstrand Final Average Earnings: The average annual earnings for the three plan years 1997, 1998 and 1999. Annual earnings is based on the Sullair definition as described under the prior Sundstrand Plan.

(v) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(vi) Continuous Service (service):

Prior to January 1, 2000: Continuous service as determined under the rules of the prior Sundstrand Aerospace plan.

On or After January 1, 2000: The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability or layoff not exceeding one year (two years for a child care leave, or if re-employed, two years for a layoff or a military leave).

(vii) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

Credited Service is based on the later of the date of hire or January 1, 2000.

3. Normal Retirement

   a. Date: First of the month following the date on which a participant attains age 65.

   b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year the benefit commencement date precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62. This reduction is only applicable to the portion of the benefit that began accruing as of January 1, 2000. The portion of the benefit accrued to December 31, 1999 is reduced according to the provisions of the Sundstrand Aerospace plan.

   c. Special Age 65 Benefits: Only participants who were eligible to retire on January 1, 2000, and were hired prior to January 1, 1992. If the participant retires after age 55 and completing 5 years of service, $9.70 per month payable at age 65.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year the benefit commencement date precedes the Normal Retirement Date, applicable only to the portion of the benefit that began accruing as of January 1, 2000. The portion of the benefit accrued to December 31, 1999 is reduced according to the provisions of the Sundstrand Aerospace plan.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service is greater than or equal to 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in section 4.b. above. The portion of the benefit accrued to December 31, 1999 is reduced according to the provisions of the Sundstrand Aerospace plan.

7. Disability Benefit

   a. Eligibility: Disability after completing 10 years of service and qualified to receive Social Security benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service accrue to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuity benefit is payable and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      (viii) Partial lump sum*

         * Participants may elect to receive a lump sum payment for the Pre-92 Sundstrand portion of their benefit, at termination or retirement.

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
Plan A Hourly

1. Eligibility
   a. Eligible Employees: Hourly employees of the company located at the Pratt & Whitney, Columbus, Georgia location and Pratt & Whitney ORCS.
   b. Participation Requirements: Eligible Employees become participants on the earlier of:
      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of service
2. Accrued Benefit
   a. Formula: Monthly benefit level from the table below based on Final Average Earnings times months of Credited Service:

Final Average Earnings	Monthly Benefit Level
Under $27,000	$28.00
27,000 - 28,999	30.00
29,000 - 30,999	32.00
31,000 - 32,999	34.00
33,000 – 34,999	35.00
35,000 – 36,999	36.00
37,000 and over	37.00

   b. Definitions
      (i) Annual Earnings: Total compensation as a participant including tax deferred contributions to the savings plan and pre-tax contributions for UTC Choice benefits, but excluding awards and reimbursements. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay rate in the first and last partial year of participation is annualized.
      (ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination.
      (iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.
      (iv) Continuous Service (service): The total period of a participant's employment, including service after Normal Retirement Date.
      (v) Credited Service: Continuous Service but excluding:
         - a break in service which exceeds 30 days,
         - leaves of absence without compensation in excess of one year, and
         - service counted as Credited Service under any other defined benefit retirement plan of the company.

3. Normal Retirement
   a. Date: First of the month following the date on which a participant attains age 65.
   b. Benefit: The accrued benefit at retirement payable monthly.
4. Early Retirement
   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.
   b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.
5. Postponed Retirement
   a. Date: First of the month following retirement after the Normal Retirement Date.
   b. Benefit: The accrued benefit at retirement payable monthly.
6. Vested Termination
   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.
   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date.
   c. Rule of 65 Benefit: Participants terminating employment between age 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4b above.
7. Disability Benefit
   a. Eligibility: Disability after completing 10 years of service and receiving Social Security disability benefits.
   b. Benefit: The accrued benefit at disability payable monthly commencing on the first of the month following one year of disability and continuing during the participant's lifetime until the earliest of:
      (i) the date Social Security disability benefits cease
      (ii) the date early retirement benefits commence
      (iii) the Normal Retirement Date

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies prior to receiving an early, normal or postponed retirement benefit, the following benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
Plan A Salaried

1. Eligibility

   a. Eligible Employees: Salaried employees of the company at Sikorsky Support Services, Inc. – Troy not covered by a collective bargaining agreement who were hired on or before June 30, 2002.

   b. Participation Requirements: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of service

2. Accrued Benefit

   a. Formula: the greater of (i) or (ii):

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) 1.5% Final Average Earnings x Credited Service

      Minus (a) or, for participants with pre-91 Credited Service, (b) if less

      (a) 1.5% Primary Social Security benefit x Credited Service (max 33-1/3)

      (b) 50% Primary Social Security benefit x Credited Service/continuous service

      (ii) $240 x Credited Service

      For purposes of determining the 50% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the date of hire and end at the date of termination.

      For purposes of determining the 1.5% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 and 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination.

(iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iv) Continuous Service (service): The total period of a participant's employment, including service after Normal Retirement Date.

(v) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company,
- service prior to January 1, 1985, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement
   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.
   b. Benefit: The greater of (i), (ii) or (iii)
      (i) The accrued benefit at retirement described in 2.a.(i)(a) above payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.
      (ii) The accrued benefit at retirement described in 2.a.(i)(b) above payable monthly reduced 3.6% per year for each year benefit commencement precedes age 65. The benefit is unreduced if the participant retires on or after the attainment of age 65.
      (iii) The accrued benefit at retirement described in 2.a.(ii) above payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.
5. Postponed Retirement
   a. Date: First of the month following retirement after the Normal Retirement Date.
   b. Benefit: The accrued benefit at retirement payable monthly.
6. Vested Termination
   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.
   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date.
   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4.b. above.
7. Disability Benefit
   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.
   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service continue up to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
Schweizer Aircraft

1. Eligibility

   a. Eligible Employees: Salaried employees of Schweizer Aircraft not covered by a collective bargaining agreement.

   b. Participation Requirements: Eligible Employees become participants on the earlier of:

   - January 1 coincident with or following age 21
   - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

   * Employees who were hired at Schweizer Aircraft prior to the sale to UTC became plan participants automatically upon February 1, 2005.

2. Accrued Benefit

   a. Formula: Cash balance account, equal to the sum of (i) , (ii), plus (iii), if applicable:

   (i) Pay Credits: Upon becoming an eligible participant, pay credits accrue from the date of hire or, February 1, 2005 for participants at that date. Pay credits are added to the cash balance account at the end of each month and are expressed as a percentage of monthly earnings. Pay credits are based on attained age as of December 31 of the current year according to the table below:

Age as of December 31	Pay Credit as Percent of Earnings
Up to age 30	3%
Age 30 to 34	4%
Age 35 to 39	5%
Age 40 to 44	6%
Age 45 to 49	7%
Age 50 and above	8%

   Pay credits stop accruing when the participant retires, terminates or dies, that is, when the participant's credited service ends.

   (ii) Interest Credits: An interest credit is added to the account at the end of each month. It is equal to the product of the account balance as of the end of the prior month and 1/12 [or (1+i)^(1/12)-1] of the annual interest rate in effect for the year. The annual interest rate is set each January 1 and is based on the average yield on 30-year Treasury Bonds during the month of November of the prior year. Interest credits continue until the date payments begin.

   (iii) For participants hired prior to sale date:

   Benefit accrued as of December 31, 2002 under the Schweizer Aircraft plan provisions multiplied by the Special UTC Final Average Earnings divided by Schweizer Aircraft Final Average Earnings as of December 31, 2002.

b. Definitions

(i) Earnings: Total compensation including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009).

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive plan years in the last ten plan years before termination. Last ten plan years may include pre-sale Schweizer Aircraft earnings. Calendar years with zero earnings and calendar years 2003 and 2004 are excluded.

(iii) Schweizer Aircraft Final Average Earnings: The average annual earnings for the five plan years 1998, 1999, 2000, 2001 and 2002. Annual earnings are based on the Schweizer Aircraft definition as described under the prior Schweizer Aircraft Pension Plan.

(iv) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(v) Continuous Service (service):

Prior to February 1, 2005: Continuous service is equal to credited service earned under the prior Schweizer Aircraft Pension Plan.

On or after February 1, 2005: The total period of a participant’s employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability or layoff not exceeding one year (two years for child care leave, or if re-employed, two years for a layoff or a military leave).

(vi) Credited Service on or after February 1, 2005: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for layoffs occurring after December 31, 2004, any period of time following the date of layoff.

Credited Service is based on the later of the date of hire or February 1, 2005.

(vii) Annuitization Basis (to convert cash balance account to life annuity): The annuitization basis is set each January 1 for the year, and is based on the IRS 417(e) basis for the month of November of the prior year, and the 417(e) government mandated mortality table.

3. Normal Retirement

   a. Date: First of the month following the date on which a participant attains age 65.

   b. Benefit: Cash balance account converted to an equivalent annuity payable monthly, or a lump sum payment option equal to the cash balance account.

      Former Schweizer Aircraft participants will also receive their benefit accrued as of December 31, 2002 under the Schweizer Aircraft plan provisions multiplied by the Final Average Earnings divided by Schweizer Aircraft Final Average Earnings as of December 31, 2002.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of, but before Normal Retirement Date.

   b. Benefit: Cash balance account converted to an equivalent annuity payable monthly, or a lump sum payment option equal to the cash balance account.

      Former Schweizer Aircraft participants will also receive their benefit accrued as of December 31, 2002 under the Schweizer Aircraft plan provisions multiplied by the Final Average Earnings divided by Schweizer Aircraft Final Average Earnings as of December 31, 2002. This benefit will be reduced 4% per year prior to age 65 commencement. However, this benefit may be unreduced if the commencement is between age 63 ½ and age 65.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: Cash balance account converted to an equivalent annuity payable monthly, or a lump sum payment option equal to the cash balance account.

      Former Schweizer Aircraft participants will also receive their benefit accrued as of December 31, 2002 under the Schweizer Aircraft plan provisions multiplied by the Final Average Earnings divided by Schweizer Aircraft Final Average Earnings as of December 31, 2002.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: Cash balance account at termination, increased with accumulated monthly interest credits to the date payments commence, converted to an equivalent annuity payable monthly, or else a lump sum payment option equal to the cash balance account. A participant can commence payment of the benefit on the first day of any month following termination.

      Former Schweizer Aircraft participants will also receive their benefit accrued as of December 31, 2002 under the Schweizer Aircraft plan provisions multiplied by the Final Average Earnings divided by Schweizer Aircraft Final Average Earnings as of December 31, 2002. If this benefit commences prior to age 65, it will be reduced 4% per year prior to age 65.

7. Disability Benefit

   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.

   b. Benefit: Cash balance account continues to earn pay credits, using base earnings at the date of disability, as well as interest credits during the period of disability, but not beyond the Normal Retirement Date. The cash balance account can be paid at any time, but, once paid, the pay credits and the interest credits will stop.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefit is payable:

   b. Benefit: If the participant dies after becoming vested, the spouse or beneficiary will receive the full account balance if the death occurs before the cash balance payments are scheduled to begin. The spouse can elect an annuity or to defer payment to as late as when the participant would have attained age 65.

      Former Schweizer Aircraft participants will also receive their benefit accrued as of December 31, 2002 under the Schweizer Aircraft plan provisions multiplied by the Final Average Earnings divided by Schweizer Aircraft Final Average Earnings as of December 31, 2002, payable as a 50% contingent annuity, as early as the participant's earliest retirement date.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      (viii) Lump-Sum Payment

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Aerospace Non-Rep
Kidde Aerospace Grandfathered Benefits

1. Eligibility

   a. Eligible Employees: Salaried employees of Kidde Aerospace, not covered by a collective bargaining agreement, who were transferred to UTC from Kidde as of December 1, 2005

   b. Participation Requirements:

   Effective January 1, 2002, plan participation in the former Kidde pension plan was frozen. Participants must have attained age 40, earned five years of vesting service and the sum of their age and service must have equaled or exceeded 55 in order to continue accruing any benefits. Participants who chose to participate in the defined contribution plan or did not meet the previous requirements had their benefits frozen at that time.

   Employees hired at Kidde after December 31, 2001 now participate under the Cash Balance plan applicable for UTC salaried employees.

2. Accrued Benefit

   a. Formula: Benefits are accrued under the former Kidde pension plan provisions. Benefit is (i) plus (ii) for all participants, except Santa Barbara Dual Spectrum who were making voluntary employee contributions to the Hughes plan as of December 7, 1995. For those participants, see (iii).

      (i) 1.0% Final Average Earnings x Credited Service + 0.65% Final Average Earnings in excess of Covered Compensation x Credited Service

      (ii) Prior plan benefit accrued as of December 31, 2001, calculated under the prior plan formula(s), will be determined and paid under the rules of that prior formula.

      (iii) The greater of (a), (b) and (c).

         (a) Career Average Benefit – sum of each year's earnings up to $3,600 + 1.00% of the excess of each year's earnings over $3,600

         (b) Minimum Benefit - $156 x Credited Service + 0.50% Final Average Earnings x Credited Service

         (c) Final Average Earnings Benefit – 1.75% Final Average Earnings x Credited Service minus 1.50% of age 65 Social Security benefit x Credited Service (limited to 33.33) x ratio of Credited Service at date of termination over Credited Service projected at Normal Retirement Date.

b. Definitions

(i) Earnings: Total of all compensation paid to the employee as reported on IRS Form W-2 including salary deferrals but excluding severance payments. Earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009).

(ii) Final Average Earnings: Average Earnings for the highest 60 consecutive months out of the last 120 months of employment

(iii) Covered Compensation: Monthly average of the Taxable Wage Bases in effect for each calendar year during the 35 year period ending with the calendar year in which the participant attains Social Security Retirement age

(iv) Continuous Service (vesting service): Years and months of continuous employment from the later of date of hire or date company became a participating company

(v) Credited Service: Continuous Service

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: The accrued benefit at retirement payable monthly

4. Early Retirement

a. Date: First of the month following retirement after the attainment of age 55 and the completion of 5 years of service, but before Normal Retirement Date.

b. Benefit: The accrued benefit at retirement payable monthly reduced 4.0% per year for each of the first five years and 6.0% for each of the next five years that benefit commencement precedes age 65.

5. Postponed Retirement

a. Date: First of the month following retirement after the Normal Retirement Date

b. Benefit: The accrued benefit at retirement payable monthly

6. Vested Termination

a. Eligibility: Termination of employment, but before becoming eligible for normal or postponed retirement. (All participants became 100% vested on January 1, 2002.)

b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 4.0% per year for each of the first five years and 6.0% for each of the next five years that benefit commencement precedes the Normal Retirement Date.

7. Disability Benefit

a. Eligibility: Disability after completing five years of service and, either qualified to receive Social Security disability benefits or entitled to receive disability benefits under the company's LTD program.

b. Benefit: The benefit will continue to accrue during disability at the most recent rate of pay prior to disablement.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefit is payable:

   b. Benefit:

      (i) If the participant dies and is married after becoming eligible for an early, normal or postponed retirement benefit, a 50% spouse's benefit is payable. Payment may commence at any time prior to when the participant would have attained age 65, reduced as described in 4.b above.

      (ii) If the participant dies after becoming vested and is married but does not meet the requirements of (i), a 50% spouse's benefit is payable. Payment may commence no earlier than when the participant would have attained age 55, reduced as in 6.b above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66 2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Carrier A
Carrier and Electronic Controls Divisions

1. Eligibility

   a. Eligible Employees: Employees of the Carrier Group and the Electronic Controls Group (Control Systems) not covered by a collective bargaining agreement who were hired on or before June 30, 2002.

   b. Participation Requirements: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

2. Accrued Benefit

   a. Carrier Formula: The greater of (i) or (ii) below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) 1.3% Final Average Earnings x pre-91 Credited Service + 2% Final Average Earnings x post-90 Credited Service (max 20) + 1% Final Average Earnings x post-90 Credited Service in excess of 20

      Minus (a) + (b) or, (c) if less

      (a) 30%/35 x Primary Social Security benefit x Social Security early retirement factor at greater of age 62 or actual age x pre-91 Credited Service (max 35)

      (b) 1.5% Primary Social Security benefit x post-90 Credited Service

      (c) 50% Primary Social Security benefit

      (ii) $156 x Credited Service

      For purposes of determining the Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

   b. Electronic Controls Formula: The greater of (i) or (ii):

      (i) Pre-74 Benefit + 1.5% Final Average Earnings x Credited Service from 1974 to 1990 + 2% Final Average Earnings x post-90 Credited Service (max 20) + 1% Final Average Earnings x post-90 Credited Service in excess of 20

      Minus (a) or, for participants with pre-91 Credited Service, (b) if less

      (a) 1.5% Primary Social Security benefit x post-73 Credited Service (max 33-1/3)

      (b) 50% Primary Social Security benefit x post-73 Credited Service/continuous service

(ii) Pre-74 Benefit + $156 x post-73 Credited Service

For purposes of determining the 50% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the date of hire and end at the date of termination.

For purposes of determining the 1.5% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

c. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination. Calendar years with zero earnings are excluded.

(iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iv) Continuous Service (service): The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(v) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

3. Normal Retirement

   a. Date: For Carrier Group, first of the month coincident with or following the date on which a participant attains age 65. For Electronic Controls Group, first of the month following the date on which a participant attains age 65.

   b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit:

      (i) For Carrier Group, the accrued benefit at retirement as described in 2.a. above payable monthly reduced 2.4% per year for each year benefit commencement precedes the earlier of:

      - age 62
      - age at which the sum of age, service and pre-92 service (max 20) equals 100

      The benefit is unreduced if the participant retires on or after the attainment of age 62.

      (ii) For Electronic Controls Group, the greatest of (a), (b) or (c)

         (a) The accrued benefit at retirement described in 2.b.(i)(a) above payable monthly reduced 2.4% per year for each year benefit commencement precedes the earlier of :

         - age 62
         - age at which the sum of age, service and pre-92 service (max 20) equals 100

         The benefit is unreduced if the participant retires on or after the attainment of age 62.

         (b) The accrued benefit at retirement described in 2.b.(i)(b) above payable monthly reduced 3.6% per year for each year benefit commencement precedes age 65. The benefit is unreduced if the participant retires on or after the attainment of age 65.

         (c) The accrued benefit at retirement described in 2.b.(ii) above payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year benefit commencement precedes the Normal Retirement Date.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4.b. above.

7. Disability Benefit

   a. Eligibility: Permanently disabled after completing ten years of service and eligible to receive Social Security disability benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service continue up to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants. If the spouse is the beneficiary of a Carrier Group participant, 25% of the cost of any joint and survivor annuity is subsidized by the company unless the participant's benefit is payable under 6.b. above.

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Carrier A
Carrier Enterprises Divisions

1. Eligibility

   a. Eligible Employees: Employees of the Carrier Enterprises divisions not covered by a collective bargaining agreement, who were participants before January 1, 2001 and who attained age 40 or had 5 years of Continuous Service. Transfers from other UTC divisions are eligible for the plan if they transfer into a Carrier Enterprises division prior to December 31, 2005 and meet the age or service eligibility requirements at the time of transfer.

   b. Participation Requirements: Eligible Employees became participants on January 1, 2001 (or as of date of transfer, if later).

2. Accrued Benefit

   a. Formula: The greater of (i) or (ii), minus (iii)* below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) 1.3% Final Average Earnings x pre-91 Credited Service + 2% Final Average Earnings x post-90 Credited Service (max 20) + 1% Final Average Earnings x post-90 Credited Service in excess of 20

      Minus (a) + (b) or, (c) if less

      (a) 30%/35 x Primary Social Security benefit x Social Security early retirement factor at greater of age 62 or actual age x pre-91 Credited Service (max 35)

      (b) 1.5% Primary Social Security benefit x post-90 Credited Service

      (c) 50% Primary Social Security benefit

      (ii) $156 x Credited Service

      (iii) Annuitized Notional Account Offset

      * The Annuitized Notional Account Offset is only applied to the portion of the benefit attributable to service beginning as of January 1, 2001 (or date of transfer into the plan, if later).

      For purposes of determining the Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination. Calendar years with zero earnings are excluded.

(iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iv) Continuous Service (service): The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(v) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

(vi) Notional Account: The sum of (a) and (b)

(a) Annual credits equal to 6% of a participant’s pensionable earnings for the previous year. This amount is added to the accumulated account value in the first quarter of each plan year. The annual credit may be periodically changed by UTC to a different percentage credit between 3% and 6%.

(b) 7.50% annual compound interest credited on the beginning of year account balance at December 31.

The January 1, 2001 Notional Account balance is zero. The initial credit to the account will be made during the first quarter of 2002.

(vii) Annuitization Basis (to convert Notional Account to life annuity payable beginning at Normal Retirement): 7.50% interest and 1994 Group Annuity Mortality (Unisex); no mortality is assumed prior to Normal Retirement.

3. Normal Retirement

   a. Date: First of the month coincident with or following the date on which a participant attains age 65.

   b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement as described in 2. above payable monthly reduced 2.4% per year for each year benefit commencement precedes the earlier of age 62 or age at which the sum of age, service and pre-92 service (max 20) equals 100. The benefit is unreduced if the participant retires on or after the attainment of age 62.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year benefit commencement precedes the Normal Retirement Date.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4.b. above.

7. Disability Benefit

   a. Eligibility: Permanently disabled after completing ten years of service and eligible to receive Social Security disability benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service continue up to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants.

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Carrier A
International Comfort Products (ICP) Division

1. Eligibility

   a. Eligible Employees: Employees of the Carrier ICP division not covered by a collective bargaining agreement who were hired on or before June 30, 2002.

   b. Participation Requirements*: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

      * Employees who were hired at Carrier ICP prior to the sale to UTC became plan participants automatically upon January 1, 2001.

2. Accrued Benefit

   a. Formula: The greater of (i) or (ii), plus (iii) below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) 2% Final Average Earnings x Credited Service (max 20) + 1% Final Average Earnings x Credited Service in excess of 20

      Minus

      1.5% Primary Social Security benefit x Credited Service (max 33 1/3)

      (ii) $156 x Credited Service

      (iii) For participants hired prior to sale date:

      Benefit accrued as of December 31, 2000 under the ICP plan provisions multiplied by the Special UTC Final Average Earnings divided by ICP Final Average Earnings as of December 31, 2000.

      For purposes of determining the Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination. Calendar years with zero earnings are excluded.

(iii) Special UTC Final Average Earnings: The average Annual Earnings for the highest five consecutive plan years in the last ten plan years before termination. Last ten plan years may include pre-sale ICP earnings. Calendar year with zero earnings are excluded.

(iv) ICP Final Average Earnings: The average of annual earnings for the five plan years from 1996 through 2000. Annual earnings is based on the definition as described under the prior ICP plan.

(v) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(vi) Continuous Service (service):

Prior to January 1, 2001:Continuous service as determined under the rules of the prior ICP plan.

On or after January 1, 2001: The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(vii) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

Credited Service is based on the later of date of hire or January 1, 2001.

3. Normal Retirement

   a. Date: First of the month coincident with or following the date on which a participant attains age 65.

   b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62. This reduction is only applicable to the portion of the benefit that began accruing as of January 1, 2001. The portion of the benefit accrued to December 31, 2000 is reduced according to the provisions of the ICP plan.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year benefit commencement precedes the Normal Retirement Date, applicable only to the portion of the benefit that began accruing as of January 1, 2001. The portion of the benefit accrued to December 31, 2000 is reduced according to the provisions of the ICP plan.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4.b. above. The portion of the benefit accrued to December 31, 2000 is reduced according to the provisions of the ICP plan.

7. Disability Benefit

   a. Eligibility: Permanently disabled after completing ten years of service and eligible to receive Social Security disability benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service continue up to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants.

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      (viii) Partial lump sum*

      * Participants may elect to receive a lump sum payment for the ICP portion of their benefit, at termination or retirement.

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Carrier Specialty Equipment Companies (SEC)
SEC – Salaried Divisions

1. Eligibility

   a. Eligible Employees: All salaried employees (including office non-exempt employees) of the Specialty Equipment Companies not covered by a collective bargaining agreement who were hired on or before June 30, 2002

   b. Participation Requirements*: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

      * Employees who were hired at Carrier SEC prior to the sale to UTC became plan participants automatically upon January 1, 2002.

2. Accrued Benefit

   a. Formula: The greater of (i) or (ii), plus (iii) below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) 1.5% Final Average Earnings x Credited Service

      Minus

      1.5% Primary Social Security benefit x Credited Service (max 33⅓)

      (ii) $156 x Credited Service

      (iii) For participants hired prior to sale date:

      Benefit accrued as of December 31, 2001 under the SEC plan provisions multiplied by the Special UTC Final Average Earnings divided by SEC Final Average Earnings as of December 31, 2001.

      For purposes of determining the Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination. Calendar years with zero earnings are excluded.

(iii) Special UTC Final Average Earnings: The average Annual Earnings for the highest five consecutive plan years in the last ten plan years before termination. Last ten plan years may include pre-sale SEC earnings. Calendar year with zero earnings are excluded.

(iv) SEC Final Average Earnings: The average of annual earnings for the highest five non-consecutive years out of the last 15 calendar years of earnings ending with the year 2001. Annual earnings is based on the definition as described under the prior SEC plan.

(v) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(vi) Continuous Service (service):

Prior to January 1, 2002:Continuous service as determined under the rules of the prior SEC plan.

On or after January 1, 2002: The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(vii) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

Credited Service is based on the later of date of hire or January 1, 2002.

3. Normal Retirement

   a. Date: First of the month coincident with or following the date on which a participant attains age 65.

   b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62. This reduction is only applicable to the portion of the benefit that began accruing as of January 1, 2002. The portion of the benefit accrued to December 31, 2001 is reduced according to the provisions of the SEC plan.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year benefit commencement precedes the Normal Retirement Date, applicable only to the portion of the benefit that began accruing as of January 1, 2002. The portion of the benefit accrued to December 31, 2001 is reduced according to the provisions of the SEC plan.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4.b. above. The portion of the benefit accrued to December 31, 2001 is reduced according to the provisions of the SEC plan.

7. Disability Benefit

   a. Eligibility: Permanently disabled after completing ten years of service and eligible to receive Social Security disability benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service continue up to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants.

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Carrier Specialty Equipment Companies (SEC)
SEC - Beverage-Air

1. Eligibility
   a. Eligible Employees: Hourly management represented employees of the Beverage-Air division not covered by a collective bargaining agreement.
   b. Participation Requirements: Eligible Employees become participants on the February 1 following the completion of six months of service and the attainment of age 20½.
2. Accrued Benefit
   a. Formula: $168.00 x Credited Service
   b. Definitions
      (i) Continuous Service (service): The total period of a participant's employment, including only calendar years in which the participant completes at least 1,000 hours of service, and including service after the Normal Retirement Date.
      (ii) Credited Service: Service credits are granted according to the following schedule:

Hours of Service During Calendar Year	Fractional Year of Credited Service Earned
Less than 180	0
180 – 359	.1
360 – 539	.2
540 – 719	.3
720 – 899	.4
900 – 999	.5
1,000 – 1,199	.6
1,200 – 1,399	.7
1,400 – 1,599	.8
1,600 – 1,799	.9
1,800 or more	1.0

3. Normal Retirement
   a. Date: First of the month following the date on which a participant attains age 65 and completes 5 years of service.
   b. Benefit: The accrued benefit at retirement payable monthly.
4. Early Retirement
   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 5 years of service, but before the Normal Retirement Date.
   b. Benefit: The accrued benefit at retirement payable monthly reduced 6.0% per year for each of the first five years the benefit commencement precedes age 65, and 4.8% per year for each year the benefit commencement precedes age 60.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced as in 4.b. above.

7. Disability Benefit

   a. Eligibility: Totally and permanently disabled after completing five years of service.

   b. Benefit: The accrued benefit at disability reduced according to the following table for commencement prior to the Normal Retirement Date:

Age on Commencement Date	Percentage Reduction
On or after ages 60 to 65	6.0% per year for each year the commencement date precedes 65
On or after ages 55 to 60	30%, plus 4.8% per year for each year the commencement date precedes 60
On or after ages 50 to 55	54%, plus 3.6% per year for each year the commencement date precedes 55
On or after ages 45 to 50	72%, plus 2.4% per year for each year the commencement date precedes 50
On or after ages 40 to 45	84%, plus 1.2% per year for each year the commencement date precedes 45
Before age 40	90%

   The benefit is payable for life until the participant ceases to be disabled.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefit is payable.

   b. Benefit: A 50% spouse's benefit is payable, and payment commences when the participant would have attained age 65, or age 55, but reduced as described in 4.b. above.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 15 year certain and continuous annuity

      (iv) 100% contingent annuity

      (v) 75% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      (viii) Lump sum

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Carrier Specialty Equipment Companies (SEC)
SEC – Taylor Company and World Dryer

1. Eligibility

   a. Eligible Employees: Hourly management represented employees of the Taylor Company and World Dryer divisions not covered by a collective bargaining agreement.

   b. Participation Requirements: Eligible Employees become participants on the February 1 coincident with or next following the completion of one year of service.

2. Accrued Benefit

   a. Formula:

      (i) Taylor Company: Benefit level from the table below times years of Credited Service:

Years of Credited Service	Annual Benefit Amount
1 – 10	$ 276.00
10 – 20	306.00
Over 20	330.00

      (ii) World Dryer: Benefit level from the table below times years of Credited Service:

Period of Credited Service*	Annual Benefit Amount
Prior to January 1, 1985	$ 36.00
After January 1, 1985	156.00

      * Combined service maximum of 40 years

   b. Definitions

      (i) Continuous Service (service): The total period of a participant's employment, including only calendar years in which the participant completes at least 1,000 hours of service, and including service after the Normal Retirement Date.

      (ii) Credited Service: Service credits are granted according to the following schedule:

Hours of Service During Calendar Year	Fractional Year of Credited Service Earned
Less than 1,000	0.0000
1,000 – 1,124	0.5833
1,125 – 1,274	0.6667
1,275 – 1,424	0.7500
1,425 – 1,574	0.8333
1,575 – 1,724	0.9167
1,725 or more	1.0000

3. Normal Retirement

   a. Date: First of the month following the date on which a participant attains age 65 and completes 5 years of service.

   b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 5 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced 6% per year for each year the benefit commencement precedes age 65. For the Taylor Company only, the benefit is unreduced if the participant retires on or after the completion of 20 years of service and the attainment of age 62.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 6% per year for each year the benefit commencement precedes the Normal Retirement Date.

7. Disability Benefit

   a. Eligibility: Totally and permanently disabled after the attainment of age 45 and the completion of 15 years of service.

   b. Benefit: The greater of the accrued benefit at disability or $600 a year. The benefit payable for life or until the participant ceases to be disabled. The benefit is not reduced for early payment.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefit is payable.

   b. Benefit:

      (i) A 50% spouse's benefit is payable, and payment commences when the participant would have attained age 65, or age 55, but reduced as described in 6.b. above (4.b. above if eligible for early retirement).

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 10 year certain and continuous annuity

      (ii) 100% contingent annuity

      (iii) 75% contingent annuity

      (iv) 66-2/3% contingent annuity

      (v) 50% contingent annuity

      (vi) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Fire & Security
Chubb Onity

1. Eligibility

   a. Eligible Employees: Salaried employees of United Technologies Corporation - Fire & Security who were covered under the Onity, Inc. Pension Plan or were hired after November 1, 2004.

   b. Participation Requirements: Eligible Employees become participants on the earlier of:

   - January 1 coincident with or following age 21
   - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service
   - Employees who were hired at Onity prior to the sale to UTC became plan participants automatically upon November 1, 2004.

2. Accrued Benefit

   a. Formula: Cash balance account, equal to the sum of (i) and (ii), plus (iii), if applicable:

   (i) Pay Credits: Upon becoming an eligible participant, pay credits accrue from the later of date of hire or January, 1 2005. Pay credits are added to the cash balance account at the end of each month and are expressed as a percentage of monthly earnings. Pay credits are based on attained age as of December 31 of the current year according to the table below:

Age as of December 31	Pay Credit as Percent of Earnings
Up to age 30	3%
Age 30 to 34	4%
Age 35 to 39	5%
Age 40 to 44	6%
Age 45 to 49	7%
Age 50 and above	8%

   Pay credits stop accruing when the participant retires, terminates or dies, that is, when the participant's credited service ends.

   (ii) Interest Credits: An interest credit is added to the account at the end of each month. It is equal to the product of the account balance as of the end of the prior month and 1/12 [or (1+i)^(1/12)-1] of the annual interest rate in effect for the year. The annual interest rate is set each January 1 and is based on the average yield on 30-year Treasury Bonds during the month of November of the prior year. Interest credits continue until the date payments begin.

   (iii) Prior Plan Frozen Benefit: The frozen benefit accrued as of November 1, 2004 under the Onity, Inc. Pension Plan.

b. Definitions

(i) Earnings: Total compensation including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009).

(ii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iii) Continuous Service (service):

Prior to November 1, 2004: Continuous service is equal to credited service earned under the prior Onity, Inc. Pension Plan

On or after November 1, 2004: The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability, or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(iv) Credited Service: Continuous Service, but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for layoffs occurring after December 31, 2004, any period of time following the date of layoff.

(v) Annuitization Basis (to convert cash balance account to life annuity): The annuitization basis is set each January 1 for the year, and is based on the IRS 417(e) basis for the month of November of the prior year, and the 417(e) government mandated mortality table.

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: Cash balance account converted to an equivalent annuity payable monthly, or a lump sum payment option equal to the cash balance account.

Former Onity participants will also receive their frozen benefit accrued under the Onity, Inc. Pension Plan.

4. Early Retirement
   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 5 years of service, but before Normal Retirement Date.
   b. Benefit: Cash balance account converted to an equivalent annuity payable monthly, or a lump sum payment option equal to the cash balance account.

      Former Onity participants will also receive their frozen benefit accrued under the Onity, Inc. Pension Plan. This benefit will be reduced 6% per year prior to age 65 commencement.
5. Postponed Retirement
   a. Date: First of the month following retirement after the Normal Retirement Date.
   b. Benefit: Cash balance account converted to an equivalent annuity payable monthly, or a lump sum payment option equal to the cash balance account.

      Former Onity participants will also receive their frozen benefit accrued under the Onity, Inc. Pension Plan.
6. Vested Termination
   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.
   b. Benefit: Cash balance account at termination, increased with accumulated monthly interest credits to the date payments commence, converted to an equivalent annuity payable monthly, or else a lump sum payment option equal to the cash balance account. A participant can commence payment of the benefit on the first day of any month following termination.

      Former Onity participants will also receive their frozen benefit accrued under the Onity, Inc. Pension Plan.
7. Disability Benefit
   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.
   b. Benefit: Cash balance account continues to earn pay credits, using base earnings at the date of disability, as well as interest credits during the period of disability, but not beyond the Normal Retirement Date. The cash balance account can be paid at any time, but, once paid, the pay credits and the interest credits will stop.

      Former Onity participants will also receive their frozen benefit accrued under the Onity, Inc. Pension Plan, payable under the early or normal retirement provisions of the Onity, Inc. Pension Plan, provided the participant has commenced their cash balance.
8. Pre-retirement Death Benefits
   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefit is payable:
   b. Benefit: If the participant dies after becoming vested, the spouse or beneficiary will receive the full account balance if the death occurs before the cash balance payments are scheduled to begin. The spouse can elect an annuity or to defer payment to as late as when the participant would have attained age 65.

      Former Onity participants will also receive their benefit accrued as of December 1, 2004, under the Onity, Inc. Pension Plan provisions, payable as a 50% contingent annuity, as early as the participant's earliest retirement date.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      (viii) Lump-Sum Payment

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Fire & Security
Chubb World Headquarters

1. Eligibility

   a. Eligible Employees: Employees of the Chubb World Headquarters not covered by a collective bargaining agreement who were hired on or before June 30, 2002 in United Technologies Corporation.

   b. Participation Requirements: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

2. Accrued Benefit (a, b, or c)

   a. Formula (Aerospace Group): The greatest of (i), (ii) or (iii) below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) Pre-78 Benefit % x Final Average Earnings + 2% Final Average Earnings x post-77 Credited Service (max 20) + 1% Final Average Earnings x post-77 Credited Service in excess of 20

      Minus (a) or, for participants with pre-91 Credited Service, (b) if less

      (a) 1.5% Primary Social Security benefit x post-77 Credited Service (max 33-1/3)

      (b) 50% Primary Social Security benefit x post-77 Credited Service / Aerospace Group continuous service

      (ii) 1.5% Final Average Earnings x pre-78 Credited Service + 2% Final Average Earnings x post-77 Credited Service (max 20) + 1% Final Average Earnings x post-77 Credited Service in excess of 20

      Minus (a) or, for participants with pre-91 Credited Service, (b) if less

      (a) 1.5% Primary Social Security benefit x Credited Service (max 33-1/3)

      (b) 50% Primary Social Security benefit x Credited Service / Aerospace Group continuous service

      (iii) Graded benefit level of $276 for Final Average Earnings under $18,000 to $360 for Final Average Earnings of $30,000 and over x Credited Service.

      For purposes of determining the 50% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the date of participation in the Aerospace Group and end at the date of termination.

b. Formula (Carrier A): : The greater of (i) or (ii) below:

For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

(i) 1.3% Final Average Earnings x pre-91 Credited Service + 2% Final Average Earnings x post-90 Credited Service (max 20) + 1% Final Average Earnings x post-90 Credited Service in excess of 20

Minus (a) + (b) or, (c) if less

(a) 30%/35 x Primary Social Security benefit x Social Security early retirement factor at greater of age 62 or actual age x pre-91 Credited Service (max 35)

(b) 1.5% Primary Social Security benefit x post-90 Credited Service

(c) 50% Primary Social Security benefit

(ii) $156 x Credited Service

For purposes of determining the Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

c. Formula (Otis Salaried): The greater of (i) or (ii) below:

For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

(i) Pre-80 Benefit % x Final Average Earnings + 2% Final Average Earnings x post-79 Credited Service (max 20) + 1% Final Average Earnings x post-79 Credited Service in excess of 20

Minus (a) or, for participants with pre-91 Credited Service, (b) if less

(a) 1.5% Primary Social Security benefit x post-79 Credited Service (max 33-1/3)

(b) 50% Primary Social Security benefit x post-79 Credited Service / continuous service

(ii) $312 x Credited Service

For purposes of determining the 50% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the date of hire and end at the date of termination.

For purposes of determining the 1.5% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

d. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination. Calendar years with zero earnings are excluded.

(iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iv) Continuous Service (service): The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability, or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(v) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year benefit commencement precedes the Normal Retirement Date.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4.b. above.

7. Disability Benefit

   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service continue up to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Fire & Security
Kidde Commercial Grandfathered

1. Eligibility

   a. Eligible Employees: Salaried employees of Kidde Commercial, not covered by a collective bargaining agreement, who were transferred to UTC from Kidde as of December 1, 2005

   b. Participation Requirements:

   Effective January 1, 2002, plan participation in the former Kidde pension plan was frozen. Participants must have attained age 40, earned five years of vesting service and the sum of their age and service must have equaled or exceeded 55 in order to continue accruing any benefits. Participants who chose to participate in the defined contribution plan or did not meet the previous requirements had their benefits frozen at that time.

   Employees hired at Kidde after December 31, 2001 now participate under the Cash Balance plan applicable for UTC salaried employees.

2. Accrued Benefit

   a. Formula: Benefits are accrued under the former Kidde pension plan provisions. Benefit is (i) plus (ii) for all participants, except Badger Hourly. For those participants, see (iii).

      (i) 1.0% Final Average Earnings x Credited Service + 0.65% Final Average Earnings in excess of Covered Compensation x Credited Service. Earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009).

      (ii) Prior plan benefit accrued as of December 31, 2001, calculated under the prior plan formula(s), will be determined and paid under the rules of that prior formula.

      (iii) $126 x Credited Service

   b. Definitions

      (i) Earnings: Total of all compensation paid to the employee as reported on IRS Form W-2 including salary deferrals but excluding severance payments. Earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009).

      (ii) Final Average Earnings: Average Earnings for the highest 60 consecutive months out of the last 120 months of employment

      (iii) Covered Compensation: Monthly average of the Taxable Wage Bases in effect for each calendar year during the 35 year period ending with the calendar year in which the participant attains Social Security Retirement age

      (iv) Continuous Service (vesting service): Years and months of continuous employment from the later of date of hire or date company became a participating company

      (v) Credited Service: Continuous Service

3. Normal Retirement
   a. Date: First of the month following the date on which a participant attains age 65.
   b. Benefit: The accrued benefit at retirement payable monthly
4. Early Retirement
   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 5 years of service, but before Normal Retirement Date. For Badger Hourly participants, first of the month following retirement after the attainment of age 60 and the completion of 15 years of service, but before Normal Retirement Date.
   b. Benefit: The accrued benefit at retirement payable monthly reduced 4.0% per year for each of the first five years and 6.0% for each of the next five years that benefit commencement precedes age 65. For Badger Hourly participants, the accrued benefit at retirement payable monthly reduced 7.2% per year for each year benefit commencement precedes age 65.
5. Postponed Retirement
   a. Date: First of the month following retirement after the Normal Retirement Date
   b. Benefit: The accrued benefit at retirement payable monthly
6. Vested Termination
   a. Eligibility: Termination of employment, but before becoming eligible for normal or postponed retirement. (All participants became 100% vested on January 1, 2002.)
   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 4.0% per year for each of the first five years and 6.0% for each of the next five years that benefit commencement precedes the Normal Retirement Date.
7. Disability Benefit
   a. Eligibility: Disability after completing five years of service and, either qualified to receive Social Security disability benefits or entitled to receive disability benefits under the company's LTD program.
   b. Benefit: The benefit will continue to accrue during disability at the most recent rate of pay prior to disablement.
8. Pre-retirement Death Benefits
   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefit is payable:
   b. Benefit: 50% of the monthly pension benefit as of the date of death, reduced for the joint and survivor election and reduced for payment as early as the participant's early retirement date.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66 2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Hamilton Sundstrand Commercial

1. Eligibility

   a. Eligible Employees: Salaried employees of the Sundstrand Industrial divisions, not covered by a collective bargaining agreement who were hired on or before June 30, 2002.

   b. Participation Requirements*: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

        * Employees who were hired at Sundstrand Industrial prior to the sale to UTC became plan participants automatically upon January 1, 2000.

2. Accrued Benefit

   a. Formula:

      The greater of (i) or (ii), plus (iii) below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) 2% Final Average Earnings x Credited Service (max 20 years) + 1% Final Average Earnings x Credited Service in excess of 20 years

      Minus

      1.5% Primary Social Security benefit x Credited Service (max 33-1/3)

      (ii) Graded benefit level of $276 for Final Average Earnings under $18,000 to $360 for Final Average Earnings of $30,000 and over x Credited Service.

      (iii) For participants hired prior to sale date:

      Benefit accrued as of December 31, 1999 under the Sundstrand Industrial plan provisions multiplied by the Special UTC Final Average Earnings divided by Sundstrand Final Average Earnings as of December 31, 1999.

      For purposes of determining the 1.5% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive plan years in the last ten plan years before termination. Last ten plan years may include pre-sale Sundstrand earnings. Calendar years with zero earnings are excluded.

(iii) Special UTC Final Average Earnings: The average annual earnings for the highest three consecutive plan years in the last ten plan years before termination. Last ten plan years may include pre-sale Sundstrand earnings. Calendar years with zero earnings are excluded.

(iv) Sundstrand Final Average Earnings: The average annual earnings for the three plan years 1997, 1998 and 1999. Annual earnings is based on the Sullair definition as described under the prior Sundstrand Plan.

(v) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(vi) Continuous Service (service):

Prior to January 1, 2000: Continuous service as determined under the rules of the prior Sundstrand Industrial plan.

On or After January 1, 2000: The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability or layoff not exceeding one year (two years for a child care leave, or if re-employed, two years for a layoff or a military leave).

(vii) Credited Service: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

Credited Service is based on the later of the date of hire or January 1, 2000.

3. Normal Retirement

   a. Date: First of the month following the date on which a participant attains age 65.

   b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year the benefit commencement date precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62. This reduction is only applicable to the portion of the benefit that began accruing as of January 1, 2000. The portion of the benefit accrued to December 31, 1999 is reduced according to the provisions of the Sundstrand Industrial plan.

   c. Special Age 65 Benefits: Only participants who were eligible to retire on January 1, 2000, and were hired prior to January 1, 1992. If the participant retires after age 55 and completing 5 years of service, $9.70 per month payable at age 65.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year the benefit commencement date precedes the Normal Retirement Date, applicable only to the portion of the benefit that began accruing as of January 1, 2000. The portion of the benefit accrued to December 31, 1999 is reduced according to the provisions of the Sundstrand Industrial plan.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service is greater than or equal to 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in section 4.b. above. The portion of the benefit accrued to December 31, 1999 is reduced according to the provisions of the Sundstrand Industrial plan.

7. Disability Benefit

   a. Eligibility: Disability after completing 10 years of service and qualified to receive Social Security benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service accrue to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuity benefit is payable and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      (viii) Partial lump sum*

         * Participants may elect to receive a lump sum payment for the Pre-92 Sundstrand portion of their benefit, at termination or retirement.

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Otis Salaried

1. Eligibility

   a. Eligible Employees: Employees of the Otis Salaried Group not covered by a collective bargaining agreement who were hired on or before June 30, 2002.

   b. Participation Requirements: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

2. Accrued Benefit

   a. Formula: The greater of (i) or (ii) below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable).

      (i) Pre-80 Benefit % x Final Average Earnings + 2% Final Average Earnings x post-79 Credited Service (max 20) + 1% Final Average Earnings x post-79 Credited Service in excess of 20

      Minus (a) or, for participants with pre-91 Credited Service, (b) if less

      (a) 1.5% Primary Social Security benefit x post-79 Credited Service (max 33-1/3)

      (b) 50% Primary Social Security benefit x post-79 Credited Service / continuous service

      (ii) $312 x Credited Service

      For purposes of determining the 50% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the date of hire and end at the date of termination.

      For purposes of determining the 1.5% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination. Calendar years with zero earnings are excluded.

(iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iv) Continuous Service (service):

Prior to January 1, 1980: Continuous Service as determined under the rules of the prior plan.

On or After January 1, 1980: The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability or layoff not exceeding one year (two years for a child care leave or, if re-employed, two years for a layoff or military leave).

(v) Credited Service:

Prior to January 1, 1980: Service as determined under the terms of the prior plan.

On or After January 1, 1980: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year benefit commencement precedes the Normal Retirement Date.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4.b. above.

7. Disability Benefit

   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service continue up to Normal Retirement Date. Final Average Earnings in effect at disability are assumed to remain constant to Normal Retirement Date. A participant is eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Otis Salaried Local Rep

1. Eligibility

   a. Eligible Employees: Employees of the Otis Salaried Local Represented Group also covered by the National Elevator Industry (NEI) Multi-Employer Pension Plan who were hired on or before June 30, 2002.

   b. Participation Requirements: Eligible Employees become participants on the earlier of:

      - January 1 coincident with or following age 21
      - July 1 coincident with or following age 20 & 1/2 and 6 months of eligibility service

2. Accrued Benefit

   a. Formula: The greater of (i) or (ii) less (iii), but not less than (iv) below:

      For employees who elected the cash balance formula during My Pension.My Choice., the accrued benefit below was frozen as of April 1, 2003 (or as of a later cash balance effective date, where applicable), except that the multiplier in (iii) will continue to be updated as the multiplier under the NEI Pension Plan changes over time.

      (i) Pre-80 Benefit % x Final Average Earnings + 2% Final Average Earnings x post-79 Credited Service (max 20) + 1% Final Average Earnings x post-79 Credited Service in excess of 20

      Minus (a) or, for participants with pre-91 Credited Service, (b) if less

      (a) 1.5% Primary Social Security benefit x post-79 Credited Service (max 33-1/3)

      (b) 50% Primary Social Security benefit x post-79 Credited Service / continuous service

      (ii) $312 x Credited Service

      (iii) $1,176 x Credited Service (paid by NEI Pension Plan)

      (iv) 1/3 of the participant's contributions with interest under the Supplemental Contributory Plan.

      For purposes of determining the 50% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the date of hire and end at the date of termination.

      For purposes of determining the 1.5% Primary Social Security benefit offset, the Primary Social Security benefit earnings start at the later of age 22 or 1951 and end at the date of retirement. For vested terminations, the Primary Social Security benefit earnings continue at the rate in effect before termination through age 65 (age 55 for the Rule of 65 benefit).

b. Definitions

(i) Annual Earnings: Total annual compensation as a participant including overtime, bonuses, performance-related awards, shift differential payments, pre-tax contributions to the UTC Savings Plan, and pre-tax contributions for UTC Choice benefits, but excluding special awards (other than performance awards), foreign service premiums and allowances, stock option benefits, company contributions to other benefit plans, pay in lieu of vacation, severance pay, reimbursements, payments related to relocation expenses, amounts credited under a deferred compensation arrangement, or payments received instead of these items. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009). Base pay in the first and last partial year of participation is annualized. If applicable, earnings on or after the cash balance effective date are excluded.

(ii) Final Average Earnings: The average Annual Earnings for the highest five consecutive calendar years in the last ten calendar years before termination. Calendar years with zero earnings are excluded.

(iii) Maximum Benefit: A participant's benefit will not exceed the Section 415 limit, as indexed.

(iv) Continuous Service (service):

Prior to January 1, 1980: Continuous service as determined under the rules of the prior plan.

On or After January 1, 1980: The total period of a participant's employment, including service after Normal Retirement Date, as well as an approved leave of absence, illness, disability, or layoff not exceeding one year (two years for a child care leave, or if re-employed, two years for a layoff or military leave).

(v) Credited Service:

Prior to January 1, 1980: Service as determined under the terms of the prior plan.

On or After January 1, 1980: Continuous Service but excluding:

- a break in service which exceeds 30 days,
- leaves of absence without compensation in excess of one year,
- service counted as Credited Service under any other defined benefit retirement plan of the company, and
- for participants who elected the cash balance formula during My Pension.My Choice., Continuous Service on or after the cash balance effective date

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: The accrued benefit at retirement payable monthly.

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, but before the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly reduced 2.4% per year for each year benefit commencement precedes age 62. The benefit is unreduced if the participant retires on or after the attainment of age 62.

5. Postponed Retirement

   a. Date: First of the month following retirement after the Normal Retirement Date.

   b. Benefit: The accrued benefit at retirement payable monthly.

6. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for early, normal or postponed retirement.

   b. Benefit: The accrued benefit at termination payable monthly commencing on the Normal Retirement Date. A participant can commence payment of the benefit on the first day of any month following the attainment of age 55, with the benefit reduced 5% per year for each year benefit commencement precedes the Normal Retirement Date.

   c. Rule of 65 Benefit: Participants terminating employment between ages 50 and 55 whose age plus service equals at least 65 are eligible to receive benefits commencing at age 55, with the benefit reduced as described in 4.b. above.

7. Disability Benefit

   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.

   b. Benefit: The accrued benefit payable monthly commencing on the Normal Retirement Date. Service and Credited Service continue up to Normal Retirement Date. Final Average Earnings and Social Security benefits in effect at disability are assumed to remain constant to Normal Retirement Date. Participants are eligible to receive a benefit commencing at early retirement, reduced as described in 4.b. above.

8. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefits are payable:

   b. Benefit:

      (i) If the participant dies after becoming eligible for an early, normal or postponed retirement benefit, a 100% contingent annuitant benefit is payable, and payment commences immediately, reduced as described in 4.b. above, or if the contingent annuitant is the spouse, as late as when the participant would have attained age 65.

      (ii) If the participant dies after completing 10 years of service and is married, but does not meet the requirements of (i) above, a 100% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

      (iii) If the participant dies after becoming vested and is married, but does not meet the requirements of (i) or (ii) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 55, reduced as described in 6.b. above, or age 65.

9. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 66-2/3% contingent annuity

      (vi) 50% contingent annuity

      (vii) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Non-Rep)
Rocketdyne Grandfathered Benefits

1. Eligibility

   a. Eligible Employees: Salaried employees of Rocketdyne not covered by a collective bargaining agreement, who were transferred to UTC from Boeing as of August 2, 2005

   b. Participation Requirements:

   One year after becoming a covered employee. Heritage Boeing North America employees hired prior to July 1, 1999 became participants as of their hire date.

   Employees who were hired at Rocketdyne prior to the sale to UTC became plan participants automatically upon August 2, 2005. Employees hired at Rocketdyne after August 2, 2005 participate under the Cash Balance plan applicable for UTC salaried employees.

2. Accrued Benefit

   a. Formula: Benefits are accrued under the former Boeing Company Pension Value Plan provisions (Boeing cash balance plan formula) until 48 months after the sale date, or August 2, 2009. After August 2, 2009, participants accrue benefits under the UTC Cash Balance plan applicable for salaried employees.

   Cash balance account is equal to the sum of (i) and (ii). Prior plan benefit under (iii) also applies, if applicable:

   (i) Pay Credits: Beginning on the transition date and each plan year thereafter, benefit credits as a percentage of Pensionable pay will be allocated to each participant's cash balance account. The percentage is based on the participant's attained age at the end of the plan year as follows:

Age as of December 31	Pay Credit as Percent of Earnings
Up to age 30	3%
Age 30 to 34	4%
Age 35 to 39	5%
Age 40 to 44	7%
Age 45 to 49	9%
Age 50 and above	11%

   Pay credits stop accruing when the participant retires, terminates or dies, that is, when the participant's credited service ends.

(ii) Interest Credits: Beginning on the transition date and each plan year thereafter, simple daily interest will be credited to the participant's account balance at the beginning of the year to the earlier of benefit commencement date and the end of the plan year. The interest rate will be the average 30-year Treasury bond yield in effect during November of the prior plan year, limited to a minimum of 5.25% and maximum of 10%.

(iii) If the Participant participated in the former Boeing plan formula (pre-cash balance) prior to the Transition Date, the accrued benefit(s) under the prior plan formula(s), will be determined and paid under the rules of that prior formula. Benefits under the prior plan formula(s) are generally increased by a ratio of Indexing Pay divided by Indexing Base to reflect future pay increases.

b. Definitions

(i) Pensionable Pay: Annual base pay, plus incentive compensation, plus lump-sum merit pay. Pensionable Pay is limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($245,000 for 2009).

(ii) Indexing Base: Annual base pay rate as of the transition date or termination date, if earlier

(iii) Indexing Pay: Highest annual base pay rate on any date on or after the transition date

(iv) Transition Date: The date cash balance accruals begin, which is the later of date of hire and January 1, 1999

(v) Continuous Service (vesting service):

Prior to August 2, 2009: Continuous service is equal to credited service earned under the prior Rocketdyne plan (Heritage Boeing, BNA, BSS or MDC vesting service as of the transition date, plus elapsed time vesting service after the transition date)

(vi) Credited Service: Continuous Service

(vii) Monthly Cash Balance Benefit: The account balance, at retirement, divided by an annuity factor of 132. For terminated vested participants, this annuity factor is increased by 0.4 for each month prior to NRD

(viii) Minimum Monthly Benefit: $60 times years of benefit service

3. Normal Retirement

a. Date: First of the month following the date on which a participant attains age 65.

b. Benefit: Monthly Cash Balance benefit, plus prior plan (pre-cash balance) accrued benefits

4. Early Retirement

   a. Date: First of the month following retirement after the attainment of age 55 and the completion of 10 years of service, or age 50 with 30 years of accumulated benefit service, or age 62 with one year of vesting service, but before Normal Retirement Date.

   b. Benefit: Monthly Cash Balance Benefit plus prior (pre-cash balance) accrued benefits.

      The transition (pre-cash balance) Boeing monthly benefit will be reduced 2% for each year of payment before age 60. The transition BNA monthly benefit will be unreduced if age plus vesting service is at least 85, otherwise reduced 7.2% for each year of payment before age 60 (6.0% per year for Certain and Electronics Salaried benefits). The transition MDC monthly benefits will be unreduced after attaining age 50 with 30 years of accumulated benefit service or after attaining age 55 with age plus vesting service at least 85; otherwise reduced 2.5% for each year of payment before the earlier of age 62 or when age plus vesting service equal to 85. The minimum monthly benefit is reduced 4.0% for each year of payment before age 65.

5. Vested Termination

   a. Eligibility: Termination of employment after completing three years of service, but before becoming eligible for normal or postponed retirement.

   b. Benefit: Monthly Cash Balance benefit, plus prior plan accrued benefits reduced by 6% for each year of payment before the participant's NRD

6. Disability Benefit

   a. Eligibility: Disability after completing ten years of service and qualified to receive Social Security disability benefits.

   b. Benefit: Monthly Cash Balance benefit, plus prior plan accrued benefits unreduced for early commencement

7. Pre-retirement Death Benefits

   a. Eligibility: If a vested participant (or former participant) dies before receiving a retirement benefit, the following survivor benefit is payable:

   b. Benefit: 50% (100% if eligible to retire) of the monthly pension benefit as of the date of death, reduced for the joint and survivor election and reduced for payment as early as the participant's early retirement date, but not less than the monthly protected death benefit. The protected death benefit is 0.825% of average monthly salary times benefit service as of January 1, 1999. In-service death is company-paid; non-spouse receive an immediate lump sum of the protected death benefit

8. Form of Payment

   a. Normal Form:

      (i) Life annuity for unmarried participants

      (ii) An actuarially reduced 50% joint and survivor annuity for married participants

   b. Optional Forms:

      (i) 5 year certain and continuous annuity

      (ii) 10 year certain and continuous annuity

      (iii) 100% contingent annuity

      (iv) 75% contingent annuity

      (v) 50% contingent annuity

      (vi) Life annuity for married participants

      The normal form of payment is converted to an optional form using 6% interest rate and GAR 94 Mortality (unisex).

   c. Automatic Lump Sum Payment: for participants whose total benefit has a lump sum value of $5,000 or less under 417(e) government mandated basis.

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2009

(a)	(b) Identity of issuer, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost of asset	(e) Current value
*	Prudential Retirement Insurance and Annuity Company	Immediate Participation Guarantee Fund	$ 158,668,254	158,668,254
*	Metropolitan Life Insurance Company	Separate Accounts-Blackrock Managed Broad Market Bond Fund	14,468,808	14,910,931
*	Metropolitan Life Insurance Company	Immediate Participation Guarantee Fund	8,218,510	8,218,510
	Total		$ 181,355,572	181,797,695

* Denotes a party-in-interest to the Plan.

The information in this schedule has been certified as to its completeness and accuracy by Prudential Retirement Insurance and Annuity Company and Reporting and Disclosure under ERISA.Metropolitan Life Insurance Company in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for

See accompanying independent auditors' report.

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name United Technologies Corporation Employee Retirement Plan **EIN:** 06-0570975
Plan Sponsor's Name United Technologies Corporation **PN:** 001

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
09/30/2009	120,000,000	2009	8.12	113,219,208
12/31/2009	230,400,000	2009	8.12	213,146,081
12/31/2009	80,000,000	2009	8.12	74,009,056
12/31/2009	9,600,000	2009	8.12	8,881,087
05/21/2010	143,999,866	2009	8.12	129,259,409
05/21/2010	49,999,954	2009	8.12	44,881,740
05/21/2010	5,999,994	2009	8.12	5,385,808
06/30/2010	115,200,000	2009	8.12	102,526,864
06/30/2010	40,000,000	2009	8.12	35,599,606
06/30/2010	4,800,000	2009	8.12	4,271,953
09/01/2010	114,000,000	2009	8.12	100,101,193
09/01/2010	40,000,000	2009	8.12	35,123,226
09/01/2010	5,000,000	2009	8.12	4,390,403