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 6057(b) 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

2018

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [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 (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
UNITED TECHNOLOGIES CORPORATION

4 FARM SPRINGS ROAD
FARMINGTON, CT 06034

2b Employer Identification Number (EIN)
06-0570975

2c Plan 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.	10/15/2019	FRED DAUSSAN
	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 [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b** EIN **4d** PN	
5 Total number of participants at the beginning of the plan year	**5**	37096
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	34521
a(2) Total number of active participants at the end of the plan year	**6a(2)**	32408
b Retired or separated participants receiving benefits	**6b**	2212
c Other retired or separated participants entitled to future benefits	**6c**	2385
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	37005
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	213
f Total. Add lines **6d** and **6e**.	**6f**	37218
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 who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	240
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 Characteristics Codes in the instructions:

1A 1C 3H

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

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1) [X] Insurance		**(1)** [X] Insurance	
(2) [ ] Code section 412(e)(3) insurance contracts		**(2)** [ ] Code section 412(e)(3) insurance contracts	
(3) [X] Trust		**(3)** [X] Trust	
(4) [ ] General assets of the sponsor		**(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] 6 **A** (Insurance Information)
- **(4)** [ ] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

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

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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	000105	0	01/01/2018	12/31/2018

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 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

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	39883175
5	Current value of plan's interest under this contract in separate accounts at year end	5	

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	47776420
c	Additions: (1) Contributions deposited during the year	7c(1)	419		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	2098249		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)	79644		
	▶ MARKET VALUE CREDIT				
	(6) Total additions			7c(6)	2178312
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	49954732
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	9255255		
	(2) Administration charge made by carrier	7e(2)			
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below)	7e(4)	816302		
	▶ ANNUITY GUARANTEE FEE				
	(5) Total deductions			7e(5)	10071557
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	39883175

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 organizations(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)**	0
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)**	0
(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)**	0
(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 line **9c(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, line 2 above, report amount. Specify nature of costs.			**10b**	

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

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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	**(g)** To
06-0566090	87726	080070, 080070A	0	01/01/2018	12/31/2018

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 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

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	**(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	**(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**	2964874
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	

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**	3010648
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**	138009		
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below) ▶	**7c(5)**			
	(6) Total additions			**7c(6)**	138009
d	Total of balance and additions (add lines **7b** and **7c(6)**)			**7d**	3148657
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**	161280		
	(2) Administration charge made by carrier	**7e(2)**	22503		
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below) ▶	**7e(4)**			
	(5) Total deductions			**7e(5)**	183783
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	2964874

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 organizations(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)**	0
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)**	0
(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)**	0
(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 line **9c(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, line 2 above, report amount. Specify nature of costs.			**10b**	

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

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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 243R BR A	0	01/01/2018	12/31/2018

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 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

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	

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(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	2452686
5	Current value of plan's interest under this contract in separate accounts at year end	5	2802459

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	2408797
c	Additions: (1) Contributions deposited during the year	7c(1)	30		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	44310		
	(4) Transferred from separate account	7c(4)	215476		
	(5) Other (specify below)	7c(5)			
	▶				
	(6) Total additions			7c(6)	259816
d	Total of balance and additions (add lines **7b** and **7c(6)**)			7d	2668613
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	111575		
	(2) Administration charge made by carrier	7e(2)	23805		
	(3) Transferred to separate account	7e(3)	79601		
	(4) Other (specify below)	7e(4)	946		
	▶ RISK AND TAX CHARGE				
	(5) Total deductions			7e(5)	215927
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	2452686

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 organizations(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)**	0
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)**	0
(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)**	0
(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 line **9c(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, line 2 above, report amount. Specify nature of costs.			**10b**	

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

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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	**(g)** To
06-0566090	87726	080466	0	01/01/2018	12/31/2018

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 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

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	522825
5	Current value of plan's interest under this contract in separate accounts at year end	5	

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	521367
c	Additions: (1) Contributions deposited during the year	7c(1)			
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	25750		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)			
	▶				
	(6) Total additions			7c(6)	25750
d	Total of balance and additions (add lines **7b** and **7c(6)**)			7d	547117
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	20478		
	(2) Administration charge made by carrier	7e(2)	3814		
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below)	7e(4)			
	▶				
	(5) Total deductions			7e(5)	24292
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	522825

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 organizations(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)**	0
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)**	0
(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)**	0
(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 line **9c(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, line 2 above, report amount. Specify nature of costs.			**10b**	

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

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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	GA-243	0	01/01/2018	12/31/2018

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 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

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**	1670524
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	

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**	1852908
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**	110512		
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below) ▶	**7c(5)**			
	(6) Total additions			**7c(6)**	110512
d	Total of balance and additions (add lines **7b** and **7c(6)**)			**7d**	1963420
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**	79572		
	(2) Administration charge made by carrier	**7e(2)**	7324		
	(3) Transferred to separate account	**7e(3)**	206000		
	(4) Other (specify below) ▶	**7e(4)**			
	(5) Total deductions			**7e(5)**	292896
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	1670524

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 organizations(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)**	0
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)**	0
(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)**	0
(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 line **9c(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, line 2 above, report amount. Specify nature of costs.			**10b**	

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

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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	004350- A,B	0	01/01/2018	12/31/2018

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 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

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	19526851
5	Current value of plan's interest under this contract in separate accounts at year end	5	

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	21314488
c	Additions: (1) Contributions deposited during the year	7c(1)			
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	965182		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)			
	▶				
	(6) Total additions			7c(6)	965182
d	Total of balance and additions (add lines **7b** and **7c(6)**)			7d	22279670
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	2598723		
	(2) Administration charge made by carrier	7e(2)			
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below)	7e(4)	154096		
	▶ ANNUITY GUARANTEE FEE				
	(5) Total deductions			7e(5)	2752819
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	19526851

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 organizations(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)**	0
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)**	0
(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)**	0
(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 line **9c(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, line 2 above, report amount. Specify nature of costs.			**10b**	

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

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

▶ **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 2018

2 Assets:

a Market value	**2a**	7995211592
b Actuarial value	**2b**	7195690433

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	1224	395995736	395995736
b For terminated vested participants	1351	125469912	125469912
c For active participants	34521	5092916220	5222149892
d Total	37096	5614381868	5743615540

4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.79 %
6 Target normal cost	**6**	211562538

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

Signature of actuary

10/02/2019
Date

JAY MITCHELL, F.S.A.
Type or print name of actuary

17-05718
Most recent enrollment number

WILLIS TOWERS WATSON US LLC
Firm name

212-309-3479
Telephone number (including area code)

200 LIBERTY STREET
NEW YORK, NY 10281
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 (line 13 from prior year)	2312801431	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	2312801431	0
10	Interest on line 9 using prior year's actual return of 16.18 %	374211272	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.84 %		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	86214702	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	2600798001	0

Part III Funding Percentages

14	Funding target attainment percentage	14	80.00%
15	Adjusted funding target attainment percentage	15	122.29%
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	119.57%
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
07/01/2018	0	197328			
			Totals ► 18(b)	0	18(c) 197328

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 contributions 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	0

20 Quarterly contributions and liquidity shortfalls:

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

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

c If line 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:	
3.92%	5.52%	6.29%	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions)

Prior regulation: ☐ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

Current regulation: ☐ 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 subject to 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 contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	211562538
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

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 (lines 31a - 31b + 32a + 32b - 33)	**34**	211562538

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	211562538	0	211562538

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

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

2018

This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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	7369110810

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)
13-5581829-401	P	2802459

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

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

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

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(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)	2954901	2802459
(11) Value of interest in master trust investment accounts	1c(11)	7995211593	7369110810
(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)	76884631	67020933
(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	8075051125	7438934202
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	8075051125	7438934202

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)		
	(B) Participants	2a(1)(B)	197328	
	(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)		197328
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)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(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
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	3461655	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		3461655

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-2344
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-410236023
(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		-406579384
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	229537539	
(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)		229537539
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		229537539
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-636116923
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)** ☒ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ 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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 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	

			Yes	No	Amount
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			

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

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)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4144330. (See instructions.)

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 sections 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

2018

This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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** 755

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 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 (include any prior year accumulated funding deficiency not waived) **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 or other authority 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. 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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 11.0 % Investment-Grade Debt: 36.0 % High-Yield Debt: 4.0 % Real Estate: 6.0 % Other: 43.0 %

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 line 19(b)?
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Financial Statements and Supplemental Schedule

December 31, 2018 and 2017

(With Independent Auditors' Report Thereon)

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Financial Statements and Supplemental Schedule

December 31, 2018 and 2017

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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:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of United Technologies Corporation Employee Retirement Plan (the Plan), which comprise the statements of net assets available for plan benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for plan benefits for the years then ended, and the statement of accumulated plan benefits as of December 31, 2017, and the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

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, 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, except for comparing such information with the related information included in the financial statements. 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 December 31, 2018 and 2017, and for the years then ended, that the information provided to the plan administrator by the Insurance Companies and trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

KPMG LLP is a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Other Matter

The supplemental Schedule H, Line 4i – Schedule of Assets (held at end of year) as of December 31, 2018 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

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 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 the Employee Retirement Income Security Act of 1974.

KPMG LLP

October 15, 2019

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Statements of Net Assets Available for Plan Benefits

December 31, 2018 and 2017

	2018	2017
Assets:		
Investments:		
Plan interest in Master Trust, at fair value, as certified by Trustee (note 7)	$ 7,369,110,810	7,995,211,593
Investment contracts with Insurance Companies, at contract value, as certified by Insurance Companies (note 6)	67,020,933	76,884,631
Investment in pooled separate accounts, at fair value, as certified by Insurance Companies (note 6)	2,802,459	2,954,901
Net assets available for plan benefits	$ 7,438,934,202	8,075,051,125

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, 2018 and 2017

	2018	2017
Additions:		
Investment income:		
Investment (loss) income – plan interest in net (depreciation) appreciation, investment advisors' and trustee's fees, and investment (loss) income of Master Trust, as certified by Trustee (note 7)	$ (404,031,940)	2,693,700,605
Interest income – investment contracts, as certified by Insurance Companies (note 6)	3,461,655	3,519,051
Net (depreciation) appreciation in pooled separate accounts, as certified by Insurance Companies (note 6)	(2,344)	108,366
Total investment (loss) income	(400,572,629)	2,697,328,022
Employee contributions	197,328	180,624
Employer contributions	—	1,900,000,000
Total contributions	197,328	1,900,180,624
Total additions	(400,375,301)	4,597,508,646
Deductions:		
Benefit payments	(229,537,539)	(984,067,940)
Administrative expenses	(6,204,083)	(19,696,825)
Refund of Plan Assets for Annuity Purchases	—	9,597,520
Total deductions	(235,741,622)	(994,167,245)
Net (decrease) increase before plan transfers	(636,116,923)	3,603,341,401
Transfer In from Represented Pension Plan (note 3)	—	5,413,971,790
Transfers out to Legacy Retirement Plan (note 1)	—	(18,222,344,985)
Net decrease	(636,116,923)	(9,205,031,794)
Net assets available for plan benefits:		
Beginning of year	8,075,051,125	17,280,082,919
End of year	$ 7,438,934,202	8,075,051,125

See accompanying notes to financial statements.

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Statement of Accumulated Plan Benefits

December 31, 2017

Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	$	481,609,469
Other participants		6,869,181,232
		7,350,790,701
Nonvested benefits		184,879,314
Total actuarial present value of accumulated plan benefits	$	7,535,670,015

See accompanying notes to financial statements.

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

Statement of Changes in Accumulated Plan Benefits

Year ended December 31, 2017

Actuarial present value of accumulated plan benefits at beginning of year	$	25,078,144,322
Increase (decrease) during the year attributable to:		
Benefits accumulated		213,455,928
Actuarial losses		596,801,079
Increase for interest due to the decrease in the discount period		748,046,050
Benefits paid		(978,808,772)
Change in actuarial assumptions (note 4)		576,152,682
Plan amendments		3,911,726
Spin off to Legacy Retirement Plan (note 1)		(18,702,033,000)
Net increase		(17,542,474,307)
Actuarial present value of accumulated plan benefits at end of year	$	7,535,670,015

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 is administered by United Technologies Corporation (UTC) (the Plan Administrator) and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).The Plan is split into two provisions for Non-Represented, and Represented employees.

The Plan is administered by the Company's Pension Administration Committee (PAC). The Committee has overall responsibility for the operation and administration of the Plan. The Pension Administration Investment Committee determines the appropriateness of the Plan's investment offerings, and monitors investment performance.

The Non-Represented plan provision of the Plan covers certain domestic salaried employees of UTC and former members of the Goodrich Corporation Employees' Pension Plan. The provision also covers the hourly paid employees at certain of UTC's factory locations which are not covered by a collective bargaining agreement. All UTC salaried employees hired after December 31, 2009 are not eligible to participate in the Non-Represented provision of the Plan with the exception of certain employees. Those certain 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 Represented plan provision of the Plan covers certain domestic hourly paid employees of UTC covered by a collective bargaining agreement as well as former participants of the Goodrich Corporate Wage Employees' Pension Plan. Employees are eligible to participate after completing 1,000 hours of eligible service and the earlier of (i) attaining age 21 and completion of one year of eligible service or (ii) completion of 5 years of eligible service, 3 years of eligible service for participants employed by Sikorsky Local 1150.

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. Active participants as of June 30, 2002 who did not select the Cash Balance formula will continue to accrue benefits under the Final Average Earnings formula until December 31, 2014. All benefits under the Final Average Earnings formula were frozen effective December 31, 2014. Affected participants were eligible to continue to participate in the Plan under the Cash Balance formula beginning January 1, 2015.

Effective on January 1, 2017, the Represented Employee Retirement Plan was merged into the UTC Employee Retirement Plan. As a result, assets totaling $5,414 million were transferred into the Employee Retirement Plan effective January 1, 2017. In addition, benefit obligations totaling $6,062 million were transferred into the Employee Retirement Plan effective January 1, 2017.

During the year ended December 31, 2017, UTC transferred $18,222,345 thousand of assets from the Employee Retirement Plan to the UTC Legacy Retirement Plan. Vested terminated participant accounts (i.e., vested participant accounts who are no longer accruing a Plan benefit and are no longer actively employed by the Company or any participating business unit or subsidiary) were transferred into the Legacy Retirement Plan. The actuarial present value of accumulated plan benefits at December 31, 2017, reflects the impact of the transfer on the Plans liability.

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

(i) Non-Represented Plan Provisions

(1) Final Average Earnings

Under the terms of the Plan, participants eligible for the Final Average Earnings formula 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. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity or other actuarially equivalent annuity. 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 (as defined) 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. As noted above, all benefits under the Final Average Earnings formula were frozen effective December 31, 2014.

(2) Cash Balance

Under the terms of the Plan, participants eligible under the Cash Balance formula are fully vested after three 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. The Plan also provides for disability and pre-retirement death benefits.

(ii) Represented Employee Retirement Plan Provisions

Under the terms of the Plan, former participants of the Represented Employee Retirement Plan 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. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity, or other actuarially equivalent annuity. Eligible employees are entitled to monthly pension benefits based upon the participant's years of credited service and fixed benefit rates. The rates vary for each business division.

Eligible participants could 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 less than or equal to $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 benefits and pre-retirement death benefits for certain groups of employees.

(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 in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

(b) Payment of Benefits

Benefits are recorded when paid.

(c) Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for plan benefits at the dates of the financial statements, the changes in net assets available for plan benefits during the reporting periods, disclosure of contingent assets and liabilities, and other amounts reported in the financial statements and accompanying notes. The actuarial present value of accumulated plan benefits and contributions to the Plan are estimates which 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) Funding Policy

UTC's funding policy is to make periodic contributions to the Plan in amounts that will meet or exceed the annual ERISA minimum funding requirement. UTC's contributions, for the years ended December 31, 2018 and 2017 have met the minimum funding requirements of ERISA.

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. Other participants are not eligible to contribute to the Plan.

(e) Administrative Expenses/Related Party and Party-in-Interest 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 Bank of New York Mellon, N.A. (the Trustee) and Prudential Retirement Insurance and Annuity Company and Metropolitan Life Insurance Company (the Insurance Companies). These transactions qualify as party-in-interest transactions. For the years ended December 31, 2018 and 2017, 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 $26,125 thousand and $67,976 thousand, respectively. For the years ended December 31, 2018 and 2017, fees paid by the Plan for investment advisory services, trustee and administrative expenses to the Insurance Companies amounted to $1,029 thousand and $1,366 thousand, 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 the Insurance Companies (see note 6). Under these contracts a portion of the investments are held in Immediate Participation Guarantee (IPG) Funds and pooled separate accounts. 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. 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 Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 960, *Plan Accounting – Defined Benefit Pension Plans*.

(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 fair 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. UTC performs ongoing due diligence reviews of the Master Trust's investments and has retained a consultant to provide quarterly reports, including a performance review.

(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

U.S. GAAP 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 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.

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

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 Administrator 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.

Transfers between levels, if any, are recorded as of the date the transfer occurred.

(3) Plan Merger

Effective on January 1, 2017, the Represented Employee Retirement Plan was merged into the UTC Employee Retirement Plan. As a result, assets totaling $5,414 million were transferred into the Employee Retirement Plan effective January 1, 2017. In addition, benefit obligations totaling $6,062 million were transferred into the Employee Retirement Plan effective January 1, 2017.

(4) 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, 2017 were:

	2017
a. Discount rate	3.67% per year
b. Mortality table/Mortality projection scale	RP-2014 / MP-2017
c. Retirement age	Decrements averaging at 61; for certain employees earlier of age 63 and 25 years of services and age 65, and for other employees earlier of age 63 and 16 years of service and age 65

The present value of accumulated plan benefits as of December 31, 2017 increased by $576 million due to changes in actuarial assumptions mainly as a result of a decrease in the discount rate assumption from 4.01% at December 31, 2016 to 3.67% at December 31, 2017. The Plan considered the impact of the MP-2018 projection scale and determined the impact to be immaterial.

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.

(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. The maximum amount of PBGC guaranteed benefits for terminations in 2018 at age 65 is $5,420 per month. Whether all plan participants receive their full plan benefits, should the Plan terminate at some future time, would depend on the priority of these benefits and the sufficiency, at that time, of the Plan's net assets to provide those benefits and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC. 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 and pooled separate accounts (separate accounts) with the Insurance Companies. 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. Under the terms of the IPG Funds' contracts, the Insurance Companies maintain separate accounting of investment income and expenses. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The Plan Administrator does not believe that any events would limit the Plan's ability to transact at contract value.

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	
	2018	**2017**
Immediate participation guarantee funds (contract value)	$ 67,020,933	76,884,631
Separate accounts (fair value)	2,802,459	2,954,901
	$ 69,823,392	79,839,532

	Years ended December 31	
	2018	**2017**
Interest income	$ 3,461,655	3,519,051
Net (depreciation) appreciation in separate accounts	(2,344)	108,366
	$ 3,459,311	3,627,417

The following tables set forth by level, within the fair value hierarchy, the plan's assets in separate accounts held at fair value as of December 31, 2018 and 2017. The following tables do 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, 2018			
	Level 1	**Level 2**	**Level 3**	**Fair value**
Separate accounts (fixed income)	$ —	2,802,459	—	2,802,459
Total at fair value	$ —	2,802,459	—	2,802,459

(Continued)

	Fair value measurements as of December 31, 2017			
	Level 1	**Level 2**	**Level 3**	**Fair value**
Separate accounts (fixed income)	$ —	2,954,901	—	2,954,901
Total at fair value	$ —	2,954,901	—	2,954,901

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. There have been no changes in the methodologies used at December 31, 2018 and 2017, and there were no transfers between levels for the years ended December 31, 2018 and 2017.

(7) Investment in Master Trust (Unaudited)

UTC has entered into a Master Trust agreement with The 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.

UTC stock held in the Master Trust had a fair value of $3,907 thousand and $344,159 thousand at December 31, 2018 and 2017, respectively. UTC stock held in the Master Trust represents 0.02% and 1.26% of the Master Trust's Net Assets at December 31, 2018 and 2017, respectively.

(Continued)

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:

Master Trust Statements of Net Assets

	December 31	
	2018	**2017**
	(In thousands)	
Assets:		
Investments:		
Cash and equivalents	$ 1,109,060	1,820,383
Equity securities, including $3,907 at 2018 and $344,159 at 2017 of UTC stock	2,299,882	3,044,127
Common collective trusts	2,360,373	2,692,104
Debt securities:		
Corporate debt	10,375,369	10,840,224
U.S. government and related agency obligations	1,075,885	1,591,690
Derivatives	(104,068)	57,777
Real estate	1,488,094	1,462,394
Limited partnerships	4,769,769	5,005,281
Other	433,572	689,372
Subtotal	23,807,936	27,203,352
Interest and dividends receivable	134,381	127,173
Other receivables	554,124	248,311
Total assets	24,496,441	27,578,836
Liabilities:		
Other payables	91,143	288,137
Total liabilities	91,143	288,137
Net assets	$ 24,405,298	27,290,699
Net assets of the Master Trust allocable to the Plan	$ 7,369,111	7,995,212
Percentage of Plan's interest in the Master Trust	30 %	29 %

(Continued)

Master Trust Statements of Changes in Net Assets

	Year ended December 31	
	2018	**2017**
	(In thousands)	
Additions:		
Interest income	$ 474,946	374,117
Dividend income	69,430	85,246
Net (depreciation) appreciation in value of invested assets	(1,869,762)	3,032,445
Other income	91,504	110,983
Total net additions	(1,233,882)	3,602,791
Deductions:		
Investment advisors' and trustee's fees	(118,231)	(114,246)
Total deductions	(118,231)	(114,246)
Net (decrease) increase prior to contributions, distributions, and other nonallocable activity	(1,352,113)	3,488,545
Contributions, distributions, and other nonallocable activity, net	(1,533,288)	484,109
Net increase (decrease) in net assets	(2,885,401)	3,972,654
Net assets:		
Beginning of year	27,290,699	23,318,045
End of year	24,405,298	27,290,699
Net (decrease) increase allocable to the Plan	$ (404,032)	2,693,701
Percentage of Plan's interest in net increase prior to contributions, distributions, and other nonallocable activity	30 %	77 %

The Master Trust had contributions of $3,360,213,000 and $2,324,805,000, offset by distributions of $4,893,501,000 and $1,840,696,000 for the years ended December 31, 2018, and 2017, respectively.

(Continued)

During the years ended December 31, 2018 and 2017, the Master Trust's investments (including investments bought and sold, as well as investments held during the year) (depreciated) appreciated as follows:

	Net appreciation (depreciation) in fair value	
	2018	2017
	(In thousands)	
Equity securities	$ (187,866)	829,974
Common collective trust	(241,098)	466,983
Debt securities	(1,224,154)	557,776
Limited partnerships	199,410	399,730
Derivatives	(418,886)	701,058
Real estate	33,742	52,085
Other	(30,910)	24,839
	$ (1,869,762)	3,032,445

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, 2018 and 2017.

Quoted market prices are used to value equity and certain actively traded debt 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.

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, 2018, the Plan had no specific plans or intentions to sell investments at amounts different than NAV.

For securities that have no quoted market price, including those valued using NAV, many factors are considered in arriving at that fair market value, which include the following:

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 carried at fair value using NAV per share/unit as a practical expedient on the valuation date. There are no unfunded commitments and investments can be redeemed monthly with 30-120 days notice.

(Continued)

Limited partnerships, valued using NAV per share practical expedient, 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 fourth 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.

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.

Fair value information for investments, net that are measured at fair value on a recurring basis is as follows at December 31, 2018 and 2017 (in thousands):

	Fair value measurements as of December 31, 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and equivalents	$ 333,267	775,793	—	1,109,060
Equity:				
Aerospace/defense	61,009	—	—	61,009
Automotive	43,329	—	—	43,329
Banks	129,610	—	—	129,610
Food and beverage	89,460	—	—	89,460
Chemicals	58,719	—	—	58,719
Computers	44,611	—	—	44,611
Financial services	65,741	3,592	—	69,333
Electrical components	84,503	—	—	84,503
Oil and gas	110,766	—	—	110,766
Healthcare	158,184	—	—	158,184
Insurance	81,776	—	—	81,776
Telecommunications	59,358	—	—	59,358
Pharmaceuticals	107,184	—	—	107,184
Retail	138,232	—	—	138,232
Software	155,345	—	—	155,345
Other	880,378	28,085	—	908,463
Total equity	2,268,205	31,677	—	2,299,882

(Continued)

	Fair value measurements as of December 31, 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Debt securities:				
Banking and finance	—	1,792,832	—	1,792,832
Food, beverage, and tobacco	—	235,496	—	235,496
Healthcare	—	512,338	—	512,338
Insurance	—	1,226,403	—	1,226,403
Retail	—	400,915	—	400,915
Oil and Gas	—	622,538	—	622,538
Technology	—	853,978	—	853,978
Utilities	—	1,875,063	—	1,875,063
Other	—	2,855,806	—	2,855,806
U.S. government and related agency obligations	1,075,885	—	—	1,075,885
Total debt	1,075,885	10,375,369	—	11,451,254
Derivatives	(104,458)	390	—	(104,068)
Real estate	—	—	1,350,078	1,350,078
Limited Partnerships	(194)	—	297,387	297,193
Other	28,902	—	—	28,902
Total assets at fair value	$ 3,601,607	11,183,229	1,647,465	16,432,301
Common collective trusts				2,360,373
Limited partnerships (a)				4,472,576
Real estate				138,016
Other				404,670
Total assets				$ 23,807,936

(a) Limited partnerships include investment in domestic private equity funds with monthly redemption frequency and 30 days' notice. Certain other limited partnerships include investment in private equity both domestically and internationally which can never be redeemed during the life of the funds. Approximately 67% of the funds have a life up to 5 years and approximately 33% have a life of 5 years to 10 years. Unfunded commitments total approximately $748 million. Real estate includes real estate funds with quarterly redemption frequency and 60 days' notice. In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amount presented in the statement of net assets available for plan benefits.

(Continued)

	Fair value measurements as of December 31, 2017			
	Level 1	**Level 2**	**Level 3**	**Total**
Cash and equivalents	$ 174,971	1,645,412	—	1,820,383
Equity:				
Aerospace/defense	382,279	—	—	382,279
Automotive	41,688	—	—	41,688
Banks	200,805	—	—	200,805
Food and beverage	128,452	—	—	128,452
Chemicals	91,001	—	—	91,001
Computers	87,523	—	—	87,523
Financial services	84,448	—	—	84,448
Electrical components	95,483	—	—	95,483
Oil and gas	117,641	—	—	117,641
Healthcare	115,080	—	—	115,080
Insurance	105,359	—	—	105,359
Telecommunications	51,528	—	—	51,528
Pharmaceuticals	107,513	—	—	107,513
Retail	188,215	—	—	188,215
Software	96,729	—	—	96,729
Other	1,128,598	21,785	—	1,150,383
Total equity	3,022,342	21,785	—	3,044,127
Common collective trusts:				
Other	176,603	—	—	176,603
Common collective trusts	176,603	—	—	176,603

(Continued)

	Fair value measurements as of December 31, 2017			
	Level 1	**Level 2**	**Level 3**	**Total**
Debt securities:				
Banking and finance	$ —	1,989,916	—	1,989,916
Food, beverage, and tobacco	—	315,876	—	315,876
Healthcare	—	1,140,590	—	1,140,590
Insurance	—	401,933	—	401,933
Retail	—	424,731	—	424,731
Oil and Gas	—	523,527	—	523,527
Technology	—	931,826	—	931,826
Utilities	—	1,903,147	—	1,903,147
Other	—	3,208,678	—	3,208,678
U.S. government and related agency obligations	1,588,265	3,425	—	1,591,690
Total debt	1,588,265	10,843,649	—	12,431,914
Derivatives	56,292	1,485	—	57,777
Real estate	—	—	1,333,289	1,333,289
Limited Partnerships	762	—	1,499,700	1,500,462
Other	23,721	—	—	23,721
Total assets at fair value	$ 5,042,956	12,512,331	2,832,989	20,388,276
Common collective trusts				2,515,501
Limited partnerships (a)				3,504,819
Real estate				129,105
Other				665,651
Total assets				$ 27,203,352

(a) Limited partnerships include investment in domestic private equity funds with monthly redemption frequency and 30 days' notice. Certain other limited partnerships include investment in private equity both domestically and internationally which can never be redeemed during the life of the funds. Approximately 67% of the funds have a life up to 5 years and approximately 33% have a life of 5 years to 10 years. Unfunded commitments total approximately $502 million. Real estate includes real estate funds with quarterly redemption frequency and 60 days' notice. In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amount presented in the statement of net assets available for plan benefits.

(Continued)

In preparing its fair value 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 valuation levels is representative of the required disclosures.

(a) Level 3 Gains and Losses

The following tables set forth a summary of changes in the fair value of the Master Trust's Level 3 assets for the years ended December 31, 2018 and 2017 (in thousands):

	Level 3 assets 2018		
	Limited partnerships	**Real estate**	**Total**
Balance at December 31, 2017	$ 1,499,700	1,333,289	2,832,989
Realized gains	4	10,227	10,231
Unrealized gains (losses) relating to instruments still held at the reporting date	11,418	23,515	34,933
Purchases	129,661	222,231	351,892
Sales	(6,135)	(239,184)	(245,319)
Transfer between classifications	(1,337,261)	—	(1,337,261)
Balance at December 31, 2018	$ 297,387	1,350,078	1,647,465

	Level 3 assets 2017		
	Limited partnerships	**Real estate**	**Total**
Balance at December 31, 2016	$ 148,391	1,258,838	1,407,229
Realized gains	4,096	92,494	96,590
Unrealized gains (losses) relating to instruments still held at the reporting date	59,273	(40,409)	18,864
Purchases	1,305,958	491,368	1,797,326
Sales	(18,018)	(469,002)	(487,020)
Balance at December 31, 2017	$ 1,499,700	1,333,289	2,832,989

(Continued)

(b) Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table represents the Master Trust's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments as of December 31, 2018, and the significant unobservable inputs and the ranges of values for those inputs (in thousands):

Level 3 investment	Fair value	Principal valuation technique	Significant unobservable inputs	Range of significant input values
Real estate	$ 1,350,078	Discounted Cash Flow Analysis	Revenue Growth Rate	0%–11%
			Discount Rate	6.5%–9.5%
			Exit Cap Rate	5.75%–9%
Limited partnerships	$ 297,387	Market Value Comparable Company Analysis	EBITDA Multiples	2.8X–20X
		Discounted Cash Flow Analysis	WACC	6%–25%
		Expected Returns	Illiquidity Discount	0%–37%
		Benchmark Pricing	Control Premium	0%–30%
		Comparable Yields	Lack of Control Discount	5%–17%
		Recent Financing	Tangible book value	0X–0.8X
			Revenue Multiple	1X–5X
			Terminal Capitalization Rate	0%–7.5%
			Yield	0%–22.5%

In estimating fair value of the investments in Level 3, the Plan Administrator may use third-party pricing sources. In substantiating the reasonableness of the pricing data provided by third parties, the Plan Administrator evaluates a variety of factors including review of methods and assumptions used by external sources, recently executed transactions, existing contracts, economic conditions, industry and market developments, and overall credit ratings.

(c) Derivative Financial Instruments

Derivatives in the plan are primarily used to manage risk and gain asset class exposure while still maintaining liquidity. Derivative instruments mainly consist of equity futures, interest rate futures, interest rate swaps and currency forward contracts.

At December 31, 2018 and 2017, the Master Trust had open foreign currency contracts to purchase approximately $16 million and $14 million, respectively, and sell approximately $16 million and $14 million, respectively, of various foreign currencies.

(Continued)

(8) Tax Status of the Plan

The Internal Revenue Service has determined and informed the Plan Administrator by a letter dated November 30, 2016 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 legal counsel believe that the Plan is designed and is currently being operated incompliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2018 there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

The Plan is subject to routine audits by taxing authorities.

The Plan is involved in an ongoing Department of Labor audit for the period ending January 1, 2014. At this time, no findings have been brought to management's attention.

(9) Related Party and Party in Interest Transactions

As described in note 7, certain plan investments are shares of UTC stock. As described in note 2, the Plan paid certain expenses related to plan operations and investment activity to various service providers. These transactions are party in interest transactions under ERISA.

(10) Subsequent Events

The Plan Administrator evaluated subsequent events through October 15, 2019, the date of issuance of its financial statements and determined that there are no additional items to be disclosed.

UNITED TECHNOLOGIES CORPORATION
EMPLOYEE RETIREMENT PLAN

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

December 31, 2018

(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	$ 61,080,549	61,080,549
*	Metropolitan Life Insurance Company	Immediate Participation Guarantee Fund	5,940,384	5,940,384
*	Metropolitan Life Insurance Company	Separate Accounts-Blackrock Managed Broad Market Bond Fund	2,802,459	2,802,459
	Total		$ 69,823,392	69,823,392

* 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 Metropolitan Life Insurance Company in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

See accompanying independent auditors' report.

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

Average 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	47	48	1	0	0	0	0	0	0	0
	Average Cash Balance	621	2,968								
25 to 29	Count	52	116	30	7	0	0	0	0	0	0
	Average Cash Balance	684	3,285	12,353							
30 to 34	Count	58	156	345	381	1	0	0	0	0	0
	Average Cash Balance	1,088	6,584	25,927	33,272						
35 to 39	Count	47	159	243	688	288	6	0	0	0	0
	Average Cash Balance	1,688	8,995	34,359	44,828	45,581					
40 to 44	Count	38	173	279	587	687	203	1	0	0	0
	Average Cash Balance	2,261	14,336	47,257	58,035	51,476	45,534				
45 to 49	Count	30	169	282	631	694	320	191	11	0	0
	Average Cash Balance	3,476	16,200	55,416	75,766	52,634	43,053	35,663			
50 to 54	Count	35	207	300	673	997	414	609	485	1	0
	Average Cash Balance	3,487	20,297	63,477	82,968	50,428	47,967	40,267	38,440		
55 to 59	Count	34	220	279	639	1,323	417	534	878	348	8
	Average Cash Balance	2,929	15,616	70,771	84,466	46,134	44,262	36,877	40,045	32,029	
60 to 64	Count	6	113	156	461	868	242	313	353	502	122
	Average Cash Balance		16,719	65,160	83,140	43,326	33,531	30,518	35,637	38,096	33,765
65 to 69	Count	1	23	43	124	194	49	54	64	55	56
	Average Cash Balance		13,990	63,718	84,845	49,227	29,297	28,187	37,125	31,009	35,579
70 & up	Count	0	2	6	37	35	15	17	8	5	28
	Average Cash Balance				45,612	14,968					19,415

* Excludes 1,566 suspended participants (participants not accruing additional service as of January 1, 2018).

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

Average Earnings (Pay-related formulas only)

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	48	59	1	0	0	0	0	0	0	0
	Average Earnings	36,450	59,379								
25 to 29	Count	55	163	33	7	0	0	0	0	0	0
	Average Earnings	42,256	61,331	68,489							
30 to 34	Count	62	215	361	386	1	0	0	0	0	0
	Average Earnings	45,102	75,016	103,945	109,270						
35 to 39	Count	49	199	261	707	292	6	0	0	0	0
	Average Earnings	63,288	80,720	109,067	115,283	123,068					
40 to 44	Count	39	200	297	604	706	206	1	0	0	0
	Average Earnings	78,707	102,508	119,644	113,785	128,920	133,498				
45 to 49	Count	33	188	291	640	712	329	192	11	0	0
	Average Earnings	93,932	103,527	125,455	120,790	125,613	131,241	133,033			
50 to 54	Count	40	220	313	690	1,013	439	640	491	1	0
	Average Earnings	93,136	110,350	116,626	115,311	129,249	128,602	135,433	143,923		
55 to 59	Count	37	230	286	657	1,351	443	559	897	357	10
	Average Earnings	80,950	93,711	119,033	108,145	125,682	123,964	120,528	146,049	120,170	
60 to 64	Count	6	118	160	465	889	259	324	368	508	127
	Average Earnings		92,061	103,512	102,622	114,196	111,652	110,593	124,160	135,876	125,318
65 to 69	Count	2	24	43	125	200	52	57	67	58	63
	Average Earnings		77,712	101,298	107,108	105,126	93,577	102,017	117,757	126,762	133,438
70 & up	Count	0	2	6	37	36	16	17	8	5	30
	Average Earnings				92,672	103,631					124,071

* Excludes 5,674 suspended participants (participants not accruing additional service as of January 1, 2018).

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

Counts

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	64	196	2	0	0	0	0	0	0	0
25 to 29	Count	68	518	74	9	0	0	0	0	0	0
30 to 34	Count	68	463	454	484	6	0	0	0	0	0
35 to 39	Count	57	393	338	899	356	13	0	0	0	0
40 to 44	Count	48	317	376	758	824	317	2	0	0	0
45 to 49	Count	40	290	352	800	834	473	243	14	0	0
50 to 54	Count	48	342	372	853	1,172	612	798	661	7	0
55 to 59	Count	42	315	342	851	1,521	657	740	1,206	751	51
60 to 64	Count	6	150	207	609	1,011	371	448	570	1,061	503
65 to 69	Count	4	34	51	155	222	84	86	115	150	242
70 & up	Count	0	5	6	43	42	18	27	19	25	122
		Average Age:	51.7		**Average Service:**		18.6				

* Excludes 6,644 suspended participants (participants not accruing additional service as of January 1, 2018).

Statement of actuarial assumptions and methods

Economic Assumptions

	ERP	
Interest rate basis:		
► Applicable month	September 2017	
► Yield curve basis	Segment rates	
Interest rates:	Reflecting Corridor	Not Reflecting Corridor
First segment rate	3.92%	1.75%
Second segment rate	5.52%	3.76%
Third segment rate	6.29%	4.66%
Effective interest rate	5.79%	4.14%
Annual rates of increase		
► Compensation	4.50%	
► Future Social Security wage bases	3.00%	
► Statutory limits on compensation	2.50%	
Crediting rate on cash balance accounts	5.00%	

Demographic Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee becomes a participant.
New or rehired employees	It was assumed there will be no new or rehired employees.
Mortality-Healthy and Disabled	
▸ Funding	Separate rates for non-annuitants (based on RP-2014 “Employees” table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2016) and annuitants (based on RP-2014 “Healthy Annuitants” table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2016).
Termination	Rates varying by age and service See Exhibit A
Disability	Rates varying by age See Exhibits B and D
Retirement	Rates varying by age See Exhibit C
Unpredictable Contingent Event Benefit (UCEB) assumptions	For Union ERP participants, 10% of termination rates are assumed to be layoffs eligible for an additional year of service under certain plan formulas. These assumptions have been selected by the plan sponsor, and evaluation of the assumption(s) was outside the scope of Willis Towers Watson’s assignment and would have required substantial additional work.
Benefit commencement dates	Preretirement death benefit: The later of death of the active participant or the date the participant would have attained age 55. Deferred vested benefit: Participants eligible for an unreduced benefit at age 62 are assumed to commence at age 62. All other participants are assumed to commence at age 65. Disability benefit: Upon disablement Retirement benefit: Upon termination of employment

Form of payment (Active retirements)	For Salaried and Non-Union Hourly ERP cash balance participants: for retirement and death, immediate lump sum; for vested termination, 75% immediate lump sum and 25% deferred to age 55 lump sum; For all other Salaried and Non-Union Hourly ERP groups: 30% lump sum and 70% annuity; For annuity elections: 50% elect life annuity, 25% elect 50% CA, and 25% elect 100% CA; For Union ERP cash balance participants: immediate lump sum; For all other Union ERP groups: 50% elect life annuity, 25% elect 50% CA, and 25% elect 100% CA;
Percent married	100% for all Salaried and Non-Union Hourly ERP; 100% at age 55 for Union ERP sub-plans with the 100% CA annuity that allows non-spouse beneficiaries; 81% for all others in Union ERP (with the exception of Goodrich); 100% for Union ERP Rep Goodrich participants with the salaried formula and 60% for all other Union ERP Goodrich participants.
Spouse age	Females three years younger than males.
Covered pay	For current year hires, the maximum of pay rate and the prior year's pensionable earnings, annualized and increased by 4.50%. For participants on leave of absence, pay rate. For all other participants, prior year's pensionable earnings increased by 4.50%.
Administrative expenses	For ERP: 0.25% of the fair value of assets;
Loads	For ERP vested terminations, the PPA liability is increased by 0.5% to estimate the impact of the optional forms.
At-risk assumptions	N/A
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430
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 as required by regulations under IRC §430
Actuarial value of assets	Average of the fair market value of assets on the valuation date and the dates 12 and 24 months before the valuation date, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2017 plan year.) The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.
Benefits not valued	All benefits described in the Supplemental Summary of Plan Provisions attachment were valued. Willis Towers Watson has reviewed the plan provisions with UTC and, based on that review, is not aware of any significant benefits required to be valued that were not. The plan pays small benefits (with a present value up to $5,000) in a single lump sum payment. Such lump sums are not explicitly valued as such; rather such participants' benefits are valued using the benefit choice assumptions described above.

Exhibit A

Termination Assumptions

Annual Rates per 1,000 Participants

Plan: ERP (Salaried and Non-Union Hourly)

	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

Exhibit A (continued)

Termination Assumptions

Annual Rates per 1,000 Participants

Plan: ERP (Union)

	Years of Service	
Age	**0-5**	**5 and up**
25	120.4	80.5
30	107.6	80.5
35	98.2	70.5
40	82.3	57.5
45	78.7	46.3
50	66.2	37.0
55	66.2	32.3
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

Exhibit B

Disability Assumptions

Annual Rates per 1,000 Participants

Plan: Salaried and Non-Union Hourly ERP (excluding Goodrich participants)

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

Exhibit B (continued)

Disability Assumptions

Annual Rates per 1,000 Participants

Plan: Union Hourly ERP (excluding Goodrich participants)

Age	Male	Female
25	0.3	0.5
30	0.4	0.6
35	0.5	0.8
40	0.7	1.0
45	1.0	1.5
50	1.8	2.6
55	3.6	4.9
60	9.0	12.1
65	0.0	0.0

Exhibit C

Retirement Assumptions

Age	Salaried and Non-Union Hourly ERP	Union Hourly ERP*
55	0.05	0.02
56	0.05	0.02
57	0.075	0.02
58	0.075	0.03
59	0.075	0.04
60	0.10	0.06
61	0.10	0.07
62	0.20	0.20
63	0.20	0.20
64	0.20	0.20
65	0.60	0.60
66	0.60	0.60
67	0.60	0.60
68	0.60	0.60
69	0.60	0.60
70	1.00	1.00

* Carrier Indianapolis (BDP East) assumes 75% retirement at age 55 with 30 years of service. Goodrich Aerostructures assumes 75% retirement upon attainment of 30 years of service.

Exhibit D - Former Goodrich Participants

Disability

For non-Aerostructures, rates varying by age and sex

Sample rate per 1,000 participants

Number becoming disabled during the year				
Sex	Age 30	Age 40	Age 50	Age 60
Male	1.200	1.470	3.565	13.800
Female	1.800	2.205	5.350	20.700

For Aerostructures, rates varying by age and sex

Sample rates per 1,000 participants

Number becoming disabled during the year				
Sex	Age 30	Age 40	Age 50	Age 60
Male	0.400	1.100	4.600	16.100
Female	0.600	1.800	5.600	12.700

Sources of Data and Other Information

The plan sponsor, through its third party administrator, furnished participant data as of 1/1/2018. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. In consultation with UTC and its third party administrator, missing or inconsistent data were reviewed, and certain data assumptions were reflected as documented in a data action plan. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions

Funding discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Crediting rate on cash balance accounts	The cash balance interest crediting rate under the UTC plans is generally based on the applicable months' 30-year US Treasury yield in the prior year, subject to plan-specific minimum rates -- 3.80% (UTC ERP salaried and Sikorsky Union ERP), 5.00% (UTC ERP Salaried and Non-Union Hourly Rocketdyne), 4.00% (UTC Non-Union Hourly ERP), and 5.00% (Goodrich cash balance benefit). UTC has reviewed the historic spread between the long-term high quality (AA) corporate bond yields and U.S. 30 year Treasury yields and has set and maintained the spread between the discount rate and interest crediting rate at 100 basis points. After examining historical variability in this rate, and considering the increase in interest crediting expected to be caused by the minimum interest credit, we believe that the selected assumption does not significantly conflict with what would be reasonable based on market conditions at the measurement date.
Annuity / Lump Sum conversion rate	The assumed annuity conversion rate is equivalent to the discount rate; We believe that the selected assumption does not significantly conflict with what would be reasonable.
Rates of increase in compensation, future Social Security Wage bases, and statutory limits on compensation	Assumed increases were chosen by the plan sponsor and, as required by U.S. GAAP they represent an estimate of future experience. We believe that the selected assumption does not significantly conflict with what would be reasonable.
Administrative expenses	Administrative expenses are estimated based on historical experience and future expectation.

Assumptions Rationale - Significant Demographic Assumptions

Healthy/Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination / Retirement / Disability	The disability assumptions were selected by UTC based on prior reviews of participant experience data. An experience study prepared in 2015 was the basis for the updated termination and retirement assumptions.
Benefit commencement date for deferred benefits	The assumptions were selected by UTC based on an experience study prepared in 2015.
Form of payment	The form of payment for the traditional UTC plans (non-cash balance) was set by UTC based on reviews of actual participant elections in recent lump sum window programs. For the cash balance plans, based on limited data available, UTC elected to assume a 100% lump sum election at termination (with a 25% deferral assumption for terminations prior to early retirement age).
Marital Assumptions	
► Percent married	The assumed percentage married was set based on UTC's observations regarding its employee population. For plans that permit a non-spouse beneficiary, a 100% married assumption was selected to account for the additional benefits available for a non-spouse beneficiary.
► Spouse age	The assumed age difference for spouses is based on general population statistics on the age difference for married individuals of retirement age.

Source of Prescribed Methods

Funding methods	The methods used for funding purposes as described, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

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

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

▶ **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 2018

2 Assets:

a Market value	**2a**	7,995,211,592
b Actuarial value	**2b**	7,195,690,433

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	1,224	395,995,736	395,995,736
b For terminated vested participants	1,351	125,469,912	125,469,912
c For active participants	34,521	5,092,916,220	5,222,149,892
d Total	37,096	5,614,381,868	5,743,615,540

4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.79%
6 Target normal cost	**6**	211,562,538

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, F.S.A. — Signature of actuary

10/2/2019 — Date

Jay Mitchell, F.S.A. — Type or print name of actuary

1705718 — Most recent enrollment number

Willis Towers Watson US LLC — Firm name

212-309-3479 — Telephone number (including area code)

200 Liberty Street
New York NY 10281 — 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 (line 13 from prior year)	2,312,801,431	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	2,312,801,431	0
10	Interest on line 9 using prior year's actual return of 16.18%	374,211,272	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.84%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	86,214,702	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	2,600,798,001	0

Part III Funding Percentages

14	Funding target attainment percentage	**14**	80.00%
15	Adjusted funding target attainment percentage	**15**	122.29%
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**	119.57%
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
07/01/2018	0	197,328			
		Totals ► 18(b)	0	18(c)	197,328

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 contributions 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**	0

20 Quarterly contributions and liquidity shortfalls:

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

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

c If line 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:	
3.92 %	5.52 %	6.29 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions)

Prior regulation: ☐ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

Current regulation: ☐ 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 subject to 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 contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	211,562,538
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

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 (lines 31a - 31b + 32a + 32b - 33)	**34**	211,562,538

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	211,562,538	0	211,562,538

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

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

Salaried & Non-Union Hourly ERP

(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	0.075	0.903	0.068	3.858
58	0.075	0.835	0.063	3.631
59	0.075	0.772	0.058	3.417
60	0.100	0.714	0.071	4.286
61	0.100	0.643	0.064	3.921
62	0.200	0.579	0.116	7.174
63	0.200	0.463	0.093	5.832
64	0.200	0.370	0.074	4.740
65	0.600	0.296	0.178	11.553
66	0.600	0.118	0.071	4.692
67	0.600	0.047	0.028	1.905
68	0.600	0.019	0.011	0.774
69	0.600	0.008	0.005	0.314
70	1.000	0.003	0.003	0.212

WEIGHTED AVERAGE RETIREMENT AGE **61.719**

Union Hourly ERP

(1)	(2)	(3)	(4)	(5)
Age	Retirement Qx	tPx	Number of Expected Retirements =(2)x(3)	Weighted Retirement Age =(1)x(4)
55	0.020	1.000	0.020	1.100
56	0.020	0.980	0.020	1.098
57	0.020	0.960	0.019	1.095
58	0.030	0.941	0.028	1.638
59	0.040	0.913	0.037	2.155
60	0.060	0.876	0.053	3.155
61	0.070	0.824	0.058	3.518
62	0.200	0.766	0.153	9.501
63	0.200	0.613	0.123	7.723
64	0.200	0.490	0.098	6.277
65	0.600	0.392	0.235	15.299
66	0.600	0.157	0.094	6.214
67	0.600	0.063	0.038	2.523
68	0.600	0.025	0.015	1.024
69	0.600	0.010	0.006	0.416
70	1.000	0.004	0.004	0.281

WEIGHTED AVERAGE RETIREMENT AGE **63.020**

TOTAL WEIGHTED AVERAGE RETIREMENT AGE **62.080**

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

Schedule SB, Line 24
Change in Actuarial Assumptions

The non-prescribed actuarial assumptions were reviewed and modified to reflect the enrolled actuary's best estimate of future plan experience. As a result, the following change was made:

Type of Assumption	*Old Assumption*	*New Assumption*	*Justification*
Plan-related expenses added to target normal cost	0.35% of the fair value of assets	0.25% of the fair value of assets	To account for lower expected expenses to be paid from the trust

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

Average 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	47	48	1	0	0	0	0	0	0	0
	Average Cash Balance	621	2,968								
25 to 29	Count	52	116	30	7	0	0	0	0	0	0
	Average Cash Balance	684	3,285	12,353							
30 to 34	Count	58	156	345	381	1	0	0	0	0	0
	Average Cash Balance	1,088	6,584	25,927	33,272						
35 to 39	Count	47	159	243	688	288	6	0	0	0	0
	Average Cash Balance	1,688	8,995	34,359	44,828	45,581					
40 to 44	Count	38	173	279	587	687	203	1	0	0	0
	Average Cash Balance	2,261	14,336	47,257	58,035	51,476	45,534				
45 to 49	Count	30	169	282	631	694	320	191	11	0	0
	Average Cash Balance	3,476	16,200	55,416	75,766	52,634	43,053	35,663			
50 to 54	Count	35	207	300	673	997	414	609	485	1	0
	Average Cash Balance	3,487	20,297	63,477	82,968	50,428	47,967	40,267	38,440		
55 to 59	Count	34	220	279	639	1,323	417	534	878	348	8
	Average Cash Balance	2,929	15,616	70,771	84,466	46,134	44,262	36,877	40,045	32,029	
60 to 64	Count	6	113	156	461	868	242	313	353	502	122
	Average Cash Balance		16,719	65,160	83,140	43,326	33,531	30,518	35,637	38,096	33,765
65 to 69	Count	1	23	43	124	194	49	54	64	55	56
	Average Cash Balance		13,990	63,718	84,845	49,227	29,297	28,187	37,125	31,009	35,579
70 & up	Count	0	2	6	37	35	15	17	8	5	28
	Average Cash Balance				45,612	14,968					19,415

* Excludes 1,566 suspended participants (participants not accruing additional service as of January 1, 2018).

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

Average Earnings (Pay-related formulas only)

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	48	59	1	0	0	0	0	0	0	0
	Average Earnings	36,450	59,379								
25 to 29	Count	55	163	33	7	0	0	0	0	0	0
	Average Earnings	42,256	61,331	68,489							
30 to 34	Count	62	215	361	386	1	0	0	0	0	0
	Average Earnings	45,102	75,016	103,945	109,270						
35 to 39	Count	49	199	261	707	292	6	0	0	0	0
	Average Earnings	63,288	80,720	109,067	115,283	123,068					
40 to 44	Count	39	200	297	604	706	206	1	0	0	0
	Average Earnings	78,707	102,508	119,644	113,785	128,920	133,498				
45 to 49	Count	33	188	291	640	712	329	192	11	0	0
	Average Earnings	93,932	103,527	125,455	120,790	125,613	131,241	133,033			
50 to 54	Count	40	220	313	690	1,013	439	640	491	1	0
	Average Earnings	93,136	110,350	116,626	115,311	129,249	128,602	135,433	143,923		
55 to 59	Count	37	230	286	657	1,351	443	559	897	357	10
	Average Earnings	80,950	93,711	119,033	108,145	125,682	123,964	120,528	146,049	120,170	
60 to 64	Count	6	118	160	465	889	259	324	368	508	127
	Average Earnings		92,061	103,512	102,622	114,196	111,652	110,593	124,160	135,876	125,318
65 to 69	Count	2	24	43	125	200	52	57	67	58	63
	Average Earnings		77,712	101,298	107,108	105,126	93,577	102,017	117,757	126,762	133,438
70 & up	Count	0	2	6	37	36	16	17	8	5	30
	Average Earnings				92,672	103,631					124,071

* Excludes 5,674 suspended participants (participants not accruing additional service as of January 1, 2018).

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

Counts

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	64	196	2	0	0	0	0	0	0	0
25 to 29	Count	68	518	74	9	0	0	0	0	0	0
30 to 34	Count	68	463	454	484	6	0	0	0	0	0
35 to 39	Count	57	393	338	899	356	13	0	0	0	0
40 to 44	Count	48	317	376	758	824	317	2	0	0	0
45 to 49	Count	40	290	352	800	834	473	243	14	0	0
50 to 54	Count	48	342	372	853	1,172	612	798	661	7	0
55 to 59	Count	42	315	342	851	1,521	657	740	1,206	751	51
60 to 64	Count	6	150	207	609	1,011	371	448	570	1,061	503
65 to 69	Count	4	34	51	155	222	84	86	115	150	242
70 & up	Count	0	5	6	43	42	18	27	19	25	122
		Average Age:	51.7		**Average Service:**		18.6				

* Excludes 6,644 suspended participants (participants not accruing additional service as of January 1, 2018).

Schedule SB - Statement by Enrolled Actuary

Plan Sponsor	United Technologies Corporation
EIN/PN	06-0570975 / 001
Plan Name	UTC Employee Retirement Plan
Valuation Date	January 1, 2018
Enrolled Actuary	Jay Mitchell, F.S.A.
Enrollment Number	17-05718

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of the Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Statement of actuarial assumptions and methods

Economic Assumptions

	ERP	
Interest rate basis:		
► Applicable month	September 2017	
► Yield curve basis	Segment rates	
Interest rates:	Reflecting Corridor	Not Reflecting Corridor
First segment rate	3.92%	1.75%
Second segment rate	5.52%	3.76%
Third segment rate	6.29%	4.66%
Effective interest rate	5.79%	4.14%
Annual rates of increase		
► Compensation	4.50%	
► Future Social Security wage bases	3.00%	
► Statutory limits on compensation	2.50%	
Crediting rate on cash balance accounts	5.00%	

Demographic Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee becomes a participant.
New or rehired employees	It was assumed there will be no new or rehired employees.
Mortality-Healthy and Disabled	
▸ Funding	Separate rates for non-annuitants (based on RP-2014 “Employees” table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2016) and annuitants (based on RP-2014 “Healthy Annuitants” table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2016).
Termination	Rates varying by age and service See Exhibit A
Disability	Rates varying by age See Exhibits B and D
Retirement	Rates varying by age See Exhibit C
Unpredictable Contingent Event Benefit (UCEB) assumptions	For Union ERP participants, 10% of termination rates are assumed to be layoffs eligible for an additional year of service under certain plan formulas. These assumptions have been selected by the plan sponsor, and evaluation of the assumption(s) was outside the scope of Willis Towers Watson’s assignment and would have required substantial additional work.
Benefit commencement dates	Preretirement death benefit: The later of death of the active participant or the date the participant would have attained age 55. Deferred vested benefit: Participants eligible for an unreduced benefit at age 62 are assumed to commence at age 62. All other participants are assumed to commence at age 65. Disability benefit: Upon disablement Retirement benefit: Upon termination of employment

Form of payment (Active retirements)	For Salaried and Non-Union Hourly ERP cash balance participants: for retirement and death, immediate lump sum; for vested termination, 75% immediate lump sum and 25% deferred to age 55 lump sum; For all other Salaried and Non-Union Hourly ERP groups: 30% lump sum and 70% annuity; For annuity elections: 50% elect life annuity, 25% elect 50% CA, and 25% elect 100% CA; For Union ERP cash balance participants: immediate lump sum; For all other Union ERP groups: 50% elect life annuity, 25% elect 50% CA, and 25% elect 100% CA;
Percent married	100% for all Salaried and Non-Union Hourly ERP; 100% at age 55 for Union ERP sub-plans with the 100% CA annuity that allows non-spouse beneficiaries; 81% for all others in Union ERP (with the exception of Goodrich); 100% for Union ERP Rep Goodrich participants with the salaried formula and 60% for all other Union ERP Goodrich participants.
Spouse age	Females three years younger than males.
Covered pay	For current year hires, the maximum of pay rate and the prior year's pensionable earnings, annualized and increased by 4.50%. For participants on leave of absence, pay rate. For all other participants, prior year's pensionable earnings increased by 4.50%.
Administrative expenses	For ERP: 0.25% of the fair value of assets;
Loads	For ERP vested terminations, the PPA liability is increased by 0.5% to estimate the impact of the optional forms.
At-risk assumptions	N/A
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430
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 as required by regulations under IRC §430
Actuarial value of assets	Average of the fair market value of assets on the valuation date and the dates 12 and 24 months before the valuation date, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2017 plan year.) The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.
Benefits not valued	All benefits described in the Supplemental Summary of Plan Provisions attachment were valued. Willis Towers Watson has reviewed the plan provisions with UTC and, based on that review, is not aware of any significant benefits required to be valued that were not. The plan pays small benefits (with a present value up to $5,000) in a single lump sum payment. Such lump sums are not explicitly valued as such; rather such participants' benefits are valued using the benefit choice assumptions described above.

Exhibit A

Termination Assumptions

Annual Rates per 1,000 Participants

Plan: ERP (Salaried and Non-Union Hourly)

	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

Exhibit A (continued)

Termination Assumptions

Annual Rates per 1,000 Participants

Plan: ERP (Union)

	Years of Service	
Age	**0-5**	**5 and up**
25	120.4	80.5
30	107.6	80.5
35	98.2	70.5
40	82.3	57.5
45	78.7	46.3
50	66.2	37.0
55	66.2	32.3
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

Exhibit B

Disability Assumptions

Annual Rates per 1,000 Participants

Plan: Salaried and Non-Union Hourly ERP (excluding Goodrich participants)

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

Exhibit B (continued)

Disability Assumptions

Annual Rates per 1,000 Participants

Plan: Union Hourly ERP (excluding Goodrich participants)

Age	Male	Female
25	0.3	0.5
30	0.4	0.6
35	0.5	0.8
40	0.7	1.0
45	1.0	1.5
50	1.8	2.6
55	3.6	4.9
60	9.0	12.1
65	0.0	0.0

Exhibit C

Retirement Assumptions

Age	Salaried and Non-Union Hourly ERP	Union Hourly ERP*
55	0.05	0.02
56	0.05	0.02
57	0.075	0.02
58	0.075	0.03
59	0.075	0.04
60	0.10	0.06
61	0.10	0.07
62	0.20	0.20
63	0.20	0.20
64	0.20	0.20
65	0.60	0.60
66	0.60	0.60
67	0.60	0.60
68	0.60	0.60
69	0.60	0.60
70	1.00	1.00

* Carrier Indianapolis (BDP East) assumes 75% retirement at age 55 with 30 years of service. Goodrich Aerostructures assumes 75% retirement upon attainment of 30 years of service.

Exhibit D - Former Goodrich Participants

Disability

For non-Aerostructures, rates varying by age and sex

Sample rate per 1,000 participants

Number becoming disabled during the year				
Sex	Age 30	Age 40	Age 50	Age 60
Male	1.200	1.470	3.565	13.800
Female	1.800	2.205	5.350	20.700

For Aerostructures, rates varying by age and sex

Sample rates per 1,000 participants

Number becoming disabled during the year				
Sex	Age 30	Age 40	Age 50	Age 60
Male	0.400	1.100	4.600	16.100
Female	0.600	1.800	5.600	12.700

Sources of Data and Other Information

The plan sponsor, through its third party administrator, furnished participant data as of 1/1/2018. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. In consultation with UTC and its third party administrator, missing or inconsistent data were reviewed, and certain data assumptions were reflected as documented in a data action plan. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions

Funding discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Crediting rate on cash balance accounts	The cash balance interest crediting rate under the UTC plans is generally based on the applicable months' 30-year US Treasury yield in the prior year, subject to plan-specific minimum rates -- 3.80% (UTC ERP salaried and Sikorsky Union ERP), 5.00% (UTC ERP Salaried and Non-Union Hourly Rocketdyne), 4.00% (UTC Non-Union Hourly ERP), and 5.00% (Goodrich cash balance benefit). UTC has reviewed the historic spread between the long-term high quality (AA) corporate bond yields and U.S. 30 year Treasury yields and has set and maintained the spread between the discount rate and interest crediting rate at 100 basis points. After examining historical variability in this rate, and considering the increase in interest crediting expected to be caused by the minimum interest credit, we believe that the selected assumption does not significantly conflict with what would be reasonable based on market conditions at the measurement date.
Annuity / Lump Sum conversion rate	The assumed annuity conversion rate is equivalent to the discount rate; We believe that the selected assumption does not significantly conflict with what would be reasonable.
Rates of increase in compensation, future Social Security Wage bases, and statutory limits on compensation	Assumed increases were chosen by the plan sponsor and, as required by U.S. GAAP they represent an estimate of future experience. We believe that the selected assumption does not significantly conflict with what would be reasonable.
Administrative expenses	Administrative expenses are estimated based on historical experience and future expectation.

Assumptions Rationale - Significant Demographic Assumptions

Healthy/Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination / Retirement / Disability	The disability assumptions were selected by UTC based on prior reviews of participant experience data. An experience study prepared in 2015 was the basis for the updated termination and retirement assumptions.
Benefit commencement date for deferred benefits	The assumptions were selected by UTC based on an experience study prepared in 2015.
Form of payment	The form of payment for the traditional UTC plans (non-cash balance) was set by UTC based on reviews of actual participant elections in recent lump sum window programs. For the cash balance plans, based on limited data available, UTC elected to assume a 100% lump sum election at termination (with a 25% deferral assumption for terminations prior to early retirement age).
Marital Assumptions	
► Percent married	The assumed percentage married was set based on UTC's observations regarding its employee population. For plans that permit a non-spouse beneficiary, a 100% married assumption was selected to account for the additional benefits available for a non-spouse beneficiary.
► Spouse age	The assumed age difference for spouses is based on general population statistics on the age difference for married individuals of retirement age.

Source of Prescribed Methods

Funding methods	The methods used for funding purposes as described, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Plan	Changes	Effective Date
All Plans	IRC Section 401(a)(17) compensation limit was increased from $270,000 to $275,000.	01/01/2018
	IRC Section 415 benefit limit was increased from $215,000 to $220,000.	01/01/2018
Salaried and Non-Union Hourly ERP	None	
Union Hourly ERP		
Goodrich Wage	ROHR (Aerostructures) division: monthly benefit level increased from $78 to $83.	01/01/2018
	Tullahoma division: monthly benefit level increased from $56 to $61.	02/01/2017
	Troy division: monthly benefit level increased from $55 to $60.	03/01/2017

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

1. Eligibility

a. Eligible Employees: Employees of the Aerospace Group covered by a collective bargaining agreement which provides for participation under this subplan.

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

For Pratt & Whitney Manufacturing, Pratt & Whitney Commercial, Pratt & Whitney Talon, Hamilton Sundstrand and Pratt & Whitney Florida (West Palm Beach) participants become eligible on date of employment.

Effective as of the following dates, the plan is closed to new entrants hired after:

Pratt & Whitney: December 31, 2016
Hamilton Sundstrand: June 30, 2016
Government Engine Business (Pratt Florida): January 31, 2016

2. Accrued Benefits

a. Formula: Monthly benefit level from the table below (based on Final Average Earnings) times months of Credited Service:

MONTHLY BENEFIT LEVEL

Final Average Earnings	Pratt & Whitney	Hamilton Sundstrand	Government Engine Business
Under $25,000	$ 80.00	$ 79.00	$ 39.00
25,000 - 25,999	80.00	79.00	39.00
26,000 - 26,999	80.00	79.00	39.00
27,000 - 27,999	80.00	79.00	39.00
28,000 - 28,999	80.00	79.00	39.00
29,000 - 29,999	80.00	79.00	39.00
30,000 - 30,999	80.00	79.00	39.00
31,000 - 31,999	80.00	79.00	39.00
32,000 - 32,999	80.00	79.00	39.00
33,000 - 33,999	80.00	79.00	39.00
34,000 - 34,999	80.00	79.00	39.00
35,000 - 35,999	80.00	79.00	39.00
36,000 - 36,999	80.00	79.00	39.00
37,000 - 37,999	80.00	79.00	39.00
38,000 - 38,999	80.00	79.00	39.00
39,000 - 39,999	80.00	79.00	39.00
40,000 - 40,999	80.00	79.00	40.00
41,000 - 41,999	80.00	79.00	41.00
42,000 - 42,999	80.00	79.00	42.00
43,000 - 43,999	80.00	79.00	43.00
44,000 - 44,999	80.00	79.00	44.00
45,000 - 45,999	80.00	79.00	45.00
46,000 - 46,999	80.00	79.00	46.00
47,000 - 47,999	80.00	79.00	47.00
48,000 - 48,999	80.00	79.00	48.00
49,000 - 49,999	80.00	79.00	49.00
50,000 – 50,999	80.00	79.00	50.00
51,000 – 51,999	80.00	79.00	51.00
52,000 – 52,999	80.00	79.00	52.00
53,000 – 53,999	80.00	79.00	53.00
54,000 – 54,999	80.00	79.00	54.00
55,000 – 55,999	80.00	79.00	55.00
56,000 – 56,999	80.00	79.00	56.00
57,000 – 57,999	80.00	79.00	57.00
58,000 – 58,999	80.00	79.00	58.00
59,000 – 59,999	80.00	79.00	59.00
60,000 – 60,999	80.00	79.00	60.00
61,000 – 61,999	80.00	79.00	61.00
62,000 – 62,999	80.00	79.00	62.00
63,000 – 63,999	80.00	79.00	63.00
64,000 – 64,999	80.00	79.00	64.00
65,000 – 65,999	80.00	79.00	65.00
66,000 – 66,999	80.00	79.00	66.00
67,000 – 67,999	80.00	79.00	67.00
68,000 – 68,999	80.00	79.00	68.00
69,000 – 69,999	80.00	79.00	69.00
70,000 – 70,999	80.00	79.00	70.00
71,000 – 71,999	80.00	79.00	71.00
72,000 and over	80.00	79.00	71.00

Monthly benefit levels in above table effective:

- 1/1/2017 for Pratt & Whitney [1]
- 6/1/2016 for Hamilton Sundstrand [2]
- 1/1/2016 for Pratt & Whitney Florida (West Palm Beach)

b. Definitions

(i) Annual Earnings: Total compensation including pre-tax contributions to the savings plan and pre-tax contributions to a cafeteria plan, but excluding awards and reimbursements. Base pay rate in the last partial year is annualized. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($275,000 for 2018).

(ii) Final Average Earnings: The average Annual Earnings for the highest five calendar years in the last ten calendar years before termination. The highest five years must be consecutive for Pratt & Whitney Florida (West Palm Beach).

(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.

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1 Note that the benefit multiplier will increase to a flat $85 effective January 1, 2020. The change was effective after the valuation date of January 1, 2018 and therefore, not reflected in the January 1, 2018 ERISA PPA funding valuation. The increase to $85 will first be reflected for ERISA PPA purposes in the 2020 actuarial valuation.

2 Note that the benefit multiplier will increase to a flat $84 effective January 1, 2020. The change was effective after the valuation date of January 1, 2018 and therefore, not reflected in the January 1, 2018 ERISA PPA funding valuation. The increase to $84 will first be reflected for ERISA PPA purposes in the 2020 actuarial valuation.

6. Vested Termination

a. Eligibility: Termination of employment after completing five 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: (For Pratt & Whitney and Hamilton Sundstrand only) 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 5 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:
- the date Social Security disability benefits cease
- the date retirement benefits commence
- death

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 completing five years of service 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) 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

(vii) Available only to employees of Pratt & Whitney, Hamilton Sundstrand and Pratt & Whitney Florida (West Palm Beach)

(a) 5 or 15 year certain and continuous annuity

(b) 50%, 66-2/3%, 75% or 100% contingent annuitant pop-up option

(c) Social Security level income annuity

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 Rep)
Aerospace Rep
Hamilton Sundstrand – Rockford

1. Eligibility

a. Eligible Employees: Employees of Sundstrand at the Rockford Factory covered by a collective bargaining agreement which provides for participation under this subplan. Employees hired after January 1, 2020 are ineligible to participate.

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

2. Accrued Benefit

a. Formula: Annual benefit level from the table below times years of Credited Service:

	Years of Service < 30	Years of Service > 30
Retirement Date	**Annual Benefit Amt.**	**Annual Benefit Amt.**
June 1, 1999 – May 31, 2000	$ 318.00	$ 423.96
June 1, 2000 – May 31, 2001	324.00	432.00
June 1, 2001 – May 31, 2002	330.00	440.04
June 1, 2002 – June 30, 2003	336.00	447.96
July 1, 2003 – December 31, 2007	408.00	542.64
January 1, 2008 – May 30, 2008	456.00	606.48
May 31, 2008 – May 30, 2011	528.00	702.24
May 31, 2011 – May 30, 2015	612.00	813.96
May 31, 2015 – May 20, 2018	684.00	909.72
May 21, 2018 – May 20, 2021[1]	768.00	1,021.44
May 21, 2021 and after[2]	828.00	1,101.24

b. Definitions

(i) Continuous Service (service): The sum of years of service as of December 31, 1993 determined in accordance with the prior Sundstrand plan and years of service on or after January 1, 1994 based on the hours of service in each calendar year as follows: for every full 170 hours of service, 1/10 of a year of service will be earned, to a maximum of one year at 1,000 hours of service.

(ii) Credited Service: The sum of years of credited service as of December 31, 1993 determined in accordance with the prior Sundstrand plan and years of Credited Service on or after January 1, 1994 based on the hours of service in each calendar year as follows: for every full 170 hours of service, 1/10 of a year of service will be earned, to a maximum of one year at 1,700 hours of service.

3. Normal Retirement

a. Date: First of the month following the later of the date on which a participant attains age 65, or 5 years service.

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

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[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

[2] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2021 ERISA PPA funding valuation.

4. Early Retirement

a. Date: First of the month following retirement after the attainment of the earliest of:

(i) age 60 and the completion of 10 years of service, but before the Normal Retirement Date.

(ii) the completion of 30 years of service before age 55

(iii) age 55 with the participant's age plus service equaling at least 85, but before the attainment of age 60.

b. Benefit: The accrued benefit at retirement payable monthly reduced (as below) per year for each year benefit commencement precedes age 62:

Age	ERF	Age	ERF	Age	ERF
47	0.304	52	0.450	57	0.694
48	0.328	53	0.489	58	0.752
49	0.354	54	0.532	59	0.808
50	0.383	55	0.579	60	0.867
51	0.415	56	0.635	61	0.933
				62	1.000

c. Restoration Benefit: If a participant retires before age 65 with 30 years of service, or after age 55 but before age 65 with 85 points (age + service), then the ERF gets removed (ERF=1) when the participant turns age 65.

d. Interim Supplemental Allowance: Available to anyone retiring within two years of the last day worked and prior to age 65. This benefit is payable until the earlier of age 65 or death.

(i) For participants with 30 years of service:

Retirement Date	Supplement Benefit Amount
June 1, 1999 – May 31, 2000	$ 21,600-[318*(CS<30)*ERF]-[423.96*(CS>30)*ERF]
June 1, 2000 – May 31, 2001	24,000-[324*(CS<30)*ERF]-[432*(CS>30)*ERF]
June 1, 2001 – May 31, 2002	24,600-[330*(CS<30)*ERF]-[440.04*(CS>30)*ERF]
June 1, 2002 – June 30, 2003	25,200-[336*(CS<30)*ERF]-[447.96*(CS>30)*ERF]
July 1, 2003 – December 31, 2007	25,200-[408*(CS<30)*ERF]-[542.64*(CS>30)*ERF]
January 1, 2008 – May 30, 2008	31,200-[456*(CS<30)*ERF]-[606.48*(CS>30)*ERF]
May 31, 2008 – May 30, 2011	37,200-[528*(CS<30)*ERF]-[702.24*(CS>30)*ERF]
May 31, 2011 – May 30, 2015	42,000-[612*(CS<30)*ERF]-[813.96*(CS>30)*ERF]
May 31, 2015 - May 20, 2018	45,600-[684*(CS<30)*ERF]-[909.72*(CS>30)*ERF]
May 21, 2018 - May 20, 2021[1]	48,000-[768*(CS<30)*ERF]-[1,021.44*(CS>30)*ERF]
May 21, 2021 and after[2]	50,400-[828*(CS<30)*ERF]-[1,101.24*(CS>30)*ERF]

[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

[2] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2021 ERISA PPA funding valuation.

(ii) For participants with less than 30 years and before age 65:
The amount below x Credited Service.
For retirements June 1, 1999 – December 31, 2007, the following amounts are payable until age 62:

Age	Benefit	Age	Benefit
55	$ 126.00	58	$ 162.00
56	138.00	59	174.00
57	150.00	60	186.00
		61	198.00

For retirements January 1, 2008 – May 30, 2008, the following amounts are payable until age 65:

Age	Benefit	Age	Benefit
55	$ 156.00	58	$ 192.00
56	168.00	59	204.00
57	180.00	60	216.00
		61-64	228.00

For retirements May 31, 2008 – May 30, 2011, the following amounts are payable until age 65:

Age	Benefit	Age	Benefit
55	$ 168.00	58	$ 204.00
56	180.00	59	216.00
57	192.00	60	228.00
		61-64	240.00

For retirements May 31, 2011 – May 30, 2015, the following amounts are payable until age 65:

Age	Benefit	Age	Benefit
55	$ 180.00	58	$ 216.00
56	192.00	59	228.00
57	204.00	60	240.00
		61-64	252.00

For retirements May 31, 2015 – May 20, 2018, the following amounts are payable until age 65:

Age	Benefit	Age	Benefit
55	$ 192.00	58	$ 228.00
56	204.00	59	240.00
57	216.00	60	252.00
		61-64	264.00

For retirements May 21, 2018 – May 20, 2021, the following amounts are payable until age 65: [1]

Age	Benefit	Age	Benefit
55	$ 204.00	58	$ 240.00
56	216.00	59	252.00
57	228.00	60	264.00
		61-64	276.00

[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

For retirements May 21, 2021 and after, the following amounts are payable until age 65: [1]

Age	Benefit	Age	Benefit
55	$ 216.00	58	$ 252.00
56	228.00	59	264.00
57	240.00	60	276.00
		61-64	288.00

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. Social Security Bridge Lump Sum

a. Eligibility: Retirement on or after July 26, 1999.

b. Benefit: Lump sum payment equal to $30 for each year of Credited Service, up to a maximum of 30 years. This benefit is payable at the later of age 62 or date of retirement.

7. Special Age 65 Benefit

a. Eligibility: The month following the month a retired participant or surviving spouse attains age 65. The month a disabled participant becomes enrolled in Medicare Part B.

b. Benefit: The amount of the Special Age 65 Benefit is shown in the table below, and is based on the date the participant or surviving spouse attains age 65:

Date Attain age 65	Annual Amount
January 1, 1989 to March 31, 1989	$ 116.40
April 1, 1989 to March 31, 1990	168.00
April 1, 1990 to March 31, 1991	192.00
April 1, 1991 to June 30, 1995	216.00
July 1, 1995 and later	276.00

8. Vested Termination

a. Eligibility: Termination of employment after completing five 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 60, with the benefit reduced 7.2% per year for each year benefit commencement precedes the Normal Retirement Date.

9. Disability Benefit

a. Eligibility: Disability after completing 10 years of service but prior to age 65.

b. Benefit: The accrued benefit at disability, plus $216 x Credited Service (max 30), both payable monthly commencing six months after disablement and continuing during the participant's lifetime until the earlier of:

(i) unreduced Social Security retirement

(ii) the Normal Retirement Date

[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2021 ERISA PPA funding valuation.

10. 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, the greater of a 60% spouse's benefit or a 50% spouse's benefit, as compared after applying the applicable joint and survivor annuity factors in the prior Sundstrand plan, and payment commences immediately, reduced as described in 4.b. above, or age 65.

If the participant was eligible for the Restoration Benefit in 4.c. above, and had attained age 62 at death, then the spouse benefit commences immediately and is unreduced.

(ii) If the participant dies after completing five years of service and is married, but does not meet the requirements of (i) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 60, reduced as described in 8.b. above, or age 65.

11. Form of Payment

a. Normal Form:

(i) Life annuity for unmarried participants

(ii) An actuarially reduced 60% joint and survivor annuity for married participants

b. Optional Forms:

(i) 75% contingent annuity (with or without pop-up)

(ii) 50% contingent annuity (with or without pop-up)

(iii) Life annuity for married participants

(iv) Lump sum for monthly amounts of $100 or less

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 Rep)
Carrier B

1. Eligibility

a. Eligible Employees: Employees of the Carrier Group at Syracuse, New York, covered by a collective bargaining agreement which provides for participation under this subplan. Employees hired after October 1, 2012 are ineligible to participate.

b. Participation Requirements: Eligible Employees become participants on the first day of the month following age 21 and one year of eligibility service.

2. Accrued Benefit

a. Formula: $612 ($648 effective August 1, 2018[1]) x years of Credited Service (max 35 years)

b. Definitions

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

(ii) Credited Service: Credited Service prior to January 1, 2003 is based on Continuous Service if the participant has 10 or more years of service, not in excess of 35 years. If the participant has less than 10 years of service, service coincident with or following the earlier of:

(a) Age 21 and one year of service

(b) Five years of service

Credited Service on or after January 1, 2003 is based on hours of service in each calendar year as follows:

Hours of Service	Fractional Year of Credited Service Earned
Less than 400	0.0
400 – 799	0.5
800 or more	1.0

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 6% per year for each year benefit commencement precedes age 65 up to a maximum reduction of 50%. The benefit is unreduced if the participant retires on or after the attainment of age 60 and the completion of 20 years of service, or after the attainment of age 55 and the completion of 30 years of service.

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.

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[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

6. Vested Termination

a. Eligibility: Termination of employment after completing five years of service or attaining age 60, 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 and the completion of 10 years of service, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date, up to a maximum reduction of 50%.

7. Disability Benefit

a. Eligibility: Disability after completing five years of Credited Service.

b. Benefit: The accrued benefit at disability payable monthly commencing six months after disablement.

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 50% contingent annuitant's 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 five years of service and is married, but does not meet requirements of (i) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 65, or age 55 if the participant had completed at least 10 years of service, but reduced as described in 6.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) 10 year certain and continuous annuity

(ii) 5 year certain and continuous annuity

(iii) 100% contingent annuity (with or without pop-up)

(iv) 75% contingent annuity (with or without pop-up)

(v) 50% contingent annuity (with or without pop-up)

(vi) Life annuity for married participants

(vii) Lump sum payment based on the 417(e) basis for the month of November of the prior year, and the 417(e) government mandated mortality table. Not available to participants hired after December 31, 1993 and to participants with respect to Credited Service on or after July 1, 1995.

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 Rep)
Carrier BDP East

1. Eligibility

a. Eligible Employees: Hourly employees of the Carrier Group at the BDP Company, Indianapolis, Indiana, covered by the collective bargaining agreement with the United Steel Workers of America which provides for participation under this subplan. Employees hired after April 28, 2014 are ineligible to participate.

b. Participation Requirements: Eligible Employees become participants on the first of the month coincident with or following their date of employment.

2. Accrued Benefit

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

(i) $636 x years of Credited Service (max 40 years)

(ii) August 31, 1987 accrued benefit

b. Definitions

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

(ii) Credited Service: Continuous Service not in excess of 40 years.

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 3% per year for each of the first five years benefit commencement precedes age 65 plus, if the participant retires before the attainment of age 60, 6% per year for each of the next five years benefit commencement precedes age 60. The benefit is unreduced if the participant retires after the attainment of age 55 and the completion of 30 years of service. The benefit is also unreduced if the participant retires on or after the attainment of age 60 and the completion of 15 years of Credited Service upon a permanent shutdown or a layoff with little likelihood of recall.

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 five 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 and the completion of 10 years of service, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date.

7. Disability Benefit

a. Eligibility: Disability after completing 10 years of service.

b. Benefit: The greater of the accrued benefit at disability or $1,800 a year payable monthly commencing six months after disablement.

8. Pre-retirement Death Benefits

a. Eligibility: If a vested participant dies prior to receiving an early, normal or postponed retirement benefit, the following 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 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) A reduced 50% joint and survivor annuity with pop-up for married participants where reduction is based on the without pop-up factor

b. Optional Forms:

(i) 100% contingent annuity (with or without pop-up)

(ii) 75% contingent annuity (with or without pop-up)

(iii) 50% contingent annuity (with or without pop-up)

(iv) 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 Rep)
Carrier Collierville

1. Eligibility

a. Eligible Employees: Employees of the Carrier Group at Collierville, Tennessee, covered by a collective bargaining agreement which provides for participation under this subplan. Employees hired after November 14, 2015 are ineligible to participate.

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

2. Accrued Benefit

a. Formula:
$564 x years of Credited Service

b. Definitions

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

(ii) 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 10 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 benefit commencement precedes age 65 (reduction not to exceed 50%).

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 five 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 and the completion of 10 years of service, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date (reduction not to exceed 50%).

7. Disability Benefit

a. Eligibility: Disability after completing 5 years of Credited Service.

b. Benefit: The accrued benefit at disability payable monthly commencing six months after disablement.

8. Pre-retirement Death Benefits

a. Eligibility: If a vested participant dies prior to receiving an early, normal or postponed retirement benefit, the following 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 if the participant had completed 10 years of service, 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) 50% contingent annuity

(v) 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 Rep)
Carrier ICP Hourly

1. Eligibility

a. Eligible Employees: Employees of the Carrier Group of International Comfort Products covered by a collective bargaining agreement which provides for participation under this subplan. Employees hired after October 1, 2013 are ineligible to participate.

b. Participation Requirements: Eligible Employees become participants on their date of employment.

2. Accrued Benefit

a. Formula: $480 x years of Credited Service.

b. Definitions

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

(ii) Credited Service: Continuous Service

3. Normal Retirement

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

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

4. Early Retirement

a. Date: First of the month coincident with or next following retirement after the attainment of age 55 and the completion of five 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 benefit commencement precedes age 65 (reduction not to exceed 50%).

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 five 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 (reduction not to exceed 50%).

7. Disability Benefit

a. Eligibility: Disability after the attainment of age 55 and completing 15 years of service and qualified to receive Social Security disability benefits.

b. Benefit: The accrued benefit at disability payable monthly commencing six months after disablement and continuing during the participant's lifetime until the cessation of disability, provided cessation occurs before age 70.

8. Pre-retirement Death Benefits

a. Eligibility: If a vested participant dies prior to receiving an early, normal or postponed retirement benefit, the following 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 6.b. above (4.b. above if eligible for early retirement).

9. Lump Sum Post-retirement Death Benefit

a. Eligibility: Death while eligible for an early, normal or postponed retirement benefit, or after the attainment of age 65 and becoming eligible for a disability retirement benefit.

b. Benefit: A $3,000 lump sum payment, reduced by the value of any company-provided group term life insurance benefit, payable immediately to the beneficiary, spouse, children, parent or estate (in that order).

10. 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) 75% contingent annuity

(iii) 66⅔% contingent annuity

(iv) 50% contingent annuity

(v) 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 Rep)
Control Hourly - Carrier Huntington

1. Eligibility

a. Eligible Employees: Hourly employees of Control Systems covered by a collective bargaining agreement which provides for participation under this subplan.

b. Participation Requirements: Eligible Employees become participants after one year of employment if they have completed 1,000 hours of service; or if later, on the January 1 coincident with or following a calendar year in which they completed 1,000 hours of service.

2. Accrued Benefit

a. Formula: $396 x years of 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 Normal Retirement Date.

(ii) Credited Service: Service based on hours of service in each calendar year as follows:

Hours of Service	Fractional Year of Credited Service
Less than 1,000	0.0
1,000 - 1,199	0.7
1,200 - 1,599	0.8
1,600 or more	1.0

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 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 60 and the completion of 15 years of service upon a permanent shutdown or a layoff with little likelihood of recall.

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 five 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 and the completion of 10 years of service, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date.

7. Disability Benefit

a. Eligibility: Disability after the attainment of age 50 and completing 15 years of service and one year of Credited Service, and qualified to receive Social Security disability benefits.

b. Benefit: $420 a year payable monthly commencing six months after disablement, continuing for the number of months equal to months of Credited Service or, if earlier, until death, recovery or retirement.

8. Pre-retirement Death Benefits

a. Eligibility: If a vested participant dies prior to receiving an early, normal or postponed retirement benefit, the following 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 if the participant had completed at least 10 years of service, but reduced as described in 6.b. above (4.b. above if eligible for early retirement).

9. Lump Sum Benefit

a. Eligibility: Death while employed.

b. Benefit: The lesser of $2,000 or, 5¢ x hours of Credited Service.

10. 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) 50% contingent annuity

(v) 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 Rep)
Goodrich Wage
Troy

1. Eligibility

a. Eligible Employees: All wage employees with benefit schedule 14.

b. Participation Requirements: Date of becoming an eligible employee.

2. Accrued Benefit

a. Formula: $720 ($756 effective March 1, 2020[1]) x years of Credited Service

b. Definitions

(i) Continuous Service (service): Elapsed time since date of employment by Goodrich Corporation.

(ii) Credited Service: Years and months of service as an eligible employee since hire date.

3. Normal Retirement

a. Date: First of the month coinciding with or next following the attainment of age 65 with five 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 10 years of service or after the completion of 30 years of service (age not considered), but before the Normal Retirement Date.

b. Benefit: The accrued benefit at retirement payable monthly, reduced 4.8% for each year of payment before age 62, or unreduced if 30 years of service have been completed.

5. Supplemental Benefit

a. Eligibility: Early retirement with 30 years of Credited Service before and up to age 62.

b. Benefit: $12,000 plus $120 per year age greater than 55 plus $66 per year Credited Service greater than 30.

[1] This change was effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2020 ERISA PPA funding valuation.

6. Postponed Retirement

a. Eligibility: Retirement after Normal Retirement Date.

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

7. Vested Termination

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

b. Benefit: The accrued benefit at termination payable monthly, actuarially reduced for each year of payments before the participant's Normal Retirement Date to age 55.

8. Disability Benefit

a. Eligibility: Total disability after completing 5 years of service.

b. Benefit: The accrued benefit based on Credited Service as of disability date, payable monthly at disability date.

9. Pre-retirement Death Benefit

a. Eligibility: Death while eligible for normal, early, postponed, or vested termination retirement benefits, with a surviving spouse.

b. Benefit: 50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and reduced for payment as early as the participant's 55th birthday.

10. Form of Payment

a. Normal Form:

(i) 5 year certain and continuous annuity for unmarried participants

(ii) An actuarially reduced 50% joint and survivor annuity with 5 years certain for married participants.

b. Optional Forms:

(i) 10 year certain and continuous annuity

(ii) 100% joint and survivor annuity with 5 years certain

(iii) 75% joint and survivor annuity with 5 years certain

Actuarial equivalence is based on the 1971 TPF&C Unisex Forecast Mortality Table with 1-year setback for participants and 1-year setback for beneficiaries and an interest rate of 6% per annum, compounded annually.

United Technologies Corporation
Employee Retirement Plan (UTC Rep)
Goodrich Wage
Union West Virginia

1. Eligibility

a. Eligible Employees: All wage employees with benefit schedule 3.

b. Participation Requirements: Date of becoming an eligible employee. As of January 1, 2006, no new participants are allowed to participate.

2. Accrued Benefit

a. Formula: Credited Service times 1.15% of Final Average Earnings plus Credited Service up to 35 years times 0.45% of Final Average Earnings in excess of Covered Compensation.

Effective January 1, 2015, all final average earning related benefits will be frozen. Affected participants will be eligible to continue to participate in the plan under the UTC 3% - 8% Cash Balance Plan beginning January 1, 2015.

b. Definitions

(i) Continuous Service (service): Elapsed time since date of employment by Goodrich Corporation.

(ii) Credited Service: Years and months of service as an eligible employee as of the later of the hire date and May 1, 1972.

Service for employees who opted out of the plan through Retirement Choice is limited to service prior to June 30, 2006.

(iii) Pensionable Pay: Base pay including 401(k) deferrals plus bonus plus overtime.

(iv) Final Average Earnings: The average of the highest 48 consecutive months out of 120 months of Pensionable Pay ending on the participant's termination date.

(v) Covered Compensation: The average of the Social Security taxable wage base during the highest 35-year period prior to and including the year in which the participant retires, dies or otherwise terminates employment.

3. Normal Retirement

a. Date: First of month coinciding with or next following the attainment of age 65.

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

4. Early Retirement

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 55 and completing 5 years of service.

b. Benefit: The accrued benefit at retirement payable monthly, reduced 4% for each year of payment before age 62.

5. Supplemental Benefit

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 55 and completing 5 years of service.

b. Benefit: $6,540 plus $120 per year age greater than 55 plus $264 per year Credited Service greater than 30 less the Early Retirement Benefit.

6. Postponed Retirement

a. Eligibility: Retirement after Normal Retirement Date.

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

7. Vested Termination

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

b. Benefit: The accrued benefit at termination payable monthly, actuarially reduced for each year of payments before the participant's Normal Retirement Date to age 55. If terminate after 1/1/2002, the reduction is 4% per year from age 62 to 55.

8. Disability Benefit

a. Eligibility: Date of employment.

b. Benefit: The accrued benefit based on pensionable pay as of disability date, payable monthly at Normal Retirement Date. Service continues to accrue while disabled.

9. Pre-retirement Death Benefit

a. Eligibility: Death while eligible for normal, early, postponed, or vested termination retirement benefits, with a surviving spouse. In-service death is company paid, death after termination is paid by employee through actuarial reduction of benefit.

b. Benefit: 50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and reduced for payment as early as the participant's 55th birthday.

10. Form of Payment

a. Normal Form:
   (i) 5 year certain and continuous annuity for unmarried participants
   (ii) An actuarially reduced 50% joint and survivor annuity for married participants.

b. Optional Forms:
   (i) Life annuity
   (ii) 100% joint and survivor annuity
   (iii) 75% joint and survivor annuity
   (iv) 50% joint and survivor annuity
   (v) 15 year certain and continuous annuity
   (vi) 10 year certain and continuous annuity
   (vii) 5 year certain and continuous annuity
   (viii) Social Security level income annuity
   (ix) Lump sum for participants whose benefit has a lump sum value of $15,000 or less
   (x) Lump sum (for terminations in 2016 or later years). Available for 1 year following termination. Actuarially equivalent annuity options are also available if participant is not otherwise eligible.

Actuarial equivalence for optional forms other than lump sum is based on 1994 GAM (75% male/25% female for participant mortality and 25% male/75% female for joint annuitant mortality), and an interest rate of 6%.

Actuarial equivalence for lump sum is based on 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Rep)
Goodrich Wage
Tullahoma

1. Eligibility

a. Eligible Employees: All wage employees with benefit schedules 20 or 21.

b. Participation Requirements: Date of becoming an eligible employee.

2. Accrued Benefit

a. Formula: $732 x years of Credited Service (max 40 years)

b. Definitions

(i) Continuous Service (service): Elapsed time since date of employment by Goodrich Corporation or Cleveland Pneumatic Company.

(ii) Credited Service: Years and months of service as an eligible employee as of the hire date or August 1, 1997, if later.

3. Normal Retirement

a. Date: First of month coinciding with or next following the attainment of age 65 with five years of service.

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

4. Early Retirement

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 55 and completing 5 years of service.

b. Benefit: Accrued benefit at retirement payable monthly, reduced 6% for each year of payment before age 65.

5. Postponed Retirement

a. Eligibility: Retirement after Normal Retirement Date.

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

6. Vested Termination

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

b. Benefit: The accrued benefit at termination, reduced 6.0% for each year of payments before the participant's Normal Retirement Date to age 55.

7. Disability Benefit

a. Eligibility: Total disability after completing 10 years of service.

b. Benefit: The accrued benefit based on Credited Service as of disability date, payable immediately.

8. Pre-retirement Death Benefit

a. Eligibility: Death while eligible for normal, early, postponed, or vested termination retirement benefits, with a surviving spouse.

b. Benefit: 50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and reduced to payment date, payable immediately.

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) Life annuity for married participants

(ii) 100% joint and survivor annuity

(iii) 75% joint and survivor annuity

(iv) 50% joint and survivor annuity

(v) 10 year certain and continuous annuity

Actuarial equivalence for optional forms uses the 1983 Group Mortality Table for males with a one-year setback for participants and a five-year setback for beneficiaries, and an interest rate of 8%.

United Technologies Corporation
Employee Retirement Plan (UTC Rep)
Goodrich Wage
Aerostructures (Rohr)

1. Eligibility

a. Eligible Employees: All employees represented by a labor organization which has signed an agreement making this plan applicable to its members. Applies to benefit schedule 25.

b. Participation Requirements: Date of becoming an eligible employee.

2. Accrued Benefit

a. Formula: $996 x years of Credited Service

b. Definitions

(i) Continuous Service (service): One year each calendar year in which an employee completes 1,000 hours of service.

(ii) Credited Service: One-twelfth of a year for each 150 hours of service with a maximum of one year for each calendar year.

(iii) Hours of Service: Each hour for which the employee was directly or indirectly paid including vacation, sickness or disability; in addition, each hour for which back pay is awarded or agreed to.

3. Normal Retirement

a. Date: Date on which a participant attains age 65.

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

4. Early Retirement

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 55 and completing 10 years of service.

b. Benefit: The accrued benefit at retirement payable monthly, reduced for those participants with less than 30 full years of service, by 3/10% for each month of payment before Normal Retirement Date.

5. Vested Termination

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

b. Benefit: Accrued benefit determined at termination, reduced for those participants with 10 years of service but less than 30 years of service by 3/10% for each month of payment before the participant's Normal Retirement Date.

6. Disability Benefit

a. Eligibility: Disability status after completing 10 years of service before age 65.

b. Benefit: Accrued benefit determined as of the date of disablement and without reduction before age 65. In addition, a $250 per month supplement is payable until eligibility for Social Security benefits if not eligible for Social Security disability benefits.

7. Pre-retirement Death Benefit

a. Eligibility: Death after completing five years of service.

b. Benefit:

(i) If the participant is married, 50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and, if the participant had 10 years of vesting service prior to death, reduced for payment as early as the participant's 55th birthday.

(ii) If the participant is unmarried, accrued benefit as of the date of the participant's death reduced with plan early retirement factors for those participants who met retirement eligibility and actuarially reduced for those not yet retirement eligible. Benefit is converted to a 10 year certain and life annuity. Benefit is payable to a participant's estate for 10 years certain only.

8. Form of Payment

a. Normal Form:

(i) Life annuity for unmarried participants

(ii) 50% joint and survivor annuity for married participants.

b. Optional Forms:

(i) 75% joint and survivor annuity

(ii) 100% joint and survivor annuity

(iii) 10 year certain and continuous annuity

(iv) Level income annuity

(v) Lump sum payment for amounts less than $5,000

(vi) Life annuity for married participants

Actuarial equivalence for optional forms other than lump sum is based on the 1984 Uniform Pension Mortality Table setback three years for beneficiaries and an interest rate of 6%.

Actuarial equivalence for lump sum is based on the 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Rep)
Goodrich Wage
TRW Rome (Utica)

1. Eligibility

a. Eligible Employees: The Plan covers all hourly-rate employees of the Company covered by the Local 4831 bargaining agreement. Applies to benefit Schedule 28.

b. Participation Requirements: Date of becoming an eligible employee.

2. Accrued Benefit

a. Formula: $672 ($720 effective April 30, 2019[1]) x years of Credited Service

b. Definitions

(i) Continuous Service (service): Equal to the sum of (a) and (b) below:

(a) All years of vesting service earned under the prior plan as of the effective date, and

(b) On and after the effective date, one year of vesting service is recognized for each plan year in which the employee receives compensation for at least 1,000 hours.

(ii) Credited Service: Equal to the sum of (a) and (b) below:

(a) All years of benefit service under the prior plan as of the effective date, and

(b) On and after the effective date, one year of benefit service is granted for each plan year in which the employee has 1,700 or more compensated hours. If an Employee completes less than 1,700 hours of Credited Service but more than 142 hours of Credited Service in a plan year, one twelfth of a year of Credited Service is given for every 142 hours of service.

3. Normal Retirement

a. Date: First of month coincident with or next following the attainment of age 65 with five years of service.

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

4. Early Retirement

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 60 and completing 10 years of service.

b. Benefit: The accrued benefit at retirement payable monthly, reduced 5/9 of 1% for each month of payment before age 65.

5. Postponed Retirement

a. Eligibility: Retirement after Normal Retirement Date.

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

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[1] This change was effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

6. Special Age 65 Benefit

a. Eligibility: Age 65 for all retired employees or surviving spouses. Participants who retired from deferred vested status are not eligible.

b. Benefit: $86.40 per year

7. Vested Termination

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

b. Benefit: The accrued benefit at termination payable at age 65. However, the employee may elect to commence benefits after reaching age 60 and before age 65, in which event his monthly benefit would be reduced as for early retirement.

8. Disability Benefit

a. Eligibility: Totally and permanently disabled prior to reaching age 65, after at least ten years of Credited Service.

b. Benefit: Accrued benefit determined as of disability date, payable on the first day of the month after at least 26 weeks have elapsed since disability began. In addition, a temporary benefit is payable in an amount equal to the benefit level in effect at disability for each year of benefit service at disability date (not to exceed 25 years). This temporary benefit shall not be payable for any month after the employee attains age 65 or becomes eligible for an unreduced Social Security benefit, whichever occurs first.

When a disabled retiree reaches age 65 or the qualifying age for an unreduced Social Security benefit, he shall thereafter receive a normal retirement pension and shall no longer be considered to be on disability retirement.

9. Pre-retirement Death Benefit

a. Eligibility: Death while eligible for normal, early, postponed or vested termination retirement benefits having been married at least one year.

b. Benefit: If an employee dies after attaining age 60 with ten years of Credited Service, his spouse receives the spouse benefit assuming the employee had retired early and elected the 50% joint and survivor option the day before his death. If an employee dies before age 60, the benefit is calculated as if the employee terminated his employment on his date of death, survived to his earliest retirement date and elected the 50% joint and survivor option. Benefit is not paid before employee would have been age 60.

10. Form of Payment

a. Normal Form:

(i) Life annuity for unmarried participants

(ii) 50% joint and survivor annuity for married participants.

b. Optional Forms:

(i) Life annuity for married participants

(ii) 50% joint and survivor annuity

Actuarial equivalence for optional forms uses 1994 GAM (75% male/25% female for participant mortality and 25% male/75% female for joint annuitant mortality), and an interest rate of 6%.

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

Effective January 1, 2010, UTC salaried employees hired after December 31, 2009 will not be eligible to participate in the pension plan and will receive an company automatic fixed contribution in the UTC savings plan instead. Newly hired hourly management represented and Puerto Rico exempt employees will continue to be eligible to participate in the Non-Rep Pension Plan.

Effective January 1, 2015, all final average earnings related benefits under the Non-Rep Plan will be frozen. Affected participants will be eligible to continue to participate in the Plan under the UTC 3%-8% Cash Balance Plan beginning January 1, 2015.

Effective January 1, 2017, a lump sum option was added for all salaried employees and hourly cash balance groups upon termination, which applies to benefits without a full lump sum option. For non-cash balance groups, this new lump sum will be available for a 12-month period following termination of employment. Employees terminated during 2016 have until December 1, 2017 to make this election.

Note: For Pre-retirement Death Benefits described throughout the Non-Rep Plan formulas, “spouse” also includes domestic partner.

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

1. Eligibility

a. Eligible Employees: Salaried employees of United Technologies Corporation who were hired between June 30, 2002 and December 31, 2009 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). Select GE Security employees are eligible to participate beginning January 1, 2011.

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, but not less than 3.8%. 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. For participants terminating in 2016 or later years, an immediate optimal lump sum is available for a 12-month period following termination (Dec. 1, 2017 for 2017 terminations). Optimal actuarial equivalent annuity options are also available.

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 ($275,000 for 2018).

(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, Pratt & Whitney Wichita Falls, Pratt & Whitney Columbus, Georgia and Pratt & Whitney Power Systems (Turbo Power & Marine).

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), July 1, 2012 (Pratt HMR Columbus, Georgia).
- 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 ($275,000 for 2018).

(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 termination*.

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 termination for disability*, 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 at any time prior to 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 at any time prior to 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) Lump sum (for those terminating in 2016 or later years)

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

* For participants terminating prior to 2016, payments cannot begin prior to age 55.

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

* a 2% increase is applied to the final accrued benefit under (i)

(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 ($275,000 for 2018).

(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)
CCS - Carrier Specialty Equipment Companies (SEC)
Taylor Company

1. Eligibility

a. Eligible Employees: Hourly management represented employees of the SEC Taylor Company division not covered by a collective bargaining agreement.

b. Participation Requirements: Eligible Employees become participants on the first of the month following their date of hire.

2. Accrued Benefit

a. Formula:

(i) Taylor Company: Benefit level (effective July 1, 2013) from the table below times years of Credited Service:

Years of Credited Service	Annual Benefit Amount
1 – 10	$ 378.00
10 – 20	408.00
Over 20	432.00

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 3 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, 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
UTC Employee Retirement Plan
EIN: 06-0570975 PN: 001
Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Salaried & Non-Union Hourly ERP

(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	0.075	0.903	0.068	3.858
58	0.075	0.835	0.063	3.631
59	0.075	0.772	0.058	3.417
60	0.100	0.714	0.071	4.286
61	0.100	0.643	0.064	3.921
62	0.200	0.579	0.116	7.174
63	0.200	0.463	0.093	5.832
64	0.200	0.370	0.074	4.740
65	0.600	0.296	0.178	11.553
66	0.600	0.118	0.071	4.692
67	0.600	0.047	0.028	1.905
68	0.600	0.019	0.011	0.774
69	0.600	0.008	0.005	0.314
70	1.000	0.003	0.003	0.212

WEIGHTED AVERAGE RETIREMENT AGE **61.719**

Union Hourly ERP

(1)	(2)	(3)	(4)	(5)
Age	Retirement Qx	tPx	Number of Expected Retirements =(2)x(3)	Weighted Retirement Age =(1)x(4)
55	0.020	1.000	0.020	1.100
56	0.020	0.980	0.020	1.098
57	0.020	0.960	0.019	1.095
58	0.030	0.941	0.028	1.638
59	0.040	0.913	0.037	2.155
60	0.060	0.876	0.053	3.155
61	0.070	0.824	0.058	3.518
62	0.200	0.766	0.153	9.501
63	0.200	0.613	0.123	7.723
64	0.200	0.490	0.098	6.277
65	0.600	0.392	0.235	15.299
66	0.600	0.157	0.094	6.214
67	0.600	0.063	0.038	2.523
68	0.600	0.025	0.015	1.024
69	0.600	0.010	0.006	0.416
70	1.000	0.004	0.004	0.281

WEIGHTED AVERAGE RETIREMENT AGE **63.020**

TOTAL WEIGHTED AVERAGE RETIREMENT AGE **62.080**

Schedule SB - Statement by Enrolled Actuary

Plan Sponsor	United Technologies Corporation
EIN/PN	06-0570975 / 001
Plan Name	UTC Employee Retirement Plan
Valuation Date	January 1, 2018
Enrolled Actuary	Jay Mitchell, F.S.A.
Enrollment Number	17-05718

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of the Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Plan	Changes	Effective Date
All Plans	IRC Section 401(a)(17) compensation limit was increased from $270,000 to $275,000.	01/01/2018
	IRC Section 415 benefit limit was increased from $215,000 to $220,000.	01/01/2018
Salaried and Non-Union Hourly ERP	None	
Union Hourly ERP		
Goodrich Wage	ROHR (Aerostructures) division: monthly benefit level increased from $78 to $83.	01/01/2018
	Tullahoma division: monthly benefit level increased from $56 to $61.	02/01/2017
	Troy division: monthly benefit level increased from $55 to $60.	03/01/2017

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

1. Eligibility

a. Eligible Employees: Employees of the Aerospace Group covered by a collective bargaining agreement which provides for participation under this subplan.

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

For Pratt & Whitney Manufacturing, Pratt & Whitney Commercial, Pratt & Whitney Talon, Hamilton Sundstrand and Pratt & Whitney Florida (West Palm Beach) participants become eligible on date of employment.

Effective as of the following dates, the plan is closed to new entrants hired after:

Pratt & Whitney: December 31, 2016
Hamilton Sundstrand: June 30, 2016
Government Engine Business (Pratt Florida): January 31, 2016

2. Accrued Benefits

a. Formula: Monthly benefit level from the table below (based on Final Average Earnings) times months of Credited Service:

MONTHLY BENEFIT LEVEL

Final Average Earnings	Pratt & Whitney	Hamilton Sundstrand	Government Engine Business
Under $25,000	$ 80.00	$ 79.00	$ 39.00
25,000 - 25,999	80.00	79.00	39.00
26,000 - 26,999	80.00	79.00	39.00
27,000 - 27,999	80.00	79.00	39.00
28,000 - 28,999	80.00	79.00	39.00
29,000 - 29,999	80.00	79.00	39.00
30,000 - 30,999	80.00	79.00	39.00
31,000 - 31,999	80.00	79.00	39.00
32,000 - 32,999	80.00	79.00	39.00
33,000 - 33,999	80.00	79.00	39.00
34,000 - 34,999	80.00	79.00	39.00
35,000 - 35,999	80.00	79.00	39.00
36,000 - 36,999	80.00	79.00	39.00
37,000 - 37,999	80.00	79.00	39.00
38,000 - 38,999	80.00	79.00	39.00
39,000 - 39,999	80.00	79.00	39.00
40,000 - 40,999	80.00	79.00	40.00
41,000 - 41,999	80.00	79.00	41.00
42,000 - 42,999	80.00	79.00	42.00
43,000 - 43,999	80.00	79.00	43.00
44,000 - 44,999	80.00	79.00	44.00
45,000 - 45,999	80.00	79.00	45.00
46,000 - 46,999	80.00	79.00	46.00
47,000 - 47,999	80.00	79.00	47.00
48,000 - 48,999	80.00	79.00	48.00
49,000 - 49,999	80.00	79.00	49.00
50,000 – 50,999	80.00	79.00	50.00
51,000 – 51,999	80.00	79.00	51.00
52,000 – 52,999	80.00	79.00	52.00
53,000 – 53,999	80.00	79.00	53.00
54,000 – 54,999	80.00	79.00	54.00
55,000 – 55,999	80.00	79.00	55.00
56,000 – 56,999	80.00	79.00	56.00
57,000 – 57,999	80.00	79.00	57.00
58,000 – 58,999	80.00	79.00	58.00
59,000 – 59,999	80.00	79.00	59.00
60,000 – 60,999	80.00	79.00	60.00
61,000 – 61,999	80.00	79.00	61.00
62,000 – 62,999	80.00	79.00	62.00
63,000 – 63,999	80.00	79.00	63.00
64,000 – 64,999	80.00	79.00	64.00
65,000 – 65,999	80.00	79.00	65.00
66,000 – 66,999	80.00	79.00	66.00
67,000 – 67,999	80.00	79.00	67.00
68,000 – 68,999	80.00	79.00	68.00
69,000 – 69,999	80.00	79.00	69.00
70,000 – 70,999	80.00	79.00	70.00
71,000 – 71,999	80.00	79.00	71.00
72,000 and over	80.00	79.00	71.00

Monthly benefit levels in above table effective:

- 1/1/2017 for Pratt & Whitney [1]
- 6/1/2016 for Hamilton Sundstrand [2]
- 1/1/2016 for Pratt & Whitney Florida (West Palm Beach)

b. Definitions

(i) Annual Earnings: Total compensation including pre-tax contributions to the savings plan and pre-tax contributions to a cafeteria plan, but excluding awards and reimbursements. Base pay rate in the last partial year is annualized. Annual earnings are limited each year to the applicable Section 401(a)(17) pay limit, as indexed ($275,000 for 2018).

(ii) Final Average Earnings: The average Annual Earnings for the highest five calendar years in the last ten calendar years before termination. The highest five years must be consecutive for Pratt & Whitney Florida (West Palm Beach).

(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.

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1 Note that the benefit multiplier will increase to a flat $85 effective January 1, 2020. The change was effective after the valuation date of January 1, 2018 and therefore, not reflected in the January 1, 2018 ERISA PPA funding valuation. The increase to $85 will first be reflected for ERISA PPA purposes in the 2020 actuarial valuation.

2 Note that the benefit multiplier will increase to a flat $84 effective January 1, 2020. The change was effective after the valuation date of January 1, 2018 and therefore, not reflected in the January 1, 2018 ERISA PPA funding valuation. The increase to $84 will first be reflected for ERISA PPA purposes in the 2020 actuarial valuation.

6. Vested Termination

a. Eligibility: Termination of employment after completing five 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: (For Pratt & Whitney and Hamilton Sundstrand only) 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 5 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:
- the date Social Security disability benefits cease
- the date retirement benefits commence
- death

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 completing five years of service 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) 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

(vii) Available only to employees of Pratt & Whitney, Hamilton Sundstrand and Pratt & Whitney Florida (West Palm Beach)

(a) 5 or 15 year certain and continuous annuity

(b) 50%, 66-2/3%, 75% or 100% contingent annuitant pop-up option

(c) Social Security level income annuity

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 Rep)
Aerospace Rep
Hamilton Sundstrand – Rockford

1. Eligibility

a. Eligible Employees: Employees of Sundstrand at the Rockford Factory covered by a collective bargaining agreement which provides for participation under this subplan. Employees hired after January 1, 2020 are ineligible to participate.

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

2. Accrued Benefit

a. Formula: Annual benefit level from the table below times years of Credited Service:

	Years of Service < 30	Years of Service > 30
Retirement Date	**Annual Benefit Amt.**	**Annual Benefit Amt.**
June 1, 1999 – May 31, 2000	$ 318.00	$ 423.96
June 1, 2000 – May 31, 2001	324.00	432.00
June 1, 2001 – May 31, 2002	330.00	440.04
June 1, 2002 – June 30, 2003	336.00	447.96
July 1, 2003 – December 31, 2007	408.00	542.64
January 1, 2008 – May 30, 2008	456.00	606.48
May 31, 2008 – May 30, 2011	528.00	702.24
May 31, 2011 – May 30, 2015	612.00	813.96
May 31, 2015 – May 20, 2018	684.00	909.72
May 21, 2018 – May 20, 2021[1]	768.00	1,021.44
May 21, 2021 and after[2]	828.00	1,101.24

b. Definitions

(i) Continuous Service (service): The sum of years of service as of December 31, 1993 determined in accordance with the prior Sundstrand plan and years of service on or after January 1, 1994 based on the hours of service in each calendar year as follows: for every full 170 hours of service, 1/10 of a year of service will be earned, to a maximum of one year at 1,000 hours of service.

(ii) Credited Service: The sum of years of credited service as of December 31, 1993 determined in accordance with the prior Sundstrand plan and years of Credited Service on or after January 1, 1994 based on the hours of service in each calendar year as follows: for every full 170 hours of service, 1/10 of a year of service will be earned, to a maximum of one year at 1,700 hours of service.

3. Normal Retirement

a. Date: First of the month following the later of the date on which a participant attains age 65, or 5 years service.

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

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[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

[2] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2021 ERISA PPA funding valuation.

4. Early Retirement

a. Date: First of the month following retirement after the attainment of the earliest of:

(i) age 60 and the completion of 10 years of service, but before the Normal Retirement Date.

(ii) the completion of 30 years of service before age 55

(iii) age 55 with the participant's age plus service equaling at least 85, but before the attainment of age 60.

b. Benefit: The accrued benefit at retirement payable monthly reduced (as below) per year for each year benefit commencement precedes age 62:

Age	ERF	Age	ERF	Age	ERF
47	0.304	52	0.450	57	0.694
48	0.328	53	0.489	58	0.752
49	0.354	54	0.532	59	0.808
50	0.383	55	0.579	60	0.867
51	0.415	56	0.635	61	0.933
				62	1.000

c. Restoration Benefit: If a participant retires before age 65 with 30 years of service, or after age 55 but before age 65 with 85 points (age + service), then the ERF gets removed (ERF=1) when the participant turns age 65.

d. Interim Supplemental Allowance: Available to anyone retiring within two years of the last day worked and prior to age 65. This benefit is payable until the earlier of age 65 or death.

(i) For participants with 30 years of service:

Retirement Date	Supplement Benefit Amount
June 1, 1999 – May 31, 2000	$ 21,600-[318*(CS<30)*ERF]-[423.96*(CS>30)*ERF]
June 1, 2000 – May 31, 2001	24,000-[324*(CS<30)*ERF]-[432*(CS>30)*ERF]
June 1, 2001 – May 31, 2002	24,600-[330*(CS<30)*ERF]-[440.04*(CS>30)*ERF]
June 1, 2002 – June 30, 2003	25,200-[336*(CS<30)*ERF]-[447.96*(CS>30)*ERF]
July 1, 2003 – December 31, 2007	25,200-[408*(CS<30)*ERF]-[542.64*(CS>30)*ERF]
January 1, 2008 – May 30, 2008	31,200-[456*(CS<30)*ERF]-[606.48*(CS>30)*ERF]
May 31, 2008 – May 30, 2011	37,200-[528*(CS<30)*ERF]-[702.24*(CS>30)*ERF]
May 31, 2011 – May 30, 2015	42,000-[612*(CS<30)*ERF]-[813.96*(CS>30)*ERF]
May 31, 2015 - May 20, 2018	45,600-[684*(CS<30)*ERF]-[909.72*(CS>30)*ERF]
May 21, 2018 - May 20, 2021[1]	48,000-[768*(CS<30)*ERF]-[1,021.44*(CS>30)*ERF]
May 21, 2021 and after[2]	50,400-[828*(CS<30)*ERF]-[1,101.24*(CS>30)*ERF]

[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

[2] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2021 ERISA PPA funding valuation.

(ii) For participants with less than 30 years and before age 65:
The amount below x Credited Service.
For retirements June 1, 1999 – December 31, 2007, the following amounts are payable until age 62:

Age	Benefit	Age	Benefit
55	$ 126.00	58	$ 162.00
56	138.00	59	174.00
57	150.00	60	186.00
		61	198.00

For retirements January 1, 2008 – May 30, 2008, the following amounts are payable until age 65:

Age	Benefit	Age	Benefit
55	$ 156.00	58	$ 192.00
56	168.00	59	204.00
57	180.00	60	216.00
		61-64	228.00

For retirements May 31, 2008 – May 30, 2011, the following amounts are payable until age 65:

Age	Benefit	Age	Benefit
55	$ 168.00	58	$ 204.00
56	180.00	59	216.00
57	192.00	60	228.00
		61-64	240.00

For retirements May 31, 2011 – May 30, 2015, the following amounts are payable until age 65:

Age	Benefit	Age	Benefit
55	$ 180.00	58	$ 216.00
56	192.00	59	228.00
57	204.00	60	240.00
		61-64	252.00

For retirements May 31, 2015 – May 20, 2018, the following amounts are payable until age 65:

Age	Benefit	Age	Benefit
55	$ 192.00	58	$ 228.00
56	204.00	59	240.00
57	216.00	60	252.00
		61-64	264.00

For retirements May 21, 2018 – May 20, 2021, the following amounts are payable until age 65: [1]

Age	Benefit	Age	Benefit
55	$ 204.00	58	$ 240.00
56	216.00	59	252.00
57	228.00	60	264.00
		61-64	276.00

[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

For retirements May 21, 2021 and after, the following amounts are payable until age 65: [1]

Age	Benefit	Age	Benefit
55	$ 216.00	58	$ 252.00
56	228.00	59	264.00
57	240.00	60	276.00
		61-64	288.00

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. Social Security Bridge Lump Sum

a. Eligibility: Retirement on or after July 26, 1999.

b. Benefit: Lump sum payment equal to $30 for each year of Credited Service, up to a maximum of 30 years. This benefit is payable at the later of age 62 or date of retirement.

7. Special Age 65 Benefit

a. Eligibility: The month following the month a retired participant or surviving spouse attains age 65. The month a disabled participant becomes enrolled in Medicare Part B.

b. Benefit: The amount of the Special Age 65 Benefit is shown in the table below, and is based on the date the participant or surviving spouse attains age 65:

Date Attain age 65	Annual Amount
January 1, 1989 to March 31, 1989	$ 116.40
April 1, 1989 to March 31, 1990	168.00
April 1, 1990 to March 31, 1991	192.00
April 1, 1991 to June 30, 1995	216.00
July 1, 1995 and later	276.00

8. Vested Termination

a. Eligibility: Termination of employment after completing five 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 60, with the benefit reduced 7.2% per year for each year benefit commencement precedes the Normal Retirement Date.

9. Disability Benefit

a. Eligibility: Disability after completing 10 years of service but prior to age 65.

b. Benefit: The accrued benefit at disability, plus $216 x Credited Service (max 30), both payable monthly commencing six months after disablement and continuing during the participant's lifetime until the earlier of:

(i) unreduced Social Security retirement

(ii) the Normal Retirement Date

[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2021 ERISA PPA funding valuation.

10. 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, the greater of a 60% spouse's benefit or a 50% spouse's benefit, as compared after applying the applicable joint and survivor annuity factors in the prior Sundstrand plan, and payment commences immediately, reduced as described in 4.b. above, or age 65.

If the participant was eligible for the Restoration Benefit in 4.c. above, and had attained age 62 at death, then the spouse benefit commences immediately and is unreduced.

(ii) If the participant dies after completing five years of service and is married, but does not meet the requirements of (i) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 60, reduced as described in 8.b. above, or age 65.

11. Form of Payment

a. Normal Form:

(i) Life annuity for unmarried participants

(ii) An actuarially reduced 60% joint and survivor annuity for married participants

b. Optional Forms:

(i) 75% contingent annuity (with or without pop-up)

(ii) 50% contingent annuity (with or without pop-up)

(iii) Life annuity for married participants

(iv) Lump sum for monthly amounts of $100 or less

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 Rep)
Carrier B

1. Eligibility

a. Eligible Employees: Employees of the Carrier Group at Syracuse, New York, covered by a collective bargaining agreement which provides for participation under this subplan. Employees hired after October 1, 2012 are ineligible to participate.

b. Participation Requirements: Eligible Employees become participants on the first day of the month following age 21 and one year of eligibility service.

2. Accrued Benefit

a. Formula: $612 ($648 effective August 1, 2018[1]) x years of Credited Service (max 35 years)

b. Definitions

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

(ii) Credited Service: Credited Service prior to January 1, 2003 is based on Continuous Service if the participant has 10 or more years of service, not in excess of 35 years. If the participant has less than 10 years of service, service coincident with or following the earlier of:

(a) Age 21 and one year of service

(b) Five years of service

Credited Service on or after January 1, 2003 is based on hours of service in each calendar year as follows:

Hours of Service	Fractional Year of Credited Service Earned
Less than 400	0.0
400 – 799	0.5
800 or more	1.0

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 6% per year for each year benefit commencement precedes age 65 up to a maximum reduction of 50%. The benefit is unreduced if the participant retires on or after the attainment of age 60 and the completion of 20 years of service, or after the attainment of age 55 and the completion of 30 years of service.

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.

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[1] This change was adopted and effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

6. Vested Termination

a. Eligibility: Termination of employment after completing five years of service or attaining age 60, 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 and the completion of 10 years of service, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date, up to a maximum reduction of 50%.

7. Disability Benefit

a. Eligibility: Disability after completing five years of Credited Service.

b. Benefit: The accrued benefit at disability payable monthly commencing six months after disablement.

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 50% contingent annuitant's 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 five years of service and is married, but does not meet requirements of (i) above, a 50% spouse's benefit is payable, and payment commences when the participant would have attained age 65, or age 55 if the participant had completed at least 10 years of service, but reduced as described in 6.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) 10 year certain and continuous annuity

(ii) 5 year certain and continuous annuity

(iii) 100% contingent annuity (with or without pop-up)

(iv) 75% contingent annuity (with or without pop-up)

(v) 50% contingent annuity (with or without pop-up)

(vi) Life annuity for married participants

(vii) Lump sum payment based on the 417(e) basis for the month of November of the prior year, and the 417(e) government mandated mortality table. Not available to participants hired after December 31, 1993 and to participants with respect to Credited Service on or after July 1, 1995.

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 Rep)
Carrier BDP East

1. Eligibility

a. Eligible Employees: Hourly employees of the Carrier Group at the BDP Company, Indianapolis, Indiana, covered by the collective bargaining agreement with the United Steel Workers of America which provides for participation under this subplan. Employees hired after April 28, 2014 are ineligible to participate.

b. Participation Requirements: Eligible Employees become participants on the first of the month coincident with or following their date of employment.

2. Accrued Benefit

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

(i) $636 x years of Credited Service (max 40 years)

(ii) August 31, 1987 accrued benefit

b. Definitions

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

(ii) Credited Service: Continuous Service not in excess of 40 years.

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 3% per year for each of the first five years benefit commencement precedes age 65 plus, if the participant retires before the attainment of age 60, 6% per year for each of the next five years benefit commencement precedes age 60. The benefit is unreduced if the participant retires after the attainment of age 55 and the completion of 30 years of service. The benefit is also unreduced if the participant retires on or after the attainment of age 60 and the completion of 15 years of Credited Service upon a permanent shutdown or a layoff with little likelihood of recall.

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 five 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 and the completion of 10 years of service, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date.

7. Disability Benefit

a. Eligibility: Disability after completing 10 years of service.

b. Benefit: The greater of the accrued benefit at disability or $1,800 a year payable monthly commencing six months after disablement.

8. Pre-retirement Death Benefits

a. Eligibility: If a vested participant dies prior to receiving an early, normal or postponed retirement benefit, the following 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 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) A reduced 50% joint and survivor annuity with pop-up for married participants where reduction is based on the without pop-up factor

b. Optional Forms:

(i) 100% contingent annuity (with or without pop-up)

(ii) 75% contingent annuity (with or without pop-up)

(iii) 50% contingent annuity (with or without pop-up)

(iv) 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 Rep)
Carrier Collierville

1. Eligibility

a. Eligible Employees: Employees of the Carrier Group at Collierville, Tennessee, covered by a collective bargaining agreement which provides for participation under this subplan. Employees hired after November 14, 2015 are ineligible to participate.

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

2. Accrued Benefit

a. Formula:
$564 x years of Credited Service

b. Definitions

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

(ii) 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 10 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 benefit commencement precedes age 65 (reduction not to exceed 50%).

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 five 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 and the completion of 10 years of service, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date (reduction not to exceed 50%).

7. Disability Benefit

a. Eligibility: Disability after completing 5 years of Credited Service.

b. Benefit: The accrued benefit at disability payable monthly commencing six months after disablement.

8. Pre-retirement Death Benefits

a. Eligibility: If a vested participant dies prior to receiving an early, normal or postponed retirement benefit, the following 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 if the participant had completed 10 years of service, 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) 50% contingent annuity

(v) 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 Rep)
Carrier ICP Hourly

1. Eligibility

a. Eligible Employees: Employees of the Carrier Group of International Comfort Products covered by a collective bargaining agreement which provides for participation under this subplan. Employees hired after October 1, 2013 are ineligible to participate.

b. Participation Requirements: Eligible Employees become participants on their date of employment.

2. Accrued Benefit

a. Formula: $480 x years of Credited Service.

b. Definitions

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

(ii) Credited Service: Continuous Service

3. Normal Retirement

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

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

4. Early Retirement

a. Date: First of the month coincident with or next following retirement after the attainment of age 55 and the completion of five 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 benefit commencement precedes age 65 (reduction not to exceed 50%).

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 five 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 (reduction not to exceed 50%).

7. Disability Benefit

a. Eligibility: Disability after the attainment of age 55 and completing 15 years of service and qualified to receive Social Security disability benefits.

b. Benefit: The accrued benefit at disability payable monthly commencing six months after disablement and continuing during the participant's lifetime until the cessation of disability, provided cessation occurs before age 70.

8. Pre-retirement Death Benefits

a. Eligibility: If a vested participant dies prior to receiving an early, normal or postponed retirement benefit, the following 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 6.b. above (4.b. above if eligible for early retirement).

9. Lump Sum Post-retirement Death Benefit

a. Eligibility: Death while eligible for an early, normal or postponed retirement benefit, or after the attainment of age 65 and becoming eligible for a disability retirement benefit.

b. Benefit: A $3,000 lump sum payment, reduced by the value of any company-provided group term life insurance benefit, payable immediately to the beneficiary, spouse, children, parent or estate (in that order).

10. 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) 75% contingent annuity

(iii) 66⅔% contingent annuity

(iv) 50% contingent annuity

(v) 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 Rep)
Control Hourly - Carrier Huntington

1. Eligibility

a. Eligible Employees: Hourly employees of Control Systems covered by a collective bargaining agreement which provides for participation under this subplan.

b. Participation Requirements: Eligible Employees become participants after one year of employment if they have completed 1,000 hours of service; or if later, on the January 1 coincident with or following a calendar year in which they completed 1,000 hours of service.

2. Accrued Benefit

a. Formula: $396 x years of 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 Normal Retirement Date.

(ii) Credited Service: Service based on hours of service in each calendar year as follows:

Hours of Service	Fractional Year of Credited Service
Less than 1,000	0.0
1,000 - 1,199	0.7
1,200 - 1,599	0.8
1,600 or more	1.0

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 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 60 and the completion of 15 years of service upon a permanent shutdown or a layoff with little likelihood of recall.

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 five 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 and the completion of 10 years of service, with the benefit reduced 6% per year for each year benefit commencement precedes the Normal Retirement Date.

7. Disability Benefit

a. Eligibility: Disability after the attainment of age 50 and completing 15 years of service and one year of Credited Service, and qualified to receive Social Security disability benefits.

b. Benefit: $420 a year payable monthly commencing six months after disablement, continuing for the number of months equal to months of Credited Service or, if earlier, until death, recovery or retirement.

8. Pre-retirement Death Benefits

a. Eligibility: If a vested participant dies prior to receiving an early, normal or postponed retirement benefit, the following 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 if the participant had completed at least 10 years of service, but reduced as described in 6.b. above (4.b. above if eligible for early retirement).

9. Lump Sum Benefit

a. Eligibility: Death while employed.

b. Benefit: The lesser of $2,000 or, 5¢ x hours of Credited Service.

10. 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) 50% contingent annuity

(v) 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 Rep)
Goodrich Wage
Troy

1. Eligibility

a. Eligible Employees: All wage employees with benefit schedule 14.

b. Participation Requirements: Date of becoming an eligible employee.

2. Accrued Benefit

a. Formula: $720 ($756 effective March 1, 2020[1]) x years of Credited Service

b. Definitions

(i) Continuous Service (service): Elapsed time since date of employment by Goodrich Corporation.

(ii) Credited Service: Years and months of service as an eligible employee since hire date.

3. Normal Retirement

a. Date: First of the month coinciding with or next following the attainment of age 65 with five 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 10 years of service or after the completion of 30 years of service (age not considered), but before the Normal Retirement Date.

b. Benefit: The accrued benefit at retirement payable monthly, reduced 4.8% for each year of payment before age 62, or unreduced if 30 years of service have been completed.

5. Supplemental Benefit

a. Eligibility: Early retirement with 30 years of Credited Service before and up to age 62.

b. Benefit: $12,000 plus $120 per year age greater than 55 plus $66 per year Credited Service greater than 30.

[1] This change was effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2020 ERISA PPA funding valuation.

6. Postponed Retirement

a. Eligibility: Retirement after Normal Retirement Date.

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

7. Vested Termination

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

b. Benefit: The accrued benefit at termination payable monthly, actuarially reduced for each year of payments before the participant's Normal Retirement Date to age 55.

8. Disability Benefit

a. Eligibility: Total disability after completing 5 years of service.

b. Benefit: The accrued benefit based on Credited Service as of disability date, payable monthly at disability date.

9. Pre-retirement Death Benefit

a. Eligibility: Death while eligible for normal, early, postponed, or vested termination retirement benefits, with a surviving spouse.

b. Benefit: 50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and reduced for payment as early as the participant's 55th birthday.

10. Form of Payment

a. Normal Form:

(i) 5 year certain and continuous annuity for unmarried participants

(ii) An actuarially reduced 50% joint and survivor annuity with 5 years certain for married participants.

b. Optional Forms:

(i) 10 year certain and continuous annuity

(ii) 100% joint and survivor annuity with 5 years certain

(iii) 75% joint and survivor annuity with 5 years certain

Actuarial equivalence is based on the 1971 TPF&C Unisex Forecast Mortality Table with 1-year setback for participants and 1-year setback for beneficiaries and an interest rate of 6% per annum, compounded annually.

United Technologies Corporation
Employee Retirement Plan (UTC Rep)
Goodrich Wage
Union West Virginia

1. Eligibility

a. Eligible Employees: All wage employees with benefit schedule 3.

b. Participation Requirements: Date of becoming an eligible employee. As of January 1, 2006, no new participants are allowed to participate.

2. Accrued Benefit

a. Formula: Credited Service times 1.15% of Final Average Earnings plus Credited Service up to 35 years times 0.45% of Final Average Earnings in excess of Covered Compensation.

Effective January 1, 2015, all final average earning related benefits will be frozen. Affected participants will be eligible to continue to participate in the plan under the UTC 3% - 8% Cash Balance Plan beginning January 1, 2015.

b. Definitions

(i) Continuous Service (service): Elapsed time since date of employment by Goodrich Corporation.

(ii) Credited Service: Years and months of service as an eligible employee as of the later of the hire date and May 1, 1972.

Service for employees who opted out of the plan through Retirement Choice is limited to service prior to June 30, 2006.

(iii) Pensionable Pay: Base pay including 401(k) deferrals plus bonus plus overtime.

(iv) Final Average Earnings: The average of the highest 48 consecutive months out of 120 months of Pensionable Pay ending on the participant's termination date.

(v) Covered Compensation: The average of the Social Security taxable wage base during the highest 35-year period prior to and including the year in which the participant retires, dies or otherwise terminates employment.

3. Normal Retirement

a. Date: First of month coinciding with or next following the attainment of age 65.

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

4. Early Retirement

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 55 and completing 5 years of service.

b. Benefit: The accrued benefit at retirement payable monthly, reduced 4% for each year of payment before age 62.

5. Supplemental Benefit

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 55 and completing 5 years of service.

b. Benefit: $6,540 plus $120 per year age greater than 55 plus $264 per year Credited Service greater than 30 less the Early Retirement Benefit.

6. Postponed Retirement

a. Eligibility: Retirement after Normal Retirement Date.

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

7. Vested Termination

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

b. Benefit: The accrued benefit at termination payable monthly, actuarially reduced for each year of payments before the participant's Normal Retirement Date to age 55. If terminate after 1/1/2002, the reduction is 4% per year from age 62 to 55.

8. Disability Benefit

a. Eligibility: Date of employment.

b. Benefit: The accrued benefit based on pensionable pay as of disability date, payable monthly at Normal Retirement Date. Service continues to accrue while disabled.

9. Pre-retirement Death Benefit

a. Eligibility: Death while eligible for normal, early, postponed, or vested termination retirement benefits, with a surviving spouse. In-service death is company paid, death after termination is paid by employee through actuarial reduction of benefit.

b. Benefit: 50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and reduced for payment as early as the participant's 55th birthday.

10. Form of Payment

a. Normal Form:
   (i) 5 year certain and continuous annuity for unmarried participants
   (ii) An actuarially reduced 50% joint and survivor annuity for married participants.

b. Optional Forms:
   (i) Life annuity
   (ii) 100% joint and survivor annuity
   (iii) 75% joint and survivor annuity
   (iv) 50% joint and survivor annuity
   (v) 15 year certain and continuous annuity
   (vi) 10 year certain and continuous annuity
   (vii) 5 year certain and continuous annuity
   (viii) Social Security level income annuity
   (ix) Lump sum for participants whose benefit has a lump sum value of $15,000 or less
   (x) Lump sum (for terminations in 2016 or later years). Available for 1 year following termination. Actuarially equivalent annuity options are also available if participant is not otherwise eligible.

Actuarial equivalence for optional forms other than lump sum is based on 1994 GAM (75% male/25% female for participant mortality and 25% male/75% female for joint annuitant mortality), and an interest rate of 6%.

Actuarial equivalence for lump sum is based on 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Rep)
Goodrich Wage
Tullahoma

1. Eligibility

a. Eligible Employees: All wage employees with benefit schedules 20 or 21.

b. Participation Requirements: Date of becoming an eligible employee.

2. Accrued Benefit

a. Formula: $732 x years of Credited Service (max 40 years)

b. Definitions

(i) Continuous Service (service): Elapsed time since date of employment by Goodrich Corporation or Cleveland Pneumatic Company.

(ii) Credited Service: Years and months of service as an eligible employee as of the hire date or August 1, 1997, if later.

3. Normal Retirement

a. Date: First of month coinciding with or next following the attainment of age 65 with five years of service.

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

4. Early Retirement

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 55 and completing 5 years of service.

b. Benefit: Accrued benefit at retirement payable monthly, reduced 6% for each year of payment before age 65.

5. Postponed Retirement

a. Eligibility: Retirement after Normal Retirement Date.

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

6. Vested Termination

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

b. Benefit: The accrued benefit at termination, reduced 6.0% for each year of payments before the participant's Normal Retirement Date to age 55.

7. Disability Benefit

a. Eligibility: Total disability after completing 10 years of service.

b. Benefit: The accrued benefit based on Credited Service as of disability date, payable immediately.

8. Pre-retirement Death Benefit

a. Eligibility: Death while eligible for normal, early, postponed, or vested termination retirement benefits, with a surviving spouse.

b. Benefit: 50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and reduced to payment date, payable immediately.

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) Life annuity for married participants

(ii) 100% joint and survivor annuity

(iii) 75% joint and survivor annuity

(iv) 50% joint and survivor annuity

(v) 10 year certain and continuous annuity

Actuarial equivalence for optional forms uses the 1983 Group Mortality Table for males with a one-year setback for participants and a five-year setback for beneficiaries, and an interest rate of 8%.

United Technologies Corporation
Employee Retirement Plan (UTC Rep)
Goodrich Wage
Aerostructures (Rohr)

1. Eligibility

a. Eligible Employees: All employees represented by a labor organization which has signed an agreement making this plan applicable to its members. Applies to benefit schedule 25.

b. Participation Requirements: Date of becoming an eligible employee.

2. Accrued Benefit

a. Formula: $996 x years of Credited Service

b. Definitions

(i) Continuous Service (service): One year each calendar year in which an employee completes 1,000 hours of service.

(ii) Credited Service: One-twelfth of a year for each 150 hours of service with a maximum of one year for each calendar year.

(iii) Hours of Service: Each hour for which the employee was directly or indirectly paid including vacation, sickness or disability; in addition, each hour for which back pay is awarded or agreed to.

3. Normal Retirement

a. Date: Date on which a participant attains age 65.

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

4. Early Retirement

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 55 and completing 10 years of service.

b. Benefit: The accrued benefit at retirement payable monthly, reduced for those participants with less than 30 full years of service, by 3/10% for each month of payment before Normal Retirement Date.

5. Vested Termination

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

b. Benefit: Accrued benefit determined at termination, reduced for those participants with 10 years of service but less than 30 years of service by 3/10% for each month of payment before the participant's Normal Retirement Date.

6. Disability Benefit

a. Eligibility: Disability status after completing 10 years of service before age 65.

b. Benefit: Accrued benefit determined as of the date of disablement and without reduction before age 65. In addition, a $250 per month supplement is payable until eligibility for Social Security benefits if not eligible for Social Security disability benefits.

7. Pre-retirement Death Benefit

a. Eligibility: Death after completing five years of service.

b. Benefit:

(i) If the participant is married, 50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and, if the participant had 10 years of vesting service prior to death, reduced for payment as early as the participant's 55th birthday.

(ii) If the participant is unmarried, accrued benefit as of the date of the participant's death reduced with plan early retirement factors for those participants who met retirement eligibility and actuarially reduced for those not yet retirement eligible. Benefit is converted to a 10 year certain and life annuity. Benefit is payable to a participant's estate for 10 years certain only.

8. Form of Payment

a. Normal Form:

(i) Life annuity for unmarried participants

(ii) 50% joint and survivor annuity for married participants.

b. Optional Forms:

(i) 75% joint and survivor annuity

(ii) 100% joint and survivor annuity

(iii) 10 year certain and continuous annuity

(iv) Level income annuity

(v) Lump sum payment for amounts less than $5,000

(vi) Life annuity for married participants

Actuarial equivalence for optional forms other than lump sum is based on the 1984 Uniform Pension Mortality Table setback three years for beneficiaries and an interest rate of 6%.

Actuarial equivalence for lump sum is based on the 417(e) government mandated basis.

United Technologies Corporation
Employee Retirement Plan (UTC Rep)
Goodrich Wage
TRW Rome (Utica)

1. Eligibility

a. Eligible Employees: The Plan covers all hourly-rate employees of the Company covered by the Local 4831 bargaining agreement. Applies to benefit Schedule 28.

b. Participation Requirements: Date of becoming an eligible employee.

2. Accrued Benefit

a. Formula: $672 ($720 effective April 30, 2019[1]) x years of Credited Service

b. Definitions

(i) Continuous Service (service): Equal to the sum of (a) and (b) below:

(a) All years of vesting service earned under the prior plan as of the effective date, and

(b) On and after the effective date, one year of vesting service is recognized for each plan year in which the employee receives compensation for at least 1,000 hours.

(ii) Credited Service: Equal to the sum of (a) and (b) below:

(a) All years of benefit service under the prior plan as of the effective date, and

(b) On and after the effective date, one year of benefit service is granted for each plan year in which the employee has 1,700 or more compensated hours. If an Employee completes less than 1,700 hours of Credited Service but more than 142 hours of Credited Service in a plan year, one twelfth of a year of Credited Service is given for every 142 hours of service.

3. Normal Retirement

a. Date: First of month coincident with or next following the attainment of age 65 with five years of service.

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

4. Early Retirement

a. Eligibility: Retirement before Normal Retirement Date and on or after both attaining age 60 and completing 10 years of service.

b. Benefit: The accrued benefit at retirement payable monthly, reduced 5/9 of 1% for each month of payment before age 65.

5. Postponed Retirement

a. Eligibility: Retirement after Normal Retirement Date.

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

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[1] This change was effective after the valuation date of 1/1/2018 and therefore, not reflected in the 1/1/2018 ERISA PPA funding valuation. It will be reflected in the 1/1/2019 ERISA PPA funding valuation.

6. Special Age 65 Benefit

a. Eligibility: Age 65 for all retired employees or surviving spouses. Participants who retired from deferred vested status are not eligible.

b. Benefit: $86.40 per year

7. Vested Termination

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

b. Benefit: The accrued benefit at termination payable at age 65. However, the employee may elect to commence benefits after reaching age 60 and before age 65, in which event his monthly benefit would be reduced as for early retirement.

8. Disability Benefit

a. Eligibility: Totally and permanently disabled prior to reaching age 65, after at least ten years of Credited Service.

b. Benefit: Accrued benefit determined as of disability date, payable on the first day of the month after at least 26 weeks have elapsed since disability began. In addition, a temporary benefit is payable in an amount equal to the benefit level in effect at disability for each year of benefit service at disability date (not to exceed 25 years). This temporary benefit shall not be payable for any month after the employee attains age 65 or becomes eligible for an unreduced Social Security benefit, whichever occurs first.

When a disabled retiree reaches age 65 or the qualifying age for an unreduced Social Security benefit, he shall thereafter receive a normal retirement pension and shall no longer be considered to be on disability retirement.

9. Pre-retirement Death Benefit

a. Eligibility: Death while eligible for normal, early, postponed or vested termination retirement benefits having been married at least one year.

b. Benefit: If an employee dies after attaining age 60 with ten years of Credited Service, his spouse receives the spouse benefit assuming the employee had retired early and elected the 50% joint and survivor option the day before his death. If an employee dies before age 60, the benefit is calculated as if the employee terminated his employment on his date of death, survived to his earliest retirement date and elected the 50% joint and survivor option. Benefit is not paid before employee would have been age 60.

10. Form of Payment

a. Normal Form:

(i) Life annuity for unmarried participants

(ii) 50% joint and survivor annuity for married participants.

b. Optional Forms:

(i) Life annuity for married participants

(ii) 50% joint and survivor annuity

Actuarial equivalence for optional forms uses 1994 GAM (75% male/25% female for participant mortality and 25% male/75% female for joint annuitant mortality), and an interest rate of 6%.

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

Effective January 1, 2010, UTC salaried employees hired after December 31, 2009 will not be eligible to participate in the pension plan and will receive an company automatic fixed contribution in the UTC savings plan instead. Newly hired hourly management represented and Puerto Rico exempt employees will continue to be eligible to participate in the Non-Rep Pension Plan.

Effective January 1, 2015, all final average earnings related benefits under the Non-Rep Plan will be frozen. Affected participants will be eligible to continue to participate in the Plan under the UTC 3%-8% Cash Balance Plan beginning January 1, 2015.

Effective January 1, 2017, a lump sum option was added for all salaried employees and hourly cash balance groups upon termination, which applies to benefits without a full lump sum option. For non-cash balance groups, this new lump sum will be available for a 12-month period following termination of employment. Employees terminated during 2016 have until December 1, 2017 to make this election.

Note: For Pre-retirement Death Benefits described throughout the Non-Rep Plan formulas, “spouse” also includes domestic partner.

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

1. Eligibility

a. Eligible Employees: Salaried employees of United Technologies Corporation who were hired between June 30, 2002 and December 31, 2009 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). Select GE Security employees are eligible to participate beginning January 1, 2011.

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, but not less than 3.8%. 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. For participants terminating in 2016 or later years, an immediate optimal lump sum is available for a 12-month period following termination (Dec. 1, 2017 for 2017 terminations). Optimal actuarial equivalent annuity options are also available.

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 ($275,000 for 2018).

(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, Pratt & Whitney Wichita Falls, Pratt & Whitney Columbus, Georgia and Pratt & Whitney Power Systems (Turbo Power & Marine).

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), July 1, 2012 (Pratt HMR Columbus, Georgia).
- 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 ($275,000 for 2018).

(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 termination*.

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 termination for disability*, 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 at any time prior to 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 at any time prior to 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) Lump sum (for those terminating in 2016 or later years)

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

* For participants terminating prior to 2016, payments cannot begin prior to age 55.

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

* a 2% increase is applied to the final accrued benefit under (i)

(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 ($275,000 for 2018).

(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)
CCS - Carrier Specialty Equipment Companies (SEC)
Taylor Company

1. Eligibility

a. Eligible Employees: Hourly management represented employees of the SEC Taylor Company division not covered by a collective bargaining agreement.

b. Participation Requirements: Eligible Employees become participants on the first of the month following their date of hire.

2. Accrued Benefit

a. Formula:

(i) Taylor Company: Benefit level (effective July 1, 2013) from the table below times years of Credited Service:

Years of Credited Service	Annual Benefit Amount
1 – 10	$ 378.00
10 – 20	408.00
Over 20	432.00

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 3 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, 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

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

December 31, 2018

(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	$ 61,080,549	61,080,549
*	Metropolitan Life Insurance Company	Immediate Participation Guarantee Fund	5,940,384	5,940,384
*	Metropolitan Life Insurance Company	Separate Accounts-Blackrock Managed Broad Market Bond Fund	2,802,459	2,802,459
	Total		$ 69,823,392	69,823,392

* 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 Metropolitan Life Insurance Company in accordance with Section 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

See accompanying independent auditors' report.

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

Schedule SB, Line 24
Change in Actuarial Assumptions

The non-prescribed actuarial assumptions were reviewed and modified to reflect the enrolled actuary's best estimate of future plan experience. As a result, the following change was made:

Type of Assumption	*Old Assumption*	*New Assumption*	*Justification*
Plan-related expenses added to target normal cost	0.35% of the fair value of assets	0.25% of the fair value of assets	To account for lower expected expenses to be paid from the trust