UTAH MEDICAL PRODUCTS INC
Form 8-K
March 18, 2011

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

FORM 8-K

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (date of earliest event reported): March 18, 2011

Commission File No. 0-11178

UTAH MEDICAL PRODUCTS, INC.
(Exact name of Registrant as specified in its charter)

UTAH (State or other jurisdiction of incorporation or organization)	87-0342734 (I.R.S. Employer Identification No.)

7043 South 300 West
Midvale, Utah 84047
Address of principal executive offices

Registrant's telephone number: (801) 566-1200

ITEM 7.01 Regulation FD Disclosure

On March 18, 2011, Utah Medical Products, Inc. announced that it has purchased all of the common shares of Femcare Holdings Limited of the United Kingdom, including its trading subsidiaries, Femcare-Nikomed Ltd. of Southampton, England and Femcare Australia. A copy of the press release is attached hereto as Exhibit 99.1

SIGNATURES

Pursuant to the requirements of the Securities Exchanges Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

UTAH MEDICAL PRODUCTS, INC.
REGISTRANT

Date: 03/18/2011

By: /s/ Kevin L. Cornwell
Kevin L. Cornwell
CEO

EXHIBIT INDEX

Index Number	Description
99.1	Press release issued March 18, 2011: Utah Medical Products, Inc. Acquires Femcare Group Limited

B>PENSION BENEFITS

Name	Plan Name	Number of Years of Credited Service (#)	Present Value of Accumulated Benefit ($) (1)	Payments During Last Fiscal Year ($)

G. Hayes	UTC Employee Retirement Plan	26	$ 996,843	—
	UTC Pension Preservation Plan	26	$ 6,416,128	—
	Total		$ 7,412,971	—
A. Johri[(2)]	UTC Employee Retirement Plan	15	$ 709,323	—
	UTC Pension Preservation Plan	15	$ 1,450,976	—
	Total		$ 2,160,299	—
G. Darnis	UTC Employee Retirement Plan	32	$ 1,372,319	—
	UTC Pension Preservation Plan	32	$ 18,162,551	—
	Total		$ 19,534,870	—
P. Adams	UTC Employee Retirement Plan	16	$ 752,903	—
	UTC Pension Preservation Plan	16	$ 2,388,607	—
	Total		$ 3,141,510	—
C. Gill, Jr.	UTC Employee Retirement Plan	21	$ 868,591	—
	UTC Pension Preservation Plan	21	$ 3,796,841	—
	Total		$ 4,665,432	—
A. Bellemare	UTC Employee Retirement Plan	8	$ 405,867	—
	UTC Pension Preservation Plan	8	$ 3,287,423	—
	Pratt & Whitney Canada Salaried and Executive Employee Pension Plans	10	—	$3,155,901 (3)
	Total		$ 3,693,290	$3,155,901

(1) The present value calculation is based on a 4.28% discount rate, a 4.00% long-term interest rate for lump-sum determinations under the UTC Pension Preservation Plan ("PPP"), and other assumptions for U.S. plans, as described in the pension expense assumptions of Note 12, Employee Benefit Plans, to the Consolidated Financial Statements in Exhibit 13 to UTC's 2015 Form 10-K. Amounts are calculated based on an assumed benefit commencement date at the earliest date the participant can retire without a reduction of benefits due to age or the actual retirement date, if known. The assumed form of payment is: (i) a monthly life annuity for benefits earned under the Final Average Earnings ("FAE") formula in the UTC Employee Retirement Plan; (ii) a lump-sum payment for the cash balance benefit under the UTC Employee Retirement Plan; and (iii) a lump-sum payment for benefits accrued under the PPP (except for the FAE benefit for Mr. Adams, which is assumed to be paid as a monthly annuity as per his election, and the cash balance benefit for Mr. Bellemare, which is assumed to be paid as a 9-year installment benefit, as per his election).

(2) Mr. Johri was employed by UTC in November 1986 and accrued pension benefits under the final average earnings formula of the UTC Employee Retirement Plan and the UTC Pension Preservation Plan until he separated from service in April 2013. When re-employed on January 1, 2015, Mr. Johri was not eligible to resume participation in UTC's pension plans, and therefore, accrues no cash balance benefit under these plans. Instead, Mr. Johri is provided age-based Company automatic contributions to his UTC 401(k) Savings Plan and Company Automatic Contribution Excess Plan ("CACEP") accounts, as described more fully on page 65.

(3) Lump-sum distribution of accrued benefits under the Pratt & Whitney Canada Salaried and Executive Employee Pension Plans. Mr. Bellemare received a distribution of this accrued benefit as a result of his retirement from UTC on January 31, 2015.

COMPENSATION TABLES

UTC Employee Retirement Plan and UTC Pension Preservation Plan

Employees hired before January 1, 2010, are eligible to participate in the UTC Employee Retirement Plan and the UTC Pension Preservation Plan ("PPP").

Plan Description. The UTC Employee Retirement Plan is a tax-qualified plan subject to Internal Revenue Code provisions that, as of December 31, 2015, limit recognized annual compensation to $265,000 and annual retirement benefits to $210,000.

The PPP is an unfunded, non-qualified retirement plan utilizing the same benefit formula, compensation recognition, retirement eligibility and vesting provisions as the tax-qualified UTC Employee Retirement Plan. The PPP provides benefits not accrued under the qualified plan due to Internal Revenue Code limitations on annual compensation recognition and retirement benefit amounts.

Changes from Final Average Earnings Formula to Cash Balance Formula. Through the end of 2014, both of these pension plans used a traditional final average earnings ("FAE") retirement benefit formula. Under this formula, the plans provide an annual benefit equal to 2% of the executive's earnings (defined below) for each year of service up to a maximum of twenty years, plus 1% of earnings for each year of service thereafter, minus 1.5% of the executive's Social Security benefits for each year of service (up to a maximum of 50% of the annual Social Security benefit). Earnings recognized under this formula consist of the highest average annual base salary and annual performance bonus received over any consecutive five calendar-year period ending on or before December 31, 2014. The FAE formula does not recognize long-term incentive compensation earnings.

Effective December 31, 2014, the FAE formula was replaced prospectively by a cash balance formula. The cash balance formula credits an account with amounts that grow each month with two types of credits—pay credits and interest credits. Pay credits range from 3% to 8% of base salary and annual performance bonus, depending on the participant's age. Interest credits are based on 30-year U.S. Treasury Bond yields and are subject to annual adjustments, but cannot fall below 3.8%.

Distribution Options. Lump-sum and annuity distribution options are available for amounts credited under these plans, except for benefits accrued under the FAE formula of the tax-qualified pension plan, which may only be distributed as an annuity.

Because amounts payable under the PPP are unfunded and unsecured, a lump-sum distribution option is available as an alternative to a monthly annuity. However, a PPP lump-sum distribution is immediately and fully taxable as ordinary income. The PPP lump-sum calculation of the FAE portion of the benefit uses a discount rate equal to the Barclay's Capital Municipal Bond Index averaged over five years (currently 2.316%). This non-taxable investment index is intended to yield an after-tax income stream comparable to that realized through a more tax efficient annuity distribution. The lump-sum value of the cash balance portion of the benefit will be equal to the accumulated cash balance account described above.

Vesting and Retirement. Under both of these pension plans, vesting requires three years of service. The normal retirement age under both benefit formulas is 65. The FAE formula, however, also provides full retirement benefits at age 62 for a participant who retires with at least ten years of service. Early retirement benefits are also available under the FAE formula beginning at age 55 with at least ten years of service, reduced by 0.2% for each month by which the early retirement date precedes age 62. The value of the cash balance account is not impacted by an employee's age at retirement.

As of December 31, 2015, Mr. Hayes was the only current NEO eligible to retire. Messrs. Bellemare, Darnis and Adams retired from UTC effective January 31, 2015, January 31, 2016 and February 29, 2016, respectively.

Other Formulas Used. Benefits for Messrs. Darnis and Hayes include amounts accrued under different formulas used in the Carrier and Sundstrand predecessor plans, respectively, that were merged into UTC retirement plans. The Pratt & Whitney Canada Salaried and Executive Employee Pension Plans utilize a FAE formula substantially similar to that used by the UTC Employee Retirement Plan and the PPP.

COMPENSATION TABLES

NONQUALIFIED DEFERRED COMPENSATION

Name	Plan	Executive Contributions in Last FY ($) (1)	Registrant Contributions in Last FY ($) (2)	Aggregate Earnings in Last FY ($) (3)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($) (4)
G. Hayes	UTC Deferred Compensation Plan	$ 0	$ 0	-$83,260	$ 0	$1,155,105
	UTC Savings Restoration Plan	$ 158,100	$ 94,860	-$59,527	$ 0	$1,201,449
A. Johri	UTC Savings Restoration Plan	$ 0	$ 0	-$11,427	-$ 23,345	$168,461
	UTC Company Automatic Contribution Excess Plan	$ 0	$ 25,667	$286	$ 0	$25,953
G. Darnis	UTC Deferred Compensation Plan	$ 648,750	$ 39,847 (5)	$83,462	$ 0	$3,793,706
	UTC Savings Restoration Plan	$ 82,425	$ 49,455	-$34,491	$ 0	$776,083
	PSU Deferral Plan(6)	$ 3,177,956	$ 0	-$1,012,972	$ 0	$5,347,662
P. Adams	UTC Savings Restoration Plan	$ 59,590	$ 35,754	-$37,872	$ 0	$377,847
C. Gill, Jr.	UTC Savings Restoration Plan	$ 72,000	$ 43,200	-$103,548	$ 0	$629,613
A. Bellemare	UTC Savings Restoration Plan	$ 0	$ 0	-$37,858	$ 0	$723,999

(1) Amounts shown are included in the Salary and Bonus columns of the Summary Compensation Table.

(2) Amounts shown are included in the All Other Compensation column of the Summary Compensation Table.

(3) Returns on amounts credited to hypothetical investment accounts, as described under "Investment Options" on page 66. These returns do not constitute above-market earnings, except for $9,908 credited to Mr. Hayes under the frozen Sundstrand Corporation Deferred Compensation Plan.

(4) The sum of contributions (both by the executive and UTC) and credited earnings on those deferrals, less withdrawals. Of these totals, the following amounts have been included in the Salary, Bonus and Stock Awards columns of the Summary Compensation Table in prior years: $916,957 (Mr. Hayes), $5,806,141 (Mr. Darnis), $66,975 (Mr. Gill) and $350,178 (Mr. Bellemare).

(5) Consists of a Savings Restoration Plan match make-up for amounts inadvertently omitted from this Plan. The corrected amount has been credited to Mr. Darnis' UTC Deferred Compensation Plan account.

(6)

Mr. Darnis elected to defer his 2012 PSU vesting under the PSU Deferral Plan, as reported in the Option Exercises and Stock Vested table on page 62.

UTC Savings Restoration Plan

The UTC Savings Restoration Plan ("SRP") is a non-qualified, unfunded deferred compensation arrangement that offers participants the opportunity to defer up to 6% of pay (base salary and annual bonus) above the annual Internal Revenue Code compensation limit ($265,000 in 2015) applicable to the tax-qualified UTC 401(k) Savings Plan. Using the UTC 401(k) Savings Plan's matching contribution formula, the SRP credits matching contributions equal to 60% of the amount deferred by the executive in the form of UTC deferred stock units. Participants are vested in their own deferrals and vest in the UTC match after three years of service. SRP balances may be distributed at the election of the participant in a lump-sum payment or in annual installments over a period ranging from two to fifteen years. Employee deferrals are distributed in cash and Company matching amounts are distributed in shares of Common Stock.

Company Automatic Contribution Excess Plan

Salaried employees, including NEOs, hired on or after January 1, 2010 do not participate in UTC's pension plans. These employees instead receive age-based Company automatic contributions equal to a percentage of salary and annual bonus to their tax-qualified UTC 401(k) Savings Plan account each payroll period. The purpose of the unfunded, non-qualified Company Automatic Contribution Excess Plan ("CACEP") is to continue to credit such contributions on compensation that exceeds the Internal Revenue Code limit applicable to the tax-qualified UTC 401(k) Savings Plan. Participants receiving benefits under the CACEP do not accrue a benefit under the UTC Pension Preservation Plan. In 2015, Mr. Johri was the only NEO who participated in the CACEP for which he received a credit equal to 5.5% of pay.

COMPENSATION TABLES

UTC Deferred Compensation Plan

The UTC Deferred Compensation Plan ("DCP") is a non-qualified, unfunded deferred compensation arrangement that offers participants the opportunity to defer up to 50% of base salary and up to 70% of annual bonus. The minimum deferral period is five years. All distributions are made in cash and, at the election of the participant, in either a lump-sum payment or in annual installments over a period between two and fifteen years. If a participant's employment terminates prior to retirement eligibility, all balances are paid as a lump-sum in April following termination.

Investment Options

Amounts deferred by participants under either of the SRP, CACEP and DCP may be allocated to one or more of the following hypothetical investment accounts:

Hypothetical Investment Accounts*	2015 Return	
Income Fund	3.56	%
Equity Fund—S&P 500 Index	1.38	%
Government / Credit Bond Fund	0.19	%
Small Company Stock Index Fund	-3.38	%
International Equity Index	-0.60	%
Emerging Equity Index Fund	-15.15	%
UTC Common Stock with dividend reinvestment	-13.99	%

* Additional age-specific retirement date funds are also available. In 2015, the NEOs participated in the Target Retirement Fund 2020, which returned -2.13%, and the Target Retirement Fund 2025, which returned -2.26%.

PSU Deferral Plan

The PSU Deferral Plan allows executives to defer between 10% and 100% of their vested PSU awards that otherwise upon vesting would be settled in unrestricted shares of Common Stock. Upon vesting, the deferred portion of the PSU award is converted into deferred stock units that accrue dividend equivalents. Distributions from the PSU Deferral Plan are made in full or in two to fifteen annual installments, either upon retirement or in a future year selected by the executive (no earlier than five years from the year the PSUs are deferred). Distributions are made in whole shares of Common Stock with any fractional units paid in cash.

66

COMPENSATION TABLES

POTENTIAL PAYMENTS ON TERMINATION OR CHANGE-IN-CONTROL

This table estimates the value of payments and benefits that each NEO would have been entitled to receive had employment terminated on December 31, 2015 under various hypothetical circumstances, except for Mr. Bellemare where actual payments are shown as a result of his retirement on January 31, 2015. Under UTC's programs, benefit eligibility and the value of benefits an executive is entitled to receive vary depending on the reason for termination and whether the executive is eligible for retirement at that time.

Payment Type	G. Hayes	A. Johri	G. Darnis	P. Adams	C. Gill, Jr.	A. Bellemare [1]
Involuntary Termination (For Cause)						
Cash Payment	$0	$0	$0	$0	$0	—
Pension Benefit[2]	$11,308,482	$2,328,667	$18,224,128	$2,410,229	$6,043,024	—
Option/SAR Value[3]	$0	$0	$0	$0	$0	—
Stock Award Value[4]	$0	$0	$0	$0	$0	—
Sub-Total	$11,308,482	$2,328,667	$18,224,128	$2,410,229	$6,043,024	—
Less: Vested Pension	-$11,308,482	-$2,328,667	-$18,224,128	-$2,410,229	-$6,043,024	—
Amount Triggered due to Termination	$0	$0	$0	$0	$0	—
Voluntary Termination						
Cash Payment	$0	$0	$0	$0	$0	—
Pension Benefit[2]	$11,308,482	$2,328,667	$18,224,128	$2,410,229	$6,043,024	—
Option/SAR Value[3]	$13,020,790	$2,575,909	$21,591,050	$3,816,268	$12,131,213	—
Stock Award Value[4]	$2,894,397	$0	$2,824,074	$1,173,975	$2,024,771	—
Sub-Total	$27,223,669	$4,904,576	$42,639,252	$7,400,472	$20,199,008	—
Less: Vested Pension and Equity	-$27,223,669	-$4,904,576	-$42,639,252	-$7,400,472	-$20,199,008	—
Amount Triggered due to Termination	$0	$0	$0	$0	$0	—
Involuntary Termination (Not For Cause) or Retirement						
Cash Payment[5]	$3,250,000	$0	$2,750,000 [9]	$1,625,000 [9]	$1,812,500	$2,492,288
Pension Benefit[2]	$11,308,482	$2,328,667	$18,224,128	$2,410,229	$6,043,024	$6,443,324
Option/SAR Value[3]	$13,020,790	$2,575,909	$21,591,050	$3,816,268	$12,131,213	$4,346,755
Stock Award Value[4]	$2,894,397	$0	$2,824,074	$1,173,975	$2,024,771	$2,773,349
Sub-Total	$30,473,669	$4,904,576	$45,389,252	$9,025,472	$22,011,508	$16,055,716
Less: Vested Pension and Equity	-$27,223,669	-$4,904,576	-$42,639,252	-$7,400,472	-$20,199,008	-$13,563,428

Amount Triggered due to Termination	$3,250,000	$0	$2,750,000	$1,625,000	$1,812,500	$2,492,288
Termination following a Change-in-Control(6)						
Cash Payment(7)	$10,300,550	$0	$6,906,900	$3,789,825	$4,010,338	—
Pension Benefit(2)	$11,308,482	$2,328,667	$18,224,128	$2,410,229	$6,043,024	—
Option/SAR Value(8)	$13,020,790	$2,575,909	$21,591,050	$4,474,896	$12,131,213	—
Stock Award Value(8)	$6,689,162	$5,728,174	$4,937,614	$4,591,762	$4,500,495	—
Sub-Total	$41,318,984	$10,632,750	$51,659,692	$15,266,712	$26,685,070	—
Less: Vested Pension and Equity	-$27,223,669	-$4,904,576	-$42,639,252	-$7,400,472	-$20,199,008	—
Amount Triggered due to Termination	$14,095,315	$5,728,174	$9,020,440	$7,866,240	$6,486,062	—

COMPENSATION TABLES

(1) Mr. Bellemare retired from UTC effective January 31, 2015. The value shown includes the ELG cash separation benefit (including interest earned at 3.5% during the payment deferral period required by the IRC) that Mr. Bellemare received as a result of his retirement and a $200,000 retainer fee paid in connection with an 18-month consulting agreement Mr. Bellemare entered into with UTC following his retirement. Details of this agreement are found in footnote (6)(f) of the Summary Compensation Table on page 58. The pension benefits shown for Mr. Bellemare include amounts accrued under the Pratt & Whitney Canada Salaried and Executive Employee Pension Plans which were distributed following retirement, as shown in the Pension Benefits table on page 63.

(2) Amounts reflect the estimated lump-sum value of the non-qualified portion of the retirement benefits accrued under UTC's pension plans, assuming retirement or termination on December 31, 2015, payable as of such date, attainment of age 55 (if later), or the actual retirement date, if known. The present value of benefits payable under the qualified plan are shown in the Pension Benefits table on page 63.

(3) The vesting of outstanding SARs (other than the unvested portion of the performance-based SARs and special sign-on SARs) that have been outstanding for at least one year will be accelerated in the event of a voluntary termination or an involuntary (not for cause) termination after attaining retirement age (55 plus ten years of service) or satisfying the rule of 65 (age 50 plus fifteen years of service). Each of the NEOs satisfies one or both of these conditions. Amounts shown are based on the December 31, 2015 closing price of our Common Stock on the NYSE of $96.07. In the event of an involuntary termination for cause, outstanding SARs are forfeited.

(4) In the event of a voluntary termination or an involuntary (not for cause) termination following attainment of retirement age or satisfying the rule of 65, PSUs outstanding for at least one year remain eligible to vest following completion of the performance period to the extent performance targets are achieved. Amounts shown are based on the December 31, 2015 closing price of our Common Stock on the NYSE of $96.07 and target-level vesting for the 2015 and 2014 PSU grants and the actual vesting level for the 2013 PSU grant. In the event of an involuntary termination for cause, outstanding PSUs are forfeited.

(5) Reflects the ELG cash separation benefit which equals 2.5x base salary. This benefit is payable as a lump-sum in the event of a mutually agreeable separation (defined on page 44) following at least three years of ELG service (and for certain ELG members, is dependent on age at separation). Receipt of the ELG separation benefit is contingent upon execution of an agreement containing the following covenants made by the executive for the protection of UTC: (i) non-compete; (ii) employee non-solicitation; (iii) non-disparagement; (iv) protection of confidential, sensitive and proprietary information; and (v) post-termination cooperation. The ELG separation benefit is not treated as compensation for purposes of determining benefits under UTC's pension plans or any other benefit programs. Distributions are subject to certain restrictions imposed by Internal Revenue Code Section 409A. ELG members appointed on or after May 2013, including Mr. Johri, are not eligible for this cash separation benefit.

(6) Change-in-control benefits are provided in accordance with the Senior Executive Severance Plan ("SESP"), which was closed to new participants effective June 2009. Acquisition of 20% of UTC's voting securities by a person or a group or a change in the majority of the Board of Directors constitute a change-in-control. SESP benefits are provided to eligible executives in the event of an involuntary termination or resignation for "good reason" (i.e., a material adverse change in the executive's compensation, responsibilities, authority, reporting relationship or work location) within two years following a change-in-control event. Receipt of SESP benefits is subject to various restrictive covenants. An executive may receive the greater of the SESP or ELG cash separation benefit (as described in footnote (5) above), but not both. The SESP cash severance benefit is reduced by $1/36^{th}$ for each month that termination occurs after age 62 and, accordingly, is completely phased out at age 65.

(7) A lump-sum cash benefit payable under the SESP in an amount equal to 2.99x the sum of the executive's base salary and target annual bonus is applicable for ELG members appointed prior to June 2009. ELG members appointed on or after June 2009 but prior to May 2013, are eligible for the standard ELG cash severance payment upon change-in-control (2.5x base salary), while ELG appointees on or after May 2013, including Mr. Johri, are not eligible for a cash payment under either program.

(8) In the event of termination for "good reason" (as defined on page 45) following a change-in-control, the LTIP provides for the accelerated vesting of all outstanding equity awards (including awards outstanding for less than one year, unvested performance-based SAR awards, special equity awards and ELG RSU awards). Amounts shown are based on the December 31, 2015 closing price of our Common Stock on the NYSE of $96.07. PSU and performance-based SAR values reflect vesting at target, except where actual performance is known as of December 31, 2015.

(9) Mr. Darnis and Mr. Adams retired from UTC effective January 31, 2016 and February 29, 2016, respectively. Following retirement, UTC entered into one-year consulting agreements valued at $300,000 for Mr. Darnis and $200,000 for Mr. Adams, which are excluded from the values shown.

Post-Employment Consulting Arrangements

In some cases, the Company enters into post-employment consulting arrangements to assist in the transition of an executive's responsibilities and for support on matters in-process at the time of retirement. Because the LTIP recognizes service rendered in a consulting capacity, the termination date for vesting purposes under the LTIP may be later than the date employment ends.

Mr. Bellemare entered into a $200,000, one-year consulting agreement following his retirement to remain available to provide advice on strategic matters related to our aerospace businesses. He will therefore remain eligible to vest in his 2015 SAR and PSU awards. Mr. Darnis entered into a one-year consulting agreement for $300,000 to advise on strategic matters and to assure continuity in key customer relationships. This arrangement will not impact the vesting of his long-term incentive awards. Pursuant to a one-year $200,000 consulting agreement following his retirement on February 29, 2016, Mr. Adams will remain available to provide technical advice and support on Pratt & Whitney's GTF programs. As a result of this arrangement, his 2016 PSU and SAR awards and his 2012 performance-based SAR award remain eligible to vest, subject to the continuation of this consulting relationship through December 2016. His 2015 PSU and SAR awards were eligible to vest without regard to this agreement. In addition, the RSU award granted on December 1, 2015 remains eligible to vest, provided that his consulting relationship continues through February 28, 2017.

68

Report of the Audit Committee

The Audit Committee assists the Board of Directors in its oversight of UTC’s financial accounting and reporting processes and the adequacy of its system of internal controls and processes to assure compliance with Company policies and procedures, its Code of Ethics and applicable laws and regulations. The Committee annually nominates an independent auditor for appointment by the shareowners, and evaluates the independence, qualifications and performance of UTC’s internal and independent auditors. Specific responsibilities of the Committee are set forth in the Audit Committee Charter adopted by the Board, which is available on the Company’s website.

Management has the primary responsibility for the financial statements and the financial reporting processes, including the system of internal accounting controls. PricewaterhouseCoopers LLP (“PwC”), the Company’s independent auditor, is responsible for expressing an opinion on the conformity of the Company’s audited financial statements with generally accepted accounting principles and on the effectiveness of the Company’s internal control over financial reporting.

In fulfilling its oversight responsibilities, the Committee has reviewed and discussed with management and the independent auditor UTC’s audited financial statements as of and for the year ended December 31, 2015, as well as the representations of management and the independent auditor’s opinion thereon regarding UTC’s internal control over financial reporting as required by Section 404 of the Sarbanes-Oxley Act. The Committee discussed with UTC’s internal and independent auditors the overall scope and plans for their respective audits. The Committee met with the internal and independent auditors, with and without management present, to discuss the results of their examinations, the evaluation of UTC’s internal controls, management’s representations regarding internal control over financial reporting, and the overall quality of UTC’s financial reporting.

The Committee has discussed with UTC’s independent auditor the matters required by the Public Company Accounting and Oversight Board’s (“PCAOB”) Auditing Standard No. 16 *Communications with Audit Committees*. It has also discussed with UTC’s independent auditor its independence from UTC and its management, including the written disclosures and letter from UTC’s independent auditor required by the PCAOB’s Rule 3526, *Communication with Audit Committees Concerning Independence*, as approved by the SEC. The Committee has concluded that PwC’s provision of non-audit services as described in the table on pages 70 and 71 is compatible with PwC’s independence.

UTC’s independent auditor represented to the Committee that UTC’s audited financial statements were fairly presented in accordance with generally accepted accounting principles in the United States of America. Based on the reviews and discussions referred to above, the Committee has recommended to the Board of Directors that the audited financial statements be included in UTC’s Annual Report on Form 10-K for the year ended December 31, 2015 for filing with the SEC.

Audit Committee

Edward A. Kangas, Chair Fredric G. Reynolds

Ellen J. Kullman	H. Patrick Swygert
Richard B. Myers	André Villeneuve

Proposal 2: Appointment of a Firm of Independent Registered Public Accountants to Serve as Independent Auditor for 2016

As required by UTC's Bylaws, we are asking shareowners to vote on a proposal to appoint a firm of independent registered public accountants to act as the Company's Independent Auditor until the next annual meeting. PricewaterhouseCoopers LLP, an independent registered public accounting firm, served as UTC's Independent Auditor in 2015 and 2014, and the Audit Committee has nominated the firm for appointment by the shareowners to serve again as UTC's Independent Auditor for 2016.

The Audit Committee is directly responsible for the nomination, compensation, retention and oversight of the Company's independent auditor. To fulfill this responsibility, the Committee engages in a comprehensive annual evaluation of the independent auditor's qualifications, performance and independence and periodically considers the advisability and potential impact of selecting a different independent registered public accounting firm to serve in that capacity.

The Audit Committee has nominated, and the Board of Directors has approved the nomination of, PricewaterhouseCoopers LLP to serve as our Independent Auditor for 2016 and until the next Annual Meeting in 2017. PricewaterhouseCoopers LLP has acquired extensive knowledge of the Company's operations, performance and development through its previous service as the Company's Independent Auditor. In accordance with SEC rules and PricewaterhouseCoopers LLP policies, audit partners are subject to rotation requirements that limit the number of consecutive years an individual partner may provide service to our Company. For lead and concurring audit partners, the maximum number of consecutive years of service in that capacity is five years. The process for selection of the Company's lead audit partner pursuant to this rotation policy includes a meeting of the Chairman of the Audit Committee with the candidate for the role, as well as consideration of the candidate's qualifications by the full Committee and with management.

The Audit Committee and the Board of Directors believe that the continued retention of PricewaterhouseCoopers LLP as our Independent Auditor is in the best interest of the Company and our shareowners.

Representatives of PricewaterhouseCoopers LLP will be present at the 2016 Annual Meeting, will have an opportunity to make any statements they desire, and will also be available to respond to appropriate questions from shareowners.

UTC paid the following fees to PricewaterhouseCoopers LLP for 2015 and 2014:

(in thousands)	2015	2014
Audit Fees	$40,961	$42,054

Audit-Related Fees	$9,930	$5,535
Tax Fees	$19,926	$18,712
All Other Fees	$5,707	$757
Total	$76,524	$67,058

70

PROPOSAL 2: Appointment of Independent Auditor for 2016

Audit Fees in both years consisted of fees for the audit of UTC's consolidated annual financial statements and the effectiveness of its internal control over financial reporting, the review of interim financial statements in UTC's quarterly reports on Form 10-Q and the performance of audits in accordance with statutory requirements.

Audit-Related Fees in both years consisted of fees for financial and tax due diligence assistance related to acquisition and disposition activity, employee benefit plan audits, advice regarding the application of generally accepted accounting principles to proposed transactions, special reports pursuant to agreed-upon procedures, contractually required audits and compliance assessments. Audit-Related Fees in 2015 also included services related to our discontinued operations, including carve-out audits and other agreed upon procedures with fees of approximately $5,400,000. $400,000 of our Audit-Related fees were reimbursed pursuant to contractual agreements with third parties.

Tax Fees in 2015 consisted of approximately $9,955,000 for U.S. and non-U.S. tax compliance, related planning and assistance with tax refund claims, and expatriate tax services, and approximately $9,971,000 for tax consulting and advisory services. In 2014, Tax Fees consisted of approximately $11,429,000 for U.S. and non-U.S. tax compliance, related planning and assistance with tax refund claims, and expatriate tax services, and approximately $7,283,000 for tax consulting and advisory services.

All Other Fees in 2015 primarily consisted of accounting research software, benchmarking, government compliance, business disposition separation and other services. All Other Fees in 2014 primarily consisted of accounting research software, benchmarking, government compliance and other services.

The Audit Committee has adopted procedures requiring Committee review and approval in advance of all particular engagements for services provided by UTC's Independent Auditor. Consistent with applicable laws, the procedures permit limited amounts of services, other than audit, review or attest services, to be approved by one or more members of the Committee pursuant to authority delegated by the Committee, provided the Committee subsequently is informed of each particular service approved by delegation. All of the engagements and fees for 2015 and 2014 were approved by the Committee. The Committee reviews with PricewaterhouseCoopers LLP whether the non-audit services to be provided are compatible with maintaining the firm's independence. The Board has also adopted the policy that in any year fees paid to the Independent Auditor for non-audit services shall not exceed the fees paid for audit and audit-related services. Non-audit services consist of those described above, as included in the Tax Fees and All Other Fees categories.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREOWNERS VOTE FOR THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP. **FOR**

Proposal 3: Amendment to Our Restated Certificate of Incorporation to Eliminate Cumulative Voting for Directors

In September 2015, in conjunction with the Board's adoption of "proxy access" Bylaw provisions, the Board approved an amendment to UTC's Restated Certificate of Incorporation to eliminate cumulative voting in the election of directors, subject to shareowners' approval at the 2016 Annual Meeting[1]. Cumulative voting enables a shareowner to concentrate his or her voting power in favor of the election of one or more nominees, rather than casting one vote per share. Accordingly, cumulative voting permits one or more directors to be elected based on the votes of a minority of shareowners casting votes in the election. The Board believes that each director should represent the interests of all shareowners rather than potentially only the interests of a limited constituency. Therefore and as further discussed below, the Board believes that it is in the best interests of the Company and its shareowners to eliminate cumulative voting.

BACKGROUND

The Company's Bylaws provide that in uncontested elections, directors are elected according to a majority vote standard. In other words, a nominee is elected if the votes cast "for" the nominee exceed 50% of the total votes cast with respect to that nominee's election. In contested elections, directors are elected by a plurality of the votes cast—those nominees who receive the most votes are elected even though the votes in favor of one or more nominees may be fewer than a majority of votes cast.

Cumulative voting, which the Company's Restated Certificate of Incorporation currently permits, enables a shareowner to "cumulate" his or her voting power. This means a shareowner can cast a number of votes equal to the number of shares the shareowner holds multiplied by the number of directors to be elected for a single nominee, or among fewer than all nominees.

By allowing shareowners to cast multiple votes for a single or few nominees, instead of voting separately on each nominee, cumulative voting can result in the election of a board member that has not been supported by the holders of a majority of the shares voting on the election of directors.

RATIONALE

The Board believes that maintaining cumulative voting in UTC's corporate governance structure is problematic for a number of reasons:

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Cumulative voting provides an unusual mechanism through which a minority shareowner can disrupt one of the most fundamental shareowner decisions, in opposition to the clear wishes of shareowners representing a majority of shares voting. UTC's recently adopted proxy access provisions, in contrast to cumulative voting, establish procedures through which all shareowners, including minority shareowners, can share their opinions and actively participate in elections without giving a minority shareowner the ability to have a disproportionate influence by overruling the wishes of a majority of shareowners.

(1) UTC adopted "proxy access" Bylaw provisions that permit a shareowner, or a group of up to 20 shareowners, owning at least three percent of UTC's outstanding shares of Common Stock continuously for at least three years to nominate and include in UTC's annual meeting proxy materials director nominees who, if elected, would constitute up to twenty percent of the Board, provided that the shareowner(s) and nominee(s) satisfy the requirements specified in UTC's Bylaws, which are available at: http://www.utc.com/Our-Company/Corporate-Governance/Documents/Bylaws.pdf.

72

PROPOSAL 3: Amendment to Our Restated Certificate of Incorporation to Eliminate Cumulative Voting for Directors

- A system in which shareowners can cast one vote per share for each director nominee is the prevailing election standard among large U.S. public companies and employed by the vast majority of S&P 500 companies. Very few publicly traded companies (including only two other S&P 100 companies) provide for cumulative voting. In recent years, a number of publicly traded companies have eliminated cumulative voting, often in connection with adopting a majority voting standard or proxy access.
- Cumulative voting gives an advantage to minority shareowners with relatively large holdings, whose interests and objectives may not necessarily align with the views of a majority of our shareowners. These special-interest shareowners (or small groups of such shareowners) could cumulate their votes to elect specific directors who otherwise would not be elected. Such directors may be focused on the special interests or agendas of those who cumulated votes to elect them, which could create divisiveness among Board members and impair the Board's ability to operate effectively.

Both management and the Board of Directors view this proposal to eliminate cumulative voting as an appropriate balancing measure in view of the annual election of UTC's directors, the recently adopted proxy access provisions and the director majority voting standard.

AMENDMENT

The proposed amendment would delete in its entirety the text of Clause (h) of Article Eighth of our Restated Certificate of Incorporation. A copy of the proposed amendment marked with strike-outs to show the deletions, is included in Appendix A. A copy of the complete Restated Certificate of Incorporation is available from the Corporate Secretary at corpsec@corphq.utc.com or Corporate Secretary, UTC, 10 Farm Springs Road, Farmington, CT 06032.

If this proposal to eliminate cumulative voting is approved, the amendment to our Restated Certificate of Incorporation would become effective upon the filing of a Certificate of Amendment with the State of Delaware, which the Company would intend to file promptly following the shareowner vote. Cumulative voting would not be permitted in elections of directors thereafter, including the 2017 Annual Meeting of shareowners. The Board of Directors has also unanimously approved amendments to UTC's Bylaws to incorporate conforming changes to reflect the elimination of cumulative voting, in the event that the amendment to the Restated Certificate of Incorporation is approved by shareowners.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE AMENDMENT TO THE RESTATED CERTIFICATE OF INCORPORATION TO ELIMINATE CUMULATIVE VOTING.	**FOR**

Proposal 4: Advisory Vote to Approve Named Executive Officer Compensation

Each year we ask shareowners to approve, on an advisory basis, the compensation of UTC's Named Executive Officers. We encourage you, before voting, to read the Compensation Discussion and Analysis ("CD&A") on pages 27 to 55, along with the compensation tables on pages 57 to 68, and to consider the information the CD&A provides about the alignment between UTC's performance and our executives' compensation. The CD&A also describes recent changes to our compensation programs that are designed to enhance corporate governance and align executive and shareowner interests.

Under the rules of the Securities and Exchange Commission, your vote is advisory and will not be binding on the Board or the Company. However, the Board will review the voting results and give them serious consideration when making future executive compensation decisions.

As more fully discussed in the CD&A, the fundamental objective of UTC's compensation program is to closely align compensation opportunities with the long-term interests of our shareowners. For senior leadership, the substantial majority of compensation is both stock-based and contingent on performance. We base long-term incentive compensation on the achievement of performance metrics that link directly to sustainable performance and long-term shareowner value. We use relevant benchmarking to assure that overall compensation levels and opportunities align effectively with competitive market practices.

The design and operation of an executive compensation program for a large, complex, global enterprise such as UTC involves multiple objectives. The Board believes that UTC's executive compensation programs have been effective in attracting and retaining senior business leaders with the requisite talent and skills to drive UTC's financial, strategic and operational performance. As described on page 33 of this Proxy Statement, UTC's executive compensation programs are designed to support the following guiding principles:

- **Pay-for-performance:** A substantial portion of compensation should be variable, contingent and directly linked to individual, Company and business unit performance.
- **Shareowner alignment:** The financial interests of executives should be aligned with the long-term interests of our shareowners through stock-based compensation and performance metrics that correlate with long-term shareowner value.
- **Long-term focus:** For our most senior executives, long-term, stock-based compensation opportunities should significantly outweigh short-term, cash-based opportunities. Annual objectives should complement sustainable long-term performance.
- **Competitiveness:** Total compensation should be sufficiently competitive to attract, retain and motivate a leadership team capable of maximizing UTC's performance. Each element should be benchmarked relative to peers.
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Balance: The portion of total compensation contingent on performance should increase with an executive's level of responsibility. Annual and long-term incentive compensation opportunities should reward the appropriate balance of short- and long-term financial, strategic and operational business results.

- **Responsibility:** Compensation should take into account each executive's responsibility to act in accordance with our ethical, environmental, health and safety objectives at all times. Financial and operating performance must not compromise these values. A complete commitment to ethical and corporate responsibility is a fundamental principle incorporated into all aspects of our compensation program.

74

PROPOSAL 4: Advisory Vote to Approve Named Executive Officer Compensation

As in the past, long-term sustainable growth continues to be the driver behind the strategic and financial decisions of our senior executives. This can be seen in our cumulative total return to shareowners over the ten-year period ending December 31, 2015, which equaled 115%. These returns are in excess of results for the Dow Jones Industrial Average (111%) and the S&P 500 (102%) indices for the same period as well as the Capital Goods industry sector (99%), of which UTC is a component. The Board believes that our executive compensation program plays a key role in driving and sustaining this level of performance.

The Board remains committed to robust corporate governance practices and strongly shares the interest of shareowners in maintaining effective, performance-based executive compensation programs at UTC. In that regard, as discussed in the CD&A, the Committee has over the years made a number of changes to our executive compensation programs, often in direct response to input from shareowners. The Board believes that UTC's executive compensation programs have effectively aligned pay with performance by incentivizing strong financial performance while encouraging long-term growth objectives. A balanced, competitive compensation program is also essential for attracting and retaining talented executives.

Accordingly, the Board recommends that shareowners vote FOR the following resolution:

"RESOLVED, that the compensation of UTC's Named Executive Officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, compensation tables and related information provided on pages 27 to 68 of this Proxy Statement, is hereby APPROVED on an advisory basis."

As a matter of law, the approval or disapproval of this Proposal 4 may not be construed as overruling any decision by UTC or the Board, or as imposing any duty or obligation on UTC, the Board or any individual director.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE ABOVE RESOLUTION TO APPROVE, ON AN ADVISORY BASIS, THE COMPENSATION OF UTC'S NAMED EXECUTIVE OFFICERS.	**FOR**

General Information About the Annual Meeting

Your vote is very important.

Please vote your shares in advance of the meeting, using one of the voting methods described below.

To conserve natural resources and reduce costs, we are sending most shareowners a brief Notice of Internet Availability of Proxy Materials, as permitted by SEC rules. This Notice explains how you can access UTC's proxy materials on the Internet and how to obtain printed copies if you prefer. It also explains how you can choose either electronic or print delivery of proxy materials for future Annual Meetings.

WHO CAN VOTE

You are entitled to vote at the Annual Meeting if you owned shares of Common Stock at the close of business on February 29, 2016, which is referred to as the "record date." A list of registered shareowners entitled to vote at the meeting will be available at UTC's offices, 10 Farm Springs Road, Farmington, CT 06032 during the ten days prior to the meeting, and also at the meeting.

ATTENDING THE MEETING

You or your authorized proxy can attend the Annual Meeting if you were a registered or beneficial shareowner of Common Stock at the close of business on February 29, 2016.

We ask that shareowners request tickets in advance to attend.

To request an admission ticket to the Annual Meeting, contact the Corporate Secretary at UTC, 10 Farm Springs Road, Farmington, CT 06032 or by email to: corpsec@corphq.utc.com.

- If you own shares through an account with a broker, bank, trustee or other intermediary, you must also send a copy of an account statement, or a "legal proxy" from your intermediary, showing the number of shares you owned as of the record date.
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If your shares are registered in your name with UTC's stock registrar and transfer agent, Computershare Trust Company, N.A. ("Computershare"), or if you own shares through a UTC employee savings plan, there is no need to provide evidence of ownership of shares. UTC can verify your ownership of Common Stock.

If you forget to bring a ticket, you will be admitted to the meeting only if seats are available and you provide proof of identification and satisfactory evidence that you were a registered or beneficial shareowner of Common Stock as of the record date.

76

GENERAL INFORMATION REGARDING THE ANNUAL MEETING

QUORUM FOR THE MEETING

Under the Company's Bylaws, we can conduct business at the Annual Meeting only if the holders of a majority of the outstanding shares on the record date are present either in person or by proxy. The presence of at least that number of shares constitutes a "quorum". As of the record date, 836,729,909 shares of Common Stock were issued and outstanding.

HOW TO VOTE

If you own shares directly in your name…

If your shares are registered in your name on the records of Computershare, you may vote in several different ways.

- **Vote on the Internet.** You can vote online at: www/proxyvote.com.
- **Vote by Telephone.** In the United States or Canada, you can vote by telephone. Easy-to-follow voice prompts allow you to vote your shares and confirm that your instructions have been properly recorded.
- **Vote by Mobile Device.** You can scan the QR code provided with your proxy materials.

Internet, telephone and mobile device voting facilities will be available 24 hours a day until 11:59 p.m., Eastern Daylight Time, on April 24, 2016 (except for participants in the UTC Employee Savings Plan, who must submit voting instructions earlier, as described below).

To authenticate your Internet, telephone or mobile device vote, you will need to enter your confidential voter control number as shown on the voting materials you received. If you vote online, by telephone or by mobile device, you do not need to return a proxy card or voting instruction card.

- **Vote by Mail.** You can mail the proxy card or voting instruction form enclosed with your printed proxy materials. Mark, sign and date your proxy card or voting instruction form and return it in the postage-paid envelope we have provided, or in an envelope addressed to Vote Processing, c/o Broadridge Financial Solutions, 51 Mercedes Way, Edgewood, NY 11717. Please allow sufficient time for delivery of your proxy card if you decide to vote by mail.

- **Vote at the Annual Meeting.** Most shareowners may vote by submitting a ballot in person at the Annual Meeting. If you have already voted online, by telephone, by mobile device or by mail, your vote at the Annual Meeting will supersede your prior vote.

If you own your shares through an account with a bank, broker, trustee or other intermediary, sometimes referred to as owning in "street name"…

Your intermediary will send you printed copies of the proxy materials or provide instructions on how to access proxy materials electronically. You are entitled to direct the intermediary how to vote your shares by following the voting instructions it provides to you.

If you hold shares in the UTC Employee Savings Plan…

You can direct the voting of your proportionate interest in shares of Common Stock held by the ESOP Fund and the Common Stock Fund under the UTC Employee Savings Plan by returning a voting instruction card or by providing voting instructions via the Internet, by telephone or by mobile device. If you do not provide voting instructions (or if your instructions are incomplete or unclear) as to one or more of the matters to be voted on, the trustee will vote your proportionate interest in shares held by the ESOP Fund for the voting choice that receives the greatest number of votes based on voting instructions received from ESOP Fund participants. Similarly, the trustee will vote your uninstructed proportionate interest in shares held by the Common Stock Fund for the voting choice that receives the greatest number of votes based on voting instructions received from the Common Stock Fund participants. The trustee will vote all shares of Common Stock held in the ESOP Fund that are not allocated to participant accounts for the voting choice that receives the greatest number of votes from ESOP Fund participants who submit voting instructions with respect to their allocated shares.

GENERAL INFORMATION REGARDING THE ANNUAL MEETING

SPECIAL VOTING DEADLINE FOR PARTICIPANTS IN THE UTC EMPLOYEE SAVINGS PLAN: Broadridge Financial Solutions must receive your voting instructions by 11:00 a.m., Eastern Daylight Time, on April 21, 2016, so it will have time to tabulate all voting instructions of participants and communicate those instructions to the trustee, who will vote the shares held by the Savings Plan. Because the trustee is designated to vote on your behalf, you will not be able to vote your shares held in the Savings Plan in person at the meeting.

Revoking a proxy or voting instructions

If you hold shares registered in your name, you may revoke your proxy by:

- Writing to the Corporate Secretary and providing your name and account information
- If you submitted your proxy by telephone, or mobile device via the Internet, by accessing those voting methods and following the instructions given for revoking a proxy
- If you submitted a signed proxy card, by submitting a new proxy card with a later date (which will override your earlier proxy card)
- Voting in person at the Annual Meeting

If you hold your shares in "street name," you must follow the directions provided by your bank, broker, trustee or other intermediary for revoking or modifying your voting instructions.

VOTING PROCEDURES

How shares will be voted

Each share is entitled to one vote (other than in the case of cumulative voting, as described below). Your shares will be voted in accordance with your instructions. In addition, if you have returned a signed proxy card or submitted voting instructions by telephone, mobile device or online, the proxy holders will have, and intend to exercise, discretion to vote your shares (other than shares held in the UTC Employee Savings Plan) in accordance with their best judgment on any matters not identified in this Proxy Statement that are brought to a vote at the Annual Meeting. At present we do not know of any such additional matters.

If your shares are registered in your name and you sign and return a proxy card or vote by telephone, mobile device or online but **do not** give voting instructions on a particular matter, the proxy holders will be authorized to vote your shares on that matter in accordance with the Board's recommendation. If you hold your shares through an account with a broker and **do not** give voting instructions on a matter, under the rules of the New York Stock Exchange your broker is permitted to vote in its discretion only on Proposal 2 (appointment of the Independent Auditor) and is required to withhold a vote on each of the other Proposals, resulting in a so-called "broker non-vote." The impact of abstentions and broker non-votes on the overall vote is shown in the following table.

78

GENERAL INFORMATION REGARDING THE ANNUAL MEETING

Votes required and effect of abstentions and broker non-votes

Matter	Required Vote	Impact of Abstentions	Impact of Broker Non-Votes
Election of Directors	Votes FOR a nominee must exceed 50% of the votes cast with respect to that nominee.	Not counted as votes cast; no impact on outcome.	Not counted as votes cast; no impact on outcome.
Appointment of PricewaterhouseCoopers LLP to serve as Independent Auditor for 2016	Approval by a majority of the votes making up the quorum.	Counted toward quorum; impact is the same as a vote AGAINST.	Not applicable.
Amendment to our Restated Certificate of Incorporation to Eliminate Cumulative Voting for Directors	Approval by a majority of outstanding shares.	Impact is the same as a vote AGAINST.	Impact is the same as a vote AGAINST.
An Advisory Vote to Approve Named Executive Officer compensation	Votes FOR the proposal must exceed votes AGAINST it.	Not counted as votes cast; no impact on outcome.	Not counted as votes cast; no impact on outcome.

Cumulative voting for directors[(1)]

You have the right to "cumulate" your votes in the election of UTC directors. This means you are entitled in the election of directors to a number of votes equal to the number of shares of Common Stock you own, multiplied by the number of directors to be elected. You may cast all of these votes for a single nominee or distribute them among any two or more nominees, in your discretion.

If your shares are registered in your name and you wish to exercise cumulative voting rights, you must submit a proxy card by mail or attend the Annual Meeting and vote in person by ballot. Your proxy card or ballot must specify how you want to allocate your votes among the nominees. The telephone, mobile device and Internet voting facilities do not accommodate cumulative voting.

If you own your shares in "street name," contact your broker, bank, trustee or other intermediary for directions on how to exercise cumulative voting rights using the voting instruction card, or to request a legal proxy so you can vote your shares directly.

The Board of Directors is soliciting discretionary authority to cumulate votes with respect to the election of directors. If shareowners (other than UTC Employee Savings Plan participants) return a signed proxy card or submit voting instructions without providing instructions about cumulative voting, or if shareowners (other than UTC Employee Savings Plan participants) vote by telephone, mobile device or via the Internet, they will confer on the designated proxy holders discretionary authority to exercise cumulative voting. Under this discretionary authority, the designated proxy holders may, if they elect to do so, allocate the aggregate number of votes (other than votes in respect of shares held in the UTC Employee Savings Plan) among the nominees in the manner recommended by the Board of Directors or otherwise determined by the proxy holders. However, the proxy holders will not cast any votes for any nominee for whom you have given instructions to vote against or withhold a vote.

If you do not wish to grant the proxy holders authority to cumulate your votes in the election of directors, you must explicitly state that objection on your proxy card or voting instruction card. The telephone, mobile device and Internet voting facilities do not accommodate objections to granting that authority.

(1) Although the Board has submitted a proposal included at pages 72 to 73 of this Proxy Statement to be voted upon by shareowners at the 2016 Annual Meeting to eliminate cumulative voting in the future, currently shareowners have the right to cumulate their votes.

GENERAL INFORMATION REGARDING THE ANNUAL MEETING

VOTE COUNTING

Broadridge Financial Solutions ("Broadridge"), an independent entity, will receive and tabulate the vote in connection with the Annual Meeting. Representatives of Broadridge will act as the independent Inspectors of Election and in this capacity will supervise the voting, decide the validity of proxies and certify the results.

Broadridge has been instructed that the vote of each shareowner must be kept confidential and may not be disclosed (except in legal proceedings or for the purpose of soliciting shareowner votes in a contested proxy solicitation).

INFORMATION ABOUT PROXY SOLICITATION

Employees of UTC may solicit proxies on behalf of the Board of Directors by mail, email, in person and by telephone. These employees will not receive any additional compensation for these activities. UTC will bear the cost of soliciting proxies and will reimburse banks, brokers, trustees and other intermediaries for their reasonable out-of-pocket expenses for forwarding proxy materials to shareowners. UTC has retained Georgeson Inc. to assist in distributing proxy materials and soliciting proxies for a fee of $16,000, plus out-of-pocket expenses.

ELECTRONIC ACCESS TO PROXY MATERIALS

If you hold shares registered in your name, you may sign up at: http://www.computershare-na.com/green to receive electronic access to proxy materials for future meetings, rather than receiving mailed copies. If you choose electronic access, you will receive an email notifying you when the Annual Report and Proxy Statement are available, with electronic links to access the documents (in PDF and HTML formats) on a website and instructions on how to vote online. Your enrollment for electronic access will remain in effect unless you cancel it, which you can do up to two weeks before the record date for any future annual meeting.

If you own your shares in "street name," you may be able to obtain electronic access to proxy materials by contacting your broker, bank, trustee or other intermediary, or by contacting Broadridge at: http://enroll.icsdelivery.com/utc.

ELIMINATING DUPLICATE MAILINGS

If you share an address with one or more other UTC shareowners, you may have received notification that you will receive only a single copy of the Annual Report, Proxy Statement or Notice of Internet Availability of Proxy Materials for your entire household unless you or another UTC shareowner at that address gives contrary instructions to UTC's stock registrar and transfer agent or to the bank, broker, trustee or other intermediary that provides the notification. This practice, known as "householding," is designed to reduce printing and mailing costs.

Upon written or oral request, UTC will deliver promptly a separate copy of the Annual Report, Proxy Statement or Notice of Internet Availability of Proxy Materials to any shareowner at a shared address to which the Company delivered a single copy of any of these documents. If you wish to receive free of charge a separate Annual Report, Proxy Statement or Notice of Internet Availability of Proxy Materials this year or in the future, or if you are receiving multiple copies at your address and would like to enroll in "householding," please contact UTC's stock registrar and transfer agent, Computershare Trust Company, at 1-800-488-9281. If you own your shares in "street name," please contact your broker, bank, trustee or other intermediary to make your request.

SUBMITTING PROPOSALS AND NOMINATIONS FOR 2017 ANNUAL MEETING

Shareowner Proposals. In order for a shareowner proposal to be considered for inclusion in UTC's Proxy Statement for the 2017 Annual Meeting under SEC Rule 14a-8, our Corporate Secretary must receive such proposal in writing by November 22, 2016.

GENERAL INFORMATION REGARDING THE ANNUAL MEETING

In order to introduce a proposal for vote at the 2017 Annual Meeting (other than a shareowner proposal included in the proxy statement in accordance with SEC Rule 14a-8), UTC's Bylaws require that the shareowner send advance written notice to the Corporate Secretary for receipt no earlier than December 27, 2016 and no later than January 26, 2017. This notice must include the information specified by Section 1.10 of the Bylaws, a copy of which is available at: http://www.utc.com/Our-Company/Corporate-Governance/Pages/Governance-Documents-and-Policies.aspx.

Director Nominations at the 2017 Annual Meeting. UTC's Bylaws require that a shareowner who wishes to nominate a candidate for election as a director at the 2017 Annual Meeting (other than pursuant to the "proxy access" provisions of Section 1.12 of the Bylaws) must send advance written notice to the Corporate Secretary for receipt no earlier than December 27, 2016 and no later than January 26, 2017. This notice must include the information, documents and agreements specified by Section 1.10 of the Bylaws, a copy of which is available at: http://www.utc.com/Our-Company/Corporate-Governance/Pages/Governance-Documents-and-Policies.aspx.

Director Nominations by Proxy Access. UTC's Bylaws require that an eligible shareowner who wishes to have a nominee of that shareowner included in UTC's proxy materials for the 2017 Annual Meeting pursuant to the "proxy access" provisions of Section 1.12 of the Bylaws must send advance written notice to the Corporate Secretary for receipt no earlier than October 23, 2016 and no later than November 22, 2016. This notice must include the information, documents and agreements specified by Section 1.12 of the Bylaws, a copy of which is available at: http://www.utc.com/Our-Company/Corporate-Governance/Pages/Governance-Documents-and-Policies.aspx.

Other Information

Cautionary Note Concerning Factors That May Affect Future Results. This Proxy Statement contains statements which, to the extent they are not statements of historical or present fact, constitute “forward-looking statements” under the securities laws. From time to time, oral or written forward-looking statements may also be included in other information released to the public. These forward-looking statements are intended to provide management’s current expectations or plans for our future operating and financial performance, based on assumptions currently believed to be valid. Forward-looking statements can be identified by the use of words such as “believe,” “expect,” “expectations,” “plans,” “strategy,” “prospects,” “estimate,” “project,” “target,” “anticipate,” “will,” “should,” “see,” “guidance,” “confident” a similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements may include, among other things, statements relating to future sales, earnings, cash flow, results of operations, uses of cash, share repurchases and other measures of financial performance or potential future plans, strategies or transactions. All forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Such risks, uncertainties and other factors include, without limitation:

- the effect of economic conditions in the industries and markets in which we operate in the U.S. and globally and any changes therein, including financial market conditions, fluctuations in commodity prices, interest rates and foreign currency exchange rates, levels of end market demand in construction and in both the commercial and defense segments of the aerospace industry, levels of air travel, financial condition of commercial airlines, the impact of weather conditions and natural disasters and the financial condition of our customers and suppliers;
- challenges in the development, production, delivery, support, performance and realization of the anticipated benefits of advanced technologies and new products and services;
- future levels of indebtedness and capital spending and research and development spending;
- future availability of credit and factors that may affect such availability, including credit market conditions and our capital structure;
- delays and disruption in delivery of materials and services from suppliers;
- customer- and Company-directed cost reduction efforts and restructuring costs and savings and other consequences thereof;
- the scope, nature, impact or timing of acquisition and divestiture activity, including among other things integration of acquired businesses into our existing businesses and realization of synergies and opportunities for growth and innovation;
- new business opportunities;
- our ability to realize the intended benefits of organizational changes;
- the anticipated benefits of diversification and balance of operations across product lines, regions and industries;
- the timing and scope of future repurchases of our common stock;
- the outcome of legal proceedings, investigations and other contingencies;
- pension plan assumptions and future contributions;
- the impact of the negotiation of collective bargaining agreements and labor disputes;
- the effect of changes in political conditions in the U.S. and other countries in which we operate; and

82

OTHER INFORMATION

- the effect of changes in tax, environmental, regulatory (including among other things import/export) and other laws and regulations in the U.S. and other countries in which we operate.

In addition, our 2015 Annual Report on Form 10-K includes important information as to risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. See the “Notes to Consolidated Financial Statements” under the heading “Note 17: Contingent Liabilities,” the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” under the headings “Business Overview,” “Results of Operations,” “Liquidity and Financial Condition,” and “Critical Accounting Estimates,” and the section titled “Risk Factors” in our 2015 Form 10-K. Our Form 10-K also includes important information as to these factors in the “Business” section under the headings “General,” “Description of Business by Segment” and “Other Matters Relating to Our Business as a Whole,” and in the “Legal Proceedings” section. Additional important information as to these factors is included in Exhibit 13 to our 2015 Form 10-K in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” under the headings “Restructuring Costs,” “Environmental Matters” and “Governmental Matters.” The forward-looking statements speak only as of the date of this report or, in the case of any document incorporated by reference, the date of that document. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. Additional information as to factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements is disclosed from time to time in our other filings with the SEC.

Annual Report on Form 10-K for 2015. UTC will provide, without charge, a copy of the UTC Annual Report on Form 10-K for 2015 filed with the SEC to any shareowner upon request directed to: Corporate Secretary, United Technologies Corporation, 10 Farm Springs Road, Farmington, CT 06032, Telephone 1-860-728-7870, or by email to: corpsec@corphq.utc.com.

Corporate Governance Information and Code of Ethics. UTC’s Corporate Governance Guidelines and the charters for each Board Committee are available on UTC’s website: http://www.utc.com/Our-Company/Corporate-Governance/Pages/Governance-Documents-and-Policies.aspx. UTC’s Code of Ethics is available on UTC’s website: http://www.utc.com/Our-Company/Ethics-And-Compliance/Pages/Code-of-Ethics.aspx. Printed copies will be provided, without charge, to any shareowner upon request addressed to the Corporate Secretary. The Code of Ethics applies to all directors and employees, including the principal executive, financial and accounting officers. Shareowners and other interested persons may send communications to the Board, the Chairman, the Lead Director or one or more non-management directors by using the contact information provided on UTC’s website by accessing sequentially “Corporate Governance,” “Board of Directors,” “Contact UTC’s Board.” Shareowners and interested persons also may send communications by letter addressed to the Corporate Secretary at UTC, 10 Farm Springs Road, Farmington, CT 06032 or by contacting the UTC Ombudsman at 1-800-871-9065. These communications will be received and reviewed by UTC’s Global Ethics and Compliance Office. The receipt of concerns about UTC’s accounting, internal controls, auditing matters or business practices will be reported to the Audit Committee. The receipt of other concerns will be reported to the appropriate Committee(s) of the Board. UTC employees also can raise questions or concerns confidentially or anonymously using UTC’s Ombudsman/DIALOG program.

Transactions with Related Persons. UTC has adopted a written policy for the review of transactions with related persons. The policy requires review, approval or ratification of transactions exceeding $120,000 in which UTC is a participant and in which a UTC director, executive officer, a beneficial owner of five percent or more of UTC's outstanding shares, or an immediate family member of any of the foregoing persons has a direct or indirect material interest. Any such transactions must be reported for review by the Corporate Secretary and the Corporate Vice President, Global Compliance, who will determine whether the transaction may be a transaction with a related person, as such term is defined under UTC's policy and the relevant SEC rules. Following review by these officers, the Board's Committee on Nominations and Governance must determine whether the transaction can be approved or not, based on whether the transaction is determined to be in, or not inconsistent with, the best interests of UTC and its shareowners. In making this determination, the Committee must take into consideration whether the transaction is on terms no less favorable to UTC than those

OTHER INFORMATION

available with other parties and the related person's interest in the transaction. UTC's policy permits employment of related persons possessing qualifications consistent with UTC's requirements for non-related persons in similar circumstances, provided the employment is approved by the Executive Vice President & Chief Human Resources Officer and the Corporate Vice President, Global Compliance.

State Street Corporation ("State Street"), acting in various fiduciary capacities, filed a Schedule 13G with the SEC reporting that as of December 31, 2015 State Street and certain of its subsidiaries collectively were the beneficial owners of more than five percent of UTC's outstanding shares of Common Stock. A subsidiary of State Street is the trustee for the UTC Employee Savings Plan Master Trust. Other State Street subsidiaries provide investment management services. During 2015, the Savings Plan Trust paid State Street and its subsidiaries approximately $2.2 million for services as trustee, as investment managers and for administrative and other services.

BlackRock, Inc. ("BlackRock") filed a Schedule 13G with the SEC reporting that as of December 31, 2015 BlackRock and certain subsidiaries collectively were the beneficial owners of more than five percent of UTC's outstanding shares of Common Stock. During 2015, BlackRock acted as an investment manager for certain assets within UTC's pension plans and Employee Savings Plan. BlackRock received approximately $2.9 million for such services.

Each of the relationships described above was reviewed and approved in accordance with UTC's policy for review of transactions with related persons.

Section 16(a) Beneficial Ownership Reporting. Section 16(a) of the Securities Exchange Act of 1934, as amended, requires certain of our officers, as well as each director and any beneficial owner of more than ten percent of UTC Common Stock to file reports with the SEC regarding their holdings and transactions in UTC's equity securities. Based upon a review of these reports as filed with the SEC during or with respect to 2015, and upon written confirmation from our directors and officers, we believe that each director and covered officer met these filing requirements.

UTC is not aware of any beneficial owners of more than ten percent of UTC Common Stock.

Incorporation by Reference. In connection with our discussion of director and executive compensation, we have incorporated by reference in this Proxy Statement certain information from Note 12, Employee Benefit Plans, to the Consolidated Financial Statements in Exhibit 13 to UTC's 2015 Annual Report on Form 10-K filed on February 11, 2016; these are the only portions of such filings that are incorporated by reference in this Proxy Statement.

Company Names, Trademarks and Trade Names. United Technologies Corporation and its subsidiaries' names, abbreviations thereof, logos, and product and service designators are either the registered or unregistered trademarks or trade names of United Technologies Corporation and its subsidiaries. Names of other companies, abbreviations thereof, logos of other companies, and product and service designators of other companies are either the registered or unregistered trademarks or trade names of their respective owners.

84

Appendix A

PROPOSED AMENDMENT TO UTC'S

RESTATED CERTIFICATE OF INCORPORATION

The Restated Certificate of Incorporation of United Technologies Corporation would be amended and restated to reflect the following amendment, in order to delete the current text included in Clause (h) of Article Eighth and replace that text with "[Reserved]":

(h) ~~At all elections of directors of the Corporation, each holder of Common Stock shall be entitled to as many votes as shall equal the number of his shares of such stock multiplied by the number of directors to be elected by the holders of Common Stock, and he may cast all of such votes for a single director or may distribute them among the number to be voted for by the holders of the Common Stock, or any two or more of them as he may see fit.~~ [*Reserved*].

Appendix B

Reconciliation of Non-GAAP Measures to Corresponding GAAP Measures

United Technologies Corporation

Reconciliation of Net Sales to Adjusted Net Sales

(dollars in millions)	2015	2014	2013
Net sales	$56,098	$57,900	$56,600
Adjustments to net sales:			
Pratt & Whitney – charge resulting from customer contract negotiations	$142	—	—
UTC Aerospace Systems – charge resulting from customer contract negotiations	$210	—	—
Adjusted net sales	$56,450	$57,900	$56,600

Reconciliation of Adjusted Net Income from Continuing Operations Attributable to Common Shareowners and Adjusted Diluted Earnings per Share to Corresponding GAAP Measures

(dollars in millions, except per share amounts)	2015	2014	2013
Net income attributable to common shareowners	$7,608	$6,220	$5,721
Less: Income from discontinued operations attributable to common shareowners	-$3,612	-$154	-$456
Net income from continuing operations attributable to common shareowners	$3,996	$6,066	$5,265
Adjustments to net income from continuing operations attributable to common shareowners:			
Restructuring costs	$396	$354	$431
Significant non-recurring and non-operational charges (gains)	$1,446	-$240	-$271
Income tax expense (benefit) on restructuring costs and significant non-recurring and non-operational items	-$617	-$7	-$38
Significant non-recurring and non-operational charges (gains) recorded within income tax expense	$342	-$284	-$154
Total adjustments to net income from continuing operations attributable to common shareowners	$1,567	-$177	-$32
Adjusted net income from continuing operations attributable to common shareowners	$5,563	$5,889	$5,233
Weighted average diluted shares outstanding	883	912	915
Diluted earnings per share — net income attributable to common shareowners	$8.61	$6.82	$6.25
Net income from discontinued operations	$4.09	$0.17	$0.50
Diluted earnings per share—Net income from continuing operations attributable to common shareowners	$4.53	$6.65	$5.75
Impact of non-recurring and non-operational charges (gain) on diluted earnings per share	$1.77	-$0.19	-$0.03
	$6.30	$6.46	$5.72

Adjusted diluted earnings per share—Net income from continuing operations attributable to common shareowners

Reconciliation of Cash Flow From Operating Activities of Continuing Operations to Free Cash Flow

(dollars in millions)	2015	2014	2013
Cash flow provided by operating activities of continuing operations	$6,698	$6,994	$7,314
Less: Capital expenditures	$1,652	$1,594	$1,569
Free cash flow from continuing operations	$5,046	$5,400	$5,745
Net income from continuing operations attributable to common shareowners	$3,996	$6,066	$5,265
Free cash flow from continuing operations as a percentage of net income from continuing operations attributable to common shareowners	126 %	89 %	109 %

86

APPENDIX B

United Technologies Corporation (the "Company") reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP"). However, management believes that certain non-GAAP financial measures provide users with additional meaningful financial information that should be considered when assessing our ongoing performance.

Adjusted Net Sales, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow are non-GAAP financial measures. Adjusted Net Sales represents Net Sales from continuing operations excluding significant items of a non-recurring and non-operational nature. Adjusted Net Income represents net income from continuing operations excluding restructuring costs and other significant items of a non-recurring and non-operational nature. Adjusted Diluted EPS represents diluted earnings per share from continuing operations, excluding restructuring costs and other significant items of a non-recurring and non-operational nature. Free Cash Flow represents cash flow from operating activities of continuing operations less capital expenditures. Management believes Adjusted Net Sales, Adjusted Net Income, Adjusted Diluted EPS are useful in providing period to period comparisons of the results of the Company's ongoing operational performance. Management believes Free Cash Flow is a useful measure of liquidity and an additional basis for assessing the Company's ability to Fund its activities, including the financing of acquisitions, debt service, repurchases of UTC's common stock and distribution of earnings to shareowners. The preceding tables provide a reconciliation of these non-GAAP measures to the corresponding amounts prepared in accordance with generally accepted accounting principles.

Adjusted Net Sales, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow should not be considered in isolation or as substitutes for analysis of the Company's results as reported in accordance with GAAP. Other companies may calculate Adjusted Net Sales, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow differently than the Company does, limiting the usefulness of those measures for comparisons with other companies. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP. Our non-GAAP financial information does not represent a comprehensive basis of accounting.

UNITED TECHNOLOGIES CORPORATION
10 FARM SPRINGS ROAD
FARMINGTON, CT 06032

SCAN TO
VIEW MATERIALS & VOTE

VOTE BY INTERNET - www.proxyvote.com or scan the QR Barcode above.

Use the Internet to transmit your voting instructions and for electronic delivery of information until 11:59 p.m. EDT the day before the meeting date or the earlier cut-off date and time for Savings Plan Participants. Follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via email or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY TELEPHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions until 11:59 p.m. EDT the day before the meeting date or the earlier cut-off date and time for Savings Plan Participants. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

E00129-P71919-Z66951 KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED

UNITED TECHNOLOGIES CORPORATION

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR EACH OF THE FOLLOWING NOMINEES AND FOR PROPOSALS 2, 3 AND 4.

1. Election of Directors	**For**	**Against**	**Abstain**
1a. John V. Faraci	o	o	o
1b. Jean-Pierre Garnier	o	o	o
1c. Gregory J. Hayes	o	o	o
1d. Edward A. Kangas	o	o	o
1e. Ellen J. Kullman	o	o	o
1f. Marshall O. Larsen	o	o	o
1g. Harold McGraw III	o	o	o
1h. Richard B. Myers	o	o	o
1i. Fredric G. Reynolds	o	o	o

For address changes, please check this box and write them on the back where indicated. o

		For	Against	Abstain
1j.	Brian C. Rogers	o	o	o
1k.	H. Patrick Swygert	o	o	o
1l.	André Villeneuve	o	o	o
1m.	Christine Todd Whitman	o	o	o
2.	Appointment of PricewaterhouseCoopers LLP as Independent Auditor for 2016.	o	o	o
3.	Amendment to our Restated Certificate of Incorporation to eliminate cumulative voting for directors.	o	o	o
4.	An advisory vote to approve the compensation of our named executive officers.	o	o	o

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX] Date Signature (Joint Owners) Date

Annual Meeting of Shareowners of United Technologies Corporation

Monday, April 25, 2016, 8:00 a.m. EDT

Held in the Palm Court Ballroom of The Vinoy® Renaissance St. Petersburg

501 5th Avenue NE, St. Petersburg, Florida 33701

The purposes of the meeting are to consider the following matters:

1. Election of the thirteen director nominees listed in the Proxy Statement;

2. Appointment of PricewaterhouseCoopers LLP as Independent Auditor for 2016;

3. Amendment to our Restated Certificate of Incorporation to eliminate cumulative voting for directors;

4. An advisory vote to approve the compensation of our named executive officers; and

5. Other business, if properly raised.

TICKET REQUESTS: We ask that shareowners request a ticket in advance to attend. Please email your request to: corpsec@corphq.utc.com or write to: Corporate Secretary, UTC, 10 Farm Springs Road, Farmington, CT 06032.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:

The Notice and Proxy Statement and Annual Report are available at: www.proxyvote.com.

E00130-P71919-Z66951

PROXY

This Proxy is Solicited on Behalf of the Board of Directors of United Technologies Corporation.

The undersigned hereby appoints John V. Faraci, Edward A. Kangas and H. Patrick Swygert, and each of them, each with power of substitution, as proxies for the undersigned to act and vote at the Annual Meeting of Shareowners of United Technologies Corporation to be held April 25, 2016, and at any postponed or at any reconvened session following any adjournment thereof, as directed on this Proxy Card, upon the matters set forth on the reverse side hereof, all as described in the Proxy Statement, and, in their discretion, upon any other business which may properly come before said meeting. **If this Proxy Card is properly signed and returned but no voting instructions are given, the votes represented by this Proxy Card will be applied in the election of directors, as authorized in the following sentence, as votes for one or more of the nominees listed on the reverse and as votes for each of Proposals 2, 3 and 4. Absent specific instructions to the contrary by the undersigned with respect to cumulative voting, the persons named as proxies herein shall have full discretionary authority to vote the shares represented by a properly signed and returned Proxy Card cumulatively for all or less than all of such nominees listed on the reverse and to allocate such votes among all or less than all of such nominees (other than any one or more nominees for whom instructions have been given to vote against or abstain) in the manner as the Board of Directors shall recommend or otherwise in the proxies' discretion.**

This Proxy Card also constitutes voting instructions to the Trustee under each of the UTC employee savings plans to vote, in person or by proxy, the proportionate interest of the undersigned in the shares of Common Stock of UTC held by the Trustee under any such plan(s) as described in the Proxy Statement. Such voting instructions must be received by 11:00 a.m. EDT on April 21, 2016. **If voting instructions are not received by that time, the plan shares will be voted by the Trustee as described in the Proxy Statement.** The undersigned hereby revokes all proxies previously given by the undersigned to vote at the Annual Meeting of Shareowners or any adjournment or postponement thereof.

You are encouraged to specify your choices by marking the appropriate boxes (SEE REVERSE SIDE), but you need not mark any boxes if you wish to vote in accordance with the Board of Directors' recommendations. The proxies designated above cannot vote these shares unless you sign and return this Proxy Card.

Address Changes:

(If you noted any Address Changes above, please mark the corresponding box on the reverse side.)