

Summary of Benefits **2016**

For those considering employment at a UTC U.S. location as a salaried or hourly management represented employee.

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Benefits to Support Our Employees

We're excited that you're considering employment at United Technologies Corporation (UTC). Innovation isn't just who we are, it's how we deliver benefits that change lives. You will find that our core offering is comprehensive and flexible, so you can pick the coverage that works best for you and your family. And, you will also find that we have some innovative benefits that get to the heart of what is important ... supporting our employees:

Good Health Incentives

Get healthy, stay healthy and get rewarded when you commit to good health. UTC makes it rewarding for our employees and their enrolled spouses/domestic partners to achieve and maintain a healthy lifestyle.



Our kids on the Autism spectrum have a voice! Most UTC medical plans cover therapies (speech, occupational, physical and ABA [applied behavior analysis]) used in the treatment of autism.

Best Doctors

Personalized consultation from world renowned experts will review your medical diagnosis and help determine the best treatment option.



**SMILOW CANCER HOSPITAL
AT YALE-NEW HAVEN**

Find comfort in the concierge service provided exclusively to UTC families, which offers **practical support to navigate a cancer diagnosis.**

EMPLOYEE SCHOLAR PROGRAM

Expand your knowledge and capabilities through one of the most comprehensive company-sponsored employee education programs in the world.

HelloWallet

Realize financial fitness with access to high-quality, individualized behavior-based financial guidance. Learn to prioritize financial decisions based on your personal circumstances and goals.

Lifetime
INCOME STRATEGY

Save for your future with the flexible UTC Savings Plan investment option, which allows you to establish a secure and steady stream of retirement income that will last your lifetime.

**Dr DOCTOR
ON DEMAND**

Video chat with a doctor or licensed psychologist using your mobile device or tablet.

This brochure briefly summarizes the benefits package for potential candidates who are considering employment with UTC. UTC's employee benefit programs may change from time to time. Candidates considering employment should confirm what benefits they will be provided before accepting a job offer. Newly hired employees are provided with a more comprehensive benefits overview on their start date. The benefits described are for full-time salaried and hourly management represented employees. Part-time employee benefits vary based on eligibility and scheduled work hours. Your contact in Human Resources can answer questions regarding part-time benefits.

Medical

UTC offers three HDHP with HSA medical plan options from which to choose. (HDHP with HSA stands for High Deductible Health Plan with Health Savings Account). All three HDHP options have a lot in common:

- Access to a national network of health care providers and facilities to help you save money
- In-network preventive care is covered at 100% before the deductible
- The same services are covered, like doctor office visits, hospital care, lab work and X-rays
- Comprehensive Autism coverage is included
- Mental Health / Substance Abuse coverage is included
- Prescription drug benefits that are administered by CVS/caremark
- The same level of benefits — called coinsurance — is paid after you meet the deductible
- There is a “safety net” (known as a medical out-of-pocket maximum)

However, they differ in what you pay to have coverage (your premiums) and what you pay when you receive care (your deductible and medical out-of-pocket maximum).

Live in California?

The Kaiser HDHP may also be available to you if you live within the Kaiser network area.

Who Is Eligible for Coverage

You can elect to cover:

- Yourself,
- You plus your spouse,
- You plus your children, *or*
- You plus your family.

Eligible dependents include your legal spouse, civil union or domestic partner (if covered on at least one UTC health plan as of December 31, 2015), children up to age 26 and disabled children regardless of their age (if they became disabled while covered as your dependent and depend on you for support). Eligible children include: natural or legally adopted children, pre-adopted children (if you have assumed custody and have applied for adoption), step-children, children for whom you are the court appointed legal guardian and children of a same-gender civil union or domestic partner.

The coverage you elect will go into effect 31 calendar days after your hire date. What you pay for coverage depends on the plan you choose and the coverage level you select. You can also waive medical coverage.

What an HSA Is and Why You Want One

A Health Savings Account (HSA) is like a savings plan for health care expenses. It's an interest-bearing account that can help offset current health care costs, as well as build savings for future health care costs (such as in retirement).

The only way to have an HSA is to be enrolled in an HDHP. With an HSA, money comes out of your pay before taxes. You can elect to contribute pre-tax dollars to an HSA up to the IRS limit.

The tax-free dollars in an HSA roll over from year to year, and you can use this money now or anytime in the future for eligible health care expenses (such as prescription drugs, vision or dental expenses and medical costs you have to pay through coinsurance). HSA withdrawals are not taxed as long as they are used for eligible health care expenses.

Out-of-Pocket Costs With the HDHP Options

Here are your out-of-pocket costs when you receive in-network care.

Coverage for You Only

	HDHP Option 1	HDHP Option 2	HDHP Option 3
Your Deductible Amount you pay before UTC starts to share the cost of most services with you	\$1,600	\$2,400	\$3,500
	+		
Your Medical Coinsurance Maximum Most you pay in one year for coinsurance for eligible costs after you meet your deductible	\$1,600	\$2,400	\$3,050
	=		
Your Medical Out-of-Pocket Maximum Most you pay (your deductible + medical coinsurance) before the plan pays 100% of eligible costs for the rest of the year	\$3,200	\$4,800	\$6,550

Coverage for You and Your Family

	HDHP Option 1	HDHP Option 2	HDHP Option 3
Your Deductible Amount you pay before UTC starts to share the cost of most services with you	\$3,200	\$5,100	\$6,850
	+		
Your Medical Coinsurance Maximum Most you pay in one year for coinsurance for eligible costs after you meet your deductible	\$3,650	\$5,800	\$6,250
	=		
Your Medical Out-of-Pocket Maximum Most you pay (your deductible + medical coinsurance) before the plan pays 100% of eligible costs for the rest of the year	\$6,850	\$10,900	\$13,100

Meeting the Family Deductible and Medical Out-of-Pocket Maximum

For family coverage (you + one or more dependents), there are no individual limits for the deductible. This means that you must meet the family deductible before the plan starts paying anything toward your medical expenses, and you will continue to pay coinsurance until you meet the family medical out-of-pocket maximum. There is an in-network individual limit for the out-of-pocket maximum. This means no individual covered under a family plan will pay more than \$6,850 toward his or her deductible and coinsurance combined.

Cost for Coverage

Your paycheck premium depends on which plan you choose and who you cover. Here are the monthly medical premiums:

	You Only	You + Spouse	You + Child(ren)	You + Family
HDHP with HSA Medical and Prescription Drug Coverage				
Option 1	\$107.00	\$343.00	\$254.00	\$488.00
Option 2	\$55.00	\$188.00	\$139.00	\$317.00
Option 3	\$0.00	\$73.00	\$56.00	\$131.00

Note: The premiums shown are for full-time employees with a base pay of more than \$30,000 (more than \$14.43 per hour). Your Human Resources contact can provide part-time rates, if needed.

Dental

UTC offers three dental plan options:

- **The Preventive Plan** covers preventive and diagnostic services only, such as routine exams and cleanings.
- **The Comprehensive Plan** provides a broader range of dental services, including corrective, replacement and orthodontic services.
- **The Cigna Dental Care Plan** (a DHMO) covers a broad range of dental services, but you must use the plan’s network providers to receive benefits.

You also have the option to waive coverage.

Plan Benefits

	Preventive Plan*	Comprehensive Plan*	Cigna Dental Care
Deductible (What you pay before the plan shares the cost of basic and major care, if applicable...)			
Individual	N/A	\$50	N/A
Employee + 1		\$100	
Family		\$150	
Covered Services (What the plan pays...)			
Preventive Care Routine exams, cleanings, X-rays, fluoride treatments	100% (no deductible)	100% (no deductible)	Many services are covered at 100% after a copay (copay amount varies based on treatment received)
Basic Care Fillings, extractions, root canal therapy	Not covered	80% after deductible	
Major Care Crowns, bridgework	Not covered	50% after deductible	
Orthodontia Braces	Not covered	100% (no deductible)	
Benefit Maximums (Most the plan will pay in benefits per person...)			
Preventive, Basic and Major Care (if covered)	Each year for preventive care only: \$1,750	Each year for preventive, basic and major care: \$1,750	No limit
Orthodontia	N/A	Lifetime: \$1,500	No limit

*Benefits are based on reasonable and customary (R&C) charge, as determined by Cigna.

Cost for Coverage

Your paycheck premium depends on which dental plan you choose and who you cover. Here are the monthly dental premiums:

	You Only	You + Spouse	You + Child(ren)	You + Family
Dental				
Preventive	\$5.00	\$16.00	\$17.00	\$28.00
Comprehensive	\$24.00	\$50.00	\$57.00	\$84.00
Cigna Dental Care	\$13.00	\$28.00	\$30.00	\$45.00

Note: The premiums shown are for full-time employees. Your Human Resources contact can provide part-time rates, if needed.

Tax-Advantaged Accounts

UTC offers tax-advantaged accounts that help you lower the cost of two major types of expenses that many families face every day: health care and dependent care expenses. You can contribute tax-free money to your accounts and use that money to pay for eligible expenses.

Here are the types of tax-advantaged accounts offered.

Health Savings Account (HSA)

Available If You Enroll in an HDHP

You can save money in an interest-bearing HSA to help pay for future health care costs (such as in retirement), or you can use the money to pay for eligible health care expenses this year. Any withdrawals you make to pay for eligible health care expenses are not taxed. The money you save plus any interest you earn in your HSA is tax-free (as long as you use it to pay for eligible health care expenses). You can contribute to your HSA through pre-tax payroll deductions or in a lump sum sent directly to PayFlex.

For 2016, you can contribute up to \$3,350 for individual coverage and \$6,750 for family coverage. Once you reach age 55, and each year thereafter, you are eligible to make an additional annual "catch-up" contribution of up to \$1,000 to your HSA for that year.

Health Care Spending Account (HCSA)

Available If You Waive Medical Coverage

You can contribute from \$120 up to \$2,550 on an annual pre-tax basis to an HCSA to pay for eligible medical, dental (including orthodontia) and vision expenses.

Dependent Care Spending Account (DCSA)

You can contribute from \$120 up to \$5,000 a year tax-free to pay for eligible child and/or elder care expenses so that you (or you and your spouse) can work, look for work or attend school full-time. Eligible expenses include:

- Child care for your children younger than age 13, including:
 - Child care provided in your home (by someone who is not your dependent),
 - Licensed nursery school or day care center, *and*
 - Summer day camps (day care expenses only).
- Elder care for your eligible dependents, in-home or at eligible facilities.

Vision

The UTC Vision Plan, administered by VSP Vision Care (VSP), provides benefits for eye exams and prescription eyeglasses or contact lenses. The Vision Plan provides benefits through a nationwide network of qualified private practice doctors. Using providers in this network saves you money.

In-Network Benefit Highlights

Here are some of the services covered by the Vision Plan. Your out-of-pocket costs would be higher if you receive care from an out-of-network provider.

In-Network (VSP Choice) (VSP Doctors and Affiliate Providers)*	
Eye Exam (once per calendar year)	
WellVision Exam®* Focuses on your eyes and overall wellness	Plan pays 100% after \$10 copay
Prescription Glasses (once per calendar year)	
Frame	Plan pays up to \$150 after \$20 copay for prescription glasses (frame and lenses combined); receive 20% discount on any remaining amount you have to pay
Lenses Single vision, lined bifocal and lined trifocal lenses for adults and polycarbonate lenses for dependent children	Plan pays 100% after \$20 copay for prescription glasses (frame and lenses combined)
Contact Lenses (once per calendar year)	
Contacts (instead of glasses) <i>Contact lenses and contact lens exam (fitting and evaluation)</i>	<ul style="list-style-type: none"> ▪ Contact lenses: Plan pays up to \$150 ▪ Contact lens exam: Receive 15% discount

*Coverage with a retail chain affiliate may be different.

Cost for Coverage

Your paycheck premium depends on who you cover. Here are the monthly vision premiums:

	You Only	You + Spouse	You + Child(ren)	You + Family
Vision				
VSP	\$8.52	\$17.04	\$18.23	\$29.14

Note: The premiums shown are for full-time employees. Your Human Resources contact can provide part-time rates, if needed.

Life, Accidental Death and Dismemberment and Business Travel Accident Insurance

Life Insurance

Life insurance helps you protect your family's financial security. It's there to provide a benefit to your beneficiary in the event of your death. This benefit can prove to be a valuable source of income to cover unexpected expenses that your family may have to absorb, such as funeral expenses or uncovered medical debt.

UTC offers Employee Basic Life Insurance. In addition, the Company offers several other life insurance options, which can provide you with more coverage in the event of your death or the death of your spouse or child:

- Employee Supplemental Life Insurance,
- Spouse Life Insurance, *and*
- Child Life Insurance.

Depending on the coverage you choose, you may be required to submit Evidence of Insurability (EOI), which is medical information regarding the condition of your health before you are approved for certain levels of coverage. The table below summarizes the life insurance coverage options.

Benefits At-A-Glance

Life Insurance Options	Coverage Options
Employee Basic Life Insurance	<ul style="list-style-type: none">■ Flat coverage of \$10,000 or \$50,000■ 1 times base pay (no cost to you)■ No coverage
Employee Supplemental Life Insurance	<ul style="list-style-type: none">■ 1 to 9 times base pay up to a maximum of \$5,000,000■ No coverage
Spouse Life Insurance	<ul style="list-style-type: none">■ 7 options available, ranging from no coverage to \$250,000
Child Life Insurance	<ul style="list-style-type: none">■ 4 options available, ranging from no coverage to \$10,000 per child

Accidental Death and Dismemberment (AD&D) Insurance

UTC offers Accidental Death and Dismemberment (AD&D) benefits that are paid to your beneficiary if your death is the result of an accident. AD&D benefit coverage applies regardless of whether the accident occurs at work or away from work. Depending on your eligibility, options for coverage are:

- A flat coverage amount of either \$10,000 or \$50,000,
- One to five times your base pay, *or*
- No coverage.

UTC pays for coverage equal to two times your base pay at no cost to you.

Business Travel Accident Insurance

UTC provides Business Travel Accident Insurance of four times your base salary at no cost to you if your death is a result of an accident while on authorized business travel anywhere in the world.

UTC Savings Plan

The UTC Savings Plan is designed to provide you with two opportunities to save for your retirement. First is the opportunity to save for your own future with support from UTC in the form of a matching contribution. Second, there is a company automatic contribution that you receive even if you decide not to participate in the Savings Plan.

Your Contributions

You will be eligible to enroll in the UTC Savings Plan any time after your date of hire. Generally, you may elect to save from 1% to 40% of your pay on a before tax, Roth 401(k) and/or after tax basis. You are always vested in the value of your own contributions, which are adjusted for any earnings or losses.

Company Contributions

UTC will match 60% of the first 6% of your contributions to the UTC Savings Plan with shares of company stock. Company matching contributions will not be made until one year after your date of hire. Generally, you become vested in UTC matching contributions after you complete a total of two years of participation in the Savings Plan or after you complete three years of continuous service with UTC or any of its affiliates, whichever comes first.

You will receive a company automatic contribution each pay period, regardless of whether you contribute to the Savings Plan. The company's automatic contribution will begin 45 days after your date of hire. The contribution percentage will be based on your age as of December 31 of each calendar year as follows:

Age as of December 31	Contribution Percentage
Up to age 30	3.0%
Age 30–34	3.5%
Age 35–39	4.0%
Age 40–44	4.5%
Age 45–49	5.0%
Age 50 or older	5.5%

Company automatic contributions will be invested in the same investment option(s) as your contribution(s). In the absence of an investment election, these contributions will be directed to the Lifetime Income Strategy. Also, company automatic contributions will vest in the same manner as company matching contributions. You will receive more information on contributing to the UTC Savings Plan should an offer be extended and you accept it.

What Happens If You Don't Enroll

If you have not enrolled in the Savings Plan within 45 days after your date of hire, you will be automatically enrolled at a contribution rate of 6% of your before-tax eligible earnings. Your contributions will be automatically directed to the Lifetime Income Strategy. The Lifetime Income Strategy offers built-in diversification within a single option, with the added benefit of access to a steady and secure income stream for the rest of your life. Also, your contribution rate will automatically increase by 1% of your eligible pay each year in April until it reaches 10%. You can change these default elections at any time after being automatically enrolled in the UTC Savings Plan. If you do not wish to contribute to the Savings Plan, you must change your contribution rate to 0%.

HelloWallet

HelloWallet is an online financial tool that helps its members manage their financial life and provides personalized guidance to assist in saving money, paying down debt and creating financial goals. HelloWallet membership is free to UTC employees.

You can use HelloWallet in a unique and powerful way to put your finances on autopilot and free up time and money to do the things you love in life. With HelloWallet, you will receive practical guidance for achieving your financial goals. You can monitor transactions across accounts in one place, create a budget and automatically track your financial progress.

Critical Illness Insurance and Accident Insurance

Health care bills and other expenses can really add up if you're diagnosed with a serious illness or have an accident. To help you meet those expenses, UTC offers the option to enroll in Critical Illness Insurance and/or Accident Insurance coverage.

These benefits are designed to pay a lump-sum cash payment for certain covered situations.

Time Away From Work

UTC offers several benefits to provide a continued source of income if you are unable to work because of an illness, injury, surgery or pregnancy. The disability benefits consist of a combination of sick days, short-term disability and long-term disability coverage.

Sick Days

UTC offers paid sick days after 30 days of continuous service. The paid sick days schedule is shown in the table below. Note that Hourly Management Represented Employees in certain locations may follow a separate sick day schedule. Your Human Resources contact can provide more information, if needed.

Continuous Service as of December 31 of the Current Calendar Year	Number of Paid Sick Days
30 days through 5 months	5
6 months but less than 1 year	10
1 year but less than 2 years	15
2 years	20
3 years	25
4 years	30
5 years up to 24 years	5 days are accrued for each year of additional service
25+ years	130

Sick days are restored at the beginning of each calendar year.

Short-Term Disability (STD) Insurance

Employees who are unable to work because of an illness, injury or surrogacy will continue to be paid at 100% until they have exhausted their sick days. Employees who have exhausted their sick days and are still unable to return to work will continue benefits coverage through short-term disability for up to a total of 26 weeks (for most employees). Short-term disability benefits are paid at 60% of base pay, up to a maximum annual base pay of \$250,000.

Note: Time off related to birth is covered under our birth & adoption leave. Refer to the Additional Leaves section for details.

Long-Term Disability (LTD) Insurance

UTC offers long-term disability insurance, which provides a steady stream of income if you become totally disabled while employed by UTC. The benefits are based on your base pay at the time you become disabled and begin after any sick days and/or short-term disability benefits end, which is after 26 weeks (for most employees). You may choose one of the following:

- 50% of base pay
- 60% of base pay
- 66 $\frac{2}{3}$ % of base pay

UTC provides you with a level of coverage equal to 60% of your base pay; you make no contribution for this option. You can choose to buy down to the 50% of base pay coverage level or buy up to the 66 $\frac{2}{3}$ % of base pay coverage level.

Vacation

The vacation eligibility during the first year is based on the month of hire as follows:

Month of Hire	Number of Paid Vacation Days
January	10
February	9
March	8
April	7
May	6
June	5
July	4
August	3
September	2
October	1
November	0
December	0

After the 1st calendar year, the vacation schedule for UTC is based on your years of continuous service:

Years of Continuous Services as of December 31 of the Current Calendar Year	Number of Paid Vacation Days
1–4 years	10
5–14 years	15
15–20 years	20
21–25+ years	21–25 (one additional day each year)

Purchased Vacation

In addition to the company-provided vacation you are eligible for, you can purchase up to five additional vacation days per year with pre-tax dollars to be used in the next calendar year. The cost for a day of additional vacation equals your base pay for eight hours. Vacation days can only be purchased during the Annual Enrollment period that occurs each fall.

Holidays

Paid holidays at UTC are as follows:

- New Year's Day
- Spring Holiday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving
- The day after Thanksgiving

In addition to the holidays listed above, many UTC locations are closed for winter break from Christmas Day through New Year's Day. Your Human Resources contact can provide information about the local schedule, if needed.

Additional Leaves

UTC offers several other types of leaves.

Birth & Adoption Leave

UTC offers up to eight weeks with full pay and benefits if you are a birth mother, legally adopt a child, receive a surrogate child or become a legal guardian of a child under 18 years of age. The time off must be taken consecutively with no breaks starting on the date of the event.

Note: Birth mothers of surrogate children are not eligible for birth & adoption leave. However, they may be eligible for short-term disability (STD) benefits.

Parental Leave

UTC offers up to four weeks with full pay and benefits if you are a birth mother, legally adopt a child, are the spouse of a birth mother, receive a surrogate child or become the legal guardian of a child under 18 years of age. The time off may be taken consecutively or weekly based on your regularly scheduled work week over a 12-month period from the date of the event.

Note: Birth mothers of surrogate children are not eligible parental leave. However, they may be eligible for short-term disability (STD) benefits.

Family and Medical Leave of Absence (FMLA)

UTC offers an unpaid leave of absence for the birth, adoption or placement of a child, and for the serious health condition of an employee or an employee's family member. An unpaid leave is also available to care for an ill or injured covered service member or covered veteran or because of any qualifying exigency arising out of the fact that the employee's spouse, child or parent is on covered active duty. UTC complies with both State and Federal regulations regarding the Family and Medical Leave Act (FMLA).

Note: Birth & adoption leave and parental leave run concurrent with FMLA.

Absent With Permission

You are eligible to take up to five paid personal days with your supervisor's permission. Personal days are to be used for personal business that cannot be conducted outside of the normal work hours. Additionally, you can take three personal days without pay with your supervisor's permission.

Bereavement Leave

UTC offers up to three paid days to attend the funeral of an immediate family member. Immediate family members include your spouse, same-gender domestic partner, children, stepchildren, parents, parents-in-law, stepparents, siblings, grandparents, grandparents-in-law, sisters-in-law and brothers-in-law.

Jury Duty

If you are called to jury duty, UTC will continue to pay your regular base pay during your absence. You may keep any juror's fees you receive.

Leave of Absence

UTC offers a leave of absence of up to 30 unpaid days with department manager approval to attend to personal business.

Military Leave

If you are a member of the National Guard or a reserve member of one of the United States Armed Forces and are required to be absent from work for the purpose of active annual training duty, encampment, special training or for temporary emergency duty, you will be granted pay for the period during which you are on leave as an employee.

Additional Benefits

Adoption Assistance

UTC provides adoption assistance to employees who wish to legally adopt a child under 18 years of age. The Company provides a reimbursement, up to a maximum of \$3,000 per child, for the expenses relating to the legal adoption.

Employee Assistance Program (EAP)

The Employee Assistance Program (EAP) is available to assist employees and their families who are experiencing work performance difficulty as a result of alcoholism, drug dependency or personal or medical problems. The voluntary, confidential counseling and guidance service is an effective professional approach to personal problem resolution.

Employee Scholar Program

UTC encourages employees to continue their formal education outside of their normal working hours for the benefit of both the employee and UTC. The Company pays for tuition, academic fees and books, up to certain limits, for employees who wish to pursue a higher education. Employees must achieve the required grades and be enrolled in a degree-granting program at a UTC-approved and accredited educational institution. Employees are entitled to paid time off for half their classroom hours per week (up to a maximum of three hours per week).

Flexible Work Arrangements

Flexible work arrangements (such as a part-time schedule, job sharing and telecommuting) may be available as an alternative to meet unique or evolving business and/or personal needs. The determination of the need for a flexible work arrangement must be approved by the department manager.

Lifeworks

Lifeworks is an employee resource and referral program that helps you manage personal issues at work or at home, including education, child issues, adult issues (financial and legal referrals), questions about preparing for retirement, elder issues and much more. It's an easy-to-use, confidential online resource to help balance work/life.

Other Benefits

In addition to the benefits described, certain UTC locations offer several other benefits that may include:

- American Eagle Credit Union
- Matching Gift Program
- Mini-Grant Program
- On-Site UTC Fitness Center
- Service Awards

Deals and Discounts

UTC has arranged for a multitude of deals and discounts for its employees. Deals and discounts include (subject to change):

- Automobile
- Cell Phones
- Computers/Electronics
- Cultural Events & Museums
- Home & Auto Insurance
- Group Legal
- Residential Products
- Travel



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