

# **EXHIBIT F**

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2009**

**Commission file number 1-812**

**UNITED TECHNOLOGIES CORPORATION**

(Exact name of registrant as specified in its charter)

**DELAWARE**

(State or other jurisdiction of incorporation or organization)

**06 0570975**

(I.R.S. Employer Identification No.)

**One Financial Plaza, Hartford, Connecticut**

(Address of principal executive offices)

**06103**

(Zip Code)

**Registrant's telephone number, including area code: (860) 728-7000**

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class  
**Common Stock (\$1 par value)**  
(CUSIP 913017 10 9)

Name of each exchange on which registered  
**New York Stock Exchange**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of the voting Common Stock held by non-affiliates at June 30, 2009 was approximately

**UNITED TECHNOLOGIES CORPORATION**

**Annual Report on Form 10-K for  
Year Ended December 31, 2009**

Whenever reference is made in this Form 10-K to specific sections of UTC's 2009 Annual Report to Shareowners (2009 Annual Report), those sections are incorporated herein by reference. United Technologies Corporation and its subsidiaries' names, abbreviations thereof, logos, and product and service designators are all either the registered or unregistered trademarks or tradenames of United Technologies Corporation and its subsidiaries. Names, abbreviations of names, logos, and product and service designators of other companies are either the registered or unregistered trademarks or tradenames of their respective owners. As used herein, the terms "we," "us," "our" or "UTC," unless the context otherwise requires, mean United Technologies Corporation and its subsidiaries.

**PART I**

**Item 1. Business**

**General**

United Technologies Corporation was incorporated in Delaware in 1934. **UTC provides high technology products and services to the building systems and aerospace industries worldwide.** Growth is attributable to acquisitions and the internal development of our existing businesses. The following description of our business should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2009 Annual Report, especially the information contained therein under the heading "Business Overview."

Our operating units include businesses with operations throughout the world. Otis, Carrier and UTC Fire & Security (collectively referred to as the commercial businesses) serve customers in the commercial and residential property industries worldwide. Carrier also serves commercial, industrial, transport refrigeration and food service equipment customers. Pratt & Whitney, Hamilton Sundstrand and Sikorsky (collectively referred to as the aerospace businesses) primarily serve commercial and government customers in both the original equipment and aftermarket parts and services markets of the aerospace industry. Hamilton Sundstrand and Pratt & Whitney also serve customers in certain industrial markets. For 2009, our commercial and industrial revenues (generated principally by our commercial businesses) were approximately 58 percent of our consolidated revenues, and commercial aerospace and military aerospace revenues were approximately 21 percent and 21 percent, respectively, of our consolidated revenues. Revenues for 2009 from outside the United States, including U.S. export sales, were 59 percent of our total segment revenues.

This Form 10-K and our quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to those reports are available free of charge through the Investor Relations section of our Internet website (<http://www.utc.com>) under the heading "SEC Filings" as soon as reasonably practicable after these reports are electronically filed with, or furnished to, the Securities and Exchange Commission (SEC). Our SEC filings are also available for reading and copying at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site (<http://www.sec.gov>) containing reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

**Description of Business by Segment**

We conduct our business through six principal segments: Otis, Carrier, UTC Fire & Security, Pratt & Whitney, Hamilton Sundstrand and Sikorsky. Each segment groups similar operating companies and the management organization of each segment has general operating autonomy over a range of products and services. The principal products and services of each segment are as follows:

Otis —elevators, escalators, moving walkways and service.

Carrier—heating, ventilating, air conditioning (HVAC) and refrigeration systems, controls, services and energy efficient products for residential, commercial, industrial and transportation applications.

UTC Fire & Security—fire and special hazard detection and suppression systems and firefighting equipment, security, monitoring and rapid response systems and service and security personnel services.

Pratt & Whitney —commercial, military, business jet and general aviation aircraft engines, parts and services, industrial gas turbines, geothermal power systems and space propulsion.

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Most of the U.S. laws governing environmental matters include criminal provisions. If we were convicted of a violation of the federal Clean Air Act or Clean Water Act, the facility or facilities involved in the violation would be ineligible to be used in performing any U.S. government contract we are awarded until the Environmental Protection Agency certified that the condition giving rise to the violation had been corrected.

We conduct our businesses through subsidiaries and affiliates worldwide. Changes in legislation or government policies can affect our worldwide operations. For example, governmental regulation of refrigerants and energy efficiency standards, elevator safety codes and fire safety regulations are important to the businesses of Carrier, Otis and UTC Fire & Security respectively, while government safety and performance regulations, restrictions on aircraft engine noise and emissions and government procurement practices can impact our aerospace businesses.

### Intellectual Property and Raw Materials

We maintain a portfolio of patents, trademarks, licenses and franchises related to our businesses. While this portfolio is cumulatively important to our business, we do not believe that the loss of any one or group of related patents, trademarks, licenses or franchises would have a material adverse effect on our overall business or on any of our operating segments.

We believe we have adequate sources for our purchases of materials, components, services and supplies used in our manufacturing. We work continuously with our supply base to ensure an adequate source of supply and to reduce costs. We pursue cost reductions through a number of mechanisms, including consolidating our purchases, reducing the number of suppliers, strategic global sourcing and using online bidding competitions among potential suppliers. In some instances, we depend upon a single source of supply or participate in commodity markets that may be subject to allocations of limited supplies by suppliers. Like other users in the United States, we are largely dependent upon foreign sources for certain raw materials requirements such as cobalt (Finland, Norway, Russia and Canada), tantalum (Australia and Canada), chromium (South Africa, Kazakhstan, Zimbabwe and Russia) and rhenium (Chile, Kazakhstan and Germany). We have a number of ongoing programs to manage this dependence and the accompanying risk, including long-term agreements and the conservation of materials through scrap reclamation and new manufacturing processes. We believe that our supply management practices are based on an appropriate balancing of the foreseeable risks and the costs of alternative practices. Although recent high prices for some raw materials important to some of our businesses (steel, copper, aluminum, titanium and nickel) have caused margin and cost pressures, we do not foresee any near term unavailability of materials, components or supplies that would have an adverse effect on our overall business or on any of our business segments. For further discussion of the possible effects of the cost and availability of raw materials on our business, see Item 1A, "Risk Factors" in this Form 10-K.

### Employees and Employee Relations

At December 31, 2009, our total employment was approximately 206,700, approximately 65 percent of which represents employees based outside the United States. During 2009, we renegotiated twelve domestic multi-year collective bargaining agreements, the largest of which covered certain workers at Sikorsky, Otis and Carrier. In 2010, numerous collective bargaining agreements are subject to renegotiation, the largest of which cover certain workers at Pratt & Whitney, Carrier and Hamilton Sundstrand. Although some previous contract renegotiations have had a significant impact on our financial condition or results of operations, particularly at Sikorsky, we do not anticipate such problems in the renegotiation of the above contracts that would either individually or in the aggregate have a material adverse effect on our financial condition or results of operations. For discussion of the effects of our restructuring actions on employment, see Item 3, "Legal Proceedings" in this Form 10-K and under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 12 to the Consolidated Financial Statements in our 2009 Annual Report.

For a discussion of other matters which may affect our financial condition, results of operations or cash flows, including the risks of our international operations, see the further discussion under the headings "General" and "Description of Business by Segment" in this section, Item 1A, "Risk Factors" in this Form 10-K, and under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2009 Annual Report.

### Cautionary Note Concerning Factors That May Affect Future Results

This Form 10-K 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 materials 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," "plans," "strategy," "prospects," "estimate," "project," "target," "anticipate," "guidance" and other words of similar meaning in connection with a discussion of future operating or financial performance. These include, among others, statements relating to:

- future revenues, earnings, cash flow, uses of cash and other measures of financial performance;

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### Executive Officers of the Registrant

The following persons are executive officers of United Technologies Corporation:

<u>Name</u>	<u>Title</u>	<u>Other Business Experience Since 1/1/2005</u>	<u>Age 2/11/2010</u>
Alain Bellemare	President, Hamilton Sundstrand Corporation (since January 2009)	President, Pratt & Whitney Canada	48
Ari Bousbib	President, Commercial Companies and Executive Vice President (since 2008)	President, Otis Elevator	48
J. Thomas Bowler, Jr.	Senior Vice President, Human Resources and Organization (since 2007)	Vice President, Human Resources, United Technologies Corporation; Vice President, Human Resources and Organization, Pratt & Whitney	57
William M. Brown	President, UTC Fire & Security (since 2006)	President, Asia Pacific, Carrier Corporation	47
Louis R. Chênevert	Director (since 2006), Chairman (since January 2010), President (since 2006) and Chief Executive Officer (since 2008)	President and Chief Operating Officer, United Technologies Corporation; President, Pratt & Whitney	52
Geraud Darnis	President, Carrier Corporation (since 2001)	—	50
<b>Charles D. Gill</b>	<b>Senior Vice President and General Counsel (since 2007)</b>	<b>Vice President and General Counsel, and Secretary, Carrier Corporation; Executive Assistant to Chairman and Chief Executive Officer, United Technologies Corporation</b>	<b>45</b>
Gregory J. Hayes	Senior Vice President and Chief Financial Officer (since 2008)	Vice President, Accounting and Finance, United Technologies Corporation; Vice President, Accounting and Control, United Technologies Corporation; Vice President, Controller, United Technologies Corporation	49
David P. Hess	President, Pratt & Whitney (since January 2009)	President, Hamilton Sundstrand Corporation; President, Hamilton Sundstrand Aerospace Power Systems	54
Didier Michaud-Daniel	President, Otis Elevator (since 2008)	President, Otis United Kingdom and Central Europe Area, Otis Elevator	52
Jeffrey P. Pino	President, Sikorsky Aircraft (since 2006)	Senior Vice President, Corporate Strategy, Marketing & Commercial Programs, Sikorsky Aircraft	55
Thomas I. Rogan	Vice President, Treasurer (since 2001)	—	57
Margaret M. Smyth	Vice President, Controller (since 2007)	Vice President and Chief Accounting Officer, 3M Co.; Managing Partner, Deloitte & Touche	46

All of the officers serve at the pleasure of the Board of Directors of United Technologies Corporation or the subsidiary designated.

Information concerning Section 16(a) compliance is incorporated herein by reference to the section of our Proxy Statement for the 2010 Annual Meeting of Shareowners titled "Other Matters" under the heading "Section 16(a) Beneficial Ownership Reporting Compliance." We have adopted a code of ethics that applies to all our directors, officers, employees and representatives. This code is publicly available on our website at <http://www.utc.com/Governance/Ethics/Code+of+Ethics>. Amendments to the



## Notes to Consolidated Financial Statements

### Note 1: Summary of Accounting Principles

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from those estimates. Certain prior year amounts have been reclassified to conform to the current year's presentation.

*Consolidation* . The Consolidated Financial Statements include the accounts of UTC and its controlled subsidiaries. Intercompany transactions have been eliminated.

*Cash and Cash Equivalents* . Cash and cash equivalents includes cash on hand, demand deposits and short-term cash investments that are highly liquid in nature and have original maturities of three months or less.

On occasion, we are required to maintain cash deposits with certain banks in respect to contractual obligations related to acquisitions or divestitures or other legal obligations. As of December 31, 2009 and 2008, the amount of restricted cash was approximately \$43 million and \$310 million, of which approximately \$41 million and \$35 million is included in current assets and \$2 million and \$275 million is included in long-term assets, respectively.

*Accounts Receivable* . Current and long-term accounts receivable include retainage of \$156 million and \$154 million and unbilled receivables of \$902 million and \$852 million as of December 31, 2009 and 2008, respectively.

Retainage represents amounts that, pursuant to the applicable contract, are not due until project completion and acceptance by the customer. Unbilled receivables represent revenues that are not currently billable to the customer under the terms of the contract. These items are expected to be collected in the normal course of business. Long-term accounts receivable are included in other assets in the Consolidated Balance Sheet.

*Marketable Equity Securities* . Equity securities that have a readily determinable fair value and that we do not intend to trade are classified as available for sale and carried at fair value. Unrealized holding gains and losses are recorded as a separate component of shareowners' equity, net of deferred income taxes.

*Inventories and Contracts in Progress* . Inventories and contracts in progress are stated at the lower of cost or estimated realizable value and are primarily based on first-in, first-out (FIFO) or average cost methods; however, certain subsidiaries use the last-in, first-out (LIFO) method. If inventories that were valued using the LIFO method had been valued under the FIFO method, they would have been higher by \$147 million and \$176 million at December 31, 2009 and 2008, respectively. The year-over-year decline largely results from a decrease in inventories associated with the disposition of certain businesses in our Carrier segment.

Costs accumulated against specific contracts or orders are at actual cost. Inventory in excess of requirements for contracts and current or anticipated orders have been reserved as appropriate. Manufacturing costs are allocated to current production and firm contracts.

*Fixed Assets* . Fixed assets are stated at cost. Depreciation is computed over the fixed assets' useful lives using the straight-line method.

*Goodwill and Intangible Assets* . Goodwill represents costs in excess of fair values assigned to the underlying net assets of acquired businesses. Goodwill and intangible assets deemed to have indefinite lives are not amortized. Goodwill and indefinite-lived intangible assets are subject to annual impairment testing using the guidance and criteria described in the Intangibles – Goodwill and Other Topic of the FASB ASC. This testing compares carrying values to fair values and, when appropriate, the carrying value of these assets is reduced to fair value. During 2009, 2008, and 2007, we were not required to record any impairment on goodwill or indefinite-lived intangibles.

Intangible assets consist of service portfolios, patents and trademarks, customer relationships and other intangible assets. Useful lives of finite lived intangible assets are estimated based upon the nature of the intangible asset and the industry in which the intangible asset is used. Estimated useful lives of service portfolios generally range from 5 to 30 years. **Estimated useful lives of patents and finite-lived trademarks range from 3 to 40 years.** Estimated useful lives of customer relationships and other assets range from 2 to 32 years. These intangible assets are amortized based on the pattern in which the economic benefits of the intangible assets are consumed. If a pattern of economic benefit cannot be reliably determined, a straight-line amortization method is used.

*Other Long-lived Assets* . We evaluate the potential impairment of other long-lived assets when appropriate. If the carrying value of other long-lived assets exceeds the sum of the undiscounted expected future cash flows, the carrying value is written down to fair value.

*Income Taxes* . In the ordinary course of business there is inherent uncertainty in quantifying our income tax positions. We assess our income tax positions and record tax benefits for all years subject to examination based upon management's evaluation of the facts, circumstances, and information available at the reporting date. For those tax positions where it is more-likely-than-not that a tax benefit will be sustained, we have recorded the largest amount of tax benefit with a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For

asset valuation allowances and income tax uncertainties after the acquisition date generally affect income tax expense. These changes are effective on a prospective basis for all of our business combinations for which the acquisition date is on or after January 1, 2009, with the exception of the accounting for valuation allowances on deferred taxes and acquired tax contingencies. Adjustments for valuation allowances on deferred taxes and acquired tax contingencies associated with acquisitions that closed prior to January 1, 2009 would also apply the revised accounting for business combination provisions.

During the measurement period we will recognize additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisitions date that, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period shall not exceed one year from the acquisition date. Further, any associated restructuring activities will be expensed in future periods and not recorded through purchase accounting as previously done for acquisitions occurring prior to January 1, 2009.

There was no significant impact on our acquisition activity in 2009 from the changes in the provisions of accounting for business combinations.

The assets and liabilities of the acquired businesses are accounted for under the purchase method of accounting and recorded at their fair values at the dates of acquisition. The excess of the purchase price over the estimated fair values of the net assets acquired was recorded as an increase in goodwill of \$630 million in 2009, \$825 million in 2008, and \$1.8 billion in 2007. The results of operations of acquired businesses have been included in the Consolidated Statement of Operations beginning as of the effective date of acquisition.

**Goodwill.** The changes in the carrying amount of goodwill, by segment, are as follows:

(in millions of dollars)	Balance as of January 1, 2009	Goodwill resulting from business combinations	Foreign currency translation and other	Balance as of December 31, 2009
Otis	\$ 1,193	\$ 150	\$ 39	\$ 1,382
Carrier	3,270	36	(54)	3,252
UTC Fire & Security	5,074	259	308	5,641
Pratt & Whitney	1,037	165	35	1,237
Hamilton Sundstrand	4,423	20	53	4,496
Sikorsky	249	—	1	250
Total Segments	15,246	630	382	16,258
Eliminations and other	117	—	(77)	40
Total	\$ 15,363	\$ 630	\$ 305	\$ 16,298

**Intangible Assets.** Identifiable intangible assets are comprised of the following:

(in millions of dollars)	2009		2008	
	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
<b>Amortized:</b>				
Service portfolios	\$ 1,814	\$ (833)	\$ 1,625	\$ (700)
Patents and trademarks	369	(120)	333	(103)
Other, principally customer relationships	2,624	(1,047)	2,460	(825)
	4,807	(2,000)	4,418	(1,628)
<b>Unamortized:</b>				
Trademarks and other	731	—	653	—
Total	\$ 5,538	\$ (2,000)	\$ 5,071	\$ (1,628)

Amortization of intangible assets in 2009 and 2008 was \$347 million and \$363 million, respectively. Amortization of these intangible assets for 2010 through 2014 is expected to approximate \$280 million per year.

### Note 3: Earnings Per Share

(in millions of dollars, except per share amounts)	2009	2008	2007
Net income attributable to common shareowners	\$3,829	\$4,689	\$4,224
Basic weighted average shares outstanding	917.4	937.8	963.9
Stock awards	11.4	18.6	24.9
Diluted weighted average shares outstanding	928.8	956.4	988.8
<b>Earnings per share of Common Stock:</b>			
Basic	\$ 4.17	\$ 5.00	\$ 4.38
Diluted	\$ 4.12	\$ 4.90	\$ 4.27

The computation of diluted earnings per share excludes the effect of the potential exercise of stock awards, including stock appreciation rights (SARs) and stock options when the average market price of the common stock is lower than the exercise price of the related SARs and options during the period. These outstanding stock awards are not included in the computation of diluted earnings per share because the effect would have been antidilutive. For 2009 and 2008, the number of stock awards excluded from the computation was 20.2 million and 8.9 million, respectively. There were no antidilutive stock awards outstanding for 2007. Effective January 1, 2009, we adopted the provisions under the Consolidation Topic of the FASB ASC as it relates to the accounting for noncontrolling interests in Consolidated Financial Statements. This Topic requires that the amount of net income attributable to the noncontrolling interests be included in consolidated net income on the face of the income statement. Earnings per share have not been affected as a result of the adoption of the provisions under this Topic. Additional information pertaining to the accounting for noncontrolling interests is included in Note 9.