

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 20, 2005

UNITED TECHNOLOGIES CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-812
(Commission File Number)

06-0570975
(I.R.S. Employer
Identification No.)

One Financial Plaza
Hartford, Connecticut 06103
(Address of principal executive offices, including zip code)

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

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01.—Entry into a Material Definitive Agreement

At the 2005 Annual Meeting of Shareowners of United Technologies Corporation (“UTC”) held on April 13, 2005, UTC’s shareowners approved the United Technologies Corporation 2005 Long Term Incentive Plan (the “2005 LTIP”), previously filed on April 18, 2005 on Form 8-K. The 2005 LTIP provides that the terms and conditions of awards granted by UTC to its directors, executive officers and employees under the 2005 LTIP will be set forth in written award agreements. No awards under the 2005 LTIP have been made to directors or executive officers to date. Schedules of Terms and model Award Agreements for restricted stock and non-qualified stock option grants under the 2005 LTIP are attached hereto as Exhibits 10.1, 10.2, 10.3 and 10.4 and are hereby incorporated by reference.

Item 8.01.—Other Events

On September 14, 2005, UTC’s Board of Directors approved a change in UTC’s Corporate Governance Guidelines to add the following new paragraph concerning voting in elections of directors:

“Voting for Directors. Any director that receives a majority of outstanding shares designated “withheld” in an uncontested election shall tender his or her resignation for consideration by the Committee on Nominations and Governance . The Committee shall evaluate the best interests of the Corporation and its shareholders and shall recommend to the Board the action to be taken. The Committee may take into account the exercise of cumulative voting in making its recommendation. The Board shall act promptly with respect to such tendered resignation.”

The complete text of UTC’s Corporate Governance Guidelines is available in the Governance section of UTC’s website: www.utc.com.

Item 9.01 Financial Statements and Exhibits**(c) Exhibits**

<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.1	Schedule of Terms for restricted stock awards granted under the United Technologies Corporation 2005 Long Term Incentive Plan
10.2	Award Agreement for restricted stock awards granted under the United Technologies Corporation 2005 Long Term Incentive Plan
10.3	Schedule of Terms for non-qualified stock option awards granted under the United Technologies Corporation 2005 Long Term Incentive Plan
10.4	Award Agreement for non-qualified stock option awards granted under the United Technologies Corporation 2005 Long Term Incentive Plan

SIGNATURES

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

UNITED TECHNOLOGIES CORPORATION
(Registrant)

Date: September 20, 2005

By: /s/ Debra A. Valentine

Debra A. Valentine
Vice President, Secretary and Associate General Counsel

EXHIBIT INDEX

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United Technologies Corporation
2005 Long Term Incentive Plan

Restricted Stock Award

Schedule of Terms

RESTRICTED STOCK AWARD

United Technologies Corporation (the "Corporation") hereby awards certain restricted shares of United Technologies Corporation common stock ("Award"), subject to the terms set forth herein and the terms of the United Technologies Corporation 2005 Long Term Incentive Plan (the "LTI Plan"). The recipient of the Award (the "Recipient"), the number of shares awarded, the end of the restricted holding period (the "Vesting Date") and/or the date performance objectives relative to the Award must be achieved ("Vesting Achievement Date") are set forth in the Statement of Award issued to the Recipient (the "Statement of Award"). This Award will become effective upon the Recipient's signing and returning the appropriate portion of the Statement of Award to the Program Administrator – Stock Options.

RESTRICTION ON TRANSFERABILITY

The certificate for the restricted shares of common stock of the Corporation or the electronic records of such shares maintained by the Corporation's transfer agent will evidence the restriction prohibiting the Recipient, as registered owner of the shares, from assigning, selling or otherwise transferring any interest in the shares (the "Restriction"). The Restriction will be removed upon satisfaction of vesting requirements, unless the restricted shares are forfeited earlier, as provided herein.

VESTING

The Recipient will be entitled to sell or otherwise dispose of the shares at any time after satisfying applicable vesting requirements. Vesting may be time based, requiring continued employment for a specified period of time; performance based, requiring achievement of specified performance objectives; or a combination of time and performance based criteria. Awards may provide a time based Vesting Date with the possibility of accelerated vesting if specified performance objectives are achieved prior to such Vesting Date. If the

Recipient's employment with the Corporation is terminated prior to the Vesting Date or Vesting Achievement Date (as applicable) or if performance objectives are not satisfied by the Vesting Achievement Date, the Recipient will forfeit the shares and will receive no value for such shares, except as provided for under the "TERMINATION OF EMPLOYMENT" section that follows. If the recipient engages in certain types of misconduct, vested shares may be cancelled without payment and gains realized in prior sales of vested shares may be subject to recapture by the Corporation (see "FORFEITURE OF INTERESTS AND GAINS," below.)

SHAREHOLDER RIGHTS

During the period of time that the Restriction remains in effect, the Recipient shall be the record owner of the shares represented by the Award and shall, unless forfeited prior to the Vesting Date or Vesting Achievement Date, be entitled to all rights of ownership with respect to the shares, including, without limitation, the right to vote the shares and to receive any dividends therein, except that the Recipient will not have the right to sell, transfer, encumber, pledge or otherwise convey any interest in the shares.

TERMINATION OF EMPLOYMENT

In the event that the Recipient terminates employment prior to the Vesting Date or Vesting Achievement Date, the Recipient's rights in the Restricted Stock Award shall be forfeited immediately unless the Committee, in its sole discretion, acts to vest a Recipient in all, or a portion of, the Award.

NONASSIGNABILITY

During the period that the Restriction is in effect, no assignment or transfer of any interest of the Recipient of any of the rights represented by the Award, whether voluntary or involuntary, by operation of law or otherwise, shall be permitted except by will or the laws of descent and distribution.

ADJUSTMENTS

If the Corporation effects a subdivision or consolidation of shares of common stock or other capital readjustment, the payment of a stock dividend, or other increase or reduction of the number of shares of outstanding common stock without receiving consideration therefor in money, services or property, the number of shares of common stock represented by an Award shall be adjusted in the same manner and to the same extent as all other shares of common stock of the Corporation.

CHANGE OF CONTROL

In the event of a change of control or restructuring of the Corporation, the Committee on Compensation and Executive Development of the Corporation's Board of Directors (the "Committee") may, in its discretion, take certain actions with respect to outstanding Awards to assure fair and equitable treatment of LTI Plan participants. Such actions may include: acceleration of the Vesting Date; offering to purchase an outstanding Award from the holder for its equivalent cash value (as determined by the Committee); or providing for other adjustments or modifications to outstanding Awards as the Committee may deem appropriate.

For purposes of the Plan, a "change of control" means: (i) the acquisition of 20% of the Corporation's outstanding voting shares by a person, entity or group (as defined in Section 13(d)(3) of the Securities Exchange Act of 1934); (ii) a change in the majority of the Board of Directors such that the members of the new majority are not approved by two-thirds of the incumbent members; (iii) a merger, reorganization, or consolidation or similar transaction resulting in a business combination where shareowners before the transaction own less than 50% of the new entity, or a person, entity or group owns 20% or more of the shares of the new entity; or (iv) a dissolution or liquidation of the Corporation.

NOTICES

Every notice or other communication relating to the LTI Plan, the Award or this Schedule of Terms shall be delivered electronically or mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by such party. Notices by the Recipient to the Corporation shall be mailed to or delivered to the Corporation at its office at United Technologies Building, MS504, Hartford, CT 06101, Attention: Program Administrator – Stock Options, or emailed to stockoptionplans@utc.com and all notices by the Corporation to the Recipient shall be transmitted to the Recipient's email address or mailed to his or her address as shown on the records of the Corporation.

ADMINISTRATION

Awards granted pursuant to the LTI Plan shall be interpreted and administered by the Committee provided, however, that awards to non-employee directors shall be administered by the Committee on Nominations and Governance. The Committee shall establish such procedures as it deems necessary and appropriate to administer Awards in a manner that is consistent with the terms of the LTI Plan.

Pursuant to the terms of the LTI Plan, the Committee may delegate to employees of the Corporation its authority and responsibility to grant, administer and interpret Restricted Stock Awards. Subject to certain limitations, the Committee has delegated to the Chief Executive Officer the authority to grant Restricted Stock Awards, and has further delegated the authority to administer and interpret such Awards to the Senior Vice President, Human Resources and Organization, and to such subordinates as he or she may further delegate, except that Awards to employees of the Corporation who are either reporting persons under Section 16 of the Securities Exchange Act of 1934 (“Insiders”) or members of the Corporation’s Executive Leadership Group will be granted, administered, and interpreted exclusively by the Committee and awards to non-employee directors will be granted, administered and interpreted exclusively by the Committee on Nominations and Governance.

PAYMENT BY RECIPIENT

Except as provided under the caption “TAXES/WITHHOLDING” below, no payment shall be required of the Recipient at the time he or she receives a Restricted Stock Award or at the time the Restriction is removed.

TAXES/WITHHOLDING

The Recipient shall be responsible for any income or other tax liability attributable to any Award (including any dividends therein). The Committee shall take such steps as are appropriate to assure compliance with applicable federal, state and local tax withholding requirements with respect to the grant of the Award or the removal of any Restriction. The Corporation shall, to the extent permitted by law, have the right either to withhold directly from any payment or delivery of shares due the Recipient or from the Recipient’s regular compensation or shall require, as a condition of the removal of the Restriction, the payment by the Recipient of all federal, state and local taxes of any kind required by law to be withheld with respect to any Award.

RIGHT OF DISCHARGE RESERVED

Nothing in this or any Award made pursuant thereto shall confer upon any Recipient the right to continue in the employment or service of the Corporation or any affiliate thereof for any period of time or affect any right that the Corporation or any subsidiary or division may have to terminate the employment or service of such Recipient at any time for any reason.

FORFEITURE OF INTERESTS AND GAINS

Restricted shares, whether or not vested, shall be forfeited and a Recipient will be obligated to repay gains realized from the sale of shares if the Recipient is terminated for “cause” or if during the twelve month period following termination the Recipient solicits any employee of the Corporation for a position outside of the Corporation or publicly disparages the Corporation or otherwise makes statements materially detrimental to the interests of the Corporation. Termination for cause means criminal conduct involving a felony in the U.S. or the equivalent of a felony under the laws of other countries, material violations of civil law related to the Recipient’s job responsibilities, fraud, dishonesty, self-dealing, breach of the Recipient’s intellectual property agreement or willful misconduct that the Committee determines to be injurious to the Corporation. In the event of termination for cause, or if, following termination, the Corporation determines that the Recipient engaged in conduct that constituted the basis for termination for cause, or if the Recipient engages in prohibited disparagement or solicitation of employees following termination, the Recipient shall be obligated to repay all gains realized from LTI Plan awards during the 12 month period preceding the earlier of the date of termination for cause, the date of the relevant misconduct, or the date the misconduct is discovered, as applicable.

NATURE OF PAYMENTS

All Awards made pursuant to the LTI Plan are in consideration of services performed for the Corporation or affiliate employing the Recipient. Any gains realized pursuant to such Awards constitute a special incentive payment to the Recipient and shall not be taken into account as compensation for purposes of any of the employee benefit plans of the Corporation or any affiliate.

INTERPRETATIONS

This Schedule of Terms and each Statement of Award are subject in all respects to the terms of the LTI Plan. In the event that any provision of this Schedule of Terms or any Statement of Award is inconsistent with the terms of the LTI Plan, the terms of the LTI Plan shall govern. Any question of interpretation or administration arising under this Schedule of Terms or any Statement of Award shall be determined by the Committee or its delegate, such determination to be final and conclusive upon all parties in interest.

AWARDS NOT TO AFFECT OR BE AFFECTED BY CERTAIN TRANSACTIONS

Restricted Stock Awards shall not affect in any way the right or power of the Corporation or its shareholders to effect (a) any or all adjustments, recapitalizations, reorganizations or other changes in the Corporation's capital structure or its business, (b) any merger or consolidation of the Corporation, (c) any issue of bonds, debentures, preferred or prior preference stocks holding any priority or preference to, or otherwise affecting the common stock of the Corporation or the rights of holders of such common stock, (d) the dissolution or liquidation of the Corporation, (e) any sale or transfer of all or any part of its assets or business, or (f) any other corporate act or proceeding.

Except as otherwise expressly provided in this Schedule of Terms, the issue by the Corporation of shares of stock of any class, or securities convertible into shares of stock of any class, for cash or property, or for labor or services, either upon direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Corporation convertible into such shares or other securities, shall not affect and no adjustment by reason thereof shall be made with respect to the number of outstanding shares subject to an Award hereunder.

GOVERNING LAW

The LTI Plan, this Schedule of Terms, and each Statement of Award shall be governed by and construed in accordance with the laws of the State of Delaware.



2005 LONG TERM INCENTIVE PLAN AWARD
Restricted Stock Award

RESTRICTED STOCK AWARD

Date of Grant: _____ Vesting Date:*

_____ Vesting Achievement Date:* (Date by which performance objectives described in attachment must be achieved)

Shares Awarded: Value on Date of Grant:

The award shown in this statement is nontransferable and is subject to the terms and conditions of the United Technologies Corporation 2005 Long Term Incentive Plan.

PLEASE SIGN AND DATE PORTION BELOW THE PERFORATION AND RETURN IT IN ENVELOPE PROVIDED



2005 LONG TERM INCENTIVE PLAN AWARD
Restricted Stock Award

RESTRICTED STOCK AWARD

Date of Grant: _____ Vesting Date:*

_____ Vesting Achievement Date:* (Date by which performance objectives described in attachment must be achieved)

Shares Awarded: Value on Date of Grant:

The award shown in this statement is nontransferable and is subject to the terms and conditions of the United Technologies Corporation 2005 Long Term Incentive Plan

Please sign this form and return it in the enclosed envelope to the:

**PROGRAM ADMINISTRATOR – STOCK OPTIONS
UNITED TECHNOLOGIES CORPORATION
UNITED TECHNOLOGIES BUILDING, MS 504
HARTFORD, CONNECTICUT 06101**

I acknowledge receipt of this Restricted Stock Award and the attached Schedule of Terms describing my Award. I accept this Award subject to such Schedule of Terms and under the United Technologies Corporation 2005 Long Term Incentive Plan.

Signed _____ Date _____

* Applicable vesting standard is marked. If both lines are marked with an "x", vesting occurs on earlier of vesting date or achievement of performance objectives.

**United Technologies Corporation
2005 Long Term Incentive Plan**

Non-Qualified Stock Option Award

Schedule of Terms

Non-Qualified Stock Option

United Technologies Corporation (the "Corporation") hereby awards to the recipient Non-Qualified Stock Options (an "Award") pursuant to the United Technologies Corporation 2005 Long Term Incentive Plan (the "LTI Plan"). An Award is subject to this Schedule of Terms and the terms and provisions of the LTI Plan.

A Non-Qualified Stock Option (an "Option") is the right to purchase, at a future date, a specific number of shares of Common Stock of the Corporation ("Common Stock") at a price equal to the closing price reported on the composite tape of the New York Stock Exchange for such shares on the date of the Option grant. The number of shares for which the Option is awarded and the Option price per share are set forth in the Statement of Non-Qualified Stock Option Award (the "Statement of Award"). The recipient must acknowledge and accept the terms and conditions of the Option Award by signing and returning the appropriate portion of the Statement of Award to the Stock Option Program Administrator.

Vesting

The Option vesting date and expiration date are each set forth in the Statement of Award. Options may be exercised any time on or after the vesting date until the earlier of:

- (i) The expiration date specified in the Statement of Award, at which time the Options and all associated rights lapse; or

- (ii) Termination of employment in which case the right to exercise vested Options shall be for a specified time period following the date of termination, as described in “Termination of Employment” (see below).

Exercise and Payment of Options

While actively employed, Options may be exercised any time on or after the vesting date through the expiration date. The Option to purchase shares will expire without value on or before the expiration date. It is the responsibility of the Award recipient, or a designated representative, to exercise Options in a timely manner. The Corporation assumes no responsibility for and will make no adjustments with respect to Options that expire.

Options may be exercised through one of two procedures set forth below. For stock option exercises processed utilizing the procedures described in (i) below, the value of Common Stock will be the closing price reported on the composite tape of the New York Stock Exchange on the date of exercise. For stock option exercises processed utilizing the procedures described in (ii) below, the value of Common Stock will be the actual transaction price.

- (i) Award recipients may exercise Options by completing and sending the UTC Exercise Form to the Stock Option Program Administrator, identifying the number of Options to be exercised and paying the required Option price in U.S. dollars by check or bank draft or by tendering shares of Common Stock (utilizing procedures authorized by the Program Administrator for tendering shares). The date of exercise will be the date of postmark or delivery of a completed form (with an original signature) and check for the cost of exercise to the Program Administrator; or

An Award recipient may follow the above procedure by using a broker or other authorized representative. As above, a completed UTC Exercise Form (with an original signature) must be submitted with the check for the cost of exercise to the Program Administrator.

- (ii) Alternatively, Award recipients may utilize the “cashless” exercise method where neither cash nor shares are tendered by the Award recipients in payment of the exercise price. To facilitate the cashless exercise of Options, an Award recipient must establish an account with a designated broker at one of the security brokerage firms approved by the Corporation.

Under the cashless procedure, an Award recipient notifies the designated broker of the Award date and number of Options to be exercised. The broker provides the Award recipient with the exercise form and notifies the Program Administrator. The designated broker will sell shares of Common Stock sufficient to cover the exercise price of the Options to be exercised plus required tax withholding amounts and wire transfer the sales proceeds to the Corporation. The Corporation will then deliver to the designated broker the number of shares equal to the number of Options exercised. The broker retains the number of shares sold to cover the exercise price and tax withholding. The net shares remaining will, at the Award recipient’s election, either be placed in the Award recipient’s account with the brokerage firm or sold on the open market with net cash proceeds delivered to the Award recipient by the designated broker.

In a cashless exercise, reported taxable income will be based on the actual transaction price as reported by the broker to the Program Administrator, rather than the closing price reported on the composite tape of the New York Stock Exchange on the date of exercise.

The cashless exercise method may not be used if the Corporation determines in its sole discretion that the transaction may constitute a prohibited loan to the executive or otherwise violates regulatory requirements or may cause special reporting requirements.

Termination of Employment

If an Award recipient terminates employment for any reason other than death, disability, or retirement, or unless the recipient meets the “Rule of 65” (see below), unvested Options will be cancelled as of the termination date. Vested Options may be exercised for a period of 90 calendar days following the termination date (but not beyond the expiration date of the Option).

Retirement. Retirement eligibility includes:

- (i) Attainment of age 65 as of the employment termination date; or
- (ii) Attainment of at least age 55 with 10 or more years of service as of the employment termination date.

Upon retirement, the Award recipient may exercise vested Options (i.e. those held for at least three years while continuously employed) for three years following the date of retirement or until the expiration of the Option, whichever is earlier. Unvested Options that have been held for at least one year prior to the date of retirement will become exercisable as of the retirement date and the Award recipient will then have a three year period following the retirement date to exercise these Options (but in no event beyond the Option expiration date).

However, the following rule applies if the Award recipient is eligible for retirement per above and the Corporation consents to the retirement: The Award recipient may exercise vested Options until the expiration of the Option. Unvested Options that have been held for at least one year prior to the retirement date will become exercisable as of the retirement date and the Award recipient will have the full remaining term of the Option to exercise these Options.

The Corporation’s consent will be at the sole discretion of the Corporation based on its ability to effectively transition the Award recipient’s responsibilities as of the retirement date and such other factors as it may deem appropriate.

In all cases, options held for less than one year prior to the retirement date will be cancelled without value.

Rule of 65: The Award recipient meets the “Rule of 65” if the Award recipient terminates employment on or after age 50, but before age 55, and the sum of the Award recipient’s age and years of service add up to 65 or more as of the employment termination date. The Award recipient who meets the “Rule of 65” may exercise vested Options for three years following the employment termination date or until the expiration of the Option, whichever is earlier. Unvested Options that have been held for at least one year prior to the employment termination date will vest as of the termination date and the Award recipient will have a three year period following the termination date to exercise these Options (or until the expiration of the Options, if earlier).

Service used to determine eligibility for retirement or the “Rule of 65” will be based on continuous service recognized under the Award recipient’s UTC retirement plan.

Disability. If your employment terminates by reason of disability, you may exercise the options you are already vested in for up to three years from the date of termination (or until the expiration of the option, if earlier). As long as you remain disabled under your UTC disability plan, options not yet vested will vest as scheduled and you then have three years following the vesting date in which to exercise those options.

Death. In the event of the death of an Award recipient, the legal representative of the estate of the Award recipient may exercise all Options outstanding as of the date of death, whether or not vested, for a period of one year following the date of death, regardless of the expiration date of the Option.

Transfer. In the event of transfer to an Affiliate, an Award recipient shall not be considered to have terminated employment for purposes of an Option.

Rehire. If a former employee is rehired before the end of the 90 day period immediately following the date

of termination, unexercised vested Options and unvested Options that were cancelled because of the termination of employment will be reinstated. Options that received accelerated vesting at termination will be subject to the original vesting schedule upon re-hire. If a terminated employee is rehired after the 90 day period immediately following the date of termination, the employee will be treated as a new employee and cancelled Options will not be reinstated.

Adjustments

If the Corporation effects a subdivision or consolidation of shares of Common Stock or other capital adjustment, the number of shares of Common Stock then remaining subject to an Award shall be adjusted in the same manner and to the same extent as all other shares of Common Stock of the Corporation. In the event of material changes in the capital structure of the Corporation resulting from: the payment of a special dividend (other than regular quarterly dividends) or other distributions to shareowners without receiving consideration therefore; the spin-off of a subsidiary; the sale of a substantial portion of the Corporation's assets; in the event of a merger or consolidation in which the Corporation is not the surviving entity; or other extraordinary non-recurring events affecting the Corporation's capital structure and the value of Common Stock, equitable adjustments shall be made in the terms of outstanding awards, including the number of shares of Common Stock subject to an Option, as the Committee, in its sole discretion, determines are necessary or appropriate to prevent the dilution or enlargement of the rights of Award recipients.

Change of Control

In the event of a change of control or restructuring of the Corporation, the Committee or Compensation and Executive Development of the Corporation's Board of Directors (the "Committee") may, in its discretion, take certain actions with respect to outstanding Awards to assure fair and equitable treatment of LTI Plan participants. Such actions may include: acceleration of the Vesting Date; offering to purchase an outstanding Award from the holder for its equivalent cash value (as determined by the Committee); or providing for other adjustments or modifications to outstanding Awards as the Committee may deem appropriate.

For purposes of the Plan, a "change of control" means: (i) the acquisition of 20% of the Corporation's outstanding voting shares by a person, entity or group (as defined in Section 13(d)(3) of the Securities Exchange Act of 1934); (ii) a change in the majority of the Board of Directors such that the members of the new majority are not approved by two-thirds of the incumbent members; (iii) a merger, reorganization, or consolidation or similar transaction resulting in a business combination where shareowners before the transaction own less than 50% of the new entity, or a person, entity or group owns 20% or more of the shares of the new entity; or (iv) a dissolution or liquidation of the Corporation.

Nonassignability

Unless otherwise prescribed by the Committee, no assignment or transfer of any right or interest of an Award recipient in any Option, whether voluntary or involuntary, by operation of law or otherwise, shall be permitted except by will or the laws of descent and distribution. Any attempt to assign such rights or interest shall be void and without force or effect.

Notices

Every notice or other communication relating to the LTI Plan, the Award or this Schedule of Terms shall be delivered electronically or mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by such party. Notices by the Recipient to the Corporation shall be mailed to or delivered to the Corporation at its office at United Technologies Building, MS504, Hartford, CT 06101, Attention: Program Administrator – Stock Options, or emailed to stockoptionplans@utc.com and all notices by the Corporation to the Recipient shall be transmitted to the Recipient's email address or mailed to his or her address as shown on the records of the Corporation.

Administration

Awards granted pursuant to the LTI Plan shall be interpreted and administered by the Committee provided, however, that awards to non-employee directors shall be administered by the Committee on Nominations and Governance. The Committee shall establish such procedures as it deems necessary and appropriate to administer Awards in a manner that is consistent with the terms of the LTI Plan.

Pursuant to the terms of the LTI Plan, the Committee may delegate to employees of the Corporation its authority and responsibility to grant, administer and interpret Option Awards. Subject to certain limitations, the Committee has delegated to the Chief Executive Officer the authority to grant Option Awards, and has further delegated the authority to administer and interpret such Awards to the Senior Vice President, Human Resources and Organization, and to such subordinates as he or she may further delegate, except that Awards to employees of the Corporation who are either reporting persons under Section 16 of the Securities Exchange Act of 1934 (“Insiders”) or members of the Corporation’s Executive Leadership Group will be granted, administered, and interpreted exclusively by the Committee and awards to non-employee directors will be granted, administered and interpreted exclusively by the Committee on Nominations and Governance.

Awards Not to Affect or Be Affected by Certain Transactions

Non-Qualified Stock Option Awards shall not in any way affect the right or power of the Corporation or its shareowners to effect: (a) any or all adjustments, recapitalizations, reorganizations or other changes in the Corporation’s capital structure or its business; (b) any merger or consolidation of the Corporation; (c) any issue of bonds, debentures, preferred or prior preference stocks holding any priority or preferred to, or otherwise affecting the Common Stock of the Corporation or the rights of the holders of such Common Stock; (d) the dissolution or liquidation of the Corporation; (e) any sale or transfer of all or any part of its assets or business; or (f) any other corporate act or proceeding.

Except as otherwise expressly provided in this Schedule of Terms, the issue by the Corporation of shares of stock of any class, or securities convertible into shares of stock of any class, for cash or property, or for labor or services, either upon direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Corporation convertible into such shares or other securities, shall not affect and no adjustment by reason thereof shall be made with respect to the Option price or the number of outstanding shares subject to an Option Award hereunder.

Taxes/Withholding

Award recipients are responsible for any income or other tax liability attributable to any Award. The Program Administrator shall take such steps as are appropriate to assure compliance with applicable federal, state and local tax withholding requirements. The Corporation shall, to the extent required by law, have the right to deduct directly from any payment or delivery of shares due to an Award recipient or from an Award recipient’s regular compensation, all federal, state and local taxes of any kind required by law to be withheld with respect to the exercise of any Option. Award recipients not based in the United States and foreign nationals who are not permanent residents of the United States must pay the appropriate taxes as required by any country where they are subject to tax.

Right of Discharge Reserved

Nothing in the LTI Plan or in any Option Award shall confer upon any Award recipient the right to continue in the employment or service of the Corporation or any affiliate thereof for any period of time or affect any right that the Corporation or any subsidiary or division may have to terminate the employment or service of such Award recipient at any time for any reason.

Forfeiture of Interests and Gains

Stock Options, whether or not vested, shall be forfeited and an Award recipient will be obligated to repay gains realized from the exercise of options if the recipient is terminated for “cause” or if during the twelve month period following termination the recipient solicits any employee of the Corporation for a position outside of the Corporation or publicly disparages the Corporation or otherwise makes statements materially detrimental to the interests of the Corporation. Termination for cause means criminal conduct involving a felony in the U.S. or the equivalent of a felony under the laws of other countries, material violations of civil law related to the recipient’s job responsibilities, fraud, dishonesty, self-dealing, breach of the Award recipient’s intellectual property agreement or willful misconduct that the Committee determines to be injurious to the Corporation. In the event of termination for cause, or if, following termination, the Corporation determines that the recipient engaged in conduct that constituted the basis for termination for cause, or if the recipient engages in prohibited disparagement or solicitation of employees following termination, the recipient shall be obligated to repay all gains realized from LTI Plan awards during the 12 month period preceding the earlier of the date of termination for cause, the date of the relevant misconduct, or the date the misconduct is discovered, as applicable.

Nature of Payments

All Awards made pursuant to the LTI Plan are in consideration of services performed for the Corporation or the business unit employing the Award recipient. Any gains realized pursuant to such Awards constitute a special incentive payment to the Award recipient and shall not be taken into account as compensation for purposes of any of the employee benefit plans of the Corporation or any business unit.

Government Contract Compliance

The “UTC Policy Statement on Business Ethics and Conduct in Contracting with the United States Government” calls for compliance with the letter and spirit of government contracting laws and regulations. In the event of a violation of government contracting laws or regulations, the Committee reserves the right to revoke any outstanding Award.

Interpretations

This Schedule of Terms and each Statement of Award are subject in all respects to the terms of the LTI Plan. In the event that any provision of this Schedule of Terms or any Statement of Award is inconsistent with the terms of the LTI Plan, the terms of the LTI Plan shall govern. Any question of administration or interpretation arising under the Schedule of Terms or any Statement of Award shall be determined by the Committee or its delegate, and such determination to be final and conclusive upon all parties in interest.

Governing Law

The LTI Plan, this Schedule of Terms and the Statement of Award shall be governed by and construed in accordance with the laws of the State of Delaware.



2005 LONG TERM INCENTIVE PLAN AWARD
Non-Qualified Stock Option Award

NON-QUALIFIED STOCK OPTION AWARD

Date of Grant:

Vesting Date:

Number of Options:

Price at Grant:

Termination Date:

The award shown in this statement is nontransferable and is subject to the terms and conditions of the United Technologies Corporation 2005 Long Term Incentive Plan.

PLEASE SIGN AND DATE PORTION BELOW THE PERFORATION AND RETURN IT IN ENVELOPE PROVIDED



2005 LONG TERM INCENTIVE PLAN AWARD
Non-Qualified Stock Option Award

NON-QUALIFIED STOCK OPTION AWARD

Date of Grant:

Vesting Date:

Number of Options:

Price at Grant:

Termination Date:

The award shown in this statement is nontransferable and is subject to the terms and conditions of the United Technologies Corporation 2005 Long Term Incentive Plan.

Please sign this form and return it in the enclosed envelope to the:

**PROGRAM ADMINISTRATOR – STOCK OPTIONS
UNITED TECHNOLOGIES CORPORATION
UNITED TECHNOLOGIES BUILDING, MS 504
HARTFORD, CONNECTICUT 06101**

I acknowledge receipt of this Non-Qualified Stock Option Award and the attached Schedule of Terms describing my Award. I accept this Award subject to such Schedule of Terms and the United Technologies Corporation 2005 Long Term Incentive Plan.

Signed _____

Date _____