

December 2, 2005

United Technologies Corporation
Attn: General Counsel's Office
United Technologies Building
Hartford, CT 06101

Dear General Counsel of United Technologies:

The Project On Government Oversight (POGO) is overhauling and renewing its Federal Contractor Misconduct Database (www.pogo.org/db/index.cfm), a compilation of information from public resources regarding government contractors, including United Technologies. On August 16, 2005, I sent you information regarding findings relevant to United Technologies, which I have enclosed for your reference. As of today, I have not received a response from your office.

A written response is certainly in the best interest of everyone involved. It is the best way for your company to go on record regarding this process and the instances identified; your letter will be posted in its entirety on the database. Several companies have already responded and have expressed appreciation for the opportunity to express their views. POGO would prefer to receive a response by December 31, 2005 to ensure it is included with the launch of our new database.

If you have any questions, I can be reached at (202) 347-1122. Thank you for your time and consideration.

Sincerely,

Kevin L. Phelps
Project Director

Enclosure

Instances of Misconduct

1.

Case Name N/A

Date- 6/7/1999

Amount- \$304,729

Synopsis- According to a GAO report cited by Senator Harkin and Representative DeFazio, United Technology, reached a settlement of \$304,729 for alleged defective pricing.

Disposition- Settlement

Court Type- Civil

Misconduct Type- Government Contract Fraud

Contract Type- N/A

Documents- Harkin/DeFazio Press Release

2.

Case Name N/A

Date- 11/18/1997

Amount- \$150,000

Synopsis- According to a GAO report cited by Senator Harkin and Representative DeFazio, United Technology, reached a settlement for \$150,000 for alleged cost/labor mischarge, in violation of the False Claims Act.

Disposition- Settlement

Court Type- Civil

Misconduct Type- Government Contract Fraud

Contract Type- N/A

Documents- Harkin/DeFazio Press Release

3.

Case Name- United States v. United Technologies

Date- 5/20/1997

Amount- \$14,800,000

Synopsis-

United Technologies Corporation, Pratt & Whitney (P & W), Government Engine and Space Propulsion Division, entered into a settlement agreement in which P&W agreed to pay the Government \$14.8 million, following the Defense Contract Audit Agency (DCAA)-assisted DCIS investigation. The agreement resolved charges that P&W violated the False Claims Act by preparing false purchase orders and submitting false invoices under the Foreign Military Sales Program (FMSP) administered by the Defense Security Assistance Agency. The program involved the FMSP funded Lavi fighter aircraft under development for the Israeli Air Force.

Disposition- Settlement

Misconduct Type- Government Contract Fraud

Contract Type- Government Defense

Documents- DOD IG semiannual report to Congress
<http://www.dodig.osd.mil/sar/972semi.pdf>

Pending Cases

1.

Case Name- United States v. United Technologies

Synopsis- The Department of Justice sued UTC to recover approximately \$75 million that it allegedly overcharged the Air Force for jet engines. 99cv93 US DC SD OH

Court Type- Civil

Misconduct Type- Government Contract Fraud

Contract Type- Government Defense