



# WHAT IS LIFETIME INCOME STRATEGY?

## OVERVIEW

IT'S AN INNOVATIVE RETIREMENT SOLUTION THAT PROVIDES YOU WITH:



A place to save and grow money (even in retirement)



Guaranteed lifetime income that provides income protection against declines in the financial markets and against the possibility of outliving your money



An investment vehicle where you retain full access to your money



The flexibility to customize your account to fit your individual retirement needs

Investment Products Offered • Are Not FDIC Insured • May Lose Value • Are Not Bank Guaranteed

This material is provided for informational purposes only and should not be construed as investment advice.

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# WHAT IS LIFETIME INCOME STRATEGY?

## RETIREMENT PLANNING COMES WITH MANY QUESTIONS

WILL I OUTLIVE MY RETIREMENT SAVINGS?

WHAT WILL I DO IF THE MARKET PERFORMS POORLY?

CAN I STILL GROW MY MONEY IN RETIREMENT?

To help you answer these questions and achieve better retirement outcomes, RTX offers Lifetime Income Strategy as the default investment option in the RTX Savings Plan.

Lifetime Income Strategy is a professionally managed, flexible investment option that helps you build retirement wealth during your working years—with an opportunity to generate a guaranteed retirement income stream that begins at retirement<sup>1</sup> and that continues for life.

Similar to a target retirement fund, Lifetime Income Strategy is a carefully designed, professionally managed portfolio that adjusts its investment mix to become more conservative as you age. When you are approximately 15 years from retirement, you have the option to start regularly allocating a portion of your money

to a guaranteed lifetime income portfolio that will provide retirement income for the rest of your life—and this process happens automatically.

Most target retirement funds do a great job of building retirement savings. They offer diversification and professional investment management, but a difficult period in the financial markets could leave you with less money to live on during retirement. That's where Lifetime Income Strategy can provide an advantage. It includes an optional lifetime income feature that systematically transitions some or all of your retirement savings to a **Secure Income Portfolio sub-fund (SIP)** over time, and builds an income floor that won't decrease even when financial markets decline, while keeping growth potential in a time of rising markets.

### SECURE INCOME PORTFOLIO SUB-FUND

An insured sub-fund used to fund the Income Benefit. Money in this sub-fund is insured through multiple group insurance contracts.



<sup>1</sup> After you've left the company and are age 60 or older.

# WHY IS RTX OFFERING LIFETIME INCOME STRATEGY?

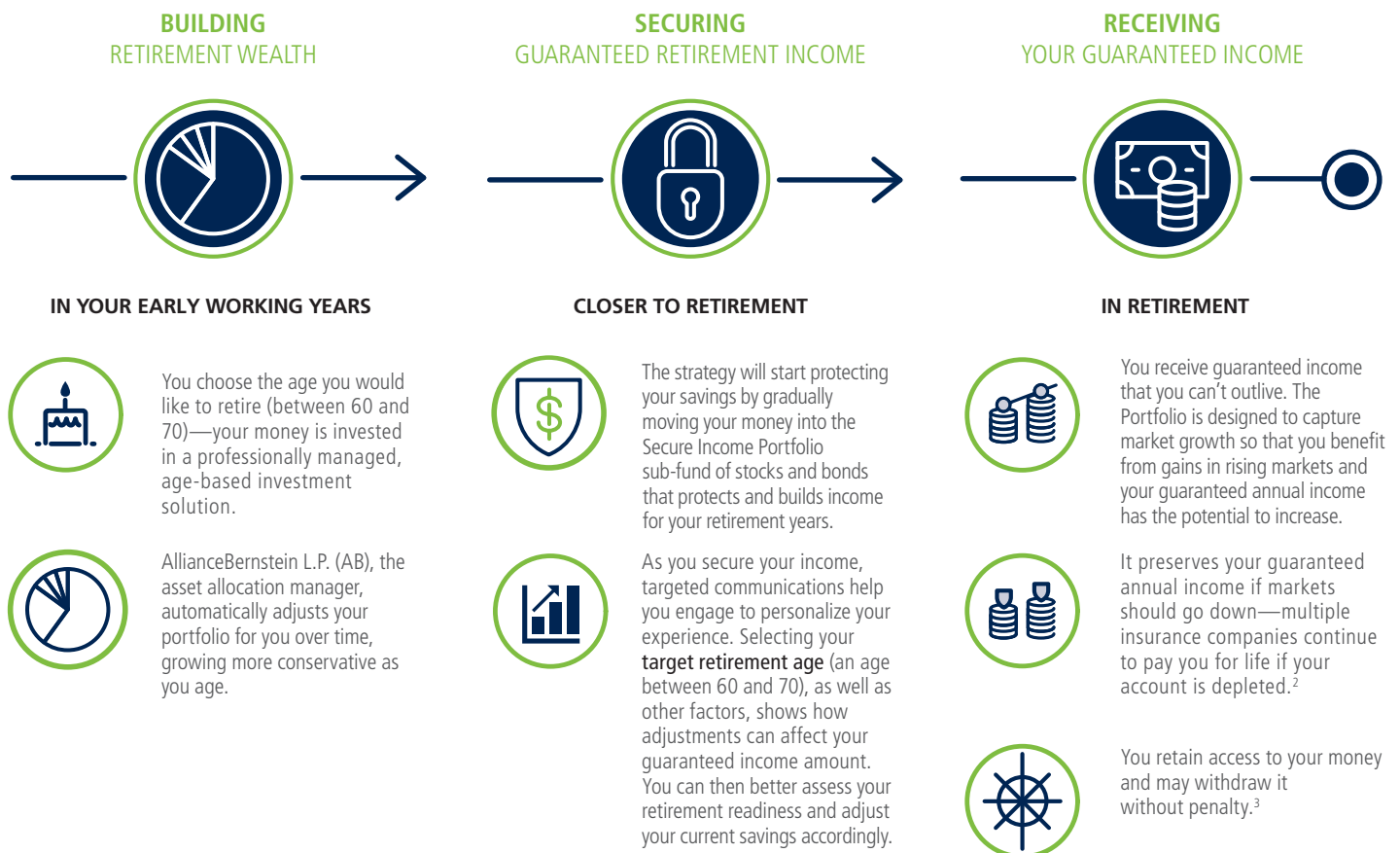
Over the years, retirement plans have shifted from traditional employer-funded pension plans to 401(k) savings plans, in which the individual is responsible for making saving and investment decisions and for ensuring there is enough money to last through retirement.

RTX is committed to offering a competitively priced retirement program that offers substantial value to our employees. Part of that commitment includes monitoring new market developments and, when appropriate, enhancing our programs. Lifetime Income Strategy is an innovative and well ahead of its time approach that can help you establish and preserve retirement income. As an employer-sponsored plan, we are able to offer Lifetime Income Strategy with lower fees than you might be able to find individually for similar products, and we have been doing so since 2012 when United Technologies incepted the Strategy.

Our goal is to ensure RTX employees have the tools to prepare for retirement, and we believe Lifetime Income Strategy is a valuable option for many participants, including those with other retirement assets (e.g., a pension plan). Lifetime Income Strategy offers a unique opportunity, as the downside protection for retirement income allows for more aggressive asset allocation than a typical target retirement fund, especially during retirement years. This can lead to more investment growth over a longer period of time and a larger balance, despite the insurance fees associated with Lifetime Income Strategy.

Lifetime Income Strategy is an option available to anyone invested in the plan, and may be right for you if the plan will be an important source of retirement income. Those employees who do not have a pension and receive all of their retirement benefits through the Plan may find the steady stream of income or Income Benefit particularly attractive. It can be a good option even if you have a pension and other sources of guaranteed retirement income because the downside protection for the retirement income allows for a more aggressive asset allocation than a typical target retirement fund, especially while in retirement—and this can lead to more investment growth and a larger balance, even net of insurance fees.

## HOW DOES LIFETIME INCOME STRATEGY WORK?



<sup>2</sup> Investments in Lifetime Income Strategy are not guaranteed against loss of principal. Investing in Lifetime Income Strategy does not guarantee sufficient income in retirement. All guarantees are subject to the claims-paying ability of the insurer. Diversification does not guarantee a profit or eliminate loss.

<sup>3</sup> Early or excess withdrawals will reduce the amount of your guaranteed annual income.

# HOW IS YOUR MONEY INVESTED?



## BUILDING RETIREMENT WEALTH

During your saving years, when you're building your retirement wealth, Lifetime Income Strategy invests in a diversified mix of stocks, bonds and other investments, and automatically adjusts them over time to maintain an appropriate investment mix (just like a target retirement fund). As you move toward retirement, the strategy gradually becomes more conservative to protect against market fluctuations. These non-secured sub-funds are not backed by insurance.

AllianceBernstein, the asset-allocation manager for Lifetime Income Strategy, invests your savings in up to five non-secured investment sub-funds:

- **US Equity:** This sub-fund targets a mix of US equity and US small company stocks.
- **International Equity:**<sup>4</sup> This sub-fund targets a mix of international equity, emerging-market and global REITs (real estate investment trusts).
- **Real Asset:** This sub-fund targets a mix of commodities and natural resources.
- **Core Bond:** This sub-fund targets a mix of US government/credit and US TIPS (Treasury inflation-protected securities).
- **Cash:** This sub-fund targets US short duration.<sup>5</sup>



## BUILDING GUARANTEED RETIREMENT INCOME

When retirement is approximately 15 years away, your account will start regularly and gradually moving your money into the Secure Income Portfolio (SIP) sub-fund. This insured sub-fund starts building your Income Benefit for your retirement years. SIP is designed to capture market growth potential, while preserving your lifetime income. SIP uses multiple group insurance contracts to guarantee your annual lifetime income, which is based on the annual high-water mark of the SIP balance.

**Secure Income Portfolio:**<sup>6</sup> This sub-fund invests in a mix of passively managed stocks and bonds.



## RECEIVING YOUR GUARANTEED INCOME

In your retirement years, Lifetime Income Strategy uses your balance in SIP to generate guaranteed lifetime income that you will receive for the rest of your life. Your Income Benefit is protected by insurers and will never run out—even if a downturn affects the market value of your account or if you outlive the money in your SIP. Your Income Benefit can also increase if markets rise and increase the value of your SIP. As with any investment portfolio, the value of your account is subject to market fluctuations. You benefit from gains in rising markets, while the value of your Income Benefit is protected in down markets.

## WHAT IS THE SECURE INCOME PORTFOLIO?

It's an insured portfolio used to fund guaranteed lifetime income. Money in this portfolio is insured through multiple group insurance contracts. Allocations among the group insurance contracts are unique to each participant. The money in the Secure Income Portfolio sub-fund is invested in a passively managed index fund composed of stocks and bonds. For more information about the investments inside Lifetime Income Strategy, please refer to the Lifetime Income Strategy sub-fund fact sheets.

One of the most attractive features of Lifetime Income Strategy is that it is an investment vehicle where you don't have to choose between lifetime payments or control of your money. Lifetime Income Strategy within the RTX Savings Plan allows you to make withdrawals for any reason, after age 59½, whether it's for the trip of a lifetime or emergency expenses. You control your money—there are no fees or penalties for withdrawing from your Lifetime Income Strategy account. And if you die while there's still a balance in your account, your beneficiary receives it. Withdrawals prior to activating your Income Benefit or in excess of your guaranteed annual income will reduce your guaranteed income proportionally.

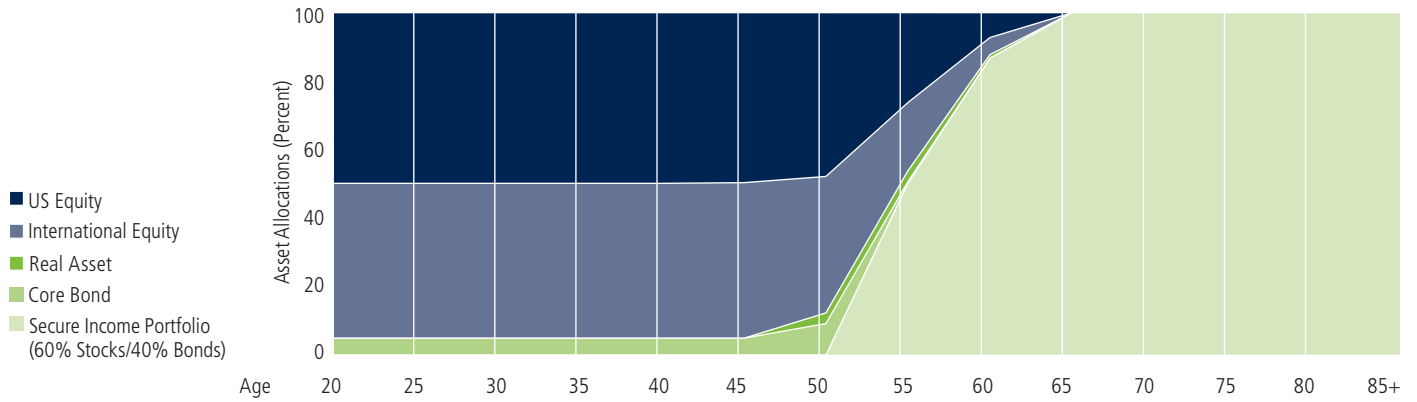
<sup>4</sup> Global REITs includes some exposure to US REITs.

<sup>5</sup> The Cash sub-fund would be used as participants approach and enter retirement if they choose less than 100% for their Secure Income Level.

<sup>6</sup> The money in the Secure Income Portfolio is invested in a passive index-managed fund composed of 60% stocks and 40% bonds.

# HOW DO THE INVESTMENTS CHANGE OVER TIME?

THIS EXAMPLE ASSUMES A TARGET RETIREMENT AGE OF 65 AND A 100% SECURE INCOME LEVEL



	Saving					Transitioning				Income				
Age	20	25	30	35	40	45	50	55	60	65	70	75	80	85+
US Equity	49.80	49.80	49.80	49.80	49.80	49.60	46.51	26.23	7.25	—	—	—	—	—
International Equity	45.20	45.20	45.20	45.20	45.20	45.40	38.56	19.89	4.98	—	—	—	—	—
Real Asset	—	—	—	—	—	—	3.15	3.17	1.07	—	—	—	—	—
Core Bond	5.00	5.00	5.00	5.00	5.00	5.00	8.59	0.52	—	—	—	—	—	—
Secure Income Portfolio (60% Stocks/40% Bonds)	—	—	—	—	—	—	3.20	50.20	86.70	100.00	100.00	100.00	100.00	100.00
<b>Total Growth Assets</b>	<b>95.00</b>	<b>95.00</b>	<b>95.00</b>	<b>95.00</b>	<b>95.00</b>	<b>95.00</b>	<b>90.70</b>	<b>79.40</b>	<b>65.32</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>	<b>60.00</b>

## SECURE INCOME LEVEL

The target percentage of your Lifetime Income Strategy account—between 0% and 100%—that you want allocated over time to the Secure Income Portfolio sub-fund that is used to fund your Income Benefit.

Lifetime Income Strategy is designed to provide you with guaranteed monthly income in retirement. Even if you do nothing, you will automatically be on track to retire at age 65 with 100% of your account secured, which would provide you with guaranteed monthly income that you can't outlive. **Important note:** You are able to see your personalized investment mix in the Lifetime Income Strategy section via **Your Gateway** at [www.yourtotalrewards.com/rtx](http://www.yourtotalrewards.com/rtx).

# WHAT MAKES LIFETIME INCOME STRATEGY UNIQUE?



## THE FLEXIBILITY TO FIT YOUR NEEDS

The good news is that Americans are living longer, healthier, more active lives than previous generations, who thought of retirement simply as the end of work, not as a promising new beginning. Lifetime Income Strategy allows you the flexibility to customize your account to fit your own retirement needs: Do you want to receive secure retirement income? How much? When?



## INCOME PROTECTION AND RISK MANAGEMENT

A retirement lasting 20, 30, maybe even 40 years means that you will have more time to enjoy the things you've always dreamed about but were too busy to pursue. But more time in retirement also means that your money has to work harder to offset the effects of inflation and market volatility. Lifetime Income Strategy protects your Income Benefit in case there's a market downturn, which could otherwise erode the value of your savings—and its ability to fund your retirement income. Your Income Benefit can also increase (and remain at that level) if markets rise and increase the value of your Secure Income Portfolio sub-fund.



## GUARANTEED LIFETIME INCOME

Sometimes when planning for retirement, we are so focused on the savings part that we don't think about how those savings will translate to income after retirement or if those savings will last.

The lifetime income portion of your account is guaranteed by the backing of multiple insurance companies. And there is no cost for insurance until you start building your Income Benefit.



## EASY ACCESS TO YOUR MONEY

This is *your* retirement account. You don't have to choose between lifetime payments and control of your money. You always maintain access to your balance in Lifetime Income Strategy, without surrender charges. And if you die while there's still a balance in your account, your beneficiary receives it. Remember though, that Early or Excess Withdrawals from the Secure Income Portfolio sub-fund will reduce your Income Benefit.

## IT'S PERSONAL

Lifetime Income Strategy can be personalized to your needs. You can change the default account settings, which are set for a target retirement age of 65 and 100% of your Lifetime Income Strategy money to be allocated to the Secure Income Portfolio sub-fund over time.

**Lifetime Income Strategy** will start protecting your savings by gradually moving your money into the Secure Income Portfolio sub-fund, which invests in a mix of stocks and bonds to provide potential for further growth in value, and, through the use of insurance, protects and builds guaranteed annual lifetime income for your retirement years.

# HOW DOES LIFETIME INCOME STRATEGY BUILD GUARANTEED LIFETIME INCOME?

## HOW IS YOUR INCOME BENEFIT CALCULATED?

Your **Income Benefit** is calculated according to a formula that considers:

- The total amount of money allocated to the Secure Income Portfolio sub-fund over time, which includes money that you and your employer, RTX, contribute
- The growth of that money from rising financial markets
- The applicable Income Benefit Rate in effect at the time of allocation

## HOW IS THE APPLICABLE INCOME BENEFIT RATE DETERMINED?

Applicable Income Benefit Rates are determined through a competitive process among the participating insurers. The insurers submit their withdrawal rates, and the Plan uses a proprietary formula that automatically allocates more to the insurers that offer the highest rates. Your Average Income Benefit Rate is updated regularly for any allocations to the Secure Income Portfolio sub-fund.

The insurers submit bids quarterly for the Benefit Rates that apply to new allocations to the Secure Income Portfolio sub-fund arising from employee and employer contributions and from the automatic age-based rebalancing initiated by AllianceBernstein L.P. (AB). These rates are called "Contribution Rates."

The insurers submit bids on a monthly basis for the Benefit Rates that apply to new allocations to the Secure Income Portfolio sub-fund that

arise from participant-directed transfers from other investment options within the RTX Savings Plan, rollovers from other qualified employer plans and/or IRAs, or participant-directed changes to Lifetime Income Strategy account settings. These are called "Transfer Rates."

## PROFESSIONAL INVESTMENT MANAGEMENT

AB designs and manages the asset allocation and glide path for the investments and administers the Income Benefit inside Lifetime Income Strategy.

### WHERE CAN I FIND AVERAGE INCOME BENEFIT RATES?

If you have questions about Benefit Rates currently available to you, please refer to the Lifetime Income Strategy section of **Your Gateway** or contact the RTX Benefits Center at 1-800-243-8135, between 8 a.m. and 8 p.m., ET, Monday through Friday—follow the prompts for **Retirement & Investments**, and then **Savings Plan**.

### INCOME BENEFIT

The guaranteed amount you can withdraw monthly from the Secure Income Portfolio sub-fund during retirement for the remainder of your lifetime (or for your spouse's lifetime, if applicable).

## EXAMPLE OF HOW YOUR INCOME BENEFIT IS CALCULATED

The money in the Secure Income Portfolio (SIP) sub-fund will grow while you are saving for retirement because of payroll contributions/transfers, market appreciation, and the rebalancing of your money to your target Secure Income Level % at retirement. Each payroll contribution (or transfer) into the SIP receives a withdrawal rate from the insurers. You receive the withdrawal rate every quarter in the 15 years before retirement which at retirement becomes the Average Income Benefit.

The easiest way to think about it is to multiply your Income Base (the sum of those building blocks of secure lifetime income) by that Average Income Benefit Rate to get your Estimated Annual Income Benefit.

<b>Income Base</b>	x	<b>Average Income Benefit Rate</b>	=	<b>Estimated Annual Income Benefit</b>
<b>\$500,000</b>	x	<b>4.00%</b>	=	<b>\$20,000</b> Annual Retirement Income

For illustrative purposes only.

# HOW TO BUILD YOUR INCOME BENEFIT

Your Income Benefit depends on the Applicable Income Benefit Rates over time and the size of your Income Base. The more money you put into Lifetime Income Strategy, the more money that can be allocated over time to the Secure Income Portfolio (SIP) sub-fund to build your Income Benefit.

You can put amounts into Lifetime Income Strategy in three ways:

- Direct contributions from payroll
- Transfers from other RTX Savings Plan investment options
- Rollovers from other qualified employer plans/IRAs

## ADDITIONAL DETAIL ON CONTRIBUTIONS AND ROLLOVERS

You can change your future contributions (investment election) or transfer an existing balance by logging on to **Your Gateway**. From the home page, select Change Investments from the plan flyout menu located in the At-A-Glance box. If you want to change how your future contributions are invested, select Change My Future Investments. If you want to transfer an existing balance into Lifetime Income Strategy, select Transfer Monies From Fund(s) to Fund(s).

You may roll over distributions from a prior 401(a), 401(k), 403(b) or governmental 457(b) plan, or an Individual Retirement Account (IRA), to the plan. The plan will accept after-tax rollovers from qualified defined contribution plans, but not from IRAs. There are two methods for making rollover contributions:

- If the distribution is paid to you, you may transfer it to the plan within 60 days after you receive it. Federal law requires that 20% of the taxable distribution from your previous plan be withheld for taxes. However, the full amount, including the

amount withheld for taxes, must be transferred to this plan.

To avoid being taxed on any part of the distribution, you must write a personal check equal to the amount withheld for taxes so that the full amount distributed from your previous plan will be transferred. The amount withheld from the distribution will be credited against your income tax obligations.

- You can roll over the amount directly from your previous plan to this plan. A direct rollover is not subject to the 20% withholding.

**You may invest rollover amounts in any available investment fund (except the ESOP). You can transfer these amounts among investment funds even if you have not yet begun to make contributions.**

Remember, you must complete a rollover form and submit it to the Benefits Center in order for your rollover to be processed. Rollover forms are available through **Your Gateway** or by calling the RTX Benefits Center.

## WHAT IS THE "INCOME BASE?"

The Income Base is the total dollar value of allocations to the Secure Income Portfolio (SIP) sub-fund, plus market gains recorded annually on the participant's birthday. Each year on your birthday, the value of SIP will be compared with the Income Base. If the market value of SIP is higher than the Income Base on your birthday, the Income Base will be "ratcheted up" to the value of SIP. Since the Income Base is used to calculate the Income Benefit, this allows market gains to be locked in; and if the SIP value is lower than the Income Base on your birthday, the Income Base will not go down.

## SEE THE IMPACT OF ADDING MONEY TO LIFETIME INCOME STRATEGY

Transferring money into Lifetime Income Strategy, either from other RTX Savings Plan investment options or via a rollover, can make a significant difference in your Income Benefit. Go to **Your Gateway** to calculate the effect of a transfer on your Income Benefit. To transfer funds into Lifetime Income Strategy or arrange for a rollover, go to **Your Gateway**, or contact the RTX Benefits Center at 1-800-243-8135, between 8 a.m. and 8 p.m., ET, Monday through Friday.

# CUSTOMIZING THE DEFAULT ACCOUNT SETTINGS FOR LIFETIME INCOME STRATEGY

Lifetime Income Strategy uses default account settings for the Secure Income Level and target retirement age to determine how the investment mix changes over time and when your money is gradually moved from other sub-funds to the Secure Income Portfolio sub-fund, which is used to fund the Income Benefit (the monthly lifetime income that begins once you activate your income benefit in retirement).

The default target retirement age for the Plan is 65, and the default Secure Income Level is 100%. However, you can easily change the default account settings to accommodate your personal retirement-planning needs. The target retirement age can also be adjusted to any age between 60 and 70.

## DEFAULT TARGET RETIREMENT AGE



## DEFAULT SECURE INCOME LEVEL



## ADJUSTING THE DEFAULT ACCOUNT SETTINGS

### SECURE INCOME LEVEL

The Secure Income Level is the target percentage of Lifetime Income Strategy—between 0% and 100%—that you want allocated over time to the Secure Income Portfolio sub-fund, and that is then used to create your Income Benefit. The default Secure Income Level is 100%. You can change your Secure Income Level to any percentage between 0% and 100% (in 10% increments). The allocation of your Lifetime Income Strategy money to the Secure Income Portfolio sub-fund begins approximately 15 years before you reach your target retirement age and is scheduled to reach your Secure Income Level two years before your target retirement age. Because a reduction in your Secure Income Level may result in a lower Income Benefit, you should consider any change very carefully.

### REMINDER:

If you elect 0%, you will not receive any guaranteed lifetime income from Lifetime Income Strategy, as only the money in the Secure Income Portfolio sub-fund is used to create your Income Benefit. If you do not wish to receive secured income, you can set the Secure Income Level to 0% and use Lifetime Income Strategy as a target retirement fund.

Once you retire, you can use the non-secure balance as a source of retirement income (for example, you could set up systematic monthly withdrawals), but there is no guarantee that the withdrawals would last for your lifetime—once your account is depleted, it's no longer a source of retirement income.

### WHAT IS YOUR TARGET RETIREMENT AGE?

Your target retirement age is the age at which you plan to retire. The default target retirement age is 65 but can be changed to any age between 60 and 70. The target retirement age setting determines your investment horizon and allows Lifetime Income Strategy to personalize your investment mix, including the timing and purchases into the Secure Income Portfolio sub-fund. The allocation of your money to the Secure Income Portfolio sub-fund is targeted to reach the Secure Income Level two years before retirement age, in most cases.<sup>7</sup>

### HOW TO CUSTOMIZE YOUR SECURE INCOME LEVEL AND/OR RETIREMENT AGE

Go to the Lifetime Income Strategy section of **Your Gateway** to calculate the effect on your Income Benefit of changing your Secure Income Level and/or target retirement age, and/or to alter the settings of your account.

### IMPORTANT NOTE ABOUT YOUR AGE AT ACTIVATION

When your money is allocated to the Secure Income Portfolio sub-fund, an Income Benefit is assigned, based on your age at the time of contribution. You must no longer be an active employee of RTX in order to activate your Income Benefit. The age at which you actually activate the benefit will affect your Income Benefit Rate, and, consequently, your Income Benefit will be adjusted in the following ways:

- If you activate earlier than 65, you will get a downward adjustment to your Income Benefit Rate. Age 60 is the earliest available activation age.
- If you activate later than 65, you will get an upward adjustment to your Income Benefit Rate. The upward adjustments stop increasing at age 70, so, from an economic value perspective, it generally makes sense to activate at age 70 or prior.

#### IMPORTANT NOTE:

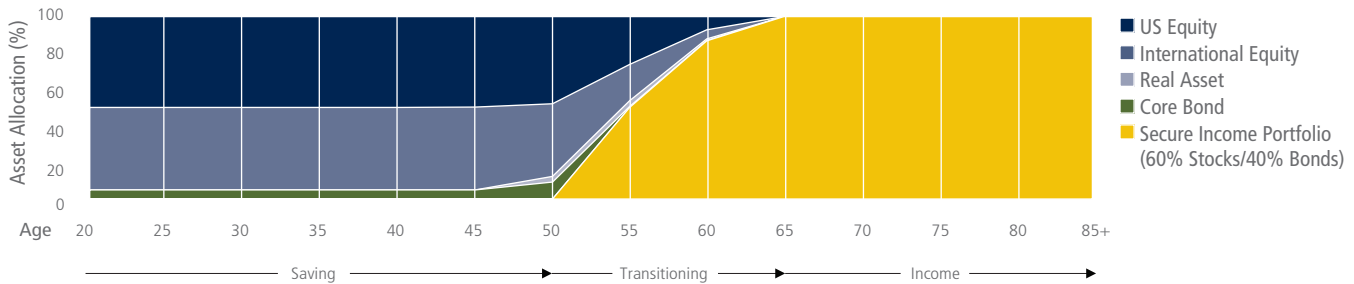
At least 90 days must pass between changing elections. For example, if you change your Secure Income Level and/or target retirement age, you cannot make another change for at least 90 days. However, new contributions and rollovers are not affected by the 90-day restriction.

<sup>7</sup> You can transfer into Lifetime Income Strategy at any time prior to retirement, and you may also secure your income if you are less than 15 years from retirement or at retirement; but by doing so, you would not benefit from buying in over time, which would provide you with more favorable blended Income Benefit Rates.

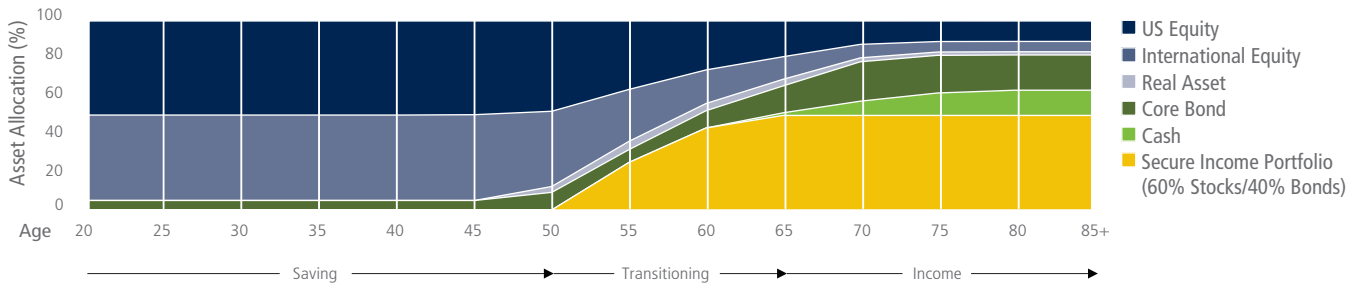
## HOW YOUR INVESTMENT MIX SHIFTS OVER TIME BY CHANGING THE DEFAULT SETTINGS

The following asset-allocation illustrations show the effect of changing your Secure Income Level and retirement age: the lower the Secure Income Level, the lower the percentage of your Lifetime Income Strategy money that would be allocated over time to the Secure Income Portfolio sub-fund.

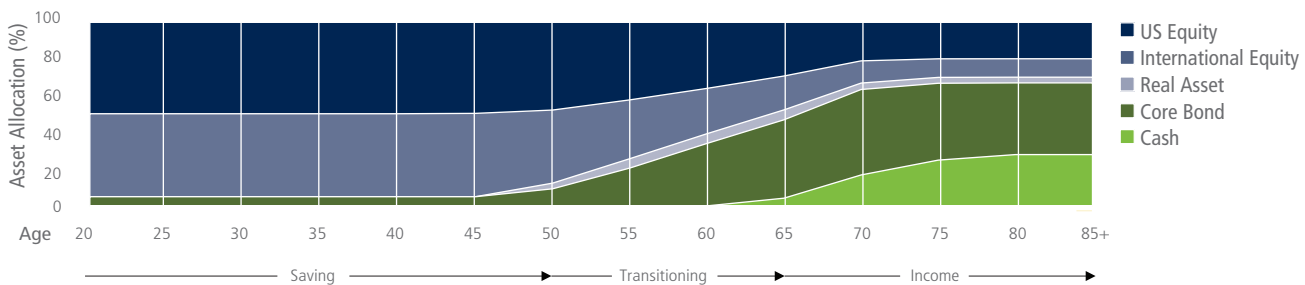
### TARGET RETIREMENT AGE OF 65 AND 100% SECURE INCOME LEVEL



### TARGET RETIREMENT AGE OF 65 AND 50% SECURE INCOME LEVEL



### TARGET RETIREMENT AGE OF 65 AND 0% SECURE INCOME LEVEL<sup>8</sup>



<sup>8</sup> If the Secure Income Level is less than 100%, an additional Cash sub-fund is used as a component portfolio in asset allocations.

#### IMPORTANT NOTE:

It is important to understand that only the Secure Income Portfolio sub-fund creates your Income Benefit. Money that remains in the other non-secured sub-funds does not generate guaranteed income for your retirement.

# RECEIVING YOUR INCOME BENEFIT: ACTIVATION

Activation is the process of beginning to receive your Income Benefit.

You can activate if you are:

- At least age 60, *and*
- Separated from service with RTX

## SINGLE-LIFE OR JOINT-LIFE ELECTION OPTIONS TO RECEIVE YOUR INCOME BENEFIT

When you activate, you must make a one-time irrevocable election for either a single-life or joint-life form of withdrawal for your Income Benefit. If you are married, you must obtain your spouse's notarized consent to your election. You cannot change your election at a future time.



**The single-life option** means that your Income Benefit is insured only for the rest of your lifetime. Upon your death, your beneficiary will receive the value of your Lifetime Income Strategy account, including any money in the Secure Income Portfolio sub-fund.



**The joint-life option** is available only if you are legally married and your spouse is at least age 45 at the time of activation. The Income Benefit available under the joint-life form of withdrawal will be less than the Income Benefit available under the single-life option because under the joint-life form, withdrawals are made over two lifetimes, not just one. When you die, your named survivor—who must be your spouse at the time of activation—will continue to receive the Income Benefit for the rest of their lifetime. The spouse you name is—and will remain—the only person eligible to receive a survivor's Income Benefit from Lifetime Income Strategy in the event of your death. Even if you divorce and/or remarry, you will not be able to name a different spouse to receive an Income Benefit.

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**You cannot elect to activate your Lifetime Income Strategy account until 30 days after your separation from service.**

**Please Note:** The decision to activate must be considered carefully, because it is an irrevocable election and cannot be changed. In addition, at the time of activation, you must elect a single-life or joint-life form of withdrawal for your Income Benefit, which also cannot be changed.

### IMPORTANT NOTE:

If you die before activation, your spouse would not receive an Income Benefit. In this case, they would receive the full value of your Lifetime Income Strategy account, assuming that they are your RTX Savings Plan beneficiary.

## CONTRIBUTING TO LIFETIME INCOME STRATEGY AFTER ACTIVATION

You may contribute to Lifetime Income Strategy after activation via transfers from other RTX Savings Plan investment options or through rollovers from other qualified plans. However, such transfers and rollovers will have a 0% Secure Income Level, because no new money can be added to the Secure Income Portfolio sub-fund after activation. The transfers/rollovers you make after activation will be allocated only to the other sub-funds, as applicable.

## IF YOU ARE REHIRED

If you leave RTX and are rehired before you activate your Income Benefit, you can invest new payroll contributions into Lifetime Income Strategy, based on your Secure Income Level and target retirement age on file.

If you leave RTX and subsequently activate your Income Benefit and are later rehired, you can continue to receive your Income Benefit after your return to work. You can invest new contributions in Lifetime Income Strategy based on your previously elected target retirement age on file. Your Secure Income Level for new contributions, transfers and rollovers into Lifetime Income Strategy will be set to 0% and cannot be changed.

If you are utilizing Morningstar Investment Management's Managed Accounts service, Morningstar will determine a personalized recommendation of how much of your total RTX Savings Plan balance should be allocated to the Secure Income Portfolio sub-fund. When you are within 10 years of retirement age, Morningstar will start to build the allocation to the Secure Income Portfolio sub-fund until it reaches the recommended amount at retirement. Any investment allocated by Morningstar to Lifetime Income Strategy will go into the Secure Income Portfolio sub-fund; the non-secure sub-funds will not be utilized.

## ONE-TIME ELECTIONS ASSOCIATED WITH ACTIVATION

Your decision to activate and the withdrawal form that you elect cannot be changed. You should carefully consider the financial and tax effects of your elections and consult with your financial advisors. For more information on the activation process, contact the RTX Benefits Center at 1-800-243-8135, between 8 a.m. and 8 p.m., ET, Monday through Friday. Follow the prompts for **Retirement & Investments**, and then **Savings Plan**.

# MOVING MONEY OUT OF YOUR LIFETIME INCOME STRATEGY ACCOUNT BEFORE AND AFTER ACTIVATION

You may move money out of Lifetime Income Strategy either by:

- Taking a **distribution** from the Plan, which is allowable if you:
  - Are an active participant age 59½ or older ;
  - Have terminated employment; or
  - Are deceased
- **Transferring** to other RTX Savings Plan investment options (see “Transfer Frequency Restriction” below)

Normal IRS penalties will apply to any funds withdrawn from a retirement account prior to attaining age 59½. (See the Summary Plan Description (SPD) for more on withdrawals and important information on the taxation of your benefits.)

## ACCESS TO THE SECURE INCOME PORTFOLIO SUB-FUND PRIOR TO ACTIVATION

Moving money out of your Lifetime Income Strategy account via a distribution or transfer prior to activation (that is, before you begin receiving your Income Benefit) may result in an early withdrawal.

If your distribution or transfer is taken from funds in the Secure Income Portfolio sub-fund, an early withdrawal will occur and will reduce your Income Benefit. In addition, insurance charges already paid on Secure Income Portfolio sub-fund money that is transferred will not be refunded.

**Please note:** A required minimum distribution (RMD) taken before activation is treated as an early withdrawal and will reduce your Income Benefit (see “Required Minimum Distributions” on page 15).

## TRANSFER FREQUENCY RESTRICTION

You control the investments in your RTX Savings Plan. Note, however, that if you transfer money out of Lifetime Income Strategy, you cannot transfer funds into Lifetime Income Strategy for 90 days. New contributions and rollovers are not affected by the 90-day restriction.

## ACCESS TO THE SECURE INCOME PORTFOLIO SUB-FUND AFTER ACTIVATION

If you have ended your covered employment with RTX and are ready to retire and receive your guaranteed lifetime withdrawal benefit, you will need to complete a retirement application to begin the activation process. Your Income Benefit may increase as markets rise but will never go down if markets fall.

Your Lifetime Income Strategy account within the Plan is always available for withdrawals; you can take withdrawals of up to 100% of your account balance. It is important to note that additional withdrawals will reduce your account value proportionally.

If you have activated and take a distribution or make a transfer that results in an amount greater than your Income Benefit being taken from the Secure Income Portfolio sub-fund, the excess will be considered an “excess withdrawal,” unless it is an RMD. An excess withdrawal will reduce your future Income Benefit. In addition, insurance charges already paid on the Secure Income Portfolio sub-fund money that is withdrawn will not be refunded.

## CONSIDER WITHDRAWALS AND RMDs CAREFULLY

Withdrawals and RMDs should be considered carefully, as they can reduce your Income Benefit. You should understand the financial and tax implications of these transactions. Please consult with your personal financial or tax advisor before planning any types of withdrawals and/or in advance of being subject to an RMD.

## REQUIRED MINIMUM DISTRIBUTIONS (RMDs)

The Internal Revenue Service (IRS) rules generally require that participants begin receiving RMDs from the RTX Savings Plan by April 1 of the year following the later of:

- The year you reach age 73; or
- Your termination of employment with RTX

RMDs will have the following effects on your Income Benefit:

### RMDs—IF YOU HAVE NOT YET ACTIVATED

An RMD that is taken from the money in the Secure Income Portfolio sub-fund before you have activated is considered an early withdrawal, and will reduce your Income Benefit by the same percentage (the reduction percentage) that the RMD reduces the Secure Income Portfolio sub-fund market value. In addition, insurance charges already paid on Secure Income Portfolio sub-fund money that is withdrawn will not be refunded.

### RMDs—IF YOU HAVE ACTIVATED

After you activate, your Income Benefit will count toward your RMD. If your RMD exceeds your Income Benefit, the difference between the RMD and your Income Benefit will not be considered an excess withdrawal and your RMD will not reduce your Income Benefit.

### IMPORTANT NOTE:

If you have not activated your Income Benefit by the time your Required Minimum Distributions start (typically April 1 after you turn age 73), your RMD will reduce the amount of your Income Benefit. To avoid this reduction and maintain a consistent monthly cash flow, if you are approaching RMD age and have not yet activated your Income Benefit, consider activating as soon as possible and no later than the date by which your first RMD payment is due.

# THE ROLE OF THE INSURANCE COMPANIES

## PROTECTION AGAINST MARKET DOWNTURNS AND OUTLIVING YOUR MONEY

Do you know how much you can withdraw from your savings each year during your retirement without outliving your money? Not many investors can answer yes to this question because there is so much uncertainty associated with the performance of your investments (that is, market risk) and how long you will live (that is, longevity risk). Lifetime Income Strategy eliminates these uncertainties by establishing a retirement income plan that is backed by multiple insurance companies. If you deplete the balance in the Secure Income Portfolio sub-fund while taking monthly guaranteed lifetime withdrawals, each participating insurance company will pay you its portion of your Income Benefit for the rest of your lifetime (and for the rest of your spouse's lifetime, if applicable).

To provide your Income Benefit, Lifetime Income Strategy uses group contracts issued by the following participating insurance companies: Equitable Financial, Jackson National Life Insurance, Lincoln National, Nationwide Mutual Insurance and Prudential

Financial. A formula set by the Savings Plan is designed to encourage insurers to offer competitive withdrawal rates. More competitive withdrawal rates receive greater proportions of the allocations to the Secure Income Portfolio sub-fund and determine what portion of your Income Benefit is assigned to each insurance company for protection. Each insurer is individually responsible for its portion of Income Benefit obligations. The insurers do not share in a pooled obligation. In addition, the insurers securing your Income Benefit do not manage any Lifetime Income Strategy money.

The Savings Plan may add or remove insurers at its discretion, or the participating insurers may decide to no longer participate in Lifetime Income Strategy, but the portion of your Income Benefit provided by an exiting insurer will not be affected, subject to the financial strength and claims-paying ability of such insurer.



### HOME INSURANCE, CAR INSURANCE, LIFE INSURANCE... WHY NOT INCOME INSURANCE?

**People insure what they value most...** their life and health, above all, as well as their home, car, jewelry and other possessions. Yet many people's retirement savings go uninsured—and it's important to protect that valuable asset too. You can think of the insurance companies' role in Lifetime Income Strategy as you would with other types of insurance-protection needs. Homeowner's insurance protects you from damage to your home in the event of a fire, while auto insurance protects you in the event your car is damaged in an accident. **The guaranteed income portion of Lifetime Income Strategy is covered by multiple insurance companies—that insurance guarantees your lifetime income in the event your account is depleted during your retirement.**

If you cancel a homeowner's or auto insurance policy, you forfeit past premiums paid, as they were used to underwrite risks while your policy was active. The situation is similar with the insurance protection on Lifetime Income Strategy. If you decide to remove money from Lifetime Income Strategy, any insurance charges you paid to protect your lifetime income will not be refunded.

#### IMPORTANT NOTE:

The Income Benefit available through Lifetime Income Strategy is not an annuity in the traditional sense. With a traditional annuity, an insurer takes control of your savings in return for a specified annual lifetime income stream. Under Lifetime Income Strategy, your Income Benefit specifies how much you can withdraw from your balance in the Secure Income Portfolio sub-fund each year (provided you do not take an "early" or "excess" withdrawal from the Secure Income Portfolio sub-fund), with the promise that each participating insurance company will pay its portion of the annual withdrawal amount if your account is depleted. You always maintain complete control over your Lifetime Income Strategy account, without surrender charges. Any Income Benefit is offered by, and based on, the financial strength and claims-paying ability of the insurance companies.

# WHAT HAPPENS TO YOUR LIFETIME INCOME STRATEGY ACCOUNT IF YOU DIE?

Two factors—whether you activated before or after your death, and the form of withdrawal you receive (that is, the single- or joint-life option)—determine what happens to your Lifetime Income Strategy account if you die.

- **If You Die Before Activation**

- Your Lifetime Income Strategy account balance will pass directly to your beneficiary. However, your beneficiary (who may or may not be your spouse) will not be eligible to receive your Income Benefit.

- **If You Die After Activation**

- With a single-life form of withdrawal, your Income Benefit will stop, and any remaining Lifetime Income Strategy account balance will pass to your designated beneficiary.
- With a joint-life form of withdrawal, your surviving spouse<sup>9</sup> will continue to receive your Income Benefit for the remainder of their lifetime, and your spouse's beneficiary will receive any remaining balance in the Secure Income Portfolio sub-fund upon your spouse's death. Your RTX Savings Plan beneficiary (who may or may not be your spouse) will receive any remaining balance in the other Lifetime Income Strategy sub-funds upon your death.

## BENEFICIARY DESIGNATION

You can make beneficiary designations on the Plan's website. If you have questions about beneficiary eligibility, please call the RTX Benefit Center (see "Answering Your Questions," on page 24).

<sup>9</sup> The spouse you designated as your beneficiary for the joint-life option at the time of activation (see "Single-Life or Joint-Life Election Options to Receive Your Income Benefit," on page 12).

## WHAT HAPPENS TO YOUR LIFETIME INCOME STRATEGY ACCOUNT IF YOU DIE

	IF YOU DIE AFTER ACTIVATION		
	IF YOU DIE BEFORE ACTIVATION	SINGLE-LIFE FORM OF WITHDRAWAL	JOINT-LIFE FORM OF WITHDRAWAL
<b>INCOME BENEFIT</b>	None. Your beneficiary cannot receive an Income Benefit.	None. Your beneficiary cannot receive an Income Benefit. Distribution of your Income Benefit ends at your death and cannot be passed to an RTX Savings Plan beneficiary.	Your spouse is your beneficiary for your Income Benefit and will continue to receive your Income Benefit for their lifetime. Any Income Base annual increase step-ups are calculated on your birthday (not your spouse's birthday).
<b>LIFETIME INCOME STRATEGY ACCOUNT BALANCE</b>	Your beneficiary is eligible to receive the balance of your Lifetime Income Strategy account.	Your beneficiary is eligible to receive the balance of your Lifetime Income Strategy account.	Your spouse is your beneficiary for the money in the Secure Income Portfolio sub-fund and will continue to receive your Income Benefit for their lifetime, and your spouse's beneficiary will receive any remaining balance in the Secure Income Portfolio sub-fund upon your spouse's death. Your RTX Savings Plan beneficiary (who may or may not be your spouse) will receive the balance in the other Lifetime Income Strategy sub-funds upon your death.
<b>SECURE INCOME LEVEL</b>	None. Your beneficiary cannot receive an Income Benefit and is therefore not eligible for secure income protection on any portion of their Lifetime Income Strategy account. <sup>10</sup>	None. Your beneficiary cannot receive an Income Benefit and is therefore not eligible for secure income protection on any portion of their Lifetime Income Strategy account. <sup>10</sup>	As your beneficiary, your spouse retains your established Secure Income Level through continued receipt of your Income Benefit. However, your spouse is not eligible for additional secure income protection on any new contributions or transfers that they make to Lifetime Income Strategy.

<sup>10</sup> Until the account is changed to reflect the beneficiary's interest, any portion that is invested in the Secure Income Portfolio sub-fund will be subject to the insurance charge described in "Cost for Lifetime Income Strategy," on page 19.

# COST FOR LIFETIME INCOME STRATEGY

As an employer-sponsored plan, the RTX Savings Plan is able to offer Lifetime Income Strategy at a cost lower than you may be able to find individually for similar products.

During your early working years, you are only paying for the investment management and administrative costs associated with the investments inside Lifetime Income Strategy. About 15 years before retirement, if you have secured any of your Lifetime Income Strategy account, the strategy will start automatically and systematically transferring your money to the Secure Income Portfolio sub-fund, where you will slowly start to incur a cost to cover the insurance aspect of “securing the income.”

This cost pays for the insurance protection on your Income Benefit. As you get closer to retirement and begin to secure income, you will be charged an insurance fee at an annual rate of 1.00%.

Like any cost, the insurance charge will reduce the investment return of the Secure Income Portfolio sub-fund but will provide you with a valuable benefit. You will not pay this insurance cost until money is actually allocated to the Secure Income Portfolio sub-fund. You are paying the insurance charge only on the part of your account that you secure, and you pay that insurance only when you start securing income (approximately 15 years before retirement; age 45 at the earliest).

**For Example:** At retirement, if you’re guaranteeing income at 100% to Secure Income Portfolio, the total cost on your Lifetime Income Strategy account would be 1.18%.

## COSTS AND EXPENSES

Investment-Management Cost	0.02%
Administration Cost	0.16%
Insurance Cost	1.00%
<b>Total Cost</b>	<b>1.18%</b>

### SEE YOUR CURRENT AND PROJECTED FUTURE COSTS

The charges you pay on your Lifetime Income Strategy account will be different, based on your years until retirement and the percentage of your account that you allocate to the Secure Income Portfolio within the Lifetime Income Strategy. Go to the Lifetime Income Strategy section of **Your Gateway** to track your current and projected costs.

# EXAMPLES OF HOW YOUR INVESTMENT MIX (AND WHAT YOU PAY) CHANGE BY ALTERING THE DEFAULT SETTINGS

The fee you pay in Lifetime Income Strategy is based on a weighted average of your allocation to each of the six sub-funds: US Equity, International Equity, Real Asset, Core Bond, Cash and the Secure Income Portfolio.

The investment mix and the fees you pay are unique to you and are based off the following variables: your age, the year you think you will retire and your Secure Income Level. Based upon your settings, your investment mix may look like one of the three examples depicted on the following pages.

These are sample illustrations. The following examples show the effect of altering your Secure Income Level: the lower the Secure Income Level, the lower the percentage of your Lifetime Income Strategy assets that would be guaranteed by

an allocation over time to the Secure Income Portfolio sub-fund. You can see your actual, unique investment mix and the associated fees (for any age) in the Lifetime Income Strategy section of **Your Gateway**.

## HOW THE FEE IS CALCULATED FOR A PORTFOLIO THAT IS CURRENTLY 50% US EQUITY, 45% INTERNATIONAL EQUITY AND 5% CORE BONDS:

$$(50\% \times 0.03\%) + (45\% \times 0.08\%) + (5\% \times 0.04\%) = 0.05\%$$

(US equity allocation x fee) + (international equity allocation x fee) + (core bond allocation x fee) = weighted average fee

### EXAMPLE 1

Let's see the fee that you would pay in Lifetime Income Strategy at these three ages if you set your **retirement age to 65 and Secure Income Level to 100%**.

#### AGE 25/FEE: 0.05%

At age 25, you would be invested in about 50% US Equity, 45% International Equity and 5% Core Bonds—the fee you would pay would be about 0.05%.

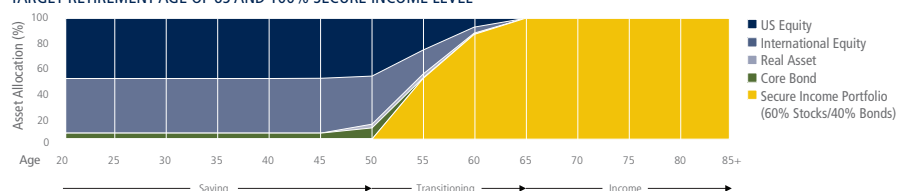
#### AGE 55/FEE: 0.62%

At age 55, you would be invested in about 26% US Equity, 20% International Equity, 3% Real Asset and 1% Core Bond, and about 50% of your money would then be allocated to the Secure Income Portfolio sub-fund (which is made up of stocks and bonds), and the fee you would pay would be about 0.62%. The money in the Secure Income Portfolio sub-fund is the insured portfolio used to fund guaranteed lifetime income.

#### AGE 65/FEE: 1.18%

At age 65, you have reached retirement; 100% of your money would be in the Secure Income Portfolio sub-fund and you would pay a fee of 1.18%. After activation, you will receive monthly income that you can't outlive. The Secure Income Portfolio sub-fund is designed to capture market growth, so you benefit from gains in rising markets and your withdrawal amounts can increase. It preserves your lifetime income if markets should go down—multiple insurance companies continue to pay you for life if your account is depleted.

TARGET RETIREMENT AGE OF 65 AND 100% SECURE INCOME LEVEL



## EXAMPLE 2

Let's see the fee that you would pay in Lifetime Income Strategy at these three ages if you set your **retirement age to 65 and Secure Income Level to 50%**.

### AGE 25/FEE: 0.05%

At age 25, you would be invested in about 50% US Equity, 45% International Equity and 5% Core Bonds—the fee you would pay would be about 0.05%.

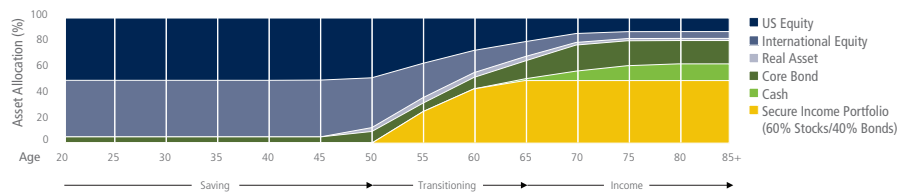
### AGE 55/FEE: 0.34%

At age 55, you would be invested in about 36% US Equity, 28% International Equity, 4% Real Asset and 7% Core Bond, and about 25% of your money would then be allocated to the Secure Income Portfolio sub-fund (which is made up of stocks and bonds). The fee you would pay would be about 0.34%. The money in the Secure Income Portfolio sub-fund is the insured portfolio used to fund guaranteed lifetime income.

### AGE 65/FEE: 0.62%

At age 65, you would be invested in about 19% US Equity, 12% International Equity, 4% Real Asset, 14% Core Bond and 1% Cash, and about 50% of your money would then be allocated to the Secure Income Portfolio sub-fund. You would pay a fee of 0.62%. After activation, you will receive monthly income that you can't outlive from your retirement savings allocated to the Secure Income Portfolio sub-fund.

TARGET RETIREMENT AGE OF 65 AND 50% SECURE INCOME LEVEL



## EXAMPLE 3

Let's see the fee that you would pay in Lifetime Income Strategy at these three ages if you set your **retirement age to 65 and Secure Income Level to 0%**.

### AGE 25/FEE: 0.05%

At age 25, you would be invested in about 50% US Equity, 45% International Equity and 5% Core Bonds—the fee you would pay would be about 0.05%.

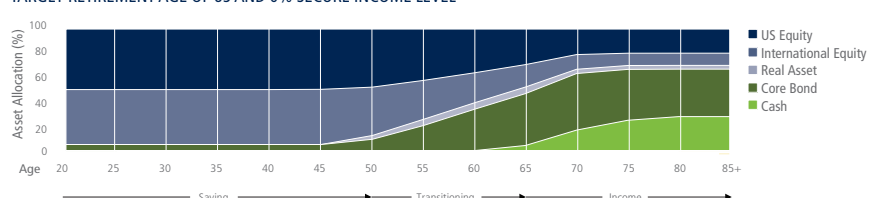
### AGE 55/FEE: 0.05%

At age 55, you would be invested in about 42% US Equity, 32% International Equity, 5% Real Asset and 21% Core Bond. The fee you would pay would be about 0.05%.

### AGE 65/FEE: 0.05%

At age 65, you would be invested in about 29% US Equity, 19% International Equity, 5% Real Asset, 43% Core Bonds and 4% Cash. You would pay a fee of 0.05%. You would not have any money allocated to the Secure Income Portfolio sub-fund; as a result, at retirement, you would not receive guaranteed lifetime income.

TARGET RETIREMENT AGE OF 65 AND 0% SECURE INCOME LEVEL<sup>8</sup>



# GLOSSARY

## ACTIVATION

The administrative process of arranging for receipt of your Income Benefit at retirement, provided you are terminated from employment with RTX and are at least 60 years old. Your Income Benefit will be adjusted at Activation by factors that take into account your age at Activation and the form of payment (Single Life or Joint Life).

## AVERAGE INCOME BENEFIT RATE

The average of each contribution or transfer Income Benefit Rate assigned to contributions or transfers to the Secure Income Portfolio sub-fund at the time it was allocated. The Average Income Benefit Rate assumes activation of income benefit happens at age 65 for a single-life form of withdrawal.

## EARLY WITHDRAWAL

Any distribution or transfer to another RTX Savings Plan investment option that reduces the Secure Income Portfolio sub-fund balance prior to activation.

## EXCESS WITHDRAWAL

Any distribution or transfer to another RTX Savings Plan investment option taken after activation that exceeds your Income Benefit (excluding certain required minimum distributions).

## INCOME BENEFIT

The amount of secure annual income you will receive from the Secure Income Portfolio sub-fund during retirement and the amount that participating insurers will pay you annually for the remainder of your lifetime (or for the remainder of your spouse's lifetime, if applicable) if your Secure Income Portfolio sub-fund account balance is depleted for reasons other than Early or Excess Withdrawals. Prior to Activation, your Income Benefit is expressed as the initial annual amount you would receive if you Activate at age 65 with the Single Life form of payment. Once you Activate, your adjusted Income Benefit is generally paid to you monthly (1/12th of your Income Benefit each month) and will continue for your lifetime (or spouse's lifetime, if applicable). Early or excess withdrawals will reduce the amount of your guaranteed annual income. Your Income Benefit will step-up on your birthday if the value of your Secure Income Portfolio account exceeds your Income Base.

## INCOME BASE

The total dollar value of allocations to the Secure Income Portfolio sub-fund plus any market gains recorded annually on your birthday and upon activation. A reduction of your Income Base can occur as a result of an early withdrawal or excess withdrawal, as defined above.

## INCOME BENEFIT RATE

The rate of withdrawal assigned to an allocation to the Secure Income Portfolio sub-fund based on your age at the time of allocation. Important Note: An Income Benefit Rate is not a rate of return and does not represent or illustrate investment performance of the Secure Income Portfolio sub-fund.

## LIFETIME INCOME STRATEGY

An age-based asset-allocation investment with an optional secure lifetime income feature provided through multiple group insurance contracts.

## LIFETIME INCOME STRATEGY SUB-FUNDS

Lifetime Income Strategy consists of six sub-funds: US Equity, International Equity, Real Asset, Core Bond, Cash and the Secure Income Portfolio. Please reference the Lifetime Income Strategy fact sheet for more information about these sub-funds.

## SECURE INCOME LEVEL

The target percentage of your Lifetime Income Strategy account—between 0% and 100%—that you want allocated over time to the Secure Income Portfolio sub-fund and used to fund your Income Benefit. (The default Secure Income Level is 100%.)

## SECURE INCOME PORTFOLIO SUB-FUND

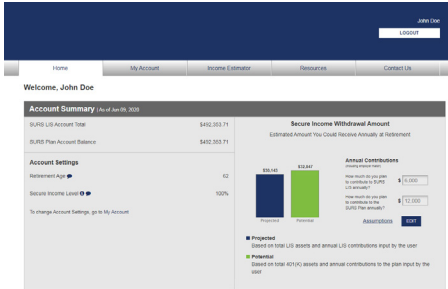
An insured sub-fund used to fund the Income Benefit. Money in this portfolio is insured through multiple group insurance contracts. Allocations among the group insurance contracts are unique to each participant. If your Secure Income Level is greater than 0%, your money will be gradually allocated to the Secure Income Portfolio sub-fund, beginning approximately 15 years before your target retirement age.

## TARGET RETIREMENT AGE

The age you select between 60 and 70. Your target retirement age determines your personal asset allocation and is assumed to be your age at activation.

# YOUR GATEWAY

## A TOOL TO VISUALIZE YOUR SAVINGS AS INCOME IN RETIREMENT



The Lifetime Income Strategy section on **Your Gateway** puts the information you need at your fingertips and allows you to customize your account settings. Use the site to see a personalized estimated projection of your Income Benefit at retirement. You will see what the amount is now, based on current plan data, and then you can run what-if scenarios to learn how your income stream would grow if you added or transferred money into Lifetime Income Strategy. You may also request an estimate by contacting the RTX Benefits Center at 1-800-243-8135, and asking to speak with a Lifetime Income Strategy specialist.

### PERSONALIZED ACCOUNT INFORMATION, UPDATED DAILY

- Your Lifetime Income Strategy account balance
- Your Income Base
- Your Average Income Benefit Rate
- Current Income Benefit Rates for contributions and transfers
- Your Income Benefit
- Your investment mix over time (chart)
- Your target retirement age
- Your Secure Income Level
- Your fees

### THE LIFETIME INCOME ESTIMATOR TOOLS

- Estimate earlier or later retirement scenarios
- See impact of higher contribution amounts
- Estimate Income Benefit at retirement as a single- or joint-life form of withdrawal
- Calculate the effect of transferring other money into Lifetime Income Strategy

### CUSTOMIZE AND CALCULATE THE EFFECT OF CHANGING DEFAULT ACCOUNT SETTINGS

- Change your target retirement age (60 and 70; default is 65)
- Change your Secure Income Level (choose from 0% to 100% in 10% increments)

### ACCESS

Visit the empowerU > My Benefits > **Your Gateway** > Savings & Retirement Summary > Lifetime Income Strategy tile for more information on Lifetime Income Strategy.

# ANSWERING YOUR QUESTIONS

Please use the following resources to access more information about Lifetime Income Strategy and to perform account transactions.

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## SPEAK WITH A LIFETIME INCOME STRATEGY SPECIALIST ABOUT YOUR ACCOUNT

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Get answers to questions about your Savings Plan and Lifetime Income Strategy.

### Call the RTX Benefit Center

Contact the RTX Benefits Center at 1-800-243-8135 between 8 a.m. and 8 p.m., ET, Monday through Friday. Then, follow the prompts for **Retirement & Investments**, and then **Savings Plan**.

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## LIFETIME INCOME STRATEGY ACCOUNT TRANSACTIONS AND CALCULATIONS

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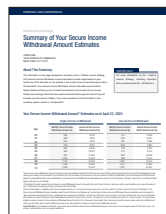
- See projections of your guaranteed annual retirement income
- Calculate the effect of making transfers into Lifetime Income Strategy, adding a spouse to the Income Benefit, adjusting annual contributions, and changing your target retirement age and Secure Income Level settings
- Change your default retirement age and Secure Income Level settings

You have full access to your plan account and Lifetime Income Strategy investment section through **Your Gateway**.

## LIFETIME INCOME STRATEGY MATERIALS CAN BE FOUND ON YOUR GATEWAY

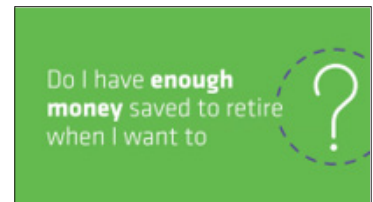


**One-Page Overview**



### Estimator Sample

The estimator document is generated dynamically based on your information that is in the system. You can generate multiple estimates by changing inputs.



### Video Animation Series

- What Is Lifetime Income Strategy?
- What Does It Mean to Secure Income?
- You're About to Retire—How Do You Activate Your Benefit?

## IMPORTANT DISCLOSURES

*Keep in mind that investing involves risk. The value of your investments will fluctuate over time, and you may gain or lose money.*

*Remember, it is always your responsibility to ensure that the options you select are consistent with your particular situation, including among other things, your goals, time horizon and risk tolerance.*

*The Lifetime Income Strategy's components are only available in RTX Savings Plan and are not offered for sale to the general public. Each component is a separate account that invests in a set of underlying investment components. Separate accounts are not mutual funds and are not required to file a prospectus with the SEC.*

*Interests in these components are not deposits of AllianceBernstein Trust Company, LLC or any AllianceBernstein affiliate and are not insured by the Federal Deposit Insurance Corporation (FDIC). The Lifetime Income Strategy is exempt from investment company registration under the Investment Company Act of 1940, and purchases and sales of interests in the Lifetime Income Strategy are not subject to registration under the Securities Act of 1933. Management of the Lifetime Income Strategy, however, is generally subject to the fiduciary duty and prohibited transaction requirements of the Employee Retirement Income Security Act of 1974, as amended (ERISA), and the related rules and regulations of the US Department of Labor. AllianceBernstein provides asset allocation advice for the Lifetime Income Strategy.*

*The Savings Plan is intended to be "a Section 404(c) plan" within the meaning of ERISA. You are solely responsible for your investment decisions and the results of those investment decisions. This means that neither RTX nor any fiduciary has legal liability if you suffer any investment losses as a result of your investment decisions. In the event of any conflict between the information in this document and the applicable plan documents, the plan documents will govern. Please keep in mind that the company has the right to terminate the Savings Plan or to change any of its terms, at any time.*

*Any Income Benefit under the Lifetime Income Strategy is secured by the insurance companies Equitable Financial Life Insurance Company, Jackson National Life Insurance Company, Lincoln National Life Insurance Company, Nationwide Life Insurance Company and Prudential Retirement Insurance and Annuity Company, and requires that all contract provisions are satisfied. (Each insurance company only secures the portion of any Income Benefit allocated to it by RTX.) Any Income Benefit is offered by and based on the financial strength and claims-paying ability of these insurance companies.*

*The return and account value of the Lifetime Income Strategy's underlying components will fluctuate and may be worth more or less than the original amount contributed, including at your retirement date. However, any decreases in value to the components caused by market performance will not reduce any associated Income Benefit.*

*Investments in the Lifetime Income Strategy are not guaranteed against loss of principal. Investing in the Lifetime Income Strategy does not guarantee sufficient income in retirement.*

*This notice includes only a brief summary of how Lifetime Income Strategy works. For a more detailed description, please see the Lifetime Income Strategy page by accessing **Your Gateway** and choose Savings & Retirement Summary, then click on the Lifetime Income Strategy tile.*

