

HONEYWELL INTERNATIONAL INC  
Form 8-K  
February 18, 2009

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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**FORM 8-K**

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT  
OF 1934  
DATE OF REPORT ☐ February 13, 2009  
(Date of earliest event reported)

**HONEYWELL INTERNATIONAL INC.**

(Exact name of Registrant as specified in its Charter)

DELAWARE	1-8974	22-2640650
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

101 COLUMBIA ROAD, P.O. BOX 4000, MORRISTOWN, NEW JERSEY	07962-2497
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (973) 455-2000

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))
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**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

**(e) Incentive Compensation Plan**

At its February 13, 2009 meeting, the Management Development and Compensation Committee (the "Committee") of Honeywell's Board of Directors reviewed and approved the 2009 financial objectives that will be used, together with other factors described below, to determine the 2009 annual incentive compensation that will be payable in the first quarter of 2010 to executives under Honeywell's Incentive Compensation Plan for Executive Employees ("Incentive Compensation Plan"). The selected financial metrics are earnings per share ("EPS"), free cash flow conversion ("FCF Conversion"), and working capital turns ("WCT"). FCF Conversion is defined as free cash flow (cash flow from operations minus capital expenditures) divided by net income. WCT is defined as sales divided by working capital (in each case, excluding the impact of current year acquisitions), calculated based on a 13-month rolling average. Working capital is defined as trade accounts receivable plus inventory less accounts payable and customer advances.

2009 annual incentive awards will be paid from a pool that will be funded based in part upon achievement of the following corporate financial objectives:

<b>Metric</b>	<b>Target</b>
EPS	\$3.20-\$3.55
FCF Conversion	Over 100%
WCT	6.3

The EPS component of the annual incentive bonus pool is subject to upward or downward adjustment (up to a maximum of 25% in either direction) based on Honeywell's relative EPS growth performance versus a pre-established group of 33 peer companies reflecting the Aerospace & Defense, Conglomerates, Auto Parts & Equipment, Specialty Chemicals, Diversified Chemical and Industrial Machinery subgroups of the Standard & Poor's 500 Index. For each percentile that Honeywell's EPS growth exceeds or is below the median EPS growth of its peers, the EPS component of the Company's annual incentive bonus pool is increased or decreased, as appropriate, by approximately one percent. Each of the Company's four strategic business groups ("SBGs") will have corresponding SBG financial objectives (substituting SBG net income for EPS).

In setting bonus pools and/or awards, the Committee may also consider other factors which it believes are appropriate supplements to the results achieved against the pre-established financial metrics set forth above, including year-over-year improvement in operating income, margin expansion, revenue conversion and free cash flow, relative performance of SBG or business units within each SBG, relevant industry and economic conditions, degree of stretch in targets, and prior year annual bonus levels.

SIGNATURE

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

Date: February 18, 2009

HONEYWELL INTERNATIONAL  
INC.

By: /s/ Thomas F. Larkins  
Thomas F. Larkins  
Vice President, Corporate  
Secretary and  
Deputy General Counsel

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