
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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): March 5, 2009

ITT CORPORATION

(Exact name of registrant as specified in its charter)

Indiana
*(State or other jurisdiction
of incorporation)*

1-5672
*(Commission
File Number)*

13-5158950
*(IRS Employer
Identification No.)*

**1133 Westchester Avenue
White Plains, New York**
(Address of principal executive offices)

10604
(Zip Code)

(914) 641-2000
(Registrant's telephone number, including area code)

NOT APPLICABLE
(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 (see General Instruction A.2. below):

- 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 Principal Officers; Election of Directors; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers.

On March 5, 2009, the Compensation and Personnel Committee (the "Committee") of the Board of Directors of ITT Corporation (the "Company") approved base salaries for 2009 and long-term incentive opportunities for the individuals expected to be named executive officers in the Proxy Statement for our 2009 Annual Meeting of Shareholders (the "2009 Annual Meeting"). All decisions with respect to compensation for Steven R. Loranger, Chairman, President and Chief Executive Officer, were made solely by the Committee. Additional information with respect to the compensation arrangements for the named executive officers will be set forth in the Proxy Statement for the 2009 Annual Meeting.

Base Salaries for 2009

In response to the worldwide economic turmoil, at management's recommendation, the Committee elected to eliminate 2009 merit increases and freeze 2009 base salaries for most all executives, including those individuals expected to be named executive officers in the Company's 2009 Proxy Statement. With respect to anticipated named executive officers, 2009 base salary freezes were approved for Mr. Loranger, Ms. Ramos, Mr. Hill and Mr. Maffeo. The Committee considered the significant promotion and related expansion of responsibilities for Ms. McClain, named as President, Fluid and Motion Control on December 8, 2008, and approved a promotional increase resulting in a base salary of \$515,000, effective March 1, 2009 for Ms. McClain.

2009 Long-Term Incentive Opportunities

At management's recommendation the Committee also considered the worldwide economic turmoil in determining long-term incentive opportunities. The Committee decided to reduce the 2009 pool of long-term incentive opportunities by ten percent from 2008 long-term incentive opportunities for all Company executives. This reduced opportunity impacts the following individuals expected to be named executive officers in the Company's 2009 Proxy Statement:

- Mr. Loranger received a reduced 2009 long-term incentive award valued at \$5,940,000 composed of a \$1,980,000 Total Shareholder Return ("TSR") Award at 100% of target; 52,243 shares of restricted stock subject to cliff vesting three years from the grant date, and 165,690 stock options with an exercise price of \$33.19, the Company's closing stock price on March 5, 2009, subject to three year cliff vesting, with an expiration date on March 5, 2016;
- Ms. Ramos received a reduced 2009 long-term incentive award valued at \$1,080,000 composed of a \$360,000 TSR Award at 100% of target; 9,499 shares of restricted stock subject to cliff vesting three years from the grant date, and 30,130 stock options with an exercise price of \$33.19, the Company's closing stock price on March 5, 2009, subject to three-year cliff vesting, with an expiration date on March 5, 2016; and
- Ms. McClain received a reduced 2009 long-term incentive award valued at \$1,080,000 composed of a \$360,000 TSR Award at 100% of target; 9,499 shares of restricted stock subject to cliff vesting three years from the grant date and 30,130 stock options with an exercise price of \$33.19, the Company's closing stock price on March 5, 2009 subject to three year cliff vesting, with an expiration date on March 5, 2016.

Ms. McClain's long-term incentive opportunities were reduced ten percent from those long-term incentive opportunities applicable to the promotional level described above. Messrs. Maffeo and Hill did not receive long-term incentive opportunities due to their anticipated separation from the Company during 2009.

With respect to Ms. McClain, the Committee also approved a separate grant of 52,770 shares of restricted stock as a retention incentive, subject to cliff vesting five years from March 5, 2009, the date of grant.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

- 10.01 ITT Corporation 1997 Long-Term Incentive Plan Award Agreement (amended March 5, 2009)
 - 10.02 ITT Corporation 2003 Equity Incentive Plan Restricted Stock Award Agreement (amended March 5, 2009)
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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.

Date: March 9, 2009

ITT CORPORATION

By: /s/ Kathleen S. Stolar

Kathleen S. Stolar

Its: Vice President, Secretary
and Associate General Counsel

ITT CORPORATION 1997 LONG-TERM INCENTIVE PLAN
AWARD AGREEMENT

THIS AGREEMENT (the "Agreement"), effective as of the ____ day of _____, 20XX, by and between ITT Corporation (the "Company") and **name** (the "Participant"), WITNESSETH:

WHEREAS, the Participant is now employed by the Company or a Participating Company (as defined in the Company's 1997 Long-Term Incentive Plan, as amended and restated as of March 1, 2008 (the "Plan")) as an employee, and in recognition of the Participant's valued services, the Company, through the Compensation and Personnel Committee of its Board of Directors (the "Committee"), desires to provide an opportunity for the Participant to receive a performance-based long-term incentive award, pursuant to the provisions of the Plan.

NOW, THEREFORE, in consideration of the terms and conditions set forth in this Agreement and the provisions of the Plan, a copy of which is attached hereto and incorporated herein as part of this Agreement, and any administrative rules and regulations related to the Plan as may be adopted by the Committee, the parties hereto hereby agree as follows:

1. **Grant of Target Award and Performance Period.** In accordance with, and subject to, the terms and conditions of the Plan and this Agreement, the Company hereby grants to the Participant a target Award of **\$xxx,xxx** (the "Target Award") for the Performance Period commencing January 1, 20XX and ending December 31, 20XX. Payment of the Award is dependent upon the achievement during the Performance Period of certain performance goals more fully described in Section 2 of this Agreement.

2. **Terms and Conditions.** It is understood and agreed that this Award is subject to the following terms and conditions:

(a) **Determination of TSR Award Payout.**

(i) The amount of the TSR Award Payout, if any, for the Performance Period shall be determined in accordance with the following formula:

$$\text{TSR Award Payout} = \text{Payout Factor} \times \text{Target Award}$$

The "Payout Factor" is based on the Company's total shareholder return (defined and measured in accordance with paragraph (ii) below, the "TSR") for the Performance Period relative to the TSR for each company in the S&P Industrials, determined in accordance with the following table:

If Company's TSR rank against the S&P Industrials is	Payout Factor (% of Target Award)
less than the 35 th percentile	0%
at the 35 th percentile	50%
at the 50 th percentile	100%
at the 80 th percentile or more	200%

Actual results between the 35th percentile and the 80th percentile numbers shown above are interpolated.

TSR Agreement-Filed 2009

- (ii) TSR is the sum of the yields of the dividend and any other extraordinary shareholder payouts over the Performance Period, plus the cumulative percentage change in stock price from the beginning to the end of the Performance Period. For purposes of this Agreement, the Company's performance will be measured comparing (a) the average TSR over the trading days in the month immediately preceding the start of the Performance Period (December 20XX) with (b) the Company's average TSR over the trading days in the last month of the Performance Period (December 20XX). The Company's TSR then is compared to the TSR of the other stocks comprising the S&P Industrials over the same period.
- (b) **Form and Timing of Payment of Award.** Except as provided in subsection 2(f), payment with respect to an earned TSR Award shall be made as soon as practicable (but not later than March 15th) in the calendar year following the close of the Performance Period. Payment shall be made in cash.
- (c) **Effect of Termination of Employment.** Except as otherwise provided below, if the Participant's employment with the Company or a Participating Company is terminated for any reason prior to the end of the Performance Period, any Award subject to this Agreement shall be immediately forfeited.
 - (i) Termination due to Death or Disability. If the Participant's termination of employment is due to death or Disability (as defined below), the Award shall vest and will be payable at the time and in the form as provided in subsection 2(b) above based on the Company's TSR for the entire Performance Period relative to the TSR for each company in the S&P Industrials for the entire Performance Period.
 - (ii) Termination due to Retirement or Termination by the Company for Other than Cause. If the Participant's termination of employment is due to Retirement (as defined below) or if the Participant's employment is terminated by the Company (or a Participant Company, as the case may be) for other than cause (as determined by the Committee), a prorated portion of the Award shall vest (see "Prorated Vesting Upon Retirement or Termination by the Company for Other than Cause" below) and will be payable at the time and in the form as provided in subsection 2(b) above. For purposes of this subsection 2(c)(ii), the Participant shall be considered employed during any period in which the Participant is receiving severance pay, and the date of the termination of the Participant's employment shall be the last day of any such severance pay period.

Retirement. For purposes of this Agreement, the term "Retirement" shall mean the termination of the Participant's employment if, at the time of such termination, the Participant is eligible to commence receipt of retirement benefits under a traditional formula defined benefit pension plan maintained by the Company or a Participating Company (or would be eligible to receive such benefits if he or she were a participant in such traditional formula defined benefit pension plan).

Disability. For purposes of this Agreement, the term "Disability" shall mean the complete and permanent inability of the Participant to perform all of his or her duties under the terms of his or her employment, as determined by the Committee upon the basis of such evidence, including independent medical reports and data, as the Committee deems appropriate or necessary.

Prorated Vesting upon Retirement or Termination by the Company for Other than Cause. The prorated portion of the Award that vests due to termination of the Participant's employment due to Retirement or by the Company for other than cause shall be determined by multiplying (i) the TSR Award Payout that would have been paid based on the Company's TSR for the entire Performance Period relative to the TSR for each company in the S&P Industrials for the entire Performance Period, by (ii) a fraction, the numerator of which is the number of full months the Participant has been continually employed since the beginning of the Performance Period and the denominator of which is 36. For this purpose, full months of employment shall be based on monthly anniversaries of the commencement of the Performance Period.

- (f) **Acceleration Event.** Notwithstanding anything in the Plan to the contrary, upon the occurrence of an Acceleration Event during the Performance Period, (i) a prorated portion of the Award shall vest based on actual performance through the date of the Acceleration Event (such prorated portion to be determined as provided below in this subsection 2(f)) and shall be paid within 30 days following the Acceleration Event and (ii) the remaining portion of the Award (such remaining portion to be determined as provided below in this subsection 2(f)) shall vest and shall be paid within 30 days following the Acceleration Event. The prorated portion of the Award that vests pursuant to subpart (i) in the prior sentence due to the Acceleration Event shall be determined by multiplying (A) the TSR Award Payout determined based on the Company's TSR relative to the TSR for each company in the S&P Industrials determined pursuant to subsection 2(a) based on TSR performance for the period beginning January 1, 20XX and ending on the date preceding the date on which the Acceleration Event occurs (the "Prorated Period"), by (B) a fraction, the numerator of which is the number of calendar days in the Prorated Period and the denominator of which is 1,095. The remaining portion of the Award that vests pursuant to subpart (ii) in the first sentence of this subsection 2(f) due to the Acceleration Event shall be determined by multiplying (A) the Target Award by (B) a fraction, the numerator of which is the number of calendar days remaining in the Performance Period as of the date of the Acceleration Event (including day of the Acceleration Event) and the denominator of which is 1,095.
- (g) **Tax Withholding.** Payments with respect to Awards under the Plan shall be subject to applicable tax withholding obligations as described in Section 10.5 of the Plan, or, if the Plan is amended, successor provisions.
- (h) **Participant Bound by Plan and Rules.** The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement and agrees to be bound by the terms and provisions thereof. The Participant agrees to be bound by any rules and regulations for administering the Plan as may be adopted by the Committee prior to the settlement of the Award subject to this Agreement. Terms used herein and not otherwise defined shall be as defined in the Plan.
- (i) **Governing Law.** This Agreement is issued in White Plains, New York, and shall be governed and construed in accordance with the laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

TSR Agreement-Filed 2009

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its Chairman, President and Chief Executive Officer, or a Vice President, as of the ___ day of _____, 20XX.

Agreed to:

ITT Corporation

Participant

Dated: _____

Dated: _____, 20XX

Enclosures

TSR Agreement-Filed 2009

ITT CORPORATION
2003 EQUITY INCENTIVE PLAN

RESTRICTED STOCK AWARD AGREEMENT

THIS AGREEMENT (the "Agreement"), effective as of the ____ day of _____, 20XX, by and between ITT Corporation (the "Company") and [name] (the "Grantee"), WITNESSETH:

WHEREAS, the Grantee is now employed by the Company or an Affiliate (as defined in the Company's 2003 Equity Incentive Plan, as amended and restated as of March 1, 2008 (the "Plan")) as an employee, and in recognition of the Grantee's valued services, the Company, through the Compensation and Personnel Committee of its Board of Directors (the "Committee"), desires to provide an opportunity for the Grantee to acquire or enlarge stock ownership in the Company, pursuant to the provisions of the Plan.

NOW, THEREFORE, in consideration of the terms and conditions set forth in this Agreement and the provisions of the Plan, a copy of which is attached hereto and incorporated herein as part of this Agreement, and any administrative rules and regulations related to the Plan as may be adopted by the Committee, the parties hereto hereby agree as follows:

1. **Grant of Restricted Stock.** In accordance with, and subject to, the terms and conditions of the Plan and this Agreement, the Company hereby confirms the grant on _____, 20XX (the "Grant Date") to the Grantee of XXXX shares of Restricted Stock.
 2. **Terms and Conditions.** It is understood and agreed that the shares of Restricted Stock are subject to the following terms and conditions:
 - (a) **Restrictions.** Except as otherwise provided in the Plan and this Agreement, the Grantee may not sell, assign, pledge, exchange, transfer, hypothecate or encumber any shares of Restricted Stock subject to this Award until the Period of Restriction set forth in subsection 2(c) below shall lapse.
 - (b) **Custody, Dividends and Voting Rights.**
 - (i) As soon as practicable following the grant of Restricted Stock, the shares of Restricted Stock shall be registered in the Grantee's name in certificate or book-entry form. If a certificate is issued, it shall bear an appropriate legend referring to the restrictions and it shall be held by the Company, or its agent, on behalf of the Grantee until the Period of Restriction has lapsed or otherwise been satisfied. If the shares are registered in book-entry form, the restrictions shall be placed on the book-entry registration.
 - (ii) Except for the transfer restrictions, and subject to such other restrictions, if any, as determined by the Committee, the Grantee shall have all other rights of a holder of shares, including the right to receive dividends paid (whether in cash or property) with respect to the Restricted Stock and the right to vote (or to execute proxies for voting) such shares. Unless the Committee determines otherwise, if all or a part of the dividend in respect of the Restricted Stock is paid in shares or any other security issued by the Company, such shares or other securities shall be held by the Company subject to the same restrictions as the Restricted Stock in respect of which the dividend is paid.
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- (c) **Lapse of Period of Restriction.** Subject to subsection 2(d) below, the Period of Restriction shall lapse, and shares of Restricted Stock shall vest and become free of the forfeiture and transfer restrictions contained in this Agreement on _____, 20XX, provided the Grantee has been actively and continuously employed by the Company or an Affiliate on a full-time basis from the Grant Date through the end of the Period of Restriction. Upon lapse of the Period of Restriction, the Company will make arrangements for the form in which the released shares will be issued to the Grantee.

To the extent not earlier vested pursuant to this subsection (c), the Period of Restriction shall lapse and shares of Restricted Stock shall vest in full upon an Acceleration Event (as defined in the Plan).

- (d) **Effect of Termination of Employment.** Except as otherwise provided below, if the Grantee's employment with the Company and its Affiliates is terminated for any reason, any shares subject to the Period of Restriction at the time of such termination event shall be immediately forfeited.
- (i) Termination due to Death or Disability. If the Grantee's termination of employment is due to death, or Disability (as defined below), the shares of Restricted Stock shall immediately become 100% vested and the Period of Restriction shall lapse as of such termination date.
- (ii) Termination due to Retirement or Termination by the Company for Other than Cause. If the Grantee's termination of employment is due to Retirement (as defined below) or if the Grantee's employment is terminated by the Company (or an Affiliate, as the case may be) for other than cause (as determined by the Committee), a prorated portion of the shares of Restricted Stock shall immediately vest as of such termination date (see "Prorated Vesting Upon Retirement or Termination by the Company for Other than Cause" below). For purposes of this subsection 2(d)(ii), the Grantee shall be considered employed during any period in which the Grantee is receiving severance in the form of salary continuation, and the date of the termination of the Grantee's employment shall be the last day of any such severance period.

Retirement. For purposes of this Agreement, the term "Retirement" shall mean the termination of the Grantee's employment if, at the time of such termination, the Grantee is eligible to commence receipt of retirement benefits under a traditional formula defined benefit pension plan maintained by the Company or an Affiliate (or would be eligible to receive such benefits if he or she were a participant in such traditional formula defined benefit pension plan).

Disability. For purposes of this Agreement, the term "Disability" shall mean the complete and permanent inability of the Grantee to perform all of his or her duties under the terms of his or her employment, as determined by the Committee upon the basis of such evidence, including independent medical reports and data, as the Committee deems appropriate or necessary.

Prorated Vesting Upon Retirement or Termination by the Company for Other than Cause. The prorated portion of any unvested shares of Restricted Stock that vest upon termination of the Grantee's employment due to Retirement or by the Company for other than cause shall be determined by multiplying the total number of unvested shares of Restricted Stock at the time of termination of

the Grantee's employment by a fraction, the numerator of which is the number of full months the Grantee has been continually employed since the Grant Date and the denominator of which is 36. For this purpose, full months of employment shall be based on monthly anniversaries of the Grant Date, not calendar months.

- (f) **Tax Withholding.** In accordance with Article 14 of the Plan, the Company may make such provisions and take such actions as it may deem necessary for the withholding of all applicable taxes on shares of Restricted Stock awarded pursuant to this Agreement. Unless the Committee determines otherwise, the minimum statutory tax withholding required upon vesting of such shares of Restricted Stock shall be satisfied by withholding (or requiring the Grantee to surrender) from the shares of Restricted Stock that vest a number of shares having an aggregate Fair Market Value equal to the minimum statutory tax required to be withheld. If such withholding would result in a fractional share being withheld (or surrendered), the number of shares so withheld (or surrendered) shall be rounded down to the nearest whole share, with any remaining tax withholding obligation being satisfied in such manner as may be determined by the Company in its sole discretion; provided, however, that, the Grantee may elect to satisfy such tax withholding requirements by timely remittance of such amount by cash or check or such other method that is acceptable to the Company, rather than by withholding (or surrender) of shares, provided such election is made in accordance with such conditions and restrictions as the Company may establish.
- (g) **Grantee Bound by Plan and Rules.** The Grantee hereby acknowledges receipt of a copy of the Plan and this Agreement and agrees to be bound by the terms and provisions thereof. The Grantee agrees to be bound by any rules and regulations for administering the Plan as may be adopted by the Committee prior to the lapse of restrictions on the shares of Restricted Stock subject to this Agreement. Terms used herein and not otherwise defined shall be as defined in the Plan.
- (h) **Governing Law.** This Agreement is issued, and the shares of Restricted Stock evidenced hereby are granted, in White Plains, New York, and shall be governed and construed in accordance with the laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its Chairman, President and Chief Executive Officer, or a Vice President, as of the _____ day of _____, 20XX.

Agreed to:

Grantee

ITT Corporation

Dated: _____

Dated: _____, 20XX

Enclosures

Filed RS Agreement 2009