

EMC CORP  
Form 11-K  
June 23, 2016

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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 11-K

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(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2015  
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 1-9853

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EMC Corporation 401(k) Savings Plan

(Full title of the Plan)

EMC Corporation

(Name of issuer of the securities held pursuant to the Plan)

176 South Street, Hopkinton, Massachusetts 01748

(Address of principal executive office)

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EMC Corporation 401(k) Savings Plan  
Financial Statements and Supplemental Schedules  
December 31, 2015 and 2014

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Other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting \*and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because such schedules are not applicable.

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Report of Independent Registered Public Accounting Firm

To the Administrator of EMC Corporation 401(k) Savings Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of EMC Corporation 401(k) Savings Plan (the “Plan”) at December 31, 2015 and December 31, 2014, and the changes in net assets available for benefits for the year ended December 31, 2015 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2015 and the Schedule of Delinquent Participant Contributions for the year ended December 31, 2015 have been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental schedules are the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental schedules reconcile to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedules. In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the Schedule of Assets (Held at End of Year) and the Schedule of Delinquent Participant Contributions are fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ PricewaterhouseCoopers LLP  
Boston, Massachusetts  
June 22, 2016

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	2015	2014
Assets		
Investments at fair value:		
Common collective trusts (Note 2)	\$ 1,998,017,982	\$ 1,860,359,820
Mutual funds	2,079,382,869	2,012,091,524
EMC Stock Fund:		
EMC Corporation common stock	98,215,985	113,189,934
Interest bearing cash	1,284,138	961,797
Total EMC Stock Fund	99,500,123	114,151,731
Total Investments	4,176,900,974	3,986,603,075
Receivables:		
Employer contributions	44,081,271	—
Participant contributions	155,927	743,371
Notes from participants	51,493,224	48,245,145
Total Receivables	95,730,422	48,988,516
Net assets available for benefits	\$ 4,272,631,396	\$ 4,035,591,591

The accompanying notes are an integral part of these financial statements.

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	2015
Additions:	
Net appreciation (depreciation) of investments	\$(91,171,268 )
Dividends and interest	109,996,488
Other income	499,817
Contributions:	
Employer contributions	110,751,172
Participant contributions	319,601,828
Participant rollovers from other qualified plans	32,957,977
Total contributions	463,310,977
Total additions	482,636,014
Deductions:	
Benefits paid to participants	(335,373,353 )
Administrative expenses	(1,986,734 )
Total deductions	(337,360,087 )
Increase in net assets available for benefits prior to net transfers	145,275,927
Net transfers into the plan	91,763,878
Increase in net assets available for benefits	237,039,805
Net assets available for benefits:	
Beginning of year	4,035,591,591
End of year	\$4,272,631,396

The accompanying notes are an integral part of these financial statements.





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## 1. Description of the Plan

The following description of the EMC Corporation 401(k) Savings Plan, as amended (the “Plan”), provides only general information. Participants should refer to the Plan’s summary description for a more complete description of the Plan’s provisions.

### General

The Plan is a contributory defined contribution plan established January 1, 1983 for the purpose of providing an opportunity for retirement income and increased savings to the employees of EMC Corporation (the “Company” or “EMC”). Plan assets acquired under the Plan as a result of contributions, investment income, and other additions to the Plan are administered for the exclusive benefit of the participants and their beneficiaries. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The Retirement Plans Committee of the Company serves as the “Plan administrator” and “named fiduciary” under the Plan. Fidelity Management Trust Company serves as the trustee for the Plan (the “Trustee”).

### Eligibility

In general, all U.S. employees of the Company and certain affiliates are eligible to participate in the Plan, and may begin participation on the earliest administratively practicable payroll date following enrollment. The Plan includes an automatic enrollment feature for all new employees. The Plan also includes an automatic increase feature to which all automatically enrolled participants are subject and to which all other participants may elect to participate.

### Contributions

During 2015 and 2014, participants could elect to contribute between 1% and 50% of their eligible compensation on a pre-tax basis while participating in the Plan. Participants may also contribute amounts representing distributions from other qualified plans.

The Plan also allows for Roth elective deferrals. During 2015 and 2014, participants could elect to contribute between 1% and 50% of their eligible compensation on an after-tax basis, subject to certain limitations defined by the Plan. These contributions are designated as Roth elective deferral contributions by the participant. During 2015, the Plan was amended to allow for after-tax contributions, as well as, in-Plan Roth conversions of after-tax contributions.

The Company matches participants’ employee contributions, both pre-tax and Roth, up to 6% of eligible compensation, not to exceed \$750 per quarter. The employer match is contributed in cash each bi-weekly pay period. In 2015, the Company amended the plan to add a supplemental matching contribution up to an additional \$3,000 per

year to be deposited into the EMC Stock Fund following the end of the calendar year. In February 2016, the Company contributed shares of EMC common stock with an aggregate value of \$44,081,271 in conjunction with the supplemental matching contribution instituted during 2015.

Contributions are subject to certain limitations under the Internal Revenue Code of 1986, as amended (the “Code”). In addition to the general contribution limitations under the Code, participants age 50 or over or who attained age 50 by the end of the Plan year, are eligible to contribute up to an

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additional \$6,000 to the Plan in 2015 and \$5,500 in 2014. These contributions may be pre-tax or Roth contributions.

Discretionary profit-sharing contributions may be made as determined by the Company's Board of Directors. To be eligible for an allocation of discretionary profit-sharing contributions, a participant must have completed at least 1,000 hours of service during the Plan year and be employed by the Company on the last day of the Plan year. During 2015, the Company did not make any discretionary profit-sharing contributions.

#### Transfers into the Plan

Net transfers into the Plan represent transfers from affiliated plans in connection with corporate actions. In December 2014, EMC acquired the controlling interest in VCE Company LLC ("VCE"). On December 31, 2015, the VCE 401(k) Plan was merged into the Plan resulting in a transfer of assets of \$89,521,230. Effective January 1, 2016, employees of VCE became eligible to participate in the Plan. The employees' number of years of service at VCE will be included in the calculation of number of years of continuous service for vesting of Company matching contributions.

#### Other Income

Other income represents revenue credits received from the Plan's Trustee pursuant to the Company's service agreement with the Trustee. These funds are meant to be used to cover certain fees and expenses and any unused amounts may be allocated to participant accounts.

#### Participant Accounts

Each participant's account is credited with the participant's contributions, the Company's matching contributions, an allocation of the profit sharing contributions, if applicable, and Plan earnings and the account is debited with applicable expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. All participant accounts are invested in the various investment options made available from time to time under the Plan for such purpose. On a daily basis, participants have the opportunity to give instructions to the Plan's Trustee as to the investment of contributions among the available investment options, subject to allocation rules, which may be prescribed by the Company. No more than 30% of employee contributions and no more than 30% of matching contributions may be invested in the EMC Stock Fund as determined at the time of allocation. Participants may direct that amounts held in the participant's account be reallocated at any time provided that such reallocation would not result in more than 30% of the participant's account being invested in the EMC Stock Fund as determined at the time of allocation. As of January 1, 2016, the limit of employee contributions and reallocations was reduced to 20% and the limit of matching contributions invested in the EMC Stock Fund was eliminated.

#### Vesting and Forfeiture

All participants are immediately vested 100% in their voluntary contributions, rollover contributions and the investment earnings arising from these contributions. All participants vest in Company matching contributions based on the number of years of continuous service as follows:

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Years of Service	Vested Percentage
Less than 1 year	—%
1 year but less than 2	33 1/3%
2 years but less than 3	66 2/3%
3 years or more	100%

Company profit-sharing contributions are subject to a vesting schedule based on the number of years of continuous service as follows:

Years of Service	Vested Percentage
Less than 1 year	—%
1 year but less than 2	25%
2 years but less than 3	50%
3 years but less than 4	75%
4 years or more	100%

Participants' interest in their accounts shall become 100% vested and non-forfeitable without regard to their credited years of service if they are employed by the Company on or after age 59½, incur a permanent and total disability or die while employed by the Company.

If a participant who is not fully vested terminates employment with the Company, the participant shall be entitled to the vested portion of his or her account. If at any time prior to incurring a five-year period of severance the participant is reemployed by the Company, amounts previously forfeited shall be re-credited to the participant's account. A participant who forfeits a portion of his or her account but is reemployed after the expiration of the five-year period of severance is not entitled to restoration of forfeited amounts. Upon termination, non-vested portions of a participant's account are forfeited and applied first to the re-credit of accounts of participants reemployed within five years, then the payment of Plan expenses and then towards matching contributions. As of December 31, 2015 and 2014, the unallocated participant forfeiture balance was \$1,223,490 and \$188,864, respectively. During the Plan year, \$2,061,281 of forfeitures were applied to the Company contributions or re-credited to participant accounts.

#### Payment of Benefits

Benefits are payable at age 59½, death, separation from service, or proven hardship in a lump-sum distribution. As of April 1, 2015, participants can elect to receive partial distributions and/or payment in installments. In any event, payment of benefits must commence not later than the April 1 following the calendar year during which the participant's employment terminates or the participant reaches age 70½, whichever is later. However, a 5% owner of

the Company will be required to begin receiving minimum distributions from his or her account by the April 1 following attainment of age 70½ regardless of whether he or she has terminated employment at that time.

#### Notes from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or one-half of the participant's vested account balance. Loan terms range from 1-5 years or up to 10 years for the purchase of a primary residence. The loans are secured by the

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balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan administrator. Interest rates ranged from 3.25%-10% for the years ended December 31, 2015 and 2014. Principal and interest are paid ratably through payroll deductions while employed and by check after termination of employment. Participant loans are classified as notes from participants in the statements of net assets available for benefits and are measured at their unpaid principal balance plus any accrued but unpaid interest. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

#### Termination of the Plan

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan and to discontinue contributions at any time. The Plan administrator, upon termination, shall cause the assets of the Plan to be allocated as described in the Plan. In the event of Plan termination, participants will become 100% vested in their accounts.

#### Proposed Transaction with Denali

On October 12, 2015, EMC and Denali Holding Inc. ("Denali") entered into an Agreement and Plan of Merger (the "Merger Agreement") under which a wholly owned subsidiary of Denali will be merged with and into EMC, with EMC continuing as a wholly owned subsidiary of Denali (the "Merger"). The transaction is expected to close in mid-2016, subject to certain conditions including EMC shareholder approval.

This Merger Agreement did not impact the Plan's financial statements as of and for the years ended December 31, 2015 and 2014. If the EMC Stock Fund remains in the Plan at the time of the Merger, all Plan participants having an interest in the EMC Stock Fund will receive an interest in cash and shares of common stock of Denali designated as Class V Common Stock pursuant to the terms of the Merger.

## 2. Summary of Significant Accounting Policies

### Basis of Accounting