

GOODYEAR TIRE & RUBBER CO /OH/

Form 11-K

June 08, 2016

[Table of Contents](#)

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE

SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2015

Commission File Number: 1-1927

GOODYEAR DUNLOP TIRES NORTH AMERICA, LTD.

EMPLOYEE SAVINGS PLAN FOR SALARIED EMPLOYEES

(Full title of the Plan)

THE GOODYEAR TIRE & RUBBER COMPANY

(Name of Issuer of the Securities)

200 Innovation Way

Akron, Ohio 44316-0001

(Address of Issuer's Principal Executive Office)

Table of Contents

TABLE OF CONTENTS

<u>ITEM 1. Not applicable.</u>	1
<u>ITEM 2. Not applicable.</u>	1
<u>ITEM 3. Not applicable.</u>	1
<u>ITEM 4. FINANCIAL STATEMENTS OF THE PLAN</u>	1
<u>EXHIBITS.</u>	
<u>SIGNATURES</u>	
<u>EX-23.1</u>	

Table of Contents

**GOODYEAR DUNLOP TIRES NORTH AMERICA, LTD.
EMPLOYEE SAVINGS PLAN FOR SALARIED EMPLOYEES**

ITEM 1. Not applicable.

ITEM 2. Not applicable.

ITEM 3. Not applicable.

ITEM 4. FINANCIAL STATEMENTS OF THE PLAN

The Financial Statements of the Goodyear Dunlop Tires North America, Ltd. Employee Savings Plan for Salaried Employees (the Plan) as of December 31, 2015 and 2014 and for the fiscal year ended December 31, 2015, together with the report of Bober, Markey, Fedorovich & Company, independent registered public accounting firm, are attached to this Annual Report on Form 11-K as Annex A, and are by specific reference incorporated herein and filed as a part hereof. The Financial Statements and the Notes thereto are presented in lieu of the financial statements required by Items 1, 2 and 3 of Form 11-K. The Plan is subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA).

EXHIBITS.

EXHIBIT 23.1. Consent of Bober, Markey, Fedorovich & Company, independent registered public accounting firm.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Administrator has duly caused this Annual Report to be signed by the undersigned thereunto duly authorized.

SUMITOMO RUBBER USA, LLC

Plan Administrator of the GOODYEAR DUNLOP
TIRES

NORTH AMERICA, LTD. EMPLOYEE SAVINGS
PLAN

FOR SALARIED EMPLOYEES

June 8, 2016

/s/ Mary L. Kasprzak
Mary L. Kasprzak, Sr. Vice President

& Chief Financial Officer

Table of Contents

ANNEX A TO FORM 11-K

GOODYEAR DUNLOP TIRES NORTH AMERICA, LTD.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

* * * * *

FINANCIAL STATEMENTS AND

SUPPLEMENTAL INFORMATION

December 31, 2015 and 2014

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

TABLE OF CONTENTS

	Page No.
<u>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	1 - 2
FINANCIAL STATEMENTS	
<u>Statements of Net Assets Available for Benefits at December 31, 2015 and 2014</u>	3
<u>Statement of Changes in Net Assets Available for Benefits for the Year Ended December 31, 2015</u>	4
<u>Notes to Financial Statements</u>	5 -17
SUPPLEMENTAL INFORMATION	
<u>Schedule H, Line 4i Schedule of Assets (Held at End of Year)</u>	18
Note: Certain schedules required by 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 of the absence of the conditions under which they are required.	

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and Administrator

of the Goodyear Dunlop Tires North America, Ltd.

Employee Savings Plan for Salaried Employees

Buffalo, New York

We have audited the accompanying statements of net assets available for benefits of the Goodyear Dunlop Tires North America, Ltd. Employee Savings Plan for Salaried Employees (the Plan) as of December 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended December 31, 2015. 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 in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits 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. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2015 and 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.

As discussed in Note 1 to the financial statements, the Plan has elected to apply the early adoption provisions of Financial Accounting Standards Board Accounting Standards Update 2015-07, Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent) and Accounting Standards Update 2015-12, Plan Accounting: (Part I) Fully Benefit-Responsive Investment Contracts and (Part II) Plan Investment Disclosures consensuses of the Emerging Issues Task Force. Our opinion is not modified with respect to that matter.

Table of Contents

The supplemental information in the accompanying schedule of assets (held at end of year) as of December 31, 2015 has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is presented for the purpose of additional analysis and is not a required part of the financial statements but include supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles 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 information. In forming our opinion on the supplemental information in the accompanying schedule, we evaluated whether the supplemental information, including its form and content, is 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 supplemental information in the accompanying schedule is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ BOBER, MARKEY, FEDOROVICH & COMPANY

Akron, Ohio

May 31, 2016

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2015 and 2014

(Dollars in Thousands)	2015	2014
Plan's Interest in Commingled Trust, at Fair Value	\$ 36,120	\$ 36,491
Plan's Interest in Commingled Trust, at Contract Value	5,955	5,980
Notes Receivable from Participants	751	697
Contribution Receivable - Employer	53	53
Contribution Receivable - Employee	48	52
Net Assets Available for Benefits	\$ 42,927	\$ 43,273

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

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the Year Ended December 31, 2015

(Dollars in Thousands)

Contributions:	
Employer	\$ 1,425
Employee	1,563
Total Contributions	2,988
Deductions:	
Benefits Paid to Participants or Their Beneficiaries	3,485
Total Deductions	3,485
Interest From Notes Receivable from Participants	29
Net Investment Gain from Plans Interest in Commingled Trust	122
Net Decrease in Net Assets Available for Benefits During the Year	(346)
Net Assets Available for Benefits at Beginning of Year	43,273
Net Assets Available for Benefits at End of Year	\$ 42,927

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

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accounts of the Goodyear Dunlop Tires North America, Ltd. Employee Savings Plan for Salaried Employees (the Plan) are maintained on the accrual basis of accounting and in accordance with The Northern Trust Company (the Trustee) Trust Agreement.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts (See Note 9). Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they initiate permitted transactions under the terms of the plan.

Plan Year

The Plan Year is a calendar year.

Trust Assets

The two defined contribution savings plans sponsored by Goodyear Dunlop Tires North America, Ltd. (the Company) at December 31, 2015 and 2014 maintain their assets in a master trust entitled Goodyear Dunlop Tires North America, Ltd. Retirement Savings Plan Trust (the Commingled Trust) administered by the Trustee. The Plan s undivided interest in the Commingled Trust is presented in the accompanying financial statements in accordance with the allocation made by the Trustee.

Dissolution of Joint Venture

On June 4, 2015, The Goodyear Tire & Rubber Company (Goodyear) announced that it had entered into a framework agreement with Sumitomo Rubber Industries, Ltd. (SRI) to dissolve the global alliance between the two companies. In accordance with the framework agreement, on October 1, 2015, SRI America Inc. acquired Goodyear s 75% interest in the Company, resulting in SRI America Inc. owning 75% of the Company and SRI USA, Inc. owning the remaining 25%.

Recordkeeper

Empower Retirement, the retirement services business of Great-West Financial, is the recordkeeper of the Plan.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

Investment Valuation and Income Recognition

The investments of the Plan are reported at fair value, except for the Stable Value Fund which holds fully benefit-responsive investment contracts and is reported at contract value (See Note 9). The fair value of investments held by the Commingled Trust is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date (See Note 8). The value of the Plan's interest in the Commingled Trust is based on the beginning of the year value in the trust plus actual contributions and allocated investment income (loss) less actual distributions and allocated administrative expenses. Investment income (loss) and investment expenses relating to the Commingled Trust are allocated on a daily basis to the Plan based on the Plan's value in each applicable fund within the Commingled Trust.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Commingled Trust's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

The Plan allows notes from participants in accordance with the Plan document. These notes are reported at the unpaid principal balance plus accrued interest. Notes are deemed distributions by the Plan when they are determined to be in default.

Concentration of Credit Risk

The Stable Value Fund of the Commingled Trust invests part of the fund in investment contracts of financial institutions with strong credit ratings and has established guidelines relative to diversification and maturities that are intended to maintain safety and liquidity (See Note 9).

The Goodyear Stock Fund invests solely (except for cash investments generally ranging from 3-4% of the Goodyear Stock Fund for liquidity needs) in the common stock of Goodyear. Significant changes in the price of Goodyear Stock can result in significant changes in the Net Assets Available for Benefits. No contributions to the Goodyear Stock Fund were permitted after November 30, 2015.

Effective May 31, 2016, all remaining amounts of the Plan which were invested in Goodyear Stock were liquidated and the proceeds will be invested in the applicable target date funds.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and related notes to financial statements. Changes in such estimates may affect amounts reported in future years.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

Recently Adopted Accounting Standards

In July 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-12 that (Part I) designates contract value as the only required measure for fully benefit-responsive investment contracts, (Part II) eliminates disclosure of net appreciation or depreciation for investments by general type and allows for it to be presented in the aggregate, and (Part III) provides for a measurement-date practical expedient. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. The Plan adopted ASU 2015-12 Part I and II effective January 1, 2015 and applied it retrospectively to the 2014 financial statements. Part III is not applicable to the Plan.

In May 2015, the FASB issued ASU 2015-07 which removes the requirement to include investments in the fair value hierarchy for which fair value is measured using the net asset value per share practical expedient. ASU 2015-07 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. The Plan adopted ASU 2015-07 effective December 31, 2015 and applied it retrospectively to the 2014 financial statements.

The adoption of ASU 2015-12 and 2015-07 modified certain disclosures in the notes to the financial statements, but did not impact the Plan's Net Assets Available for Benefits.

Reclassification

For comparability, certain amounts in the 2014 financial statements have been reclassified to conform to the 2015 financial statement presentation.

Subsequent Events

The Plan has evaluated subsequent events through the date of issuance of the financial statements. There were no subsequent events which required recognition or disclosure in the financial statements other than the events disclosed in Notes 1 and 3.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE 2 GENERAL DESCRIPTION AND OPERATION OF THE PLAN

General

The Plan is a defined contribution plan covering salaried employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

All salaried employees, including officers, of the Company are eligible to participate in the Plan as of the first enrollment date after completing ninety days of continuous service with the Company. Newly eligible employees are automatically enrolled at 4% of compensation for the employee deferral, and commencing on the first day of May following their first full calendar year of participation, annual 1% incremental increases up to 6% of compensation unless the employee elects otherwise.

Vesting

Employee contributions are fully vested. Company contributions vest after the participant has completed two years of continuous service with the Company.

Contributions

Eligible employees may elect to contribute from 1% to 50% of earnings, including wages, certain bonuses, commissions, overtime and vacation pay into the Plan, subject to certain limitations under the Internal Revenue Code. In addition, the Plan permits catch-up contributions by participants who have attained age 50 by December 31 of each year.

Participating employees may elect to have their contributions invested in any of the funds available for employees at the time of their contributions. The Company calculates and deducts employee contributions from gross earnings each pay period based on the percent elected by the employee. Employees may change their contribution percent at any time. The change will become effective as soon as administratively possible after it is submitted. Employees may suspend their contributions at any time.

All participants are entitled to elect employee contributions to be on a pre-tax, post-tax, or Roth 401(k) contribution basis, subject to certain limitations under the Internal Revenue Code.

The Plan has been established under Section 401 of the Internal Revenue Code. Therefore, employee (except for Roth 401(k) and post-tax contributions) and employer contributions to the Plan are not subject to Federal income withholding tax, but are taxable when withdrawn from the Plan.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

The Plan provides a Company Retirement Contribution equal to 3% of compensation and a Company matching contribution equal to 50% of the first 4% of compensation that the employee contributes to the Plan. Associates hired before April 1, 2007 are eligible for additional age-based employer contributions of up to 6% of compensation. The employee can elect to invest Company contributions in any of the investment options available for employee contributions. Prior to December 1, 2015, participants may not elect to contribute more than 10% of Company Retirement Contributions to the Goodyear Stock Fund (See Note 1).

Participants may transfer amounts attributable to employee or employer contributions from one fund to the other on a daily basis subject to compliance with applicable trading policies of the Plan. Participants may not hold more than 10% of the account balance related to Company Retirement Contributions immediately after a transfer of funds into an investment in the Goodyear Stock Fund (See Note 1).

Participant Accounts

A variety of funds have been established for each participant in the Plan. All accounts are valued by the Trustee at the close of business following each business day.

Interest and dividends (in funds other than the Goodyear Stock Fund) are automatically reinvested in each participant's respective accounts and reflected in the unit value of the fund which affects the value of the participant's accounts.

Under the Employee Stock Ownership Plan (ESOP), participants may elect to receive cash dividends on the Goodyear stock held in their employer match account. Such election results in a distribution to the participant. For the year ended December 31, 2015 total dividends paid on the Goodyear stock held by the plan were \$3,382.

Plan Withdrawals and Distributions

Participants may take in-service distributions of vested amounts from their accounts if they:

Attain the age of 59 $\frac{1}{2}$, or

Qualify for a financial hardship.

The Internal Revenue Service (IRS) issued guidelines governing financial hardship. Under the IRS guidelines, withdrawals are permitted for severe financial hardship. Employee contributions to the Plan are suspended for 6

months subsequent to a financial hardship withdrawal.

Participant vested amounts can remain in the Plan or are eligible to be paid upon retirement, death or other termination of employment.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

All withdrawals and distributions are valued as of the end of the day they are processed, and may be subject to income tax upon receipt. Any non-vested Company contributions are forfeited and applied to reduce Plan expenses and future contributions by the Company. As of December 31, 2015 and 2014, the Plan had forfeiture credits of \$97,009 and \$79,440, respectively.

Notes Receivable from Participants

Eligible employees may borrow money from their participant accounts. The minimum amount to be borrowed is \$1,000. The maximum amount to be borrowed is the lesser of \$50,000 reduced by the highest outstanding balance of any notes during the preceding twelve month period, or 50% of the participant's vested account balance. Participants may have up to two notes outstanding at any time. The interest rate charged is a fixed rate established at the time of the application based on prime plus one percent (4.50% and 4.25% at December 31, 2015 and 2014, respectively).

Repayments, with interest, are made through payroll deductions. If a note is not repaid when due, the outstanding balance is treated as a taxable distribution from the Plan.

Rollovers

Employees, Plan participants, or former Plan participants may transfer eligible cash distributions from any other employer sponsored plan qualified under Section 401 of the Internal Revenue Code into the Plan by a direct transfer from such other plan.

Expenses

Expenses of administering the Plan were paid partly by the Company and partly by the Commingled Trust. The payment of Trustee's fees and brokerage commissions associated with the Goodyear Stock Fund are paid by the Company. Expenses related to the asset management of the investment funds and independent fiduciary of the Goodyear Stock Fund are paid from such funds which reduce the investment return reported and credited to participant accounts. Recordkeeping fees are paid from funds in which a participant invests.

The Professional Management Program offered by Advised Assets Group, LLC., an affiliate of Great-West Financial, is available to all participants. This program provides personalized portfolio management for participants who elect to delegate their investment decisions about fund choices within the Plan to a professional manager. Participation in the program is paid solely by enrolled participants. The expense reduces the investment return reported and credited to participant accounts.

Termination Provisions

The Company anticipates and believes that the Plan will continue without interruption, but reserves the right to discontinue the Plan. In the event of termination, the obligation of the Company to make further contributions ceases. All participants' accounts would then be fully vested with respect to Company contributions.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE 3 SUBSEQUENT EVENTS

On March 11, 2016, the Retirement and Savings Plan Committee of the Company approved Great-West Trust Company, LLC to become trustee of the Plan effective June 24, 2016.

Effective April 1, 2016, the Company and Plan Sponsor changed its name to Sumitomo Rubber USA, LLC.

NOTE 4 RELATED PARTY TRANSACTIONS

An affiliate of the Trustee serves as the fund manager of the S&P 500 Index Stock Equity Fund.

The Goodyear Stock Fund is designed for investment in common stock of Goodyear, except for short-term investments needed for Plan operations. During 2015, the price per share of Goodyear common stock on The NASDAQ Stock Market ranged from \$23.74 to \$35.30. The closing price per share of Goodyear common stock on The NASDAQ Stock Market was \$32.67 at December 31, 2015 (\$28.57 at December 31, 2014). The common stock of Goodyear and a Short-Term Investments Fund are the current investments of this fund. The portion of this fund related to employer matching contributions is designated as an ESOP (See Note 1).

NOTE 5 TAX STATUS OF PLAN

The IRS has determined and informed the Company by a letter dated April 14, 2014 that the Plan is qualified and the trust established for the Plan is exempt from Federal Income Tax under the appropriate Sections of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. However, the Company and the Plan's tax counsel believe the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE 6 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2015 and 2014 to the Form 5500:

(Dollars in Thousands)	2015	2014
Net Assets Available for Benefits per the Financial Statements	\$ 42,927	\$ 43,273
Amount for Adjustment from Contract Value to Fair Value for Fully Benefit-Responsive Investment Contracts	44	106
Net Assets Available for Benefits per the Form 5500	\$ 42,971	\$ 43,379

The following is a reconciliation of net gain from the Plan's investment in the Commingled Trust per the financial statements for the year ended December 31, 2015 to the Form 5500:

(Dollars in Thousands)	
Net Investment Gain from Plan's Interest in Commingled Trust per the Financial Statements	\$ 122
Impact of Reflecting Fully Benefit-Responsive Investment Contracts at Fair Value	(62)
Net Investment Gain from Plan's Interest in Commingled Trust per the Form 5500	\$ 60

Fully benefit-responsive investment contracts are recorded at fair value on the Form 5500.

NOTE 7 FINANCIAL DATA OF THE COMMINGLED TRUST

All of the Plan's investments are in the Commingled Trust, which was established for the investment of assets of the Plan. Each participating plan has an undivided interest in the Commingled Trust. At December 31, 2015 and 2014, the Plan's interest in the net assets of the Commingled Trust was approximately 37% and 38%, respectively.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

The Statements of Net Assets Available for Benefits of the Commingled Trust as of December 31 are as follows:

(Dollars in Thousands)	2015	2014
Investments:		
Investments at Fair Value:		
Common Collective Trusts		
JP Morgan Value Opportunities Fund	\$ 4,306	\$ 4,733
NTGI-QM Daily S & P 500 Equity Index Fund	22,892	23,046
JPMCB ACWI Ex US Fund	8,991	8,987
Victory Capital Collective Trust Large Cap Growth Fund	13,060	12,704
Western Asset Core Plus Bond Fund Class 1	6,606	6,483
Vanguard Fiduciary Trust Target Retirement Income Fund	815	889
Vanguard Fiduciary Trust Target Retirement 2015 Fund	1,885	1,856
Vanguard Fiduciary Trust Target Retirement 2025 Fund	13,457	12,103
Vanguard Fiduciary Trust Target Retirement 2035 Fund	6,212	4,930
Vanguard Fiduciary Trust Target Retirement 2045 Fund	5,162	4,434
Vanguard Fiduciary Trust Target Retirement 2055 Fund	451	228
Short Term Investment Fund	243	301
Mutual Funds		
Eagle Small Capitalization Growth Fund, Class R6	3,009	3,009
RS Partners Small Capitalization Value Fund, Class Y	978	1,289
Charles Schwab Self Directed Account - Mutual Funds	6,307	6,408
Common Stock of The Goodyear Tire & Rubber Company	1,883	2,688
Total Investments at Fair Value	96,257	94,088
Investments at Contract Value:		
Investment Contracts (See Note 9)	17,593	17,242
Total Investments	113,850	111,330
Receivables:		
Accrued Interest and Dividends	30	25

Edgar Filing: GOODYEAR TIRE & RUBBER CO /OH/ - Form 11-K

Total Assets Available for Benefits	30	25
Liabilities:		
Administrative Expenses Payable	(168)	(107)
Total Liabilities	(168)	(107)
Net Assets Available for Benefits	\$ 113,712	\$ 111,248

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

Net investment gain for the Commingled Trust is as follows:

(Dollars in Thousands)	Year Ended December 31, 2015
Net Appreciation in Fair Value of Investments	\$ 630
Interest and Dividends	377
Investment Gain	1,007
Administrative Expenses	(265)
Net Investment Gain	\$ 742

NOTE 8 FAIR VALUE MEASUREMENTS

Assets and liabilities measured at fair value are classified using the following hierarchy, which is based upon the transparency of inputs to the valuation as of the measurement date:

Level 1 Valuation is based upon quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 Valuation is based upon quoted prices for similar assets and liabilities in active markets, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

The classification of fair value measurements within the hierarchy is based upon the lowest level of input that is significant to the measurement. Investments that were measured at net asset value (NAV) per share are not classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the

fair value hierarchy to total investments at fair value of the Commingled Trust. Valuation methodologies used for assets measured at fair value are as follows:

Common stock: Valued at the year-end closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the NAV of shares held by the Commingled Trust at year end, as determined by the closing price reported on the active market on which the individual securities are traded.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

Common collective trusts: Valued at the NAV of units held by the Commingled Trust at year end, as determined by a pricing vendor or the fund family. The common collective trust funds are invested to earn returns that match or exceed U.S. or international equity and fixed income indexes. The NAV, as provided by the trustee of each common collective trust, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by each fund less its liabilities. This practical expedient would not be used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of any common collective trust, each investment advisor reserves the right to temporarily delay withdrawal to ensure that securities liquidation will be carried out in an orderly business manner. The common collective trust funds had a fair value of approximately \$84,080,000 and \$80,694,000 as of December 31, 2015 and 2014, respectively, with no unfunded commitments, daily pricing frequency, and full redemption notice periods that extend no greater than 30 days.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

The following table sets forth by level, within the fair value hierarchy, the Commingled Trust's assets at fair value as of December 31, 2015 and 2014:

(Dollars in Thousands)	December 31, 2015			Total
	Level 1	Level 2	Level 3	
Mutual Funds	\$ 10,294	\$	\$	\$ 10,294
Common Stock	1,883			1,883
Total Assets in the Fair Value Hierarchy	\$ 12,177	\$	\$	12,177

Investments Measured at Net Asset Value:

Common Collective Trusts				84,080
--------------------------	--	--	--	--------

Total Investments at Fair Value				\$ 96,257
---------------------------------	--	--	--	-----------

(Dollars in Thousands)	December 31, 2014			Total
	Level 1	Level 2	Level 3	
Mutual Funds	\$ 10,706	\$	\$	\$ 10,706
Common Stock	2,688			2,688
Total Assets in the Fair Value Hierarchy	\$ 13,394	\$	\$	13,394

Investments Measured at Net Asset Value:

Common Collective Trusts				80,694
--------------------------	--	--	--	--------

Total Investments at Fair Value				\$ 94,088
---------------------------------	--	--	--	-----------

NOTE 9 INVESTMENT CONTRACTS

The Commingled Trust invests in the Invesco Stable Value Trust (Stable Value Fund) which is a collective trust that has entered into benefit-responsive guaranteed investment contracts and wrapper contracts with various financial institutions. The Stable Value fund is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The value of the Commingled Trust's investment in the Stable Value Fund

was \$17,593,000 and \$17,242,000 as of December 31, 2015 and 2014, respectively.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

As described in Note 1, because the guaranteed investment contracts held by the Stable Value Fund are fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contracts. Contract value, as reported to the Commingled Trust by the manager of the Stable Value Fund, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the contract issuers or otherwise. The crediting interest rate is based on a formula agreed upon with the issuers.

The Stable Value Fund has purchased wrapper contracts from the insurance companies. The wrapper contracts amortize the realized and unrealized gains and losses on the underlying fixed income investments, typically over the duration of the investments, through adjustments to the future interest crediting rate (which is the rate earned by participants in the fund for underlying investments). The issuers of the wrapper contracts provide assurance that the adjustments to the interest crediting rate do not result in a future interest crediting rate that is less than zero.

Certain events limit the ability of the Stable Value Fund to transact at contract value with the issuer. These events include termination of the Plan, a material adverse change to the provisions of the Plan, if the Commingled Trust elects to withdraw from a wrapper contract in order to switch to a different investment provider, or if the terms of a successor plan (in the event of the spin-off or sale of a division) do not meet the wrapper contract issuer's underwriting criteria for issuance of a clone wrapper contract. The events, described above that could result in the payment of benefits at market value rather than contract value, are not probable of occurring in the foreseeable future.

The wrapper contracts do not permit the issuers to terminate the contracts unless the Plan loses its qualified status, has incurred material breaches of responsibilities, or material and adverse changes occur to the provisions of the Plan.

Table of Contents

GOODYEAR DUNLOP TIRES NORTH AMERICA, Ltd.

EMPLOYEE SAVINGS PLAN

FOR SALARIED EMPLOYEES

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2015

Employer Identification Number: 34-1899137, Plan Number: 009

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower	Description of investment including maturity date, rate of interest,		
	lessor or similar party	collateral par, or maturity value	Cost	Current Value
*	Notes Receivable from Participants	4.25% - 6.50%	\$	\$ 750,825

Note: This schedule excludes the Plan's interest in the Commingled Trust, which is not required to be reported on the schedule pursuant to the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA).

* Represents a party-in-interest to the Plan, as defined by ERISA.