

CVS CAREMARK CORP  
Form 11-K  
June 22, 2012  
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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 11-K**

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

For the fiscal year ended December 31, 2011

OR

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

For the transition period from        to

Commission File Number: 001-01011

**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN**

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OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES

(Full title of the Plan)

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**CVS CAREMARK CORPORATION**

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

**One CVS Drive**

**Woonsocket, RI 02895**

(Address of principal executive offices of issuer)

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES  
YEARS ENDED DECEMBER 31, 2011 AND 2010**

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Report of Independent Registered Public Accounting Firm

The Administrative Subcommittee of

The 401(k) Plan and the Employee Stock Ownership

Plan of CVS Caremark Corporation and Affiliated Companies

We have audited the accompanying statements of net assets available for benefits of The 401(k) Plan and the Employee Stock Ownership Plan of CVS Caremark Corporation and Affiliated Companies (the Plan ) as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years then ended. 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2011 and 2010, and the changes in its net assets available for benefits for the years then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2011, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management. The information has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Boston, Massachusetts

June 22, 2012



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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

Statements of Net Assets Available for Benefits

December 31, 2011 and 2010

|   | 2011                    | 2010                    |
|---|-------------------------|-------------------------|
| <b>Assets:</b>  |                         |                         |
| Investments, at fair value (Note 3):  |                         |                         |
| Cash  | \$ 6,975                | \$ 9,742,342            |
| Common collective trust funds (Note 2 (d))  | 913,306,344             | 788,193,027             |
| Guaranteed investment contracts (Note 2 (d))  | 242,024,341             | 308,871,889             |
| Mutual funds (Note 2 (d))   | 2,265,957,471           | 2,160,422,545           |
| Common stock (Note 2 (d))   | 1,282,542,340           | 1,319,512,127           |
| Total investments   | 4,703,837,471           | 4,586,741,930           |
| <b>Receivables:</b>   |                         |                         |
| Interest and dividends (Note 2 (i))   | 2,218,050               | 2,080,838               |
| Employer contributions (Note 1 (c))   | 5,420,068               | 43,031,787              |
| Employee contributions (Note 1 (c))   |                         | 6,364,320               |
| Notes receivable from participants (Note 4)   | 140,201,458             | 137,887,485             |
| Total receivables   | 147,839,576             | 189,364,430             |
| <b>Total assets at fair value</b>   | <b>4,851,677,047</b>    | <b>4,776,106,360</b>    |
| <b>Liabilities:</b>   |                         |                         |
| Accrued expenses and other liabilities  | 5,194,428               | 406,405                 |
| <b>Total liabilities</b>  | <b>5,194,428</b>        | <b>406,405</b>          |
| <b>Net assets available for benefits at fair value</b>  | <b>4,846,482,619</b>    | <b>4,775,699,955</b>    |
| Adjustments from fair value to contract value for fully benefit-responsive investment contracts | (17,196,233)            | (20,933,427)            |
| <b>Net assets available for benefits</b>  | <b>\$ 4,829,286,386</b> | <b>\$ 4,754,766,528</b> |

See accompanying notes to financial statements.

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

Statements of Changes in Net Assets Available for Benefits

Years Ended December 31, 2011 and 2010

|  | 2011             | 2010             |
|--|------------------|------------------|
| <b>Investment activity:</b>                            |                  |                  |
| Interest and dividend income (Note 2 (i))              | \$ 98,722,028    | \$ 101,303,645   |
| Transfer into (out of) plan assets (Note 1 (a))        | 38,590           | (2,721,793)      |
| Realized and unrealized gains (losses) (Notes 3 and 5) | (17,793,408)     | 353,061,073      |
| Total investment activity                              | 80,967,210       | 451,642,925      |
| <b>Contributions:</b>                                  |                  |                  |
| Employer contributions (Note 1 (c))                    | 155,561,178      | 155,731,506      |
| Employee contributions (Note 1 (c))                    | 257,695,309      | 259,633,846      |
| Rollovers  | 8,344,706        | 12,437,643       |
| Total contributions                                    | 421,601,193      | 427,802,995      |
| <b>Deductions:</b>                                     |                  |                  |
| Benefits paid to participants (Notes 1 (f) and 2 (e))  | 415,032,107      | 307,443,630      |
| Administrative expenses (Note 1 (g))                   | 13,016,438       | 11,960,636       |
| Total deductions                                       | 428,048,545      | 319,404,266      |
| Net increase in net assets for the year                | 74,519,858       | 560,041,654      |
| Net assets beginning of the year                       | 4,754,766,528    | 4,194,724,874    |
| Net assets end of the year                             | \$ 4,829,286,386 | \$ 4,754,766,528 |

See accompanying notes to financial statements.

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

Notes to Financial Statements

Years Ended December 31, 2011 and 2010

**Note 1 - Plan Description**

The following description of the 401(k) Plan and the Employee Stock Ownership Plan (the "ESOP") of CVS Caremark Corporation and Affiliated Companies (the "Plan") provides only general information. Participants should refer to the Plan documents for a more complete description of the Plan's provisions.

*(a) Background*

The Plan is a defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended. The general administration of the Plan and the responsibility for carrying out the provisions of the Plan are maintained by a committee (the "Benefit Plans Committee") of not less than three persons appointed by the Board of Directors of CVS Caremark Corporation ("CVS Caremark" or the "Company"), the sponsor of the Plan. In accordance with the provisions of the Plan, the Benefit Plans Committee has appointed a plan administrator (the "Administrator") and a trustee (the "Trustee"). The Administrator maintains participant account records and instructs the Trustee to execute transactions such as benefit payments to participants. The Trustee holds the assets of the Plan and executes transactions at the direction of the Benefit Plans Committee and the Administrator. Effective January 2010, the Benefits Plans Committee further named an Administrative Subcommittee and an Investment Subcommittee and delegated certain fiduciary duties to each of the Committees.

The Plan was established as of January 1, 1989.

Effective April 10, 2002, the 401(k) Profit Sharing Plan of CVS Corporation (the "401(k) Plan") was merged into the Plan, and the plan name was changed from CVS Corporation and Subsidiaries Employee Stock Ownership Plan to The 401(k) Plan and the Employee Stock Ownership Plan of CVS Corporation and Affiliated Companies. All assets and liabilities under the 401(k) Plan as of April 10, 2002 were transferred to the Plan and, as of that date, benefits for the participants and beneficiaries of the 401(k) Plan have been paid from the Plan.

Effective March 22, 2007, pursuant to the Agreement and Plan of Merger dated as of November 1, 2006, as amended, Caremark Rx, Inc. ("Caremark") was merged into a newly formed subsidiary of CVS Caremark Corporation ("CVS") with the CVS subsidiary continuing as the surviving entity (the "Caremark Merger"). Subsequently, the name of this plan was changed from The 401(k) Plan and the Employee Stock Ownership Plan of CVS Corporation and Affiliated Companies to The 401(k) Plan and the Employee Stock Ownership Plan of CVS Caremark



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Corporation and Affiliated Companies. The Plan has not been amended to allow for participation by Caremark employees and as such, the financial statements herein do not reflect any consolidation of benefits as provided to employees by Caremark at the time of the Caremark Merger.

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
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Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

Effective January 1, 2010, CVS Caremark developed the Intercompany Voluntary Transfer Program, allowing employees who experienced a bona fide transfer within the Company's control group the opportunity to voluntarily transfer their 401(k) assets from their prior business unit's plan to the 401(k) plan sponsored by their current business unit. This offering is made twice a year to eligible employees. In 2011, this resulted in a transfer of assets out of the Plan of \$660,327 and transfer of assets into the Plan of \$698,917, for a net effect of \$38,590 while in 2010, this resulted in a transfer of assets out of the Plan of \$3,181,719 and transfer of assets into the Plan of \$459,926, for a net effect of (\$2,721,793).

**(b) Eligibility**

Employees are eligible to participate in the Plan upon attainment of age 21 and on the earliest of:

- The first payroll period of the first month after completion of 90 continuous days of service as a full-time employee;
- Completion of 12 months of service beginning on the employee's hire date with at least 1,000 hours worked; or
- Completion of at least 1,000 hours of service in the course of one calendar year.

Employees referred to above are defined as regular employees of the Company other than:

- A nonresident alien receiving no United States ( U.S. ) earned income from the Company;
- An individual covered under a collective bargaining agreement (unless the agreement provides for membership);

- A leased employee (as defined in the Internal Revenue Code);
- A temporary employee (as determined by the Company); or
- An independent contractor or consultant (as defined by the Company).

(c) ***Contributions***

Participants may elect to have the Company contribute to their accounts from 1% to 85% of the compensation that would otherwise be due to them, in multiples of 1%, pursuant to a salary reduction agreement. Each participant's total elective deferrals for any calendar year may not exceed 85% of annual compensation or the maximum allowed by the Internal Revenue Code (the Code); whichever is less, as specified in the Plan document. The maximum elective deferral allowed by the Code was \$16,500 for 2011 and 2010.

On a quarterly basis, the Company matches in cash 100% up to 5% of eligible pre-tax compensation contributed.

All employees at least age 50 that contribute the maximum amount to the Plan are permitted to make additional pre-tax catch-up contributions. Catch-up contributions may be made up to an additional \$5,500 for 2011 and 2010.

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

**(d) Participant s Account**

Each participant s account is credited with an allocable share of their selected Plan s investments and any unrealized appreciation or depreciation and interest and dividends of those investments.

**(e) Vesting**

Participants are 100% vested in participant and Company matching contributions.

Participants whose account balances have been transferred into the Plan from other defined contribution plans maintain at least the degree of vesting in the account they had at the time of the transfer. Notwithstanding the foregoing, participants are fully vested in, and have a nonforfeitable right to (1) their accounts upon death or disability, and (2) any elective deferrals described in Note 1(c).

**(f) Payment of Benefits**

Upon termination of service by the participant, the Administrator will direct the Trustee to pay to the participant their benefit under one or more options, such as a single lump-sum, or in equal annual installments over a period not exceeding fifteen years.

**(g) Administrative Expenses**

Administrative expenses specifically attributable to the Plan and not covered by forfeitures were funded by the Plan for 2011 and 2010. Trustee s fees were paid by the Plan for 2011 and 2010.

**(h) Forfeitures**

On a participant's termination date, any unvested portion of their account is forfeited at the earlier of distribution or five years from the date of termination. If a former participant resumes employment and eligibility in the Plan within five years of termination, any amounts previously forfeited are restored to the participant's account, but remain subject to the vesting provisions of the Plan. Forfeitures during any plan year are applied as follows: (i) to restore amounts previously forfeited by participants but required to be reinstated upon resumption of employment; (ii) to pay administrative expenses of the Plan; or (iii) to reduce future CVS Caremark contributions. If forfeitures for any plan year are insufficient to restore the required forfeitures, CVS Caremark shall contribute the balance required for that purpose.

Cash forfeitures for 2011 and 2010 were \$239,693 and \$288,931, respectively. Cash forfeitures restored to participants upon resumption of employment for 2011 and 2010 were \$8,423 and \$1,720, respectively. The remainder of the forfeitures for each year was applied to the administrative expenses of the plan and to reduce the CVS Caremark contribution.

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
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Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

(i) *Investment Options*

Upon enrollment in the Plan, a participant elects to direct contributions or investment balances to the investment options offered by the plan. Participants may modify investment elections daily thereafter. The Plan's investments are comprised of guaranteed insurance contracts, securities of CVS Caremark and securities of unaffiliated issuers. The securities in unaffiliated issuers include marketable mutual funds and separately managed funds, comprised of marketable securities. The following is a brief explanation of each fund's investment objectives:

Aggressive Lifestyle Fund

The fund invests in other Future Fund investment options as follows: Small Cap Growth, Small Cap Value, International Equity, Large Cap Growth, Core Equity, Growth & Income, Diversified Bond, and U.S. Bond Index Fund. This fund has the following composite benchmarks: Russell 1000 Index, Barclays Capital Aggregate Bond Index, S&P 500 Index, MSCI EAFE Index, and the Russell 2000 Index.

Conservative Lifestyle Fund

The fund invests in the following Future Fund investment options: Small Cap Growth, Small Cap Value, International Equity, Large Cap Growth, Core Equity, Growth & Income, Diversified Bond, U.S. Bond Index Fund, and Stable Value Fund. This fund has the following composite benchmarks: Russell 1000 Index, Barclays Capital Aggregate Bond Index, S&P 500 Index, 3-Year U.S. Treasury Index, Russell 2000 Index, and the MSCI EAFE Index.

Core Equity Fund

The Institutional Vanguard Index Fund seeks to replicate the total return of the Standard & Poors ( S&P ) 500 Composite Stock Index ( S&P 500 ) by investing in stocks that make up the index. The S&P 500 Index consists mainly of large companies and represents approximately 75% of the U.S. stock market value.

CVS Caremark Common Stock Fund

CVS Caremark Common Stock Fund seeks long-term growth and dividend income by purchasing shares of CVS Caremark common stock.

Diversified Bond Fund

The PIMCO Total Return Institutional Class Fund is a core bond fund that seeks to outperform the Barclays Capital Aggregate Bond Index. Investments may include government and corporate debt securities, mortgage and other asset-backed securities, money market instruments, and derivatives.

Global Equity Fund

The American Funds-New Perspective Fund seeks long-term growth of capital by investing in a variety of foreign and domestic companies. The fund tries to outperform the MSCI World Index, which measures the performance of U.S. and international stock markets.

Growth and Income Fund

This fund is managed by J&W Seligman, Mellon Capital Management and Barrow, Hanley, Mewhinney & Strauss. This blended fund seeks long-term growth of capital and dividend income through participation in the stock market. This fund invests primarily in the common stock of U.S.-based, well-established, medium- to large-sized companies. This blended fund is benchmarked by the Russell 1000 Value Index ( RVI ).

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
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Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

Inflation-Protected Fund

The Vanguard Inflation-Protected Securities Fund Admiral Shares seeks to provide modest income and protection from inflation. This fund invests primarily in high-quality inflation-indexed bonds issued by the U.S. government and corporations.

International Equity Fund

The Templeton Foreign Equity Series-Primary Shares Fund seeks long-term growth of capital through participation in stock markets outside the United States. The fund invests mainly in the common stock of companies based in more developed countries, but may also include investments in developing countries. It is benchmarked by the Morgan Stanley Capital International ( MSCI ) Europe, Australasia, and Far East ( EAFE ) Index.

International Equity Index Fund

The Vanguard Developed Markets Index Fund seeks to replicate the total return of the MSCI EAFE Index by investing in the institutional shares of two other Vanguard funds – the Vanguard European Stock Index Fund and Vanguard Pacific Stock Index Fund. These indexes include common stock of approximately 1,140 companies located in Europe, Australia, Asia and the Far East.

Large Cap Growth Fund

This fund seeks long-term growth of capital through participation in the stock market. Investment advisory services are provided by Columbus Circle. The fund invests primarily in the common stock of established large companies that are based in the United States and that represent industries expected to out-perform the stock market as a whole. This fund is benchmarked by the Russell 1000 Growth Index and the S&P 500.



Mid Cap Index Fund

The Vanguard Mid Cap Index Fund seeks to replicate the total return of the MSCI US Mid Cap 450 Index by investing in the stocks that make up the index. The MSCI US Mid Cap 450 Index consists of medium-size U.S. companies.

Moderate Lifestyle Fund

The fund invests in other Future Fund investment options as follows: Small Cap Growth, Small Cap Value, International Equity, Large Cap Growth, Core Equity, Growth & Income, Diversified Bond, U.S. Bond Index Fund, and Stable Value Fund. The composite benchmark has been determined as follows: Russell 1000 Index, Barclays Capital Aggregate Bond Index, S&P 500 Index, MSCI EAFE Index, Russell 2000 Index, and the 3-Year U.S. Treasury Index.

Small Cap Growth Fund

The Vanguard® Explorer Fund Admiral Shares seeks long-term growth of capital and dividend income through participation in the stock market. The fund invests primarily in stocks of relatively small companies, making it a high-risk investment with potential for large rewards. This fund is benchmarked by the Russell 2500 Growth Index.

Small Cap Index Fund

The Vanguard Small Cap Index Fund seeks to replicate the total return of the MSCI US Small Cap 1750 Index by investing in the stocks that make up the index. The MSCI US Small Cap 1750 Index consists of smaller U.S. companies.

Small Cap Value Fund

This fund is managed by Dimensional Fund Advisors and Lord, Abbett & Co. This blended fund seeks long-term growth by investing primarily in stocks of small to medium-sized companies.

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
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Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

Stable Value Fund

This fund is managed by Galliard Capital Management and seeks to preserve capital while generating a steady rate of return higher than money market funds provide. The fund's investments consist of cash, highly rated insurance company contracts (guaranteed investment contracts (GICs)), other bond investments, and a commingled fund managed by Galliard Capital Management that is further diversified by manager and security type.

U.S. Bond Index Fund

The Vanguard Total Bond Market Index Fund Institutional Shares seeks to replicate the total return of Barclays Capital U.S. Aggregate Float Adjusted Index by investing in bonds that make up that index.

**Note 2 - Summary of Significant Accounting Policies**

**(a) Basis of Presentation**

The net assets available for 401(k) Plan and ESOP benefits, on an accrual basis, according to the accounts of employees with rights to allocated stock are reflected in the Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010.

**(b) Recently Adopted Accounting Pronouncements**

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, *Fair Value Measurements and Disclosures: Improving Disclosures about Fair Value Measurements*, (ASU 2010-06). ASU 2010-06 expanded the required

disclosures about fair value measurements by requiring (i) separate disclosure of the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements along with the reasons for such transfers, (ii) information about purchases, sales, issuances and settlements to be presented separately in the reconciliation for Level 3 fair value measurements, (iii) expanded fair value measurement disclosures for each class of assets and liabilities, and (iv) disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements that fall in either Level 2 or Level 3. ASU 2010-06 was effective for annual reporting periods beginning after December 15, 2009 except for (ii) above which was effective for fiscal years beginning after December 15, 2010. The adoption of ASU 2010-06 did not have a material impact on the Statement of Net Assets Available for Benefits or the Statement of Changes in Net Assets Available for Benefits.

(c) ***Recent Accounting Pronouncement Not Yet Effective***

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs*, ( ASU 2011-04 ). ASU 2011-04 amended Accounting Standards Codification ( ASC ) 820, *Fair Value Measurements and Disclosures*, ( ASC 820 ) to converge the fair value measurement guidance in U.S. Generally Accepted Accounting Principles ( GAAP ) and International Financial Reporting Standards ( IFRSs ). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect the provisions of ASU 2011-04 will have on the Plan 's financial statements.

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
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Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

**(d) Investment Valuation**

The value of the investments held at December 31, 2011 and 2010 is based on their fair value. Shares of mutual funds are valued at quoted market prices, which represent the net asset values of shares held by the Plan at year end. CVS Caremark common stock and common stock owned directly in the Small Cap Value Fund, Growth and Income Fund, and the Large Cap Growth Fund, separately managed funds, are valued based upon quoted market prices.

The fair value of the Plan's common collective trust funds represents the net asset value of the underlying investments.

The Plan invests in fully benefit-responsive GICs. These investment contracts are recorded at fair value; however, since these contracts are fully benefit-responsive, an adjustment is reflected in the Statements of Net Assets Available for Benefits to present these investments at contract value. Contract value is the relevant measurement attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The contract value of the fully benefit-responsive investment contracts represents contributions plus earnings, less participant withdrawals and administrative expenses.

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. 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.

**(e) Benefits Paid**

Distribution of benefits are recorded when paid.

**(f) Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results could differ from those estimates.

**(g)            *Accrual Basis of Accounting***

The Plan utilizes the accrual basis of accounting.

**(h)            *Purchase and Sale of Securities***

Purchases and sales of securities are made on a trade-date basis.

**(i)            *Investment Income***

Dividend and interest income is recorded when earned.

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
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Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

**Note 3 - Fair Value Measurements**

The Plan uses the three-level hierarchy for the recognition and disclosure of fair value measurements. The categorization of assets and liabilities within this hierarchy is based upon the lowest level of the input that is significant to the measurement of fair value. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy consist of the following:

- **Level 1** Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.
- **Level 2** Inputs to the valuation methodology are quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active or inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the instrument.
- **Level 3** Inputs to the valuation methodology are unobservable inputs based upon management's best estimate of inputs market participants could use in pricing the asset or liability at the measurement date, including assumptions about risk.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

*Common collective trust funds:* Valued at the net asset value ( NAV ) as permitted by practical expedient and reported by the respective funds at each valuation date. The use of NAV is deemed appropriate as these types of investments do not have finite lives or significant restrictions on redemptions.

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*GICs*: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations, and adjusting for the credit-worthiness of the issuer, if necessary.

*Mutual funds*: Valued at the NAV of shares held by the plan at year end which are reported on an active market.

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

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.

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Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

The market value of CVS Caremark Common Stock was \$40.78 and \$34.77 per share at December 31, 2011 and 2010, respectively.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011 and 2010:

|                                 | Investments at estimated fair value<br>at December 31, 2011  |  |   | Total            |
|---------------------------------|--|--|---|------------------|
|                                 | Investments at<br>fair value as<br>determined by<br>quoted prices<br>in active<br>markets<br>(Level I) | Valuation<br>techniques<br>based on<br>observable<br>market data<br>(Level II) | Valuation<br>techniques<br>incorporating<br>information<br>other than<br>observable<br>market data<br>(Level III) |                  |
| Cash                            | \$ 6,975   |  |   | \$ 6,975         |
| Common collective trust funds   |  | 913,306,344  |   | 913,306,344      |
| Guaranteed investment contracts |  |  | 242,024,341   | 242,024,341      |
| Mutual funds:                   |  |  |   |                  |
| Small cap equity                | 255,457,943  |  |   | 255,457,943      |
| Mid cap equity                  | 145,217,333  |  |   | 145,217,333      |
| Large cap equity                | 587,992,559  |  |   | 587,992,559      |
| International                   | 684,264,867  |  |   | 684,264,867      |
| Bond                            | 593,024,769  |  |   | 593,024,769      |
| Total mutual funds              | 2,265,957,471  |  |   | 2,265,957,471    |
| Common stock:                   |  |  |   |                  |
| Small Cap Equity                | 79,862,993   |  |   | 79,862,993       |
| Large Cap Equity                | 577,101,913  |  |   | 577,101,913      |
| CVS Caremark Common Stock Fund  | 625,577,434  |  |   | 625,577,434      |
| Total common stock              | 1,282,542,340  |  |   | 1,282,542,340    |
| Total investments               | \$ 3,548,506,786   | \$ 913,306,344   | \$ 242,024,341  | \$ 4,703,837,471 |



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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

|                                   | <b>Investments at estimated fair value<br/>at December 31, 2010</b>   |  |   |                  |
|-----------------------------------|---|--|---|------------------|
|                                   | <b>Investments at<br/>fair value as<br/>determined by<br/>quoted prices<br/>in active<br/>markets<br/>(Level I)</b> | <b>Valuation<br/>techniques<br/>based on<br/>observable<br/>market data<br/>(Level II)</b> | <b>Valuation<br/>techniques<br/>incorporating<br/>information<br/>other than<br/>observable<br/>market data<br/>(Level III)</b> | <b>Total</b>     |
| Cash                              | \$ 9,742,342  | \$   | \$  | \$ 9,742,342     |
| Common collective trust funds     |   | 788,193,027  |   | 788,193,027      |
| Guaranteed investment contracts   |   |  | 308,871,889   | 308,871,889      |
| Mutual funds:                     |   |  |   |                  |
| Small cap equity                  | 267,217,460   |  |   | 267,217,460      |
| Mid cap equity                    | 114,578,874   |  |   | 114,578,874      |
| Large cap equity                  | 548,432,281   |  |   | 548,432,281      |
| International                     | 702,660,573   |  |   | 702,660,573      |
| Bond                              | 527,533,357   |  |   | 527,533,357      |
| Total mutual funds                | 2,160,422,545   |  |   | 2,160,422,545    |
| Common stock:                     |   |  |   |                  |
| Small Cap Equity                  | 621,263,446   |  |   | 621,263,446      |
| Large Cap Equity                  | 92,528,091  |  |   | 92,528,091       |
| CVS Caremark Common Stock<br>Fund | 605,720,590   |  |   | 605,720,590      |
| Total common stock                | 1,319,512,127   |  |   | 1,319,512,127    |
| Total investments                 | \$ 3,489,677,014  | \$ 788,193,027   | \$ 308,871,889  | \$ 4,586,741,930 |

**Level 3 Gains and Losses**

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2011 and 2010.

|  |
|--|
| <b>Level 3 Assets - GICs</b>                               |
| <b>Year Ended December 31,</b>                             |
| <b>2011</b> <span style="float: right;"><b>2010</b></span> |

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|  |    |              |    |              |
|--|----|--------------|----|--------------|
| Balance, beginning of year   | \$ | 308,871,889  | \$ | 404,730,290  |
| Unrealized losses relating to instruments still held at the reporting date |    | (39,046,209) |    | (40,143,584) |
| Purchases  |    | 50,851,975   |    |              |
| Sales  |    | (78,653,314) |    | (55,714,817) |
| Balance, end of year   | \$ | 242,024,341  | \$ | 308,871,889  |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

**Note 4 Notes Receivable from Participants**

Participants may obtain bona fide loans from the Plan, utilizing funds accumulated in their accounts. The minimum amount which may be borrowed is \$1,000. Participants can borrow up to 50% of their vested account balance but not more than \$50,000, less their highest outstanding loan balance during the previous twelve months. The loans are repaid to the Plan through after-tax payroll deductions. The term of the loan is selected at the discretion of the participant, but may not exceed five years for a general loan and twenty-five years for a primary residence loan. Participants may have two loans outstanding at any time. Interest on loans is equal to the Prime Rate as of the prior month end plus 1%.

**Note 5 - Investment Policy**

At December 31, 2011 and 2010, most of the Plan's 401(k) related assets were allocated among the investment options discussed in Note 1(i) based on employees' elections. The investment options are recommended by an independent investment consultant and approved by the Benefit Plans Investment Subcommittee. Employee contributions that are waiting to be processed are temporarily invested in a common collective trust fund. This common collective trust fund is also used to account for and administer notes receivable from participants. The note repayments and interest earned are allocated to each of the investment funds based upon the participants' contribution election percentages.

During 2011 and 2010, the Plan's investments, including investments purchased, sold, as well as held during the year appreciated (depreciated) in fair value as follows:

| Asset Category                | 2011            | 2010           |
|-------------------------------|-----------------|----------------|
| Common collective trust funds | \$ 9,602,151    | \$ 4,747,826   |
| Mutual funds                  | (111,943,237)   | 214,753,616    |
| Common stock                  | 84,547,678      | 133,559,631    |
|                               | \$ (17,793,408) | \$ 353,061,073 |

**Note 6 - Plan Termination and Related Commitments**

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Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If the Company terminates the Plan, all participants in the Plan become fully vested.

### **Note 7 - Federal Income Taxes**

The Plan has received a determination letter from the Internal Revenue Service ( IRS ) dated June 17, 2004, stating that the Plan is qualified under Section 401(a) of the Code and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. Subsequent to this determination by the IRS, the Plan was amended and restated. The plan sponsor has submitted a request for a new determination letter. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes the Plan, as amended, is qualified and the related trust is tax exempt.

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

Accounting principles generally accepted in the U.S. require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

**Note 8 - Transactions with Parties-In-Interest**

Certain Plan investments are investment funds managed by The Bank of New York Mellon. The Bank of New York Mellon is the Trustee as defined by the Plan, and therefore, these transactions qualify as party-in-interest transactions.

**Note 9 - Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of the net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2011 and 2010:

|  | 2011             | 2010             |
|--|------------------|------------------|
| Net assets available for benefits per the financial statements                                 | \$ 4,829,286,386 | \$ 4,754,766,528 |
| Adjustment from fair value to contract value for fully benefit responsive investment contracts | 17,196,233       | 20,933,427       |
| Net assets available for benefits per the Form 5500  | \$ 4,846,482,619 | \$ 4,775,699,955 |

**Note 10 - Investments**

The following table presents investments of the Plan at fair value that represent 5% or more of the total fair value of the Plan's assets.

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|  | 2011           | 2010           |
|--|----------------|----------------|
| CVS Caremark Corporation Common Stock                      | \$ 627,078,138 | \$ 606,920,155 |
| Vanguard Institutional Index Fund                          | 587,992,560    | 548,432,281    |
| EB Temporary Investment Fund II                            | 504,005,372    | 541,932,540    |
| PIMCO Total Return Institutional Class Fund                | 333,854,687    | 336,902,577    |
| Vanguard Developed Markets Index Fund Institutional Shares | 271,010,562    | 242,364,541    |
| Templeton Foreign Equity Series-Primary Shares Fund        | 250,145,175    | 278,649,571    |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

Notes to Financial Statements (Continued)

Years Ended December 31, 2011 and 2010

**Note 11 Guaranteed Investment Contracts**

The Plan invests in fully benefit-responsive GICs. The issuer maintains the contributions in a general account. The account is credited with participant contributions plus earnings and charged for participant withdrawals and administrative expenses. The issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting interest rate is fixed at the time the contract is entered into with the issuer and does not reset. For the year ended December 31, 2011 and 2010, the average yield of the GIC based upon underlying earnings and credited to participant accounts was 2.0% and 2.2%, respectively.

Certain events limit the ability of the Plan to transact at contract value with the GIC issuers. Such events may include (i) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (ii) changes to the plan's prohibition on competing investment options or deletion of equity wash provisions, (iii) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (iv) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator does not believe that the occurrence of any such events that would limit the Plan's ability to transact at contract value with participants is probable.

GICs generally do not permit issuers to terminate the agreement prior to the scheduled maturity date. The issuer may be in default if it breaches a material obligation under the investment contract, makes a material misrepresentation, has a decline in its long term credit rating below a threshold set forth in the contract, or is acquired or reorganized and the successor issuer does not satisfy the investment or credit guidelines applicable to issuers. If, in the event of default of an issuer, the Plan was unable to obtain a replacement investment contract, withdrawing participants may experience losses if the value of the Plan's assets no longer covered by the contract is below contract value. The Plan may seek to add additional issuers over time to diversify the Plan's exposure to such risk, but there is no assurance the Plan may be able to do so. The combination of the default of an issuer and an inability to obtain a replacement agreement could render the Plan unable to achieve its objective of maintaining a stable contract value. The terms of an investment contract generally provide for settlement of payments only upon termination of the contract or total liquidation of the covered investments. If the contract terminates due to issuer default (other than a default occurring because of a decline in its rating), the issuer will generally be required to pay to the Plan the excess, if any, of contract value over market value on the date of termination. Contract termination also may occur by either party upon election and notice. As GICs are fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the GIC. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

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Supplemental Schedule

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year)

December 31, 2011

| Fund                            | Par value/<br>number of<br>shares | Identity of issue  | Description                           | Current<br>value** |
|---------------------------------|-----------------------------------|--|---------------------------------------|--------------------|
| International Equity Fund       | 14,679,881                        | Templeton Foreign Equity Series-Primary Shares Fund        | Mutual Fund                           | \$ 250,145,175     |
| Core Equity Fund                | 5,110,757                         | Vanguard Institutional Index Fund                          | Mutual Fund                           | 587,992,560        |
| Small Cap Growth Fund           | 1,721,555                         | Vanguard Explorer Fund                                     | Mutual Fund                           | 114,414,564        |
| Small Cap Index Fund            | 1,784,903                         | Vanguard Small Cap Index Fund                              | Mutual Fund                           | 59,597,899         |
| Mid Cap Index Fund              | 1,495,390                         | Vanguard Mid Cap Index Fund                                | Mutual Fund                           | 145,217,333        |
| International Equity Index Fund | 3,088,791                         | Vanguard Developed Markets Index Fund Institutional Shares | Mutual Fund                           | 271,010,562        |
| U.S. Bond Index Fund            | 21,388,346                        | Vanguard Total Bond Market Index Fund                      | Mutual Fund                           | 235,271,801        |
| Inflation-Protected Bond Fund   | 2,116,765                         | Vanguard Inflation-Protected Securities Admiral Fund       | Mutual Fund                           | 23,898,282         |
| Diversified Bond Fund           | 30,713,403                        | PIMCO Total Return Institutional Class Fund                | Mutual Fund                           | 333,854,687        |
| Global Equity Fund              | 6,244,607                         | American Funds-New Perspective Fund                        | Mutual Fund                           | 163,109,127        |
| CVS Caremark Common Stock Fund  | 15,340,300 *                      | CVS Caremark Common Stock                                  | CVS Caremark Corporation Common Stock | 625,577,434        |
|                                 | 7,704,636 *                       | EB Temporary Investment Fund II                            | Common Collective Trust Fund          | 7,704,636          |
|                                 |                                   | CVS Caremark Common Stock Fund Subtotal                    |                                       | 633,282,070        |

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|  |                                 |            |
|--|---------------------------------|------------|
| 48,856,148 * EB Temporary Investment Fund II | Common Collective Trust<br>Fund | 48,856,148 |
|--|---------------------------------|------------|

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| Fund              | Par value/<br>number of<br>shares | Identity of issue                          | Description             | Current<br>value** |
|-------------------|-----------------------------------|--|-------------------------|--------------------|
| Stable Value Fund |                                   |  | Separately Managed Fund |                    |
|                   |                                   | <b>Genworth Life and Insurance Co.</b>     | Guaranteed Investment   |                    |
|                   | 2,865,666                         | 5.05%, due 2/29/2012                       | Contract ( GIC )        | \$ 2,865,666       |
|                   | 2,901,577                         | 5.66%, due 5/31/2012                       | GIC                     | 2,901,577          |
|                   | 12,035,866                        | 5.56%, due 6/28/2013                       | GIC                     | 12,035,866         |
|                   | 5,704,622                         | 5.14%, due 4/30/2012                       | GIC                     | 5,704,622          |
|                   | 9,248,317                         | 5.15%, due 9/28/2012                       | GIC                     | 9,248,317          |
|                   |                                   | <b>Hartford Life Insurance Co.</b>         |                         |                    |
|                   | 1,921,841                         | 5.23%, due 1/31/2012                       | GIC                     | 1,921,841          |
|                   | 12,168,860                        | 5.03%, due 11/30/2012                      | GIC                     | 12,168,960         |
|                   | 5,720,277                         | 5.55%, due 6/29/2012                       | GIC                     | 5,720,277          |
|                   | 3,625,377                         | 5.41%, due 10/31/2013                      | GIC                     | 3,625,377          |
|                   |                                   | <b>ING Life Insurance Co.</b>              |                         |                    |
|                   | 10,117,575                        | 1.84%, due 5/12/2014                       | GIC                     | 10,117,575         |
|                   | 1,792,740                         | 4.89%, due 8/30/2013                       | GIC                     | 1,792,740          |
|                   | 6,016,359                         | 1.25%, due 10/11/2013                      | GIC                     | 6,016,359          |
|                   | 1,804,684                         | 5.11%, due 9/30/2013                       | GIC                     | 1,804,684          |
|                   |                                   | <b>Jackson National Life Insurance Co.</b> |                         |                    |
|                   | 12,120,591                        | 5.37%, due 12/28/2012                      | GIC                     | 12,120,591         |
|                   | 12,003,357                        | 5.41%, due 6/28/2013                       | GIC                     | 12,003,357         |
|                   |                                   | <b>Metropolitan Life Ins. Co.</b>          |                         |                    |
|                   | 10,069,415                        | 1.31%, due 6/20/2014                       | GIC                     | 10,069,415         |
|                   | 10,032,268                        | 1.33%, due 10/3/2014                       | GIC                     | 10,032,268         |
|                   |                                   | <b>New York Life Ins. Co.</b>              |                         |                    |
|                   | 1,720,722                         | 4.70%, due 9/28/2012                       | GIC                     | 1,720,722          |
|                   | 1,753,464                         | 2.73%, due 2/29/2012                       | GIC                     | 1,753,464          |
|                   | 3,566,306                         | 3.35%, due 7/31/2013                       | GIC                     | 3,566,306          |
|                   |                                   | <b>Pacific Life Ins. Co.</b>               |                         |                    |
|                   | 11,941,435                        | 5.44%, due 6/28/2013                       | GIC                     | 11,941,435         |
|                   |                                   | <b>Principal Life Ins. Co.</b>             |                         |                    |
|                   | 10,016,424                        | 1.34%, due 9/30/2014                       | GIC                     | 10,016,424         |
|                   |                                   | <b>Protective Life Insurance Co.</b>       |                         |                    |
|                   | 11,875,248                        | 4.44%, due 7/31/2012                       | GIC                     | 11,875,248         |
|                   | 11,924,197                        | 4.85%, due 3/28/2013                       | GIC                     | 11,924,197         |

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|           |                      |     |           |
|-----------|----------------------|-----|-----------|
| 1,706,477 | 4.76%, due 8/31/2012 | GIC | 1,706,477 |
| 1,765,505 | 4.55%, due 7/31/2013 | GIC | 1,765,505 |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| <b>Fund</b>       | <b>Par value/<br/>number of<br/>shares</b> | <b>Identity of issue</b>                           | <b>Description</b>              | <b>Current<br/>value**</b> |
|-------------------|--|--|---------------------------------|----------------------------|
| Stable Value Fund |  |  | Separately Managed Fund         |                            |
|                   |  | <b>Prudential Insurance Company of<br/>America</b> |                                 |                            |
|                   | 5,742,006                                  | 5.20%, due 3/30/2012                               | GIC                             | \$ 5,742,006               |
|                   | 11,853,497                                 | 4.50%, due 12/28/2012                              | GIC                             | 11,853,497                 |
|                   | 12,054,529                                 | 5.34%, due 4/30/2013                               | GIC                             | 12,054,529                 |
|                   |  | <b>Transamerica Life Insurance and<br/>Annuity</b> |                                 |                            |
|                   | 5,965,578                                  | 5.37%, due 7/31/2012                               | GIC                             | 5,965,578                  |
|                   | 11,856,711                                 | 4.60%, due 2/28/2013                               | GIC                             | 11,856,711                 |
|                   |  | <b>United of Omaha Life Insurance Co.</b>          |                                 |                            |
|                   | 1,938,380                                  | 5.31%, due 1/31/2012                               | GIC                             | 1,938,380                  |
|                   | 10,073,008                                 | 1.35%, due 3/30/2014                               | GIC                             | 10,073,008                 |
|                   | 155,629,881                                | Wells Fargo Stable Value Fund D                    | Common Collective Trust<br>Fund | 163,100,115                |
|                   | 154,770,437                                | Putnam Stable Value Fund                           | Common Collective Trust<br>Fund | 158,314,680                |
|                   | 434,102,755                                | * EB Temporary Investment Fund II                  | Common Collective Trust<br>Fund | 434,102,755                |
|                   |  | Stable Value Fund Subtotal                         |                                 | \$ 991,420,529             |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| Fund                 | Par value/<br>number of<br>shares | Identity of issue  | Description             | Current<br>value** |
|----------------------|-----------------------------------|--|-------------------------|--------------------|
| Small Cap Value Fund |                                   | Lord Abbett and Dimensional Fund Advisor<br>Small Cap Value Fund | Separately Managed Fund |                    |
|                      | 30,800                            | AAR CORP   | Common Stock            | \$ 590,436         |
|                      | 8,500                             | ALEXANDRIA REAL ESTATE EQUITIES<br>INC                           | Common Stock            | 586,245            |
|                      | 48,100                            | ALTERRA CAPITAL HOLDINGS LTD                                     | Common Stock            | 1,136,603          |
|                      | 16,800                            | ANIXTER INTERNATIONAL INC  | Common Stock            | 1,001,952          |
|                      | 21,400                            | APPLIED INDUSTRIAL TECHNOLOGIES<br>INC                           | Common Stock            | 752,638            |
|                      | 12,300                            | APTARGROUP INC   | Common Stock            | 641,691            |
|                      | 27,700                            | ASCENA RETAIL GROUP INC  | Common Stock            | 823,244            |
|                      | 13,400                            | ATLAS AIR WORLDWIDE HOLDINGS I                                   | Common Stock            | 514,962            |
|                      | 38,200                            | BEACON ROOFING SUPPLY INC  | Common Stock            | 772,786            |
|                      | 61,200                            | BRANDYWINE REALTY TRUST  | Common Stock            | 581,400            |
|                      | 15,600                            | BRISTOW GROUP INC  | Common Stock            | 739,284            |
|                      | 22,600                            | C&J ENERGY SERVICES INC  | Common Stock            | 473,018            |
|                      | 47,200                            | CABOT CORP   | Common Stock            | 1,517,008          |
|                      | 14,600                            | CABOT MICROELECTRONICS CORP                                      | Common Stock            | 689,850            |
|                      | 19,300                            | CENTENE CORP   | Common Stock            | 764,087            |
|                      | 25,900                            | CHEESECAKE FACTORY INC/THE                                       | Common Stock            | 760,165            |
|                      | 39,200                            | CHICAGO BRIDGE & IRON CO NV                                      | Common Stock            | 1,481,760          |
|                      | 14,500                            | CHILDRENS PLACE RETAIL STORES                                    | Common Stock            | 770,240            |
|                      | 21,000                            | CINEMARK HOLDINGS INC  | Common Stock            | 388,290            |
|                      | 17,600                            | CITY NATIONAL CORP/CA  | Common Stock            | 777,568            |
|                      | 18,000                            | COGNEX CORP  | Common Stock            | 644,220            |
|                      | 17,600                            | COHERENT INC   | Common Stock            | 919,952            |
|                      | 38,600                            | COLUMBIA BANKING SYSTEM INC                                      | Common Stock            | 743,822            |
|                      | 10,700                            | COMPASS MINERALS INTERNATIONAL                                   | Common Stock            | 736,695            |
|                      | 26,100                            | COMPLETE PRODUCTION SERVICES I                                   | Common Stock            | 875,916            |
|                      | 81,900                            | CVB FINANCIAL CORP   | Common Stock            | 821,457            |
|                      | 36,300                            | DIODES INC   | Common Stock            | 773,190            |
|                      | 71,600                            | DOLE FOOD CO INC   | Common Stock            | 619,340            |
|                      | 47,100                            | DUKE REALTY CORP   | Common Stock            | 567,555            |
|                      | 21,800                            | ELSTER GROUP SE  | Common Stock            | 283,400            |

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|        |                                |              |           |
|--------|--------------------------------|--------------|-----------|
| 29,000 | EMCOR GROUP INC                | Common Stock | 777,490   |
| 24,100 | ENTERTAINMENT PROPERTIES TRUST | Common Stock | 1,053,411 |
| 30,900 | EXPRESS INC                    | Common Stock | 616,146   |
| 36,700 | FIRST FINANCIAL BANCORP        | Common Stock | 610,688   |
| 28,500 | FLEETCOR TECHNOLOGIES INC      | Common Stock | 851,295   |
| 17,200 | FTI CONSULTING INC             | Common Stock | 729,624   |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| <b>Fund</b>          | <b>Par value/<br/>number of<br/>shares</b> | <b>Identity of issue</b>                                      | <b>Description</b>      | <b>Current<br/>value**</b> |
|----------------------|--|---|-------------------------|----------------------------|
| Small Cap Value Fund |  | Lord Abbett and Dimensional Fund Advisor Small Cap Value Fund | Separately Managed Fund |                            |
|                      | 27,400                                     | GATX CORP   | Common Stock            | \$ 1,196,284               |
|                      | 26,000                                     | GAYLORD ENTERTAINMENT CO                                      | Common Stock            | 627,640                    |
|                      | 16,400                                     | GENESCO INC   | Common Stock            | 1,012,536                  |
|                      | 12,200                                     | GENESEE & WYOMING INC   | Common Stock            | 739,076                    |
|                      | 16,900                                     | GREIF INC   | Common Stock            | 769,795                    |
|                      | 16,800                                     | GULFMARK OFFSHORE INC   | Common Stock            | 705,768                    |
|                      | 10,100                                     | HAEMONETICS CORP  | Common Stock            | 618,322                    |
|                      | 20,600                                     | HEALTHSPRING INC  | Common Stock            | 1,123,524                  |
|                      | 54,200                                     | HEARTLAND EXPRESS INC   | Common Stock            | 774,518                    |
|                      | 32,800                                     | HEXCEL CORP   | Common Stock            | 794,088                    |
|                      | 14,200                                     | HITTITE MICROWAVE CORP  | Common Stock            | 701,196                    |
|                      | 16,100                                     | HUB GROUP INC   | Common Stock            | 522,123                    |
|                      | 16,200                                     | IBERIABANK CORP   | Common Stock            | 798,660                    |
|                      | 29,600                                     | II-VI INC   | Common Stock            | 543,456                    |
|                      | 17,000                                     | INVACARE CORP   | Common Stock            | 259,930                    |
|                      | 31,400                                     | JACK HENRY & ASSOCIATES INC                                   | Common Stock            | 1,055,354                  |
|                      | 16,800                                     | JOS A BANK CLOTHIERS INC                                      | Common Stock            | 819,168                    |
|                      | 17,400                                     | KENNAMETAL INC  | Common Stock            | 635,448                    |
|                      | 55,200                                     | KEY ENERGY SERVICES INC                                       | Common Stock            | 853,944                    |
|                      | 9,600                                      | KIRBY CORP  | Common Stock            | 632,064                    |
|                      | 45,000                                     | KNIGHT TRANSPORTATION INC                                     | Common Stock            | 703,800                    |
|                      | 26,100                                     | KOPPERS HOLDINGS INC  | Common Stock            | 896,796                    |
|                      | 36,300                                     | KORN/FERRY INTERNATIONAL                                      | Common Stock            | 619,278                    |
|                      | 22,400                                     | LITTELFUSE INC  | Common Stock            | 962,752                    |
|                      | 7,800                                      | LUFKIN INDUSTRIES INC   | Common Stock            | 525,018                    |
|                      | 30,100                                     | MAXIMUS INC   | Common Stock            | 1,244,635                  |
|                      | 13,200                                     | MEDNAX INC  | Common Stock            | 950,532                    |
|                      | 19,100                                     | MEN S WEARHOUSE INC/THE                                       | Common Stock            | 619,031                    |
|                      | 19,000                                     | MOOG INC  | Common Stock            | 834,670                    |
|                      | 18,600                                     | NAVIGATORS GROUP INC/THE                                      | Common Stock            | 886,848                    |
|                      | 15,000                                     | NEW JERSEY RESOURCES CORP                                     | Common Stock            | 738,000                    |
|                      | 39,300                                     | OLIN CORP   | Common Stock            | 772,245                    |



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|        |                                |              |         |
|--------|--------------------------------|--------------|---------|
| 77,500 | ORIENT EXPRESS HOTELS LTD CL A | Common Stock | 578,925 |
| 33,500 | PACWEST BANCORP                | Common Stock | 634,825 |
| 29,400 | PAR PHARMACEUTICAL COS INC     | Common Stock | 962,262 |
| 36,500 | PAREXEL INTERNATIONAL CORP     | Common Stock | 757,010 |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| <b>Fund</b>          | <b>Par value/<br/>number of<br/>shares</b> | <b>Identity of issue</b>                                      | <b>Description</b>      | <b>Current<br/>value**</b> |
|----------------------|--|---|-------------------------|----------------------------|
| Small Cap Value Fund |  | Lord Abbett and Dimensional Fund Advisor Small Cap Value Fund | Separately Managed Fund |                            |
|                      | 45,400                                     | PEBBLEBROOK HOTEL TRUST                                       | Common Stock            | \$ 870,772                 |
|                      | 42,500                                     | PENSKE AUTOMOTIVE GROUP INC                                   | Common Stock            | 818,125                    |
|                      | 58,700                                     | PEOPLE S UNITED FINANCIAL INC                                 | Common Stock            | 754,295                    |
|                      | 92,300                                     | PMC - SIERRA INC  | Common Stock            | 508,573                    |
|                      | 10,700                                     | REGAL-BELOIT CORP   | Common Stock            | 545,379                    |
|                      | 20,800                                     | RELIANCE STEEL & ALUMINUM CO                                  | Common Stock            | 1,012,752                  |
|                      | 22,200                                     | RENT-A-CENTER INC/TX  | Common Stock            | 821,400                    |
|                      | 13,900                                     | ROGERS CORP   | Common Stock            | 512,354                    |
|                      | 53,900                                     | RSC HOLDINGS INC  | Common Stock            | 997,150                    |
|                      | 21,600                                     | RTI INTERNATIONAL METALS INC                                  | Common Stock            | 501,336                    |
|                      | 23,200                                     | RYDER SYSTEM INC  | Common Stock            | 1,232,848                  |
|                      | 24,100                                     | SANCHEZ ENERGY CORP   | Common Stock            | 415,966                    |
|                      | 84,204                                     | SANDRIDGE ENERGY INC  | Common Stock            | 687,105                    |
|                      | 33,200                                     | SCANSOURCE INC  | Common Stock            | 1,195,200                  |
|                      | 14,900                                     | SIGNATURE BANK/NEW YORK NY                                    | Common Stock            | 893,851                    |
|                      | 17,800                                     | SILGAN HOLDINGS INC   | Common Stock            | 687,792                    |
|                      | 20,000                                     | SILICON LABORATORIES INC                                      | Common Stock            | 868,400                    |
|                      | 17,500                                     | STIFEL FINANCIAL CORP   | Common Stock            | 560,875                    |
|                      | 27,000                                     | SUPERIOR ENERGY SERVICES INC                                  | Common Stock            | 767,880                    |
|                      | 82,700                                     | SUSQUEHANNA BANCSHARES INC                                    | Common Stock            | 693,026                    |
|                      | 13,800                                     | SVB FINANCIAL GROUP   | Common Stock            | 658,122                    |
|                      | 29,100                                     | TAL INTERNATIONAL GROUP INC                                   | Common Stock            | 837,789                    |
|                      | 57,800                                     | TERADYNE INC  | Common Stock            | 787,814                    |
|                      | 29,300                                     | TEXAS CAPITAL BANCSHARES INC                                  | Common Stock            | 896,873                    |
|                      | 37,700                                     | TITAN INTERNATIONAL INC                                       | Common Stock            | 733,642                    |
|                      | 37,600                                     | TRIMAS CORP   | Common Stock            | 674,920                    |
|                      | 43,100                                     | TRUEBLUE INC  | Common Stock            | 598,228                    |
|                      | 3,200                                      | UNITED NATURAL FOODS INC                                      | Common Stock            | 128,032                    |
|                      | 27,900                                     | VALIDUS HOLDINGS LTD COM SHS                                  | Common Stock            | 878,850                    |
|                      | 15,800                                     | WABCO HOLDINGS INC  | Common Stock            | 685,720                    |
|                      | 21,900                                     | WASHINGTON FEDERAL INC  | Common Stock            | 306,381                    |
|                      | 7,900                                      |   | Common Stock            | 270,259                    |

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WATTS WATER TECHNOLOGIES  
INC

|           |                              |              |            |
|-----------|------------------------------|--------------|------------|
| 23,100    | WEINGARTEN REALTY INVESTORS  | Common Stock | 504,042    |
| 22,500    | WERNER ENTERPRISES INC       | Common Stock | 542,250    |
| 14,300    | WESCO INTERNATIONAL INC      | Common Stock | 758,043    |
| 5,309,353 | DFA US TARGETED VALUE I FUND | Mutual Fund  | 81,445,481 |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| <b>Fund</b>          | <b>Par value/<br/>number of<br/>shares</b> | <b>Identity of issue</b>                                      | <b>Description</b>           | <b>Current<br/>value**</b> |
|----------------------|--|---|------------------------------|----------------------------|
| Small Cap Value Fund |  | Lord Abbett and Dimensional Fund Advisor Small Cap Value Fund | Separately Managed Fund      |                            |
|                      |  | Cash  | Cash                         | 6,975                      |
|                      |  | * EB Temporary Investment Fund II                             | Common Collective Trust Fund | 3,012,564                  |
|                      |  | Small Cap Value Fund Subtotal                                 |                              | \$ 164,328,013             |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| Fund                 | Par value/<br>number of<br>shares | Identity of issue   | Description             | Current<br>value** |
|----------------------|-----------------------------------|---|-------------------------|--------------------|
| Growth & Income Fund |                                   | J&W Seligman, Mellon Capital Management Growth & Income Fund, and Barrow, Hanley, Mewhinney & Strauss | Separately Managed Fund |                    |
|                      | 645,000                           | AES CORP/THE  | Common Stock            | \$ 7,636,800       |
|                      | 224,200                           | ALTRIA GROUP INC  | Common Stock            | 6,647,530          |
|                      | 27,800                            | AMERICAN EXPRESS CO   | Common Stock            | 1,311,326          |
|                      | 15,700                            | AMERIPRISE FINANCIAL INC  | Common Stock            | 779,348            |
|                      | 37,800                            | ANNALY CAPITAL MANAGEMENT INC   | Common Stock            | 603,288            |
|                      | 34,300                            | APPLIED MATERIALS INC   | Common Stock            | 367,353            |
|                      | 44,000                            | AT&T INC  | Common Stock            | 1,330,560          |
|                      | 621,900                           | BANK OF AMERICA CORP  | Common Stock            | 3,457,764          |
|                      | 97,900                            | BAXTER INTERNATIONAL INC  | Common Stock            | 4,844,092          |
|                      | 39,800                            | BP PLC  | Common Stock            | 1,701,052          |
|                      | 212,000                           | BRISTOL-MYERS SQUIBB CO   | Common Stock            | 7,470,880          |
|                      | 61,300                            | CAPITAL ONE FINANCIAL CORP  | Common Stock            | 2,592,377          |
|                      | 22,800                            | CARDINAL HEALTH INC   | Common Stock            | 925,908            |
|                      | 43,100                            | CARNIVAL CORP   | Common Stock            | 1,406,784          |
|                      | 47,900                            | CENTERPOINT ENERGY INC  | Common Stock            | 962,311            |
|                      | 55,900                            | CHEVRON CORP  | Common Stock            | 5,947,760          |
|                      | 10,300                            | CHUBB CORP  | Common Stock            | 712,966            |
|                      | 22,200                            | CIGNA CORPORATION COM   | Common Stock            | 932,400            |
|                      | 32,850                            | CITIGROUP INC   | Common Stock            | 864,284            |
|                      | 112,300                           | CONOCOPHILLIPS  | Common Stock            | 8,183,301          |
|                      | 24,200                            | CORNING INC   | Common Stock            | 314,116            |
|                      | 63,000                            | COSTCO WHOLESALE CORP   | Common Stock            | 5,249,160          |
|                      | 40,400                            | COVENTRY HEALTH CARE INC  | Common Stock            | 1,226,948          |
|                      | 293,000                           | CSX CORP  | Common Stock            | 6,170,580          |
|                      | 36,800                            | CVS CAREMARK CORP   | Common Stock            | 1,500,704          |
|                      | 54,300                            | DISCOVER FINANCIAL SERVICES   | Common Stock            | 1,303,200          |
|                      | 7,500                             | DUN & BRADSTREET CORP   | Common Stock            | 561,225            |
|                      | 21,600                            | EATON CORP  | Common Stock            | 940,248            |
|                      | 116,000                           | EI DU PONT DE NEMOURS & CO  | Common Stock            | 5,310,480          |

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|         |                          |              |           |
|---------|--------------------------|--------------|-----------|
| 15,700  | EMERSON ELECTRIC CO      | Common Stock | 731,463   |
| 8,200   | ESSEX PROPERTY TRUST INC | Common Stock | 1,152,182 |
| 14,700  | EXELIS INC               | Common Stock | 133,035   |
| 84,400  | FIFTH THIRD BANCORP      | Common Stock | 1,073,568 |
| 232,500 | GAP INC/THE              | Common Stock | 4,312,875 |
| 70,500  | GENERAL DYNAMICS CORP    | Common Stock | 4,681,905 |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| <b>Fund</b>          | <b>Par value/<br/>number of<br/>shares</b> | <b>Identity of issue</b>  | <b>Description</b>      | <b>Current<br/>value**</b> |
|----------------------|--|---|-------------------------|----------------------------|
| Growth & Income Fund |  | J&W Seligman, Mellon Capital Management Growth & Income Fund, and Barrow, Hanley, Mewhinney & Strauss | Separately Managed Fund |                            |
|                      | 67,400                                     | GENERAL ELECTRIC CO   | Common Stock            | \$ 1,207,134               |
|                      | 63,200                                     | GENERAL MILLS INC   | Common Stock            | 2,553,912                  |
|                      | 37,500                                     | HANESBRANDS INC   | Common Stock            | 819,750                    |
|                      | 133,900                                    | HONEYWELL INTERNATIONAL INC   | Common Stock            | 7,277,465                  |
|                      | 105,000                                    | HUMANA INC  | Common Stock            | 9,199,050                  |
|                      | 28,300                                     | ILLINOIS TOOL WORKS INC   | Common Stock            | 1,321,893                  |
|                      | 7,300                                      | INTERNATIONAL BUSINESS MACHINE  | Common Stock            | 1,342,324                  |
|                      | 75,200                                     | INTERNATIONAL GAME TECHNOLOGY   | Common Stock            | 1,293,440                  |
|                      | 7,350                                      | ITT CORP  | Common Stock            | 142,076                    |
|                      | 145,000                                    | JC PENNEY CO INC  | Common Stock            | 5,096,750                  |
|                      | 23,900                                     | JOHNSON & JOHNSON   | Common Stock            | 1,567,362                  |
|                      | 163,700                                    | JPMORGAN CHASE & CO   | Common Stock            | 5,443,025                  |
|                      | 145,000                                    | JUNIPER NETWORKS INC  | Common Stock            | 2,959,450                  |
|                      | 22,400                                     | L-3 COMMUNICATIONS HOLDINGS INC   | Common Stock            | 1,493,632                  |
|                      | 10,300                                     | LORILLARD INC   | Common Stock            | 1,174,200                  |
|                      | 184,000                                    | LOWE S COS INC  | Common Stock            | 4,669,920                  |
|                      | 161,000                                    | MARATHON OIL CORP   | Common Stock            | 4,712,470                  |
|                      | 62,500                                     | MARATHON PETROLEUM CORP   | Common Stock            | 2,080,625                  |
|                      | 81,600                                     | MASCO CORP  | Common Stock            | 855,168                    |
|                      | 39,300                                     | MEDTRONIC INC   | Common Stock            | 1,503,225                  |
|                      | 116,000                                    | METLIFE INC   | Common Stock            | 3,616,880                  |
|                      | 29,900                                     | MICROCHIP TECHNOLOGY INC  | Common Stock            | 1,095,237                  |
|                      | 46,400                                     | MICROSOFT CORP  | Common Stock            | 1,204,544                  |
|                      | 47,500                                     | MOLEX INC   | Common Stock            | 1,133,350                  |
|                      | 120,000                                    | MORGAN STANLEY  | Common Stock            | 1,815,600                  |
|                      | 17,200                                     | MURPHY OIL CORP   | Common Stock            | 958,728                    |
|                      | 63,500                                     |   | Common Stock            | 785,495                    |

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|         |                                    |              |           |
|---------|------------------------------------|--------------|-----------|
|         | NEW YORK COMMUNITY BANCORP<br>INC  |              |           |
| 21,100  | NEWELL RUBBERMAID INC              | Common Stock | 340,765   |
| 115,000 | NORDSTROM INC                      | Common Stock | 5,716,650 |
| 16,900  | OCCIDENTAL PETROLEUM CORP          | Common Stock | 1,583,530 |
| 36,800  | OMNICARE INC                       | Common Stock | 1,267,760 |
| 7,100   | ONEOK INC                          | Common Stock | 615,499   |
| 83,822  | PFIZER INC                         | Common Stock | 1,813,908 |
|         | PHILIP MORRIS INTERNATIONAL<br>INC |              |           |
| 112,800 | INC                                | Common Stock | 8,852,544 |
| 18,100  | PINNACLE WEST CAPITAL CORP         | Common Stock | 872,058   |



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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| Fund                 | Par value/<br>number of<br>shares | Identity of issue   | Description             | Current<br>value** |
|----------------------|-----------------------------------|---|-------------------------|--------------------|
| Growth & Income Fund |                                   | J&W Seligman, Mellon Capital Management Growth & Income Fund, and Barrow, Hanley, Mewhinney & Strauss | Separately Managed Fund |                    |
|                      |                                   | PNC FINANCIAL SERVICES GROUP  |                         |                    |
|                      | 31,800                            | INC   | Common Stock            | \$ 1,833,906       |
|                      | 38,800                            | PRAXAIR INC   | Common Stock            | 4,147,720          |
|                      | 96,000                            | PRUDENTIAL FINANCIAL INC  | Common Stock            | 4,811,520          |
|                      | 24,800                            | RAYTHEON CO   | Common Stock            | 1,199,824          |
|                      | 18,900                            | RENT-A-CENTER INC/TX  | Common Stock            | 699,300            |
|                      | 27,600                            | REYNOLDS AMERICAN INC   | Common Stock            | 1,143,192          |
|                      | 37,500                            | ROYAL CARIBBEAN CRUISES LTD   | Common Stock            | 928,875            |
|                      | 11,100                            | ROYAL DUTCH SHELL PLC   | Common Stock            | 811,299            |
|                      | 15,900                            | SANOFI  | Common Stock            | 580,986            |
|                      | 34,400                            | SEADRILL LIMITED SHS  | Common Stock            | 1,141,392          |
|                      |                                   | SERVICE CORP INTERNATIONAL/US   |                         |                    |
|                      | 31,600                            | INC   | Common Stock            | 336,540            |
|                      | 48,000                            | SHERWIN-WILLIAMS CO/THE   | Common Stock            | 4,284,960          |
|                      | 150,300                           | SLM CORP  | Common Stock            | 2,014,020          |
|                      | 26,400                            | SONOCO PRODUCTS CO  | Common Stock            | 870,144            |
|                      | 41,700                            | SPECTRA ENERGY CORP   | Common Stock            | 1,282,275          |
|                      | 12,200                            | SPX CORP  | Common Stock            | 735,294            |
|                      | 42,500                            | STANLEY BLACK & DECKER INC  | Common Stock            | 2,873,000          |
|                      | 17,100                            | STATE STREET CORP   | Common Stock            | 689,301            |
|                      | 9,700                             | TARGET CORP   | Common Stock            | 496,834            |
|                      |                                   | TEVA PHARMACEUTICAL   |                         |                    |
|                      | 11,800                            | INDUSTRIES  | Common Stock            | 476,248            |
|                      | 42,600                            | TEXAS INSTRUMENTS INC   | Common Stock            | 1,240,086          |
|                      | 9,000                             | TRAVELERS COS INC/THE   | Common Stock            | 532,530            |
|                      | 12,200                            | TYCO INTERNATIONAL LTD SHS  | Common Stock            | 569,862            |
|                      | 385,000                           | TYSON FOODS INC   | Common Stock            | 7,946,400          |
|                      | 67,000                            | UNION PACIFIC CORP  | Common Stock            | 7,097,980          |
|                      | 67,500                            | UNITED TECHNOLOGIES CORP  | Common Stock            | 4,933,575          |
|                      | 39,500                            | UNITEDHEALTH GROUP INC  | Common Stock            | 2,001,860          |
|                      | 250,000                           | UNUM GROUP  | Common Stock            | 5,267,500          |

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|         |                            |              |           |
|---------|----------------------------|--------------|-----------|
| 223,000 | US BANCORP                 | Common Stock | 6,032,150 |
| 193,000 | VALERO ENERGY CORP         | Common Stock | 4,062,650 |
| 15,600  | VERIZON COMMUNICATIONS INC | Common Stock | 625,872   |
| 18,200  | VODAFONE GROUP PLC         | Common Stock | 510,146   |
| 30,700  | WALGREEN CO                | Common Stock | 1,014,942 |
| 24,400  | WELLPOINT INC              | Common Stock | 1,616,500 |
| 230,600 | WELLS FARGO & CO           | Common Stock | 6,355,336 |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| <b>Fund</b>          | <b>Par value/<br/>number of<br/>shares</b> | <b>Identity of issue</b>  | <b>Description</b>           | <b>Current<br/>value**</b> |
|----------------------|--|---|------------------------------|----------------------------|
| Growth & Income Fund |  | J&W Seligman, Mellon Capital Management Growth & Income Fund, and Barrow, Hanley, Mewhinney & Strauss | Separately Managed Fund      |                            |
|                      | 43,200                                     | WESTERN UNION CO/THE  | Common Stock                 | \$ 788,832                 |
|                      | 214,000                                    | WILLIAMS COS INC/THE  | Common Stock                 | 7,066,280                  |
|                      | 31,200                                     | WILLIS GROUP HOLDINGS PUBLIC  | Common Stock                 | 1,210,560                  |
|                      | 34,300                                     | XCEL ENERGY INC   | Common Stock                 | 948,052                    |
|                      | 91,200                                     | XEROX CORP  | Common Stock                 | 725,952                    |
|                      | 46,300                                     | XL GROUP PLC  | Common Stock                 | 915,351                    |
|                      | 14,700                                     | XYLEM INC/NY  | Common Stock                 | 377,643                    |
|                      | 673,617                                    | Mellon Capital Management Large Cap Value Stock Fund  | Common Collective Trust Fund | 87,886,177                 |
|                      | 806,923                                    | * EB Temporary Investment Fund II   | Common Collective Trust Fund | 806,923                    |
|                      |  | Growth & Income Fund Subtotal   |                              | \$ 363,614,981             |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| <b>Fund</b>              | <b>Par value/<br/>number of<br/>shares</b> | <b>Identity of issue</b>         | <b>Description</b>         | <b>Current<br/>value**</b> |
|--------------------------|--|----------------------------------|----------------------------|----------------------------|
| Large Cap<br>Growth Fund |  | Columbus Circle Core Equity Fund | Separately Managed<br>Fund |                            |
|                          | 111,917                                    | ACCENTURE PLC IRELAND SHS CL A   | Common Stock               | \$ 5,957,342               |
|                          | 25,000                                     | ALEXION PHARMACEUTICALS INC      | Common Stock               | 1,787,500                  |
|                          | 85,331                                     | ALLERGAN INC/UNITED STATES       | Common Stock               | 7,486,942                  |
|                          | 40,226                                     | AMAZON.COM INC                   | Common Stock               | 6,963,121                  |
|                          | 133,922                                    | AMERICAN EXPRESS CO              | Common Stock               | 6,317,101                  |
|                          | 56,456                                     | APACHE CORP                      | Common Stock               | 5,113,784                  |
|                          | 45,248                                     | APPLE INC                        | Common Stock               | 18,325,440                 |
|                          | 61,457                                     | AVAGO TECHNOLOGIES LTD SHS       | Common Stock               | 1,773,649                  |
|                          | 106,607                                    | BED BATH & BEYOND INC            | Common Stock               | 6,180,008                  |
|                          | 12,868                                     | BIOGEN IDEC INC                  | Common Stock               | 1,416,123                  |
|                          | 76,206                                     | CABOT OIL & GAS CORP             | Common Stock               | 5,784,035                  |
|                          | 73,158                                     | CAPITAL ONE FINANCIAL CORP       | Common Stock               | 3,093,852                  |
|                          | 99,769                                     | CATERPILLAR INC                  | Common Stock               | 9,039,071                  |
|                          | 113,211                                    | COCA-COLA CO/THE                 | Common Stock               | 7,921,374                  |
|                          | 81,779                                     | COGNIZANT TECHNOLOGY SOLUTIONS   | Common Stock               | 5,259,207                  |
|                          | 43,033                                     | CUMMINS INC                      | Common Stock               | 3,787,765                  |
|                          | 90,687                                     | DEERE & CO                       | Common Stock               | 7,014,639                  |
|                          | 72,089                                     | DIRECTV                          | Common Stock               | 3,082,526                  |
|                          | 248,745                                    | DISCOVER FINANCIAL SERVICES      | Common Stock               | 5,969,880                  |
|                          | 103,553                                    | EBAY INC                         | Common Stock               | 3,140,762                  |
|                          | 143,381                                    | ELECTRONIC ARTS INC              | Common Stock               | 2,953,649                  |
|                          | 90,934                                     | ENSCO PLC                        | Common Stock               | 4,266,623                  |
|                          | 46,640                                     | ESTEE LAUDER COS INC/THE         | Common Stock               | 5,238,605                  |
|                          | 59,344                                     | FEDEX CORP                       | Common Stock               | 4,955,817                  |
|                          | 734,858                                    | FORD MOTOR CO                    | Common Stock               | 7,907,072                  |
|                          | 84,734                                     | GILEAD SCIENCES INC              | Common Stock               | 3,468,163                  |
|                          | 9,875                                      | GOOGLE INC                       | Common Stock               | 6,378,262                  |
|                          | 59,522                                     | HERSHEY CO/THE                   | Common Stock               | 3,677,269                  |
|                          | 186,096                                    | HOME DEPOT INC                   | Common Stock               | 7,823,476                  |
|                          | 176,338                                    | LAS VEGAS SANDS CORP             | Common Stock               | 7,534,923                  |
|                          | 84,336                                     | LTD BRANDS INC                   | Common Stock               | 3,402,958                  |
|                          | 28,885                                     | MASTERCARD INC                   | Common Stock               | 10,768,906                 |

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|        |                           |              |           |
|--------|---------------------------|--------------|-----------|
| 68,839 | MCDONALD S CORP           | Common Stock | 6,906,617 |
| 3,083  | MICHAEL KORS HOLDINGS LTD | Common Stock | 84,012    |
| 73,084 | MONSANTO CO               | Common Stock | 5,120,996 |

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**THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN  
OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES**

**Plan Number: 017**

**EIN 05-0494040**

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (Continued)

December 31, 2011

| Fund                     | Par value/<br>number of<br>shares | Identity of issue                            | Description                           | Current<br>value** |
|--------------------------|-----------------------------------|--|---------------------------------------|--------------------|
| Large Cap<br>Growth Fund |                                   | Columbus Circle Core Equity Fund             | Separately Managed<br>Fund            |                    |
|                          | 89,912                            | NATIONAL OILWELL VARCO INC                   | Common Stock                          | \$ 6,113,117       |
|                          | 79,396                            | NETAPP INC                                   | Common Stock                          | 2,879,693          |
|                          | 66,752                            | NIKE INC                                     | Common Stock                          | 6,432,890          |
|                          | 48,015                            | OCCIDENTAL PETROLEUM CORP                    | Common Stock                          | 4,499,005          |
|                          | 179,907                           | ORACLE CORP                                  | Common Stock                          | 4,614,615          |
|                          | 380,855                           | PFIZER INC                                   | Common Stock                          | 8,241,702          |
|                          | 86,726                            | POTASH CORP OF SASKATCHEWAN                  | Common Stock                          | 3,580,049          |
|                          | 12,935                            | PRICELINE.COM INC                            | Common Stock                          | 6,049,829          |
|                          | 211,287                           | QUALCOMM INC                                 | Common Stock                          | 11,557,399         |
|                          | 83,921                            | RIVERBED TECHNOLOGY INC                      | Common Stock                          | 1,972,143          |
|                          | 44,109                            | SALESFORCE.COM INC                           | Common Stock                          | 4,475,299          |
|                          | 74,532                            | SANDISK CORP                                 | Common Stock                          | 3,667,720          |
|                          | 225,825                           | STARBUCKS CORP                               | Common Stock                          | 10,390,208         |
|                          | 57,352                            | TERADATA CORP                                | Common Stock                          | 2,782,145          |
|                          | 20,000                            | TRACTOR SUPPLY CO                            | Common Stock                          | 1,403,000          |
|                          | 18,400                            | ULTA SALON COSMETICS & FRAGRANCE             | Common Stock                          | 1,194,528          |
|                          |                                   | VALEANT PHARMACEUTICALS<br>INTERNATIONAL INC | Common Stock                          | 2,036,198          |
|                          | 43,611                            | INTERNATIONAL INC                            | Common Stock                          | 2,036,198          |
|                          | 76,432                            | VISA INC                                     | Common Stock                          | 7,760,141          |
|                          | 33,555                            | VMWARE INC                                   | Common Stock                          | 2,791,440          |
|                          | 115,103                           | WATSON PHARMACEUTICALS INC                   | Common Stock                          | 6,945,315          |
|                          | 97,379                            | WHOLE FOODS MARKET INC                       | Common Stock                          | 6,775,631          |
|                          | 12,380                            | ZYNGA INC                                    | Common Stock                          | 116,496            |
|                          |                                   |  | Common Collective<br>Trust Fund       |                    |
|                          | 9,522,346                         | * EB Temporary Investment Fund II            |                                       | 9,522,346          |
|                          |                                   | Large Cap Growth Fund Subtotal               |                                       | \$ 311,702,378     |
|                          |                                   |  | Prime plus 1% at<br>loan request date |                    |
|                          |                                   | * Notes receivable from participants         |                                       | 140,201,458        |
|                          |                                   | Total Assets Held in the Plan                |                                       | \$ 4,837,917,567   |

\*Party-in-interest

\*\*Represents fair value for all investments with the exception of GICs where current value represents contract value.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Trustee (or other persons who administer the employee benefit plan) has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

THE 401(k) PLAN AND THE EMPLOYEE STOCK OWNERSHIP PLAN OF CVS CAREMARK CORPORATION AND AFFILIATED COMPANIES

Date: June 22, 2012

By

/s/ David M. Denton  
David M. Denton  
Executive Vice President and Chief Financial Officer



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**EXHIBIT INDEX**

| <b>Exhibit</b> | <b>Description</b>           |
|----------------|------------------------------|
| 23.1           | Consent of Ernst & Young LLP |

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