COOPER TIRE & RUBBER CO
Form DEF 14A
March 26, 2013
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

(Amendment No.)

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to § 240.14a-12

Cooper Tire & Rubber Company

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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COOPER TIRE & RUBBER COMPANY

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO THE STOCKHOLDERS:

The 2013 Annual Meeting of Stockholders of Cooper Tire & Rubber Company (the Company) will be held at The Westin Detroit Metropolitan Airport, McNamara Terminal, 2501 Worldgateway Place, Detroit, Michigan 48242 on Friday, May 10, 2013, at 10:00 a.m., Eastern Daylight Time, for the following purposes:

(1) To elect nine Directors of the Company for the ensuing year.

(2) To ratify the selection of the Company s independent registered public accounting firm for the year ending December 31, 2013.

(3) To hold an advisory vote to approve named executive officer compensation.

(4) To transact such other business as may properly come before the Annual Meeting or any postponement(s) or adjournment(s) thereof.

Only holders of Common Stock of record at the close of business on March 14, 2013, are entitled to notice of and to vote at the Annual Meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Stephen Zamansky,

Vice President,

General Counsel and Secretary

Findlay, Ohio

March 26, 2013

Please mark, date, and sign the enclosed proxy and return it promptly in the enclosed addressed envelope, which requires no postage. In the alternative, you may vote by Internet or telephone. See page 2 of the proxy statement for additional information on voting by Internet or telephone. If you are present and vote in person at the Annual Meeting, the enclosed proxy card will not be used.

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COOPER TIRE & RUBBER COMPANY

701 Lima Avenue, Findlay, Ohio 45840

March 26, 2013

PROXY STATEMENT

GENERAL INFORMATION AND VOTING

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of Cooper Tire & Rubber Company (the Company, Cooper Tire, our, we, or us) to be used at the Annual Meeting of Stockholders of the Company to be held on May 10, 2013, a 10:00 a.m., Eastern Daylight Time, at The Westin Detroit Metropolitan Airport, McNamara Terminal, 2501 Worldgateway Place, Detroit, Michigan 48242. This proxy statement and the related form of proxy were first mailed or made available to stockholders on or about March 26, 2013.

Purpose of Annual Meeting

The purpose of the Annual Meeting is for stockholders to act on the matters outlined in the notice of Annual Meeting on the cover page of this proxy statement. These matters consist of (1) the election of nine Directors, (2) the ratification of the selection of the Company s independent registered public accounting firm for the year ending December 31, 2013, (3) an advisory vote to approve named executive officer compensation, and (4) the transaction of such other business as may properly come before the Annual Meeting or any postponement(s) or adjournment(s) thereof.

Voting

Each share of the Company s Common Stock will be entitled to one vote on each matter. Only stockholders of record at the close of business on March 14, 2013, (the record date) will be eligible to vote at the Annual Meeting. As of the record date, there were 63,309,622 shares of Common Stock outstanding. The holders of a majority of the shares of Common Stock issued and outstanding, and present in person or represented by proxy, constitute a quorum. Abstentions and broker non-votes with respect to a proposal will be counted to determine whether a quorum is present at the Annual Meeting.

If your shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, then you are the beneficial owner of shares held in street name, and the organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to instruct that organization on how to vote the shares held in your account. Broker non-votes occur when an organization that holds shares for a beneficial owner has not received voting instructions with respect to the proposal from the beneficial owner. Whether such organization has the discretion to vote those shares on a particular proposal depends on the ballot item. If the organization that holds your shares does not have discretion and you do not give the organization instructions, the votes will be broker non-votes, which may have the same effect as votes against the proposal.

Below is a summary of the vote threshold required for passage of each agenda item and the effect of abstentions and broker non-votes.

Agenda Item 1. Except in the case of a contested election, each nominee for election as a Director who receives a majority of the votes cast with respect to such Director s election by stockholders will be elected as a Director. In the case of a contested election, the nominees for election as Directors who receive the greatest number of votes will be elected as Directors. Abstentions and broker non-votes are not counted for purposes of the election of Directors.

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Agenda Item 2. Although the Company s independent registered public accounting firm may be selected by the Audit Committee of the Board of Directors without stockholder approval, the Audit Committee will consider the affirmative vote of a majority of the shares of Common Stock having voting power present in person or represented by proxy at the Annual Meeting to be a ratification by the stockholders of the selection of Ernst & Young LLP as the Company s independent registered public accounting firm for the year ending December 31, 2013. As a result, abstentions will have the same effect as a vote cast against the proposal, but broker non-votes will have no effect on the outcome of this proposal.

Agenda Item 3. Although the advisory vote to approve named executive officer compensation is non-binding, the advisory votes allow our stockholders to express their opinions regarding officer compensation. Abstentions and broker non-votes are not counted for purposes of the advisory vote to approve named executive officer compensation. As a result, if you own shares through a bank, broker-dealer or similar organization, you must instruct your bank, broker-dealer or other similar organization to vote in order for them to vote your shares.

Proxy Matters

Stockholders may vote by completing, properly signing, and returning the accompanying proxy card, or by attending and voting at the Annual Meeting. If you properly complete and return your proxy card in time to vote, your proxy (one of the individuals named in the proxy card) will vote your shares as you have directed. If you sign and return the proxy card but do not indicate specific choices as to your vote, your proxy will vote your shares (i) to elect the nominees listed under Nominees for Director, (ii) for the ratification of the selection of the Company s independent registered public accounting firm and, (iii) for approval of the compensation of the Company s named executive officers for fiscal year 2012.

Stockholders of record and participants in certain defined contribution plans sponsored by the Company (see below) may also vote by using a touch-tone telephone to call 1-800-690-6903, or by the Internet by accessing the following website: http://www.proxyvote.com.

Voting instructions, including your stockholder account number and personal proxy control number, are contained on the accompanying proxy card. You will also use this accompanying proxy card if you are a participant in the following defined contribution plans sponsored by the Company:

Spectrum Investment Savings Plan

Pre-Tax Savings Plan (Texarkana Represented Employees)

Pre-Tax Savings Plan (Findlay Represented Employees)

Those stockholders of record who choose to vote by telephone or Internet must do so no later than 11:59 p.m., Eastern Daylight Time, on May 9, 2013. All voting instructions from participants in the defined contribution plans sponsored by the Company and listed above must be received no later than 5:00 p.m., Eastern Daylight Time, on May 8, 2013.

A stockholder may revoke a proxy by filing a notice of revocation with the Secretary of the Company, or by submitting a properly executed proxy card bearing a later date. A stockholder may also revoke a previously executed proxy (including one submitted by Internet or telephone) by attending and voting at the Annual Meeting, after requesting that the earlier proxy be revoked. Attendance at the Annual Meeting, without further action on the part of the stockholder, will not operate to revoke a previously granted proxy card. If the shares are held in the name of a bank, broker or other holder of record, the stockholder must obtain a proxy executed in his or her favor from the holder of record to be able to vote at the Annual Meeting.

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AGENDA ITEM 1

ELECTION OF DIRECTORS

On May 4, 2010, the Board of Directors adopted an amendment to the Bylaws of the Company to declassify the Board of Directors and provide for the annual election of each Director. The amendment to the Bylaws is consistent with a similar amendment to the Company s Restated Certificate of Incorporation that was approved at the 2010 Annual Meeting of Stockholders. Prior to the amendment, the Bylaws of the Company provided for the Board of Directors to be divided into three classes, with each class of Directors serving for a term of three years. The amendment to the Bylaws provides for the annual election of all Directors beginning at the May 6, 2011 Annual Meeting, provided, however, that prior to that Annual Meeting, any director elected by the stockholders of the Company to a three-year term may complete the term to which he or she has been elected.

All nine of our Directors have a term that expires at this Annual Meeting.

In accordance with the Restated Certificate of Incorporation of the Company, the Board of Directors has fixed the total number of Directors at nine. At this Annual Meeting, nine Directors are being elected to serve for a term of office that will expire at the Annual Meeting of Stockholders in 2014. Each of the nominees is a Director standing for re-election and has consented to stand for election to a term as described above. In the event that any of the nominees becomes unavailable to serve as a Director before the Annual Meeting, the Board of Directors will designate a new nominee, and the persons named as proxies will vote for that substitute nominee.

The Board of Directors recommends that stockholders vote FOR the nine nominees for Director.

NOMINEES FOR DIRECTOR

ROY V. ARMES — Chairman of the Board, Chief Executive Officer, and President

Mr. Armes, age 60, has served as Chief Executive Officer and President of the Company since January 2007 and as Chairman of the Board since December 2007. He was previously employed at Whirlpool Corporation, a manufacturer and marketer of major home appliances, for 31 years, where he gained experience in engineering, manufacturing, global procurement, and international operations management. Mr. Armes also developed a successful track record at Whirlpool Corporation of developing customer relationships and consumer-oriented products. During his career at Whirlpool Corporation, Mr. Armes served in positions including: Senior Vice President, Project Management Office; Corporate Vice President and General Director, Whirlpool Mexico; Corporate Vice President, Global Procurement Operations; President/Managing Director, Whirlpool Greater China; Vice President, Manufacturing Technology, Whirlpool Asia (Singapore); and Vice President, Manufacturing & Technology, Refrigeration Products, Whirlpool Europe (Italy). Mr. Armes is also a director of The Manitowoc Company, Inc. Mr. Armes has a B.S. in Mechanical Engineering from The University of Toledo. Mr. Armes education, board member experience, and business management experience in manufacturing, technology, and sales and marketing, including eight years of international business experience, qualify him to continue serving as a member of the Board of Directors.

Director Since	2007
Nominee for Term to Expire	2014

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NOMINEES FOR DIRECTOR (CONT.)

THOMAS P. CAPO	Former Chairman of the Board, Dollar Thrifty Automotive Group, Inc.

Mr. Capo, age 62, served as Chairman of the Board of Dollar Thrifty Automotive Group, Inc., a vehicle rental company, from October 2003 to November 2010. Mr. Capo was a Senior Vice President and Treasurer of DaimlerChrysler Corporation, an automobile manufacturer, from November 1998 until August 2000. From November 1991 to October 1998, he was Treasurer of Chrysler Corporation, an automobile manufacturer. Prior to holding these positions, Mr. Capo served as Vice President and Controller of Chrysler Financial Corporation, a finance company. Mr. Capo currently serves as a director of Lear Corporation, and, until its sale in November 2012, he served as a director of Dollar Thrifty Automotive Group, Inc. Mr. Capo has a B.S. in Accounting and Finance, an M.A. in Economics, and an M.B.A. in Finance, each from the University of Detroit Mercy. Mr. Capo s public company board and committee experience, including at the board chairman level, executive management and leadership experience, especially in finance, treasury, capital markets, and accounting, including his service as a public company treasurer and controller, and education qualify him to continue serving as a member of the Board of Directors.

Director Since	2007
Nominee for Term to Expire	2014

STEVEN M. CHAPMAN	Group Vice President, China and Russia, Cummins, Inc.

Mr. Chapman, age 59, is Group Vice President, China and Russia, for Cummins, Inc. Cummins designs, manufactures, and markets diesel engines and related components and power systems. Mr. Chapman has been with Cummins since 1985 and served in various capacities, including as Group Vice President, Emerging Markets & Businesses, President of Cummins International Distribution Business, Vice President of International, and Vice President of Southeast Asia and China. Mr. Chapman graduated from St. Olaf College with a B.A. in Asian Studies and from Yale University with a M.P.P.M. in Management. Mr. Chapman s education, board member experience, and business management experience in operations and international operations qualify him to continue serving as a member of the Board of Directors.

Director Since	2006
Nominee for Term to Expire	2014

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NOMINEES FOR DIRECTOR (CONT.)

JOHN J. HOLLAND President,
The International Copper Association

Mr. Holland, age 63 is President of The International Copper Association since February 6, 2012. The International Copper Association is a marketing organization for the copper industry. Prior to that, Mr. Holland was the President of Greentree Advisors LLC from 2005. Greentree Advisors LLC provides business advisory services. Mr. Holland served as President, Chief Operating Officer, and Chief Financial Officer of MMFX Technologies Corporation from September 2008 until October 2009. MMFX Technologies is an inventor and manufacturer of nano technology steel. Prior to that, he was Executive Vice President and Chief Financial Officer of Alternative Energy Sources, Inc., an ethanol producer, from August 2006 until June 2008. Mr. Holland previously was employed by Butler Manufacturing Company, a producer of pre-engineered building systems, supplier of architectural aluminum systems and components, and provider of construction and real estate services for the non-residential construction market, from 1980 until his retirement in 2004. Prior to his retirement from Butler, Mr. Holland served as Chairman of the Board from 2001 to 2004, as Chief Executive Officer from 1999 to 2004, and as President from 1999 to 2001. Mr. Holland is also a director of SAIA, Inc. (formerly SCS Transportation, Inc.) and NCI Buildings Systems Inc. Mr. Holland holds B.S. and M.B.A. degrees from the University of Kansas. Mr. Holland s education, board member experience, and business management experience in operations and accounting, including his service as a chief executive officer and chief financial officer, qualify him to continue serving as a member of the Board of Directors.

Director Since	2003
Nominee for Term to Expire	2014

JOHN F. MEIER Chairman of the Board,
Applied Industrial Technologies

Mr. Meier, age 65, was elected as Chairman of the Board of Applied Industrial Technologies, Inc., in December 2011. Applied Industrial Technologies, Inc., is an industrial distributor. Mr. Meier was the Chairman of the Board and Chief Executive Officer of Libbey Inc., a producer of glass tableware and china, from June 1993 until July 2011. Mr. Meier received a B.S. degree in Business Administration from Wittenberg University and an M.B.A. degree from Bowling Green State University. He is trustee emeritus of Wittenberg University. Mr. Meier s education, board member experience, and business management experience, including his service as a chief executive officer, qualify him to continue serving as a member of the Board of Directors.

Director Since	1997
Nominee for Term to Expire	2014

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NOMINEES FOR DIRECTOR (CONT.)

CYNTHIA A. NIEKAMP

Senior Vice President,
Automotive Coatings,
PPG Industries, Inc.

Ms. Niekamp, age 53, is Senior Vice President, Automotive Coatings, PPG Industries, Inc. PPG Industries is a leading global coatings and specialty products company. Ms. Niekamp joined PPG in 2009 as Vice President of the Automotive OEM Coatings business. Ms. Niekamp served as Vice President, President and General Manager of BorgWarner TorqTransfer Systems from 2004 to 2008. BorgWarner is a global technology leader in powertrain solutions. Prior to joining BorgWarner, she served as Senior Vice President and Chief Financial Officer of MeadWestvaco Corporation. MeadWestvaco manufactures packaging products, consumer office products, and specialty chemicals. During her nine years with MeadWestvaco, Niekamp held a variety of positions of increasing responsibility, including the President of the Specialty Paper Division and Vice President of Corporate Strategy and Planning. Ms. Niekamp graduated from Purdue University with a B.S. degree in Industrial Engineering and from Harvard University with an M.B.A. Ms. Niekamp is a former Director of Delphi Automotive and Rockwood Specialty Chemicals. Ms. Niekamp s experience in the global automotive supply and industrial specialty businesses, along with her education, board experience, and business management experience, qualify her to continue serving as a member of the Board of Directors.

Director Since	2011
Nominee for Term to Expire	2014

JOHN H. SHUEY

Former Chairman of the Board,
President and Chief Executive Officer,
Amcast Industrial Corporation

Mr. Shuey, age 67, joined Amcast Industrial Corporation, a producer of aluminum components for the automotive industry and plumbing products for the construction industry, in 1991 as Executive Vice President. He was elected President and Chief Operating Officer in 1993, a director in 1994, Chief Executive Officer in 1995, and Chairman in 1997. Mr. Shuey served as Chairman of the Board, President and Chief Executive Officer through February 2001. Prior to joining Amcast, Mr. Shuey served as chief financial officer for two Fortune 500 companies. Mr. Shuey has been a private investor since February 2001. Mr. Shuey has a B.S. degree in Industrial Engineering and an M.B.A. degree, both from the University of Michigan. Mr. Shuey s education, board experience, and business and financial management experience, including service as chief financial officer for two Fortune 500 companies, as well as his service as a chief executive officer and in numerous leadership positions for many organizations, qualify him to continue serving as a member of the Board of Directors.

Director Since	1996
Nominee for Term to Expire	2014

NOMINEES FOR DIRECTOR (CONT.)

RICHARD L. WAMBOLD

Former Chairman of the Board
and Chief Executive Officer
Of Pactiv Corporation

Mr. Wambold, age 61, was Chief Executive Officer of Reynolds/Pactiv Foodservice and Consumer Products, a global manufacturer and supplier of consumer food and beverage packaging and store products from November 2010 until January 2011 when he retired. Mr. Wambold was Chief Executive Officer of Pactiv from November 1999 until November 2010 and was Chairman of the Board from 2000 until November 2010. Mr. Wambold is also a director of Precision Castparts Corp., and Sealed Air Corporation. Mr. Wambold holds a B.A. in Government and an M.B.A. from the University of Texas. Mr. Wambold s education, board member experience, and business management experience, including his service as a Chief Executive Officer, qualify him to continue serving as a member of the Board of Directors.

Director Since	2003
Nominee for Term to Expire	2014

ROBERT D. WELDING

Former Non-Executive Chairman,
Public Safety Equipment (Int l) Limited

Mr. Welding, age 64, served as the Non-Executive Chairman of Public Safety Equipment (Int l) Limited, a manufacturer of highway safety and enforcement products, from January 2009 until his retirement in May 2010. Prior to that, he was President, Chief Executive Officer, and a director of Federal Signal Corporation, a manufacturer of capital equipment, from November 2003 until his retirement in 2007. Prior to holding those positions, Mr. Welding was Executive Vice President of BorgWarner, Inc., a U.S. automotive parts supplier, and Group President of BorgWarner s Driveline Group from November 2002 until November 2003, and was President of BorgWarner s Transmission Systems Division from 1996 to November 2002. Mr. Welding graduated from the University of Nebraska with a B.S. in Mechanical Engineering, holds an M.B.A. from the University of Michigan, and is a graduate of Harvard Business School s Advanced Management Program. Mr. Welding s education, board member experience, and business management experience in strategy development, operations leadership, continuous improvement, product development, technology, and corporate leadership qualify him to continue serving as a member of the Board of Directors.

Director Since	2007
Nominee for Term to Expire	2014

Note: The beneficial ownership of the Directors and nominees in the Common Stock of the Company is shown in the table presented under the heading Security Ownership of Management in this proxy statement.

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AGENDA ITEM 2

RATIFICATION OF THE SELECTION OF THE COMPANY S INDEPENDENT

REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP served as the independent registered public accounting firm of the Company in 2012 and has been retained by the Audit Committee to do so in 2013. In connection with the audit of the 2013 financial statements, the Company has engaged Ernst & Young LLP to perform audit services for the Company. The Board of Directors has directed that management submit the selection of the independent registered public accounting firm for ratification by the stockholders at the Annual Meeting.

Stockholder ratification of the selection of Ernst & Young LLP as the Company s independent registered public accounting firm is not required by the Company s Bylaws or otherwise. However, the Board of Directors is submitting the selection of Ernst & Young LLP to the stockholders for ratification. If the stockholders do not ratify the selection, the Audit Committee will reconsider whether or not to retain the firm. In such event, the Audit Committee may retain Ernst & Young LLP, notwithstanding the fact that the stockholders did not ratify the selection, or select another nationally recognized public accounting firm without resubmitting the matter to the stockholders. Even if the selection is ratified, the Audit Committee reserves the right in its discretion to select a different nationally recognized public accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company and its stockholders.

The Board of Directors recommends that stockholders vote FOR the ratification of the selection of the Company s independent registered public accounting firm.

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AGENDA ITEM 3

ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION

The Board of Directors is aware of the significant interest in executive compensation matters by investors and the general public. The Company is submitting this proposal, commonly known as a say-on-pay proposal, to stockholders. The Company is currently conducting say-on-pay votes every year and expects to hold the next say-on-pay vote in connection with its 2014 Annual Meeting of Stockholders. As required under the Dodd-Frank Wall Street Reform and Consumer Protection Act and Section 14A of the Securities Exchange Act of 1934, or the Exchange Act, we are asking you to cast a non-binding advisory vote to approve the Company s named executive officer compensation through the consideration of the following resolution:

RESOLVED, that the compensation paid to the Company s named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby APPROVED.

Our Compensation Committee has overseen the development and implementation of a compensation program that is discussed more fully in Compensation Discussion and Analysis and Executive Compensation, including the summary tables and narrative sections of this proxy statement.

The Company s compensation program emphasizes a pay-for-performance philosophy. Performance-based annual cash incentive and long-term incentive programs, collectively, are the majority of the targeted annual compensation for our named executive officers. These programs are designed to:

- Drive the long-term financial and operational performance of the Company;
- Deliver value to our stockholders;
- Recognize and reward corporate, group and individual performance;
- Provide a pay package that reflects our judgment of the value of each officer s position in the marketplace and the Company; and
- Attract and retain strong executive leadership.

In executing a philosophy which begins with creating long-term value to stockholders, the Compensation Committee has established a framework for executive compensation that promotes a culture of performance and accountability with due consideration to risk management, transparency, and the need to adjust to rapidly changing market conditions. The program is heavily weighted toward pay at risk, with limited executive perquisites and benefits and clear line of sight to the link between important Company strategic goals and the rewards for achieving those objectives.

To further promote alignment with the interests of stockholders and a culture of enduring performance and accountability, the Company s executives have stock ownership requirements and are bound by a clawback policy which allows for the recoupment of incentive payments in certain circumstances. The fully independent Compensation Committee believes that the executive compensation program is an essential factor in the Company s strengthening of its leadership team and competitive position in the marketplace, both of which lead to business continuity and long-term value creation.

Because your vote is advisory, it will not be binding upon the Company, the Compensation Committee or the Board of Directors. However, we value stockholders opinions, and the Board will carefully consider the outcome of the advisory vote on named executive officer compensation.

The Board of Directors recommends that the stockholders vote FOR approval of the compensation of the Company s named executive officers for fiscal year 2012.

COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

Cooper Tire s executive compensation program for its named executive officers is driven by our financial and strategic goals and the principle of pay for performance. The compensation program primarily consists of a base salary and performance-based cash incentive and equity awards.

2012 Financial Results

In 2012, the Company delivered strong operating performance against the following key metrics:

Corporate Performance Metrics*	2012 Targets	2012 Performance Results
Operating Profit	$215,000,000	$396,962,000
Free Cash Flow	($28,000,000)	$283,065,000
Net Income	$110,500,000	$220,371,000
Return on Invested Capital	11.80%	22.0%

* For more information about how these performance metrics are calculated and reconciliations to amounts presented in Form 10-K, see Incentive Compensation Performance Metrics Methodology and Explanation on pages 15 and 17.

Executive Compensation Practices

Highlighted below is a summary of our executive compensation practices:

Pay is tied to performance.

- The annual incentive plan is based upon the achievement of established corporate or business unit performance metrics, e.g., for corporate, the 2012 goals are corporate operating profit and free cash flow.
- The 2012-2014 long-term performance plan is based upon the achievement of net income and return on invested capital goals.
- Dividend equivalents are not accrued or paid on performance awards that are not notionally earned.
- The annual incentive plan and the long-term performance plan are designed to challenge the named executive officers to meet aggressive performance goals. There is an appropriate balance of annual and long-term incentives, as well as multiple measures of performance.
- The majority of each named executive officer s total compensation is at risk, and the design is intended to focus executives on metrics that create long-term stockholder value.

Stock ownership. Executives are required to achieve and maintain minimum levels of stock ownership. The CEO must own Cooper Tire stock equivalent to five times base salary and the other named executive officers must own three times base salary.

Clawback policy. The Board has an established policy for recoupment of annual and long-term incentive compensation in the event of a restatement of reported financial results or if an employee has engaged in unethical conduct detrimental to the Company.

Welfare and retirement benefits. With the exception of a non-qualified supplementary benefit plan designed to restore 401(k) benefits lost due to statutory limits under the Internal Revenue Code and a deferred compensation plan which allows executives to invest earned compensation in Company stock and investments which mirror those in the qualified 401(k) plan, the named executive officers participate in the same qualified benefit plans as all other salaried employees in the U.S. We do not credit additional years of service beyond years actually worked for retirement benefits.

Employment agreements. Except for Mr. Armes, none of the named executive officers have an employment agreement.

Risk assessment. The process used to evaluate risks associated with our compensation programs is formalized, and the Compensation Committee has concluded that our compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on the Company. Among other risk-mitigating features, both the annual and the long-term incentive plans are capped at 200% of targeted payouts.

Executive compensation consultant. Our executive compensation consultant is retained directly by and reports to the Compensation Committee, does not provide any services to management, and had no prior relationship with our Chief Executive Officer or any other named executive officer.

Executive Compensation Philosophy and Approach

Our Philosophy Is to Provide Market Competitive Pay for Achieving Targeted Results

The Cooper Tire executive officer compensation program is designed to deliver value to our stockholders by driving long-term financial and operational performance. To accomplish this goal**,** we have structured our executive compensation program to attract, motivate and retain outstanding executives around the following principles:

Pay for performance. A significant portion of the compensation that our executives realize is based on performance, which motivates our executives to achieve annual and long-term goals. This direct tie to performance means that the majority of each executive s compensation opportunity is at-risk and earned based upon achieving key financial and strategic goals that drive stockholder value and/or by linking the value realized directly to the stock price performance.

Pay competitive compensation. We routinely evaluate and benchmark our compensation programs and practices against a market of general industry companies.

Align the interests of management and stockholders. We deliver a substantial portion of the long-term incentive opportunity by granting equity awards. In order to align our key executives with stockholder interests, ongoing stock retention is required of our named executive officers and senior executives, all of whom are subject to minimum ownership guidelines.

Encourage management continuity and enduring value creation. Our executive compensation program includes long-term incentives and other benefits which are earned or vested over several years, promoting retention and dedication to performance improvement. The program is regularly benchmarked and refined to assure that the Company can attract, retain, and motivate the caliber of leadership which can deliver value to our stockholders and other key constituents of Cooper s success.

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Our Executive Officer Compensation Program Is Administered by the Compensation Committee

The Compensation Committee is responsible for performing the duties of the Board of Directors relating to the compensation of our executive officers and other senior management. During 2012, our named executive officers were Mr. Roy V. Armes, Chairman, Chief Executive Officer, and President; Mr. Bradley E. Hughes, Vice President and Chief Financial Officer; Ms. Brenda S. Harmon, Senior Vice President and Chief Human Resources Officer; Mr. Harold C. Miller, Vice President and President International Tire Operations; and Mr. Christopher E. Ostrander, Vice President and President North American Tire Operations.

The Compensation Committee is authorized by the Board of Directors to determine the compensation package for Mr. Armes. In making this determination, the Committee considers a formal assessment of Mr. Armes performance by the Board of Directors, overall business results, competitive market practices, strategic objectives, recent compensation paid to Mr. Armes, and other relevant factors.

With input, as appropriate, from management and our outside executive compensation consultant, the Compensation Committee reviews and approves all elements of our executive compensation program. Management is responsible for making recommendations to the Compensation Committee regarding executive officer compensation (except with respect to Mr. Armes compensation) and effectively implementing our executive compensation program, as approved by the Compensation Committee.

The Compensation Committee retained Exequity LLP as its executive compensation consultant in 2012 and utilized data from Aon Hewitt, an outside compensation consultant, for pay benchmarking.

Additional information about the role and processes of the Compensation Committee is presented under the heading Executive Compensation Consultant Disclosure and Meetings of the Board of Directors and Its Committees Compensation Committee in this proxy statement.

Compensation Peer Groups

The Compensation Committee annually analyzes market benchmark data regarding base salary and annual and long-term incentive opportunities and periodically evaluates market benchmark data regarding other compensation elements. The Compensation Committee uses benchmarking data to assess: 1) market pay levels and 2) program design. The benchmarking groups represent the kinds of companies that have similar characteristics and may compete with Cooper Tire for executive leadership positions. For each element of compensation and in the aggregate, the Committee sets target compensation levels that are near the middle of the range offered by comparable companies.

Peer Group for Pay Level Benchmarking For officer pay level, we engaged Aon Hewitt in 2010 to provide general industry data on 183 companies with revenues between $1.5 billion and $7.0 billion. The median revenue of these 183 companies was approximately $3.1 billion. Data from the 2010 Aon Hewitt study was the primary source of benchmarking for 2012, as Aon Hewitt was not engaged in 2011. The peer group for program design benchmarking as described below was used as an additional point of reference point for benchmarking the pay levels in 2012.

Peer Group for Program Design Benchmarking For purposes of benchmarking executive program design, a peer group of 15 companies with annual revenues in the range of 50% to 200% of our revenues was used. In addition to comparable revenues, selection criteria included whether the company is a durable goods or capital intensive manufacturer, offers a consumer-branded product, focuses on technology-driven product development, and manages international operations. Each of the following peer group companies met four of the five criteria.

Briggs & Stratton Corporation	Lennox International
Exide Technologies	NACCO Industries, Inc.
Flowserve Corporation	The Scotts Miracle-Gro Company
Harley-Davidson, Inc.	Snap-on Incorporated
Harsco Corporation	Stanley Black & Decker
HNI Corporation	Steelcase Inc.
Kennametal Inc.	The Toro Company
Leggett & Platt Incorporated	

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In August 2012, the Committee reviewed the peer group for program design benchmarking. Based on that review and using the same selection criteria as noted above, the Committee modified the group to delete Briggs & Stratton Corporation, HNI Corporation, Kennametal Inc., The Scotts Miracle-Gro Company, Stanley Black & Decker, and the Toro Company. The Committee added the following companies: BorgWarner Inc., Dana Holding Corp., Dover Corp., SPX Corp., Tenneco Inc., and Timken Co.

Our Compensation Levels Are Set Considering Business Needs, Market Data and Other Factors

We use a comprehensive and structured approach in setting the compensation framework for all executive positions. We begin with a review of the Company s overall strategy and the particular role each position is expected to play in achieving the goals of the Company. Starting with this foundation and with the assistance of the Compensation Committee s executive compensation consultant, we obtain and review relevant market benchmark data for each position regarding base salary, annual cash incentive opportunities, and long-term incentive award levels. We then determine an appropriate range of compensation for each position by assessing the market data in conjunction with the valuation of the position s impact and importance in setting and achieving the strategic objectives of the Company.

To facilitate a comprehensive view of all current and previously granted forms of compensation for each named executive officer, tally sheets are used by the Compensation Committee. Informed by tally sheet data, competitive market data, organization strategies, and individual performance assessments, the Compensation Committee uses its judgment, rather than a formulaic approach, in setting target compensation for each named executive officer each year.

Structure of Compensation Program

We believe that our executive compensation program, by element and in total, best achieves our objectives. The majority of each named executive officer s compensation opportunity is based on the achievement of important financial and strategic goals established at the beginning of the respective performance period. The primary elements of our executive compensation program, all key to the attraction, retention, and motivation of our named executive officers, are shown in the following table:

Element	Purpose	Nature of Component
Base Salary	To value the competencies, skills, experience, and performance of individual executives.	Cash. Not at risk. Reviewed annually.
Annual Incentive Compensation	To motivate and reward executives for the achievement of targeted financial and strategic goals.	Cash award. Performance-based and at risk. Amount earned will vary based upon actual results achieved against the operating profit and free cash flow goals.
Long-Term Incentive Compensation	To motivate and reward executives for the achievement of long-term goals and creation of stockholder value.	Equity-based and cash awards. Performance-based and at risk. Amount earned will vary depending upon results achieved against net income and return on invested capital goals and stockholder value created.
Benefits	To attract the level of talent required to achieve strategic objectives and to promote continuity of leadership.	Supplementary benefit plan to make up for 401(k) benefits lost due to limits of the Internal Revenue Code. Opportunity to participate in a non-qualified deferred compensation plan.

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Base Salaries

We provide market competitive base salaries to attract and retain outstanding talent and to provide a fixed component of pay for our named executive officers. Base salaries are reviewed annually and are determined with consideration to the role of the executive, competitive market data regarding similar roles in similar organizations, individual performance, budget, and other considerations. The Compensation Committee uses the median of market data as the reference point for base salary decisions because it believes that the median is the best representation of competitive salaries in the market for similar roles and talent.

In setting base salaries for 2012, the Compensation Committee considered the officer s experience in his or her current role, the impact of his or her role on the Company s results, the overall quality and manner in which the officer performs his or her role, and the financial position of the Company.

Incentive Compensation

With input from management and its executive compensation consultant, the Compensation Committee reviews and discusses annual corporate and business unit performance targets and the appropriateness of these performance targets considering the following primary factors prior to approval:

- Expected performance based upon the annual operating plan as approved by the Board;
- The economic environment in which we expect to operate during the year, including risk factors;
- The achievement of financial results expected to enhance stockholder value; and
- The strategic goals and initiatives of the Company.

Annual Incentive Compensation

Target Opportunity

At target levels of achievement, the Annual Incentive Plan is designed to approximate the market median of awards for executives in similar roles in similar organizations. At the highest level of achievement, the annual cash incentive opportunity for our named executive officers was 200% of the target opportunity in 2012. At a threshold level of performance, the incentive opportunity was 50% of the target in 2012, with no incentive earned if performance was below the threshold achievement level.

The Compensation Committee uses the median of general industry market data as the reference point for target annual cash incentive opportunities because it believes that the median is the best representation of competitive annual cash incentive levels in the market for similar roles and talent. With regard to setting individual annual cash incentive opportunity levels, the Compensation Committee has the discretion to adjust the target opportunity levels as it deems appropriate. Typical reasons for adjusting an individual officer s target annual cash incentive opportunity level above or below the market median include how long the officer has been in his or her current role, the impact of the role upon the organization, and the multiple of salary needed to bring the total cash compensation of the executive to a competitive level.

Presented below are the target incentive awards for the named executive officers in 2012:

	2012 Target Incentive	
Executive	$	(% of Salary)
Mr. Armes	$ 1,002,213	100%
Mr. Hughes	$ 291,406	65%

Ms. Harmon	$ 188,295	50%
Mr. Miller	$ 229,390	60%
Mr. Ostrander	$ 256,306	65%

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Performance Metrics for 2012

The performance metrics under the 2012 Annual Incentive Plan for Messrs. Armes and Hughes and Ms. Harmon were: 60% Corporate Operating Profit and 40% Corporate Free Cash Flow. For Mr. Miller, the 2012 performance metrics were 45% International Tire Division Operating Profit, 35% Corporate Free Cash Flow, and 20% Corporate Operating Profit. For Mr. Ostrander, the 2012 performance metrics were 45% North America Tire Division Operating Profit, 35% Corporate Free Cash Flow, and 20% Corporate Operating Profit. The potential payout on each of the financial metrics ranged from 0% to 200% of target. The table below summarizes the threshold, target, and maximum goals as compared to actual results:

Performance Metric	Threshold Goal	Target Goal	Maximum Goal	Actual Result	Actual as a Percent of Target
Corporate Operating Profit	$ 150,000,000	$ 215,000,000	$ 288,000,000	$ 396,962,000	185%
Corporate Free Cash Flow	($ 50,000,000)	($ 28,000,000)	$ 0	$ 283,065,000	N/A
International Tire Division Operating Profit	$ 75,900,000	$ 110,900,000	$ 145,800,000	$ 143,589,000	129%
North American Tire Division Operating Profit	$ 94,000,000	$ 134,000,000	$ 180,500,000	$ 295,900,000	221%

Corporate operating profit is equal to operating profit from the Company s financial statements.

Corporate free cash flow is defined as cash provided by continuing operations plus change in LIFO reserve and proceeds from sale of assets from the Company s financial statements, less capital expenditures and dividends.

The following is a calculation of corporate free cash flow for 2012:

Cash Provided by Continuing Operations	$ 454,220,000
Plus: Change in LIFO Reserve	63,685,000
Plus: Proceeds From Sale of Assets	798,000
Less: Capital Expenditures	(205,870,000)
Less: Dividends	(29,768,000)
Corporate Free Cash Flow	$ 283,065,000

2012 Annual Cash Incentive Awards Reflect Our Financial Performance

Presented below are the actual incentive awards for the named executive officers in 2012:

Executive	2012 Actual Incentive $	(% of Target)
Mr. Armes	$ 2,004,426	200.0%
Mr. Hughes	$ 582,812	200.0%
Ms. Harmon	$ 376,590	200.0%
Mr. Miller	$ 457,863	199.6%
Mr. Ostrander	$ 512,612	200.0%

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Long-Term Incentives

The Compensation Committee approves long-term incentive award opportunities for the named executive officers and other senior officers of the Company. Long-term incentive awards are granted under the Cooper Tire & Rubber Company 2010 Incentive Compensation Plan, which allows for a variety of forms of long-term incentives. For 2012, awards of stock options, performance-based stock units, and performance-based cash were granted, with each weighted approximately 33%. In determining the appropriate form or mix of long-term performance awards, the Compensation Committee considers such factors as the motivational impact of various components, alignment with stockholder interests, the affordability of certain awards, and other business objectives which may prescribe or suggest the form or mix of awards at a particular time in the business cycle.

Award Grant Timing and Pricing

For current executives in the plan, the grant date is typically the date of our February Compensation Committee meeting. For most new executives, the grant date is as of, or shortly after, the hiring date of the newly eligible executive. Our standard methodology to determine the number of options or shares to grant and to establish the exercise price of equity-based awards is to average the high and low trading price of our common stock, as quoted on the New York Stock Exchange, on the date of grant.

Performance-Based Stock Units and Performance-Based Cash

Key design features of performance-based stock units and performance-based cash grants include:

- Three-year cycle with one-year measurement periods;
- At the start of each year, specific financial metrics are set;
- At the end of each year in a three-year performance cycle, performance-based stock units and performance-based cash can be notionally earned if financial metrics for the awards have been achieved;
- Payout opportunities can range from 0% to 200% of the target award opportunity;
- Notionally earned performance-based stock units and performance-based cash, if any, vest and are payable at the end of the three-year cycle, with performance-based stock units payable in shares of common stock and performance-based cash settled in cash; and
- Dividend equivalents, which are credited to notionally earned performance-based stock units, are reinvested into additional stock units and paid at the end of the three-year cycle with the underlying and vested performance-based stock units. Performance-based stock units that have not been notionally earned do not receive dividend equivalents.

Since the performance cycle for each performance-based grant is three years, participants can have overlapping three-year award opportunities active at any time.

The financial metrics for the 2012 measurement period of the 2010-2012, the 2011-2013, and the 2012-2014 performance cycles approved by the Compensation Committee at the beginning of 2012 were as follows:

Metric	Weighting

Net Income	80%
Return on Invested Capital	20%

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The Compensation Committee selected these performance metrics because net income and prudent management of capital are essential to the strategic and financial goals of the Company over the measurement period and the three-year performance period. The ultimate value of earned performance-based stock units is based on the Company s financial results and the stock price, which aligns with long-term stockholder value creation. The ultimate value of earned performance-based cash is based on the Company s financial results.

For purposes of the performance-based stock units and the performance-based cash awards, the following table summarizes the threshold, target, and maximum performance goals for 2012 for the 2010-2012, 2011-2013, and 2012-2014 performance cycles, as compared to the actual results:

Performance Metric	Threshold Goal	Target Goal	Maximum Goal	Actual Result	Actual as a Percent of Target
Net Income	$ 74,000,000	$ 110,500,000	$ 141,400,000	$ 220,371,000	199%
Return on Invested Capital	7.9%	11.8%	15.1%	22%	186%

Net income is equal to net income attributable to Cooper Tire & Rubber Company from the Company s financial statements.

Return on invested capital is calculated by dividing operating profit from the Company s financial statements, less income tax and the tax impact of net interest expense, by an average of debt and equity. The average of debt and equity is calculated by taking the sum of the balance at the end of fiscal year 2011 and the balance at the end of each quarter in fiscal year 2012 and dividing by five.

The following is the calculation of return on invested capital for 2012:

Numerator:	
Operating Profit	$ 396,962,000
Less: Income Tax Expenses	(116,024,000)
Less: Tax Impact of Net Interest Expense	(8,498,000)
	$ 272,400,000
Denominator:	
Average of Debt and Equity	$ 1,238,008,000
Corporate Return on Invested Capital	22.00%

Performance-Based Stock Units

For the 2012-2014 performance cycle, the Compensation Committee granted individual award opportunities for performance-based stock units, a portion of which could be notionally earned in 2012.

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Presented below are the target numbers of performance-based stock units for the 2012 tranche of the 2010-2012, the 2011-2013, and the 2012-2014 performance cycles. Note that Mr. Ostrander joined the Company in 2011 and did not participate in the 2010-2012 long-term incentive plan.

	Target Performance-Based Stock Unit Award For 2012		
Officer	2010-2012 Long-Term Incentive Performance Cycle	2011-2013 Long-Term Incentive Performance Cycle	2012-2014 Long-Term Incentive Performance Cycle
Mr. Armes	17,260	14,711	22,901
Mr. Hughes	3,572	3,004	4,630
Ms. Harmon	3,036	2,569	3,926
Mr. Miller	2,983	2,525	3,926
Mr. Ostrander	0	2,757	4,054

Performance-Based Cash

For the 2012-2014 performance cycle, the Compensation Committee also granted individual award opportunities for performance-based cash, a portion of which could be notionally earned in 2012.

Presented below are the target performance-based cash awards for the 2012 tranche of the 2010-2012, the 2011-2013, and the 2012-2014 performance cycles:

	Target Performance-Based Cash Award For 2012		
Officer	2010-2012 Long-Term Incentive Performance Cycle	2011-2013 Long-Term Incentive Performance Cycle	2012-2014 Long-Term Incentive Performance Cycle
Mr. Armes	$ 322,222	$ 337,902	$ 357,823
Mr. Hughes	$ 66,667	$ 69,000	$ 72,334
Ms. Harmon	$ 56,667	$ 59,000	$ 61,334
Mr. Miller	$ 55,667	$ 58,000	$ 61,334
Mr. Ostrander	0	$ 63,333	$ 61,334

Amounts Notionally Earned for 2012 Performance Period Reflect Our Performance

In 2012, there was also an opportunity to notionally earn performance-based stock units and performance-based cash granted under the 2010-2012 and the 2011-2012 long-term incentive plans.

The amount earned was based on achieving results in excess of the maximum goals, which resulted in a notionally earned amount equal to 200% of the target award.

Officer	2010-2012 Long-Term Incentive Performance Cycle Cash	2011-2013 Long-Term Incentive Performance Cycle Cash	2012-2014 Long-Term Incentive Performance Cycle Cash

	Stock Units		Stock Units		Stock Units	
Mr. Armes	34,520	$ 644,444	29,422	$ 675,804	45,802	$ 715,646
Mr. Hughes	7,144	$ 133,334	6,008	$ 138,000	9,260	$ 144,668
Ms. Harmon	6,072	$ 113,334	5,138	$ 118,000	7,852	$ 122,668
Mr. Miller	5,966	$ 111,334	5,050	$ 116,000	7,852	$ 122,668
Mr. Ostrander	0	$ 0	5,514	$ 126,666	8,108	$ 122,668

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Amounts Earned for 2010-2012 Performance Cycle

The table below summarizes the awards which were notionally earned in 2010 and 2012 for the now completed 2010-2012 performance cycle, which were paid in shares of common stock and cash in early 2013. There were no awards notionally earned in 2011 under the 2010-2012 or the 2011-2013 plans.

	2010-2012 Performance Cycle							
	2010 Measurement Period		2011 Measurement Period		2012 Measurement Period		2010-2012 Total Earned	
Officer	PBU s Earned At 122.96% Achievement	Performance Cash Earned At 122.96% Achievement	PBU s Earned At 0% Achievement	Performance Cash Earned At 0% Achievement	PBU s Earned At 200% Achievement	Performance Cash Earned At 200% Achievement	PBU s (#)	Performance Cash
Mr. Armes	21,220	$ 396,204	0	$ 0	34,520	$ 644,444	55,740	$ 1,040,648
Mr. Hughes	4,390	$ 81,974	0	$ 0	7,144	$ 133,334	11,534	$ 215,308
Ms. Harmon	3,732	$ 69,678	0	$ 0	6,072	$ 113,334	9,804	$ 183,012
Mr. Miller	3,665	$ 68,448	0	$ 0	5,966	$ 111,334	9,631	$ 179,782

In accordance with the regulations established by the Securities and Exchange Commission for the Summary Compensation Table, the Stock Awards column shows only the performance stock unit tranches granted each calendar year, and the Non-Equity Incentive Plan Compensation column shows the cash amounts notionally earned in 2010 and 2012 for the now completed 2010-2012 performance cycle because these cash amounts became nonforfeitable and were fully earned after the end of 2012. For example, the 2012 values for the Stock Awards include in the 2012 measurement period of the 2010-2012, the 2011-2013, and the 2012-2014 performance cycles. Likewise, in the Grants of Plan-Based Awards Table, the Estimated Future Payouts Under Non-Equity Incentive Awards column shows the performance cash tranches for each calendar year.

Stock Options

The size of the stock option grant was determined with reference to competitive median levels for executives in similar roles in similar organizations, the historic and recent price for the Company s stock, as well as individual performance and other long-term considerations.

The stock options granted in 2012 vest in equal installments of one-third per year beginning one year after the date of grant and are presented in the 2012 Grants of Plan-Based Awards Table that follows the Summary Compensation Table. The option term is 10 years, after which, if not exercised, the option expires.

Retirement Benefits

In order to attract high caliber leadership and promote management continuity among our named executive officers, we provide the following retirement benefits:

401(k) Plan. The Company provides a 401(k) retirement savings plan for eligible employees, including the named executive officers. Under the Spectrum Retirement Savings Plan, in which the named executive officers participate, participants may choose to contribute up to 99% of their pay, up to the annual limit determined by the Internal Revenue Service. The Company currently provides each participant a stated matching contribution of 100% of the first 1% of pay contributed by the employee and 50% of the next 5% of pay contributed by the employee. In addition, the Company may make a discretionary contribution into the 401(k) Plan on behalf of all employees eligible to participate in the Spectrum Retirement Savings Plan, up to the limits determined annually by the Internal Revenue Service.

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Pension Plan. Among the named executive officers, only Mr. Armes and Mr. Miller have an accrued benefit under the frozen cash balance plan. At retirement, a participant who is eligible for an immediate benefit under the cash balance plan may elect his benefit be paid in the form of an annuity or in a lump sum. A participant who terminates prior to eligibility to receive an immediate benefit under the plan will receive an annuity at the time of normal or early retirement unless, within one year of termination of employment, the participant elects a lump-sum payment.

Non-Qualified Supplementary Benefit Plan. The Non-Qualified Supplementary Benefit Plan is a non-elective deferred compensation plan. This plan is designed to make-up for any 401(k) benefits lost due to limits of the Internal Revenue Code, and the named executive officers participate in the Non-Qualified Supplementary Benefit Plan only to the extent that full participation in our qualified 401(k) plan is restricted by limits under the Internal Revenue Code. Mr. Armes and Mr. Miller, both of whom have an accrued balance under the frozen cash balance plan, also have a balance in the Non-Qualified Supplementary Benefit Plan for the cash balance plan benefits that were lost due to the limits of the Internal Revenue Code. These balances are shown in the 2012 Pension Benefits Table on page 30.

The actuarial change from 2011 in our named executive officers pension benefit is presented in the 2012 Summary Compensation Table on page 24. Detailed information about these pension plans is also presented in the 2012 Pension Benefits Table and related disclosures on page 30.

Executive Deferred Compensation

In order to provide executives an opportunity to defer earned salary or cash incentive awards, the Company offers a non-qualified deferred compensation plan. The plan allows selected senior management employees (including our named executive officers) to elect to defer receipt of up to 80% of their base salary and up to 100% of their annual and long-term incentive cash compensation each year (subject to an aggregate $10,000 minimum per year), until a date or dates chosen by the participant. We do not make matching or other employer contributions to the Executive Deferred Compensation Plan. Amounts deferred into this plan are credited to a notional account that is notionally invested in investment vehicles similar to those offered in the Company s 401(k) Plan. These investment choices include the opportunity to invest in our Common Stock. The plan does not provide any fixed, above-market earnings opportunity. Detailed information about this plan is presented in the 2012 Non-Qualified Deferred Compensation Table and related footnotes. This plan is compliant with and administered in accordance with the rules and regulations of Section 409A of the Code, as are all other plans of the Company that have an element of deferred compensation.

Perquisites and Other Compensation

We provide a limited annual allowance of $15,000 to cover the cost of financial planning services and an annual executive physical for our named executive officers. There is minimal use of the Company plane for personal use, and we do not provide a tax gross-up on the imputed income associated with any personal use of the Company plane by an executive. It is the Company s policy to reimburse for and to gross up the imputed income associated with the travel costs of spouses who accompany the executives to participate in business-related activities. The value of the noted perquisites is presented in the All Other Compensation column of the 2012 Summary Compensation Table.

In addition to the long-term incentive equity grants discussed above, Mr. Miller received a one-time grant of 3,000 shares of unrestricted stock on September 11, 2012, valued at $66,608 on the date of the grant. The Compensation Committee approved this one-time special recognition award based upon Mr. Miller s special services during 2012. The grant date fair value of the stock grant to Mr. Miller is shown in the Stock Awards column of the 2012 Summary Compensation Table.

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Other Program Design Elements

Requirements to Maintain a Minimum Level of Stock Ownership

We believe that our named executive officers, whose business decisions impact our operations and results, should obtain and maintain a reasonable equity ownership in the Company. As such, the Compensation Committee has established stock ownership guidelines for our named executive officers. At present, the individuals listed below must achieve the ownership guidelines as follows:

Officer	Ownership Guideline	Targeted Achievement Date
Mr. Armes	5 x Base Salary	January 1, 2013
Mr. Hughes	3 x Base Salary	November 18, 2014
Ms. Harmon	3 x Base Salary	December 16, 2014
Mr. Miller	3 x Base Salary	January 1, 2013
Mr. Ostrander	3 x Base Salary	January 17, 2016

If any of our named executive officers do not in a timely manner satisfy the stock ownership guidelines, then the Compensation Committee may take further action including requiring that 50% of an executive s annual cash incentive be paid in stock; requiring that the executive retain 50% of the net after-tax shares following the exercise of any stock options or upon the vesting of other equity awards; requiring that 50% of the executive s long-term incentive awards be paid in stock; or reducing the executive s long-term incentive grants. At present, Mr. Armes and Mr. Miller have met their respective ownership requirements.

Employment Agreement and Change in Control Plan

The Company has an employment agreement with Mr. Armes that specifies minimum pay levels and provides severance benefits in certain circumstances (both with and without a change in control). The terms of Mr. Armes employment agreement were negotiated in the light of market benchmark data for similar companies provided by Towers Watson, cost and other considerations, and were set to attract him to join the Company. The terms of the original agreement dated December 19, 2006, were amended and restated on December 22, 2008, to be in full compliance with Section 409A of the Code. Mr. Armes current base salary as of December 31, 2012 is $1,015,000.

As a tool to facilitate attraction and retention of key executive talent, the Company also has a change in control plan that covers each of the other named executives. Under this plan, benefits are received only in the event that an actual change in control and termination occurs, or termination occurs during a time when the Company is party to a definitive agreement, the consummation of which would result in a change in control, and thus are not considered part of annual compensation. We believe that a change in control plan maintains productivity, facilitates a long-term commitment, and encourages retention when, and if, we are confronted with the potential disruptive impact of a change in control of the Company.

See Potential Payments Upon Termination or Change in Control beginning on page 33 for more information regarding these arrangements.

Other Considerations

Clawback Policy

Our Board has adopted a policy that permits us to recoup the annual and long-term incentive compensation paid to our executives in certain circumstances. Under this policy, if the Company significantly restates its reported financial results, the Board will review the circumstances that caused such restatement, consider issues of accountability and oversight, and analyze the impact of such restatement on compensation paid or awarded to Company employees. If the restatement is the result of fraud or misconduct, the Board may elect to recover all annual cash incentive awards, long-term incentive pay (LTIP), and other incentive-based compensation paid to the employees who engaged in such fraud or misconduct. Additionally, for participants in the LTIP, the Board may elect to recover LTIP paid out to the extent the Company s performance goals were over-stated as a result of such restatement, and, for all participants, the Board may adjust any unvested or notionally earned LTIP amounts related to the relevant performance period(s) to reflect the restatement. If the restatement is not the result of fraud or misconduct, the Board may adjust any unvested or notionally earned LTIP amounts related to the relevant performance period(s) to reflect the restatement. The policy also provides that if the Board determines that any employee has engaged in unethical conduct detrimental to the Company, the Board may seek recoupment of all annual cash incentives, LTIP, or other incentive-based compensation paid to such employee during the period(s) of such unethical behavior, and cancel all unvested or notionally earned incentive-based compensation related to such period(s). Recovery under the Clawback Policy is in addition to any recoupment required or permitted by law, including the Sarbanes-Oxley Act of 2002 and common law, or by contract.

Tax Deductibility of Executive Compensation

The financial reporting and income tax consequences of the compensation elements are considered by the Compensation Committee when it analyzes the design and level of compensation. The Compensation Committee balances its objective of ensuring effective and competitive compensation packages with the desire to maximize the tax deductibility of compensation.

Regulations issued under Section 162(m) of the Code provide that compensation in excess of $1 million paid to the Chief Executive Officer and certain other named executive officers will not be deductible unless it meets specified criteria for being performance-based. The Compensation Committee generally designs and administers the executive incentive programs of the Company to qualify for the performance-based exemption. It also reserves the right to provide compensation that does not meet the exemption criteria if, in its sole discretion, it determines that doing so advances the business objectives of the Company.

Compensation Plan for 2013

When setting executive compensation for 2013, the Compensation Committee took into account the results of the stockholder advisory vote on named executive officer compensation that occurred at the 2012 Annual Meeting of Stockholders. Because a substantial majority (over 94%) of the votes cast approved the compensation program described in our 2012 proxy statement, the Compensation Committee applied the same principles in determining the amounts and types of executive compensation for 2013. Therefore, our executive compensation program for 2013 will be structured in a manner similar to the 2012 program.

Base pay levels are set with reference to individual roles, impact, individual performance, and median levels of competitive market pay as determined by peer group and general market comparisons.

Annual cash incentive opportunity levels are benchmarked against competitive norms as measured against general industry data for similar executive positions. Individual annual cash incentive opportunity levels are adjusted, if warranted, to maintain competitive compensation packages for our named executive officers. The Annual Incentive Plan performance measures are based on financial (operating profits and free cash flow) goals.

The long-term incentive opportunity for 2013 includes a mix of stock options, performance-based stock units and performance-based cash. The stock options vest in equal installments of one-third per year beginning one year after grant. The performance-based stock units and performance-based cash awards are earned based upon performance against net income and return on invested capital goals.

Executive Compensation Consultant Disclosure

During the 2012 fiscal year, the Compensation Committee engaged Exequity LLP to serve as an executive compensation consultant. Exequity provides research data analysis, survey information and design expertise in developing compensation programs for executives. In addition, Exequity keeps the Compensation Committee apprised of regulatory developments and market trends related to executive compensation practices. A representative of Exequity typically attends meetings of the Compensation Committee and is available to participate in executive sessions. The Compensation Committee has considered the independence-related factors enumerated by the SEC and has concluded that Exequity is independent. In addition, the Compensation Committee has concluded that the work of Exequity in 2012 did not raise any conflicts of interest.

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COMPENSATION COMMITTEE REPORT

The following report has been submitted by the Compensation Committee of the Board of Directors:

The Compensation Committee of the Board of Directors has reviewed and discussed the Company s Compensation Discussion and Analysis with management. Based on this review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Company s definitive proxy statement on Schedule 14A for its 2013 Annual Meeting, which is incorporated by reference in the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2012, each as filed with the Securities and Exchange Commission.

The foregoing report was submitted by the Compensation Committee of the Board and shall not be deemed to be soliciting material or to be filed with the Securities and Exchange Commission or subject to Regulation 14A promulgated by the Securities Exchange Commission or Section 18 of the Exchange Act.

Respectfully submitted,

Richard L. Wambold, Chairman

John J. Holland

John F. Meier

Robert D. Welding

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EXECUTIVE COMPENSATION

The following tables and narratives provide, for the fiscal year ended December 31, 2012, descriptions of the cash compensation paid by the Company, as well as certain other compensation awarded, paid or accrued, during 2012 to our named executive officers, including:

Mr. Roy V. Armes, Chairman, Chief Executive Officer, and President;

Mr. Bradley E. Hughes, Vice President and Chief Financial Officer; and

Ms. Brenda S. Harmon, Senior Vice President and Chief Human Resources Officer; Mr. Harold C. Miller, Vice President and President International Tire Operations; and Mr. Christopher E. Ostrander, Vice President and President North American Tire Operations, who were our three other most-highly compensated executive officers other than Messrs. Armes and Hughes who were serving as of December 31, 2012.

2012 SUMMARY COMPENSATION TABLE

The following table shows compensation information for 2010, 2011 and 2012 for our named executive officers.

Name and Principal Position(1)	Year	Salary	Bonus	Stock Awards(2)	Option Awards(3)	Non-Equity Incentive Plan Compensation(4)	Change in Pension Value and Nonqualified Deferred Compensation Earnings(5)	All Other Compensation(6)	Total
Roy V. Armes	2012	$ 1,002,213		$ 857,375	$ 1,575,950	$ 3,045,074	$ 7,975	$ 374,665	$ 6,863,252
Chairman, Chief Executive	2011	$ 949,750		$ 734,351	$ 1,191,710	$ 0	$ 7,631	$ 133,509	$ 3,016,951
Officer, and President	2010	$ 888,038		$ 1,334,882	$ 957,042	$ 1,236,450	$ 7,303	$ 294,499	$ 4,718,214
Bradley E. Hughes	2012	$ 448,317		$ 175,094	$ 263,880	$ 798,120	$ 0	$ 114,144	$ 1,799,555
Vice President and	2011	$ 426,500		$ 151,028	$ 254,540	$ 0	$ 0	$ 43,726	$ 875,794
Chief Financial Officer	2010	$ 405,923		$ 366,076	$ 203,626	$ 338,770	$ 0	$ 311,831	$ 1,626,226
Brenda S. Harmon	2012	$ 376,590		$ 148,922	$ 241,890	$ 559,601	$ 0	$ 86,051	$ 1,413,054
Senior Vice President and	2011	$ 362,750		$ 128,724	$ 208,260	$ 0	$ 0	$ 42,300	$ 742,034
Chief Human Resources Officer	2010	$ 347,000		$ 193,316	$ 175,695	$ 241,459	$ 0	$ 51,122	$ 1,008,592
Harold C. Miller	2012	$ 382,317		$ 214,014	$ 263,880	$ 637,645	$ 7,298	$ 87,686	$ 1,592,840
Vice President and	2011	$ 360,500		$ 126,496	$ 225,615	$ 97,597	$ 6,983	$ 36,092	$ 853,283
President International Tire Operations	2010	$ 331,100		$ 239,742	$ 171,190	$ 266,872	$ 6,683	$ 71,684	$ 1,087,271
Christopher E. Ostrander	2012	$ 394,317		$ 106,422	$ 263,880	$ 512,612		$ 105,407	$ 1,382,638
Vice President and	2011	$ 365,385	$ 100,000	$ 1,663,528	$ 254,540	$ 0	$ 0	$ 298,944	$ 2,682,397
President North American Tire Operations									

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(1) Mr. Ostrander joined the Company on January 17, 2011.

(2) Except as otherwise noted below, the amounts shown do not reflect compensation actually received by the named executive officer. The amounts shown in this column are the aggregate grant date fair values computed in accordance with FASB ASC Topic 718. The assumptions made in the valuation are discussed in Note 15 to our Consolidated Financial Statements for the twelve months ended December 31, 2012. At maximum performance levels under the 2012 tranche of the 2010-2012 Long-Term Incentive Plan, the grant date value for each of the named executive officers was as follows: Mr. Armes, $539,344; Mr. Hughes, $111,594; Ms. Harmon, $94,844**;** Mr. Miller, $93,188; and Mr. Ostrander, $0. At maximum performance levels under the 2012 tranche of the 2011-2013 Long-Term Incentive Plan, the grant date value for each of the named executive officers was as follows: Mr. Armes, $459,719; Mr. Hughes, $93,875; Ms. Harmon, $80,281**;** Mr. Miller, $78,906; and Mr. Ostrander, $86,156. At maximum performance levels under the 2012 tranche of the 2012-2014 Long-Term Incentive Plan, the grant date value for each of the named executive officers was as follows: Mr. Armes, $715,656; Mr. Hughes, $144,688; Ms. Harmon, $122,688**;** Mr. Miller, $122,688; and Mr. Ostrander, $126,688. Additionally, Mr. Miller received his one-time grant of 3,000 shares of unrestricted stock on September 11, 2012, valued at $66,608 on the date of the grant.

(3) The amounts shown do not reflect compensation actually received by the named executive officer. The amounts shown in this column are the aggregate grant date fair values computed in accordance with FASB ASC Topic 718. The assumptions made in the valuation are discussed in Note 15 to our Consolidated Financial Statements for the twelve months ended December 31, 2012.

(4) The amounts shown in this column represent payouts in cash for performance under our annual cash incentive program and the performance-based cash notionally earned for the 2010 tranche and 2012 tranche under the 2010-2012 performance cycle. As discussed under Compensation Discussion and Analysis above, these amounts were based on our achievement of certain financial and strategic goals. See Compensation Discussion and Analysis beginning on page 10 for more information about our annual cash incentive program and performance-based cash component of the long-term incentive program.

(5) These amounts represent aggregate changes in the actuarial present value of the named executive officer s accumulated benefit under our pension plans (including supplemental plans). None of the named executive officers received above-market earnings on deferred compensation balances from prior years.

(6) The amounts shown in this column represent perquisites and other compensation including company contributions to qualified and non-qualified defined contribution plans, executive physicals, financial planning services, company-supplied automobile, personal use of company aircraft, spouse and dependent travel and relocation allowances. Amounts received by each named officer for 2012 are identified and quantified in the table below:

Named Executive Officer	Company Contributions To Qualified Defined Contribution Plan	Company Contributions To Non-Qualifed Defined Contribution Plan	Personal, Spouse, and Dependent Travel	Tax Gross-Up Related to Travel Costs	Financial Planning Services	Executive Physical	Total
Roy V. Armes	$ 20,662	$ 313,826	$ 14,826	$ 10,351	$ 3,566	$ 11,434	$ 374,665
Bradley E. Hughes	$ 20,662	$ 82,347			$ 8,530	$ 2,605	$ 114,144
Brenda S. Harmon	$ 20,662	$ 56,709			$ 6,705	$ 1,975	$ 86,051
Harold C. Miller	$ 20,662	$ 58,366			$ 5,450	$ 3,207	$ 87,685
Christopher E. Ostrander	$ 20,662	$ 54,287	$ 16,346	$ 7,932	$ 4,750	$ 1,430	$ 105,407

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2012 GRANTS OF PLAN-BASED AWARDS TABLE

The following table shows all plan-based awards granted to our named executive officers during 2012. The option awards and the unvested portion of the stock awards identified in this table are also reported in the Outstanding Equity Awards at 2012 Fiscal Year-End Table below. All awards were granted under our 2010 Incentive Compensation Plan. For a summary of the incentive plan designs, see Compensation and Discussion Analysis beginning on page 10.

			Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units #	All Other Option Awards: # of Securities Underlying Options # (8) (i)	Exercise of Stock Option Awards ($/share) $ (9) (j)	Closing Price ($/share) $ (10) (k)	Value of Stock and Option Awards $ (11) (l)
Name (a)	Type(1)	Grant Date (b)	$ Threshold (2) (c)	$ Target (3) (d)	$ Maximum (4) (e)	# Threshold (5) (f)	# Target (6) (g)	# Maximum (7) (h)					
Roy V. Armes	AIP	2/23/2012	$ 501,107	$ 1,002,213	$ 2,004,426								
	PBU1	2/23/2012				12,082	17,260	34,520					$ 269,688
	PBU2	2/23/2012				10,298	14,711	29,422					$ 229,859
	PBU3	2/23/2012				11,451	22,901	45,802					$ 357,828
	PBU4	2/23/2012	$ 225,555	$ 322,222	$ 644,444								
	PBU5	2/23/2012	$ 236,531	$ 337,902	$ 675,804								
	PBU6	2/23/2012	$ 178,912	$ 357,823	$ 715,646								
	Options	2/23/2012								215,000	$ 15.625	$ 15.61	$ 1,575,950
Bradley E. Hughes	AIP	2/23/2012	$ 145,703	$ 291,406	$ 582,812								
	PBU1	2/23/2012				2,500	3,572	7,144					$ 55,813
	PBU2	2/23/2012				2,103	3,004	6,008					$ 46,938
	PBU3	2/23/2012				2,315	4,630	9,260					$ 72,344
	PBU4	2/23/2012	$ 46,667	$ 66,667	$ 133,334								
	PBU5	2/23/2012	$ 48,300	$ 69,000	$ 138,000								
	PBU6	2/23/2012	$ 36,167	$ 72,334	$ 144,668								
	Options	2/23/2012								36,000	$ 15.625	$ 15.61	$ 263,880
Brenda S. Harmon	AIP	2/23/2012	$ 94,148	$ 188,295	$ 376,590								
	PBU1	2/23/2012				2,125	3,036	6,072					$ 47,438
	PBU2	2/23/2012				1,798	2,569	5,138					$ 40,141
	PBU3	2/23/2012				1,963	3,926	7,852					$ 61,344
	PBU4	2/23/2012	$ 39,667	$ 56,667	$ 113,334								
	PBU5	2/23/2012	$ 41,300	$ 59,000	$ 118,000								
	PBU6	2/23/2012	$ 30,667	$ 61,334	$ 122,668								
	Options	2/23/2012								33,000	$ 15.625	$ 15.61	$ 241,890
Harold C. Miller	AIP	2/23/2012	$ 114,695	$ 229,390	$ 458,780								
	PBU1	2/23/2012				2,088	2,983	5,966					$ 46,609
	PBU2	2/23/2012				1,768	2,525	5,050					$ 39,453
	PBU3	2/23/2012				1,963	3,926	7,852					$ 61,344
	PBU4	2/23/2012	$ 38,967	$ 55,667	$ 111,334								
	PBU5	2/23/2012	$ 40,600	$ 58,000	$ 116,000								

	PBU6	2/23/2012	$ 30,667	$ 61,334	$ 122,668								
	Options	2/23/2012								36,000	$ 15.625	$ 15.61	$ 263,880
	Award	9/11/2012							3,000				$ 66,608(12)
Christopher	AIP	2/23/2012	$ 128,153	$ 256,306	$ 512,612								
E.	PBU2	2/23/2012				1,930	2,757	5,514					$ 43,078
Ostrander	PBU3	2/23/2012				2,027	4,054	8,108					$ 63,344
	PBU5	2/23/2012	$ 44,333	$ 63,333	$ 126,666								
	PBU6	2/23/2012	$ 31,667	$ 63,334	$ 126,668								
	Options	2/23/2012								36,000	$ 15.625	$ 15.61	$ 263,880

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(1) AIP = Annual Incentive Plan; PBU1 = Performance-based stock units granted in the 2012 tranche of the 2010-2012 Long-Term Incentive Plan; PBU2 = Performance-based stock units granted in the 2012 tranche of the 2011-2013 Long-Term Incentive Plan; PBU3 = Performance-based stock units granted in the 2012 tranche of the 2012-2014 Long-Term Incentive Plan; PBU4 = Performance-based cash granted in the 2012 tranche of the 2010-2012 Long-Term Incentive Plan; PBU5 = Performance-based cash granted in the 2012 tranche of the 2011-2013 Long Term Incentive Plan; PBU6 = Performance-based cash granted in the 2012 tranche of the 2012-2014 Long Term Incentive Plan; Options = Stock options granted in 2012.

(2) The amounts shown in column (c) with respect to AIP represent the threshold opportunity if all of the performance metrics are met. The threshold payout is based on performance at 70% of the Corporate Operating Profit, International Division Operating Profit, and North American Tire Division Operating Profit and achievement of Corporate Free Cash Flow of ($50,000,000). The amounts shown in column (c) with respect to PBU4, PBU5, and PBU6 represent the threshold amount of performance-based cash that the executive would notionally earn for 2012 performance under the 2010-2012, 2011-2013, and 2012-2014 performance cycles of our Long-Term Incentive Plan, if the 2012 performance is $74,000,000 for Corporate Net Income and Return on Invested Capital is 7.9 percent. If the 2012 performance is below the applicable targets, our executives would not receive any payout of the performance-based cash awarded to them.

(3) The amounts shown in column (d) with respect to AIP represent the target opportunity if all of the performance metrics are met. The amounts shown in column (d) with respect to PBU4, PBU5, and PBU6 represent the amount of performance-based cash that the executive would notionally earn for 2012 performance under the 2010-2012, 2011-2013, and 2012-2014 performance cycles of our Long-Term Incentive Plan, if the 2012 performance is at 100% of target (the payout is 100% of the executives targeted payout amounts).

(4) The amounts shown in column (e) with respect to AIP represent the maximum opportunity if all of the performance metrics are met. The maximum payout amounts are capped at 200% of the executives targeted payout amounts. Maximum payout is earned on performance equal to or exceeding $288,000,000 for the Corporate Operating Profit and achieving a break-even Corporate Free Cash Flow. The amounts shown in column (e) with respect to PBU4, PBU5, and PBU6 represent the maximum amount of performance-based cash that the executive would notionally earn for 2012 performance under the 2010-2012, 2011-2013, and 2012-2014 performance cycles of our Long-Term Incentive Plan. The payout amounts are capped at 200% of the executives targeted payout amounts. Maximum payout is earned on performance equal to or exceeding $141,400,000 for Corporate Net Income and a Return on Invested Capital of 15.1 percent.

(5) The amounts shown in column (f) represent the threshold number of performance-based stock units that the executive would notionally earn for 2012 performance under the 2010-2012, 2011-2013, and 2012-2014 performance cycles of our Long-Term Incentive Plan, if the 2012 performance is $74,000,000 for Corporate Net Income and Return on Invested Capital targets is 7.9 percent (in each case, the payout would have been 50% of the executives targeted payout amounts). If the 2012 performance period is below the applicable targets, our executives would not receive any payout of the performance-based stock units awarded to them.

(6) The amounts shown in column (g) represent the target number of performance-based stock units that the executive would notionally earn for 2012 performance under the 2010-2012, 2011-2013, and 2012-2014 performance cycles of our Long-Term Incentive Plan, if the 2012 performance is $110,500,000 for Corporate Net Income and a Return on Invested Capital target is 11.8 percent (the payout is 100% of the executives targeted payout amounts).

(7) The amounts shown in column (h) represent the maximum number of performance-based stock units that the executive would notionally earn for 2012 performance under the 2010-2012, 2011-2013, and 2012-2014 performance cycles of our Long-Term Incentive Plan. Maximum payout is earned on performance equal to or exceeding $141,400,000 of Corporate Net Income and Return on Invested Capital of 15.1 percent. The maximum payout amounts are capped at 200% of the executives targeted payout amounts.

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(8) The amounts shown in column (i) represent the number of stock options granted to each executive.

(9) The amounts shown in column (j) represent the per-share exercise price of options on February 23, 2012, the date they were granted. This was determined based on the average of the high and low price of a share of the Company s Common Stock on that date.

(10) The amounts shown in column (k) represent the closing market price of the Company s Common Stock on February 23, 2012.

(11) The amounts in column (l) represent the grant date fair value as of the grant date of stock awards and option awards determined pursuant to FASB ASC Topic 718. The assumptions made in the valuation are discussed in Note 15 to our Consolidated Financial Statements for the twelve months ended December 31, 2012.

(12) Mr. Miller received his one-time grant of 3,000 shares of unrestricted stock on September 11, 2012.

For more information about the compensation arrangements in which our named executive officers participate, see Compensation Discussion and Analysis beginning on page 10.

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OUTSTANDING EQUITY AWARDS AT 2012 FISCAL YEAR-END TABLE

The following table shows all outstanding equity awards (stock options, performance-based stock units that have not been earned and restricted stock units) held by our named executive officers at the end of 2012.

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable(1)	Number of Securities Underlying Unexercised Options (#) Unexercisable(1)	Option Exercise Price ($)	Grant Date	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(2)	Market Value of Shares or Units of Stock That Have Not Vested ($)(3)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(4)	Equity Incentive Plan Awards: Market or Payout Value of Unearned, Shares, Units or Other Rights That Have Not Vested ($)(3)(4)
Roy V. Armes	70,812	35,408	$ 18.705	March 9, 2010	March 9, 2020				
	34,334	68,666	$ 22.970	February 23, 2011	February 23, 2021				
		215,000	$ 15.625	February 23, 2012	February 23, 2022				
						75,224	$ 1,907,681	121,026	$ 3,069,219
	105,146	319,074							
Bradley E. Hughes	15,066	7,534	$ 18.705	March 9, 2010	March 9, 2020				
	7,334	14,666	$ 22.970	February 23, 2011	February 23, 2021				
		36,000	$ 15.625	February 23, 2012	February 23, 2022				
						35,370	$ 896,983	24,528	$ 622,030
	22,400	58,200							
Brenda S. Harmon	13,000	6,500	$ 18.705	March 9, 2010	March 9, 2020				
	6,000	12,000	$ 22.970	February 23, 2011	February 23, 2021				
		33,000	$ 15.625	February 23, 2012	February 23, 2022				
						19,693	$ 499,414	20,842	$ 528,553
	19,000	51,500							
Harold C. Miller		6,334	$ 18.705	March 9, 2010	March 9, 2020				
		13,000	$ 22.970	February 23, 2011	February 23, 2021				
		36,000	$ 15.625	February 23, 2012	February 23, 2022				
						12,902	$ 327,195	20,754	$ 526,321
		55,334							
Christopher E. Ostrander	7,334	14,666	$ 22.970	February 23, 2011	February 23, 2021				
		36,000	$ 15.625	February 23, 2012	February 23, 2022				
						68,763	$ 1,743,830	21,730	$ 551,073
	7,334	50,666							

(1) The stock options vest in one-third increments on each of the first three anniversaries of the grant date (which grant date was March 9, 2010 for the options expiring on March 9, 2020, February 23, 2011 for the options expiring on February 23, 2021 and February 23, 2012 for the options expiring on February 23, 2022).

(2) Includes dividend equivalent units earned on outstanding restricted stock units. The amounts reported in this column will vest: for Mr. Armes, as to 29,422 units on December 31, 2013 and as to 45,802 units on December 31, 2014; for Mr. Hughes, as to 20,102 units on December 21, 2013, as to 6,008 units on December 31, 2013, and as to 9,260 units on December 31, 2014; for Ms. Harmon, as to 6,703 units on December 21, 2013, as to 5,138 units on December 31, 2013, and as to 7,852 units on December 31, 2014; for Mr. Miller, as to 5,050 units on December 31, 2013 and as to 7,852 units on December 31, 2014; and for Mr. Ostrander, as to 18,380 units on January 17, 2013, as to 5,514 units on December 31, 2013, as to 18,350 units on January 17, 2014, as to 8,018 units on December 31, 2014, and 18,387 units on January 17, 2015.

(3) Value is based on the closing price of our common stock of $25.36 on December 31, 2012, as reported on the New York Stock Exchange.

(4) Reflects the maximum payout opportunity for 2013 and 2014 performance periods under the 2011-2013 and 2012-2014 performance cycles of our Long-Term Incentive Plan. The maximum payout opportunities for 2013 under the 2011-2013 performance cycle (29,422 units for Mr. Armes, 6,008 units for Mr. Hughes, 5,138 units for Ms. Harmon, 5,050 units for Mr. Miller, and 5,514 units for Mr. Ostrander), if earned, will vest on December 31, 2013. The maximum payout opportunities for each of 2013 and 2014 under the 2012-2014 performance cycle (45,802 units for Mr. Armes, 9, 260 units for Mr. Hughes, 7,852 units for Ms. Harmon, 7,852 units for Mr. Miller, and 8,108 units for Mr. Ostrander), if earned will vest on December 31, 2014.

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2012 OPTION EXERCISES AND STOCK VESTED TABLE

The following table shows our named executive officers exercise of stock options, plus the value realized at exercise by each named executive officer, in addition to stock awards that vested, plus the value realized by each named executive officer as a result of such vesting, during 2012.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)(1)
(a)	(b)	(c)	(d)	(c)
Roy V. Armes	360,000	$ 7,272,176	56,812	$ 1,440,752
Bradley E. Hughes		$	31,774	$ 794,079
Brenda S. Harmon		$	18,096	$ 278,950
Harold C. Miller	123,189	$ 2,586,148	12,819	$ 315,617
Christopher E. Ostrander		$	16,669	$ 418,822

(1) These amounts represent the market value of our common stock on the vesting date or distribution date multiplied by the number of shares that vested or were distributed.

2012 PENSION BENEFITS TABLE

This table shows the actuarial present value of accumulated benefits payable to, and the number of years of service credited to, each of our named executive officers under our pension plan and our Non-Qualified Supplementary Benefit Plan.

Name	Plan Name	Number of Years Credited Service	Present Value of Accumulated Benefit	Payments During Last Fiscal Year
(a)	(b)	(c)	(d)	(e)
Roy V. Armes	Spectrum Retirement Plan	6	$ 38,406	$ 0
	Non-Qualified Supplementary Benefit Plan	6	$ 146,783	$ 0
Bradley E. Hughes	Non-Qualified Supplementary Benefit Plan	0	$ 0	$ 0
Brenda S. Harmon	Non-Qualified Supplementary Benefit Plan	0	$ 0	$ 0
Harold C. Miller	Spectrum Retirement Plan	10	$ 115,636	$ 0
	Non-Qualified Supplementary Benefit Plan	10	$ 53,832	$ 0
Christopher E. Ostrander	Non-Qualified Supplementary Benefit Plan	0	$ 0	$ 0

For purposes of the amounts reflected above under column (d), we have used the same assumptions that we use for financial reporting purposes under generally accepted accounting principles, except that we have assumed that the retirement age for our named executive officers is their normal retirement age. See Note 11 to our Consolidated Financial Statements for the twelve months ended December 31, 2012, for details as to our valuation method and the material assumptions applied in quantifying the present value of the current accrued benefit. See also our discussion of pension and postretirement benefits under Management s Discussion and Analysis of Financial Condition and Results of Operations Critical Accounting Policies beginning on page 30 of the Company s Form 10-K.

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We have a cash balance pension plan that was frozen as of June 30, 2009. The cash balance pension plan is a type of noncontributory defined benefit pension plan in which a participant s benefit is determined as if an individual account had been established for him or her. Participants in this plan include all non-union employees in the United States who were employed by Cooper Tire on or before June 30, 2009, other than those participants grandfathered in the defined benefit pension plan who had reached age 40 and had at least 15 years of service with us as of January 1, 2002. Mr. Armes and Mr. Miller are the two named executive officers for 2012 who participated in the cash balance pension plan.

Upon retirement, a participant s benefit under the cash balance plan will be paid in the form of an annuity, or in a lump sum, upon the election of the participant. A participant may receive the amount of his or her benefit in a lump sum payment upon termination of employment, subject to any Section 409A provisions. Payment of the benefit in an annuity form may not generally commence until the participant has reached age 55. The amount payable is not reduced by Social Security benefits payable to the participant.

We maintain a tax-qualified 401(k) Plan, the Spectrum Investment Savings Plan, which provides participants an opportunity to save for retirement. Under the 401(k) Plan, all participants are eligible to receive matching contributions from us that are subject to vesting over time. The Company provides each participant a matching contribution of 100% of the first 1% of pay contributed by the employee and 50% of the next 5% pay contributed by the employee. In addition, the Company may make a discretionary contribution into the Plan on behalf of eligible employees, up to the limits determined annually by the Internal Revenue Service.

2012 NON-QUALIFIED DEFERRED COMPENSATION TABLE

This table shows certain information for 2012 for each of our named executive officers under our non-qualified deferred compensation plans and programs.

Name	Executive Contributions ($)(1)	Company Contributions ($)(1)	Aggregate Earnings ($)(1)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at 12/31/12 ($)(2)
Roy V. Armes	$ 0	$ 227,817	$ 1,011,076	$ 0	$ 2,854,172
Bradley E. Hughes	$ 0	$ 64,552	$ 0	$ 0	$ 132,533
Brenda S. Harmon	$ 0	$ 41,583	$ 0	$ 0	$ 98,022
Harold C. Miller	$ 127,385(3)	$ 43,508	$ 283,040	$ 0	$ 916,846
Christopher E. Ostrander	$ 0	$ 54,287	$ 0	$ 0	$ 75,224

(1) The amount reported as an executive contribution and the amounts reported as company contributions are fully reported in the 2012 Summary Compensation Table. None of the amounts reported as earnings are reported in the 2012 Summary Compensation Table.
(2) The following amounts reported as aggregate balances at December 31, 2012 have been reported as deferred compensation in Summary Compensation Tables included in prior years proxy statements: Mr. Armes, $2,184,764; Mr. Hughes, $0; Ms. Harmon, $0; Mr. Miller, $762,698; and Mr. Ostrander, $0.
(3) This amount represents the annual election and corresponding employee deferral made throughout 2012.

For more information about our non-qualified deferred compensation program, see Compensation Discussion and Analysis beginning on page 10.

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Non-Qualified Supplementary Benefit Plan

The Non-Qualified Supplementary Benefit Plan is a non-elective deferred compensation plan. The named executive officers participate in the Non-Qualified Supplementary Benefit Plan only to the extent that full participation in our qualified 401(k) plan (the Spectrum Investment Savings Plan) is restricted by limits under the Internal Revenue Code. Mr. Armes and Mr. Miller have an accrued benefit under the frozen cash balance plan.

Non-Qualified Deferred Compensation Plan

The Executive Deferred Compensation Plan is an elective deferred compensation plan which allows certain executive officers, including the named executive officers, to defer receipt of up to 80% of base salary and 100% of cash awards earned under annual and long-term incentive plans, subject to minimum $10,000 annual deferral for each element of compensation. The Company does not make matching or other employer contributions to the Executive Deferred Compensation Plan.

Each year, participants in the Executive Deferred Compensation Plan have the opportunity to make an election with respect to the subsequent year, choosing the amounts they will defer for the subsequent year, the form of distribution for the deferred amounts, and the allocation among investment preferences which determine credited earnings or losses on the deferred amounts. The available investment preferences mirror the investment opportunities provided in the Company s qualified 401(k) plan.

We credit deferred compensation in bookkeeping accounts established for the Executive Deferred Compensation Plan. Based on the participant s election, deferred amounts are credited with earnings or debited with losses as if the deferred amounts were invested in the funds offered within the 401(k) plan. Distributions of deferred accounts, made in accordance with each participant s election and generally made upon termination of employment, can be made in the form of a lump sum, up to 10 annual installments, or a combination of both. Participants may also change their distribution elections subject to distribution delays. This Plan is compliant with and administered in accordance with the rules and regulations of Section 409A of the Internal Revenue Code.

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POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

We are generally obligated to provide our named executive officers with certain payments or other forms of compensation upon a termination of employment or a change in control. The forms of such termination can involve voluntary termination, retirement, involuntary termination without cause, for cause termination, termination following a change in control, and the disability or death of the executive. The disclosure below describes the circumstances under which we may be obligated to provide our named executive officers with payments or compensation. Additionally, the tables below reflect the estimated amounts of payments or compensation each of our named executive officers may receive under particular circumstances in the event of termination of such named executive officer s employment.

Payments to Mr. Armes

We are a party to an employment agreement with Mr. Armes. The initial term of employment for Mr. Armes was for three years beginning January 1, 2007, which term is automatically extended for one additional year commencing each January 1 after the commencement of the initial term until the year in which Mr. Armes 64th birthday occurs, unless either Mr. Armes or we gives prior notice by September 30th that the term will not be extended. The employment agreement contains non-competition and non-solicitation provisions that extend for two years after any termination of employment. Below is a description of the payments or compensation Mr. Armes is entitled to pursuant to his employment agreement when his employment with us is terminated or upon a change in control.

Payments Made Upon Retirement

If Mr. Armes retires during the term of his employment agreement, he will be entitled to a single lump sum cash payment within 30 days following his termination date equal to his then current base salary, to the extent unpaid through his termination date, plus the prorated portion of our annual and long-term incentive compensation programs in which he participates. The prorated portion of the annual incentive and long-term incentive compensation will be calculated using the actual performance of the applicable metrics through the end of the most recent fiscal quarter. Additionally, all outstanding and vested stock options (or similar equity awards) will remain outstanding and exercisable in accordance with their terms. The vesting and distribution of restricted stock units will be in accordance with the terms of the grants. He will also receive any benefits under the Company s Non-Qualified Supplementary Benefit Plan to which he is entitled.

Payments Made Upon Death or Disability

In the event of Mr. Armes death or termination of employment due to disability, he or his beneficiaries or estate will be entitled to payment of a full target annual incentive, a prorated long-term performance based incentive compensation payout based on actual performance through the end of the most recent fiscal quarter, and 24 months continuation of life and accident benefits and health benefits followed by eligible COBRA benefits, as well as distribution of any unpaid vested restricted stock unit award.

Payments Made Upon Termination for Cause or Without Good Reason

Upon a termination for cause or without good reason, Mr. Armes is entitled to payment of any earned and unpaid base pay as of the date of termination and vested benefits in accordance with the terms of the applicable plans.

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Payments Made Upon Termination Without Cause or for Good Reason

Mr. Armes is entitled to certain separation benefits and payments upon an involuntary termination without cause or a voluntary termination due to good reason (as defined in the employment agreement). These payments and benefits include the following:

- Prorated portion of long-term performance based incentive compensation based on actual performance through the end of the most recent fiscal quarter;
- Lump sum payment of $75,000 plus two times the sum of his base pay and average annual incentive compensation earned over the prior three years;
- Accelerated vesting of all then unvested time based restricted stock unit awards payable in accordance with the terms of the applicable plans;
- Stock option awards that are vested at the date of termination, subject to exercise for 90 days following termination; and
- 24 months continuation of life, accident, and health benefits followed by retiree medical and life insurance coverage to the extent eligible, subject to mitigation.

Payments Made in Connection with a Termination Following a Change in Control

Mr. Armes is entitled to certain separation benefits and payments upon a termination without cause or a voluntary termination due to good reason within two years following a change in control. These payments and benefits upon termination include the following:

- Prorated portion of long-term performance based incentive compensation based on actual performance through the end of the most recent fiscal quarter;
- Lump sum payment of $75,000 plus two times the sum of his base pay and average annual incentive compensation earned over the prior three years;
- Accelerated vesting of all then unvested time based restricted stock unit and stock option awards with payment made in accordance with the terms of the applicable plans (stock options will be subject to exercise for 90 days following termination) or the Company may pay the value in cash; however, if the successor company has not assumed the obligation at the date of the change in control, vesting will occur at the time of the change in control;
- 24 months continuation of life, accident, and health benefits followed by retiree medical and life insurance coverage to the extent eligible, subject to mitigation; and
- A tax gross-up for excise taxes, if the parachute payments exceed 110% of the Section 280G safe harbor limit, resulting from payments triggered as a result of a change in control. If the parachute payments do not exceed 110% of the Section 280G safe harbor limit, the payments are cut-back to the Section 280G safe harbor limit and there is no tax gross-up for excise taxes.

All post-termination payments are conditioned upon the execution by Mr. Armes at the time of termination of a release of all claims against the Company.

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Payments to Other Named Executive Officers

Payments Made Upon Retirement, Death or Disability

Upon (i) retirement by a named executive officer who is eligible to retire or (ii) death or disability, named executive officers receive the following:

- Prorated incentive (annual and long-term) compensation through the date of termination based upon actual performance through the end of the applicable measurement period(s) to be distributed in accordance with the terms of the plans;
- Accrued and vested retirement benefits;
- Upon death or disability, stock options fully vest and are exercisable for twelve (12) months; upon retirement, stock options continue to vest in accordance with the terms of the plans and are exercisable for five years from the date of retirement; and
- Unvested restricted stock unit awards vest upon retirement, death or disability and are distributable in accordance with participant elections under the terms of the plan.

Payments Made Upon Voluntary or Involuntary Termination Without Cause

Upon voluntary or involuntary termination without cause, named executive officers are entitled to payment of any earned and unpaid base pay as of the date of termination and vested benefits in accordance with the terms of the applicable plans.

- Notionally earned performance units and cash under long-term compensation plans and annual incentive plans for completed performance periods vest in full upon certification by the Compensation Committee.
- Vested stock options at the date of termination are exercisable for thirty (30) days for voluntary termination; ninety (90) days for involuntary termination without cause.

Payments Made Upon Termination for Cause

Upon termination for cause, named executive officers are entitled to payment of any earned and unpaid base pay as of the date of termination and vested benefits in accordance with the terms of the applicable plans. All unpaid notionally earned annual and long-term compensation, stock options, and unvested restricted stock units are immediately forfeited.

Payments Made in Connection with a Change in Control

Following a change in control or a qualified pre-change in control termination such as when the Company is party to a definitive agreement the consummation of which would result in a change in control, named executive officers are entitled to receive the following payments and benefits:

Benefits upon closing of the change in control or a qualified termination under a potential change in control.

- Payment of notionally earned and unpaid annual and long-term incentive compensation;

Prorated target for annual or long-term incentive compensation that is not notionally earned;

If the time-based restricted stock units or stock option awards are not assumed by the successor upon the change in control, the restricted stock units and stock options vest upon the change in control. Stock options remain exercisable for 90 days following termination. Restricted stock units and stock options may be converted to cash if the acquiring company does not assume responsibility for the obligation; and

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Upon a qualified termination under a potential change in control only, accelerated vesting of all then unvested time-based restricted stock units and stock option awards with payment of restricted stock units in accordance with the participant elections under terms of the plan and stock options are exercisable for 90 days following termination.

Additional benefits upon a termination without cause or a voluntary termination due to good reason within two years after a change in control.

Prorated annual incentive compensation from the date of the beginning of the performance period through the date of termination for awards or programs in which the executive participates at target levels;

If the time-based restricted stock units or stock option awards are assumed by the successor upon the change in control, accelerated vesting of all then unvested time based restricted stock units and stock option awards with payment in accordance with the terms of the applicable plans (stock options will be subject to exercise for 90 days following termination);

Two times the sum of the named executive officer s base pay plus target annual incentive compensation at the greater of the amount at termination or immediately prior to the change in control;

24 months continuation of life, accident, and health benefits followed by retiree medical and life insurance coverage to the extent eligible, subject to mitigation;

Outplacement services for 12 months, in an amount up to 15% of the named executive officer s base salary; and

If the parachute payments on an after-tax basis exceed 110% of the parachute payments that would have been received calculated without a reduction to the Section 280G safe harbor limit, the payments are not cut back to the Section 280G safe harbor limit, otherwise they are cut back. In any event, there is no tax gross-up for excise taxes.

All post-termination payments are conditioned upon the execution by the executive at the time of termination of a release of all claims against the Company.

Tabular Disclosure

Except as otherwise indicated, the amounts shown in the tables below assume that a named executive officer was terminated and, as applicable, a change in control occurred as of December 31, 2012, and that the price of our Common Stock equals $25.36, which was the closing price of our Common Stock on December 31, 2012, as reported on the New York Stock Exchange. Actual amounts that we may pay to any named executive officer upon termination of employment, however, can only be determined at the time of such named executive officer s actual separation from Cooper Tire & Rubber Company.

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Roy V. Armes

The following table shows the potential payments upon termination under various circumstances for Roy V. Armes, Chairman, Chief Executive Officer, and President.

Benefits and Payments Upon Termination		Retirement on 12/31/12 (A)	Termination by Death on 12/31/12	Termination by Disability on 12/31/12	Termination Without Cause or for Good Reason on 12/31/12	Termination for Cause or Without Good Reason on 12/31/12	Termination Subsequent to a Change in Control on 12/31/12
Compensation:							
Base salary(1)	$						
Annual incentive compensation(2)	$						
Cash Severance Base salary and average annual incentive compensation multiple(3)	$				4,265,584		4,265,584
Long-term incentive Performance-Based Stock Units and Cash(4)	$		3,903,315	3,903,315	3,903,315		3,903,315
Stock Options(5)	$		3,045,014	3,045,014	3,045,014		3,045,014
Restricted Stock Units(6)	$		2,172,769	2,172,769	2,172,769	2,172,769	2,172,769
Benefits and Perquisites:							
Pension Plan and Non-Qualified Supplementary Benefit Plan(7)	$		588,375	588,375	588,375	588,375	588,375
Executive Deferred Compensation Plan	$						
Life, accident and health insurance(8)	$		27,573	27,573	27,573		27,573
Retiree medical and life insurance(9)	$						
Excise Tax Gross-up(10)	$						
Outplacement Services	$						
Total	$		9,737,046	9,737,046	14,002,630	2,761,144	14,002,630

(A) Not eligible for retirement at 12/31/12.

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Bradley E. Hughes

The following table shows the potential payments upon termination under various circumstances for Bradley E. Hughes, Vice President and Chief Financial Officer.

Benefits and Payments Upon Termination	Retirement on 12/31/12 (A)	Termination by Death on 12/31/12	Termination by Disability on 12/31/12	Termination Without Cause or for Good Reason on 12/31/12	Termination for Cause or Without Good Reason on 12/31/12	Termination in Connection With a Change in Control on 12/31/12
Compensation:						
Base salary(1)	$					
Annual incentive compensation(2)	$					
Cash Severance Base salary and average annual incentive compensation multiple(3)	$					1,498,200
Long-term incentive Performance-Based Stock Units and Cash(4)	$	803,801	803,801	513,491		803,801
Stock Options(5)	$	553,263	553,263	553,263		553,263
Restricted Stock Units(6)	$	509,787	509,787	509,787		509,787
Benefits and Perquisites:						
Pension Plan and Non-Qualified Supplementary Benefit Plan(7)(B)	$	67,981	67,981	67,981	67,981	67,981
Life, accident and health insurance(8)	$					31,204
Retiree medical and life insurance(9)	$					
Outplacement Services(11)	$					68,100
Total	$	1,934,832	1,934,832	1,644,522	67,981	3,532,336

(A) Not eligible for retirement at 12/31/12.
(B) Not eligible to participate in Pension Plan.

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Brenda S. Harmon

The following table shows the potential payments upon termination under various circumstances for Brenda S. Harmon, Senior Vice President and Chief Human Resources Officer.

Benefits and Payments Upon Termination	Retirement on 12/31/12 (A)	Termination by Death on 12/31/12	Termination by Disability on 12/31/12	Termination Without Cause or for Good Reason on 12/31/12	Termination for Cause or Without Good Reason on 12/31/12	Termination in Connection With a Change in Control on 12/31/12
Compensation:						
Base salary[1]	$					
Annual incentive compensation[2]	$					
Cash Severance Base salary and average annual incentive compensation multiple[3]	$					1,140,000
Long-term incentive Performance-Based Stock Units and Cash[4]	$	684,733	684,733	436.511		684,733
Stock Options[5]	$	493,883	493,883	493,883		493,883
Restricted Stock Units[6]	$	169,988	169,988	169,988		169,988
Benefits and Perquisites:						
Pension Plan and Non-Qualified Supplementary Benefit Plan[7][B]	$	56,439	56,439	56,439	56,439	56,439
Life, accident and health insurance[8]	$					24,962
Retiree medical and life insurance[9]	$					
Outplacement Services[11]	$					57,000
Total	$	1,405,043	1,405,403	1,156,821	56,439	2,627,005

(A) Not eligible for retirement at 12/31/12.
(B) Not eligible to participate in Pension Plan.

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Harold C. Miller

The following table shows the potential payments upon termination under various circumstances for Harold C. Miller, Vice President and President International Tire Operations.

Benefits and Payments Upon Termination		Retirement on 12/31/12 (A)	Termination by Death on 12/31/12	Termination by Disability on 12/31/12	Termination Without Cause or for Good Reason on 12/31/12	Termination for Cause or Without Good Reason on 12/31/12	Termination in Connection With a Change in Control on 12/31/12
Compensation:							
Base salary(1)	$						
Annual incentive compensation(2)	$						
Cash Severance Base salary and average annual incentive compensation multiple(3)	$						1,241,600
Long-term incentive Performance-Based Stock Units and Cash(4)	$		672,859	672,859	428,792		672,859
Stock Options(5)	$		423,503	423,503	423,503		423,503
Restricted Stock Units(6)	$		85,336	85,336	85,336		85,336
Benefits and Perquisites:							
Pension Plan and Non-Qualified Supplementary Benefit Plan(7)	$		155,195	155,195	155,195	155,195	155,195
Executive Deferred Compensation Plan(12)	$		676,890	676,890	676,890	676,890	676,890
Life, accident and health insurance(8)	$						22,237
Retiree medical and life insurance(9)	$						
Outplacement Services(11)	$						58,200
Total	$		2,013,783	2,013,783	1,769,716	832,085	3,335,820

(A) Not eligible for retirement at 12/31/12.

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Christopher E. Ostrander

The following table shows the potential payments upon termination under various circumstances for Christopher E. Ostrander, Vice President and President North America Tire Operations.

Benefits and Payments Upon Termination	Retirement on 12/31/12 (A)	Termination by Death on 12/31/12	Termination by Disability on 12/31/12	Termination Without Cause or for Good Reason on 12/31/12	Termination for Cause or Without Good Reason on 12/31/12	Termination in Connection With a Change in Control on 12/31/12
Compensation:						
Base salary(1)	$					
Annual incentive compensation(2)	$					
Cash Severance Base salary and average annual incentive compensation multiple(3)	$					1,320,000
Long-term incentive Performance-Based Stock Units and Cash(4)	$	266,526	266,526			266,526
Stock Options(5)	$	431,837	431,837	431,837		431,837
Restricted Stock Units(6)	$	1,398,376	1,398,376			1,398,376
Benefits and Perquisites:						
Pension Plan and Non-Qualified Supplementary Benefit Plan(7)(B)	$	20,937	20,937	20,937	20,937	20,937
Life, accident and health insurance(8)	$					30,520
Retiree medical and life insurance(9)	$					
Outplacement Services(11)	$					60,000
Total	$	2,117,676	2,117,676	452,774	20,937	3,528,196

(A) Not eligible for retirement at 12/31/12.

(B) Not eligible to participate in Pension Plan.

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Footnotes for Tabular Disclosure

(1) As of December 31, 2012, the amount of base salary payable to the named executive officers for services rendered during 2012 has been paid.

(2) Amounts shown are actual amounts payable in early 2013, if any, based upon achieved performance metrics established for 2012 although the payments could be different for a termination during the year under the various listed terminations.

(3) Termination within two years after a change in control: $75,000 lump sum payment in addition to two (2) times the sum of base salary as of the end of 2012 plus average annual cash incentive award over the prior three (3) years for Mr. Armes. Mr. Armes would receive the same amount if terminated without cause or for good reason. All other named executive officers would receive two (2) times the sum of base salary as of the end of 2012 plus target annual cash incentive compensation for termination due to a change in control. Any required reduction due to a Section 280G related excise tax Cap for other named executives due to a change in control adjusts the cash severance.

(4) Amounts shown are based on the performance-based stock units and performance-based cash earned as of December 31, 2012, as part of the 2010-2012, the 2011-2013, and the 2012-2014 long-term incentive programs performance-based grants. Units were valued at the closing price of our common stock at December 31, 2012.

(5) Total in-the-money/intrinsic dollar value of vested and non-vested stock options for change in control. Total in-the-money/intrinsic dollar value of vested and non-vested stock options for retirement, disability or death with specific periods for exercise.

(6) Total dollar value of vested and non-vested restricted stock units for termination without cause or for good reason (Mr. Armes only), retirement, disability, death, and change in control. Total dollar value of only vested restricted stock units for termination with cause or without good reason. When restricted units become vested, the grantee shall receive shares of common stock equal to the number of restricted units granted in addition to dividend equivalents earned. The common stock is to be delivered on the date specified by the grantee in their restricted stock award agreement.

(7) All vested Non-Qualified Supplementary Benefit Plan retirement plus investment savings benefits are payable to all participants upon termination.

(8) Termination for change in control: Present value of 24 months coverage of Company-provided life, accident, and health benefits. In accordance with Mr. Armes employment agreements, he would receive this same amount if terminated without cause or for good reason, or due to death or disability.

(9) Present value of Company-paid lifetime medical and life insurance valued to age 85. This benefit is only for employees hired before January 1, 2003, who are eligible to retire.

(10) Under the terms of the employment agreement with Mr. Armes, this reflects the estimated gross-up payment for excise taxes imposed by Internal Revenue Code Section 4999, if any, assuming a change in control and subsequent termination of the executive s employment as of December 31, 2012. The gross-up payment would cover federal excise taxes and additional income taxes resulting from the payment of the gross-up.

(11) The amount shown reflects the total amount payable for outplacement assistance for Messrs. Hughes, Miller, and Ostrander and Ms. Harmon, which is equal to 15% of current base salary.

(12) The amount shown reflects the account balance payable from the Executive Non-Qualified Deferred Compensation Plan for Mr. Miller.

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2012 DIRECTOR COMPENSATION TABLE

Name (a)	Fees Earned or Paid in Cash ($)(1) (b)	Stock Awards ($)(2) (c)	Option Awards ($)(3) (d)	Total ($) (h)
Thomas P. Capo	$ 80,000	$ 100,000		$ 180,000
Steven M. Chapman	$ 80,000	$ 100,000		$ 180,000
John J. Holland	$ 90,000	$ 100,000		$ 190,000
John F. Meier	$ 95,000	$ 100,000		$ 195,000
Cynthia A. Niekamp	$ 80,000	$ 100,000		$ 180,000
John H. Shuey	$ 95,000	$ 100,000		$ 195,000
Richard L. Wambold	$ 90,000	$ 100,000		$ 190,000
Robert D. Welding	$ 80,000	$ 100,000		$ 180,000

(1) The amounts listed under Fees Earned or Paid in Cash represent the compensation amounts discussed in the narration below. The Non-Employee Directors deferred the following amounts of fees reported in column (b) initially into phantom stock units under our Directors deferral plan, as described below: Mr. Capo, $60,000; Mr. Chapman, $80,000; Mr. Holland, $0; Mr. Meier, $23,750; Ms. Niekamp, $0; Mr. Shuey, $0; Mr. Wambold, $90,000; and Mr. Welding, $0.

(2) These amounts are the aggregate grant date fair value in accordance with FASB ASC 718. See Note 15 to our Consolidated Financial Statements for the twelve months ended December 31, 2012, for details as to the assumptions used to determine the fair value of the phantom stock awards. The Non-Employee Directors had phantom stock awards outstanding as of December 31, 2012, for the following number of shares: Mr. Capo, 56,407; Mr. Chapman, 72,651; Mr. Holland, 82,765; Mr. Meier, 70,702; Ms. Niekamp 6,746; Mr. Shuey, 47,443; Mr. Wambold, 86,496; and Mr. Welding, 47,381. Each Non-Employee Director received an annual grant of phantom stock awards as follows: 6,642 units on May 11, 2012. The entire grant date fair value (including amounts reported for 2012) of the phantom stock awards issued to each of the Non-Employee Directors in 2012 was $100,000.

(3) The Non-Employee Directors had option awards outstanding as of December 31, 2012, for the following number of shares: Mr. Capo, 0; Mr. Chapman, 2,631; Mr. Holland, 7,748; Mr. Meier, 7,748; Ms. Niekamp 0; Mr. Shuey, 7,748; Mr. Wambold, 5,748; and Mr. Welding, 0.

Our Board of Directors makes compensation decisions for our Directors upon the recommendation of the Nominating & Governance Committee. Except as noted in the footnotes above, our Non-Employee Directors received the following compensation on an annual basis for the period January 1, 2012 through December 31, 2012:

Each Non-Employee Director received an annual retainer of $80,000. There were no fees for attendance at meetings of the Board of Directors and meetings of the Committees of the Board of Directors;

The Lead Director received an annual fee of $15,000 for serving in that capacity;

The Chair of the Audit Committee received an annual fee of $15,000 for serving in that capacity; and

The Chairs of the Compensation Committee and Nominating and Governance Committee each received an annual fee of $10,000 for serving in those capacities.

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Additionally, each Non-Employee Director received an annual grant of phantom stock units in an amount equal to $100,000 divided by the average of the highest and the lowest quoted selling price of a share of the Company s common stock, as reported on the New York Stock Exchange Composite Tape, on the grant date for that particular year.

All Directors are required to own at least 15,000 shares of our common stock, excluding options, and have five years from the date they join the Board to meet this requirement. As of the date of this proxy statement, each of our Directors has met this requirement except for Cynthia Niekamp, who joined the Board of Directors on December 13, 2011.

Our Non-Employee Directors also participate in our Amended and Restated 1998 Non-Employee Directors Compensation Deferral Plan, which we refer to as the Directors deferral plan. The Directors deferral plan permits our Non-Employee Directors to defer some or all of the fees payable to them for service on the Board of Directors. The amounts that our Non-Employee Directors defer, and dividend equivalents on those amounts, are converted to phantom stock units and credited to a bookkeeping account established for this purpose, or are invested in various alternative investment funds available from time to time. Deferred amounts may be transferred from phantom stock units into the alternative investment funds, but not back into phantom stock units. The amount of alternative investment funds will be equal to (1) the amount of phantom stock units to be transferred multiplied by (2) the average of the highest and the lowest quoted selling price of a share of our common stock, as reported on the New York Stock Exchange Composite Tape, on the date the phantom stock units were transferred (or, if there were no sales on the date the phantom stock units were transferred, the next preceding date during which a sale of our common stock occurred).

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MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

Corporate Governance

The Board has determined that the existing leadership structure, with Mr. Armes serving as Chairman of the Board and Chief Executive Officer, and an independent Board member serving as Lead Director, is currently the most efficient and effective structure for the Company. Mr. Meier currently serves as Lead Director. The Board believes that having the Chief Executive Officer serve as Chairman of the Board and having an independent director serve as Lead Director strikes an effective balance between management and independent director participation in the Board process.

For example, our leadership structure currently provides for our Chief Executive Officer to serve as our Chairman of the Board because, among other things, he possesses an intimate working knowledge and understanding of our day-to-day business, plans, strategies and initiatives. Because of this knowledge and understanding, he is in an excellent position to identify strategic opportunities and priorities and to lead the discussion between management and the Board for execution of our strategies and achievement of our objectives.

At the same time, having a Lead Director who has a strong working relationship with our independent directors ensures communication between these directors, which are all of the directors other than Mr. Armes, and the management of the Company. Our Lead Director is elected annually by a majority of the independent directors of the Board to serve until his or her successor is elected or until such earlier time as he or she ceases to be a director, resigns as Lead Director or is replaced as Lead Director by a majority of the independent directors. The specific duties and responsibilities of our Lead Director are described in our Lead Director Responsibilities and Qualifications. Among other things, our Lead Director:

- Presides at meetings of the Board in the absence of, or upon the request of, the Chairman of the Board, including all executive sessions of the independent directors;
- Serves as principle liaison to facilitate communications between other members of the Board and the Chairman of the Board and Chief Executive Officer, without inhibiting direct communications between the Chairman of the Board and other directors;
- Consults with the Chairman of the Board in the preparation of the Board meeting agendas and in determining the need for special meetings of the Board;
- Advises and consults with the Chairman of the Board and Chief Executive Officer on matters related to corporate governance and Board performance; and
- Serves as a liaison to stockholders who request direct communications with the Board.

The independent directors of the Board elected Mr. Meier to serve as Lead Director of the Board.

Although the Board believes that the existing leadership structure is currently in the best interests of the Company, the Board recognizes that no single leadership structure may be appropriate in all circumstances. Accordingly, the Board considers this issue as part of the succession planning process and considers it each time it elects the Chief Executive Officer. The Company s governance guidelines provide the Board with the flexibility to separate the positions of Chairman of the Board and Chief Executive Officer if, in the future, the Board determines that such a leadership structure would be a more efficient and effective structure for our Board, our business, our employees and our stockholders.

The Board evaluates risk both collectively and as a function of its respective committees, including general oversight of (i) the financial exposure of the Company, (ii) risk exposure as related to overall company portfolio and impact on earnings, (iii), oversight for information technology security and risk, and (iv) all systems, processes, and organizational structure and people responsible for finance and risk functions. The Board administers its risk oversight function as a component of its duties, but not in any capacity that has a specific effect on its leadership structure.

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Code of Business Conduct and Ethics

Our Board has adopted a written Code of Business Conduct and Ethics for our Directors, officers (including our principal executive officer, principal financial officer and principal accounting officer) and employees. We have and intend to continue to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding certain amendments to or waivers from our Code of Business Conduct and Ethics by filing Current Reports on Form 8-K with the Securities and Exchange Commission, and will make any amended Code of Business Conduct and Ethics available at the Investor Relations/Governance link on our website at http://www.coopertire.com.

Board of Directors

During 2012, our Board of Directors held five Board meetings, four meetings of our Audit Committee, five meetings of our Compensation Committee, and four meetings of our Nominating and Governance Committee. Each Director attended more than 75% of the aggregate number of meetings of the Board of Directors and meetings of Committees on which such Director served during the past fiscal year.

Determination of Independence of Directors

The New York Stock Exchange s Corporate Governance Listing Standards require that all listed companies have a majority of independent directors. For a director to be independent under the NYSE listing standards, the board of directors of a listed company must affirmatively determine that the director has no material relationship with the Company, or its subsidiaries or affiliates, either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company or its subsidiaries or affiliates. The Board has adopted the NYSE listing standards as its categorical standards for making director independence determinations.

In making independence determinations, the Board has broadly considered all relevant facts and circumstances from the standpoint of both the Director and others. The Board has considered that we, our employees or our affiliates may have engaged in transactions or relationships with companies with which our Directors are associated. These transactions or relationships include renting vehicles from Dollar Thrifty Automotive Group, Inc., the company for which Mr. Capo was Chairman of the Board and a director, and purchasing products from companies for which our Directors are employees of or are on the board of directors. After these considerations, and in accordance with the NYSE listing standards, the Board has affirmatively determined that each Director serving during 2012, other than Mr. Armes, has no material relationship with us (either directly or as a partner, stockholder, or officer of an organization that has a relationship with us).

Additionally, the Board has determined that each Director other than Mr. Armes is independent under the NYSE listing standards, which provide that a Director is not independent if:

- The Director is, or has been within the last three years, one of our employees, or an immediate family member is, or has been within the last three years, one of our executive officers;

- The Director has received, or has an immediate family member who has received, during any 12-month period within the last three years, more than $120,000 in direct compensation from us, other than Director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);

- (1) The Director is a current partner or employee of a firm that is our internal or external auditor; (2) the Director has an immediate family member who is a current partner of such a firm; (3) the Director has an immediate family member who is a current employee of such a firm and personally works on our audit; or (4) the Director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on our audit within that time;

- The Director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of our present executive officers at the same time serves or served on that company s compensation committee; or

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- The Director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, us for property or services in an amount which, in any of the last three fiscal years exceeds the greater of $1 million, or 2% of such other company s consolidated gross revenues.

Audit Committee

We have a separately designated standing Audit Committee, which was established in accordance with Section 3(a)(58)(A) of the Exchange Act. The Audit Committee currently consists of Directors Shuey (Chairman), Capo, Chapman, and Niekamp. All members have been determined to be independent under the New York Stock Exchange s Corporate Governance Listing Standards and to be financially literate. The Board has determined that Director Shuey qualifies as our audit committee financial expert due to his business experience and educational background described on page 6 of this proxy statement. The Audit Committee:

- Assists the Board of Directors in fulfilling its oversight responsibilities with respect to the integrity of our financial statements and compliance with legal and regulatory requirements, the independent registered public accounting firm s qualifications and independence, and performance of the independent registered public accounting firm and our internal audit function; and

- Prepares the Audit Committee s report included in this proxy statement.

The functions of the Audit Committee are set forth in an Audit Committee Charter, which was adopted by the Board on February 4, 2004 and amended and restated on May 11, 2012, and is available on our website. We do not have any related person transactions, but our Audit Committee will review and discuss any related person, insider or affiliated party transactions pursuant to the Audit Committee Charter. It is the written policy of the Company that the Audit Committee will review and discuss reports and disclosures of insider and affiliated party transactions.

Compensation Committee

We have a standing Compensation Committee, which is comprised of Directors Wambold (Chairman), Holland, Meier and Welding. Compensation decisions for the Company s senior officers and other key executives are made by our Compensation Committee, and actions of the Committee are reported to the Board of Directors after each meeting.

The Compensation Committee:

- Establishes the remuneration (base salary, annual and long-term cash and equity-based incentive compensation, perquisites and benefits) of our Chief Executive Officer and approves the remuneration (as described for the CEO) of the Company s senior officers and other key executives, including reviewing and approving the corporate financial goals and objectives relevant to the remuneration arrangements;

- Reviews the cash and equity-based compensation plans for officers and senior management and makes or recommends changes to the Board of Directors as it deems appropriate;

- Reviews and approves any executive employment agreements, severance pay plans, deferred compensation plans and similar plans and arrangements and the executives to whom they apply;

- Oversees regulatory compliance with respect to compensation matters; and

- Establishes stock ownership guidelines for the Company s officers and other key executives and reviews compliance with those guidelines.

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The Compensation Committee has engaged Exequity LLP, an independent executive compensation consulting firm, to review and provide guidance regarding our total compensation program for named executive officers for 2013 and to assist the Committee in monitoring and assessing compensation trends for senior management personnel, including the Chief Executive Officer.

The agenda for meetings of the Compensation Committee is determined by its Chairman with the assistance of our Senior Vice President and Chief Human Resources Officer. Compensation Committee meetings are regularly attended by our Chief Executive Officer and our Senior Vice President and Chief Human Resources Officer. At each meeting, the Compensation Committee meets in executive session. The Compensation Committee s Chairman reports on the Committee s actions and decisions on executive compensation matters to the Board of Directors. Independent advisors and our Human Resources Department support the Compensation Committee in its duties and, along with our Chief Executive Officer and Senior Vice President and Chief Human Resources Officer, may be delegated authority to fulfill certain administrative duties regarding the compensation programs. The Compensation Committee has authority under its charter to retain, approve fees for and terminate advisors, consultants and agents as it deems necessary to assist in the fulfillment of its responsibilities. The Compensation Committee reviews the total fees paid to our outside consultants to ensure that they maintain their objectivity and independence when rendering advice to the Compensation Committee.

Nominating and Governance Committee

We have a standing Nominating and Governance Committee, which is currently comprised of Directors Holland (Chairman), Chapman, Meier, and Shuey, each of whom is independent under the New York Stock Exchange s Corporate Governance Listing Standards. The Nominating and Governance Committee:

- Recommends candidates for membership on the Board; and
- Ensures that the Board acts within the governance guidelines and that the governance guidelines remain appropriate.

The Nominating and Governance Committee will consider candidates for Board membership proposed by our stockholders or other parties. Any recommendation must be in writing, accompanied by a description of the proposed nominee s qualifications and other relevant biographical information and an indication of the consent of the proposed nominee to serve. The recommendation should be addressed to the Nominating and Governance Committee of the Board of Directors, Attention: Secretary, Cooper Tire & Rubber Company, 701 Lima Avenue, Findlay, Ohio 45840. As of the date of this proxy statement, we have not received any director nominee recommendations from any stockholders.

The Nominating and Governance Committee uses a variety of sources to identify candidates for Board membership, including current members of the Board, our executive officers, individuals personally known to members of the Board and our executive officers and, as described above, our stockholders, as well as, from time to time, third party search firms. The Nominating and Governance Committee may consider candidates for Board membership at its regular or special meetings held throughout the year.

The Nominating and Governance Committee uses the same manner and process for evaluating every candidate for Board membership regardless of the original source of the candidate s nomination. Once the Nominating and Governance Committee has identified a prospective candidate, the Nominating and Governance Committee makes an initial determination whether to conduct an initial evaluation of the candidate, which consists of an interview by the Chair of the Nominating and Governance Committee. The Nominating and Governance Committee currently has not set specific, minimum qualifications or criteria for nominees that it proposes for Board membership, but evaluates the entirety of each candidate s credentials. The Nominating and Governance Committee believes, however, that we will be best served if our Directors bring to the Board a variety of experience and diverse backgrounds and, among other things, demonstrated integrity, executive leadership and financial, marketing or business knowledge and experience.

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The Chair communicates the results of initial evaluation of candidates to the other Nominating and Governance Committee members, the Lead Director and the Chairman of the Board and Chief Executive Officer. If the Nominating and Governance Committee determines, in consultation with the Chairman of the Board and the Chief Executive Officer, that further consideration of the candidate is warranted, members of our senior management gather additional information regarding the candidate. The Nominating and Governance Committee or members of our senior management then conduct background and reference checks and any final interviews, as necessary, of the candidate. At that point, the candidate is invited to meet and interact with the members of the Board who are not on the Nominating and Governance Committee. The Nominating and Governance Committee then makes a final determination whether to recommend the candidate to the Board for Board membership.

Neither the Nominating and Governance Committee nor the Board of Directors has a formal policy with regard to the consideration of diversity in identifying director nominees; however, how a specific nominee contributes to the diversity of the Board of Directors is considered by both the Nominating and Governance Committee and the Board of Directors in determining candidates for the Board.

Availability of Governance Guidelines, Code of Business Conduct and Ethics and Committee Charters

Our governance guidelines, Code of Business Conduct and Ethics and the charters for the Audit Committee, Compensation Committee and Nominating and Governance Committee are available at the Investor Relations/Governance link on our website at http://www.coopertire.com.

In addition, stockholders may request a free printed copy of any of these materials by contacting:

Cooper Tire & Rubber Company

Attention: Corporate Secretary

701 Lima Avenue

Findlay, Ohio 45840

(419) 423-1321

Stockholder and Interested Party Communications with the Board

Our Board has adopted a process by which stockholders or interested parties may send communications to the Board, the Non-Employee Directors as a group, or any of the Directors. Any stockholder or interested party who wishes to communicate with the Board, the Non-Employee Directors as a group, or any Director may send a written communication addressed to:

Board of Directors   Stockholder and Interested Party Communications

Attention: Corporate Secretary

Cooper Tire & Rubber Company

701 Lima Avenue

Findlay, Ohio 45840

The Secretary will review and forward each written communication (except, in his sole determination, those communications clearly of a marketing nature, those communications better addressed by a specific Company department or those communications containing complaints regarding accounting, internal auditing controls or auditing matters) to the full Board, the Non-Employee Directors as a group, or the individual Director(s) specifically addressed in the written communication. The Secretary will discard written communications clearly of a marketing nature. Written communications better addressed by a specific Company department will be forwarded to such department, and written communications containing complaints regarding accounting, internal auditing controls or auditing matters will be forwarded to the Chairman of the Audit Committee.

Director Attendance at Annual Meetings

Our Board does not have a specific policy regarding Director attendance at our Annual Meetings. All of our Directors attended our 2012 Annual Meeting, except for Steven M. Chapman, who was unable to attend.

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COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

Directors Holland, Meier, Wambold and Welding served as members of the Compensation Committee during 2012. During 2012, none of the members of the Compensation Committee was one of our or our subsidiaries officers or employees, or had any relationship requiring disclosure pursuant to Item 404 of Regulation S-K. Additionally, during 2012, none of our executive officers or Directors was a member of the board of directors, or on a committee thereof, of any other entity such that the relationship would be construed to constitute a committee interlock within the meaning of the rules of the Securities and Exchange Commission.

RELATIONSHIP WITH INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP served as the Company s independent registered public accounting firm for 2012, and has been appointed by the Audit Committee to continue in that capacity during 2013. The Audit Committee s decision to appoint Ernst & Young LLP has been ratified by the Board and will be recommended to the stockholders for ratification at the Annual Meeting. Ernst & Young LLP has advised the Company that neither the firm nor any of its members or associates has any direct or indirect financial interest in the Company. During 2012, Ernst & Young LLP rendered both audit services, including an audit of the Company s annual financial statements, and certain non-audit services. There is no understanding or agreement between the Company and Ernst & Young LLP that places a limit on audit fees since the Company pays only for services actually rendered and at what it believes are customary rates. Professional services rendered by Ernst & Young LLP are approved by the Audit Committee both as to the advisability and scope of the service, and the Audit Committee also considers whether such services would affect Ernst & Young LLP s continuing independence.

Audit Fees

Ernst & Young LLP s aggregate fees billed for 2011 and 2012 for professional services rendered by them for the audit of the Company s annual financial statements, the audit of the effectiveness of the Company s internal control over financial reporting required by the Sarbanes-Oxley Act of 2002, the review of financial statements included in the Company s Quarterly Reports on Form 10-Q, and services that are normally provided in connection with statutory and regulatory filings or engagements for those years are listed below.

2011	$1,619,129	2012	$1,776,346

Audit-Related Fees

Ernst & Young LLP s aggregate fees billed for 2011 and 2012 for assurance and related services that are reasonably related to the performance of the audit or review of the Company s financial statements, and are not reported under Audit Fees above, were:

2011	$ 152,946	2012	$123,350

Audit-related fees included fees for employee benefit plan audits and accounting consultation. All audit-related services were pre-approved.

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Tax Fees

Ernst & Young LLP s aggregate fees billed for 2011 and 2012 for professional services rendered by them for tax compliance, tax advice and tax planning were:

2011	$277,357	2012	$207,385

Tax fees in 2011 and 2012 represented fees primarily for international tax planning and domestic and foreign tax compliance. All tax services were pre-approved.

All Other Fees

Ernst & Young LLP s aggregate fees billed in 2011 and 2012 for products and services provided by them, other than those reported above under Audit Fees, Audit-Related Fees and Tax Fees, were as follows:

2011	$0.00	2012	$0.00

Audit Committee Pre-Approval Policies and Procedures

The Audit Committee has established a policy regarding pre-approval of all audit and non-audit services expected to be performed by the Company s independent registered public accounting firm, including the scope of and fees for such services. Requests for audit services, as defined in the policy, must be approved prior to the performance of such services, and requests for audit-related services, tax services and permitted non-audit services, each as defined in the policy, must be presented for approval prior to the year in which such services are to be performed to the extent known at that time. The policy prohibits the Company s independent registered public accounting firm from providing certain services described in the policy as prohibited services.

Generally, requests for independent registered public accounting services are submitted to the Audit Committee by the Company s Director of External Reporting (or other member of the Company s senior financial management) and the Company s independent registered public accounting firm for consideration at the Audit Committee s regularly scheduled meetings. Requests for additional services in the categories mentioned above may be approved at subsequent Audit Committee meetings to the extent that none of such services are performed prior to their approval. The Chairman of the Audit Committee is also delegated the authority to approve independent registered public accounting services requests provided that the pre-approval is reported at the next meeting of the Audit Committee. All requests for independent registered public accounting services must include a description of the services to be provided and the fees for such services.

Auditor Attendance at 2013 Annual Meeting

Representatives of Ernst & Young LLP will be present at the Annual Meeting of Stockholders and will be available to respond to appropriate questions and to make a statement if they desire to do so.

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AUDIT COMMITTEE REPORT

This report is submitted by all members of the Audit Committee, for inclusion in this proxy statement, with respect to the matters described in this report.

The Audit Committee oversees the Company s financial reporting process on behalf of the Board of Directors. Management has the primary responsibility for the financial statements and the reporting process, including the systems of internal controls. In fulfilling its oversight responsibilities, the Committee reviewed and discussed with management the audited financial statements contained in the Company s Annual Report on Form 10-K, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of disclosures in the financial statements.

The Committee reviewed with the independent registered public accounting firm, who is responsible for expressing an opinion on the conformity of those audited financial statements with generally accepted accounting principles, their judgments as to the quality, not just the acceptability, of the Company s accounting principles and such other matters as are required to be discussed with the Committee under generally accepted auditing standards, including the requirements of the Statement on Auditing Standards No. 16, as amended (AICPA, Professional Standards, Vol. 1, AU section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T. The Committee has received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm s communications with the Committee concerning independence, and has discussed with the independent registered public accounting firm the independent registered public accounting firm s independence. The Committee has concluded that the independent registered public accounting firm is, in fact, independent of the Company.

The Committee discussed with the Company s senior internal auditing executive and independent registered public accounting firm the overall scope and plans for their respective audits. The Committee meets with the senior internal auditing executive and independent registered public accounting firm, with and without management present, to discuss the results of their examinations, their evaluations of the Company s internal controls, and the overall quality of the Company s financial reporting. The Committee held four meetings during the fiscal year 2012.

In reliance on the reviews and discussions referred to above, the Committee recommended to the Board of Directors (and the Board has approved) that the audited financial statements be included in the Company s Annual Report on Form 10-K for the year ended December 31, 2012, for filing with the Securities and Exchange Commission.

Submitted by the Audit Committee of the Company s Board of Directors:

John H. Shuey, Chairman

Thomas P. Capo

Steven M. Chapman

Cynthia A. Niekamp

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BENEFICIAL OWNERSHIP OF SHARES

The information in the table below sets forth those persons (including any group as that term is used in Section 13(d)(3) of the Exchange Act) known by the Company to be the beneficial owners of more than 5% of the Company s Common Stock as of February 28, 2013 (except as noted below).

The table does not include information regarding shares held of record, but not beneficially, by Delaware Charter Guarantee & Trust Company dba Principal Trust Company, the trustee of the Cooper Spectrum Investment Savings Plan and other defined contribution plans, sponsored by the Company or a subsidiary of the Company. As of December 31, 2012, those plans held 2,845,980 shares, or 4.51% of the Company s outstanding Common Stock. The trustee, in its fiduciary capacity, has no investment powers and will vote the shares held in the plans in accordance with the instructions provided by the plan participants. If no such instructions are received, the provisions of the plans direct the trustee to vote such participant shares in the same manner in which the trustee was directed to vote the majority of the shares of the other participants who gave directions as to voting.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common Stock	BlackRock, Inc.(1)	3,807,591	6.05%
Common Stock	The Vanguard Group(2)	3,987,400	6.33%

(1) BlackRock, Inc. filed a Schedule 13G with the SEC on January 30, 2013, indicating that as of December 31, 2012, BlackRock, Inc. had sole voting power with respect to 3,807,591 shares and sole dispositive power with respect to 3,807,591 shares. BlackRock, Inc. has indicated that it is a parent holding company. The address of BlackRock, Inc. is 40 East 52nd Street, New York, New York 10022.

(2) The Vanguard Group filed a Schedule 13G with the SEC on February 12, 2013, indicating that as of December 31, 2012, The Vanguard Group had sole voting power with respect to 91,172 shares, sole dispositive power with respect to 3,899,828 shares and shared dispositive power with respect to 87,572 shares. The Vanguard Group has indicated that it is an investment advisor. The address of The Vanguard Group is 100 Vanguard Boulevard, Malvern, PA 19355.

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SECURITY OWNERSHIP OF MANAGEMENT

The information that follows is furnished as of February 28, 2013, to indicate beneficial ownership by our executive officers and Directors as a group and each named executive officer and Director, individually, of our Common Stock in accordance with Rule 13d-3 under the Exchange Act, as well as ownership of certain other Company securities and ownership of our Common Stock plus certain other Company securities:

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership of Common Stock	Percent of Class	Ownership of Other Securities	Ownership of Common Stock and Other Securities	Percent of Class
Roy V. Armes	523,614 shs (2)	*	160,901 shs(4)(5)	684,515 shs(2)(4)(5)	1.08%
Thomas P. Capo	0 shs	*	56,407 shs(3)	56,407 shs(3)	*
Steven M. Chapman	2,631 shs (2)	*	72,651 shs(3)	75,282 shs(2)(3)	*
Brenda S. Harmon	71,325 shs (2)	*	19,693 shs(4)(5)	91,018 shs(2)(4)(5)	*
John J. Holland	7,748 shs (2)	*	82,765 shs(3)	90,513 shs(2)(3)	*
Bradley E. Hughes	114,127 shs (2)	*	35,370 shs(4)(5)	149,497 shs(2)(4)(5)	*
John F. Meier	8,684 shs (2)	*	70,702 shs(3)	79,386 shs(2)(3)	*
Harold C. Miller	57,119 shs (2)	*	16,267 shs(4)(5)	73,386 shs(2)(4)(5)	*
Cynthia A. Niekamp	5,000 shs	*	6,746 shs(3)	11,746 shs(3)	*
Christopher E. Ostrander	39,090 shs (2)	*	68,763 shs(4)(5)	107,853 shs (2)(4)(5)	*
John H. Shuey	7,748 shs (2)	*	47,443 shs(3)	55,191 shs(2)(3)	*
Richard J. Wambold	7,748 shs (2)	*	86,496 shs(3)	94,244 shs(2)(3)	*
Robert D. Welding	0 shs	*	47,381 shs(3)	47,381 shs(3)	*
All executive officers and Directors as a group (14 persons)	844,834 shs (2)	1.33%	771,585 shs(3)(4)(5)	1,616,419 shs(1)(2)(3)(4)(5)	2.55%

* Less than 1%

(1) Includes 421,445 shares obtainable on exercise of stock options within 60 days following February 28, 2013, which options have not been exercised; 397 shares held in the Company s Spectrum Investment Savings Plan for the account of the executive officers of the Company; 170,988 restricted stock units of which the holders have neither voting nor investment power; 470,591 phantom stock units of which the holders have neither voting nor investment power; and 130,006 notionally earned performance-based stock units of which the holders have neither voting nor investment power. Of the remaining shares, none are subject to shared voting and investment power, and 422,992 are subject to the sole voting and investment power of the holders thereof.

(2) Includes shares obtainable on exercise of stock options within 60 days following February 28, 2013, which options have not been exercised, as follows: Roy V. Armes 246,554; Steven M. Chapman 2,631; Brenda S. Harmon 42,500; John J. Holland 7,748; Bradley E. Hughes 49,267; John F. Meier 7,748; Harold C. Miller 24,834; Christopher E. Ostrander 26,667; John H. Shuey 7,748; and Richard L. Wambold 5,748.

(3) Pursuant to the Amended and Restated 1998 Non-Employee Directors Compensation Deferral Plan described above under Director Compensation , the following Directors have been credited with the following number of phantom stock units as of February 28, 2013: Thomas P. Capo 56,407; Steven M. Chapman 72,651 John J. Holland 82,765; John F. Meier 70,702; Cynthia A. Niekamp 6,746; John H. Shuey 47,443; Richard L. Wambold 86,496; and Robert D. Welding 47,381. The holders do not have voting or investment power over these phantom stock units.

(4) Includes the following number of restricted stock units for each of the following executive officers: Roy V. Armes 85,677; Brenda S. Harmon 6,703; Bradley E. Hughes 20,102; Harold C. Miller 3,365; and Christopher E. Ostrander 55,141. The holders do not have voting or investment power over these restricted stock units. The agreements pursuant to which the restricted stock units were granted provide for accrual of dividend equivalents and deferral of the receipt of the underlying shares until a date selected by the executive at the time of the grant. At that time, an executive s restricted stock unit account will be settled through delivery to the executive on the date selected of a number of shares of our Common Stock corresponding to the number of restricted stock units awarded to the executive, plus shares representing the value of dividend equivalents.

(5) Includes the number of performance-based stock units that were notionally earned by each of the following executive officers for 2012 net income and operating cash flow performance: Roy V. Armes 75,224; Brenda S. Harmon 12,990; Bradley E. Hughes 15,268; Harold C.

Miller 12,902; and Christopher E. Ostrander 13,622.

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SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company s Directors, executive officers, and persons who own more than ten percent of a registered class of the Company s equity securities, to file with the SEC and the New York Stock Exchange initial reports of ownership and reports of changes in beneficial ownership of Common Stock of the Company. Based solely upon a review of such reports and the representation of such Directors and officers, the Company believes that all reports due for Directors and officers during or for the year 2012 were timely filed.

STOCKHOLDER PROPOSALS FOR THE ANNUAL MEETING IN 2014

Any stockholder who intends to present a proposal at the Annual Meeting in 2014 and who wishes to have the proposal included in the Company s proxy statement and form of proxy for that Annual Meeting must deliver the proposal to the Secretary of the Company, at the Company s principal executive offices, so that it is received no later than November 26, 2013. In addition, if a stockholder intends to present a proposal at the Company s 2014 Annual Meeting without the inclusion of that proposal in the Company s proxy materials and written notice of the proposal is not received by the Company on or between December 26, 2013 and January 25, 2014, in accordance with the Bylaws, proxies solicited by the Board for the 2014 Annual Meeting will confer discretionary authority to vote on the proposal if presented at the Annual Meeting.

INCORPORATION BY REFERENCE

The Compensation Committee Report that begins on page 23 of this proxy statement, disclosure regarding the Company s Audit Committee and Audit Committee s financial expert that begins on page 47 of this proxy statement, and the Audit Committee Report on page 52 of this proxy statement shall not be deemed to be incorporated by reference by any general statement incorporating this proxy statement by reference into any filing under the Securities Act of 1933 or under the Exchange Act, except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under such Acts.

HOUSEHOLDING INFORMATION

Only one Notice of Internet Availability of Proxy Materials or 2012 Annual Report and proxy statement is being delivered to multiple stockholders sharing an address unless the Company received contrary instructions from one or more of the stockholders. If a stockholder at a shared address to which a single copy of the Notice of Internet Availability of Proxy Materials or 2012 Annual Report and proxy statement were delivered wishes to receive a separate copy of the Notice of Internet Availability of Proxy Materials or 2012 Annual Report or proxy statement, he or she should contact the Company s Assistant Treasurer at 701 Lima Avenue, Findlay, Ohio 45840 or (419) 423-1321. The stockholder will be delivered, without charge, a separate copy of the Notice of Internet Availability of Proxy Materials or 2012 Annual Report or proxy statement promptly upon request. If stockholders at a shared address currently receiving multiple copies of the Notice of Internet Availability of Proxy Materials or 2012 Annual Report and proxy statement wish to receive only a single copy of these documents, they should contact the Company s Assistant Treasurer in the manner provided above.

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SOLICITATION AND OTHER MATTERS

The Board of Directors is not aware of any other matters that may come before the Annual Meeting. However, if any other matters properly come before the Annual Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the proxy in accordance with their judgment on such matters.

The solicitation of proxies is being made by the Company, and the Company will bear the cost of the solicitation. The Company has retained Georgeson, 199 Water Street, 26th Floor, New York, New York, to aid in the solicitation of proxies, at an anticipated cost to the Company of approximately $7,500, plus expenses. The Company also will reimburse brokers and other persons for their reasonable expenses in forwarding proxy material to the beneficial owners of the Company s stock. In addition to the solicitation by use of the mails, solicitations may be made by telephone, facsimile or by personal calls, and it is anticipated that such solicitation will consist primarily of requests to brokerage houses, custodians, nominees and fiduciaries to forward soliciting material to beneficial owners of shares held of record by such persons. If necessary, officers and other employees of the Company may by telephone, facsimile or personally, request the return of proxies.

Please mark, execute and return the accompanying proxy, or vote by telephone or Internet, in accordance with the instructions set forth on the proxy form, so that your shares may be voted at the Annual Meeting. For information on how to obtain directions to be able to attend the Annual Meeting and vote in person, please contact the Company s Secretary at 701 Lima Avenue, Findlay, Ohio 45840 or (419) 429-6710.

You may obtain copies of the Company s Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, free of charge upon written request to the Company at 701 Lima Avenue, Findlay, Ohio 45840, Attention: Secretary or call (419) 429-6710.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE

STOCKHOLDER MEETING TO BE HELD ON MAY 10, 2013

This proxy statement, along with our Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and our 2012 Annual Report, are available free of charge at http://www.proxyvote.com.

BY ORDER OF THE BOARD OF

DIRECTORS

Stephen Zamansky

Vice President,

General Counsel and Secretary

March 26, 2013

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NOTICE

OF ANNUAL MEETING OF STOCKHOLDERS

AND PROXY STATEMENT

May 10, 2013

IMPORTANT:

All stockholders are requested to mark, date, sign, and mail promptly the enclosed proxy for which an envelope is provided, or cast their ballots by Internet or telephone.

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COOPER TIRE & RUBBER COMPANY

ATTN: CORPORATE SECRETARY

701 LIMA AVENUE

FINDLAY, OH 45840-0550

VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

M52429-P34525-Z59708 KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

COOPER TIRE & RUBBER COMPANY

	For All	Withhold All	For All Except	To withhold authority to vote for any individual nominee(s), mark For All Except and write the number(s) of the nominee(s) on the line below.
THE DIRECTORS RECOMMEND A VOTE FOR ITEMS 1, 2 AND 3.				
Vote on Directors	..	..	..	

1. To elect as Directors of Cooper Tire & Rubber Company for a term expiring in 2014, the nominees listed below.

Nominees:

01) Roy V. Armes	06) Cynthia A. Niekamp
02) Thomas P. Capo	07) John H. Shuey
03) Steven M. Chapman	08) Richard L. Wambold
04) John J. Holland	09) Robert D. Welding
05) John F. Meier	

Vote on Proposals	**For**	**Against**	**Abstain**
2. To ratify the selection of the Company s independent registered public accounting firm for the year ending December 31, 2013.	..	..	..
3. To approve, by non-binding vote, named executive officer compensation.	..	..	..

The shares represented by this proxy, when properly executed, will be voted in the manner directed herein by the undersigned stockholder(s). **If no direction is made, this proxy will be voted FOR items 1, 2 and 3**. If any other matters properly come before the Annual Meeting, the persons named in this proxy will vote in their discretion.

For address changes and/or comments, please check this box and write them on the back where indicated. ..

	Yes	**No**
Please indicate if you plan to attend this meeting.	..	..

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX]   Date   Signature (Joint Owners)   Date

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Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:

The Notice and Proxy Statement, Annual Report and 10-K Report are available at www.proxyvote.com.

M52430-P34525-Z59708

Proxy Card - Cooper Tire & Rubber Company

THIS PROXY CARD IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

OF COOPER TIRE & RUBBER COMPANY FOR THE ANNUAL MEETING

OF STOCKHOLDERS TO BE HELD ON MAY 10, 2013

The undersigned hereby appoints Roy V. Armes, Bradley E. Hughes and Stephen Zamansky, or any of them or their substitutes, as proxies, each with the power to appoint his substitutes, and hereby authorizes them to represent and vote, as designated herein, all the shares of common stock of Cooper Tire & Rubber Company held of record by the undersigned at the close of business on March 14, 2013, with all powers that the undersigned would possess if personally present, at the Annual Meeting of Stockholders to be held at The Westin Detroit Metropolitan Airport, McNamara Terminal, 2501 Worldgateway Place, Detroit, Michigan 48242, on Friday, May 10, 2013, at 10:00 a.m. E.D.T., or any reconvened Annual Meeting following any adjournment(s) or postponement(s) of the Annual Meeting.

For stockholders, this proxy, when properly executed, will be voted in the manner directed herein by the undersigned stockholder(s). If no direction is indicated, this proxy will be voted **FOR** each of the director nominees named herein and **FOR** the ratification of the selection of Ernst & Young LLP as the Company s independent registered public accounting firm, and **FOR** the approval, by non-binding vote, of named executive compensation. The proxies are authorized to take action in accordance with their judgment upon any other business that may properly come before the Annual Meeting, or any reconvened Annual Meeting following any adjournment(s) or postponement(s) of the Annual Meeting.

Principal Trust Company is Trustee under the following defined contribution plans (the Plans) sponsored by Cooper Tire & Rubber Company: Spectrum Investment Savings Plan; Pre-Tax Savings Plan (Texarkana); and Pre-Tax Savings Plan (Findlay). This proxy card is also soliciting voting instructions on behalf of the Board of Directors of Cooper Tire & Rubber Company from Plan participants to direct the Trustee to vote the shares of common stock of Cooper Tire & Rubber Company held in the participants accounts under such Plans in accordance with their instructions.

If I, the undersigned, am a participant in any of the Plans, pursuant to the applicable terms of the Plan in which I am a participant, I hereby direct the Trustee to vote (in person or by proxy) all shares of common stock of Cooper Tire & Rubber Company held in the account under the Plan at the close of business on March 14, 2013 at the Annual Meeting of Stockholders to be held at The Westin Detroit Metropolitan Airport, McNamara Terminal, 2501 Worldgateway Place, Detroit, Michigan 48242, on Friday, May 10, 2013, at 10:00 a.m. E.D.T., or any reconvened Annual Meeting following any adjournment(s) or postponement(s) of the Annual Meeting, in accordance with the instructions given by me on the opposite side of this proxy card.

For Plan participants, this proxy card, when properly executed, will be voted in the manner directed herein by the undersigned participant(s). If no direction is indicated, the Trustee will vote in the same manner in which the Trustee is directed to vote the majority of the aggregate shares held by Plan participants. In its discretion, the Trustee is authorized to vote upon such other business as may properly come before the Annual Meeting, or any reconvened Annual Meeting following any adjournment(s) or postponement(s) of the Annual Meeting.

YOU ARE ENCOURAGED TO SPECIFY YOUR CHOICES BY MARKING THE APPROPRIATE BOXES ON THE REVERSE SIDE. FOR STOCKHOLDERS, YOU NEED NOT MARK ANY BOXES. IF YOU WISH TO VOTE IN ACCORDANCE WITH THE BOARD OF DIRECTORS RECOMMENDATIONS, BUT THE PROXIES CANNOT VOTE THESE SHARES UNLESS YOU SIGN, DATE AND RETURN THIS PROXY CARD. FOR PLAN PARTICIPANTS, IF YOU WISH TO VOTE IN ACCORDANCE WITH THE BOARD OF DIRECTORS RECOMMENDATIONS, YOU WILL NEED TO MARK THE FOR BOXES FOR PROPOSALS 1, 2 AND 3.

PLEASE VOTE, SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED ENVELOPE.

Address Change/Comments:

(If you noted any Address Changes/Comments above, please mark corresponding box on the reverse side.)

(Continued and to be voted on the reverse side)

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***** Exercise Your *Right* to Vote *****

Important Notice Regarding the Availability of Proxy Materials for the

Stockholder Meeting to Be Held on May 10, 2013.

COOPER TIRE & RUBBER COMPANY

COOPER TIRE & RUBBER COMPANY

ATTN: CORPORATE SECRETARY

701 LIMA AVENUE

FINDLAY, OH 45840-0550

Meeting Information

Meeting Type: Annual Meeting

For holders as of: March 14, 2013

Date: May 10, 2013 **Time:** 10:00 a.m., EDT

Location: The Westin Detroit
Metropolitan Airport

McNamara Terminal

2501 Worldgateway Place

Detroit, MI 48242

You are receiving this communication because you hold shares in the company named above.

This is not a ballot. You cannot use this notice to vote these shares. This communication presents only an overview of the more complete proxy materials that are available to you on the Internet. You may view the proxy materials online at *www.proxyvote.com* or easily request a paper copy (see reverse side).

We encourage you to access and review all of the important information contained in the proxy materials before voting.

See the reverse side of this notice to obtain proxy materials and voting instructions.

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Before You Vote

How to Access the Proxy Materials

Proxy Materials Available to VIEW or RECEIVE:

NOTICE AND PROXY STATEMENT   ANNUAL REPORT   10-K REPORT

How to View Online:

Have the information that is printed in the box marked by the arrow (located on the following page) and visit: *www.proxyvote.com.*

How to Request and Receive a PAPER or E-MAIL Copy:

If you want to receive a paper or e-mail copy of these documents, you must request one. There is NO charge for requesting a copy. Please choose one of the following methods to make your request:

1) *BY INTERNET*:	www.proxyvote.com
2) *BY TELEPHONE*:	1-800-579-1639
3) *BY E-MAIL**:	sendmaterial@proxyvote.com

* If requesting materials by e-mail, please send a blank e-mail with the information that is printed in the box marked by the arrow (located on the following page) in the subject line.

Requests, instructions and other inquiries sent to this e-mail address will NOT be forwarded to your investment advisor. Please make the request as instructed above on or before April 28, 2013 to facilitate timely delivery.

How To Vote

Please Choose One of the Following Voting Methods

Vote In Person: Many stockholder meetings have attendance requirements including, but not limited to, the possession of an attendance ticket issued by the entity holding the meeting. Please check the meeting materials for any special requirements for meeting attendance. At the meeting, you will need to request a ballot to vote these shares.

Vote By Internet: To vote now by Internet, go to *www.proxyvote.com*. Have the information that is printed in the box marked by the arrow located on the following page) available and follow the instructions.

Vote By Mail: You can vote by mail by requesting a paper copy of the materials, which will include a proxy card.

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Voting Items

THE DIRECTORS RECOMMEND A VOTE FOR ITEMS 1, 2 AND 3.

Vote on Directors

1. To elect as Directors of Cooper Tire & Rubber Company for a term expiring in 2014, the nominees listed below.

Nominees:

01) Roy V. Armes	06) Cynthia A. Niekamp
02) Thomas P. Capo	07) John H. Shuey
03) Steven M. Chapman	08) Richard L. Wambold
04) John J. Holland	09) Robert D. Welding
05) John F. Meier	

2. To ratify the selection of the Company s independent registered public accounting firm for the year ending December 31, 2013.

3. To approve, by non-binding vote, named executive officer compensation.

NOTE: Such other business as may properly come before the Annual Meeting or any postponement(s) or adjournment(s) thereof.

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