UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2013

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934**

Commission File No. 1-4329

COOPER TIRE & RUBBER COMPANY
(Exact name of registrant as specified in its charter)

DELAWARE	**34-4297750**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. employer identification no.)**

701 Lima Avenue, Findlay, Ohio 45840
(Address of principal executive offices)
(Zip code)

(419) 423-1321
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock of registrant outstanding
at July 31, 2013: 65,267,367

Part I. FINANCIAL INFORMATION
Item 1. FINANCIAL STATEMENTS

COOPER TIRE & RUBBER COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollar amounts in thousands except per-share amounts)

	December 31, 2012 (Note 1)	**June 30, 2013 (Unaudited)**
ASSETS		
Current assets:		
Cash and cash equivalents	$ 351,817	**$ 244,153**
Notes receivable	47,646	**64,883**
Accounts receivable, less allowances of $13,267 at 2012 and $16,425 at 2013	415,460	**468,006**
Inventories at lower of cost or market:		
Finished goods	380,839	**461,616**
Work in process	40,953	**40,650**
Raw materials and supplies	140,076	**151,830**
	561,868	**654,096**
Other current assets	72,904	**93,524**
Total current assets	1,449,695	**1,524,662**
Property, plant and equipment:		
Land and land improvements	32,336	**34,858**
Buildings	307,924	**315,331**
Machinery and equipment	1,767,117	**1,807,387**
Molds, cores and rings	221,811	**227,170**
	2,329,188	**2,384,746**
Less accumulated depreciation and amortization	1,399,933	**1,435,255**
Net property, plant and equipment	929,255	**949,491**
Goodwill	18,851	**18,851**
Intangibles, net of accumulated amortization of $48,340 at 2012 and $54,752 at 2013	150,017	**160,613**
Restricted cash	7,741	**4,116**
Deferred income taxes	228,849	**216,373**
Other assets	16,752	**16,992**
Total assets	$2,801,160	**$2,891,098**
LIABILITIES AND EQUITY		
Current liabilities:		
Notes payable	$ 32,836	**$ 47,684**
Accounts payable	379,867	**341,401**
Accrued liabilities	221,822	**231,728**
Income taxes	18,297	**12,823**
Current portion of long-term debt	2,319	**21,245**
Total current liabilities	655,141	**654,881**
Long-term debt	336,142	**326,877**
Postretirement benefits other than pensions	291,546	**293,765**
Pension benefits	432,922	**414,349**
Other long-term liabilities	168,967	**178,049**
Deferred income tax liabilities	8,026	**7,749**
Equity:		
Preferred stock, $1 par value; 5,000,000 shares authorized; none issued		
Common stock, $1 par value; 300,000,000 shares authorized; 87,850,292 shares issued	87,850	**87,850**
Capital in excess of par value	919	**2,143**
Retained earnings	1,657,936	**1,735,516**
Cumulative other comprehensive loss	(551,526)	**(532,080)**
	1,195,179	**1,293,429**
Less: common shares in treasury at cost (24,691,431 at 2012 and 24,537,168 at 2013)	(437,555)	**(433,625)**
Total parent stockholders' equity	757,624	**859,804**
Noncontrolling shareholders' interests in consolidated subsidiaries	150,792	**155,624**
Total equity	908,416	**1,015,428**
Total liabilities and equity	$2,801,160	**$2,891,098**

See accompanying notes.

COOPER TIRE & RUBBER COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
THREE MONTHS ENDED JUNE 30, 2012 AND 2013
(UNAUDITED)
(Dollar amounts in thousands except per-share amounts)

	2012	**2013**
Net sales	$1,058,482	**$884,126**
Cost of products sold	899,578	**733,966**
Gross profit	158,904	**150,160**
Selling, general and administrative	63,490	**80,994**
Operating profit	95,414	**69,166**
Interest expense	(8,383)	**(7,231)**
Interest income	721	**141**
Other - income (expense)	183	**(834)**
Income before income taxes	87,935	**61,242**
Income tax expense	29,345	**19,642**
Net income	58,590	**41,600**
Net income attributable to noncontrolling shareholders' interests	6,844	**6,114**
Net income attributable to Cooper Tire & Rubber Company	$ 51,746	**$ 35,486**
Basic earnings per share:		
Net income attributable to Cooper Tire & Rubber Company common stockholders	$ 0.83	**$ 0.56**
Diluted earnings per share:		
Net income attributable to Cooper Tire & Rubber Company common stockholders	$ 0.82	**$ 0.55**
Dividends per share	$ 0.105	**$ 0.105**

See accompanying notes.

COOPER TIRE & RUBBER COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED JUNE 30, 2012 AND 2013
(UNAUDITED)
(Dollar amounts in thousands)

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2013
Net income	$ 58,590	**$ 41,600**
Other comprehensive income		
Cumulative currency translation adjustments		
Foreign currency translation adjustments	(12,060)	**3,244**
Financial instruments		
Change in the fair value of derivatives and marketable securities	5,389	**2,266**
Income tax expense on derivative instruments	(1,875)	**(803)**
Financial instruments, net of tax	3,514	**1,463**
Postretirement benefit plans		
Amortization of actuarial loss	11,620	**12,469**
Amortization of prior service credit	(172)	**(142)**
Actuarial gain from plan amendment	7,707	**—**
Pension curtailment gain	(7,460)	**—**
Income tax expense on postretirement benefit plans	(4,223)	**(4,577)**
Foreign currency translation effect	2,669	**(392)**
Postretirement benefit plans, net of tax	10,141	**7,358**
Other comprehensive income	1,595	**12,065**
Comprehensive income	60,185	**53,665**
Less comprehensive income attributable to noncontrolling shareholders' interests	5,167	**6,062**
Comprehensive income attributable to Cooper Tire & Rubber Company	$ 55,018	**$ 47,603**

See accompanying notes.

COOPER TIRE & RUBBER COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
SIX MONTHS ENDED JUNE 30, 2012 AND 2013
(UNAUDITED)
(Dollar amounts in thousands except per-share amounts)

	2012	**2013**
Net sales	$2,042,740	**$1,745,807**
Cost of products sold	1,778,407	**1,437,729**
Gross profit	264,333	**308,078**
Selling, general and administrative	121,209	**142,248**
Operating profit	143,124	**165,830**
Interest expense	(16,858)	**(14,332)**
Interest income	1,372	**437**
Other - income (expense)	648	**(239)**
Income before income taxes	128,286	**151,696**
Income tax expense	41,646	**47,259**
Net income	86,640	**104,437**
Net income attributable to noncontrolling shareholders' interests	13,326	**12,871**
Net income attributable to Cooper Tire & Rubber Company	$ 73,314	**$ 91,566**
Basic earnings per share:		
Net income attributable to Cooper Tire & Rubber Company common stockholders	$ 1.18	**$ 1.45**
Diluted earnings per share:		
Net income attributable to Cooper Tire & Rubber Company common stockholders	$ 1.17	**$ 1.43**
Dividends per share	$ 0.210	**$ 0.210**

See accompanying notes.

COOPER TIRE & RUBBER COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
SIX MONTHS ENDED JUNE 30, 2012 AND 2013
(UNAUDITED)
(Dollar amounts in thousands)

	Six Months Ended June 30, 2012	**2013**
Net income	$ 86,640	**$104,437**
Other comprehensive income		
Cumulative currency translation adjustments		
Foreign currency translation adjustments	(653)	**(2,935)**
Financial instruments		
Change in the fair value of derivatives and marketable securities	(105)	**4,793**
Income tax benefit (expense) on derivative instruments	94	**(1,942)**
Financial instruments, net of tax	(11)	**2,851**
Postretirement benefit plans		
Amortization of actuarial loss	23,403	**24,948**
Amortization of prior service credit	(528)	**(284)**
Actuarial gain from plan amendment	7,707	**—**
Pension curtailment gain	(7,460)	**—**
Income tax expense on postretirement benefit plans	(8,378)	**(9,166)**
Foreign currency translation effect	254	**5,783**
Postretirement benefit plans, net of tax	14,998	**21,281**
Other comprehensive income	14,334	**21,197**
Comprehensive income	100,974	**125,634**
Less comprehensive income attributable to noncontrolling shareholders’ interests	13,953	**14,622**
Comprehensive income attributable to Cooper Tire & Rubber Company	$ 87,021	**$111,012**

See accompanying notes.

COOPER TIRE & RUBBER COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 2012 AND 2013
(UNAUDITED)
(Dollar amounts in thousands)

	2012	**2013**
Operating activities:		
Net income	$ 86,640	**$ 104,437**
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	64,111	**65,510**
Deferred income taxes	2,739	**137**
Stock based compensation	3,671	**4,461**
Change in LIFO inventory reserve	17,296	**(18,219)**
Amortization of unrecognized postretirement benefits	22,875	**24,664**
Changes in operating assets and liabilities:		
Accounts and notes receivable	(67,947)	**(67,586)**
Inventories	(120,323)	**(74,142)**
Other current assets	(9,604)	**(14,485)**
Accounts payable	88,872	**(38,820)**
Accrued liabilities	32,816	**8,526**
Other items	18,441	**(8,454)**
Net cash provided by (used in) operating activities	139,587	**(13,971)**
Investing activities:		
Additions to property, plant and equipment	(77,869)	**(93,077)**
Acquisition of assets in Serbia	(18,534)	**—**
Proceeds from the sale of assets	619	**457**
Net cash used in investing activities	(95,784)	**(92,620)**
Financing activities:		
Net issuance of (payments on) short-term debt	(11,805)	**14,186**
Additions to long-term debt	10,073	**19,577**
Repayments on long-term debt	(17,080)	**(9,916)**
Acquisition of noncontrolling shareholder interest	(71)	**—**
Payment of dividends to noncontrolling shareholders	(3,495)	**(9,709)**
Payment of dividends	(13,089)	**(13,296)**
Issuance of common shares and excess tax benefits on options	301	**1,594**
Net cash used in financing activities	(35,166)	**2,436**
Effects of exchange rate changes on cash	(1,846)	**(3,509)**
Changes in cash and cash equivalents	6,791	**(107,664)**
Cash and cash equivalents at beginning of year	233,710	**351,817**
Cash and cash equivalents at end of period	$ 240,501	**$ 244,153**

See accompanying notes.

1. Basis of Presentation and Consolidation

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. There is a year-round demand for the Company's passenger and truck replacement tires, but sales of light vehicle replacement tires are generally strongest during the third and fourth quarters of the year. Winter tires are sold principally during the months of June through November. Operating results for the six-month period ended June 30, 2013 are not necessarily indicative of the results that may be expected for the year ended December 31, 2013.

The Company consolidates into its financial statements the accounts of the Company, all wholly-owned subsidiaries, and any partially-owned subsidiary that the Company has the ability to control. Control generally equates to ownership percentage, whereby investments that are more than 50% owned are consolidated, investments in affiliates of 50% or less but greater than 20% are accounted for using the equity method, and investments in affiliates of 20% or less are accounted for using the cost method. The Company does not consolidate any entity for which it has a variable interest based solely on power to direct the activities and significant participation in the entity's expected results that would not otherwise be consolidated based on control through voting interests. Further, the Company's joint ventures are businesses established and maintained in connection with the Company's operating strategy. All intercompany transactions and balances have been eliminated.

Accounting Pronouncements – Recently Adopted

In December 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011-11, "Disclosures about Offsetting Assets and Liabilities", which requires an entity to disclose information about offsetting and related arrangements. The amendments in this update are effective for annual and interim periods beginning on or after January 1, 2013, with retrospective application. In January 2013, the FASB issued ASU 2013-01, "Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities". The Company has adopted these ASUs and has included the expanded disclosures in Footnote 3 – Fair Value of Financial Instruments.

In February 2013, the FASB issued ASU 2013-02, "Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income", which requires an entity to provide information about amounts reclassified out of accumulated other comprehensive income by component. The Company has included the disclosures required by this ASU in Footnote 10 – Changes in Cumulative Other Comprehensive Loss by Component.

2. Merger Agreement

On June 12, 2013, the Company and Apollo Tyres Ltd. ("Apollo") announced the execution of a definitive merger agreement under which a wholly-owned subsidiary of Apollo will acquire the Company in an all-cash transaction valued at approximately $2.5 billion. Under the terms of the agreement, which has been unanimously approved by the boards of directors of both companies, stockholders of the Company will receive $35.00 per share in cash. Closing of the deal is subject to customary closing conditions, including approval by the Company's stockholders, obtaining certain regulatory approvals and the expiration or termination of applicable regulatory waiting periods.

At the time the deal is closed, all stock options, whether vested or unvested, will be converted into a right to receive a cash payment equal to the product of the number of shares of the Company's stock subject to such option and the excess of $35.00 over the applicable exercise price of the option. All outstanding restricted stock units will be converted into a right to receive a cash payment equal to the number of shares of the Company's stock represented by the award multiplied by $35.00. All outstanding performance stock units will be converted into a right to receive a cash payment equal to the number of shares of the Company's stock earned in accordance with the terms of the award multiplied by $35.00.

The Company is a party to a trust agreement which is intended to provide funding for benefits payable and other potential payments to directors, executive officers and certain other employees under various plans and agreements of the Company. The execution of the merger agreement constituted a "potential change in control" under such plans and agreements and as a result, the Company was required to fund the estimated value of the payments to be made to the beneficiaries under the trust agreement. The Company has deposited 1,906,183 of common shares with the trustee in connection with this funding. These shares are treated as treasury shares on these financial statements and in accordance with Accounting Standards Codification 260, "Earnings Per Share", are not included in the earnings per share calculations.

During the second quarter of 2013, the Company incurred approximately $4,100 of expenses associated with the announced merger agreement. These expenses are recorded in Selling, general & administrative expenses on the Condensed Consolidated Statements of Income.

On July 13, 2013, workers at the Company's Cooper Chengshan Tire joint venture began a temporary work stoppage related to concerns regarding the pending merger between Apollo and the Company.

3. Earnings Per Share

Net income per share is computed on the basis of the weighted average number of common shares outstanding during the period. Diluted earnings per share includes the dilutive effect of stock options and other stock units. The following table sets forth the computation of basic and diluted earnings per share:

	Three months ended June 30		Six months ended June 30	
	2012	**2013**	2012	**2013**
Numerator				
Numerator for basic and diluted earnings per share -				
Net income attributable to common stockholders	$ 51,746	**$ 35,486**	$ 73,314	**$ 91,566**
Denominator				
Denominator for basic earnings per share - weighted average shares outstanding	62,342	**63,342**	62,326	**63,284**
Effect of dilutive securities - stock options and other stock units	544	**800**	599	**879**
Denominator for diluted earnings per share - adjusted weighted average shares outstanding	62,886	**64,142**	62,925	**64,163**
Basic earnings per share:				
Net income attributable to Cooper Tire & Rubber Company common stockholders	$ 0.83	**$ 0.56**	$ 1.18	**$ 1.45**
Diluted earnings per share:				
Net income attributable to Cooper Tire & Rubber Company common stockholders	$ 0.82	**$ 0.55**	$ 1.17	**$ 1.43**

Options to purchase shares of the Company's common stock not included in the computation of diluted earnings per share because the options' exercise prices were greater than the average market price of the common shares were 878,007 and none at June 30, 2012 and 2013, respectively.

4. Fair Value of Financial Instruments

Derivative financial instruments are utilized by the Company to reduce foreign currency exchange risks. The Company has established policies and procedures for risk assessment and the approval, reporting and monitoring of derivative financial instrument activities. The Company does not enter into financial instruments for trading or speculative purposes. The derivative financial instruments include fair value and cash flow hedges of foreign currency exposures. The change in values of the fair value foreign currency hedges offset exchange rate fluctuations on the foreign currency-denominated intercompany loans and obligations. The Company presently hedges exposures in the Euro, Canadian dollar, British pound sterling, Swiss franc, Swedish krona, Norwegian krone, Mexican peso and Chinese yuan generally for transactions expected to occur within the next 12 months. The notional amount of these foreign currency derivative instruments at December 31, 2012 and June 30, 2013 was $186,217 and $169,524, respectively. The counterparties to each of these agreements are major commercial banks.

The Company uses foreign currency forward contracts as hedges of the fair value of certain non-U.S. dollar denominated asset and liability positions, primarily accounts receivable and debt. Gains and losses resulting from the impact of currency exchange rate movements on these forward contracts are recognized in the accompanying Condensed Consolidated Statements of Income in the period in which the exchange rates change and offset the foreign currency gains and losses on the underlying exposure being hedged.

Foreign currency forward contracts are also used to hedge variable cash flows associated with forecasted sales and purchases denominated in currencies that are not the functional currency of certain entities. The forward contracts have maturities of less than twelve months pursuant to the Company's policies and hedging practices. These forward contracts meet the criteria for and have been designated as cash flow hedges. Accordingly, the effective portion of the change in fair value of such forward contracts (approximately ($1,461) and $3,332 as of December 31, 2012 and June 30, 2013, respectively) are recorded as a separate component of stockholders' equity in the accompanying Condensed Consolidated Balance Sheets and reclassified into earnings as the hedged transactions occur.

The Company assesses hedge ineffectiveness quarterly using the hypothetical derivative methodology. In doing so, the Company monitors the actual and forecasted foreign currency sales and purchases versus the amounts hedged to identify any hedge ineffectiveness. Any hedge ineffectiveness is recorded as an adjustment in the accompanying Condensed Consolidated Statements of Income in the period in which the ineffectiveness occurs. The Company also performs regression analysis comparing the change in value of the hedging contracts versus the underlying foreign currency sales and purchases, which confirms a high correlation and hedge effectiveness.

The following table presents the location and amounts of derivative instrument fair values in the Condensed Consolidated Balance Sheets:

Assets/(Liabilities)	December 31, 2012		**June 30, 2013**	
Designated as hedging instruments:				
Gross amounts recognized		$(2,610)		**$4,270**
Gross amounts offset		1,100		**(778)**
Net amounts		(1,510)		**$3,492**
Not designated as hedging instruments:				
Gross amounts recognized		245		**$ (443)**
Gross amounts offset		—		**55**
Net amounts		245		**$ (388)**
Net amounts presented	Accrued liabilities	$(1,265)	**Other current assets**	**$3,104**

The following table presents the location and amount of gains and losses on derivative instruments in the Condensed Consolidated Statements of Income:

Derivatives Designated as Cash Flow Hedges	Amount of Gain (Loss) Recognized in Other Comprehensive Income on Derivatives (Effective Portion)	Amount of Gain (Loss) Reclassified from Cumulative Other Comprehensive Loss into Income (Effective Portion)	Amount of Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion)
Three Months Ended June 30, 2012	$ 3,359	$ (2,030)	$ (266)
Three Months Ended June 30, 2013	**$ 3,210**	**$ 944**	**$ (266)**
Six Months Ended June 30, 2012	$ 1,407	$ 1,512	$ (14)
Six Months Ended June 30, 2013	**$ 5,242**	**$ 449**	**$ (210)**

Derivatives not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivatives	Amount of Gain (Loss) Recognized In Income on Derivatives			
		Three Months Ended June 30,		Six Months Ended June 30,	
		2012	**2013**	2012	**2013**
Foreign exchange contracts	Other income	$ (436)	**$ (130)**	$ 30	**$ (633)**

The Company has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into the three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within the different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the Condensed Consolidated Balance Sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1. Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Company has the ability to access.

Level 2. Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

a. Quoted prices for similar assets or liabilities in active markets;

b. Quoted prices for identical or similar assets or liabilities in non-active markets;

c. Pricing models whose inputs are observable for substantially the full term of the asset or liability; and

d. Pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the asset or liability.

Level 3. Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

The valuation of foreign exchange forward contracts was determined using widely accepted valuation techniques. This analysis reflected the contractual terms of the derivatives, including the period to maturity, and used observable market-based inputs, including forward points. The Company incorporated credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. Although the Company determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as current credit ratings, to evaluate the likelihood of default by itself and its counterparties. However, as of December 31, 2012 and June 30, 2013, the Company assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and determined that the credit valuation adjustments were not significant to the overall valuation of its derivatives. As a result, the Company determined that its derivative valuations in their entirety were classified in Level 2 of the fair value hierarchy.

The valuation of stock-based liabilities was determined using the Company's stock price, and as a result, these liabilities are classified in Level 1 of the fair value hierarchy.

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2012 and June 30, 2013:

	December 31, 2012			
	Total Derivative Assets (Liabilities)	Quoted Prices in Active Markets for Identical Assets Level (1)	Significant Other Observable Inputs Level (2)	Significant Unobservable Inputs Level (3)
Foreign Exchange Contracts	$ (1,265)	$ —	$ (1,265)	$ —
Stock-based Liabilities	$(11,934)	$ (11,934)	$ —	$ —

	June 30, 2013			
	Total Derivative Assets (Liabilities)	**Quoted Prices in Active Markets for Identical Assets Level (1)**	**Significant Other Observable Inputs Level (2)**	**Significant Unobservable Inputs Level (3)**
Foreign Exchange Contracts	**$ 3,104**	**$ —**	**$ 3,104**	**$ —**
Stock-based Liabilities	**$ (16,943)**	**$ (16,943)**	**$ —**	**$ —**

The following tables present the carrying amounts and fair values for the Company's financial instruments carried at cost on the Condensed Consolidated Balance Sheets. The fair value of the Company's debt is based upon the market price of the Company's publicly-traded debt. The carrying amounts and fair values of the Company's financial instruments are as follows:

	December 31, 2012			
		Fair Value Measurements Using		
	Carrying Amount	Quoted Prices in Active Markets for Identical Instruments Level (1)	Significant Other Observable Inputs Level (2)	Significant Unobservable Inputs Level (3)
Cash and cash equivalents	$ 351,817	$ 351,817	$ —	$ —
Notes receivable	47,646	47,646	—	—
Restricted cash	7,741	7,741		
Notes payable	(32,836)	(32,836)	—	—
Current portion of long-term debt	(2,319)	(2,319)	—	—
Long-term debt	(336,142)	(360,142)	—	—

	June 30, 2013			
		Fair Value Measurements Using		
	Carrying Amount	**Quoted Prices in Active Markets for Identical Instruments Level (1)**	**Significant Other Observable Inputs Level (2)**	**Significant Unobservable Inputs Level (3)**
Cash and cash equivalents	**$ 244,153**	**$ 244,153**	**$ —**	**$ —**
Notes receivable	**64,883**	**64,883**	**—**	**—**
Restricted cash	**4,116**	**4,116**	**—**	**—**
Notes payable	**(47,684)**	**(47,684)**	**—**	**—**
Current portion of long-term debt	**(21,245)**	**(21,245)**	**—**	**—**
Long-term debt	**(326,877)**	**(335,177)**	**—**	**—**

5 . Business Segments

The following table details information on the Company's operating segments.

	Three months ended June 30		Six months ended June 30	
	2012	**2013**	2012	**2013**
Revenues:				
North American Tire				
External customers	$ 746,651	**$607,075**	$1,416,681	**$1,193,951**
Intercompany	24,148	**16,110**	51,625	**31,508**
	770,799	**623,185**	1,468,306	**1,225,459**
International Tire				
External customers	311,830	**277,052**	626,059	**551,856**
Intercompany	106,805	**76,218**	197,038	**142,445**
	418,635	**353,270**	823,097	**694,301**
Eliminations	(130,952)	**(92,329)**	(248,663)	**(173,953)**
Net sales	$1,058,482	**$884,126**	$2,042,740	**$1,745,807**
Segment profit (loss):				
North American Tire	$ 65,047	**$ 59,213**	$ 87,887	**$ 130,619**
International Tire	43,235	**29,229**	75,875	**59,239**
Eliminations	(3,322)	**117**	(3,846)	**1,164**
Unallocated corporate charges	(9,546)	**(19,393)**	(16,792)	**(25,192)**
Operating profit	95,414	**69,166**	143,124	**165,830**
Interest expense	(8,383)	**(7,231)**	(16,858)	**(14,332)**
Interest income	721	**141**	1,372	**437**
Other - income (expense)	183	**(834)**	648	**(239)**
Income before income taxes	$ 87,935	**$ 61,242**	$ 128,286	**$ 151,696**

6. Inventories

Inventory costs are determined using the last-in, first-out ("LIFO") method for substantially all U.S. inventories. The current cost of this inventory under the first-in, first-out ("FIFO") method was $481,967 and $556,112 at December 31, 2012 and June 30, 2013, respectively. These FIFO values have been reduced by approximately $172,847 and $154,628 at December 31, 2012 and June 30, 2013, respectively, to arrive at the LIFO value reported on the Condensed Consolidated Balance Sheets. The remaining inventories have been valued under the FIFO or average cost method. All inventories are stated at the lower of cost or market.

7. Stock-Based Compensation

The Company's incentive compensation plans allow the Company to grant awards to key employees in the form of stock options, stock awards, restricted stock units ("RSUs"), stock appreciation rights, performance stock units ("PSUs"), dividend equivalents and other awards. Compensation related to these awards is determined based on the fair value on the date of grant and is amortized to expense over the vesting period. For restricted stock units and performance stock units, the Company recognizes compensation expense based on the earlier of the vesting date or the date when the employee becomes eligible to retire. If awards can be settled in cash, these awards are recorded as liabilities and marked to market.

The following table discloses the amount of stock based compensation expense for the three and six-month periods ended June 30, 2012 and 2013:

	Three months ended June 30		Six months ended June 30	
	2012	**2013**	2012	**2013**
Stock options	$ 864	**$ 1,002**	$ 1,643	**$ 1,973**
Restricted stock units	292	**280**	604	**559**
Performance stock units	1,124	**1,361**	1,424	**1,929**
Total stock based compensation	$ 2,280	**$ 2,643**	$ 3,671	**$ 4,461**

Stock Options

In February 2012, executives participating in the 2012 – 2014 Long-Term Incentive Plan were granted 589,934 stock options which will vest one third each year through February 2015. In February 2013, executives participating in the 2013 – 2015 Long-Term Incentive Plan were granted 330,639 stock options which will vest one third each year through February 2016. The fair value of these options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted-average assumptions:

	2012	**2013**
Risk-free interest rate	1.2%	**1.2%**
Dividend yield	2.7%	**1.7%**
Expected volatility of the Company’s common stock	0.644	**0.646**
Expected life in years	6.0	**6.0**

The weighted average fair value of options granted in 2012 and 2013 was $7.33 and $12.97, respectively.

The following table provides details of the stock option activity for the six months ended June 30, 2013:

	Number of Shares
Outstanding at January 1, 2013	1,486,351
Granted	330,639
Exercised	(78,981)
Expired	—
Cancelled	(6,568)
Outstanding at June 30, 2013	1,731,441
Exercisable	*914,480*

Restricted Stock Units (RSUs)

The following table provides details of the nonvested RSU activity for the six months ended June 30, 2013:

	Number of Restricted Units
Nonvested at January 1, 2013	110,871
Granted	1,000
Vested	(25,415)
Accrued dividend equivalents	745
Nonvested at June 30, 2013	87,201

Performance Stock Units (PSUs)

Executives participating in the Company's Long-Term Incentive Plan for the plan year 2011 – 2013, earn PSUs and cash. Any units and cash earned during 2012 and 2013 will vest at December 31, 2013. No units or cash were earned in 2011.

Executives participating in the Company's Long-Term Incentive Plan for the plan year 2012 – 2014, earn PSUs and cash. Any units and cash earned during 2012 and 2013 will vest at December 31, 2014.

Executives participating in the Company's Long-Term Incentive Plan for the plan year 2013 – 2015, earn PSUs and cash. Any units and cash earned during 2013 will vest at December 31, 2015.

The following table provides details of the nonvested PSUs under the Company's Long-Term Incentive Plans:

Performance stock units outstanding at January 1, 2013	216,623
Adjustments to outstanding units	2,077
Accrued dividend equivalents	1,659
Performance stock units outstanding at June 30, 2013	220,359

The Company's RSUs and PSUs are not participating securities. These units will be converted into shares of Company common stock in accordance with the distribution date indicated in the agreements. RSUs earn dividend equivalents from the time of the award until distribution is made in common shares. PSUs earn dividend equivalents from the time the units have been earned based upon Company performance metrics, until distribution is made in common shares. Dividend equivalents are only earned subject to vesting of the underlying RSUs or PSUs, accordingly, such units do not represent participating securities.

8. Pensions and Postretirement Benefits Other than Pensions

The following tables disclose the amount of net periodic benefit costs for the Company's defined benefit plans and other postretirement benefits relating to continuing operations:

	Pension Benefits - Domestic			
	Three months ended June 30		Six months ended June 30	
	2012	**2013**	2012	**2013**
Components of net periodic benefit cost:				
Service cost	$ 2,354	**$ 2,970**	$ 4,708	**$ 5,940**
Interest cost	10,714	**9,657**	21,428	**19,314**
Expected return on plan assets	(10,754)	**(11,889)**	(21,510)	**(23,778)**
Amortization of actuarial loss	9,205	**11,086**	18,409	**22,172**
Net periodic benefit cost	$ 11,519	**$ 11,824**	$ 23,035	**$ 23,648**

	Pension Benefits - International			
	Three months ended June 30		Six months ended June 30	
	2012	**2013**	2012	**2013**
Components of net periodic benefit cost:				
Service cost	$ 1	**$ 3**	$ 752	**$ 6**
Interest cost	4,291	**3,841**	8,442	**7,727**
Expected return on plan assets	(3,903)	**(3,674)**	(7,479)	**(7,392)**
Amortization of prior service cost	—	**—**	(184)	**—**
Amortization of actuarial loss	1,647	**904**	3,456	**1,818**
Cooper Avon curtailment gain	(7,460)	**—**	(7,460)	**—**
Net periodic benefit cost	$ (5,424)	**$ 1,074**	$ (2,473)	**$ 2,159**

	Other Postretirement Benefits			
	Three months ended June 30		Six months ended June 30	
	2012	**2013**	2012	**2013**
Components of net periodic benefit cost:				
Service cost	$ 1,041	**$ 954**	$ 2,081	**$ 1,907**
Interest cost	3,133	**2,698**	6,266	**5,396**
Amortization of prior service cost	(172)	**(142)**	(344)	**(284)**
Amortization of actuarial loss	769	**479**	1,538	**958**
Net periodic benefit cost	$ 4,771	**$ 3,989**	$ 9,541	**$ 7,977**

Effective April 6, 2012, the Company amended the Cooper Avon Pension Plan to freeze all future pension benefits. As a result of this amendment, the Company recognized a pre-tax pension curtailment gain of $7,460 which was credited to cost of goods sold in the second quarter of 2012. This curtailment gain represents the prior service credit from a previous plan amendment. In connection with the plan amendment, the Company remeasured the pension plan as of April 6, 2012 and recognized an actuarial gain of $7,707 through other comprehensive income as a result of changes in actuarial assumptions.

9. Stockholders' Equity

The following table reconciles the beginning and end of the period equity accounts attributable to Cooper Tire & Rubber Company and to the noncontrolling shareholders' interests:

	Total Parent Stockholders' Equity	Noncontrolling Shareholders' Interests in Consolidated Subsidiaries	Total Stockholders' Equity
Balance at December 31, 2012	$ 757,624	$ 150,792	$ 908,416
Net income	91,566	12,871	104,437
Other comprehensive income	19,446	1,751	21,197
Dividends payable to noncontrolling shareholders	—	(9,790)	(9,790)
Stock compensation plans, including tax benefit of $145	4,464	—	4,464
Cash dividends - $.210 per share	(13,296)	—	(13,296)
Balance at June 30, 2013	$ 859,804	$ 155,624	$1,015,428

10. Changes in Cumulative Other Comprehensive Loss by Component

The following tables present the changes in Cumulative Other Comprehensive Loss by Component for the three and six month periods ended June 30, 2013. All amounts are presented net of tax. Amounts in parentheses indicate debits.

	Three Months Ended June 30, 2013			
	Cumulative Currency Translation Adjustment	**Changes in the Fair Value of Derivatives**	**Unrecognized Postretirement Benefit Plans**	**Total**
April 1, 2013	$ 36,153	$ 1,815	$ (582,165)	$(544,197)
Other comprehensive income (loss) before reclassifications	3,296	2,028(a)	(392)	4,932
Amount reclassifed from accumulated other comprehensive loss	—	(565)(b)	7,750(c)	7,185
Net current-period other comprehensive income	3,296	1,463	7,358	12,117
June 30, 2013	$ 39,449	$ 3,278	$ (574,807)	$(532,080)

(a) This amount represents $3,210 of unrealized gains on cash flow hedges, net of tax of $1,182, that were recognized in Other Comprehensive Loss (see Footnote 4 for additional details).

(b) This amount represents $944 of gains on cash flow hedges, net of tax of $379, that were reclassified out of Cumulative Other Comprehensive Loss and are included in Other income on the Condensed Consolidated Statements of Income (see Footnote 4 for additional details).

(c) This amount represents amortization of prior service credit of $142 and amortization of actuarial losses of ($12,469), net of tax of $4,577, that were reclassified out of Cumulative Other Comprehensive Loss and are included in the computation of net periodic benefit cost (see Footnote 8 for additional details).

	Six Months Ended June 30, 2013			
	Cumulative Currency Translation Adjustment	**Changes in the Fair Value of Derivatives**	**Unrecognized Postretirement Benefit Plans**	**Total**
December 31, 2012	$ 44,135	$ 427	$ (596,088)	$(551,526)
Other comprehensive income (loss) before reclassifications	(4,686)	3,069(a)	5,783	4,166
Amount reclassified from accumulated other comprehensive loss	—	(218)(b)	15,498(c)	15,280
Net current-period other comprehensive income (loss)	(4,686)	2,851	21,281	19,446
June 30, 2013	$ 39,449	$ 3,278	$ (574,807)	$(532,080)

(a) This amount represents $5,242 of unrealized gains on cash flow hedges, net of tax of $2,173, that were recognized in Other Comprehensive Loss (see Footnote 4 for additional details).

(b) This amount represents $449 of gains on cash flow hedges, net of tax of $231, that were reclassified out of Cumulative Other Comprehensive Loss and are included in Other income on the Condensed Consolidated Statements of Income (see Footnote 4 for additional details).

(c) This amount represents amortization of prior service credit of $284 and amortization of actuarial losses of ($24,948), net of tax of $9,166, that were reclassified out of Cumulative Other Comprehensive Loss and are included in the computation of net periodic benefit cost (see Footnote 8 for additional details).

11. Comprehensive Income Attributable to Noncontrolling Shareholders' Interests

The following table provides the details of the comprehensive income attributable to noncontrolling shareholders' interests:

	Three months ended June 30,		Six months ended June 30,	
	2012	**2013**	2012	**2013**
Net income attributable to noncontrolling shareholders' interests	$ 6,844	**$ 6,114**	$ 13,326	**$ 12,871**
Other comprehensive income:				
Currency translation adjustments	(1,677)	**(52)**	627	**1,751**
Comprehensive income attributable to noncontrolling shareholders' interests	$ 5,167	**$ 6,062**	$ 13,953	**$ 14,622**

12. Product Warranty Liabilities

The Company provides for the estimated cost of product warranties at the time revenue is recognized based primarily on historical return rates, estimates of the eligible tire population and the value of tires to be replaced. The following table summarizes the activity in the Company's product warranty liabilities:

	2012	**2013**
Reserve at January 1	$ 27,400	**$30,139**
Additions	13,104	**9,712**
Payments	(10,134)	**(9,323)**
Reserve at June 30	$ 30,370	**$30,528**

13. Contingent Liabilities

The Company is a defendant in various products liability claims brought in numerous jurisdictions in which individuals seek damages resulting from motor vehicle accidents allegedly caused by defective tires manufactured by the Company. Each of the products liability claims faced by the Company generally involve different types of tires, models and lines, different circumstances surrounding the accident such as different applications, vehicles, speeds, road conditions, weather conditions, driver error, tire repair and maintenance practices, service life conditions, as well as different jurisdictions and different injuries. In addition, in many of the Company's products liability lawsuits the plaintiff alleges that his or her harm was caused by one or more co-defendants who acted independently of the Company. Accordingly, both the claims asserted and the resolutions of those claims have an enormous amount of variability. The aggregate amount of damages asserted at any point in time is not determinable since often times when claims are filed, the plaintiffs do not specify the amount of damages. Even when there is an amount alleged, at times the amount is wildly inflated and has no rational basis.

The fact that the Company is a defendant in products liability lawsuits is not surprising given the current litigation climate, which is largely confined to the United States. However, the fact that the Company is subject to claims does not indicate that there is a quality issue with the Company's tires. The Company sells approximately 30 to 35 million passenger, light truck, SUV, radial medium truck and motorcycle tires per year in North America. The Company estimates that approximately 300 million Company-produced tires – made up of thousands of different specifications – are still on the road in North America. While tire disablements do occur, it is the Company's and the tire industry's experience that the vast majority of tire failures relate to service-related conditions, which are entirely out of the Company's control – such as failure to maintain proper tire pressure, improper maintenance, road hazard and excessive speed.

The Company accrues costs for products liability at the time a loss is probable and the amount of loss can be estimated. The Company believes the probability of loss can be established and the amount of loss can be estimated only after certain minimum information is available, including verification that Company-produced products were involved in the incident giving rise to the claim, the condition of the product purported to be involved in the claim, the nature of the incident giving rise to the claim and the extent of the purported injury or damages. In cases where such information is known, each products liability claim is evaluated based on its specific facts and circumstances. A judgment is then made to determine the requirement for establishment or revision of an accrual for any potential liability. The liability often cannot be determined with precision until the claim is resolved.

Pursuant to applicable accounting rules, the Company accrues the minimum liability for each known claim when the estimated outcome is a range of possible loss and no one amount within that range is more likely than another. The Company uses a range of losses because an average cost would not be meaningful since the products liability claims faced by the Company are unique and widely variable, and accordingly, the resolutions of those claims have an enormous amount of variability. The costs have ranged from zero dollars to $33 million in one case with no "average" that is meaningful. No specific accrual is made for individual unasserted claims or for premature claims, asserted claims where the minimum information needed to evaluate the probability of a liability is not yet known. However, an accrual for such claims based, in part, on management's expectations for future litigation activity and the settled claims history is maintained. Because of the speculative nature of litigation in the U.S., the Company does not believe a meaningful aggregate range of potential loss for asserted and unasserted claims can be determined. The Company's experience has demonstrated that its estimates have been reasonably accurate and, on average, cases are settled at amounts close to the reserves established. However, it is possible an individual claim from time to time may result in an aberration from the norm and could have a material impact.

The Company determines its reserves using the number of incidents expected during a year. During the second quarter of 2013, the Company increased its products liability reserve by $14,181. The addition of another year of self-insured incidents accounted for $12,609 of this increase. The Company revised its estimates of future settlements for unasserted and premature claims. These revisions increased the reserve by $1,904. Finally, settlements and changes in the amount of reserves for cases where sufficient information is known to estimate a liability decreased by $332.

During the first six months of 2013, the Company increased its products liability reserve by $28,563. The addition of another year of self-insured incidents accounted for $25,218 of this increase. The Company revised its estimates of future settlements for unasserted and premature claims. These revisions increased the reserve by $4,232. Finally, settlements and changes in the amount of reserves for cases where sufficient information is known to estimate a liability decreased by $887.

The time frame for the payment of a products liability claim is too variable to be meaningful. From the time a claim is filed to its ultimate disposition depends on the unique nature of the case, how it is resolved – claim dismissed, negotiated settlement, trial verdict and appeals process – and is highly dependent on jurisdiction, specific facts, the plaintiff's attorney, the court's docket and other factors. Given that some claims may be resolved in weeks and others may take five years or more, it is impossible to predict with any reasonable reliability the time frame over which the accrued amounts may be paid.

The Company paid $14,723 during the second quarter of 2013 to resolve cases and claims and has paid $23,840 through the first six months of 2013. The Company's products liability reserve balance at December 31, 2012 totaled $206,349 (the current portion of $70,267 is included in Accrued liabilities and the long-term portion is included in Other long-term liabilities on the Condensed Consolidated Balance Sheets) and the balance at June 30, 2013 totaled $211,072 (current portion of $70,113).

The products liability expense reported by the Company includes amortization of insurance premium costs, adjustments to settlement reserves and legal costs incurred in defending claims against the Company offset by recoveries of legal fees. Legal costs are expensed as incurred and products liability insurance premiums are amortized over coverage periods.

For the three-month periods ended June 30, 2012 and 2013, products liability expenses totaled $26,422 and $21,505, respectively. For the six-month periods ended June 30, 2012 and 2013, products liability expenses totaled $53,419 and $42,202, respectively. Products liability expenses are included in cost of goods sold in the Condensed Consolidated Statements of Income.

14. Income Taxes

For the quarter ended June 30, 2013, the Company recorded income tax expense of $19,642 (effective rate of 32.6 percent) as compared to $29,345 (effective rate of 33.3 percent) for the comparable period in 2012. For the six-month period ended June 30, 2013, the Company recorded income tax expense of $47,259 (effective rate of 31.2 percent) as compared to $41,646 (effective rate of 32.4 percent) for the comparable period in 2012. The 2013 quarter and six-month period income tax expense is calculated using the forecasted multi-jurisdictional annual effective tax rates to determine a blended annual effective tax rate. This rate differs from the U.S. federal statutory rate of 35 percent primarily because of the projected mix of earnings in international jurisdictions with lower tax rates, partially offset by losses in jurisdictions with no tax benefit due to valuation allowances. Income tax expense for the current quarter is lower due to decreased earnings in both the U.S. and non-U.S. jurisdictions compared to the same quarter of the prior year. Income tax expense for the six-month period is higher due to increased pretax earnings primarily in the U.S. when compared to the same period of the prior year.

The Company continues to maintain a valuation allowance pursuant to ASC 740, "Accounting for Income Taxes," against a portion of its U.S. and non-U.S. deferred tax asset position, as it cannot assure the utilization of these assets before they expire. In the U.S., the Company has offset a portion of its deferred tax asset relating primarily to a capital loss carryforward by a valuation allowance of $19,880. In addition, the Company has recorded valuation allowances of $8,896 relating to non-U.S. net operating losses for a total valuation allowance of $28,776. In conjunction with the Company's ongoing review of its actual results and anticipated future earnings, the Company will continue to reassess the possibility of releasing all or part of the valuation allowances currently in place when they are deemed to be realizable.

The Company maintains an ASC 740-10, "Accounting for Uncertainty in Income Taxes," liability for unrecognized tax benefits for permanent and temporary book/tax differences. At June 30, 2013, the Company's liability, exclusive of interest, totals approximately $4,857. The Company accrued an immaterial amount of interest expense related to these unrecognized tax benefits during the current quarter and the six-month period.

The Company and its subsidiaries are subject to income tax examination in the U.S. federal jurisdiction and various state and foreign jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state and foreign tax examinations by income and franchise tax authorities for years prior to 2007.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") presents information related to the consolidated results of the operations of the Company, a discussion of past results for both of the Company's segments, future outlook for the Company and information concerning the liquidity and capital resources of the Company. The Company's future results may differ materially from those indicated herein, for reasons including those indicated under the forward-looking statements heading below.

Consolidated Results of Operations

(Dollar amounts in millions except per share amounts)

	Three months ended June 30			Six months ended June 30		
	2012	Change	**2013**	2012	Change	**2013**
Revenues:						
North American Tire						
External customers	$ 746.7	-18.7%	**$607.1**	$1,416.7	-15.7%	**$1,194.0**
Intercompany	24.1	-33.2%	**16.1**	51.6	-39.0%	**31.5**
	770.8	-19.1%	**623.2**	1,468.3	-16.5%	**1,225.5**
International Tire						
External customers	311.9	-11.2%	**277.1**	626.1	-11.9%	**551.9**
Intercompany	106.8	-28.7%	**76.2**	197.0	-27.7%	**142.4**
	418.7	-15.6%	**353.3**	823.1	-15.6%	**694.3**
Eliminations	(131.0)	-29.5%	**(92.4)**	(248.7)	-30.0%	**(174.0)**
Net sales	$1,058.5	-16.5%	**$884.1**	$2,042.7	-14.5%	**$1,745.8**
Segment profit (loss)						
North American Tire	$ 65.0	-8.9%	**$ 59.2**	$ 87.9	48.6%	**$ 130.6**
International Tire	43.2	-32.4%	**29.2**	75.8	-21.9%	**59.2**
Eliminations	(3.3)	-103.0%	**0.1**	(3.8)	-131.6%	**1.2**
Unallocated corporate charges	(9.5)	104.2%	**(19.4)**	(16.8)	50.0%	**(25.2)**
Operating profit	95.4	-27.6%	**69.1**	143.1	15.9%	**165.8**
Interest expense	(8.4)	-14.3%	**(7.2)**	(16.9)	-15.4%	**(14.3)**
Interest income	0.7	-85.7%	**0.1**	1.4	-71.4%	**0.4**
Other income (expense)	0.2	-500.0%	**(0.8)**	0.6	-133.3%	**(0.2)**
Income before income taxes	87.9	-30.4%	**61.2**	128.2	18.4%	**151.7**
Income tax expense	29.4	-33.3%	**19.6**	41.6	13.5%	**47.2**
Net Income	58.5	-28.9%	**41.6**	86.6	20.7%	**104.5**
Noncontrolling shareholders' interests	(6.8)	-10.3%	**(6.1)**	(13.3)	-3.0%	**(12.9)**
Net income attributable to Cooper Tire & Rubber Company	$ 51.7	-31.3%	**$ 35.5**	$ 73.3	25.0%	**$ 91.6**
Basic earnings per share	$ 0.83		**$ 0.56**	$ 1.18		**$ 1.45**
Diluted earnings per share	$ 0.82		**$ 0.55**	$ 1.17		**$ 1.43**

Consolidated net sales for the three-month period ended June 30, 2013 were $884 million, a decrease of $174 million from the comparable period one year ago. The decrease in net sales for the second quarter of 2013 compared with the second quarter of 2012 was the result of reduced unit volumes ($113 million) and less favorable pricing and mix ($65 million). The International Tire Operations segment experienced favorable exchange rates in the second quarter of 2013 ($3 million).

The Company recorded operating profit in the second quarter of 2013 of $69 million, a decrease of $26 million compared with the second quarter of 2012. Lower raw material costs ($120 million) and lower products liability charges ($5 million) were offset by unfavorable pricing and mix ($81 million), lower unit volumes ($35 million) and increased selling, general and administrative costs ($17 million). Manufacturing cost efficiencies were $2 million favorable when compared with the second quarter of 2012, exclusive of the costs associated with production curtailments ($10 million) incurred in the second quarter of 2013. Other operating costs, including increased distribution costs associated with carrying higher inventories, were unfavorable ($5 million) compared with the same period in 2012. The International Tire Operations segment operating profit in the second quarter of 2012 included start-up costs related to the Company's operations in Serbia ($2 million) and a pension curtailment gain ($7 million), neither of which recurred in the second quarter of 2013.

Consolidated net sales for the six-month period ended June 30, 2013 were $1,746 million, a decrease of $297 million from the comparable period one year ago. The decrease in net sales for the first half of 2013 compared with the first half of 2012 was the result of reduced unit volumes ($191 million) and less favorable pricing and mix ($109 million). The International Tire Operations segment experienced favorable exchange rates in the first half of 2013 ($3 million).

The Company recorded operating profit in the first six months of 2013 of $166 million, an increase of $23 million compared with the first six months of 2012. Lower raw material costs ($209 million) and lower products liability charges ($11 million) contributed to the higher operating profit in 2013. Unfavorable pricing and mix ($124 million), lower unit volumes ($50 million) and increased selling, general and administrative costs ($21 million) were partial offsets. Other operating costs, including increased distribution costs associated with carrying higher inventories, were unfavorable ($10 million) compared with the same period in 2012. The International Tire Operations segment operating profit in the first half of 2012 included start-up costs related to the Company's operations in Serbia ($4 million) and a pension curtailment gain ($7 million), neither of which recurred in the first half of 2013.

Manufacturing cost efficiencies were $20 million favorable when compared with the first six months of 2012, exclusive of the costs associated with production curtailments ($10 million) incurred in the second quarter of 2013. The first quarter of 2012 results include $29 million of costs incurred related to labor issues at the Findlay, Ohio manufacturing facility. The Company reached contract agreements with the bargaining unit employees at all of its unionized U.S. facilities in the first quarter of 2012.

The Company experienced decreases in the costs of certain of its principal raw materials in the first half of 2013 compared with the first half of 2012. The principal raw materials for the Company include natural rubber, synthetic rubber, carbon black, chemicals and steel reinforcement components. Approximately 65 percent of the Company's raw materials are petroleum-based. Substantially all U.S. inventories have been valued using the LIFO method of inventory costing which accelerates the impact to cost of goods sold from changes to raw material prices.

The Company strives to assure raw material and energy supply and to obtain the most favorable pricing possible. For natural rubber and natural gas, procurement is managed through a combination of buying forward of production requirements and utilizing the spot market. For other principal materials, procurement arrangements include supply agreements that may contain formula-based pricing based on commodity indices, multi-year agreements or spot purchase contracts. While the Company uses these arrangements to satisfy normal manufacturing demands, the pricing volatility in these commodities contributes to the difficulty in managing the costs of raw materials.

Products liability expenses totaled $22 million and $26 million in the second quarter of 2013 and 2012, respectively. Products liability expenses totaled $42 million and $53 million in the first six months of 2013 and 2012, respectively. The change in the liability results from claim settlements and adjustments to existing reserves based on the Company's quarterly comprehensive review of outstanding claims. Additional information related to the Company's accounting for products liability costs appears in the Notes to the Condensed Consolidated Financial Statements.

Selling, general, and administrative expenses were $81 million in the second quarter of 2013 (9.2 percent of net sales) and $64 million in the second quarter of 2012 (6.0 percent of net sales). For the six-month period ended June 30, 2013, selling, general and administrative expenses were $142 million (8.1 percent of net sales) compared to $121 million (5.9 percent of net sales) for the comparable period of 2012. The increase in selling, general and administrative expenses in the second quarter was due in part to expenses incurred relating to the pending merger agreement with a wholly-owned subsidiary of Apollo ($4 million) and increases in accruals for stock-based liabilities reflecting the stock appreciation following the acquisition announcement ($3 million). The Company's continued investment in Cooper brands globally and increased capitalized software amortization expense related to the Company's new ERP system have also contributed to the Company's increased selling, general and administrative expenses over the first six months of 2013.

Interest expense decreased $1 million in the second quarter of 2013 from the second quarter of 2012, and decreased $3 million on a year to date basis when compared to the comparable period of 2012. The decrease in interest expense is primarily the result of lower debt levels. Interest income has remained relatively constant during both the second quarter and on a year-to-date basis when compared to the comparable periods of 2012.

Other income decreased $1 million for both the three and six month periods of 2013 compared to the same periods in 2012 due primarily to foreign currency losses.

For the quarter ended June 30, 2013, the Company recorded income tax expense of $20 million (effective rate of 32.6 percent) as compared to $29 million (effective rate of 33.3 percent) for the comparable period in 2012. For the six-month period ended June 30, 2013, the Company recorded income tax expense of $47 million (effective rate of 31.2 percent) as compared to $42 million (effective rate of 32.4 percent) for the comparable period in 2012. The 2013 quarter and six-month period income tax expense is calculated using the forecasted multi-jurisdictional annual effective tax rates to determine a blended annual effective tax rate. This is impacted by the projected mix of earnings in international jurisdictions with lower tax rates, partially offset by losses in jurisdictions with no tax benefit due to valuation allowances. Income tax expense for the current quarter is lower due to decreased earnings in both the U.S. and non-U.S. jurisdictions compared to the same quarter of the prior year. Income tax expense for the six-month period is higher due to increased pretax earnings primarily in the U.S. when compared to the same period of the prior year.

The Company continues to maintain a valuation allowance pursuant to ASC 740, "Accounting for Income Taxes," against a portion of its U.S. and non-U.S. deferred tax asset position, as it cannot assure the utilization of these assets before they expire. In the U.S., the Company has offset a portion of its deferred tax asset relating primarily to a capital loss carryforward by a valuation allowance of $20 million. In addition, the Company has recorded valuation allowances of $9 million relating to non-U.S. net operating losses for a total valuation allowance of $29 million. In conjunction with the Company's ongoing review of its actual results and anticipated future earnings, the Company will continue to reassess the possibility of releasing all or part of the valuation allowances currently in place when they are deemed to be realizable.

North American Tire Operations Segment

(Dollar amounts in millions)	Three months ended June 30			Six months ended June 30		
	2012	Change	2013	2012	Change	2013
Net sales	$770.8	-19.1%	$623.2	$1,468.3	-16.5%	$1,225.5
Operating profit	$ 65.0	-8.9%	$ 59.2	$ 87.9	48.6%	$ 130.6
Operating margin	8.4%	1.1 points	9.5%	6.0%	4.7 points	10.7%
United States unit shipments changes:						
Passenger tires						
Segment		-11.3%			-13.3%	
RMA members		-2.8%			-4.6%	
Total Industry		3.2%			1.2%	
Light truck tires						
Segment		-21.2%			-16.2%	
RMA members		-2.6%			-3.7%	
Total Industry		2.6%			1.8%	
Total light vehicle tires						
Segment		-13.4%			-13.9%	
RMA members		-2.8%			-4.4%	
Total Industry		3.2%			1.3%	
Total segment unit sales change		-15.5%			-15.0%	

The source of this information is the Rubber Manufacturers Association (“RMA”) and internal sources.

Overview

The North American Tire Operations segment manufactures and markets passenger car and light truck tires, primarily for sale in the U.S. replacement market. In addition to manufacturing tires in the U.S., the segment has a joint venture manufacturing operation in Mexico, Corporacion de Occidente SA de CV (“COOCSA”). The segment also distributes tires for racing, medium truck and motorcycles that are manufactured at the Company’s subsidiaries. Major distribution channels and customers include independent tire dealers, wholesale distributors, regional and national retail tire chains, and large retail chains that sell tires as well as other automotive products. The segment does not currently sell its products directly to end users, except through three Company-owned retail stores. The segment sells a limited number of tires to original equipment manufacturers.

Sales

Net sales of the North American Tire Operations segment for the second quarter of 2013 decreased $148 million, or 19.1 percent from the second quarter of 2012. The decrease in sales was a result of lower unit volumes ($120 million) and unfavorable pricing and mix ($27 million). Unit shipments for the segment decreased 15.5 percent compared with the second quarter of 2012. In the U.S., the segment's unit shipments of total light vehicle tires decreased 13.4 percent in the second quarter of 2013 compared with the second quarter of 2012. This decrease compares with a 2.8 percent decrease in total light vehicle shipments experienced by the members of the Rubber Manufacturers Association ("RMA"), and a 3.2 percent increase in total light vehicle shipments experienced for the total industry (which includes an estimate for non-RMA members). As communicated following the first quarter, inventory adjustments by certain U.S. customers continued, which combined with increased competition from imports, did affect sales and production volumes in the second quarter. The effects were primarily on private label and lower value entry level consumer tires, while shipments of Cooper brand tires were consistent with the overall industry results for the quarter. The segment reduced prices reflecting lower raw material costs at the end of the quarter to respond to earlier actions by several competitors.

Net sales of the North American Tire Operations segment for the first six months of 2013 decreased $243 million, or 16.5 percent from the first six months of 2012. The decrease in sales was a result of lower unit volumes ($221 million) and unfavorable pricing and mix ($22 million). Unit shipments for the segment decreased 15.0 percent compared with the six-month period ended June 30, 2012. In the U.S., the segment's unit shipments of total light vehicle tires decreased 13.9 percent in the first half of 2013 compared with the first half of 2012. This decrease compares with a 4.4 percent decrease in total light vehicle shipments experienced by the members of the RMA, and a 1.3 percent increase in total light vehicle shipments experienced for the total industry. During the first quarter, implementation of an ERP system in the U.S. and inventory adjustments by a few large private label customers negatively affected shipment and product volumes.

Operating Profit

Operating profit for the segment decreased $6 million to $59 million in the second quarter of 2013 compared to the second quarter of 2012. Lower raw material costs ($86 million) and lower products liability charges ($5 million) were offset by unfavorable pricing and mix ($47 million) and lower unit volumes ($32 million). Selling, general and administrative costs ($6 million) were higher in the second quarter of 2013 as the segment continued to invest in driving brand awareness, coupled with increased capitalized software amortization expense related to the Company's new ERP system. Manufacturing cost efficiencies were $1 million favorable when compared with the second quarter of 2012, exclusive of the costs associated with production curtailments ($10 million) incurred in the second quarter of 2013. Other operating costs, including increased distribution costs associated with carrying higher inventories, were unfavorable ($4 million) compared with the same period in 2012.

Operating profit for the segment increased $43 million to $131 million in the first six months of 2013. Lower raw material costs ($145 million) and lower products liability charges ($11 million) contributed to the higher operating profit in 2013. Unfavorable pricing and mix ($60 million) and lower unit volumes ($47 million) partially offset the increases to the Company's operating profit. Selling, general and administrative costs ($12 million) were higher in the first half of 2013 due to investments in driving brand awareness and increased capitalized software amortization expense. Other operating costs, including increased distribution costs associated with carrying higher inventories, were unfavorable ($9 million) compared with the same period in 2012.

Manufacturing cost efficiencies for the first six months of 2013 were $24 million favorable when compared with the first six months of 2012, exclusive of the costs associated with production curtailments ($10 million) incurred in the second quarter of 2013. The first quarter of 2012 results include $29 million of costs incurred related to labor issues at the Findlay, Ohio manufacturing facility.

The segment's internally calculated raw material index of 223 during the quarter was a decrease of 15.1 percent from the same period of 2012. The raw material index decreased 1.0 percent from the quarter ended March 31, 2013.

International Tire Operations Segment

(Dollar amounts in millions)	Three months ended June 30 2012	Change	2013	Six months ended June 30 2012	Change	2013
Net sales	$418.6	-15.6%	$353.3	$823.1	-15.6%	$694.3
Operating profit	$ 43.2	-32.4%	$ 29.2	$ 75.9	-22.0%	$ 59.2
Operating margin	10.3%	-2.0 points	8.3%	9.2%	-0.7 points	8.5%
Unit sales change		-5.5%			-2.4%	

Overview

The International Tire Operations segment has affiliated operations in the U.K., the PRC and Serbia. The U.K. entity manufactures and markets passenger car, light truck, motorcycle and racing tires and tire retread material for domestic and global markets. The Cooper Chengshan Tire joint venture manufactures and markets radial and bias medium truck tires as well as passenger and light truck tires for domestic and global markets. Cooper Kunshan Tire manufactures light vehicle tires and, under an agreement with the government of the PRC, these tires were exported to markets outside of the PRC through 2012. Beginning in 2013, tires produced at the facility have been sold in the domestic market. The Serbian entity manufactures light vehicle tires primarily for the European markets. The majority of the tires manufactured by the segment are sold in the replacement market, with a relatively small percentage currently sold to OEMs.

Sales

Net sales of the International Tire Operations segment for the second quarter of 2013 decreased $65 million, or 15.6 percent from the second quarter of 2012. The decrease in sales was a result of unfavorable pricing and mix ($46 million) and lower unit volumes ($22 million). The segment experienced favorable exchange rates in the second quarter of 2013 ($3 million). Unit volumes in Europe declined reflecting continued market weakness. Asia volumes declined reflecting lower intercompany shipments to the North American segment from Asia. Domestic shipments in the PRC of both light vehicle and medium truck tires were higher compared with the prior year second quarter.

Net sales of the International Tire Operations segment for the first six months of 2013 decreased $129 million, or 15.6 percent from the first six months of 2012. The decrease in sales was a result of unfavorable pricing and mix ($113 million) and lower unit volumes ($19 million). The segment experienced favorable exchange rates in the first half of 2013 ($3 million). Year-to-date unit sales volumes for Europe are equal to 2012 and are lower in Asia, which is more than explained by lower intercompany shipments.

Operating Profit

Operating profit for the segment decreased $14 million to $29 million in the second quarter of 2013 from the second quarter of 2012. The segment operating profit in the second quarter of 2012 included start-up costs related to the Company’s operations in Serbia ($2 million) and a pension curtailment gain ($7 million), neither of which recurred in the second quarter of 2013. Lower raw material costs ($44 million) were offset by unfavorable pricing and mix ($48 million), lower unit volumes ($4 million) and increased selling, general and administrative costs ($1 million).

Operating profit for the segment decreased $17 million to $59 million in the first six months of 2013. The segment operating profit in the first half of 2012 included start-up costs related to the Company's operations in Serbia ($4 million) and a pension curtailment gain ($7 million), neither of which recurred in the first half of 2013. Lower raw material costs ($85 million) were offset by unfavorable pricing and mix ($90 million), unfavorable manufacturing efficiencies ($4 million) and lower unit volumes ($3 million). Other cost changes, including currency impacts, were unfavorable ($2 million) compared with the same period in 2012.

Outlook for Company

Second quarter raw material prices were down by approximately 1 percent from the first quarter of 2013. Management anticipates third quarter raw material prices will decline approximately 4 percent sequentially compared to the second quarter. The long-term raw material outlook is for prices to generally trend higher with periods of volatility.

On July 13, 2013, workers at the Company's Cooper Chengshan Tire joint venture began a temporary work stoppage related to concerns regarding the pending merger between Apollo and the Company. An extended work stoppage at Cooper Chengshan Tire could negatively affect the Company's future financial performance.

The Company continues to invest in the business and expects capital expenditures for 2013 to range from $190 million to $210 million.

The Company expects its effective tax rate for 2013 will most likely be between 29 percent and 34 percent.

The Company continues to be cautious about volumes as the weak global economic conditions and sluggish tire demand are expected to continue. The Company remains confident that its transformed business model and continued solid execution of its strategic plan will position it to perform well in the future.

Liquidity and Capital Resources

Generation and uses of cash – Operating activities used $14 million of cash during the first six months of 2013 compared to a cash generation of $140 million during the first six months of 2012. Accounts payable balances decreased during the first six months of 2013 as the Company reduced raw material purchases in conjunction with its inventory management actions while in 2012, accounts payable balances increased as the Company purchased raw materials to increase production upon conclusion of the labor situation in Findlay. The change in accrued liabilities is related to the timing of recording and payment of incentive-based compensation.

Net cash used in investing activities during the first six months of 2012 and 2013 reflect capital expenditures of $78 million and $93 million, respectively. The increased spending is related primarily to automation projects and spending at the manufacturing facility in Serbia. During the first quarter of 2012, the Company acquired assets in Serbia for approximately $19 million.

During the first six months of 2012, the Company's subsidiaries repaid $12 million of short-term notes and during the first six months of 2013, the Company's subsidiaries issued $14 million of short-term notes. In both 2012 and 2013, the Company's subsidiaries borrowed additional funds using long-term debt and repaid $17 million and $10 million of maturing long-term debt, respectively.

Dividends paid on the Company's common shares in each of the first six months of 2012 and 2013 were $13 million. During the first six months of 2012 and 2013, the Company paid $3 million and $10 million in dividends to noncontrolling shareholders, respectively.

Available cash, credit facilities and contractual commitments – At June 30, 2013, the Company had cash and cash equivalents of $244 million.

Domestically, the Company has a revolving credit facility with a consortium of four banks that provides up to $200 million based on available collateral and expires in July 2016. The Company also has an accounts receivable securitization facility with a $175 million limit with a June 2014 maturity. These credit facilities remain undrawn, other than to secure letters of credit, and have no significant financial covenants until available credit is less than specified amounts. The Company's additional borrowing capacity based on eligible collateral through use of its credit facility with its bank group and its accounts receivable securitization facility at June 30, 2013 was $232 million.

The Company's affiliated operations in Asia have annual renewable unsecured credit lines that provide up to $413 million of borrowings and do not contain financial covenants. The additional borrowing capacity on the Asian credit lines totaled $356 million.

The Company believes that available cash from operating cash flows and credit facilities will be adequate to fund its needs, including working capital requirements, projected capital expenditures, including its portion of capital expenditures in partially-owned subsidiaries, and dividend goals. The entire amount of short-term notes payable outstanding at June 30, 2013 is primarily debt of consolidated subsidiaries. The Company expects its subsidiaries to refinance or pay these amounts during 2013.

The Company expects capital expenditures for 2013 to be in the $190 to $210 million range.

The following table summarizes long-term debt at June 30, 2013:

Parent company	
8% unsecured notes due December 2019	$173.6
7.625% unsecured notes due March 2027	116.9
Capitalized leases and other	8.7
	299.2
Consolidated Subsidiaries	
4.28% to 6.15% unsecured notes due in 2014	23.9
4.28% to 4.70% unsecured notes due in 2015	8.6
4.00% to 6.15% unsecured notes due in 2016	16.4
	48.9
Total debt	348.1
Less current maturities	21.2
	$326.9

Contingencies

The Company is a defendant in various products liability claims brought in numerous jurisdictions in which individuals seek damages resulting from automobile accidents allegedly caused by defective tires manufactured by the Company. Each of the products liability claims faced by the Company generally involve different types of tires, models and lines, different circumstances surrounding the accident such as different applications, vehicles, speeds, road conditions, weather conditions, driver error, tire repair and maintenance practices, service life conditions, as well as different jurisdictions and different injuries. In addition, in many of the Company's products liability lawsuits the plaintiff alleges that his or her harm was caused by one or more co-defendants who acted independently of the Company. Accordingly, both the claims asserted and the resolutions of those claims have an enormous amount of variability. The aggregate amount of damages asserted at any point in time is not determinable since often times when claims are filed, the plaintiffs do not specify the amount of damages. Even when there is an amount alleged, at times the amount is wildly inflated and has no rational basis.

Pursuant to applicable accounting rules, the Company accrues the minimum liability for each known claim when the estimated outcome is a range of possible loss and no one amount within that range is more likely than another. The Company uses a range of losses because an average cost would not be meaningful since the products liability claims faced by the Company are unique and widely variable, and accordingly, the resolutions of those claims have an enormous amount of variability. The costs have ranged from zero dollars to $33 million in one case with no "average" that is meaningful. No specific accrual is made for individual unasserted claims or for premature claims, asserted claims where the minimum information needed to evaluate the probability of liability is not yet known. However, an accrual for such claims based, in part, on management's expectations for future litigation activity and the settled claims history is maintained. Because of the speculative nature of litigation in the United States, the Company does not believe a meaningful aggregate range of potential loss for asserted and unasserted claims can be determined. The Company's experience has demonstrated that its estimates have been reasonably accurate and, on average, cases are resolved for amounts close to the reserves established. However, it is possible an individual claim from time to time may result in an aberration from the norm and could have a material impact.

Forward-Looking Statements

This report contains what the Company believes are "forward-looking statements," as that term is defined under the Private Securities Litigation Reform Act of 1995, regarding projections, expectations or matters that the Company anticipates may happen with respect to the future performance of the industries in which the Company operates, the economies of the United States and other countries, or the performance of the Company itself, which involve uncertainty and risk. Such "forward-looking statements" are generally, though not always, preceded by words such as "anticipates," "expects," "will, " "should, " "believes," "projects," "intends," "plans," "estimates," and similar terms that connote a view to the future and are not merely recitations of historical fact. Such statements are made solely on the basis of the Company's current views and perceptions of future events, and there can be no assurance that such statements will prove to be true. It is possible that actual results may differ materially from those projections or expectations due to a variety of factors, including but not limited to:

- the impact of our pending acquisition by a subsidiary of Apollo, including uncertainties relating to the completion of the transaction and the timing of such completion, as well as the potential for diversion of management's attention, loss of key personnel and other disruptions to our business and operations;
- the failure to achieve expected sales levels;
- volatility in raw material and energy prices, including those of rubber, steel, petroleum based products and natural gas and the unavailability of such raw materials or energy sources;
- the inability to obtain and maintain price increases to offset higher production or material costs;
- the failure of the Company's suppliers to timely deliver products in accordance with contract specifications;
- changes in economic and business conditions in the world;
- failure to implement information technologies or related systems, including failure to successfully implement an ERP system;
- the impact of labor problems, including labor disruptions at the Company or at one or more of its large customers or suppliers;
- changes in the Company's relationship with joint-venture partners;
- changes in interest or foreign exchange rates;
- increased competitive activity including actions by larger competitors or lower-cost producers;
- changes in the Company's customer relationships, including loss of particular business for competitive or other reasons;
- the risks associated with doing business outside of the United States;
- litigation brought against the Company, including products liability claims, which could result in material damages against the Company;
- volatility in the capital and financial markets or changes to the credit markets and/or access to those markets;
- an adverse change in the Company's credit ratings, which could increase its borrowing costs and/or hamper its access to the credit markets;
- changes in pension expense and/or funding resulting from investment performance of the Company's pension plan assets and changes in discount rate, salary increase rate, and expected return on plan assets assumptions, or changes to related accounting regulations;
- changes to tariffs or the imposition of new tariffs or trade restrictions;

- government regulatory and legislative initiatives including environmental and healthcare matters;
- the failure to develop technologies, processes or products needed to support consumer demand;
- technology advancements;
- consolidation among the Company’s competitors or customers;
- failure to attract or retain key personnel;
- inaccurate assumptions used in developing the Company’s strategic plan or operating plans or the inability or failure to successfully implement such plans;
- failure to successfully integrate acquisitions into operations or their related financings may impact liquidity and capital resources;
- the inability to recover the costs to develop and test new products or processes;
- inability to adequately protect the Company’s intellectual property rights; and
- inability to use deferred tax assets.

It is not possible to foresee or identify all such factors. Any forward-looking statements in this report are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. Prospective investors are cautioned that any such statements are not a guarantee of future performance and actual results or developments may differ materially from those projected.

The Company makes no commitment to update any forward-looking statement included herein or to disclose any facts, events or circumstances that may affect the accuracy of any forward-looking statement.

Further information covering issues that could materially affect financial performance is contained under Risk Factors below and in the Company’s other periodic filings with the U. S. Securities and Exchange Commission (“SEC”).

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in market risk at June 30, 2013, from those detailed in the Company’s Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2012.

Item 4. CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures designed to ensure that information required to be disclosed in the reports the Company files or submits as defined in Rules 13a-15(e) of the Securities and Exchange Act of 1934, as amended (“Exchange Act”) is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) to allow timely decisions regarding required disclosures.

The Company is undertaking the phased implementation of a global Enterprise Resource Planning (“ERP”) software system. The phased implementation was completed for the majority of the North America Tire segment during the first quarter of 2013, resulting in changes to certain processes in that segment. The Company believes it is maintaining and monitoring appropriate internal controls during the implementation period and further believes that its internal control environment will be enhanced as a result of this implementation. There have been no other changes in the Company’s internal controls over financial reporting during the quarter ended June 30, 2013 that have materially affected, or are reasonably likely to materially affect, the Company’s internal controls over financial reporting.

The Company, under the supervision and with the participation of management, including the CEO and CFO, evaluated the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 as of March 31, 2013 (“Evaluation Date”)). Based on its initial evaluation, the Company’s CEO and CFO concluded that its disclosure controls and procedures were effective as of the Evaluation Date.

Part II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Certain Litigation Related to the Apollo Merger

On June 17, 2013, an alleged stockholder of the Company filed a putative class-action lawsuit in the Court of Common Pleas of Hancock County, Ohio relating to the proposed Apollo transaction. That lawsuit, captioned *Auld v. Cooper Tire & Rubber Co., et al.* , No. 2013-CV-293, generally alleges that the directors of the Company breached their fiduciary duties to the Company's stockholders by agreeing to enter into the transaction for an allegedly unfair price and as the result of an allegedly unfair process.

Between June 18 and June 27, 2013, alleged stockholders of the Company filed four putative class-action lawsuits in the Court of Chancery of the State of Delaware relating to the proposed Apollo transaction. Those lawsuits, which have been consolidated under the caption *In re Cooper Tire & Rubber Co. Stockholders Litigation* , No. 8658-VCL, generally allege that the directors of the Company breached their fiduciary duties to the Company's stockholders by agreeing to enter into the transaction for an allegedly unfair price and as the result of an allegedly unfair process and by failing to disclose material information to stockholders regarding the proposed transaction.

The Company, Apollo and certain affiliates of Apollo are also defendants in the Ohio and Delaware lawsuits, and are alleged to have aided and abetted the directors' breaches of fiduciary duties.

All of the lawsuits seek, among other things, injunctive relief against the consummation of the proposed transaction. The Company and its directors believe that the allegations against them lack merit and intend to defend the lawsuits vigorously.

Certain Litigation Related to Joint Venture in China

On July 29, 2013, the Company's Cooper Chengshan Tire joint venture in China was named as a defendant and a subsidiary of the Company was named as a third party in a complaint filed in the Weihai Intermediate People's Court, Weihai, China, by the Company's joint venture partner. The complaint, Case Docket No. (2013) Wei Shang Chu Zi No. 69, alleges that the proposed Apollo transaction has caused the joint venture's labor union to implement a work stoppage and will subject the joint venture to further operational risks and seeks, among other matters, the dissolution of the joint venture pursuant to Chinese law. The Company believes that this complaint lacks merit and intends to defend the lawsuit vigorously.

Item 1A. RISK FACTORS

Some of the more significant risk factors related to the Company and its subsidiaries follow:

The Apollo Merger is subject to various closing conditions, and uncertainties related to the Apollo Merger or the failure to complete the Apollo Merger could negatively impact the Company's business or share price.

As previously disclosed, on June 12, 2013, the Company and Apollo announced the execution of a definitive merger agreement (the "Merger Agreement") under which a wholly-owned subsidiary of Apollo will acquire the Company in an all-cash transaction valued at approximately $2.5 billion (the "Apollo Merger"). Under the terms of the Merger Agreement, which has been unanimously approved by the boards of directors of both companies, stockholders of the Company will receive $35.00 per share in cash.

The Apollo Merger is subject to the satisfaction of a number of conditions beyond the Company's control, and there is no assurance that the Apollo Merger and related transactions will occur on the terms and timeline currently contemplated or at all. In addition, the efforts to satisfy the closing conditions of the Apollo Merger, including the regulatory approval process, may place a significant burden on the Company's management and internal resources, and the proposed transaction, whether or not consummated, may result in a diversion of management's attention from day-to-day operations and a disruption of our operations. Any significant diversion of management attention away from ongoing business and any difficulties encountered in the Apollo Merger process could adversely affect the Company's business, results of operations and financial condition. In addition, the proposed transaction may also impair the Company's ability to preserve employee morale and attract, retain and motivate key employees until the Apollo Merger is completed. If key employees depart because of uncertainty about their future roles and the potential complexities of the Apollo Merger or a desire not to remain with the business after the completion of the Apollo Merger, the Company's business could be harmed.

If the proposed Apollo Merger is not completed, the share price of the Company's common stock may decline to the extent that the current market price of the Company common stock reflects an assumption that the Apollo Merger and the respective related transactions will be completed. In addition, the Merger Agreement contains specified termination rights, including, in certain instances, the payment of termination fees, in the event that the Apollo Merger is not consummated.

Any disruptions to the Company's business, individually or in combination, resulting from the announcement and pendency of the Apollo Merger and from intensifying competition from its competitors, including any adverse changes in its relationships with its customers, vendors, suppliers, joint venture and other business partners and employees or recruiting and retention efforts, could adversely affect the Company's business, results of operations and financial condition.

Pricing volatility for raw materials or commodities or an inadequate supply of key raw materials could result in increased costs and may significantly affect the Company's profitability.

The pricing volatility for natural rubber, petroleum-based materials and other raw materials contributes to the difficulty in managing the costs of raw materials. Costs for certain raw materials used in the Company's operations, including natural rubber, chemicals, carbon black, steel reinforcements and synthetic rubber remain highly volatile. Increasing costs for raw material supplies will increase the Company's production costs and affect its margins if the Company is unable to pass the higher production costs on to its customers in the form of price increases. Further, if the Company is unable to obtain adequate supplies of raw materials in a timely manner for any reason, its operations could be interrupted or otherwise adversely affected.

The Company is facing heightened risks due to the current business environment.

Current global economic conditions may affect demand for the Company's products, create volatility in raw material costs and affect the availability and cost of credit. These conditions also affect the Company's customers and suppliers as well as the ultimate consumer.

Deterioration in the global macroeconomic environment or in specific regions could impact the Company and, depending upon the severity and duration of these factors, the Company's profitability and liquidity position could be negatively impacted.

The Company's competitors may also change their actions as a result of changes to the business environment, which could result in increased price competition and discounts, resulting in lower margins for the business.

The Company may fail to successfully develop or implement information technologies or related systems, resulting in a significant competitive disadvantage.

Successfully competing in the highly competitive tire industry can be impacted by the successful development of information technology. If the Company fails to successfully implement information technology systems it may be at a disadvantage to its competitors resulting in lost sales and negative impacts on the Company's earnings.

The Company also can be at risk of legal action, loss of business or other loss if it fails to protect sensitive data or technology systems that help it to operate.

The Company is implementing an Enterprise Resource Planning ("ERP") system that will require significant amounts of capital and human resources to deploy. These requirements may exceed the Company's initial projections. If for any reason this implementation is not successful, the Company could be required to expense rather than capitalize related amounts. Throughout implementation of the system there are also risks created to the Company's ability to successfully and efficiently operate.

The Company's industry is highly competitive, and the Company may not be able to compete effectively with lower-cost producers and larger competitors.

The replacement tire industry is a highly competitive, global industry. Some of the Company's competitors are larger companies with greater financial resources. Most of the Company's competitors have operations in lower-cost countries. Intense competitive activity in the replacement tire industry has caused, and will continue to cause, pressures on the Company's business. The Company's ability to compete successfully will depend in part on its ability to balance capacity with demand, leverage global purchasing of raw materials, make required investments to improve productivity, eliminate redundancies and increase production at low-cost, high-quality supply sources. If the Company is unable to offset continued pressures with improved operating efficiencies, its sales, margins, operating results and market share would decline and the impact could become material on the Company's earnings.

The Company has a risk of exposure to products liability claims which, if successful, could have a negative impact on its financial position, cash flows and results of operations.

The Company's operations expose it to potential liability for personal injury or death as an alleged result of the failure of or conditions in the products that it designs, manufactures and sells. Specifically, the Company is a party to a number of products liability cases in which individuals involved in motor vehicle accidents seek damages resulting from allegedly defective tires that it manufactured. Products liability claims and lawsuits, including possible class action, may result in material losses in the future and cause the Company to incur significant litigation defense costs. The Company is largely self-insured against these claims. These claims could have a negative effect on the Company's financial position, cash flows and results of operations.

The Company's results could be impacted by changes in tariffs imposed by the U.S. or other governments on imported tires.

The Company's ability to competitively source and sell tires can be significantly impacted by changes in tariffs imposed by various governments. Other effects, including impacts on the price of tires, responsive actions from other governments and the opportunity for other competitors to establish a presence in markets where the Company participates could also have significant impacts on the Company's results. In September 2012, a special tariff on light vehicle tires imported from the PRC to the U.S. expired, which will likely result in an increase in imported tires from the PRC which could impact the Company's sales, market share and profits.

The Company's expenditures for pension and other postretirement obligations could be materially higher than it has predicted if its underlying assumptions prove to be incorrect.

The Company provides defined benefit and hybrid pension plan coverage to union and non-union U.S. employees and a contributory defined benefit plan in the U.K. The Company's pension expense and its required contributions to its pension plans are directly affected by the value of plan assets, the projected and actual rates of return on plan assets and the actuarial assumptions the Company uses to measure its defined benefit pension plan obligations, including the discount rate at which future projected and accumulated pension obligations are discounted to a present value and the inflation rate. The Company could experience increased pension expense due to a combination of factors, including the decreased investment performance of its pension plan assets, decreases in the discount rate and changes in its assumptions relating to the expected return on plan assets. The Company could also experience increased other postretirement expense due to decreases in the discount rate, increases in the health care trend rate and changes in the health care environment.

In the event of declines in the market value of the Company's pension assets or lower discount rates to measure the present value of pension and other postretirement benefit obligations, the Company could experience changes to its Consolidated Balance Sheet or significant cash requirements.

Compliance with regulatory initiatives could increase the cost of operating the Company's business.

The Company is subject to federal, state, local and foreign laws and regulations. Compliance with those laws now in effect, or that may be enacted, could require significant capital expenditures, increase the Company's production costs and affect its earnings and results of operations.

Clean oil directive number 2005/69/EC in the European Union ("EU") was effective January 1, 2010, and requires all tires manufactured after this date and sold in the EU to use non-aromatic oils. The Company is in compliance with this directive. Additional countries may legislate similar clean oil requirements, which could increase the cost of manufacturing the Company's products.

Several countries have or may implement labeling requirements for tires. This legislation could cause the Company's products to be at a disadvantage in the marketplace resulting in a loss of market share or could otherwise impact the Company's ability to distribute and sell its tires.

In addition, while the Company believes that its tires are free from design and manufacturing defects, it is possible that a recall of the Company's tires could occur in the future. A recall could harm the Company's reputation, operating results and financial position.

The Company is also subject to legislation governing labor occupational safety and health both in the U.S. and other countries. The related legislation can change over time making it more expensive for the Company to produce its products. The Company could also, despite its best efforts to comply with these laws, be found liable and be subject to additional costs because of this legislation.

The Company has a risk due to volatility of the capital and financial markets.

The Company periodically requires access to the capital and financial markets as a significant source of liquidity for maturing debt payments or working capital needs that it cannot satisfy by cash on hand or operating cash flows. Substantial volatility in world capital markets and the banking industry may make it difficult for the Company to access credit markets and to obtain financing or refinancing, as the case may be, on satisfactory terms or at all. In addition, various additional factors, including a deterioration of the Company's credit ratings or its business or financial condition, could further impair its access to the capital markets. Additionally, any inability to access the capital markets, including the ability to refinance existing debt when due, could require the Company to defer critical capital expenditures, reduce or not pay dividends, reduce spending in areas of strategic importance, sell important assets or, in extreme cases, seek protection from creditors. See also related comments under "There are risks associated with the Company's global strategy of using joint ventures and partially owned subsidiaries."

The Company's operations in the PRC have been financed in part using multiple loans from several lenders to finance facility construction, expansions and working capital needs. These loans are generally for terms of three years or less. Therefore, debt maturities occur frequently and access to the capital markets is crucial to their ability to maintain sufficient liquidity to support their operations.

The Company conducts its manufacturing, sales and distribution operations on a worldwide basis and is subject to risks associated with doing business outside the U.S.

The Company has affiliate, subsidiary and joint venture operations worldwide, including in the U.S., the U.K., Europe, Mexico and the PRC. The Company has two manufacturing entities, the Cooper Chengshan joint venture and Cooper Kunshan, in the PRC and has continued to expand operations in that country. The Company also is the majority owner of COOCSA, a manufacturing entity in Mexico, and has recently established an operation in Serbia. There are a number of risks in doing business abroad, including political and economic uncertainty, social unrest, sudden changes in laws and regulations, shortages of trained labor and the uncertainties associated with entering into joint ventures or similar arrangements in foreign countries. These risks may impact the Company's ability to expand its operations in different regions and otherwise achieve its objectives relating to its foreign operations, including utilizing these locations as suppliers to other markets. In addition, compliance with multiple and potentially conflicting foreign laws and regulations, import and export limitations and exchange controls is burdensome and expensive. The Company's foreign operations also subject it to the risks of international terrorism and hostilities and to foreign currency risks, including exchange rate fluctuations and limits on the repatriation of funds.

If the Company fails to develop technologies, processes or products needed to support consumer demand it may lose significant market share or be unable to recover associated costs.

The Company's ability to sell tires may be significantly impacted if it does not develop or make available technologies, processes, or products that competitors may be developing and consumers demanding. This includes but is not limited to changes in the design of and materials used to manufacture tires. Technologies may also be developed by competitors that better distribute tires to consumers, which could affect the Company's customers.

Additionally, developing new products and technologies requires significant investment and capital expenditures, is technologically challenging and requires extensive testing and accurate anticipation of technological and market trends. If the Company fails to develop new products that are appealing to its customers, or fails to develop products on time and within budgeted amounts, the Company may be unable to recover its product development and testing costs. If the Company cannot successfully use new production or equipment methodologies it invests in, it may also not be able to recover those costs.

Any interruption in the Company's skilled workforce, including labor disruptions, could impair its operations and harm its earnings and results of operations.

The Company's operations depend on maintaining a skilled workforce and any interruption of its workforce due to shortages of skilled technical, production or professional workers, work disruptions, or other events could interrupt the Company's operations and affect its operating results. Further, a significant number of the Company's employees are currently represented by unions. The unionized workforce at the Company's Cooper Chengshan joint venture implemented a work stoppage on July 13, 2013. If the Company is unable to resolve this labor dispute or if there were to be an additional work stoppage or other work disruption, the Company's business and operating results could suffer.

If the Company is unable to attract and retain key personnel, its business could be materially adversely affected.

The Company's business depends on the continued service of key members of its management. The loss of the services of a significant number of members of its management team could have a material adverse effect on its business. The Company's future success will also depend on its ability to attract, retain and develop highly skilled personnel, such as engineering, marketing and senior management professionals. Competition for these employees is intense, especially in the PRC, and the Company could experience difficulty from time to time in hiring and retaining the personnel necessary to support its business. If the Company does not succeed in retaining its current employees and attracting new high-quality employees, its business could be materially adversely affected.

If assumptions used in developing the Company's strategic plan are inaccurate or the Company is unable to execute its strategic plan effectively, its profitability and financial position could be negatively impacted.

If the assumptions used in developing the Company's strategic plan vary significantly from actual conditions, the Company's sales, margins and profitability could be harmed. If the Company is unsuccessful in implementing the tactics necessary to execute its strategic plan it can also be negatively impacted.

The Company may not be successful in executing and integrating acquisitions into its operations, which could harm its results of operations and financial condition.

The Company routinely evaluates potential acquisitions and may pursue acquisition opportunities, some of which could be material to its business. The Company cannot provide assurance whether it will be successful in pursuing any acquisition opportunities or what the consequences of any acquisition would be. In addition, the Company recently completed the acquisition of certain assets of a manufacturing facility in Serbia. The Company may encounter various risks in any acquisitions, including:

- the possible inability to integrate an acquired business into its operations;
- diversion of management's attention;
- loss of key management personnel;
- unanticipated problems or liabilities; and
- increased labor and regulatory compliance costs of acquired businesses.

Some or all of those risks could impair the Company's results of operations and impact its financial condition. The Company may finance any future acquisitions from internally generated funds, bank borrowings, public offerings or private placements of equity or debt securities, or a combination of the foregoing. Acquisitions may involve the expenditure of significant funds and management time. Acquisitions may also require the Company to increase its borrowings under its bank credit facilities or other debt instruments, or to seek new sources of liquidity. Increased borrowings would correspondingly increase the Company's financial leverage, and could result in lower credit ratings and increased future borrowing costs. These risks could also reduce the Company's flexibility to respond to changes in its industry or in general economic conditions.

There are risks associated with the Company’s global strategy which includes using joint ventures and partially-owned subsidiaries.

The Company’s strategy includes the use of joint ventures and other partially-owned subsidiaries. These entities operate in countries outside of the U.S., are generally less well capitalized than the Company and bear risks similar to the risks of the Company. In addition, there are specific risks applicable to these subsidiaries and these risks, in turn, add potential risks to the Company. Such risks include greater risk of joint venture partners or other investors failing to meet their obligations under related shareholders’ agreements; conflicts with joint venture partners; the possibility of a joint venture partner taking valuable knowledge from the Company; and risk of being denied access to the capital markets, which could lead to resource demands on the Company in order to maintain or advance its strategy. The Company’s outstanding notes and primary credit facility contain cross default provisions in the event of certain defaults by the Company under other agreements with third parties. For further discussion of access to the capital markets, see also related comments under “The Company has a risk due to volatility of the capital and financial markets.”

If the price of energy sources increases, the Company’s operating expenses could increase significantly or the demand for the Company’s products could be affected.

The Company’s manufacturing facilities rely principally on natural gas, as well as electrical power and other energy sources. High demand and limited availability of natural gas and other energy sources can result in significant increases in energy costs increasing the Company’s operating expenses and transportation costs. Higher energy costs would increase the Company’s production costs and adversely affect its margins and results of operations. If the Company is unable to obtain adequate sources of energy, its operations could be interrupted.

In addition, if the price of gasoline increases significantly for consumers, it can affect driving and purchasing habits and impact demand for tires.

The Company is required to comply with environmental laws and regulations that could cause it to incur significant costs.

The Company’s manufacturing facilities are subject to numerous federal, state, local and foreign laws and regulations designed to protect the environment, and the Company expects that additional requirements with respect to environmental matters will be imposed on it in the future. In addition, the Company has contractual indemnification obligations for environmental remediation costs and liabilities that may arise relating to certain divested operations. Material future expenditures may be necessary if compliance standards change, if material unknown conditions that require remediation are discovered, or if required remediation of known conditions becomes more extensive than expected. If the Company fails to comply with present and future environmental laws and regulations, it could be subject to future liabilities or the suspension of production, which could harm its business or results of operations. Environmental laws could also restrict the Company’s ability to expand its facilities or could require it to acquire costly equipment or to incur other significant expenses in connection with its manufacturing processes.

The Company may not be able to protect its intellectual property rights adequately.

The Company’s success depends in part upon its ability to use and protect its proprietary technology and other intellectual property, which generally covers various aspects in the design and manufacture of its products and processes. The Company owns and uses tradenames and trademarks worldwide. The Company relies upon a combination of trade secrets, confidentiality policies, nondisclosure and other contractual arrangements and patent, copyright and trademark laws to protect its intellectual property rights. The steps the Company takes in this regard may not be adequate to prevent or deter challenges, reverse engineering or infringement or other violations of its intellectual property, and the Company may not be able to detect unauthorized use or take appropriate and timely steps to enforce its intellectual property rights. In addition, the laws of some countries may not protect and enforce the Company’s intellectual property rights to the same extent as the laws of the U.S. Further, while we believe that we have rights to use all intellectual property in the Company’s use, if the Company is found to infringe on the rights of others it could be adversely impacted.

The Company is facing risks relating to enactment of healthcare legislation .

The Company is facing risks emanating from the enactment of legislation by the U.S. government including the *Patient Protection and Affordable Care Act* and the related *Healthcare and Education Reconciliation Act,* which are collectively referred to as healthcare legislation. This major legislation is being implemented over a period of several years and the ultimate cost and the potentially adverse impact to the Company and its employees cannot be quantified at this time.

The impact of proposed new accounting standards may have a negative impact on the Company's financial statements.

The Financial Accounting Standards Board is considering several projects which may result in the modification of accounting standards affecting the Company, including standards relating to revenue recognition, financial instruments, leasing, and others. Any such changes could have a negative impact on the Company's financial statements.

The realizability of deferred tax assets may affect the Company's profitability and cash flows.

The Company has significant net deferred tax assets recorded on the balance sheet and determines at each reporting period whether or not a valuation allowance is necessary based upon the expected realizability of such deferred tax assets. In the U.S., the Company has recorded deferred tax assets, the largest of which relate to products liability, pension and other postretirement benefit obligations, partially offset by deferred tax liabilities, the most significant of which relates to accelerated depreciation. The Company's non-U.S. deferred tax assets relate to pension, accrued expenses and net operating losses, and are partially offset by deferred tax liabilities related to accelerated deprecation. Based upon the Company's assessment of the realizability of its net deferred tax assets, the Company maintains a small valuation allowance for the portion of its U.S. deferred tax assets primarily associated with a capital loss carryforward. In addition, the Company has recorded valuation allowances for deferred tax assets primarily associated with non-U.S. net operating losses. The Company's assessment of the realizability of deferred tax assets is based on certain assumptions regarding future profitability, and potentially adverse business conditions that could have a negative impact on the realizability and therefore impact the Company's operating results or financial position.

Item 6. EXHIBITS

(a) Exhibits

(2.1)	Agreement and Plan of Merger, dated June 12, 2013 by and among Apollo (Mauritius) Holdings Pvt. Ltd., Apollo Tyres B.V., Apollo Acquisition Corp. and the Company, filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed on June 12, 2013, is incorporated herein by reference.
(10.1)	Executive Deferred Compensation Plan, Amended and Restated as of January 1, 2013
(10.2)	Nonqualified Supplementary Benefit Plan, Amended and Restarted as of January 1, 2013
(31.1)	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(31.2)	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(32)	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(101.INS)	XBRL Instance Document
(101.SCH)	XBRL Taxonomy Extension Schema Document
(101.DEF)	XBRL Taxonomy Extension Definition Linkbase Document
(101.CAL)	XBRL Taxonomy Extension Calculation Linkbase Document
(101.LAB)	XBRL Taxonomy Extension Label Linkbase Document
(101.PRE)	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COOPER TIRE & RUBBER COMPANY

/s/ B. E. Hughes
B. E. Hughes
Vice President and Chief
Financial Officer
(Principal Financial Officer)

/s/ R. W. Huber
R. W. Huber
Director of External Reporting
(Principal Accounting Officer)

August 9, 2013
(Date)

Exhibit (10.1)

COOPER TIRE & RUBBER COMPANY

EXECUTIVE DEFERRED COMPENSATION PLAN

Amended and Restated as of January 1, 2013

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COOPER TIRE & RUBBER COMPANY
EXECUTIVE DEFERRED COMPENSATION PLAN
Amended and Restated as of January 1, 2013

Article I. Purpose

1.1. Statement of Purpose and Effective Date . This is the Cooper Tire & Rubber Company Executive Deferred Compensation Plan, as amended and restated as of January 1, 2013 (the "Plan"). The purpose of the Plan is to provide designated management and highly compensated employees with the option to defer the receipt of a portion of their regular compensation and annual cash incentives under an Incentive Compensation Plan including any successor to such plan and any subsequent plan pursuant to which annual cash incentives are granted. The Plan's objective is to assist in attracting and retaining employees of exceptional ability by providing this benefit. Accordingly, the Plan as last amended and restated as of January 1, 2008 is hereby amended and restated effective as of January 1, 2013 (the "Effective Date"). The terms and conditions of the Plan are set forth below.

Article II. Definitions and Construction

2.1. Definitions . Whenever the following terms are used in this Plan they shall have the meanings specified below unless the context clearly indicates to the contrary:

a. " **Account** " means the bookkeeping account maintained on the books of the Company and/or a Third Party Record Keeper pursuant to Articles IV and V for the purpose of accounting for (i) the amount of Base Salary that a Participant elects to defer under the Plan and (ii) the amount of Cash Award that a Participant elects to defer under the Plan. A Participant's Account may consist of (i) a cash subaccount if the Participant elects to defer the receipt of Base Salary or Cash Awards, and (ii) one or more subaccounts for Investments.

b. " **Accounting Date** " means the last business day of each month and any other date selected by the Committee.

c. " **Accounting Period** " means the period beginning on the day immediately following an Accounting Date and ending on the next following Accounting Date.

d. " **Administrator** " means a committee consisting of one or more persons who shall be appointed by and serve at the pleasure of the Committee.

e. " **Affiliate** " means any corporation, limited liability company, joint venture, partnership, or other legal entity in which the Company owns, directly or indirectly, or has previously owned at least 50 percent of the capital stock, profits, interest or capital interest.

f. " **Base Salary** " means a Participant's base earnings paid by the Company without any regard to any increases or decreases in base earnings as a result of an election to defer base earnings under this Plan, or an election between benefits or cash provided under a plan of the Company maintained pursuant to Sections 125 or 401(k) of the Code.

g. “ **Beneficiary** ” means the person or persons (natural or otherwise) designated or deemed to be designated by the Participant pursuant to Article VIII to receive benefits payable under the Plan in the event of Participant’s death.

h. “ **Board** ” means the Board of Directors of the Company.

i. “ **Cash Award** ” means any annual cash award(s) to an Employee for a Plan Year under an Incentive Compensation Plan which is earned with respect to services performed by the Employee during such Plan Year, whether or not such award is actually paid to the Employee during such Plan Year.

j. **“Cause”** means that, prior to any termination of employment, the Employee shall have committed:

(1) any act or omission constituting a material breach by an Employee of any of his significant obligations to or agreements with the Company or an Affiliate or the continued failure or refusal of the Employee to adequately perform the duties reasonably required by the Company or an Affiliate which, in each case, is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company or any Affiliate thereof, after notification by the Committee of such breach, failure or refusal and failure of the Employee to correct such breach, failure or refusal within 30 days of such notification (other than by reason of the incapacity of the Employee due to physical or mental illness); or

(2) any other willful act or omission which is materially injurious to the financial condition or business reputation of, or is otherwise materially injurious to, the Company or any Affiliate, and failure of the Employee to correct such act or omission within 30 days after notification by the Committee of any such act or omission (other than by reason of the incapacity of the Executive due to physical or mental illness); or

(3) the Employee is found guilty of, or pleads guilty or *nolo contendere* to, a felony or any criminal act involving fraud, embezzlement, or theft.

k. For purposes of this Plan, no act, or failure to act, on the Employee’s part shall be deemed **“willful”** if done, or omitted to be done, by the Employee in good faith and with a reasonable belief that the Employee’s action or omission was in the best interest of the Company or any Affiliate. Any notification to be given by the Committee in accordance with Section 2.1(j)(1) or 2.1(j)(2) shall be in writing and shall specifically identify the breach, failure, refusal, act or omission to which the notification relates and shall describe the injury to the Company or any Affiliate, and such notification must be given within 12 months of the Committee becoming aware of the breach, failure, refusal, act, omission or injury identified in the notification. Failure to notify the Employee within any such 12-month period shall be deemed to be a waiver by the Committee of any such breach, failure, refusal, act or omission by the Employee and any such breach, failure, refusal, act or omission by the Employee shall not then be determined to be a breach of this Plan. For the avoidance of doubt and for the purpose of determining Cause, the exercise of business judgment by the Employee shall not be determined to be Cause, even if such business judgment materially injures the financial

condition or business reputation of, or is otherwise materially injurious to the Company or any Affiliate, unless such business judgment by the Employee was not made in good faith, or constitutes willful or wanton misconduct, or was an intentional violation of state or federal law. In addition, for purposes of this definition of “Cause,” references to an “Affiliate” shall mean the applicable Affiliate for whom the Employee provides services.

l. **“Change in Control”** means the occurrence of any of the events as defined in the Cooper Tire & Rubber Company Change in Control Severance Pay Plan (Amended and Restated as of August 4, 2010) as amended from time to time (the “CIC Plan”) including a Potential Change in Control as defined in the CIC Plan.

l. “ **Claimant** ” has the meaning set forth in Section 9.6(a).

m. “ **Code** ” means the Internal Revenue Code of 1986, as amended from time to time; any reference to a provision of the Code shall also include any successor provision thereto.

n. “ **Committee** ” means the Compensation Committee of the Board.

o. “ **Common Stock Fund** ” means the Cooper Tire & Rubber Company Stock Fund under the Cooper Tire & Rubber Company Spectrum Investment Savings Plan, as amended.

p. “ **Company** ” means Cooper Tire & Rubber Company and any successor or successors thereto.

q. “ **Disability** ” means the Employee becomes disabled and qualifies to receive disability benefits pursuant to the Company’s long-term disability plan in effect immediately prior to the occurrence of the disability, provided that the Employee is eligible to participate in such long-term disability plan (regardless of whether or not the Employee has elected to participate in such long-term disability plan).

r. “ **Employee** ” means any employee of the Company or an Affiliate who is, as determined by the Committee, a member of a “select group of management or highly compensated employees” of the Company, within the meaning of

Sections 201, 301 and 401 of ERISA, and who is designated by the Committee as an Employee eligible to participate in the Plan.

s. “ **ERISA** ” means the Employee Retirement Income Security Act of 1974, as amended from time to time; any reference to a provision of ERISA shall also include any successor provision thereto.

t. “ **Exchange Act** ” means the Securities Exchange Act of 1934, as amended from time to time, and any rules promulgated thereunder (or any successor provision thereto).

u. “ **Incentive Compensation Plan** ” means Cooper Tire & Rubber Company’s Incentive Compensation Plan, as amended, and any successor or subsequent incentive compensation plans pursuant to which annual cash incentives are granted.

v. “ **Insider Participant** ” means any Participant who is required to file reports with the Securities and Exchange Commission pursuant to Section 16(a) of the Exchange Act.

w. “ **Investments** ” has the meaning set forth in Section 6.1(a).

x. “ **Participant** ” means an Employee participating in the Plan in accordance with the provisions of Section 3.1, or a former Employee retaining benefits under the Plan that have not been fully paid.

y. “ **Participation Agreement** ” means the agreement(s) submitted by a Participant to the Administrator as provided in Section 3.1 (b) in the form approved by the Administrator.

z. “ **Plan Year** ” means the 12-month period beginning January 1 and ending the following December 31.

aa. “ **Request** ” has the meaning set forth in Section 6.1(c).

bb. “ **Rule 16b-3** ” means Rule 16b-3 promulgated under the Exchange Act (or any successor rule to the same effect), as in effect from time to time.

cc. “ **Settlement Date** ” means the date on which a Participant terminates employment with the Company. Leaves of absence granted by the Company will not be considered as termination of employment during the term of such leave. Settlement Date shall also include with respect to any deferral the date prior or subsequent to termination of employment selected by a Participant in a Participation Agreement for distribution of all or a portion of the amounts deferred during a Plan Year as provided in Section 7.5.

dd. “ **Specified Employee** ” means any Participant designated by the Company as such in accordance with Treasury Regulation 1.409A-1(i) as of December 31 each year for the following Plan Year.

ee. “ **Spectrum Investment Savings Plan** ” means the Cooper Tire & Rubber Company Spectrum Investment Savings Plan, as amended or restated from time to time.

ff. “ **Terminated Participant** ” has the meaning set forth in Section 11.3(a).

gg. **“Third Party Record Keeper”** means an independent service provider that has been designated by the Company to maintain detailed records for Participant’s Accounts including “notional” investments, contributions, gains and losses, etc. on behalf of the Company.

hh. “ **Trust** ” has the meaning set forth in Section 6.3(a).

ii. “ **Trust Agreement** ” has the meaning set forth in Section 6.3(a).

jj. “ **Trustee** ” has the meaning set forth in Section 6.3(a).

2.2. Construction . The masculine gender, where appearing in the Plan, shall be deemed to include the feminine gender, and the singular may include the plural, unless the context clearly indicates to the contrary. The words "hereof," "herein," "hereunder," and other similar compounds of the word "here" shall mean and refer to the entire Plan, and not to any particular provision or Section.

Article III. Participation and Deferrals

3.1. Eligibility and Participation .

a. Eligibility. Eligibility to participate in the Plan for any Plan Year is limited to Employees.

b. Participation. Participation in the Plan shall be limited to Employees who elect to participate in the Plan by properly completing, executing and filing a Participation Agreement with the Administrator. A properly completed and executed Participation Agreement shall be filed (i) on or prior to the December 31 immediately preceding each Plan Year in which the Participant's participation in the Plan will commence with respect to deferral of Base Salary; or (ii) on or prior to the December 31 immediately preceding the Plan Year with respect to which an annual Cash Award may be earned. The election to participate shall be effective as provided therein following receipt by the Administrator of the Participation Agreement. Each Participation Agreement for the Plan shall be effective only with regard to Base Salary and Cash Awards earned and payable following the later of the effective date of the Participation Agreement or the date the Participation Agreement is filed with the Administrator.

c. Initial Year of Participation. Notwithstanding Section 3.1(b), a Participant who first becomes an Employee during a Plan Year may, within 30 days after he becomes an eligible Employee, elect to participate in the Plan for such Plan Year and any Plan Year thereafter by filing a Participation Agreement with the Administrator, and his Participation Agreement shall be effective only with regard to Base Salary and Cash Awards earned following the filing of the Participation Agreement with the Administrator.

d. Termination of Participation. Participation in the Plan shall continue as long as the Participant is eligible to receive benefits under the Plan. A Participant may elect to terminate his or her participation in the Plan by filing a written notice thereof with the Administrator. The termination shall be effective at any time specified by the Participant in the notice, but not earlier than the first day of the next Plan Year following receipt by the Administrator. Amounts credited to such Participant's Account with respect to periods prior to the effective date of such termination shall continue to be payable pursuant to, receive earnings and be credited with gains and debited with losses thereon (where applicable), and otherwise governed by, the terms of the Plan.

3.2. Ineligible Participant . Notwithstanding any other provisions of this Plan to the contrary, if the Administrator determines that any Participant may not qualify as a "management or highly compensated employee" within the meaning of ERISA or regulations thereunder, the Administrator may determine, in its sole discretion, that such Participant shall cease to be eligible to participate in this Plan. Amounts credited to such Participant's Account with respect to periods prior to the effective date of such determination shall continue to be payable pursuant to, receive earnings and be credited with gains and debited with losses thereon (where applicable), and otherwise governed by, the terms of the Plan.

Article IV. Deferral of Base Salary and Cash Awards

4.1. Deferral of Base Salary . With respect to each Plan Year, a Participant may elect to defer a specified dollar amount or percentage of Base Salary, up to 80 percent of the Participant's Base Salary. A Participant may change the dollar amount or percentage of Participant's Base Salary to be deferred by filing a written notice thereof with the Administrator. Any such change shall be effective as of the first day of the Plan Year following the Plan Year in which such notice is filed with the Administrator.

4.2. Deferral of Cash Awards . With respect to each Plan Year, a Participant may elect to defer a specified dollar amount or percentage of Participant's annual Cash Awards, up to the full amount of such awards. A Participant may change the dollar amount or percentage of Participant's annual Cash Award to be deferred by filing a written notice thereof with the Administrator. Any such change shall be effective with respect to any Plan Year following the receipt by the Administrator of such notice, if such notice is filed not later than the dates specified in Section 3.1(b).

Article V. Participant Accounts

5.1. Establishment of Accounts . The Company, through its accounting records or a Third Party Record Keeper, shall establish an Account for each Participant. In addition, one or more subaccounts of a Participant's Account may be established, if the Company determines that such subaccounts are necessary or appropriate in administering the Plan.

5.2. Crediting of Base Salary and Cash Awards Deferrals . The portion of a Participant's Base Salary or Cash Awards that is deferred pursuant to a Participation Agreement shall be credited to the Participant's Account as of the date the corresponding non-deferred portion of his award would have been paid to the Participant. Any withholding of taxes or other amounts with respect to any deferred award which is required by state, federal or local law shall be withheld from the Participant's non-deferred compensation.

5.3. Determination of Accounts .

a. Determination of Accounts. The amount credited to each Participant's Account as of a particular date shall equal the deemed balance of such Account as of such date. The balance in the Account shall equal the amount credited pursuant to Section 5.2, and shall be adjusted in the manner provided in Section 5.4.

b. Accounting. The Company, through its accounting records or a Third Party Record Keeper, shall maintain a separate and distinct record of the amount in each Account as adjusted to reflect income, gains, losses and distributions.

5.4. Adjustments to Accounts .

a. The Participant's Account shall next be credited or debited, as the case may be, with income (loss) relating to notional gains and losses in the "notional" Investments selected by the Participant as described in Section 6.1(a) (as adjusted pursuant to Section 5.2 and Section 5.4(a) for the current Accounting Period).

b. After the crediting or debiting described in subsection (a) above, each Participant's Account shall be immediately debited with the amount of any distributions under the Plan to or on behalf of the Participant or, in the event of Participant's death, the Participant's Beneficiary.

5.5. Statement of Accounts . At least annually, a statement shall be furnished to each Participant or, in the event of his death, to his Beneficiary showing the status of Participant's Account as of the end of the most recent Accounting Period, any changes in his Account since the date of the most recent statement furnished to the Participant, and such other information as the Administrator shall determine.

5.6. Vesting of Accounts . Each Participant shall at all times have a nonforfeitable interest in his or her Account balance.

Article VI. Financing of Benefits

6.1. Investment of Accounts .

a. As soon as practicable after the crediting of any amount to a Participant's Account, the Company may, in its sole discretion, direct that the Administrator invest the amount credited, in whole or in part, in one or more separate investment funds or vehicles. The Participant may elect to direct the investment of the amount credited, in whole or in part, in one or more separate notional investment options in his or her Account maintained by the Third Party Record Keeper, including, without limitation, in any investment options available under the Spectrum Investment Savings Plan.

Investment options may change from time to time. Current and future allocations among the investment alternatives for a Participant's Account shall be directed by each Participant in accordance with procedures established by the Administrator. If a Participant fails to provide any such instructions in a timely manner, all of the amounts credited to his or her Account shall be deemed to be invested in the Short Term Fixed Income investment option under the Spectrum Investment Savings Plan.

Subject to the Company's general policies on insider trading in Company Common Stock, Participants may elect to give directions or modify previous directions for the investment of his or her Account in the following respects by giving such advance written notice to the Company as the Administrator shall require:

(1) the Participant may give or modify directions for the deemed investment of amounts to be credited to his or her notional account as of or after any future date among the investment options available under the Spectrum Investment Savings Plan; and

(2) the Participant may elect to have the notional balance in his or her Account then deemed to be held in the Short Term Fixed Income investment option under the Spectrum Investment Savings Plan (or any identified fraction or dollar amount he or she designates) invested among the other investment options available under the Spectrum Investment Savings Plan.

b. Regardless of the notional investments selected by a Participant pursuant to Section 6.1(a) above, the Company may, in its sole discretion, retain the amount credited as cash to be added to its general assets or it may fund a Trust as described in Section 6.3 of this Plan. The Company shall be the sole owner and beneficiary of all funds, and all contracts and other evidences of any funding shall be registered in the name of the Company. The Company, under the direction of the Administrator, shall have the unrestricted right to sell any of the investments included in the Trust and the unrestricted right to reinvest the proceeds of the sale in other investments.

c. An Investment election or change request ("Request"), unless modified as described below, may be changed with respect to such amounts previously credited to a Participant's Account as of such date as described in Section 6.1(a) including amounts subsequently credited to a Participant's Account.

d. Notwithstanding the foregoing, if an Insider Participant modifies his Request to have the deemed investment of any portion of the amounts previously credited to such Insider Participant's Account changed (x) to the Company's Common Stock Fund consisting of the Common Shares of the Company from any of the other investment funds or (y) from the Company's Common Stock Fund consisting of the Common Shares of the Company to any of the other investment funds, then in either such case such Request will not be processed by the Administrator or the Third Party Record Keeper if, in the sole judgment of the Administrator or the Third Party Record Keeper, the processing of such Request would result in the Insider Participant being liable to the Company under Section 16(b) of the Exchange Act, as amended. The provisions of this Section 6.1(d) with respect to Insider Participants shall apply to any Participant immediately upon the time such Participant becomes an Insider Participant and shall continue until such time as such Participant is no longer an Insider Participant.

e. Earnings on any amounts deemed to have been invested in any Investments shall be deemed to have been reinvested in such Investments.

6.2. Financing of Benefits . Benefits payable under the Plan to a Participant or, in the event of his death, to his Beneficiary shall be paid by the Company from its general assets. Notwithstanding the fact that the Participants' Accounts may be adjusted by an amount that is measured by reference to the performance of any deemed Investments as provided in Section 6.1, no person entitled to payment under the Plan shall have any claim, right, security interest or other interest in any fund, trust, account, insurance contract, or asset of the Company which may be responsible for such payment.

6.3. Funding .

a. Notwithstanding the provisions of Section 6.2, nothing in this Plan shall preclude the Company from setting aside amounts in a trust ("Trust") pursuant to one or more trust agreements between a trustee and the Company. However, Participants, their Beneficiaries, and their heirs, successors and assigns, shall have no secured interest or claim in any property or assets of the Company or the Trust. The Company's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Company to pay money in the future. Notwithstanding the foregoing, in the event of a Change in Control, all then undistributed amounts under this Plan shall be promptly deposited by the Company, to the extent it has not done so to PNC Bank, National Association or its successor ("Trustee"), pursuant to the Company's Master Grantor Trust Agreement dated January 1, 2011, ("Trust Agreement") as provided in the CIC Plan, as subsequently amended. All applicable provisions of paragraph 6 of the CIC Plan shall apply to any funding under this Plan. Any funds contained in the Trust shall remain liable for the claims of the Company's general creditors.

b. Any payments of benefits by the Trustee to the Participant pursuant to the Trust Agreement shall, to the extent thereof, discharge the Company's obligation to pay benefits under the terms of this Plan, it being the intent of the Company that assets in the Trust be held as security for the Company's obligation to pay benefits under this Plan.

Article VII. Distribution of Benefits

7.1. Settlement Date . A Participant or, in the event of Participant's death, his or her Beneficiary shall be entitled to distribution of all or a part of the balance of the Account, as provided in this Article VII, following the Settlement Date or Dates.

7.2. Amount to Be Distributed . The amount to which a Participant or, in the event of death, the Participant's Beneficiary, is entitled in accordance with the following provisions of this Article shall be based on the Participant's adjusted account balance determined as of the Accounting Date coincident with or next following the Settlement Date or Dates.

7.3. Death or Termination for Cause Distribution . Except as provided with respect to a Specified Employee in Section 7.6 hereof, upon the earlier of (i) termination of service of the Participant as an Employee of the Company for Cause, or (ii) the death of a Participant, the Company shall, in accordance with this Article VII, pay to the Participant or Participant's Beneficiary (or, upon the death of a Beneficiary, to the Beneficiary's estate), as the case may be, the balance of the Account in a lump sum. Such payment shall be made no later than March 15 of the year following the death or termination of service of the Participant and shall completely discharge the Company's obligations under this Plan.

7.4. In-Service Distribution . A Participant may irrevocably elect to receive an in-service distribution of his deferred Base Salary, Cash Award and earnings thereon for any Plan Year on, or commencing not earlier than, the beginning of the third Plan Year following the Plan Year in which such Base Salary, Cash Awards otherwise would have been first payable. A Participant's election of an in-service distribution shall be made in the Participation Agreement filed as provided in Section 3.1. Any benefits paid to the Participant as an in-service distribution shall reduce the Participant's Account.

7.5. Form of Distribution .

a. As soon as practicable after the end of the Accounting Period in which a Participant's Settlement Date occurs, but in no event later than 30 days following the end of such Accounting Period, the Company shall distribute or cause to be distributed to the Participant the balance of the Participant's Account as determined under Section 7.2, under one of the forms provided in this Section. Notwithstanding the foregoing, except as provided in Section 7.3, if elected by the Participant in the Participation Agreement filed as provided in Section 3.1, the distribution of all or a portion of the Participant's Account may be made or commence on a date between the Settlement Date and the date the Participant attains age 65.

b. Distribution of a Participant's Account with respect to any Plan Year shall be made in one of the following forms as elected by the Participant:

(1) by payment in cash in a specified sum;

(2) by payment in cash in not greater than ten annual installments, provided, however, that each installment is not less than $10,000; or

(3) a combination of (1) and (2) above.

The Participant shall designate the percentage payable under each option.

c. The Participant's election of the time and form of distribution shall be made by the Participant in the Participation Agreement filed as provided in Section 3.1.

d. The amount of each installment under Section 7.5(b) shall be equal to the quotient obtained by dividing the Participant's Account balance as of the date of such installment payment by the number of installment payments remaining to be made to or in respect of such Participant at the time of calculation.

e. If a Participant fails to make an election in a timely manner as provided in this Section 7.5, distribution shall be made in cash as applicable, in a single lump sum no later than March 15 of the year immediately following the year of the Settlement Date.

7.6. Specified Employees . Notwithstanding anything herein that may be interpreted to the contrary, no distribution shall be made to a Specified Employee by reason of termination of employment until six months after the date the Specified Employee's employment terminated. After such six-month period has elapsed, any distributions deferred by reason of this Section 7.6 shall within 30 days be distributed in a lump sum to the Participant and any additional scheduled distributions to which the Participant may be entitled shall be distributed to the Participant in accordance with this Section 7.

7.7. Termination and Distribution of De Minimus Plan Balances . In the event the Committee determines that the value of a Participant's Account at the time of a qualifying distribution event is $15,000 or less, the Company may terminate the Participant's participation in the Plan and pay the Participant the value of the Participant's Account to the Participant in the form of a lump sum payment, notwithstanding any other provision herein that may be interpreted to the contrary.

7.8. Elections to Change Time or Form of Distribution . A Participant may elect to change the time or form of any distribution as initially elected in the Participation Agreement filed with the Administrator in accordance with Section 3.1 provided (i) the election will not be effective unless it is filed with the Administrator no later than 12 months prior to the date the distribution is made or, in the case of a series of distributions, 12 months prior to the date on which the first such distribution is to be made and (ii) the election must defer distribution, or in the case of a series of distributions, the first such distribution, for a period of not less than five years.

Article VIII. Beneficiary Designation

8.1. Beneficiary Designation .

a. As used in the Plan the term “Beneficiary” means:

(1) The person last designated as Beneficiary by the Participant in a writing on a form prescribed by the Administrator;

(2) If there is no designated Beneficiary or if the person so designated shall not survive the Participant, such Participant’s spouse; or

(3) If no such designated Beneficiary and no such spouse is living upon the death of a Participant, or if all such persons die prior to the full distribution of the Participant’s Account balance, then the legal representative of the last survivor of the Participant and such persons, or, if the Administrator shall not receive notice of the appointment of any such legal representative within one year after such death, the heirs-at-law of such survivor shall be the Beneficiaries to whom the then remaining balance of the Participant’s Account shall be distributed (in the proportions in which they would inherit his intestate personal property).

b. Any Beneficiary designation may be changed from time to time by the filing of written notice with the Administrator. No notice given under this Section shall be effective unless and until the Administrator actually receives such notice.

8.2. Facility of Payment . Whenever and as often as any Participant or his Beneficiary entitled to payments hereunder shall be under a Disability or, in the sole judgment of the Administrator, shall otherwise be unable to apply such payments to his own best interests and advantage, the Administrator in the exercise of its discretion may direct all or any portion of such payments to be made in any one or more of the following ways: (i) directly to the Participant; (ii) to the Participant’s legal guardian or conservator; or (iii) to the Participant’s spouse or to any other person, to be expended for the Participant’s benefit; and the decision of the Administrator, shall in each case be final and binding upon all persons in interest.

8.3. Amendments . Any Beneficiary designation may be changed by a Participant by the filing of a new Beneficiary designation, which will cancel all Beneficiary designations previously filed.

Article IX. Administration

9.1. Administration .

a. The Plan shall be administered by the Administrator. The Administrator shall have total and exclusive responsibility to control, operate, manage and administer the Plan in accordance with its terms.

b. The Administrator shall have sole and absolute discretion to interpret the provisions of the Plan (including, without limitation, by supplying omissions from, correcting deficiencies in, or resolving inconsistencies or ambiguities in, the language of the Plan), to make factual findings with respect to any issue arising under the Plan, to determine the rights and status under the Plan of Participants and other persons, to decide disputes arising under the Plan and to make any determinations and findings (including factual findings) with respect to the benefits payable thereunder and the persons entitled thereto as may be required for the purposes of the Plan. In furtherance of, but without limiting the foregoing, the Administrator is hereby granted the following specific authorities, which it shall discharge in its sole and absolute discretion in accordance with the terms of the Plan (as interpreted, to the extent necessary, by the Administrator):

(1) To determine the amount of benefits, if any, payable to any person under the Plan (including, to the extent necessary, making any factual findings with respect thereto); and

(2) To conduct the claims procedures specified in Section 9.6.

All decisions of the Administrator as to the facts of any case, as to the interpretation of any provision of the Plan or its application to any case, and as to any other interpretative matter or other determination or question under the Plan shall be final and binding on all parties affected thereby, subject to the provisions of Section 9.6.

c. The Administrator may, from time to time, employ agents and delegate to them such administrative duties as it sees fit, and may from time to time consult with legal counsel who may be counsel to the Company.

9.2. Plan Administrator . The Company shall be the “plan administrator” under the Plan for purposes of ERISA.

9.3. Binding Effect of Decisions . All decisions and determinations by the Administrator shall be final and binding on all parties. All decisions of the Administrator shall be made by the vote of the majority, including actions in writing taken without a meeting. All elections, notices and directions under the Plan by a Participant shall be made on such forms as the Administrator shall prescribe.

9.4. Successors. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business and/or assets of the Company expressly to assume and to agree to perform this Plan in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Plan shall be binding upon and inure to the benefit of the Company and any successor of or to the Company, including without limitation any persons acquiring directly or indirectly all or substantially all of the business and/or assets of the Company whether by sale, merger, consolidation, reorganization or otherwise (and such successor shall thereafter be deemed the "Company" for the purposes of this Plan), and the heirs, Beneficiaries, executors and administrators of each Participant.

9.5. Indemnity of Committee and Administrator. The Company shall indemnify and hold harmless the members of the Committee and the Administrator and their duly appointed agents against any and all claims, loss, damage, expense or liability arising from any action or failure to act with respect to the Plan, except in the case of gross negligence or willful misconduct by any such member or agent of the Committee and the Administrator.

9.6. Claims Procedure.

a. The Participant or his designated beneficiary (the "Claimant") may file a written claim for payments under this Plan with the Administrator. Except under special circumstances, such claims shall be approved or denied within 90 days. Any denial of such claim shall be by written notice from the Administrator stating:

(1) the specific reason for the denial;

(2) the specific provisions of the Plan or related agreements on which the denial is based;

(3) a description of any additional material or information necessary for the Claimant to perfect the claim, along with an explanation as to why such material or information is necessary; and

(4) information as to how the Claimant may submit the claim to the Administrator for review.

b. The Claimant, within 90 days of such notice, may file with the Administrator a written request for a review of the denial. Except under special circumstances, the Administrator's decision on review shall be made within 60 days of the request. Such decision shall be by a written notice stating the reasons for the decision, and such decision shall be final.

9.7. Expenses. All direct expenses of the Plan shall be paid by the Company.

Article X. Amendment and Termination of Plan

10.1. Amendment . The Committee may at any time amend, suspend or reinstate any or all of the provisions of the Plan, except that no such amendment, suspension or reinstatement may adversely affect any Participant's Account, as it existed as of the effective date of such amendment, suspension or reinstatement, without such Participant's prior written consent. Written notice of any amendment or other action with respect to the Plan shall be given to each Participant.

10.2. Termination . The Committee, in its sole discretion, may terminate this Plan at any time and for any reason whatsoever. Upon termination of the Plan, the Administrator shall take those actions necessary to administer any Accounts existing prior to the effective date of such termination; provided, however, that a termination of the Plan shall not adversely affect the value of a Participant's Account, the earnings credited to a Participant's Account under Section 5.5(b) or the timing or method of distribution of a Participant's Account.

Article XI. Miscellaneous

11.1. No Guarantee of Employment . Nothing contained in the Plan shall be construed as a contract of employment between the Company and any Employee or Participant, or as a right of any Employee or Participant, to be continued in the employment of the Company, or as a limitation of the right of the Company to discharge any of its Employees or Participants, with or without Cause.

11.2. Governing Law . All questions arising in respect of the Plan, including those pertaining to its validity, interpretation and administration, shall be governed, controlled and determined in accordance with the applicable provisions of federal law and, to the extent not preempted by federal law, the laws of the State of Ohio.

11.3 Nonassignability .

a. No right or interest under the Plan of a Participant or his or her Beneficiary (or any person claiming through or under any of them), other than the surviving spouse of any deceased Participant, shall be assignable or transferable in any manner or be subject to alienation, anticipation, sale, pledge, encumbrance or other legal process or in any manner be liable for or subject to the debts or liabilities of any such Participant or Beneficiary. If any Participant or Beneficiary (other than the surviving spouse of any deceased Participant) shall attempt to or shall transfer, assign, alienate, anticipate, sell, pledge or otherwise encumber his or her benefits hereunder or any part thereof, or if by reason of his or her bankruptcy or other event happening at any time such benefits would devolve upon anyone else or would not be enjoyed by him or her, then the Committee, in its discretion, may terminate his or her interest in any such benefit to the extent the Committee considers necessary or advisable to prevent or limit the effects of such occurrence. Termination shall be effected by filing a written "termination declaration" with the General Counsel of the Company and making reasonable efforts to deliver a copy to the Participant or Beneficiary whose interest is adversely affected (the "Terminated Participant").

b. As long as the Terminated Participant is alive, any benefits affected by the termination shall be retained by the Company and, in the Committee's discretion, shall be paid to or expended for the benefit of the Terminated Participant, his or her spouse, his or her children or any other person or persons in accordance with the provisions of the Plan.

11.4. Severability . Each section, subsection and lesser section of this Plan constitutes a separate and distinct undertaking, covenant and/or provision hereof. Whenever possible, each provision of this Plan shall be interpreted in such manner as to be effective and valid under applicable law. In the event that any provision of this Plan shall finally be determined to be unlawful, such provision shall be deemed severed from this Plan, but every other provision of this Plan shall remain in full force and effect, and in substitution for any such provision held unlawful, there shall be substituted a provision of similar import reflecting the original intention of the parties hereto to the extent permissible under law.

11.5. Withholding Taxes . If the Company is required to withhold any taxes or other amounts from a Participant's Account pursuant to any state, federal or local law, such amounts shall be withheld from the amounts paid under the Plan.

11.6. Legal Fees, Expenses Following a Change in Control . It is the intent of the Company that following a Change in Control no Employee or former Employee be required to incur the expenses associated with the enforcement of his or her rights under this Plan by litigation or other legal action because the cost and expense thereof would substantially detract from the benefits intended to be extended to an Employee hereunder. Accordingly, if following a Change in Control it should appear that the Company has failed to comply with any of its obligations under this Plan or in the event that the Company or any other person takes any action to declare this Plan void or unenforceable, or institutes any litigation designed to deny, or to recover from, the Employee the benefits intended to be provided to such Employee hereunder, the Company irrevocably authorizes such Employee from time to time to retain counsel of his or her choice, at the expense of the Company, as hereafter provided, to represent such Employee in connection with the initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, stockholder or other person affiliated with the Company in any jurisdiction. Notwithstanding any existing or prior attorney-client relationship between the Company and such counsel, the Company irrevocably consents to such Employee's entering into an attorney-client relationship with such counsel, and in that connection the Company and such Employee agree that a confidential relationship shall exist between such Employee and such counsel. Following a Change in Control, the Company shall pay and be solely responsible for any and all attorneys' and related fees and expenses incurred by such Employee as a result of the Company's failure to perform under this Plan or any provision thereof; or as a result of the Company or any person contesting the validity or enforceability of this Plan or any provision thereof.

11.7. Top-Hat Plan . The Plan is intended to be a plan which is unfunded and maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees within the meaning of Sections 201, 301 and 401 of ERISA, and therefore to be exempt from the provisions of Parts 2, 3 and 4 of Title I of ERISA. Accordingly, notwithstanding any other provision of the Plan, the Plan will terminate and no further benefits will accrue hereunder in the event it is determined by a court of competent jurisdiction or by an opinion of counsel based upon a change in law that the Plan constitutes an employee pension benefit plan within the meaning of Section 3(2) of ERISA, which is not so exempt. In addition and notwithstanding any other provision of the Plan, in the absolute discretion of the Committee, the amount credited to each Participant's Account under the Plan as of the date of termination, which shall be an Accounting Date for purposes of the Plan, will be paid immediately to such Participant in a single lump sum cash payment. Such payment shall completely discharge the Company's obligations under this Plan.

IN WITNESS WHEREOF, Cooper Tire & Rubber Company has caused this instrument to be executed in its name as of the Effective Date.

COOPER TIRE & RUBBER COMPANY

By: /s/ Brenda S. Harmon
Brenda S. Harmon
Senior Vice President
Chief Human Resources Officer

Exhibit (10.2)

COOPER TIRE & RUBBER COMPANY

NONQUALIFIED SUPPLEMENTARY BENEFIT PLAN

Amended and Restated as of January 1, 2013

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COOPER TIRE & RUBBER COMPANY
NONQUALIFIED SUPPLEMENTARY BENEFIT PLAN
Amended and Restated as of January 1, 2013

Article I. Purpose and Definitions

1.1. Purpose . This is the Cooper Tire & Rubber Company Nonqualified Supplementary Benefit Plan, amended and restated as of January 1, 2013 (“Plan”). The purpose of the Plan is, as contemplated by Section 3(36) of Title 1 of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and as contemplated in various employment agreements, to compensate for the loss of:

a. Retirement benefits and certain death benefits under the Retirement Plan, and/or

b. Matching Contributions and Discretionary Contributions under the Savings Plan,

when benefits under the qualified plans maintained by the Company are limited due to (i) Section 415, Section 401(a)(17), Section 401 (k) or Section 401(m) of the Internal Revenue Code of 1986, as amended (“Code”), or (ii) certain provisions in the Company’s qualified plans.

1.2. Definitions . The following terms, when capitalized, shall have the designated meanings set forth below unless a different meaning is plainly required by the context:

a. **“Administrator”** shall have the meaning set forth in Section 3.1 of the Plan.

b. **“Beneficiary”** shall have the meaning set forth in Section 4.2 of the Plan.

c. **“Board of Directors”** means the Board of Directors of the Company.

d. **“Change in Control”** means the occurrence of any of the events as defined in the Cooper Tire & Rubber Company Change in Control Severance Pay Plan (Amended and Restated as of August 4, 2010) as amended from time to time (the “CIC Plan”) including a Potential Change in Control as defined in the CIC Plan.

e. **“Committee”** means the Compensation Committee of the Board of Directors.

f. **“Company”** means Cooper Tire & Rubber Company, a Delaware corporation, and any subsidiary thereof which may be added to the Plan by action of the Committee. Exhibit A to the Plan reflects the subsidiaries currently approved to participate in the Plan.

g. **“Company Common Stock”** means Common Stock of Cooper Tire & Rubber Company, $1 par value per share.

h. **“Employee”** means any person who is regularly employed on a salaried basis by the Company.

i. **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended, and the regulations issued thereunder.

j. **"Participant"** means any Employee who is a participant in the Retirement Plan and/or the Savings Plan who has been designated by the Committee as a member of a select group of management and highly compensated employees eligible to participate in the Plan, and whose aggregate benefits therefrom are limited by (i) Section 415, Section 401(a)(17), Section 401(k) or Section 401(m) of the Code, or (ii) certain provisions in the qualified plans.

k. **"Plan"** means the Cooper Tire & Rubber Company Nonqualified Supplementary Benefit Plan, as amended and restated as of January 1, 2013.

l. **"Retirement Plan"** means the Cooper Tire & Rubber Company Spectrum Retirement Plan, as amended or restated from time to time.

m. **"Savings Plan"** means the Cooper Tire & Rubber Company Spectrum Investment Savings Plan, as amended or restated from time to time.

n. **"Specified Employee"** means any Participant designated by the Company as such in accordance with Treasury Regulation 1.409A-1(i) on December 31 each year for the following year.

Article II. Benefits Under the Plan

2.1. Deferral of Supplemental Retirement Plan and Savings Plan Benefits . This is a nonelective deferred compensation plan in which a Participant is not provided an opportunity to elect the time and form of distribution of the deferred compensation. The deferral of the amounts calculated pursuant to Sections 2.2 and 2.3 below is automatic as a result of the irrevocable election made by the Administrator no later than December 31 of the calendar year immediately preceding the calendar year in which such amounts are earned and such election will automatically renew each calendar year thereafter unless changed by the Administrator no later than December 31 to be effective for the following year.

2.2. Amount of Supplemental Retirement Plan Benefit . The amount of Retirement Plan benefits that a Participant or Beneficiary is entitled to receive under this Plan as a supplement to retirement benefits under the Retirement Plan shall be equal to the excess of Amount 2.2.a. over Amount 2.2.b. below.

Amount 2.2.a.

The benefit which such Participant or Beneficiary is entitled to receive under the Retirement Plan as of the date on which the Participant's termination of employment with the Company occurs, computed without giving effect to the limitations imposed by Section 415 and Section 401(a)(17) of the Code; less

Amount 2.2.b.

The benefit which such Participant or Beneficiary is entitled to receive under the Retirement Plan as of the date described in Section 2.2.a. computed giving effect to the limitations imposed by Section 415 and Section 401(a)(17) of the Code.

Notwithstanding the foregoing, however, no retirement benefits shall be paid under the Plan to or with respect to any Participant who receives a payment, under an agreement with the Company (or any successor to the Company) or under any plan, program or arrangement of the Company (or any successor to the Company), the amount of which is calculated to be the actuarial equivalent of the retirement benefit that the Participant has accrued (prior to such payment) under this Plan.

2.3. Amount of Supplemental Savings Plan Benefit . The benefits that a Participant or Beneficiary is entitled to receive under the Plan as a supplement to benefits under the Savings Plan shall be equal to the excess of Amount 2.3.a. over Amount 2.3.b. below for each calendar year in which the Plan is in effect, aggregated for all such years, plus the investment return as specified in Section 2.4 below:

Amount 2.3.a.

The amount of Matching Contributions and Discretionary Contributions under the Savings Plan that would have been credited to the Participant's account if the limitations imposed by Section 415, Section 401(a)(17), Section 401(k) and Section 401(m) of the Code were not given effect for each such year described in the first paragraph of this section; less

Amount 2.3.b.

The amount of Matching Contributions and Discretionary Contributions actually credited to the Participant's Savings Plan account in each such year described in the first paragraph of this section.

2.4. Investment Return on Supplemental Savings Benefits . The investment return to be included in the calculation of benefits under Section 2.3 shall begin to accrue with respect to supplemental benefits determined for any year on the first business day in March in the following year and shall be calculated (a) with interest as if invested in the Short-Term Fixed Income investment option under the Savings Plan until paid, or (b) at the Participant's election from time to time with respect to all or any part of his or her supplemental savings plan account or future accruals thereto, as if invested in any other investment options available under the Savings Plan.

Current and future allocations among the investment alternatives specified above shall be directed by each Participant in accordance with procedures established by the Administrator. If a Participant fails to provide any such investment instructions, all amounts credited to his or her supplemental savings plan account under this Plan shall be deemed to be invested in the Short-Term Fixed Income investment option under the Savings Plan.

Subject to the Company's general policies on insider trading in Company Common Stock, Participants may elect to give directions or modify previous directions for the investment of his or her supplemental savings plan account in the following respects by giving such advance written notice to the Company as the Administrator shall require:

a. The Participant may give or modify directions for the deemed investment of amounts to be credited to his or her notional account as of or after any future date among the investment options available under the Savings Plan; and

b. The Participant may elect to have the notional balance in his or her supplemental savings plan account then deemed to be held in the Short Term Fixed Income investment option under the Savings Plan (or any identified fraction or dollar amount he or she designates) invested among the other investment options available under the Savings Plan.

Any such election will be subject to the Company's policies on insider trading in Company Common Stock and shall be subject to the prior approval of the Administrator. The Administrator may reject a proposed election if the Administrator determines in good faith that the election would violate the Company's insider trading policy or would subject the Participant to liability under Section 16(b) of the Securities Exchange Act of 1934, as amended.

If a Participant desires that deemed acquisitions or dispositions of Company Common Stock to or from his or her supplemental savings plan account, other than discretionary intra-plan transfers to or from the other investment options available under the Savings Plan, be exempt from potential stock trading liability under Section 16(b) of the Securities Exchange Act of 1934, as amended, the Participant may provide in his or her written investment instructions that such deemed acquisitions or dispositions of Company Common Stock shall be subject to and conditioned on the satisfaction of the approval requirements relating to such transactions set forth in subsections (d) and (e) of Rule 16b-3 of the Securities and Exchange Commission.

2.5. Payment of Supplemental Benefits . Payment of supplemental benefits hereunder shall be accomplished by means of unfunded payments directly from the Company or from any grantor trust established by the Company to fund such payments.

Payment of supplemental benefits shall be made in cash in a single sum payment no later than March 15 of the year following the Participant's termination of employment with the Company; provided, however, that notwithstanding the foregoing, no distribution shall be made to a Specified Employee by reason of termination of employment until six months after the date the Specified Employee's employment terminated. Payment shall be made to the Specified Employee within 30 days after the lapse of such six-month period.

Article III. Administration of the Plan

3.1. Administrator . The operation of the Plan, with respect to Participants herein and their Beneficiaries, shall be administered by a committee consisting of one or more persons who shall be appointed by and serve at the pleasure of the Committee ("Administrator").

3.2. Powers and Discretion of Administrator . The Administrator shall have full authority to administer the Plan according to its terms and to make, amend and interpret all appropriate rules and regulations for the administration of the Plan. The Administrator shall have discretionary authority to interpret the terms of the Plan and the amount of benefits payable to any Participant under the Plan. Any determination of the Administrator with respect to the Plan shall be conclusive as to the Company, any Participant and any Beneficiary.

3.3. Actuary . The Administrator may employ an actuary to advise the Company and the Administrator as to actuarial matters relating to administration of the Plan.

3.4. Claims Procedure .

c. A Participant or his Beneficiary (the "Claimant") may file a written claim for payments under this Plan with the Administrator. Except under special circumstances, such claims shall be approved or denied within 90 days. Any denial of such claim shall be by written notice from the Administrator stating:

(5) the specific reason for the denial;

(6) the specific provisions of the Plan or related agreements on which the denial is based;

(7) a description of any additional material or information necessary for the Claimant to perfect the claim, along with an explanation as to why such material or information is necessary; and

(8) information as to how the Claimant may submit the claim to the Administrator for review.

d. The Claimant, within 90 days of such notice, may file with the Administrator a written request for a review of the denial. Except under special circumstances, the Administrator's decision on review shall be made within 60 days of the request. Such decision shall be by a written notice stating the reasons for the decision, and such decision shall be final.

Article IV. General Conditions

4.1. Amendment and Termination . The Committee at any time may amend or terminate the Plan, in whole or in part. However, no such amendment or termination shall adversely affect (a) the benefit under this Plan of any Participant or his or her Beneficiary then being received or entitled to be received or (b) the right of any other Participant to receive upon retirement, or his or her Beneficiary to receive upon such Participant's death, that amount of benefit as would have been received under the Plan if the employment of the Participant had been terminated immediately prior to the adoption of the amendment or termination of the Plan.

4.2. Designation of Beneficiary . Each Participant shall have the right at any time to designate, or to rescind or change such designation of, a primary and a contingent beneficiary to receive benefits payable in the event of the Participant's death. Such designation, or rescission or change of designation, shall be made in writing and shall be filed with the Administrator. The designation shall be effective as of the date filed with the Administrator and shall be controlling over any disposition by will or otherwise. In the event that a Participant fails to so designate any beneficiary, or in the event there shall be no beneficiary so designated by such Participant living at the time of such Participant's death, then and in either of said events, any such benefits shall be paid in one lump sum to the person or persons designated as the Participant's beneficiary under the Savings Plan, or, if none, comprising the first surviving class of the following classes:

a. The Participant's widow or widower.

b. The Participant's surviving children.

c. The Participant's surviving parents.

d. The Participant's surviving brothers and sisters.

e. The executor or administrator of the Participant's estate.

4.3. Effect on Qualified Plans . The adoption, administration, amendment or termination of the Plan shall have no effect upon the Retirement Plan, the Savings Plan, or any other of the Company's qualified plans.

4.4. Non-Assignability of Right to Receive Benefits . The right to receive benefits under the Plan may not be anticipated, alienated, sold, transferred, assigned, pledged, encumbered or subjected to any charge or legal process; and if any attempt is made to do so, or a person eligible for any benefit becomes bankrupt, the interest under the Plan of the person affected may be terminated by the Administrator and the Administrator may cause the same to be held or applied for the benefit of such person or one or more of his or her dependents in such manner as it deems proper. In particular, the right to receive benefits under the Plan may not be assigned to a spouse or ex-spouse of the Participant or other person under the terms of a court order that purports to be a Qualified Domestic Relations Order under Section 414(p) of the Code.

4.5. Not an Employment Contract . This Plan does not give to any Participant the right to continued employment with the Company or otherwise enlarge or affect employment status or rights. All Participants remain subject to: change of salary, transfer, change of job, discipline, layoff, discharge or any other change of employment status, the same as if the Plan had not been adopted.

4.6. Applicable Law; Construction . All questions pertaining to the construction, validity and effect of the provisions hereof are to be determined in accordance with the laws of the State of Ohio. Article and section headings are for convenience only and shall not be considered as part of the terms and provisions of the Plan. Words in the masculine gender shall include the feminine, and the singular shall include the plural, and vice versa, unless qualified by the context.

4.7. Non-Funded Plan . The entire cost of the Plan will be paid from the general assets of the Company. It is the intent of the Company to pay benefits under the Plan as they become due. No liability for the payment of benefits under the Plan shall be imposed upon any officer, director, employee or stockholder of the Company. Nothing in the Plan shall preclude the Company from setting aside amounts in a trust pursuant to one or more trust agreements between a trustee and the Company (such as the Company's Master Grantor Trust). However, Participants, and their beneficiaries, heirs, successors and assigns, shall have no secured interest or claim in any property or assets of the Company or such trust. The Company's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Company to pay future benefits.

4.8. Funding Upon Change in Control . In the event of a Change in Control, an amount equal to all then undistributed benefits under the Plan shall be promptly deposited by the Company, to the extent it has not previously done so, into the Company's Master Grantor Trust as provided in the CIC Plan. All applicable provisions of paragraph 6 of such plan shall apply to any funding under this Plan.

4.9. Not a Qualified Plan . This Plan is not intended to be a qualified pension plan or to be a pension benefit or welfare benefit plan subject to ERISA. The Plan is intended to be a so-called "top-hat" plan that is not a qualified plan within the meaning of Section 401(a) of the Code and that is unfunded, and maintained by the Company primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees of the Company within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA. The Plan shall be administered and interpreted in a manner consistent with this intent.

4.10. Effect on Contractual Rights . This Plan shall not interfere with, reduce or otherwise adversely affect any contractual right of a Participant or his/her Beneficiary with respect to retirement of the Participant, or relieve the Company of any contractual obligations to a Participant or his/her Beneficiary with respect to retirement of the Participant, except to the extent of payments made under this Plan.

4.11. Severability . If any provisions of the Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of the Plan, but the Plan shall be construed and enforced as if said illegal or invalid provision had never been included herein.

4.12. Effective Date. This Plan, as amended and restated herein, shall be effective as of January 1, 2013, and shall supersede the Plan as amended and restated as of January 1, 2008.

IN WITNESS WHEREOF, Cooper Tire & Rubber Company has caused the Plan to be executed as of the day and year first above written:

COOPER TIRE & RUBBER COMPANY

By: /s/ Brenda S. Harmon
Brenda S. Harmon
Senior Vice President
Chief Human Resources Officer

COOPER TIRE & RUBBER COMPANY

NONQUALIFIED SUPPLEMENTARY BENEFIT PLAN

Amended and Restated as of January 1, 2013

EXHIBIT A

ATTACHMENT TO SECTION 1.2(f) – SUBSIDIARIES

1) CTBX Company

2) Max-Trac Tire Co., Inc.

3) Mickey Thompson Performance Racing Inc.

Exhibit (31.1)

CERTIFICATIONS

I, Roy V. Armes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cooper Tire & Rubber Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a- 15(f) and 15d- 15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2013

/s/ Roy V. Armes

Roy V. Armes
President and Chief Executive Officer

Exhibit (31.2)

CERTIFICATIONS

I, Bradley E. Hughes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cooper Tire & Rubber Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2013

/s/ Bradley E. Hughes

Bradley E. Hughes
Vice President and Chief Financial Officer

Exhibit (32)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Cooper Tire & Rubber Company (the “Company”) on Form 10-Q for the period ended June 30, 2013, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to such officer’s knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: August 9, 2013

/s/ Roy V. Armes
Name: Roy V. Armes
Title: Chief Executive Officer

/s/ Bradley E. Hughes
Name: Bradley E. Hughes
Title: Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.