UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 1999

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

Lima and Western Avenues, 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 (X) No ( )

Number of shares of common stock of registrant outstanding at July 30, 1999: 75,847,362

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Part I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

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

	June 30, 1999 (Unaudited)	December 31, 1998
ASSETS		
Current assets:		
Cash and cash equivalents	$ 27,828	$ 41,966
Accounts receivable, less allowances of $5,442 ($4,806 in 1998)	369,348	319,685
Inventories at lower of cost (last-in, first-out) or market:		
Finished goods	157,752	132,696
Work in process	17,428	20,368
Raw materials and supplies	30,829	33,322
	206,009	186,386
Prepaid expenses and deferred income taxes	23,580	21,436
Total current assets	626,765	569,473
Property, plant and equipment - net	900,295	885,282
Intangibles and other assets	94,648	86,520
	$1,621,708	$1,541,275
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable	$ 9,593	$ 8,129
Accounts payable	90,294	94,502
Accrued liabilities	118,291	87,274
Income taxes	-	2,834
Current portion of debt	205	249
Total current liabilities	218,383	192,988
Long-term debt	205,180	205,285
Postretirement benefits other than pensions	154,589	151,520
Other long-term liabilities	48,810	48,741
Deferred income taxes	76,773	74,805
Stockholders' equity:		
Preferred stock, $1 par value; 5,000,000 shares authorized; none issued	-	-
Common stock, $1 par value; 300,000,000 shares authorized; 83,835,762 shares issued (83,781,058 in 1998)	83,836	83,781
Capital in excess of par value	4,253	3,296
Retained earnings	999,395	945,975
Cumulative other comprehensive income	(13,845)	(9,867)
	1,073,639	1,023,185
Less: 7,989,600 common shares in treasury at cost	(155,249)	(155,249)
Deferred compensation on restricted stock	(417)	-
Total stockholders' equity	917,973	867,936
	$1,621,708	$1,541,275

See accompanying notes.

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COOPER TIRE & RUBBER COMPANY
CONSOLIDATED STATEMENTS OF INCOME
THREE MONTHS ENDED JUNE 30, 1999 AND 1998
(UNAUDITED)
(Dollar amounts in thousands except per-share amounts)

	1999	1998
Revenues:		
Net sales	$495,352	$461,740
Other income	290	671
	495,642	462,411
Costs and expenses:		
Cost of products sold	398,653	378,467
Selling, general and administrative	33,796	28,452
Interest	3,596	3,764
	436,045	410,683
Income before income taxes	59,597	51,728
Provision for income taxes	21,641	19,392
Net income	37,956	32,336
Other comprehensive loss:		
Currency translation adjustment	(1,426)	(889)
Comprehensive income	$ 36,530	$ 31,447
Basic and diluted earnings per share	$.50	$.41
Weighted average number of shares outstanding (000's)	75,913	78,850
Dividends per share	$.105	$.095

See accompanying notes.

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COOPER TIRE & RUBBER COMPANY
CONSOLIDATED STATEMENTS OF INCOME
SIX MONTHS ENDED JUNE 30, 1999 AND 1998
(UNAUDITED)
(Dollar amounts in thousands except per-share amounts)

	1999	1998
Revenues:		
Net sales	$963,239	$899,298
Other income	1,149	1,249
	964,388	900,547
Costs and expenses:		
Cost of products sold	781,780	741,937
Selling, general and administrative	65,888	56,964
Interest	7,499	7,613
	855,167	806,514
Income before income taxes	109,221	94,033
Provision for income taxes	39,874	35,172
Net income	69,347	58,861
Other comprehensive loss:		
Currency translation adjustment	(3,978)	(673)
Comprehensive income	$ 65,369	$ 58,188
Basic and diluted earnings per share	$.91	$.75
Weighted average number of shares outstanding (000's)	75,895	78,849
Dividends per share	$.21	$.19

See accompanying notes.

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COOPER TIRE & RUBBER COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 1999 AND 1998
(UNAUDITED)
(Dollar amounts in thousands)

	1999	1998
Operating activities:		
Net income	$ 69,347	$ 58,861
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	52,427	49,466
Deferred income taxes	227	973
Changes in operating assets and liabilities:		
Accounts receivable	(53,678)	(26,301)
Inventories and prepaid expenses	(23,295)	(20,490)
Accounts payable and accrued liabilities	28,005	(2,659)
Other liabilities	(4,687)	(2,528)
Net cash provided by operating activities	68,346	57,322
Investing activities:		
Property, plant and equipment	(70,539)	(58,207)
Other	-	27
Net cash used in investing activities	(70,539)	(58,180)
Financing activities:		
Issuance of debt	30,849	2,783
Payment on debt	(29,957)	(2,327)
Payment of dividends	(15,926)	(14,965)
Issuance of common shares	593	189
Net cash used in financing activities	(14,441)	(14,320)
Effects of exchange rate changes on cash	2,496	(298)
Changes in cash and cash equivalents	(14,138)	(15,476)
Cash and cash equivalents at beginning of period	41,966	52,910
Cash and cash equivalents at end of period	$ 27,828	$ 37,434
Cash payments for interest	$ 8,385	$ 8,540
Cash payments for income taxes	$ 42,116	$ 40,552

See accompanying notes.

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COOPER TIRE & RUBBER COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. The consolidated financial statements at June 30, 1999 and for the three-month and six-month periods ended June 30, 1999 and 1998 are unaudited and include all adjustments, consisting only of normal recurring accruals, which the Company considers necessary for a fair presentation of financial position and operating results. The unaudited consolidated financial statements have been prepared in accordance with Article 10 of Regulation S-X and, therefore, do not contain all information and footnotes normally contained in annual financial statements; accordingly, they should be read in conjunction with the Financial Statements and notes thereto appearing in the Annual Report on Form 10-K of the Company for the year ended December 31, 1998.

2. The results of operations for the three-month and six-month periods ended June 30, 1999 are not necessarily indicative of those to be expected for the year ending December 31, 1999.

3. Information on the Company's operating segments is as follows:

	Three months ended June 30		Six months ended June 30	
	1999	1998	1999	1998
Revenues from external customers:				
Tires	$368,410	$347,544	$720,472	$677,870
Engineered products	126,942	114,196	242,767	221,428
Net sales	$495,352	$461,740	$963,239	$899,298
Segment profit:				
Tires	$ 42,568	$ 33,156	$ 75,827	$ 62,953
Engineered products	16,739	17,901	32,245	29,832
	59,307	51,057	108,072	92,785
Other	290	671	1,149	1,248
Income before income taxes	$ 59,597	$ 51,728	$109,221	$ 94,033

4. During the first quarter of 1999 the Company adopted Statement of Financial Position 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use," requiring the capitalization of certain costs previously expensed by the Company. The effect of adoption was not material to the Company's consolidated financial position or results of operations.

In June 1998 the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities" to become effective for fiscal years beginning after June 15, 1999, with earlier adoption permitted. The FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133," which amended SFAS No. 133 to defer its effective date to years beginning after June 15, 2000. The Company is currently evaluating the effect of the provisions of this Statement on its accounting and reporting policies, but does not

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anticipate adoption of this Statement will have a material adverse effect on the Company's consolidated financial position or results of operations. The Company does not have derivative instruments at June 30, 1999.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Net sales and earnings achieved new records for the three-month and six-month periods ended June 30, 1999. Net sales increased 7.3% for the quarter and were 7.1% higher for the six months when compared to corresponding 1998 periods. Shipments were strong for both engineered products and tires during the quarter with increases in net sales of 11.2% and 6%, respectively, from 1998. Net sales for the six months ended June 30, 1999 were 6.3% higher for tire operations and 9.6% higher for engineered products operations. Other income was lower as compared to the 1998 periods due to lower amounts of interest income.

Cost of products sold, as a percent of net sales, decreased resulting in margin improvements of 1.5% in the quarter and 1.3% in the six-month period as compared with 1998. Decreases in raw material costs, improvements in product mix and cost reduction initiatives are responsible for these improvements. The 1998 quarter and six-month periods benefited from a $1.9 million recovery of previously expensed costs related to a dispute with a former owner of an engineered products plant site.

Selling, general and administrative expenses were higher for the quarter compared to one year ago. As a percent of net sales, selling, general and administrative expenses for the quarter were 6.8% compared to 6.2% in 1998. For the six-month period, these costs were 6.8% of net sales in 1999 compared to 6.3% in 1998. The Company's decision to expand its national advertising program is primarily responsible for these increases.

Interest expense was lower in both the quarter and six-month periods when compared to the 1998 periods. The effective income tax rate during the quarter of 36.3% in 1999 is lower than the 37.5% in 1998 as a result of foreign tax planning initiatives. These initiatives caused the six-month tax rate to decrease to 36.5% in 1999 from 37.4% in 1998.

Segment profit for the quarter was $59.3 million in 1999, an increase of 16.2% from $51.1 million reported in the second quarter of 1998. Tire operations segment profit increased 28.4% from the 1998 quarter and engineered products segment profit increased 4.6%, excluding the $1.9 million recovery in 1998 of previously expensed costs. For the six-month period, segment profit was $108.1 million in 1999 compared to $92.8 million in 1998. Tire operations segment profit increased 20.5% and engineered products segment profit increased 15.4%, excluding the recovery of expenses in 1998. Income before income taxes for the quarter increased 15.2% from the quarter one year ago and increased 16.2% for the six-month period. The 1999 quarter and six-month period benefited from strong sales, reductions in raw material costs and more favorable product mix. Price competition in the replacement tire market and price concessions to automotive customers continue to impact the Company's operations.

Working capital of $408 million is up from December 31, 1998 and June 30, 1998, primarily as a result of changes in accounts receivable and accrued liabilities. The current ratio of 2.9 is down slightly from 3.0 at December 31, 1998 and 3.1 at June 30, 1998. Long-term debt, as a percent of total capitalization, is 18.3% compared to 19% one year ago. The financial position of the Company at June 30, 1999 continues to be excellent.

The cash flows generated by operating activities of $68 million during the first six months of 1999 are higher than the $57 million for the six-month period one year ago due primarily to the increase in income. Investments in property, plant and equipment of $71 million compare to $58 million in last year's period. Financing activities in 1999 reflect borrowing and repayment of debt required by seasonal operating needs and, in 1999 and 1998, reflect the payment of dividends. The Company expects that available cash and existing lines of credit will be sufficient to meet normal operating requirements over the near term.

(continued)

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On July 27, 1999 the Company announced that it signed a definitive merger agreement to acquire The Standard Products Company ("Standard Products"). Standard Products' outstanding shares will be valued at $36.50 per share or approximately $584.4 million. In addition, the Company will assume Standard Products' outstanding debt which was approximately $173 million at June 30, 1999.

The merger agreement calls for holders of approximately 45% of Standard Products' outstanding shares to receive stock and 55% to receive cash. If, however, the mean of the high and low price for Cooper shares on the closing date falls below $18, the entire purchase price will be paid in cash at $36.50 per Standard Products share.

The transaction has been approved by the board of directors of each company, and is subject to the satisfaction of customary closing conditions, including requirements of the Hart-Scott-Rodino Act and approval of Standard Products shareholders.

The Company's existing lines of credit are not adequate for this transaction and are currently being renegotiated. The Company's banks are working with the Company to arrange increased limits for its credit and commercial paper agreements. After the closing of the merger is completed, the Company presently intends to replace a significant portion of the credit agreement and commercial paper borrowings with proceeds from the issuance of long-term debt.

The Company may terminate the agreement prior to closing if it is not able to obtain the financing required to consummate the merger. In the event the Company fails to secure financing and terminates the agreement, it will be required to remit a $23 million breakup fee to Standard Products. While the Company believes it will be successful in arranging the additional financing required to close this transaction and in the issuance of the long-term debt, there can be no assurance that such financing will be obtained, or if obtained, on terms favorable to the Company.

The Company has developed and initiated plans to address the possible exposures related to the impact of the Year 2000 on its systems and computer equipment, including those involved in its manufacturing operations. The Company initiated its planning in 1995, commenced identification of exposures in 1996, and began remediation of its systems in 1997. Other information systems' projects were not significantly delayed as a result of the allocation of resources to Year 2000 remediation.

The Year 2000 issue is the result of computer programs being written in the past using two digits rather than four to define the applicable year. Computer equipment and systems that have date-sensitive chips or codes may not be able to correctly recognize a two-digit year in dates beyond December 31, 1999. There is potential for failure of systems and equipment around the world due to this logic on January 1, 2000.

The Company's key financial information and operational systems have been assessed and detailed plans have been implemented to address modifications required by December 31, 1999. The Company is on schedule with these plans, with virtually all of its originally non-compliant systems and equipment now compliant. Contingency plans are in place to assure resources are available to resolve any systems and equipment failures which may occur on January 1, 2000.

The financial impact of making the required changes is comprised primarily of internal costs and estimated to be less than $3 million. Internal costs and other non-capital costs incurred to upgrade and replace systems have been expensed as incurred since 1997. Capital expenditures required for Year 2000 remediation in 1998 and 1997 were not significant and are not anticipated to be significant in 1999. These expenditures include amounts for upgrades of manufacturing control systems, more powerful personal computers able to handle upgrades to application software, and information systems' technical infrastructure for the transfer of data between computers. (continued)

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The Company has communicated with its significant suppliers and customers to ensure they have appropriate plans to resolve Year 2000 issues where failure of their systems could adversely affect the Company's operations. Contingency plans have been developed to address potential failures by these third parties. Certain electronic communication systems of the Company's trading partners have been tested and are compliant and the Company believes minimal risk exists for their failure on January 1, 2000.

The "most likely worst case scenario" for Year 2000 issues is the failure of the systems and equipment of other parties throughout the world which could result in the unavailability of global communications, financial resources, transportation, critical raw materials, energy and other vital commercial systems. The Company's ability to maintain its operations on domestic and international levels could be disrupted by these failures until corrected.

Certain member states of the European Union adopted a common currency on January 1, 1999 known as the euro. The many requirements for adoption of the new currency include the single-document invoicing of customers in both the euro and their domestic currency during a three-year transition period. After 2001 businesses must conduct all transactions in the euro and convert their financial records and reports to be euro-based. Certain of the Company's information systems have been converted for compliance with the requirements of this new currency at minimal cost. The Company does not anticipate adoption of the euro will have a material impact on the results of its operations, financial position or liquidity.

This report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 regarding expectations for future financial performance, including with respect to the proposed merger, which involve uncertainty and risk. It is possible the Company's future financial performance and the results of the proposed merger may differ from expectations due to a variety of factors including, but not limited to:
changes in economic and business conditions in the world, increased competitive activity, achieving sales levels to fulfill revenue expectations, consolidation among its competitors and customers, technology advancements, unexpected costs and charges, fluctuations in raw material and energy prices, changes in interest and foreign exchange rates, regulatory and other approvals, the cyclical nature of the automotive industry, risks associated with integrating the operations of The Standard Products Company and the failure to achieve synergies or savings anticipated in the merger, failure to satisfy the closing conditions of the pending merger and the failure to complete the merger, and other unanticipated events and conditions.

It is not possible to foresee or identify all such factors. Any forward- looking statements in this report are based on certain assumptions and analysis 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.

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Part II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

(a) The Company's Annual Meeting of Stockholders was held on May 4, 1999.

(b) All of the nominees for directors, as listed below under (c) and on pages 3 and 4 of the Company's Proxy Statement dated March 23, 1999, were elected. The following directors have terms of office which continued after the meeting.

Arthur H. Aronson	Byron O. Pond
Thomas A. Dattilo	Patrick W. Rooney
John F. Meier	John H. Shuey

(c) A description of each matter voted upon at that meeting is contained on pages 2 through 4 and pages 10 and 11 of the Company's Proxy Statement dated March 23, 1999, which pages are incorporated herein by reference.

The number of votes cast by common stock holders with respect to each matter is as follows:

Election of directors

	Term Expiration	Affirmative Votes	Withheld Votes	Abstentions	Broker Non-votes
Edsel D. Dunford	2002	65,825,803	1,306,446	-	-
John Fahl	2002	65,801,844	1,330,405	-	-
Deborah M. Fretz	2002	65,798,247	1,334,002	-	-
Dennis J. Gormley	2002	65,818,562	1,313,687	-	-

Stockholder proposal requesting declassification of the Board of Directors and establishment of annual elections of directors

Affirmative Votes	Negative Votes	Abstentions	Broker Non-Votes
30,280,917	27,187,986	899,064	-

The following stockholder proposals, discussed on pages 11 through 15 of the Company's Proxy Statement dated March 23, 1999, were submitted for introduction at the Company's Annual Meeting but failed for lack of a second in accordance with the Company's standard procedural practices:

Stockholder proposal urging confidential voting at all meetings of Stockholders. The votes that had been submitted on the proposal were

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Affirmative Votes
28,529,383
Negative Votes
28,431,092
Abstentions
1,407,496
Broker Non-Votes
-

Stockholder proposal urging that rights issued pursuant to the Company's Rights Plan be redeemed. The votes that had been submitted on the proposal were

Affirmative Votes
30,392,351
Negative Votes
27,047,654
Abstentions
927,966
Broker Non-Votes
-

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Item 6(a). Exhibits.

(10) First Amended and Restated Employment Agreement dated as of January 1, 1999 between Cooper Tire & Rubber Company and Patrick W. Rooney

First Amended and Restated Employment Agreement dated as of January 1, 1999 between Cooper Tire & Rubber Company and John Fahl

(27) Financial Data Schedule

Item 6(b). Reports on Form 8-K.

A Form 8-K was filed July 30, 1999 related to the Company's Agreement and Plan of Merger with The Standard Products Company announced on July 27, 1999

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/ P. G. Weaver

P. G. Weaver
Vice President and
Chief Financial Officer
(Principal Financial
Officer)

/S/ E. B. White

E. B. White
Corporate Controller
(Principal Accounting
Officer)

August 6, 1999

(Date)

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INDEX TO EXHIBITS
DESCRIPTION

Part II. Item 6(a).

(10)(i) First Amended and Restated Employment Agreement dated as of January 1, 1999 between Cooper Tire & Rubber Company and Patrick W. Rooney

(ii) First Amended and Restated Employment Agreement dated as of January 1, 1999 between Cooper Tire & Rubber Company and John Fahl

(27) Financial Data Schedule

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Part II
Exhibit (10)(i)

FIRST AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS FIRST AMENDED AND RESTATED EMPLOYMENT AGREEMENT dated as of January 1, 1999, between COOPER TIRE & RUBBER COMPANY, a Delaware corporation with its principal offices located at 701 Lima Avenue, Findlay, Ohio 45840 (the "Company"), and Patrick W. Rooney, 3 Hunters Gate, Findlay, Ohio 45840 ("Executive") amends and restates in its entirety that certain EMPLOYMENT AGREEMENT dated January 1, 1991, between the Company and the Executive.

WITNESSETH:

WHEREAS, the Executive has been employed by the Company in the capacity of Chairman of the Board and Chief Executive Officer as of the date hereof;

WHEREAS, the Company desires to retain the services of the Executive in the future; and

WHEREAS, the Executive desires to serve in the capacity of Chairman of the Board and Chief Executive Officer of the Company, pursuant to the terms and provisions of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

1. Employment and Duties.

(a) General. The Company hereby employs Executive and Executive agrees upon the terms and conditions herein set forth to serve as Chairman of the Board and Chief Executive Officer and in such capacity, shall perform such duties as may be delineated in the by-laws of the Company, and such other duties, commensurate with Executive's title and position of Chairman of the Board and Chief Executive Officer as may be assigned to Executive from time to time by the Board of Directors of the Company (the "Board"). Executive will serve as a member of the Board and on committees of the Board.

(b) Exclusive Services. Throughout the Period (as defined in paragraph 2 below), Executive shall, except as may from time to time be otherwise agreed in writing by the Company and during reasonable vacations and unless prevented by ill health, devote his full-time and undivided attention during normal business hours to the business and affairs of the Company consistent with his senior executive position, shall in all respects conform to and comply with the lawful and reasonable directions and instructions given to him by the Board or such officer of the Company as may be designated by the Board, and shall use his best efforts to promote and serve the interests of the Company.

(c) Restrictions on Other Employment. Throughout the Period and provided that such activities do not contravene the provisions of subparagraph l(b) hereof or paragraph 5 hereof:

(i) Executive may engage in charitable and community affairs;

(ii) Executive may perform inconsequential services without specific compensation therefor in connection with the management of personal investments; and,

(continued)

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(iii) Executive may, directly or indirectly, render services to any other person or organization (including service as a member of the Board of Directors of any other unaffiliated company), for which he receives compensation, that is not in competition with the Company, subject in each case to the approval of the Board. Executive may retain all fees he receives for such services, and the Company shall not reduce his compensation by the amount of such fees. For purposes of this subparagraph l(c)(iii) competition shall have the same meaning as intended for the purposes of paragraph 5.

2. Term of Employment. Subject to the provisions of paragraph 4. hereof, the Company shall retain Executive and Executive shall serve in the employ of the Company for a period (the "Period") commencing on the date hereof and continuing through October 15, 2000, unless earlier terminated by Executive having given six (6) months prior written notice to the Company of Executive's intent to terminate this Agreement.

3. Compensation and Other Benefits. Subject to the provisions of this Agreement, the Company shall pay and provide the following compensation and other benefits to Executive during the Period as compensation for services rendered hereunder:

(a) Base Salary. The Company shall pay to Executive an annual base salary, as defined in the Company's Top Management Compensation Plan adopted by the Board on April 28, 1973 (the "Compensation Plan"), at the rate of $439,453 per annum, payable biweekly. The Company shall be entitled to deduct or withhold all taxes and charges which the Company may be required to deduct or withhold therefrom. The base salary will be reviewed not less than annually by the Board or by the Audit and Compensation Committee of the Board and may be increased, but not decreased.

(b) Employee Benefit Plans. At all times during the Period, Executive shall be provided the opportunity to participate in such pension and welfare plans, programs and arrangements (the "Plans") as are generally made available to executives of the Company. Unless otherwise required by law, the Plans, when considered as a whole, will provide for benefits to Executive no less favorable than those currently provided.

(c) Incentive Compensation. The Company shall pay to Executive annual incentive compensation under the system established by the Compensation Plan.

4. Termination of Employment.

(a) Termination for Cause; Resignation Without Good Reason.

(i) If, prior to the expiration of the Period, Executive's employment is terminated by the Company for Cause, as defined in subparagraph 4(a)(ii), or if Executive resigns from his employment hereunder without Good Reason, as defined in subparagraph 4(b)(vii) hereof, Executive shall not be eligible to receive base salary under subparagraph 3(a) or to participate in any Plans under subparagraph 3(b) with respect to future periods after the date of such termination or resignation except for the right to receive vested benefits under any Plan in accordance with the terms of such Plan. However, Executive shall be eligible to receive a pro rata portion of any incentive compensation for the Company's fiscal year during which the date of termination or resignation occurs, but not for any later years.

(continued)

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(ii) Termination for "Cause" shall mean termination of Executive's employment with the Company by the Board because of:

(A) any act or omission constituting a material breach by Executive of any of his significant obligations or agreements under this Agreement or the continued failure or refusal of Executive to adequately perform the duties reasonably required hereunder which 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 Board of such breach, failure or refusal and failure of Executive to correct such breach, failure or refusal within thirty (30) days of such notification (other than by reason of the incapacity of Executive due to physical or mental illness), or

(B) the commission by and conviction of Executive of a felony, or the perpetration by and criminal conviction of or civil verdict finding Executive committed a dishonest act or common law fraud against the Company or any affiliate thereof (for the avoidance of doubt, conviction and civil verdict, in each case, shall mean when no further appeals may be taken by Executive from such conviction or civil verdict and such conviction or civil verdict becomes final and binding upon Executive with no further right of appeal), or

(C) 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 thereof, and failure of Executive to correct such act or omission after notification by the Board of any such act or omission.

Any notification to be given by the Board in accordance with clause (A) or (C) of the preceding sentence shall specifically identify the breach, failure, refusal, act or omission to which the notification relates and, in the case of clauses (A) and (C), shall describe the injury to the Company, and such notification must be given within twelve (12) months of the Board becoming aware, or within twelve (12) months of when the Board should have reasonably become aware of the breach, failure, refusal, act, or omission identified in the notification. Notwithstanding paragraph 8, failure to notify Executive within any such twelve (12) month period shall be deemed to be a waiver by the Board of any such breach, failure, refusal, act or omission by Executive and any such breach, failure, refusal, act or omission by Executive shall not then be determined to be a breach of this Agreement.

For the avoidance of doubt and for the purpose of determining Cause pursuant to this subparagraph 4(a)(ii), the exercise of business judgment by Executive shall not be determined to be Cause under this subparagraph 4(a)(ii), 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 thereof, unless such business judgment by Executive was not made in good faith, or constitutes willful or wanton misconduct, or was an intentional violation of state or federal law.

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(iii) The date of termination of employment by the Company under this subparagraph 4(a) shall be the date specified in a written notice of termination (which date shall be no earlier than the date of furnishing such notice), or if no such date is specified therein, the date of receipt by Executive of such written notice of termination. The date of resignation under this subparagraph 4(a) shall be two weeks after receipt by the Company of written notice of resignation.

(b) Termination Without Cause; Resignation for Good Reason.

(i) Subject to the provisions of subparagraph 4(b)(iii) and subparagraph 4(b)(vi), if, prior to the expiration of the Period, Executive's employment is terminated by the Company without Cause or if Executive resigns from his employment hereunder for Good Reason as defined in subparagraph 4(b)(vii) hereof, Executive shall be entitled to receive as "Severance Benefits" biweekly payments at the rate of his average compensation for the remainder of the Period. As used in this subparagraph, "average compensation" means Executive's average annual compensation, including any incentive compensation, during the five (5) years prior to the year in which such termination or such resignation occurs.

(ii) If Severance Benefits become payable to Executive under subparagraph 4(b)(i),the Company shall, in addition to paying Severance Benefits, pay or provide to Executive the payments and benefits described below:

(A) The Company shall pay to Executive all legal fees and expenses incurred by him as a result of or in connection with his termination or resignation (including all such fees and expenses, if any, incurred in contesting or disputing any termination or in seeking to obtain or enforce any right or benefit provided by this Agreement).

(B) For the remainder of the Period after such termination or such resignation, the Company shall arrange to provide Executive with life, accident and health insurance benefits substantially similar to those to which he was entitled immediately prior to the termination or resignation. Benefits otherwise receivable by Executive pursuant to this subparagraph 4(b)(ii)(B) shall be reduced to the extent comparable benefits are actually received by Executive during the remainder of the Period following his termination or resignation, and any such benefits actually received by Executive shall be reported to the Company.

(C) In addition to the pension benefits to which Executive is entitled under the Company's Salaried Employees' Retirement Plan and the Company's Nonqualified Supplementary Benefit Plan or any successor plans thereto which provide comparable benefits (the "Retirement Plans"), the Company shall pay Executive in one sum in cash within thirty (30) days following the date of termination or resignation, a lump sum equal to the actuarial equivalent of the excess of (1) the retirement pension (determined as a straight life annuity commencing at age sixty-five (65)) which he would have accrued under the terms of the Retirement Plans (without regard to any amendment to such Retirement Plans or other pension benefit program described in subparagraph 4(b)(vii)(C) hereof), determined as if Executive were fully vested thereunder and had accumulated (after the date of

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termination or resignation) twenty-four (24) additional months (or, if greater, the number of months remaining in the Period) of service credit thereunder at his highest annual rate of compensation during the twelve (12) months immediately preceding the date of termination or resignation (but in no event shall Executive be deemed to have accumulated additional months of service credit after his sixty-fifth (65th) birthday), over (2) the retirement pension (determined as a straight life annuity commencing at age sixty-five (65)) which Executive had then accrued pursuant to the provisions of the Retirement Plans. For purposes of this subsection, "actuarial equivalent" shall be determined using the same methods and assumptions utilized under the Retirement Plans.

(D) Within thirty (30) days after termination of Executive's employment described in subparagraph 4(b)(i) above, the Company shall pay to Executive in cash an amount equal to the aggregate of the difference between the exercise price of each stock option granted to Executive prior to the date of such termination, and the fair market value of the Company's stock subject to the related option, determined as of the date of such termination. Such cash payment shall be deemed to be in lieu of and in substitution for any right Executive may have to exercise such stock option or a related stock appreciation right under the terms of the relevant stock option plan describing such rights, and Executive agrees to surrender all stock options and related stock appreciation rights being cashed out hereunder prior to receiving the cash payment described above.

(iii) If, following a termination of employment without Cause or resignation for Good Reason, Executive breaches the provisions of paragraph 5 hereof, Executive shall not be eligible, as of the date of such breach, for the payment of Severance Benefits as provided in subparagraph 4(b)(i) and all obligations and agreements of the Company to pay such Severance Benefits shall thereupon cease.

(iv) The date of termination of employment by the Company under this subparagraph 4(b) shall be the date specified in a written notice of termination to Executive (which date shall be no earlier than the date of furnishing such notice) or, if no such date is specified therein, the date on which such notice is given to Executive. The date of resignation by Executive under this subparagraph 4(b) shall be two (2) weeks after the receipt by the Company of written notice of resignation.

(v) Severance Benefits shall be paid in equal installments commencing within thirty (30) days following the date of the termination or resignation under subparagraph 4(b).

(vi) In the event that the Severance Benefits would not be deductible in whole or in part in the calculation of Federal income tax owed by the Company or any of its affiliates or any other person or entity making such payment or providing such benefit by reason of Section 280G of the Internal Revenue Code of 1986, as amended, (the "Code"), the Severance Benefits shall be reduced until no portion of the Severance Benefits is not deductible by reason of Section 280G of the Code; provided, however, that the foregoing reduction shall be made only if and to the extent that such reduction would result in an increase in the aggregate payment and benefits to be provided to Executive, determined on an after-tax basis (taking into account the excise tax imposed pursuant to Section 4999 of the Code, or any
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successor provision thereto, any tax imposed by any comparable provision of state law, and any applicable federal, state and local income or other taxes).

(vii) Executive shall be entitled to terminate his employment for Good Reason. For purposes of this Agreement, "Good Reason" shall mean, without Executive's express, prior written consent, any of the following:

(A) a material breach by the Company of paragraph 1 or paragraph 3 of this Agreement, including but not limited to, the assignment to Executive of any duties inconsistent with his status as Chairman of the Board and Chief Executive Officer of the Company, or his removal from such position, or a substantial alteration in the nature or status of his responsibilities from those described herein, except, in each case, in connection with a promotion of Executive, and the failure of the Company to remedy such breach within thirty (30) days after receipt of written notice of such breach from Executive;

(B) the relocation of the office of the Company where Executive is employed to a location other than Findlay, Ohio, except for required travel on the Company's business to an extent reasonably required to perform his duties hereunder;

(C) except as required by law, the failure by the Company to continue to provide Executive with benefits at least as favorable as those provided to him under the Plans, the taking of any action by the Company which would directly or indirectly materially reduce any of such benefits or deprive Executive of any material fringe benefits enjoyed by him or the failure by the Company to provide Executive with the number of paid vacation days to which he is entitled on the basis of years of service with the Company in accordance with the Company's normal vacation policy in effect at the date of this Agreement; or

(D) the failure of the Company to obtain a satisfactory agreement from any successor to assume and agree to perform this Agreement, as contemplated in paragraph 6 hereof or, if the business of the Company for which Executive's services are principally performed is sold, the purchaser of such business shall fail to agree to assume this Agreement or to provide Executive with the same or a comparable position, duties, benefits, and base salary and incentive compensation as provided in paragraph 3 of this Agreement.

(E) Voluntary termination by Executive for any reason, or without reason, during a period of three hundred sixty-five (365) days from the date a change of control of the Company has occurred. "Change of control", as used herein, shall mean when any person (as a person is defined in Section 13d- 3 of the Securities Exchange Act of 1934, as amended,) through or as a result of a merger, consolidation or other business combination, tender or exchange offer, open market purchases, privately negotiated purchases, or otherwise, has become the beneficial owner (within the meaning of Rule 13d- 3 under the Securities Exchange Act of 1934, as amended), directly or indirectly without the express approval of the Board, of at least 50% of the capital stock of the Company entitled to vote for the election of directors of the Company.

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(c) Termination by Death. If Executive dies prior to the expiration of the Period, his beneficiary or estate shall be entitled to receive (i) for a period of 90 days beginning on the date of Executive's death a biweekly amount equal to the biweekly amount paid to Executive by the Company for the payroll, period immediately prior to his death, and
(ii) any pro rata portion of Executive's incentive compensation for the fiscal year in which Executive's death occurs.

(d) Termination by Disability. If, prior to the expiration of the Period, Executive becomes Disabled (as defined below), the Company or Executive shall be entitled to terminate his employment, and Executive shall be entitled to all available benefits under the Plans, including any pro rata portion of Executive's incentive compensation for the fiscal year in which Executive's disability occurs.

Executive shall be deemed "Disabled" for purposes of this Agreement when, and only when, he has been totally disabled by bodily injury or disease so as to prevent him from being physically able to perform the job duties as required under this Agreement, and such total disability shall have continued for five (5) consecutive months, and, in the opinion of a qualified physician selected by the Company, such disability will presumably be permanent and continuous during the remainder of Executive's life.

(e) Termination by Retirement. If, prior to the expiration of the Period, Executive voluntarily elects to retire under the Company's Salaried Employees' Retirement Plan, Executive's employment will be terminated as of the date of such retirement.

(f) Mitigation. Nothing in this Agreement shall be construed to require Executive to mitigate his damages upon termination of employment without Cause or resignation for Good Reason.

5. Secrecy and Noncompetition.

(a) No Competing Employment. For so long as Executive is employed by the Company and continuing for two (2) years after the termination of such employment for any reason other than pursuant to subparagraph
4(b)(i) or (vii) hereof (such period being referred to hereinafter as the "Restricted Period"), Executive shall not, unless he receives the prior written consent of the Board, directly or indirectly, whether as owner, consultant, employee, partner, venturer, agent, through stock ownership (except ownership of less than one percent (1.0%) of the number of shares outstanding of any securities which are publicly traded), investment of capital, lending of money or property, rendering of services, or otherwise, compete with any of the businesses engaged in by the Company or any subsidiary, affiliate or predecessor of the Company ("Affiliate") at the time of the termination of Executive's employment hereunder (such businesses are herein after referred to as the "Business"), or assist, become interested in or be connected with any Corporation, firm, partnership, joint venture, sole proprietorship or other entity which so competes with the Business. The restrictions imposed by this subparagraph shall not apply to any geographic area in which neither the Company nor any Affiliate is engaged in the Business.

(b) No Interference. During the Restricted Period, Executive shall not, whether for his own account or for the account of any other individual, partnership, firm, corporation or other business organization or entity (other than the Company), intentionally solicit, endeavor to entice away from the Company or any Affiliate or otherwise interfere with the relationship of the Company or any Affiliate with, any person who is employed by or associated with the Company or any Affiliate (including, but not limited to,

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any independent sales representatives or organizations) or any person or entity who is, or was within the then most recent 12-month period, a customer or client of the Company or any Affiliate.

(c) Secrecy. Executive recognizes that the services to be performed by him hereunder are special, unique and extraordinary in that, by reason of his employment hereunder and his past employment with the Company, he may acquire or has acquired confidential information and trade secrets concerning the operation of the Company or any Affiliate, the use or disclosure of which could cause the Company substantial loss and damages which could not be readily calculated and for which no remedy at law would be adequate. Accordingly, Executive covenants and agrees with the Company that he will not at any time, except in performance of Executive's obligations to the Company hereunder or with the prior written consent of the Board, directly or indirectly, disclose any secret or confidential information that he may learn or has learned by reason of his association with the Company or any Affiliate, or use any such information to the detriment of the Company or any Affiliate. The term "confidential information", includes, without limitation, information not previously disclosed to the public or to the trade by the Company's management with respect to the Company's or any Affiliate's products, manufacturing processes, facilities and methods, research and development, trade secrets, know-how and other intellectual property, systems, procedures, manuals, confidential reports, product price lists, customer lists, marketing plans or strategies, financial information (including the revenues, costs or profits associated with the Company's or any Affiliate's products), business plans, prospects or opportunities. Executive understands and agrees that the rights and obligations set forth in this subparagraph 5(c) are perpetual and, in any case, shall extend beyond the Restricted Period and Executive's employment hereunder.

(d) Exclusive Property. Executive confirms that all confidential information is and shall remain the exclusive property of the Company. All business records, papers and documents kept or made by Executive relating to the business of the Company shall be and remain the property of the Company. Upon the termination of his employment with the Company or upon the request of the Company at anytime, Executive shall promptly deliver to the Company, and shall not, without the consent of the Board (which consent shall not be unreasonably withheld), retain copies of, any written materials not previously made available to the public, records and documents made by Executive or coming into his possession concerning the business or affairs of the Company excluding records relating exclusively to the terms and conditions of his employment relationship with the Company. Executive understands and agrees that the rights and obligations set forth in this subparagraph 5(d) are perpetual and, in any case, shall extend beyond the restricted Period and Executive's employment hereunder.

(e) Stock Ownership. Other than as specified in subparagraph l(c) or
5(a) hereof, nothing in this Agreement shall prohibit Executive from acquiring or holding any issue of stock or securities of any company or other business entity.

(f) Injunctive Relief. Without intending to limit the remedies available to the Company, executive acknowledges that a breach of any of the covenants contained in this paragraph 5 may result in material irreparable injury to the Company for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat thereof, the Company shall be entitled to obtain a temporary

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restraining order and/or a preliminary or permanent injunction restraining Executive from engaging in activities prohibited by this paragraph 5 or such other relief as may be required to specifically enforce any of the covenants in this paragraph 5.

(g) Extension of Restricted Period. In addition to the remedies the Company may seek and obtain pursuant to subparagraph (f) of this paragraph 5, the Restricted Period shall be extended by any and all periods during which Executive shall be found by a court possessing personal jurisdiction over him to have been in violation of the covenants contained in this paragraph 5.

6. Successors; Assignability.

(a) By Executive. Neither this Agreement nor any right, duty, obligation or interest hereunder shall be assignable or delegable by Executive without the Company's prior written consent; provided, however, that nothing in this paragraph shall preclude Executive from designating any of his beneficiaries to receive any benefits payable hereunder upon his death, or the executors, administrators, or other legal representatives, from assigning any rights hereunder to the person or persons entitled thereto.

(b) By the Company. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle Executive to compensation from the Company in the same amount and on the same terms as Executive would be entitled to hereunder if Executive had terminated his employment for Good Reason, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination or if earlier the date of resignation specified in subparagraph 4(b)(iv). As used in this Agreement, "Company", shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

7. Severability. If the final determination of a court of competent jurisdiction declares, after the expiration of the time within which judicial review (if permitted) of such determination may be perfected, that any term or provision hereof is invalid or unenforceable, (a) the remaining terms and provisions hereof shall be unimpaired and (b) the invalid or unenforceable term or provision shall be replaced by a term or provision that is mutually agreeable to the parties hereto and is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

8. Amendment; Waiver. This Agreement may not be modified, amended or waived in any manner except by an instrument in writing signed by both parties hereto. The waiver by either party of compliance with any provision of this Agreement by the other party shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

9. Governing Law. All matters affecting this Agreement, including the validity thereof, are to be governed by, interpreted and construed in accordance with the laws of the State of Ohio.

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10. Notices. Any notice hereunder by either party to the other shall be given in writing by personal delivery or certified mail, return receipt requested. If addressed to Executive, the notice shall be delivered or mailed to Executive at the address specified under Executive's signature hereto or such other address as Executive shall give notice in writing in accordance herewith. If addressed to the Company, the notice shall be delivered or mailed to the Company at its executive offices to the attention of the Board. A notice shall be deemed given, if by personal delivery, on the date of such delivery or, if by certified mail, on the date shown on the applicable return receipt.

11. Previous Agreements. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement; provided, however, that this Agreement shall not supersede or in any way limit the rights, duties or obligations of the Employee or the Company under the Plans.

12. Counterparts. This Agreement may be executed by either of the parties hereto in counterpart, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

13. Headings. The headings of paragraphs herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

IN WITNESS WHEREOF, the Company has caused the Agreement to be signed by its officers pursuant to the authority of its Board, and Executive has executed this Agreement, as of the day and year first written above.

COOPER TIRE & RUBBER COMPANY

By /S/ John Fahl

Title: Vice President

By /S/ Thomas A. Dattilo

Title: President & Chief Operating Officer

Patrick W. Rooney
Executive

/S/ Patrick W. Rooney

Signature

3 Hunters Gate

Findlay, Ohio 45840

Address

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Part II
Exhibit (10)(ii)

FIRST AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS FIRST AMENDED AND RESTATED EMPLOYMENT AGREEMENT dated as of January 1, 1999, between COOPER TIRE & RUBBER COMPANY, a Delaware corporation with its principal offices located at 701 Lima Avenue, Findlay, Ohio 45840 (the "Company"), and John Fahl, 1811 Windsor Place, Findlay, Ohio 45840 ("Executive") amends and restates in its entirety that certain EMPLOYMENT AGREEMENT dated January 1, 1995, between the Company and the Executive.

WITNESSETH:

WHEREAS, the Executive has been employed by the Company in the capacity of Vice President and Tire Division President as of the date hereof;

WHEREAS, the Company desires to retain the services of the Executive in the future; and

WHEREAS, the Executive desires to serve in the capacity of Vice President and Tire Division President of the Company, pursuant to the terms and provisions of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

1. Employment and Duties.

(a) General. The Company hereby employs Executive and Executive agrees upon the terms and conditions herein set forth to serve as Vice President and Tire Division President and in such capacity, shall perform such duties as may be delineated in the by-laws of the Company, and such other duties, commensurate with Executive's title and position of Vice President and Tire Division President, as may be assigned to Executive from time to time by the Board of Directors of the Company (the "Board") or such officer of the Company as may be designated by the Board. If elected, Executive will serve as a member of the Board or on committees of the Board.

(b) Exclusive Services. Throughout the Period (as defined in paragraph 2 below), Executive shall, except as may from time to time be otherwise agreed in writing by the Company and during reasonable vacations and unless prevented by ill health, devote his full-time and undivided attention during normal business hours to the business and affairs of the Company consistent with his senior executive position, shall in all respects conform to and comply with the lawful and reasonable directions and instructions given to him by the Board or such officer of the Company as may be designated by the Board, and shall use his best efforts to promote and serve the interests of the Company.

(c) Restrictions on Other Employment. Throughout the Period and provided that such activities do not contravene the provisions of subparagraph l(b) hereof or paragraph 5 hereof:

(i) Executive may engage in charitable and community affairs;

(ii) Executive may perform inconsequential services without specific compensation therefor in connection with the management of personal investments; and,

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(iii) Executive may, directly or indirectly, render services to any other person or organization (including service as a member of the Board of Directors of any other unaffiliated company), for which he receives compensation, that is not in competition with the Company, subject in each case to the approval of the Board. Executive may retain all fees he receives for such services, and the Company shall not reduce his compensation by the amount of such fees. For purposes of this subparagraph l(c)(iii) competition shall have the same meaning as intended for the purposes of paragraph 5.

2. Term of Employment. Subject to the provisions of paragraph 4. hereof, the Company shall retain Executive and Executive shall serve in the employ of the Company for a period (the "Period") commencing on the date hereof and continuing through June 12, 2001, unless earlier terminated by Executive having given six (6) months prior written notice to the Company of Executive's intent to terminate this Agreement.

3. Compensation and Other Benefits. Subject to the provisions of this Agreement, the Company shall pay and provide the following compensation and other benefits to Executive during the Period as compensation for services rendered hereunder:

(a) Base Salary. The Company shall pay to Executive an annual base salary, as defined in the Company's Top Management Compensation Plan adopted by the Board on April 28, 1973 (the "Compensation Plan"), at the rate of $223,766 per annum, payable biweekly. The Company shall be entitled to deduct or withhold all taxes and charges which the Company may be required to deduct or withhold therefrom. The base salary will be reviewed not less than annually by the Board or by the Audit and Compensation Committee of the Board and may be increased, but not decreased.

(b) Employee Benefit Plans. At all times during the Period, Executive shall be provided the opportunity to participate in such pension and welfare plans, programs and arrangements (the "Plans") as are generally made available to executives of the Company. Unless otherwise required by law, the Plans, when considered as a whole, will provide for benefits to Executive no less favorable than those currently provided.

(c) Incentive Compensation. The Company shall pay to Executive annual incentive compensation under the system established by the Compensation Plan.

4. Termination of Employment.

(a) Termination for Cause; Resignation Without Good Reason.

(i) If, prior to the expiration of the Period, Executive's employment is terminated by the Company for Cause, as defined in subparagraph 4(a)(ii), or if Executive resigns from his employment hereunder without Good Reason, as defined in subparagraph 4(b)(vii) hereof, Executive shall not be eligible to receive base salary under subparagraph 3(a) or to participate in any Plans under subparagraph 3(b) with respect to future periods after the date of such termination or resignation except for the right to receive vested benefits under any Plan in accordance with the terms of such Plan. However, Executive shall be eligible to receive a pro rata portion of any incentive compensation for the Company's fiscal year during which the date of termination or resignation occurs, but not for any later years.

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(ii) Termination for "Cause" shall mean termination of Executive's employment with the Company by the Board because of:

(A) any act or omission constituting a material breach by Executive of any of his significant obligations or agreements under this Agreement or the continued failure or refusal of Executive to adequately perform the duties reasonably required hereunder which 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 Board of such breach, failure or refusal and failure of Executive to correct such breach, failure or refusal within thirty (30) days of such notification (other than by reason of the incapacity of Executive due to physical or mental illness), or

(B) the commission by and conviction of Executive of a felony, or the perpetration by and criminal conviction of or civil verdict finding Executive committed a dishonest act or common law fraud against the Company or any affiliate thereof (for the avoidance of doubt, conviction and civil verdict, in each case, shall mean when no further appeals may be taken by Executive from such conviction or civil verdict and such conviction or civil verdict becomes final and binding upon Executive with no further right of appeal), or

(C) 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 thereof, and failure of Executive to correct such act or omission after notification by the Board of any such act or omission.

Any notification to be given by the Board in accordance with clause (A) or (C) of the preceding sentence shall specifically identify the breach, failure, refusal, act or omission to which the notification relates and, in the case of clauses (A) and (C), shall describe the injury to the Company, and such notification must be given within twelve (12) months of the Board becoming aware, or within twelve (12) months of when the Board should have reasonably become aware of the breach, failure, refusal, act, or omission identified in the notification. Notwithstanding paragraph 8, failure to notify Executive within any such twelve (12) month period shall be deemed to be a waiver by the Board of any such breach, failure, refusal, act or omission by Executive and any such breach, failure, refusal, act or omission by Executive shall not then be determined to be a breach of this Agreement.

For the avoidance of doubt and for the purpose of determining Cause pursuant to this subparagraph 4(a)(ii), the exercise of business judgment by Executive shall not be determined to be Cause under this subparagraph 4(a)(ii), 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 thereof, unless such business judgment by Executive was not made in good faith, or constitutes willful or wanton misconduct, or was an intentional violation of state or federal law.

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(iii) The date of termination of employment by the Company under this subparagraph 4(a) shall be the date specified in a written notice of termination (which date shall be no earlier than the date of furnishing such notice), or if no such date is specified therein, the date of receipt by Executive of such written notice of termination. The date of resignation under this subparagraph 4(a) shall be two weeks after receipt by the Company of written notice of resignation.

(b) Termination Without Cause; Resignation for Good Reason.

(i) Subject to the provisions of subparagraph 4(b)(iii) and subparagraph 4(b)(vi), if, prior to the expiration of the Period, Executive's employment is terminated by the Company without Cause or if Executive resigns from his employment hereunder for Good Reason as defined in subparagraph 4(b)(vii) hereof, Executive shall be entitled to receive as "Severance Benefits" biweekly payments at the rate of his average compensation for the remainder of the Period. As used in this subparagraph, "average compensation" means Executive's average annual compensation, including any incentive compensation, during the five (5) years prior to the year in which such termination or such resignation occurs.

(ii) If Severance Benefits become payable to Executive under subparagraph 4(b)(i),the Company shall, in addition to paying Severance Benefits, pay or provide to Executive the payments and benefits described below:

(A) The Company shall pay to Executive all legal fees and expenses incurred by him as a result of or in connection with his termination or resignation (including all such fees and expenses, if any, incurred in contesting or disputing any termination or in seeking to obtain or enforce any right or benefit provided by this Agreement).

(B) For the remainder of the Period after such termination or such resignation, the Company shall arrange to provide Executive with life, accident and health insurance benefits substantially similar to those to which he was entitled immediately prior to the termination or resignation. Benefits otherwise receivable by Executive pursuant to this subparagraph 4(b)(ii)(B) shall be reduced to the extent comparable benefits are actually received by Executive during the remainder of the Period following his termination or resignation, and any such benefits actually received by Executive shall be reported to the Company.

(C) In addition to the pension benefits to which Executive is entitled under the Company's Salaried Employees' Retirement Plan and the Company's Nonqualified Supplementary Benefit Plan or any successor plans thereto which provide comparable benefits (the "Retirement Plans"), the Company shall pay Executive in one sum in cash within thirty (30) days following the date of termination or resignation, a lump sum equal to the actuarial equivalent of the excess of (1) the retirement pension (determined as a straight life annuity commencing at age sixty-five (65)) which he would have accrued under the terms of the Retirement Plans (without regard to any amendment to such Retirement Plans or other pension benefit program described in subparagraph 4(b)(vii)(C) hereof), determined as if Executive were fully vested thereunder and had accumulated (after the date of

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termination or resignation) twenty-four (24) additional months (or, if greater, the number of months remaining in the Period) of service credit thereunder at his highest annual rate of compensation during the twelve (12) months immediately preceding the date of termination or resignation (but in no event shall Executive be deemed to have accumulated additional months of service credit after his sixty-fifth (65th) birthday), over (2) the retirement pension (determined as a straight life annuity commencing at age sixty-five (65)) which Executive had then accrued pursuant to the provisions of the Retirement Plans. For purposes of this subsection, "actuarial equivalent" shall be determined using the same methods and assumptions utilized under the Retirement Plans.

(D) Within thirty (30) days after termination of Executive's employment described in subparagraph 4(b)(i) above, the Company shall pay to Executive in cash an amount equal to the aggregate of the difference between the exercise price of each stock option granted to Executive prior to the date of such termination, and the fair market value of the Company's stock subject to the related option, determined as of the date of such termination. Such cash payment shall be deemed to be in lieu of and in substitution for any right Executive may have to exercise such stock option or a related stock appreciation right under the terms of the relevant stock option plan describing such rights, and Executive agrees to surrender all stock options and related stock appreciation rights being cashed out hereunder prior to receiving the cash payment described above.

(iii) If, following a termination of employment without Cause or resignation for Good Reason, Executive breaches the provisions of paragraph 5 hereof, Executive shall not be eligible, as of the date of such breach, for the payment of Severance Benefits as provided in subparagraph 4(b)(i) and all obligations and agreements of the Company to pay such Severance Benefits shall thereupon cease.

(vi) The date of termination of employment by the Company under this subparagraph 4(b) shall be the date specified in written notice of termination to Executive (which date shall be no earlier than the date of furnishing such notice) or, if no such date is specified therein, the date on which such notice is given to Executive. The date of resignation by Executive under this subparagraph 4(b) shall be two (2) weeks after the receipt by the Company of written notice of resignation.

(v) Severance Benefits shall be paid in equal installments commencing within thirty (30) days following the date of the termination or resignation under subparagraph 4(b).

(vi) In the event that the Severance Benefits would not be deductible in whole or in part in the calculation of Federal income tax owed by the Company or any of its affiliates or any other person or entity making such payment or providing such benefit by reason of Section 280G of the Internal Revenue Code of 1986, as amended, (the "Code"), the Severance Benefits shall be reduced until no portion of the Severance Benefits is not deductible by reason of Section 280G of the Code; provided, however, that the foregoing reduction shall be made only if and to the extent that such reduction would result in an increase in the aggregate payment and benefits to be provided to Executive,

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determined on an after-tax basis (taking into account the excise tax imposed pursuant to Section 4999 of the Code, or any successor provision thereto, any tax imposed by any comparable provision of state law, and any applicable federal, state and local income or other taxes).

(vii) Executive shall be entitled to terminate his employment for Good Reason. For purposes of this Agreement, "Good Reason" shall mean, without Executive's express, prior written consent, any of the following:

(A) a material breach by the Company of paragraph 1 or paragraph 3 of this Agreement, including but not limited to, the assignment to Executive of any duties inconsistent with his status as Vice President and Tire Division President of the Company, or his removal from such position, or a substantial alteration in the nature or status of his responsibilities from those described herein, except, in each case, in connection with a promotion of Executive, and the failure of the Company to remedy such breach within thirty (30) days after receipt of written notice of such breach from Executive;

(B) the relocation of the office of the Company where Executive is employed to a location other than Findlay, Ohio, except for required travel on the Company's business to an extent reasonably required to perform his duties hereunder;

(C) except as required by law, the failure by the Company to continue to provide Executive with benefits at least as favorable as those provided to him under the Plans, the taking of any action by the Company which would directly or indirectly materially reduce any of such benefits or deprive Executive of any material fringe benefits enjoyed by him or the failure by the Company to provide Executive with the number of paid vacation days to which he is entitled on the basis of years of service with the Company in accordance with the Company's normal vacation policy in effect at the date of this Agreement; or

(D) the failure of the Company to obtain a satisfactory agreement from any successor to assume and agree to perform this Agreement, as contemplated in paragraph 6 hereof or, if the business of the Company for which Executive's services are principally performed is sold, the purchaser of such business shall fail to agree to assume this Agreement or to provide Executive with the same or a comparable position, duties, benefits, and base salary and incentive compensation as provided in paragraph 3 of this Agreement.

(E) Voluntary termination by Executive for any reason, or without reason, during a period of three hundred sixty-five (365) days from the date a change of control of the Company has occurred. "Change of control", as used herein, shall mean when any person (as a person is defined in Section 13d- 3 of the Securities Exchange Act of 1934, as amended,) through or as a result of a merger, consolidation or other business combination, tender or exchange offer, open market purchases, privately negotiated purchases, or otherwise, has become the beneficial owner (within the meaning of Rule 13d- 3 under the Securities Exchange Act of 1934, as amended), directly or indirectly without the express approval of the Board, of at least 50% of the capital stock of the Company entitled to vote for the election of directors of the Company. (continued)

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(c) Termination by Death. If Executive dies prior to the expiration of the Period, his beneficiary or estate shall be entitled to receive (i) for a period of 90 days beginning on the date of Executive's death a biweekly amount equal to the biweekly amount paid to Executive by the Company for the payroll, period immediately prior to his death, and
(ii) any pro rata portion of Executive's incentive compensation for the fiscal year in which Executive's death occurs.

(d) Termination by Disability. If, prior to the expiration of the Period, Executive becomes Disabled (as defined below), the Company or Executive shall be entitled to terminate his employment, and Executive shall be entitled to all available benefits under the Plans, including any pro rata portion of Executive's incentive compensation for the fiscal year in which Executive's disability occurs.

Executive shall be deemed "Disabled" for purposes of this Agreement when, and only when, he has been totally disabled by bodily injury or disease so as to prevent him from being physically able to perform the job duties as required under this Agreement, and such total disability shall have continued for five (5) consecutive months, and, in the opinion of a qualified physician selected by the Company, such disability will presumably be permanent and continuous during the remainder of Executive's life.

(e) Termination by Retirement. If, prior to the expiration of the Period, Executive voluntarily elects to retire under the Company's Salaried Employees' Retirement Plan, Executive's employment will be terminated as of the date of such retirement.

(f) Mitigation. Nothing in this Agreement shall be construed to require Executive to mitigate his damages upon termination of employment without Cause or resignation for Good Reason.

5. Secrecy and Noncompetition.

(a) No Competing Employment. For so long as Executive is employed by the Company and continuing for two (2) years after the termination of such employment for any reason other than pursuant to subparagraph
4(b)(i) or (vii) hereof (such period being referred to hereinafter as the "Restricted Period"), Executive shall not, unless he receives the prior written consent of the Board, directly or indirectly, whether as owner, consultant, employee, partner, venturer, agent, through stock ownership (except ownership of less than one percent (1.0%) of the number of shares outstanding of any securities which are publicly traded), investment of capital, lending of money or property, rendering of services, or otherwise, compete with any of the businesses engaged in by the Company or any subsidiary, affiliate or predecessor of the Company ("Affiliate") at the time of the termination of Executive's employment hereunder (such businesses are herein after referred to as the "Business"), or assist, become interested in or be connected with any Corporation, firm, partnership, joint venture, sole proprietorship or other entity which so competes with the Business. The restrictions imposed by this subparagraph shall not apply to any geographic area in which neither the Company nor any Affiliate is engaged in the Business.

(b) No Interference. During the Restricted Period, Executive shall not, whether for his own account or for the account of any other individual, partnership, firm, corporation or other business organization or entity (other than the Company), intentionally solicit, endeavor to entice away from the Company or any Affiliate or otherwise interfere with the relationship of the Company or any Affiliate with, any person who is employed by or associated

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with the Company or any Affiliate (including, but not limited to, any independent sales representatives or organizations) or any person or entity who is, or was within the then most recent 12-month period, a customer or client of the Company or any Affiliate.

(c) Secrecy. Executive recognizes that the services to be performed by him hereunder are special, unique and extraordinary in that, by reason of his employment hereunder and his past employment with the Company, he may acquire or has acquired confidential information and trade secrets concerning the operation of the Company or any Affiliate, the use or disclosure of which could cause the Company substantial loss and damages which could not be readily calculated and for which no remedy at law would be adequate. Accordingly, Executive covenants and agrees with the Company that he will not at any time, except in performance of Executive's obligations to the Company hereunder or with the prior written consent of the Board, directly or indirectly, disclose any secret or confidential information that he may learn or has learned by reason of his association with the Company or any Affiliate, or use any such information to the detriment of the Company or any Affiliate. The term "confidential information", includes, without limitation, information not previously disclosed to the public or to the trade by the Company's management with respect to the Company's or any Affiliate's products, manufacturing processes, facilities and methods, research and development, trade secrets, know-how and other intellectual property, systems, procedures, manuals, confidential reports, product price lists, customer lists, marketing plans or strategies, financial information (including the revenues, costs or profits associated with the Company's or any Affiliate's products), business plans, prospects or opportunities. Executive understands and agrees that the rights and obligations set forth in this subparagraph 5(c) are perpetual and, in any case, shall extend beyond the Restricted Period and Executive's employment hereunder.

(d) Exclusive Property. Executive confirms that all confidential information is and shall remain the exclusive property of the Company. All business records, papers and documents kept or made by Executive relating to the business of the Company shall be and remain the property of the Company. Upon the termination of his employment with the Company or upon the request of the Company at anytime, Executive shall promptly deliver to the Company, and shall not, without the consent of the Board (which consent shall not be unreasonably withheld), retain copies of, any written materials not previously made available to the public, records and documents made by Executive or coming into his possession concerning the business or affairs of the Company excluding records relating exclusively to the terms and conditions of his employment relationship with the Company. Executive understands and agrees that the rights and obligations set forth in this subparagraph 5(d) are perpetual and, in any case, shall extend beyond the restricted Period and Executive's employment hereunder.

(e) Stock Ownership. Other than as specified in subparagraph l(c) or
5(a) hereof, nothing in this Agreement shall prohibit Executive from acquiring or holding any issue of stock or securities of any company or other business entity.

(f) Injunctive Relief. Without intending to limit the remedies available to the Company, executive acknowledges that a breach of any of the covenants contained in this paragraph 5 may result in material irreparable injury to the Company for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat thereof, the Company shall be entitled to obtain a temporary

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restraining order and/or a preliminary or permanent injunction restraining Executive from engaging in activities prohibited by this paragraph 5 or such other relief as may be required to specifically enforce any of the covenants in this paragraph 5.

(g) Extension of Restricted Period. In addition to the remedies the Company may seek and obtain pursuant to subparagraph (f) of this paragraph 5, the Restricted Period shall be extended by any and all periods during which Executive shall be found by a court possessing personal jurisdiction over him to have been in violation of the covenants contained in this paragraph 5.

6. Successors; Assignability.

(a) By Executive. Neither this Agreement nor any right, duty, obligation or interest hereunder shall be assignable or delegable by Executive without the Company's prior written consent; provided, however, that nothing in this paragraph shall preclude Executive from designating any of his beneficiaries to receive any benefits payable hereunder upon his death, or the executors, administrators, or other legal representatives, from assigning any rights hereunder to the person or persons entitled thereto.

(b) By the Company. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such assumption and agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle Executive to compensation from the Company in the same amount and on the same terms as Executive would be entitled to hereunder if Executive had terminated his employment for Good Reason, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination or if earlier the date of resignation specified in subparagraph 4(b)(iv). As used in this Agreement, "Company", shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

7. Severability. If the final determination of a court of competent jurisdiction declares, after the expiration of the time within which judicial review (if permitted) of such determination may be perfected, that any term or provision hereof is invalid or unenforceable, (a) the remaining terms and provisions hereof shall be unimpaired and (b) the invalid or unenforceable term or provision shall be replaced by a term or provision that is mutually agreeable to the parties hereto and is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

8. Amendment; Waiver. This Agreement may not be modified, amended or waived in any manner except by an instrument in writing signed by both parties hereto. The waiver by either party of compliance with any provision of this Agreement by the other party shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

9. Governing Law. All matters affecting this Agreement, including the validity thereof, are to be governed by, interpreted and construed in accordance with the laws of the State of Ohio.

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10. Notices. Any notice hereunder by either party to the other shall be given in writing by personal delivery or certified mail, return receipt requested. If addressed to Executive, the notice shall be delivered or mailed to Executive at the address specified under Executive's signature hereto or such other address as Executive shall give notice in writing in accordance herewith. If addressed to the Company, the notice shall be delivered or mailed to the Company at its executive offices to the attention of the Board. A notice shall be deemed given, if by personal delivery, on the date of such delivery or, if by certified mail, on the date shown on the applicable return receipt.

11. Previous Agreements. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement; provided, however, that this Agreement shall not supersede or in any way limit the rights, duties or obligations of the Employee or the Company under the Plans.

12. Counterparts. This Agreement may be executed by either of the parties hereto in counterpart, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

13. Headings. The headings of paragraphs herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

IN WITNESS WHEREOF, the Company has caused the Agreement to be signed by its officers pursuant to the authority of its Board, and Executive has executed this Agreement, as of the day and year first written above.

COOPER TIRE & RUBBER COMPANY

By /S/ Patrick W. Rooney

Title: Chairman of the Board &
Chief Executive Officer

By /S/ Thomas A. Dattilo

Title: President & Chief Operating Officer

John Fahl
Executive

/S/ John Fahl

Signature

1811 Windsor Place

Findlay, Ohio 45840

Address

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ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S BALANCE SHEET AND STATEMENT OF INCOME FOR THE SIX MONTHS ENDED JUNE 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

MULTIPLIER: 1,000

PERIOD TYPE	6 MOS
FISCAL YEAR END	DEC 31 1999
PERIOD START	JAN 01 1999
PERIOD END	JUN 30 1999
CASH	13,725
SECURITIES	14,103
RECEIVABLES	374,790
ALLOWANCES	5,442
INVENTORY	206,009
CURRENT ASSETS	626,765
PP&E	1,575,629
DEPRECIATION	675,334
TOTAL ASSETS	1,621,708
CURRENT LIABILITIES	218,383
BONDS	205,180
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	75,846
OTHER SE	842,127
TOTAL LIABILITY AND EQUITY	1,621,708
SALES	963,239
TOTAL REVENUES	964,388
CGS	781,780
TOTAL COSTS	781,780
OTHER EXPENSES	65,354
LOSS PROVISION	534
INTEREST EXPENSE	7,499
INCOME PRETAX	109,221
INCOME TAX	39,874
INCOME CONTINUING	69,347
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	69,347
EPS BASIC	.91
EPS DILUTED	.91

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