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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form 8-K**

**Current Report Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 8, 2008

**THE GOODYEAR TIRE & RUBBER COMPANY**

(Exact name of registrant as specified in its charter)

**Ohio**  
(State or other jurisdiction of  
incorporation)

**1-1927**  
(Commission File Number)

**34-0253240**  
(I.R.S. Employer Identification No.)

1144 East Market Street, Akron, Ohio  
(Address of principal executive offices)

44316-0001  
(Zip Code)

Registrant's telephone number, including area code: (330) 796-2121

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On April 8, 2008, the shareholders and the Board of Directors of The Goodyear Tire & Rubber Company (“Goodyear” or the “Company”) approved the adoption of the 2008 Performance Plan (the “2008 Plan”) and the Management Incentive Plan (the “MIP”). The Compensation Committee of the Board of Directors also approved forms of grant agreements under the 2008 Plan.

2008 Performance Plan

The 2008 Plan is designed to advance the interests of Goodyear and its shareholders by strengthening its ability to attract, retain and reward highly qualified executive officers and other employees, to motivate them to achieve business objectives established to promote Goodyear’s long term growth, profitability and success, and to encourage their ownership of Common Stock. The 2008 Plan is also designed to enable Goodyear to provide certain forms of performance-based compensation to senior executive officers that will meet the requirements for tax deductibility under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”). The 2008 Plan authorizes grants and awards of stock options, stock appreciation rights, restricted stock, restricted stock units, and performance and other grants and awards. A total of eight million shares of Common Stock may be issued under the 2008 Plan. Any shares of Common Stock that are subject to awards of stock options or stock appreciation rights will be counted as one share for each share granted for purposes of the aggregate share limit and any shares of Common Stock that are subject to any other awards will be counted as 1.61 shares for each share granted for purposes of the aggregate share limit.

The 2008 Plan will be administered by the Compensation Committee of the Board of Directors which will have the sole authority to, among other things: construe and interpret the 2008 Plan; make rules and regulations relating to the administration of the 2008 Plan; select participants; and establish the terms and conditions of grants and awards.

Any employee of Goodyear or any of its subsidiaries, including any officer of Goodyear, selected by the Compensation Committee is eligible to receive grants of stock options, stock appreciation rights, restricted stock, restricted stock units, and performance and other grants and awards under the 2008 Plan. Directors of Goodyear are also eligible to receive awards (other than performance awards) under the 2008 Plan. The selection of participants and the nature and size of grants and awards will be wholly within the discretion of the Compensation Committee. It is anticipated that all officers of Goodyear will receive various grants under the 2008 Plan and approximately 1,000 other employees of Goodyear and its subsidiaries will participate in at least one feature of the 2008 Plan. A participant must be an employee of the Company or a subsidiary or a director of the Company continuously from the date a grant is made through the date of payment or settlement thereof, unless otherwise provided by the

## Compensation Committee.

The 2008 Plan will remain in effect until April 8, 2018, unless sooner terminated by the Board of Directors. Termination will not affect grants and awards then outstanding.

The foregoing description of the 2008 Plan is qualified in its entirety by reference to the provisions of the 2008 Plan, which is attached as Exhibit 10.1 to this Current Report on Form 8-K.

## Management Incentive Plan

The MIP is designed to advance the interests of Goodyear and its shareholders and assist Goodyear in motivating, attracting and retaining executive officers by providing incentives and financial rewards to those executive officers that are intended to be deductible to the maximum extent possible as "performance-based compensation" within the meaning of Section 162(m) of the Code. The MIP will become effective as of January 1, 2009.

The MIP will be administered by the Compensation Committee, which has broad authority to administer and interpret the MIP and its provisions as it deems necessary and appropriate.

Board-appointed officers of Goodyear who are designated by the Board of Directors as "Section 16 officers" and are selected by the Compensation Committee to participate in the MIP are eligible to receive awards under the MIP. Under the MIP, each participant is eligible to receive a maximum performance award equal to a percentage of Goodyear's EBIT for a performance period established by the Compensation Committee. "EBIT" means the Company's net sales, less cost of goods sold, and selling, administrative and general expenses, as reported in the Company's consolidated statement of operations for the applicable performance period, prior to accrual of any amounts for payment under the MIP for the performance period, adjusted to eliminate the effects of charges for restructurings, discontinued operations, extraordinary items, other unusual or non-recurring items, and the cumulative effect of tax or accounting changes, each as defined by generally accepted accounting principles or identified in the Company's consolidated financial statements, notes to the consolidated financial statements or management's discussion and analysis of financial condition and results of operations.

Specifically, Goodyear's Chief Executive Officer is eligible to receive a performance award equal to 0.75% of EBIT for a performance period and the other participants in the MIP are each eligible to receive a performance award equal to 0.5% of EBIT for a performance period. The actual performance award granted to a participant is determined by the Compensation Committee, which retains the discretionary authority to reduce or eliminate (but not increase) a performance award based on its consideration of, among other things, corporate and/or business unit performance against achievement of financial or non-financial goals, economic and relative performance considerations, and assessments of individual performance. Each award under the MIP will be paid in cash, provided that the Compensation Committee may in its discretion determine that all or a

portion of an award shall be paid in shares of Common Stock, restricted stock, stock options or other stock-based or stock denominated units that are issued pursuant to Goodyear's equity compensation plans in existence at the time of the grant.

The foregoing description of the MIP is qualified in its entirety by reference to the provisions of the MIP, which is attached as Exhibit 10.2 to this Current Report on Form 8-K.

**Item 9.01. Financial Statements and Exhibits.**

- 10.1 2008 Performance Plan of The Goodyear Tire & Rubber Company
- 10.2 The Goodyear Tire & Rubber Company Management Incentive Plan
- 10.3 Form of Non-Qualified Stock Option Grant Agreement
- 10.4 Form of Non-Qualified Stock Option with Tandem Stock Appreciation Rights Grant Agreement
- 10.5 Form of Incentive Stock Option Grant Agreement
- 10.6 Form of Performance Share Grant Agreement
- 10.7 Form of Restricted Stock Purchase Agreement

**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 hereunto duly authorized.

**THE GOODYEAR TIRE & RUBBER COMPANY**

Date: April 11, 2008

By /s/ C. Thomas Harvie  
C. Thomas Harvie  
Senior Vice President, General Counsel and Secretary

**2008 Performance Plan  
of  
The Goodyear Tire & Rubber Company**

**1. PURPOSE.**

The purposes of the 2008 Performance Plan of The Goodyear Tire & Rubber Company (the "Plan") are to advance the interests of the Company and its shareholders by strengthening the ability of the Company to attract, retain and reward highly qualified officers and other employees, to motivate officers and other selected employees to achieve business objectives established to promote the long term growth, profitability and success of the Company, and to encourage ownership of the Common Stock of the Company by participating officers, other selected employees and directors. The Plan authorizes performance based stock and cash incentive compensation in the form of stock options, stock appreciation rights, restricted stock, restricted stock units, performance grants and awards, and other stock-based grants and awards.

**2. DEFINITIONS.**

For the purposes of the Plan, the following terms shall have the following meanings:

(a) **"AWARD"** means any Stock Option, Stock Appreciation Right, Restricted Stock Grant, Performance Grant, Stock-Based Grant, or any other right, interest or option relating to shares of Common Stock or other property (including cash) granted pursuant to the Plan.

(b) **"BOARD OF DIRECTORS"** means the Board of Directors of the Company.

(c) **"CHANGE IN CONTROL"** has the meaning set forth in Section 13(b) hereof.

(d) **"CODE"** means the Internal Revenue Code of 1986, as amended and in effect from time to time, or any successor statute thereto, together with the published rulings, regulations and interpretations duly promulgated thereunder.

(e) **"COMMITTEE"** means the committee of the Board of Directors established and constituted as provided in Section 5 of the Plan.

(f) **"COMMON STOCK"** means the common stock, without par value, of the Company, or any security issued by the Company in substitution or exchange therefor or in lieu thereof.

(g) **"COMMON STOCK EQUIVALENT"** means a Unit (or fraction thereof, if authorized by the Committee) substantially equivalent to a hypothetical share of Common Stock, credited to a Participant and having a value at any time equal to the Fair Market Value of a share of Common Stock (or such fraction thereof) at such time.

(h) **"COMPANY"** means The Goodyear Tire & Rubber Company, an Ohio corporation, or any successor corporation.

(i) **"DATE OF GRANT"** means the date as of which an Award is determined to be effective as designated in a resolution by the Committee and is granted pursuant to the Plan. The Date of Grant shall not be earlier than the date of the resolution and action therein by the Committee.

(j) **"DIRECTOR"** means any individual who is a member of the Board of Directors and who is not an Employee at the relevant time.

(k) **"DIVIDEND EQUIVALENT"** means, in respect of a Common Stock Equivalent or a Restricted Stock Unit and with respect to each dividend payment date for the Common Stock, an amount equal to the cash dividend on one share of Common Stock payable on such dividend payment date.

(l) **"EMPLOYEE"** means any individual, including any officer of the Company, who is on the active payroll of the Company or a Subsidiary at the relevant time.

(m) **"EXCHANGE ACT"** means the Securities Exchange Act of 1934, as amended and in effect from time to time, including all rules and regulations promulgated thereunder.

(n) **"FAIR MARKET VALUE"** means, in respect of any date on or as of which a determination thereof is being or to be made, the closing market price of the Common Stock reported on the New York Stock Exchange Composite Transactions tape on such date, or, if the Common Stock was not traded on such date, on the next

preceding day on which sales of shares of the Common Stock were reported on the New York Stock Exchange Composite Transactions tape.

(o) **“INCENTIVE STOCK OPTION”** means any option to purchase shares of Common Stock granted pursuant to the provisions of Section 6 of the Plan that is intended to be and is specifically designated as an “incentive stock option” within the meaning of Section 422(b) of the Code.

(p) **“NON-QUALIFIED STOCK OPTION”** means any option to purchase shares of Common Stock granted pursuant to the provisions of Section 6 of the Plan that is not an Incentive Stock Option.

(q) **“PARTICIPANT”** means any Employee or Director who receives a grant or Award under the Plan.

(r) **“PERFORMANCE AWARD”** has the meaning set forth in Section 9(a) hereof.

(s) **“PERFORMANCE GOALS”** mean, with respect to any applicable grant made pursuant to the Plan, the one or more targets, goals or levels of attainment required to be achieved in terms of the specified Performance Measure during the specified Performance Period, all as set forth in the related grant agreement.

(t) **“PERFORMANCE GRANT”** means a grant made pursuant to Section 9 of the Plan, the Award of which is contingent on the achievement of specific Performance Goals during a Performance Period, determined using a specific Performance Measure, all as specified in the grant agreement relating thereto.

(u) **“PERFORMANCE MEASURE”** means, with respect to any applicable grant made pursuant to the Plan, one or more of the criteria selected by the Committee pursuant to Section 9(c) of the Plan for the purpose of establishing, and measuring attainment of, Performance Goals for a Performance Period in respect of such grant, as provided in the related grant agreement.

(v) **“PERFORMANCE PERIOD”** means, with respect to any applicable grant made pursuant to the Plan, the one or more periods of time, which may be of varying and overlapping durations, as the Committee may select during which the attainment of one or more Performance Goals will be measured to determine whether, and the extent to which, a Participant is entitled to receive payment of an Award pursuant to such grant.

(w) **“PLAN”** means this 2008 Performance Plan of the Company, as set forth herein and as hereafter amended from time to time in accordance with the terms hereof.

(x) **“PRIOR AWARD”** means any award or grant made pursuant to a Prior Plan that is outstanding and unexercised on the date of adoption of the Plan.

(y) **“PRIOR PLAN”** means the Company’s 1997 Performance Incentive Plan, 2002 Performance Plan or 2005 Performance Plan, as amended from time to time in accordance with the terms thereof.

(z) **“QUALIFIED PERFORMANCE-BASED AWARD”** means any Award or portion of an Award that is intended to satisfy the requirements for “qualified performance-based compensation” under Section 162(m) of the Code.

(aa) **“RESTRICTED STOCK”** means shares of Common Stock issued pursuant to a Restricted Stock Grant under Section 8 of the Plan so long as such shares remain subject to the restrictions and conditions specified in the grant agreement pursuant to which such Restricted Stock Grant is made.

(bb) **“RESTRICTED STOCK GRANT”** means a grant made pursuant to the provisions of Section 8 of the Plan.

(cc) **“RESTRICTED STOCK UNIT”** means a Unit issued pursuant to a Restricted Stock Grant under Section 8 of the Plan so long as such Unit remains subject to the restrictions and conditions specified in the grant agreement pursuant to which such Restricted Stock Grant is made.

(dd) **“STOCK APPRECIATION RIGHT”** means a grant in the form of a right to benefit from the appreciation of the Common Stock made pursuant to Section 7 of the Plan.

(ee) **“STOCK-BASED GRANT”** has the meaning set forth in Section 10(a) hereof.

(ff) **“STOCK OPTION”** means and includes any Non-Qualified Stock Option and any Incentive Stock Option granted pursuant to Section 6 of the Plan.

(gg) **“SUBSIDIARY”** means any corporation or entity in which the Company directly or indirectly owns or controls securities having a majority of the voting power of such corporation or entity; provided, however, that (i) for purposes of determining whether any Employee may be a Participant with respect to any grant of Incentive

Stock Options, the term "Subsidiary" has the meaning given to such term in Section 424 of the Code, as interpreted by the regulations thereunder and applicable law; and (ii) for purposes of determining whether any individual may be a Participant with respect to any grant of Stock Options or Stock Appreciation Rights that are intended to be exempt from Section 409A of the Code, the term "Subsidiary" means any corporation or other entity as to which the Company is an "eligible issuer of service recipient stock" (within the meaning of Section 409A of the Code).

**(hh) "SUBSTITUTE AWARDS"** means Awards that are granted in assumption of, or in substitution or exchange for, outstanding awards previously granted by an entity acquired directly or indirectly by the Company or with which the Company directly or indirectly combines.

**(ii) "UNIT"** means a bookkeeping entry used by the Company to record and account for the grant, settlement or, if applicable, deferral of an Award until such time as such Award is paid, canceled, forfeited or terminated, as the case may be, which, except as otherwise specified by the Committee, shall be equal to one Common Stock Equivalent.

### **3. EFFECTIVE DATE; TERM.**

**(a) EFFECTIVE DATE.** The Plan shall be effective on April 8, 2008, upon approval by the shareholders of the Company at the 2008 annual meeting of shareholders or any adjournments thereof and the Board of Directors.

**(b) TERM.** The Plan shall remain in effect until April 8, 2018, unless sooner terminated by the Board of Directors. Termination of the Plan shall not affect grants and Awards then outstanding.

### **4. SHARES OF COMMON STOCK SUBJECT TO PLAN.**

**(a) MAXIMUM NUMBER OF SHARES AVAILABLE FOR ISSUANCE UNDER THE PLAN.** The maximum aggregate number of shares of Common Stock which may be granted pursuant to Awards under the Plan, subject to Sections 4(b) and 4(c) of the Plan, shall be eight million (8,000,000). Any shares of Common Stock that are subject to Awards of Stock Options or Stock Appreciation Rights shall be counted against this limit as one (1) share of Common Stock for every one (1) share of Common Stock granted. Any shares of Common Stock that are subject to Awards other than Stock Options or Stock Appreciation Rights shall be counted against this limit as 1.61 shares of Common Stock for every one (1) share of Common Stock granted. The shares of Common Stock which may be issued under the Plan may be authorized and unissued shares or issued shares reacquired by the Company. No fractional share of Common Stock shall be issued under the Plan. Awards of fractional shares of Common Stock, if any, shall be settled in cash. Notwithstanding the limitations imposed upon the vesting of Awards elsewhere in the Plan, those vesting limitations shall not be applicable to up to a maximum aggregate number of shares of Common Stock granted pursuant to Awards under the Plan of 400,000 shares.

**(b) CHARGING OF SHARES.** Shares of Common Stock subject to an Award or a Prior Award that expires according to its terms or is forfeited, terminated, canceled or surrendered, in each case, without having been exercised or is settled, or can be paid only, in cash, with respect to Awards under the Plan, will be available again for grant under the Plan, without reducing the number of shares of Common Stock that may be subject to Awards or that are available for the grant of Awards under the Plan and, with respect to Prior Awards under a Prior Plan, will become available for grant under the Plan, thereby increasing the number of shares of Common Stock that may be subject to Awards or that are available for the grant of Awards under the Plan. In no event shall (i) any shares of Common Stock subject to a stock option that is canceled upon the exercise of a tandem stock appreciation right, (ii) any shares of Common Stock subject to an Award or a Prior Award that is surrendered in payment of the exercise price of a stock option or in payment of taxes associated with an Award or a Prior Award, or (iii) any shares of Common Stock subject to a stock appreciation right that are not issued in connection with the stock settlement of the stock appreciation right upon the exercise thereof become available for grant under the Plan pursuant to this paragraph. Any shares of Common Stock that become available for grant pursuant to this paragraph shall be added back as (i) one (1) share of Common Stock if such shares were subject to Stock Options or Stock Appreciation Rights granted under the Plan or were subject to stock options or stock appreciation rights granted under a Prior Plan, and (ii) as 1.61 shares of Common Stock if such shares were subject to Awards other than Stock Options or Stock Appreciation Rights granted under the Plan or were subject to Prior Awards other than stock options or stock appreciation rights granted under a Prior Plan.

Any Substitute Awards granted by the Company will not reduce the number of shares of Common Stock available for Awards under the Plan and will not count against the limits specified in Section 4(a) above.

Units that represent deferred compensation, and shares of Common Stock issued in payment of deferred compensation, will not reduce the number of shares of Common Stock that may be subject to Awards or that are available for the grant of Awards under the Plan, except to the extent of matching or other related grants by the Company or any discount in the price used to convert the deferred compensation into Units or shares of Common Stock.

**(c) ADJUSTMENTS UPON CHANGES IN CAPITAL STRUCTURE.** In the event of a merger, consolidation, acquisition of property or shares, stock rights offering, liquidation, disaffiliation, or similar event affecting the Company or any of its Subsidiaries (each, a "Corporate Transaction"), the Committee or the Board of Directors may in its discretion make such substitutions or adjustments as it deems appropriate and equitable to prevent dilution or enlargement of the rights of Participants to (A) the aggregate number and kind of shares of Common Stock reserved for issuance and delivery under the Plan, (B) the various maximum share limitations applicable to certain types of Awards and upon the grants to individuals of certain types of Awards, (C) the number and kind of shares of Common Stock subject to outstanding Awards; and (D) the exercise price of outstanding Stock Options and Stock Appreciation Rights. In the event of a stock dividend, stock split, reverse stock split, separation, spinoff, reorganization, extraordinary dividend of cash or other property, share combination, recapitalization or similar event affecting the capital structure of the Company (each, a "Share Change"), the Committee or the Board of Directors shall make such equitable substitutions or adjustments to prevent dilution or enlargement of the rights of Participants to (A) the aggregate number and kind of shares of Common Stock reserved for issuance and delivery under the Plan, (B) the various maximum share limitations applicable to certain types of Awards and upon the grants to individuals of certain types of Awards, (C) the number and kind of shares of Common Stock subject to outstanding Awards; and (D) the exercise price of outstanding Stock Options and Stock Appreciation Rights. In the case of Corporate Transactions, such adjustments may include, without limitation, the cancellation of outstanding Awards in exchange for payments of cash, property or a combination thereof having an aggregate value equal to the value of such Awards, as determined by the Committee or the Board of Directors in its sole discretion. In no event shall any adjustment be required under this Section 4(c) if the Committee determines that such action could cause an Award to fail to satisfy the conditions of an applicable exception from the requirements of Section 409A of the Code or otherwise could subject a Participant to the additional tax imposed under Section 409A in respect of an outstanding Award. Moreover, any adjustment to the number of shares of Common Stock specified in Section 6(b)(i) will be made only if and to the extent that such adjustment would not cause any Stock Option intended to qualify as an Incentive Stock Option to fail so to qualify.

**(d) AWARDS TO DIRECTORS.** On the first business day of each calendar quarter, commencing October 1, 2008, the Company shall make Restricted Stock Grants, of the types and with the terms and conditions as are permitted by the Plan and determined by the Committee, with a value of \$23,750 to each Director who is then a member of the Board of Directors.

## **5. ADMINISTRATION.**

**(a) THE COMMITTEE.** The Plan shall be administered by the Committee to be appointed from time to time by the Board of Directors and comprised of not less than three of the then members of the Board of Directors who qualify as "non-employee directors" within the meaning of Rule 16b-3 promulgated under the Exchange Act, as "outside directors" within the meaning of Section 162(m) of the Code, and as "independent directors" for purposes of the rules and regulations of the New York Stock Exchange. Members of the Committee shall serve at the pleasure of the Board of Directors. The Board of Directors may from time to time remove members from, or add members to, the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business and the acts of a majority of the members present at any meeting at which a quorum is present shall be the acts of the Committee. Any one or more members of the Committee may participate in a meeting by conference telephone or similar means where all persons participating in the meeting can hear and speak to each other, which participation shall constitute presence in person at such meeting. Action approved in writing by a majority of the members of the Committee then serving shall be fully as effective as if the action had been taken by a vote at a meeting duly called and held. The Company shall make grants and effect Awards under the Plan in accordance with the terms and conditions specified by the Committee, which terms and conditions shall be set forth in grant agreements and/or other instruments in such forms as the Committee shall approve.

**(b) COMMITTEE POWERS.** The Committee shall have full power and authority to operate and administer the Plan in accordance with its terms. The powers of the Committee include, but are not limited to, the power to: (i) select Participants from among the Employees and Directors; (ii) establish the types of, and the terms and conditions of, all grants and Awards made under the Plan, subject to any applicable limitations set forth in, and consistent with the express terms of, the Plan; (iii) make grants of and pay or otherwise effect Awards subject to,

and consistent with, the express provisions of the Plan; (iv) establish Performance Goals, Performance Measures and Performance Periods, subject to, and consistent with, the express provisions of the Plan; (v) reduce the amount of any grant or Award; (vi) prescribe the form or forms of grant agreements and other instruments evidencing grants and Awards under the Plan; (vii) pay and to defer payment of Awards on such terms and conditions, not inconsistent with the express terms of the Plan, as the Committee shall determine; (viii) direct the Company to make conversions, accruals and payments pursuant to the Plan; (ix) construe and interpret the Plan and make any determination of fact incident to the operation of the Plan; (x) promulgate, amend and rescind rules and regulations relating to the implementation, operation and administration of the Plan; (xi) adopt such modifications, procedures and subplans as may be necessary or appropriate to comply with the laws of other countries with respect to Participants or prospective Participants employed in such other countries; (xii) delegate to other persons the responsibility for performing administrative or ministerial acts in furtherance of the Plan; (xiii) delegate to one or more officers (as that term is defined in Rule 16a-1(f) under the Exchange Act) of the Company the ability to make Awards under the Plan, provided that no such Awards may be made to officers or Directors; (xiv) engage the services of persons and firms, including banks, consultants and insurance companies, in furtherance of the Plan's activities; and (xv) make all other determinations and take all other actions as the Committee may deem necessary or advisable for the administration and operation of the Plan.

**(c) COMMITTEE'S DECISIONS FINAL.** Any determination, decision or action of the Committee in connection with the construction, interpretation, administration or application of the Plan, and of any grant agreement, shall be final, conclusive and binding upon all Participants, and all persons claiming through Participants, affected thereby.

**(d) ADMINISTRATIVE ACCOUNTS.** For the purpose of accounting for Awards deferred as to payment, the Company shall establish bookkeeping accounts expressed in Units bearing the name of each Participant receiving such Awards. Each account shall be unfunded, unless otherwise determined by the Committee in accordance with Section 15(d) of the Plan.

**(e) CERTIFICATIONS.** In respect of each grant under the Plan of a Qualified Performance-Based Award, the provisions of the Plan and the related grant agreement shall be construed to confirm such intent, and to conform to the requirements of Section 162(m) of the Code, and the Committee shall certify in writing (which writing may include approved minutes of a meeting of the Committee) that the applicable Performance Goal(s), determined using the Performance Measure specified in the related grant agreement, was attained during the relevant Performance Period at a level that equaled or exceeded the level required for the payment of such Award in the amount proposed to be paid and that such Award does not exceed any applicable Plan limitation.

## **6. STOCK OPTIONS.**

**(a) IN GENERAL.** Options to purchase shares of Common Stock may be granted under the Plan and may be Incentive Stock Options or Non-Qualified Stock Options. All Stock Options shall be subject to the terms and conditions of this Section 6 and shall contain such additional terms and conditions, not inconsistent with the express provisions of the Plan, as the Committee shall determine. Stock Options may be granted in addition to, or in tandem with or independent of, Stock Appreciation Rights or other grants and Awards under the Plan.

**(b) ELIGIBILITY AND LIMITATIONS.** Any Employee or Director may be granted Stock Options. The Committee shall determine, in its discretion, the Employees and Directors to whom Stock Options will be granted, the timing of such grants, and the number of shares of Common Stock subject to each Stock Option granted; provided, that (i) the maximum aggregate number of shares of Common Stock which may be issued and delivered upon the exercise of Incentive Stock Options shall be eight million (8,000,000), (ii) the maximum number of shares of Common Stock in respect of which Stock Options may be granted to any single Participant during any calendar year shall be 500,000, (iii) Incentive Stock Options may only be granted to Employees, and (iv) in respect of Incentive Stock Options, the aggregate Fair Market Value (determined as of the date the Incentive Stock Option is granted) of the shares of Common Stock with respect to which an Incentive Stock Option becomes exercisable for the first time by an Employee during any calendar year shall not exceed \$100,000, or such other limit as may be required by the Code, except that, if authorized by the Committee and provided for in the related grant agreement, any portion of any Incentive Stock Option that cannot be exercised as such because of this limitation will be converted into and exercised as a Non-Qualified Stock Option. In no event, without the approval of the Company's shareholders, shall any Stock Option (i) be granted to a Participant in exchange for the Participant's agreement to the cancellation of one or more Stock Options then held by such Participant if the exercise price of the new grant is lower than the exercise price of the grant to be cancelled, (ii) be amended to reduce the exercise price, or (iii) be cancelled in exchange for another Award or a cash payment. The immediately preceding sentence is intended to

prohibit the repricing of “underwater” Stock Options without shareholder approval and will not be construed to prohibit the adjustments provided for in Section 4(c) of the Plan.

**(c) OPTION EXERCISE PRICE.** The per share exercise price of each Stock Option granted under the Plan shall be determined by the Committee prior to or at the time of grant, but in no event shall the per share exercise price of any Stock Option be less than 100% of the Fair Market Value of the Common Stock on the Date of Grant of such Stock Option, except for Substitute Awards provided for in Section 15(b) of the Plan.

**(d) OPTION TERM.** The term of each Stock Option shall be fixed by the Committee; except that in no event shall the term of any Stock Option exceed ten years from the Date of Grant.

**(e) EXERCISABILITY.** A Stock Option shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at the Date of Grant; provided, however, that no Stock Option shall be exercisable during the first six months after the Date of Grant. No Stock Option may be exercised unless the holder thereof is at the time of such exercise an Employee or Director and has been continuously an Employee or Director since the Date of Grant, except that the Committee may permit the exercise of any Stock Option for any period following the Participant’s termination of employment not in excess of the original term of the Stock Option on such terms and conditions as it shall deem appropriate and specify in the related grant agreement.

**(f) METHOD OF EXERCISE.** A Stock Option may be exercised, in whole or in part, by giving written notice of exercise to the Company specifying the number of shares of Common Stock to be purchased. Such notice shall be accompanied by payment in full of the exercise price in cash or, if permitted by the terms of the related grant agreement or otherwise approved in advance by the Committee, in shares of Common Stock to be delivered upon exercise or already owned by the Participant, valued at the Fair Market Value of the Common Stock on the date of exercise.

## **7. STOCK APPRECIATION RIGHTS.**

**(a) IN GENERAL.** Stock Appreciation Rights in respect of shares of Common Stock may be granted under the Plan alone, in tandem with, in addition to or independent of a Stock Option or other grant or Award under the Plan. A Stock Appreciation Right entitles a Participant to receive an amount equal to the excess of the Fair Market Value of a share of Common Stock on the date of exercise over the Fair Market Value of a share of Common Stock on the Date of Grant of the Stock Appreciation Right, or such other higher price as may be set by the Committee, multiplied by the number of shares of Common Stock with respect to which the Stock Appreciation Right shall have been exercised.

**(b) ELIGIBILITY AND LIMITATIONS.** Any Employee or Director may be granted Stock Appreciation Rights. The Committee shall determine, in its discretion, the Employees and Directors to whom Stock Appreciation Rights will be granted, the timing of such grants and the number of shares of Common Stock in respect of which each Stock Appreciation Right is granted; provided that the maximum number of shares of Common Stock in respect of which Stock Appreciation Rights may be granted to any single Participant during any calendar year shall be 500,000. In no event, without the approval of the Company’s shareholders, shall any Stock Appreciation Right (i) be granted to a Participant in exchange for the Participant’s agreement to the cancellation of one or more Stock Appreciation Rights then held by such Participant if the exercise price of the new grant is lower than the exercise price of the grant to be cancelled, (ii) be amended to reduce the exercise price, or (iii) be cancelled in exchange for another Award or a cash payment. The immediately preceding sentence is intended to prohibit the repricing of “underwater” Stock Appreciation Rights without shareholder approval and will not be construed to prohibit the adjustments provided for in Section 4(c) of the Plan.

**(c) EXERCISABILITY; EXERCISE; FORM OF PAYMENT.** A Stock Appreciation Right may be exercised by a Participant at such time or times and in such manner as shall be authorized by the Committee and set forth in the related grant agreement, except that in no event shall a Stock Appreciation Right be exercisable within the first six months after the Date of Grant or shall the term of any Stock Appreciation Right exceed ten years from the Date of Grant. The Committee may provide that a Stock Appreciation Right shall be automatically exercised on one or more specified dates. No Stock Appreciation Right may be exercised unless the holder thereof is at the time of exercise an Employee or Director and has been continuously an Employee or Director since the Date of Grant, except that the Committee may permit the exercise of any Stock Appreciation Right for any period following the Participant’s termination of employment not in excess of the original term of the Stock Appreciation Right on such terms and conditions as it shall deem appropriate and specify in the related grant agreement. A Stock Appreciation Right may be exercised, in whole or in part, by giving the Company a written notice specifying the number of shares of Common Stock in respect of which the Stock Appreciation Right is to be exercised. Stock Appreciation Rights may

be paid upon exercise in cash, in shares of Common Stock, or in any combination of cash and shares of Common Stock as determined by the Committee. With respect to any Stock Appreciation Rights granted in tandem with a Stock Option, the tandem Stock Appreciation Rights may be exercised only at a time when the related Stock Option is also exercisable and at a time when the "spread" is positive, and by surrender of the related Stock Option for cancellation.

## **8. RESTRICTED STOCK GRANTS.**

**(a) IN GENERAL.** A Restricted Stock Grant is the issue of shares of Common Stock or Units in the name of an Employee or Director, which issuance is subject to such terms and conditions as the Committee shall deem appropriate, including, without limitation, restrictions on the sale, assignment, transfer or other disposition of such shares or Units and the requirement that the Employee or Director forfeit such shares or Units back to the Company (i) upon termination of employment for specified reasons within a specified period of time, (ii) if any specified Performance Goals are not achieved during a specified Performance Period, or (iii) if such other conditions as the Committee may specify are not satisfied.

**(b) ELIGIBILITY AND LIMITATIONS.** Any Employee or Director may receive a Restricted Stock Grant. The Committee, in its sole discretion, shall determine whether a Restricted Stock Grant shall be made, the Employee or Director to receive the Restricted Stock Grant, whether the Restricted Stock Grant will consist of Restricted Stock or Restricted Stock Units, or both, and the conditions and restrictions imposed on the Restricted Stock Grant. The maximum aggregate number of shares of Common Stock which may be issued to any single Participant as Restricted Stock or Restricted Stock Units that are subject to the attainment of Performance Goals during any calendar year shall not exceed 100,000.

**(c) RESTRICTION PERIOD.** Restricted Stock Grants shall provide that in order for a Participant to receive shares of Common Stock or Units free of restrictions, the Participant must remain an Employee or Director of the Company or its Subsidiaries for a period of time specified by the Committee (the "Restriction Period"). The Committee may also establish one or more Performance Goals that are required to be achieved during one or more Performance Periods within the Restriction Period as a condition to the lapse of the restrictions. Except for Substitute Awards, upon a Change in Control, and in certain limited situations (including the death, disability or retirement of the Participant), Restricted Stock Grants subject solely to the continued service of the Participant shall have a Restriction Period of not less than three (3) years from the Date of Grant. The Committee, in its sole discretion, may provide for the pro rata lapse of restrictions in installments during the Restriction Period. Restricted Stock Grants subject to the achievement of one or more Performance Goals shall have a minimum Restriction Period of one year.

**(d) RESTRICTIONS.** The following restrictions and conditions shall apply to each Restricted Stock Grant during the Restriction Period: (i) the Participant may not sell, assign, transfer, pledge, hypothecate, encumber or otherwise dispose of or realize on the shares of Common Stock or Units subject to the Restricted Stock Grant; and (ii) the shares of the Common Stock issued as Restricted Stock or the Restricted Stock Units shall be forfeited to the Company if the Participant for any reason ceases to be an Employee or Director prior to the end of the Restriction Period, except due to circumstances specified in the related grant agreement or otherwise approved by the Committee. Unless otherwise directed by the Committee, (i) all certificates representing shares of Restricted Stock will be held in custody by the Company until all restrictions thereon have lapsed, together with a stock power or powers executed by the Participant in whose name such certificates are registered, endorsed in blank and covering such shares of Common Stock, or (ii) all uncertificated shares of Restricted Stock will be held at the Company's transfer agent in book entry form with appropriate restrictions relating to the transfer of such shares of Restricted Stock. The Committee may, in its sole discretion, include such other restrictions and conditions as it may deem appropriate.

**(e) PAYMENT.** Upon expiration of the Restriction Period and if all conditions have been satisfied and any applicable Performance Goals attained, the shares of the Restricted Stock will be made available to the Participant or the Restricted Stock Units will be vested in the account of the Participant, free of all restrictions; provided, that the Committee may, in its discretion, require (i) the further deferral of any Restricted Stock Grant beyond the initially specified Restriction Period, (ii) that the Restricted Stock or Restricted Stock Units be retained by the Company, and (iii) that the Participant receive a cash payment in lieu of unrestricted shares of Common Stock or Units.

**(f) RIGHTS AS A SHAREHOLDER.** A Participant shall have, with respect to shares of Restricted Stock, all of the rights of a shareholder of the Company, including the right to vote the shares and, unless otherwise determined by the Committee, receive any cash dividends paid thereon. A Participant shall not have, with respect to Restricted Stock Units, any voting or other rights of a shareholder of the Company, but unless otherwise determined by the

Committee shall have the right to receive Dividend Equivalents. Stock dividends distributed with respect to shares of Restricted Stock or Restricted Stock Units shall be treated as additional shares or Units, as the case may be, under the Restricted Stock Grant and shall be subject to the restrictions and other terms and conditions set forth therein.

## **9. PERFORMANCE GRANTS AND AWARDS.**

**(a) ELIGIBILITY AND TERMS.** The Committee may grant to Employees the prospective contingent right, expressed in Units, to receive payments of shares of Common Stock, cash or any combination thereof, with each Unit equivalent in value to one share of Common Stock, or equivalent to such other value or monetary amount as may be designated or established by the Committee ("Performance Grants"), based upon Company performance over a specified Performance Period. The Committee shall, in its sole discretion, determine the Employees eligible to receive Performance Grants. At the time each Performance Grant is made, the Committee shall establish the Performance Period, the Performance Measures and the Performance Goals in respect of such Performance Grant. The number of shares of Common Stock and/or the amount of cash earned and payable in settlement of a Performance Grant shall be determined at the end of the Performance Period (a "Performance Award").

**(b) LIMITATIONS ON GRANTS AND AWARDS.** With respect to share-based Performance Grants, the maximum number of shares which may be the subject of Performance Grants made to any single Participant during any calendar year shall be 200,000. With respect to cash-based Performance Grants, the maximum amount any single Participant may receive during any calendar year as Performance Awards pursuant to Performance Grants shall not exceed \$15 million (\$15,000,000), determined using the maximum amount of cash that may be earned and payable as of the last day of the applicable Performance Period or Periods or as of the date or dates of payment thereof, whichever is higher.

**(c) PERFORMANCE GOALS, PERFORMANCE MEASURES AND PERFORMANCE PERIODS.** Each Performance Grant shall provide that, in order for a Participant to receive an Award of all or a portion of the Units subject to such Performance Grant, the Company must achieve certain Performance Goals over a designated Performance Period having a minimum duration of one year, with attainment of one or more Performance Goals determined using one or more specific Performance Measures. The Performance Goals and Performance Period shall be established by the Committee in its sole discretion. The Committee shall establish one or more Performance Measures for each Performance Period for determining the portion of the Performance Grant which will be earned or forfeited based on the extent to which the Performance Goals are achieved or exceeded. The term Performance Measures includes one or more of the criteria established pursuant to the Plan for Participants who have received Performance Grants or, when so determined by the Committee, Restricted Stock, Restricted Stock Units, or other Stock-Based Grants. The Performance Measures applicable to any Qualified Performance-Based Award will be based on specified levels of or growth in one or more of the following criteria: (i) cumulative net income per share; (ii) cumulative net income; (iii) return on sales; (iv) total shareholder return; (v) return on assets; (vi) economic value added; (vii) cash flow; (viii) return on equity; (ix) cumulative operating income (which shall equal consolidated sales minus cost of goods sold and selling, administrative and general expense); (x) operating income; and (xi) return on invested capital. The Performance Measures may be calculated before or after taxes, interest, depreciation, amortization, discontinued operations, effect of accounting changes, acquisition expenses, restructuring expenses, extraordinary items, non-operating items or unusual charges, as determined by the Committee at the time the Performance Measures are established. Performance Goals may be established on a corporate-wide basis, with respect to one or more business units, divisions, subsidiaries or business segments and in either absolute terms or relative to the performance of one or more comparable companies or an index covering multiple companies. Performance Goals may include minimum, maximum and target levels of performance, with the size of Performance Award based on the level attained. Once established by the Committee and specified in the grant agreement, and if and to the extent provided in or required by the grant agreement, the Performance Goals and the Performance Measure in respect of any Qualified Performance-Based Award (including any Performance Grant, Restricted Stock Grant or Stock-Based Grant that requires the attainment of Performance Goals as a condition to the Award) shall not be changed. The Committee may, in its discretion, eliminate or reduce (but not increase) the amount of any Qualified Performance-Based Award that otherwise would be payable to a Participant upon attainment of the Performance Goals.

**(d) FORM OF GRANTS.** Performance Grants may be made on such terms and conditions not inconsistent with the Plan, and in such form or forms, as the Committee may from time to time approve. Performance Grants may be made alone, in addition to, in tandem with, or independent of other grants and Awards under the Plan. Subject to the terms of the Plan, the Committee shall, in its discretion, determine the number of Units subject to each Performance Grant made to a Participant and the Committee may impose different terms and conditions on

any particular Performance Grant made to any Participant. The Performance Goals, the Performance Period or Periods, and the Performance Measures applicable to a Performance Grant shall be set forth in the relevant grant agreement.

**(e) PAYMENT OF AWARDS.** Each Participant shall be entitled to receive payment in an amount equal to the aggregate Fair Market Value (if the Unit is equivalent to a share of Common Stock), or such other value as the Committee shall specify, of the Units earned in respect of such Performance Award. Payment in settlement of a Performance Award may be made in shares of Common Stock, in cash, or in any combination of Common Stock and cash, and at such time or times, as the Committee, in its discretion, shall determine.

## **10. OTHER STOCK-BASED GRANTS AND AWARDS.**

**(a) IN GENERAL.** The Committee may make other grants and Awards pursuant to which Common Stock is, or in the future may be, acquired by Participants, and other grants and Awards to Participants denominated in Common Stock Equivalents or other Units ("Stock-Based Grants"). Such Stock-Based Grants may be made alone, in addition to, in tandem with, or independent of other grants and Awards under the Plan.

**(b) ELIGIBILITY AND TERMS.** The Committee may make Stock-Based Grants to Employees or Directors. Subject to the provisions of the Plan, the Committee shall have authority to determine the Employees and Directors to whom, and the time or times at which, Stock-Based Grants will be made, the number of shares of Common Stock, if any, to be subject to or covered by each Stock-Based Grant, and any and all other terms and conditions of each Stock-Based Grant.

**(c) LIMITATIONS.** No single Participant shall receive more than 50,000 shares of Common Stock in settlement of Stock-Based Awards that are subject to the attainment of Performance Goals during any calendar year.

**(d) FORM OF GRANTS; PAYMENT OF AWARDS.** Stock-Based Grants may be made in such form or forms and on such terms and conditions, including the attainment of specific Performance Goals, as the Committee, in its discretion, shall approve. Payment of Stock-Based Awards may be made in cash, in shares of Common Stock, or in any combination of cash and shares of Common Stock, and at such time or times, as the Committee, in its discretion, shall determine.

## **11. DEFERRALS.**

To the extent permitted by Section 409A of the Code, the Committee may, whether at the time of grant or at anytime thereafter prior to payment or settlement, require a Participant to defer, or permit (subject to such conditions as the Committee may from time to time establish) a Participant to elect to defer, receipt of all or any portion of any payment of cash or shares of Common Stock that would otherwise be due to such Participant in payment or settlement of any Award under the Plan. If any such deferral is required by the Committee (or is elected by the Participant with the permission of the Committee), the Committee shall establish rules and procedures for such payment deferrals. The Committee may provide for the payment or crediting of interest, at such rate or rates as it shall in its discretion deem appropriate, on such deferred amounts credited in cash and the payment or crediting of Dividend Equivalents in respect of deferred amounts credited in Common Stock Equivalents or Restricted Stock Units. Deferred amounts may be paid in a lump sum or in installments in the manner and to the extent permitted, and in accordance with rules and procedures established, by the Committee. This Section 11 shall not apply to any grant of Stock Options or Stock Appreciation Rights that are intended to be exempt from Section 409A of the Code.

## **12. NON-TRANSFERABILITY OF GRANTS AND AWARDS.**

No grant or Award under the Plan, and no right or interest therein, shall be (i) assignable, alienable or transferable by a Participant, except by will or the laws of descent and distribution, or (ii) subject to any obligation, or the lien or claims of any creditor, of any Participant, or (iii) subject to any lien, encumbrance or claim of any party made in respect of or through any Participant, however arising. During the lifetime of a Participant, Stock Options and Stock Appreciation Rights are exercisable only by, and shares of Common Stock issued upon the exercise of Stock Options and Stock Appreciation Rights or in settlement of other Awards will be issued only to, and other payments in settlement of any Award will be payable only to, the Participant or his or her legal representative. The Committee may, in its sole discretion, authorize written designations of beneficiaries and authorize Participants to designate beneficiaries with the authority to exercise Stock Options and Stock Appreciation Rights granted to a Participant in the event of his or her death. Notwithstanding the foregoing, the Committee may, in its sole discretion and on and subject to such terms and conditions as it shall deem appropriate, which terms and conditions shall be

set forth in the related grant agreement: (i) authorize a Participant to transfer all or a portion of any Non-Qualified Stock Option or Stock Appreciation Right, as the case may be, granted to such Participant; provided, that in no event shall any transfer be made to any person or persons other than such Participant's spouse, children or grandchildren, or a trust or partnership for the exclusive benefit of one or more such persons, which transfer must be made as a gift and without any consideration; and (ii) provide for the transferability of a particular grant or Award pursuant to a qualified domestic relations order. All other transfers and any retransfer by any permitted transferee are prohibited and any such purported transfer shall be null and void. Each Non-Qualified Stock Option or Stock Appreciation Right which becomes the subject of a permitted transfer (and the Participant to whom it was granted by the Company) shall continue to be subject to the same terms and conditions as were in effect immediately prior to such permitted transfer. The Participant shall remain responsible to the Company for the payment of all withholding taxes incurred as a result of any exercise of such Stock Option or Stock Appreciation Right. In no event shall any permitted transfer of a Stock Option, Stock Appreciation Right or other grant or Award create any right in any party in respect of any Stock Option, Stock Appreciation Right or other grant or Award, other than the rights of the qualified transferee in respect of such Stock Option, Stock Appreciation Right or other grant or Award specified in the related grant agreement.

### 13. CHANGE IN CONTROL.

**(a) EFFECT ON GRANTS.** In the event of a Severance (as defined below) of a Participant, and notwithstanding any other provision of the Plan or a grant agreement to the contrary: (i) all Stock Options and Stock Appreciation Rights then outstanding shall become fully exercisable as of the date of the Severance, whether or not then exercisable; (ii) all restrictions and conditions in respect of all Restricted Stock Grants then outstanding shall be deemed satisfied as of the date of the Severance; and (iii) all Performance Grants and Stock-Based Grants shall be deemed to have been fully earned, at the target amount of the award opportunity specified in the grant agreement, as of the date of the Severance.

**(b) DEFINITIONS.** As used in the Plan, the following terms shall have the following meanings (unless otherwise prescribed by the Committee in a grant agreement):

- (1) "*Affiliate*" shall have the meaning set forth in Rule 12b-2 under Section 12 of the Exchange Act.
- (2) "*Beneficial Owner*" shall have the meaning set forth in Rule 13d-3 under the Exchange Act.
- (3) "*Cause*" means (1) the continued failure by the Participant to substantially perform the Participant's duties with the Company or a Subsidiary (other than any such failure resulting from the Participant's incapacity due to physical or mental illness), (2) the engaging by the Participant in conduct which is demonstrably injurious to the Company, monetarily or otherwise, (3) the Participant committing any felony or any crime involving fraud, breach of trust or misappropriation or (4) any breach or violation of any agreement relating to the Participant's employment with the Company or a Subsidiary where the Company or a Subsidiary, in its discretion, determines that such breach or violation materially and adversely affects the Company.
- (4) A "*Change in Control*" shall be deemed to have occurred if the event set forth in any one of the following paragraphs shall have occurred:
  - (i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company other than securities acquired by virtue of the exercise of a conversion or similar privilege or right unless the security being so converted or pursuant to which such right was exercised was itself acquired directly from the Company) representing 20% or more of (A) the then outstanding shares of Common Stock of the Company or (B) the combined voting power of the Company's then outstanding voting securities entitled to vote generally in the election of directors; or
  - (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving on the Board of Directors (the "Incumbent Board"): individuals who, on the Effective Date, constitute the Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including, without limitation, a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board of Directors or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds of the directors then still in office who either were directors on the Effective Date or whose appointment, election or nomination for election was previously so approved or recommended; or

- (iii) there is consummated a merger or consolidation of the Company or any direct or indirect Subsidiary of the Company with any other corporation, other than a merger or consolidation pursuant to which (A) the voting securities of the Company outstanding immediately prior to such merger or consolidation will continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) more than 50% of the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, (B) no Person will become the Beneficial Owner, directly or indirectly, of securities of the Company or such surviving entity or any parent thereof representing 20% or more of the outstanding shares of common stock or the combined voting power of the outstanding voting securities entitled to vote generally in the election of directors (except to the extent that such ownership existed prior to such merger or consolidation) and (C) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation (or any parent thereof) resulting from such merger or consolidation; or
  - (iv) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, (A) more than 50% of the outstanding shares of common stock, and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of which (or of any parent of such entity) is owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale, (B) in which (or in any parent of such entity) no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing 20% or more of the outstanding shares of common stock resulting from such sale or disposition or the combined voting power of the outstanding voting securities entitled to vote generally in the election of directors (except to the extent that such ownership existed prior to such sale or disposition) and (C) in which (or in any parent of such entity) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors.
- (5) "*Effective Date*" means the date set forth in Section 3(a) hereof.
- (6) "*Good Reason*" means the occurrence without the affected Participant's written consent, of any of the following:
- (i) the assignment to the Participant of duties that are materially inconsistent with the Participant's position (including, without limitation, offices or titles), authority, duties or responsibilities immediately prior to a Change in Control (other than pursuant to a transfer or promotion to a position of equal or enhanced responsibility or authority) or any other action by the Company or a Subsidiary which results in a diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company or a Subsidiary promptly after receipt of notice thereof given by the Participant, provided, however, that any such assignment or diminution that is primarily a result of the Company or a Subsidiary no longer being a publicly traded entity or becoming a subsidiary or division of another entity shall not be deemed "Good Reason" for purposes of the Plan, except that a Participant shall have Good Reason if the Company is no longer a publicly traded entity and, immediately before the Change in Control that caused the Company no longer to be a publicly traded entity, substantially all of the Participant's duties and responsibilities related to public investors or government agencies that regulate publicly traded entities;
  - (ii) change in the location of such Participant's principal place of business by more than 50 miles when compared to the Participant's principal place of business immediately before a Change in Control;
  - (iii) a reduction in the Participant's annual base salary or annual incentive opportunity from that in effect immediately before a Change in Control;
  - (iv) a material increase in the amount of business travel required of the Participant when compared to the amount of business travel required immediately before a Change in Control; and
  - (v) the failure by 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 Plan in the same manner and to the same extent that the Company would be required to perform it if no succession had taken place, or to otherwise convert or replace the Awards under the Plan.

- (7) “*Person*” shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(D) and 14(D) thereof, except that such term shall not include (1) the Company or any of its Affiliates, (2) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Subsidiaries, (3) an underwriter temporarily holding securities pursuant to an offering of such securities or (4) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.
- (8) “*Severance*” means from the date of a Change in Control until the second anniversary of the Change in Control, the termination of a Participant’s employment with the Company or a Subsidiary (A) by the Company or a Subsidiary, other than for Cause or pursuant to mandatory retirement policies of the Company or a Subsidiary that existed prior to the Change in Control or (B) by the Participant for Good Reason.

A Participant will not be considered to have incurred a Severance if his or her employment is discontinued by reason of the Participant’s death or a physical or mental condition causing such Participant’s inability to substantially perform his or her duties with the Company or a Subsidiary, including, without limitation, such condition entitling him or her to benefits under any sick pay or disability income policy or program of the Company or a Subsidiary.

A Participant who seeks to terminate employment for Good Reason must provide the Company or a Subsidiary with thirty days advanced written notice of his or her intention to terminate employment for Good Reason and shall only be entitled to terminate employment for Good Reason if the Company or a Subsidiary fails to cure the alleged Good Reason to the reasonable satisfaction of the Participant during such thirty-day period.

#### **14. AMENDMENT AND TERMINATION.**

The Board of Directors may terminate the Plan at any time, except with respect to grants then outstanding. The Board of Directors may amend the Plan at any time and from time to time in such respects as the Board of Directors may deem necessary or appropriate without approval of the shareholders, unless such approval is necessary in order to comply with applicable laws, including the Exchange Act and the Code, or the rules and regulations of any securities exchange on which the Common Stock is listed. In no event may the Board of Directors amend the Plan without the approval of the shareholders to (i) increase the maximum number of shares of Common Stock which may be issued pursuant to the Plan, (ii) increase any limitation set forth in the Plan on the number of shares of Common Stock which may be issued, or the aggregate value of Awards which may be made, in respect of any type of grant to any single Participant during any specified period, (iii) reduce the minimum exercise price for Stock Options and Stock Appreciation Rights, (iv) change the restrictions on the repricing of Stock Options or Stock Appreciation Rights contained in the penultimate sentence of Sections 6(b) or 7(b) of the Plan, or (v) change the Performance Measure criteria applicable to any Qualified Performance-Based Award identified in Section 9(c) of the Plan.

Subject to Sections 6(b) and 7(b) hereof, the Committee may amend the terms of any Award granted under the Plan prospectively or retroactively, except in the case of a Qualified Performance-Based Award where such action would result in the loss of the otherwise available exemption of such Award under Section 162(m) of the Code. Subject to Section 4(c) above, no amendment shall materially impair the rights of any Participant without his or her consent.

#### **15. MISCELLANEOUS.**

**(a) WITHHOLDING TAXES.** All Awards under the Plan will be made subject to any applicable withholding for taxes of any kind. The Company shall have the right to deduct from any amount payable under the Plan, including delivery of shares of Common Stock to be made under the Plan, all federal, state, city, local or foreign taxes of any kind required by law to be withheld with respect to such payment and to take such other actions as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes. If shares of Common Stock are used to satisfy withholding taxes, such shares shall be valued based on the Fair Market Value thereof on the date when the withholding for taxes is required to be made and shall be withheld only up to the minimum required tax withholding rates or such other rate that will not trigger a negative accounting impact on the

Company. The Company shall have the right to require a Participant to pay cash to satisfy withholding taxes as a condition to the payment of any amount (whether in cash or shares of Common Stock) under the Plan.

**(b) SUBSTITUTE AWARDS FOR AWARDS GRANTED BY OTHER ENTITIES.** Substitute Awards may be granted under the Plan for grants or awards held by employees of a company or entity who become Employees as a result of the acquisition, merger or consolidation of the employer company by or with the Company or a Subsidiary. Except as otherwise provided by applicable law and notwithstanding anything in the Plan to the contrary, the terms, provisions and benefits of the Substitute Awards so granted may vary from those set forth in or required or authorized by this Plan to such extent as the Committee at the time of the grant may deem appropriate to conform, in whole or part, to the terms, provisions and benefits of the grants or awards in substitution for which they are granted.

**(c) NO RIGHT TO EMPLOYMENT.** Neither the adoption of the Plan nor the making of any grant or Award shall confer upon any Employee any right to continued employment with the Company or any Subsidiary, nor shall it interfere in any way with the right of the Company or any Subsidiary to terminate the employment of any Employee at any time, with or without cause.

**(d) UNFUNDED PLAN.** The Plan shall be unfunded and the Company shall not be required to segregate any assets that may at any time be represented by Awards under the Plan. Any liability of the Company to any person with respect to any Award under the Plan shall be based solely upon any contractual obligations that may be effected pursuant to the Plan. No such obligation of the Company shall be deemed to be secured by any pledge of, or other encumbrance on, any property of the Company.

**(e) PAYMENTS TO TRUST.** The Committee is authorized to cause to be established a trust agreement or several trust agreements whereunder the Committee may make payments of amounts due or to become due to Participants in the Plan.

**(f) ENGAGING IN COMPETITION WITH COMPANY.** In the event a Participant terminates his or her employment with the Company or a Subsidiary for any reason whatsoever, and within eighteen (18) months after the date thereof accepts employment with any competitor of, or otherwise engages in competition with, the Company, the Committee, in its sole discretion, may require such Participant to return, or (if not received) to forfeit, to the Company the economic value of any Award which is realized or obtained (measured at the date of exercise, vesting or payment) by such Participant (i) at any time after the date which is six months prior to the date of such Participant's termination of employment with the Company or (ii) during such other period as the Committee may determine. The provisions of this Section 15(f) shall cease to have any force or effect whatsoever immediately upon the occurrence of any Change in Control described at Section 13 hereof.

**(g) OTHER COMPANY BENEFIT AND COMPENSATION PROGRAMS.** Payments and other benefits received by a Participant under an Award made pursuant to the Plan shall not be deemed a part of a Participant's regular, recurring compensation for purposes of any termination indemnity or severance pay law of any country and shall not be included in, nor have any effect on, the determination of benefits under any pension or other employee benefit plan or similar arrangement provided by the Company or any Subsidiary, unless (i) expressly so provided by such other plan or arrangement or (ii) the Committee expressly determines that an Award or a portion thereof should be included as recurring compensation. Nothing contained in the Plan shall prohibit the Company or any Subsidiary from establishing other special awards, incentive compensation plans, compensation programs and other similar arrangements providing for the payment of performance, incentive or other compensation to Employees or Directors. Payments and benefits provided to any Employee or Director under any other plan, including, without limitation, any stock option, stock award, restricted stock, deferred compensation, savings, retirement or other benefit plan or arrangement, shall be governed solely by the terms of such other plan.

**(h) SECURITIES LAW RESTRICTIONS.** In no event shall the Company be obligated to issue or deliver any shares of Common Stock if such issuance or delivery shall constitute a violation of any provisions of any law or regulation of any governmental authority or securities exchange on which the Common Stock is listed. No shares of Common Stock shall be issued under the Plan unless counsel for the Company shall be satisfied that such issuance will be in compliance with all applicable federal and state securities laws and regulations and all requirements of any securities exchange on which the Common Stock is listed.

**(i) GRANT AGREEMENTS.** Each grant of an Award under the Plan shall be evidenced by a grant agreement, in a form specified by the Committee, which shall set forth the terms and conditions of the grant and such related matters as the Committee shall, in its sole discretion, determine consistent with this Plan. A grant agreement may be in an electronic medium, may be limited to a notation on the books and records of the Company and, unless determined otherwise by the Committee, need not be signed by a representative of the Company or a Participant.

**(j) SEVERABILITY.** In the event any provision of the Plan shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect the remaining provisions of the Plan.

**(k) GOVERNING LAW.** The Plan shall be governed by and construed in accordance with the laws of the State of Ohio.

**(l) COMPLIANCE WITH SECTION 409A OF THE CODE.** Awards granted under the Plan shall be designed and administered in such a manner that they are either exempt from the application of, or comply with, the requirements of Section 409A of the Code. To the extent that the Committee determines that any Award granted under the Plan is subject to Section 409A of the Code, the grant agreement shall incorporate the terms and conditions necessary to avoid the imposition of an additional tax under Section 409A of the Code upon a Participant. Notwithstanding any other provision of the Plan or any grant agreement (unless the grant agreement provides otherwise with specific reference to this Section), an Award shall not be granted, deferred, accelerated, extended, paid out, settled, substituted or modified under this Plan in a manner that would result in the imposition of an additional tax under Section 409A of the Code upon a Participant. Although the Company intends to administer the Plan so that Awards will be exempt from, or will comply with, the requirements of Section 409A of the Code, the Company does not warrant that any Award under the Plan will qualify for favorable tax treatment under Section 409A of the Code or any other provision of federal, state, local, or non-United States law. Neither the Company, its Subsidiaries, nor their respective directors, officers, employees or advisers shall be liable to any Participant (or any other individual claiming a benefit through the Participant) for any tax, interest, or penalties the Participant might owe as a result of the grant, holding, vesting, exercise or payment of any Award under the Plan.

# THE GOODYEAR TIRE & RUBBER COMPANY

## MANAGEMENT INCENTIVE PLAN Effective January 1, 2009

### PREAMBLE

This Management Incentive Plan (the "Plan") is adopted effective January 1, 2009, by the Board of Directors of The Goodyear Tire & Rubber Company (the "Company"). The purpose of the Plan is to advance the interests of the Company and its stockholders and assist the Company in motivating, attracting and retaining executive officers by providing incentives and financial rewards to such executive officers that are intended to be deductible to the maximum extent possible as "performance-based compensation" within the meaning of Section 162(m) of the Code.

### ARTICLE I

#### Definitions

- 1.1 "Award" means an award of incentive compensation pursuant to the Plan.
- 1.2 "Code" means the Internal Revenue Code of 1986, as amended.
- 1.3 "Committee" means the Compensation Committee of the Board of Directors of the Company, or a subcommittee thereof consisting of members appointed from time to time by the Board of Directors of the Company, and shall comprise not less than such number of directors as shall be required to permit the Plan to satisfy the requirements of Section 162(m) of the Code. The Committee administering the Plan shall be composed solely of "outside directors" within the meaning of Section 162(m) of the Code.
- 1.4 "Company" means The Goodyear Tire & Rubber Company, an Ohio corporation.
- 1.5 "Disability" means a total and permanent disability that causes a Participant to be eligible to receive long term disability benefits from the Company's long term disability plan, or any similar plan or program sponsored by a subsidiary of the Company.
- 1.6 "EBIT" has the meaning set forth in Section 3.1 hereof.
- 1.7 "Executive Officers" mean Board-appointed officers of the Company who are designated by the Board as "Section 16 officers."
- 1.8 "Participant" means an Executive Officer who is selected by the Committee to participate in the Plan.
- 1.9 "Performance Period" means the time period during which the achievement of the performance goals is to be measured.
- 1.10 "Plan" means this Management Incentive Plan.
- 1.11 "Retirement" means termination of employment with the Company or an affiliated entity when a Participant is age 55 or older.

### ARTICLE II

#### Eligibility and Participation

- 2.1 Eligibility and Participation. The Committee shall select Executive Officers of the Company who are eligible to receive Awards under the Plan, and who shall be Participants in the Plan during any Performance Period in which they may earn an Award.

### ARTICLE III

#### Terms of Awards

- 3.1 Calculation of Awards. The Award payable under the Plan for a Performance Period (proportionately adjusted for any portion of the Performance Period that is less than a full calendar year) is equal to 0.75% of EBIT for the Chief Executive Officer for the Performance Period and 0.5% of EBIT for each of the other Participants for the Performance Period.  
"EBIT" means the Company's net sales, less cost of goods sold, and selling, administrative and general expense, as reported in the Company's consolidated statement of operations for the applicable Performance Period, prior to accrual of any amounts for payment under the Plan for the Performance Period, adjusted to eliminate the effects of charges for restructurings, discontinued operations, extraordinary items, other unusual or non-recurring items, and the cumulative effect of tax or accounting changes, each as defined by generally accepted accounting principles or identified in the Company's consolidated financial statements, notes to the consolidated financial statements or management's discussion and analysis of financial condition and results of operations.

- 3.2 Discretionary Adjustment. The Committee may not increase the amount payable under the Plan or with respect to an Award pursuant to Section 3.1, but retains the discretionary authority to reduce the amount. The Committee may establish factors to take into consideration in implementing its discretion, including, but not limited to, corporate and/or business unit performance against achievement of financial goals (e.g., operating income or cash flow) or non-financial goals, economic and relative performance considerations, and assessments of individual performance.
- 3.3 Form of Payment. Each Award under the Plan shall be paid in cash or its equivalent. The Committee in its discretion may determine that all or a portion of an Award shall be paid in shares of common stock, restricted stock, stock options, or other stock-based or stock-denominated units, which shall be issued pursuant to the Company's equity compensation plans in existence at the time of the grant.
- 3.4 Timing of Payment. Payment of Awards will be made as soon as practicable following the end of the Performance Period and after determination of and certification of the Award, but in no event more than two and a half months after the end of the calendar year with respect to which such Award was earned, unless the a Participant has, prior to the grant of an Award, submitted an election to defer receipt of the Award in accordance with a deferred compensation plan approved by the Committee.
- 3.5 Performance Period. Within 90 days after the commencement of each fiscal year or, if earlier, by the expiration of 25% of a Performance Period, the Committee will designate one or more Performance Periods, determine the Participants for the Performance Periods and affirm the applicability of the Plan's formula for determining the Award for each Participant for the Performance Periods. The time period during which the achievement of the performance goals is to be measured shall be determined by the Committee, but may be no longer than five years and no less than six months.
- 3.6 Certification. Following the close of each Performance Period and prior to payment of any amount to any Participant under the Plan, the Committee will certify in writing as to the attainment of the performance goals and the amount of the Award.

#### **ARTICLE IV**

##### **New Hires, Promotions and Terminations**

- 4.1 New Participants During the Performance Period. If an individual is newly hired or promoted during a calendar year into a position eligible for participation in the Plan, he or she shall be eligible for an Award under the Plan for the Performance Period, prorated for the portion of the Performance Period following the date of eligibility for the Plan, subject to Section 3.2 hereof and the other terms and conditions of the Plan.
- 4.2 Retirement, Disability or Death. A Participant who terminates employment with the Company during a Performance Period due to Retirement, Disability or death shall be eligible, unless otherwise determined by the Committee, to receive an Award prorated for the portion of the Performance Period prior to termination of employment. Awards payable in the event of death shall be paid to the Participant's estate.
- 4.3 Termination of Employment. If a Participant terminates employment with the Company for a reason other than Retirement, Disability or death, unless otherwise determined by the Committee, no Award shall be payable with respect to the Performance Period in which such termination occurs.

#### **ARTICLE V**

##### **Miscellaneous**

- 5.1 Withholding Taxes. The Company shall have the right to make payment of Awards net of any applicable federal, state, local or foreign taxes required to be withheld, or to require the Participant to pay such withholding taxes. If the Participant fails to make such tax payments as required, the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to such Participant or to take such other action as may be necessary to satisfy such withholding obligations.
- 5.2 Nontransferability. No Award may be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, including assignment pursuant to a domestic relations order, during the time in which the requirement of continued employment or attainment of performance goals has not been achieved. Each Award shall be paid during the Participant's lifetime only to the Participant, or, if permissible under applicable law, to the Participant's legal representatives. No Award shall, prior to receipt thereof by the Participant, be in any manner liable for or subject to the debts, contracts, liabilities or torts of the Participant.

- 5.3 Administration. The Committee shall administer the Plan, interpret the terms of the Plan, amend and rescind rules relating to the Plan, and determine the rights and obligations of Participants under the Plan. The Committee may delegate any of its authority as it solely determines, consistent with applicable law and the rules and regulations of the New York Stock Exchange. In administering the Plan, the Committee may at its option employ compensation consultants, accountants and counsel and other persons to assist or render advice to the Committee, all at the expense of the Company. All decisions of the Committee shall be final and binding upon all parties including the Company, its stockholders, and the Participants. The provisions of this Plan are intended to ensure that all Awards granted hereunder qualify for the exemption from the limitation on deductibility imposed by Section 162(m) of the Code that is set forth in Section 162(m)(4)(C) of the Code, and this Plan shall be interpreted and operated consistent with that intention.
- 5.4 Severability. If any provisions of the Plan or any Award is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the purpose or intent of the Plan or the Award, such provision will be stricken as to such jurisdiction, and the remainder of the Plan or Award shall remain in full force and effect.
- 5.5 No Fund Created. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other person. To the extent that any person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company.
- 5.6 Employment at Will. Neither the adoption of the Plan, eligibility of any person to participate, nor payment of an Award to a Participant shall be construed to confer upon any person a right to be continued in the employ of the Company. The Company expressly reserves the right to discharge any Participant whenever in the sole discretion of the Company its interest may so require.
- 5.7 Amendment or Termination of the Plan. The Board of Directors of the Company reserves the right to amend or terminate the Plan at any time with respect to future Awards to Participants. Amendments to the Plan will require stockholder approval to the extent required to comply with applicable law, including the exemption under Section 162(m) of the Code.
- 5.8 Non-Exclusivity of Plan. Neither the adoption of the Plan by the Board of Directors nor the submission of the Plan to stockholders of the Company for approval shall be construed as creating any limitations on the power of the Board of Directors or the Committee to adopt such other incentive arrangements as either may deem desirable, including, without limitation, cash or equity-based compensation arrangements, either tied to performance or otherwise.
- 5.9 Governing Law. The Plan and any agreements hereunder shall be interpreted in accordance with the laws of the State of Ohio, without reference to principles of conflict of laws that might result in the application of the laws of another jurisdiction, and applicable federal law.

## PART I — NON-QUALIFIED STOCK OPTIONS

1. These Non-Qualified Stock Options for the number of shares of Common Stock indicated on the grant summary page (the “Non-Qualified Stock Options”) are granted to you under and are governed by the terms and conditions of the 2008 Performance Plan of The Goodyear Tire & Rubber Company, adopted effective April 8, 2008 (the “Plan”), and this Grant Agreement. As your stock options are conveyed and managed online, your online acceptance constitutes your agreement to and acceptance of all terms and conditions of the Plan and this Grant Agreement. You also agree that you have read and understand the Plan and this Grant Agreement. All defined terms used in this Grant Agreement have the meanings set forth in the Plan.

2. You may exercise the Non-Qualified Stock Options granted pursuant to this Grant Agreement through (1) a cash payment in the amount of the full option exercise price of the shares being purchased (including a simultaneous exercise and sale of the shares of Common Stock thereby acquired and use of the proceeds from such sale to pay the exercise price, to the extent permitted by law) (a “cash exercise”), (2) a payment in full shares of Common Stock having a Fair Market Value on the date of exercise equal to the full option exercise price of the shares of Common Stock being purchased (a “share swap exercise”), or (3) a combination of the cash exercise and share swap exercise methods. Any exercise of these Non-Qualified Stock Options shall be by written notice stating the number of shares of Common Stock to be purchased and the exercise method, accompanied with the payment, or proper proof of ownership if the share swap exercise method is used. You shall be required to meet the tax withholding obligations arising from any exercise of Non-Qualified Stock Options.

3. As further consideration for the Non-Qualified Stock Options granted to you hereunder, you must remain in the continuous employ of the Company or one or more of its Subsidiaries from the Date of Grant to the date or dates the Non-Qualified Stock Options become exercisable as set forth on the grant summary page of this Grant Agreement before you will be entitled to exercise the Non-Qualified Stock Options granted. The Non-Qualified Stock Options you have been granted shall not in any event be exercisable after your termination of employment except as provided in paragraph 4 below for Retirement (defined as termination of employment at any age after 30 or more years, or at age 55 or older with at least 10 years, of continuous service with the Company and its Subsidiaries), death, or Disability (defined as termination of employment while receiving benefits under a long-term disability income plan maintained by the Company or one of its Subsidiaries).

## II — GENERAL PROVISIONS

4. The Non-Qualified Stock Options terminate automatically and shall not be exercisable by you from and after the date on which you cease to be an employee of the Company or one of its Subsidiaries for any reason other than your death, Retirement or Disability. In the event of your death, Retirement or Disability while an employee of the Company or one of its Subsidiaries (and having been an employee continuously since the Date of Grant) during the exercise period on any date which is more than six (6) months after the Date of Grant of the Non-Qualified Stock Options specified on the grant summary page of this Grant Agreement, the Non-Qualified Stock Options shall become immediately exercisable and, except as provided below in the event of your death while an employee, shall be exercisable by you for the lesser of (a) the remainder of the term of the Non-Qualified Stock Option grant or (b) five years. In the event of your death while an employee, the Non-Qualified Stock Options may be exercised up to three years after date of death by the person or persons to whom your rights in the options passed by your will or according to the laws of descent and distribution. Nothing contained herein shall restrict the right of the Company or any of its Subsidiaries to terminate your employment at any time, with or without cause.

## Non-Qualified Stock Option Grant Agreement

### PART II — GENERAL PROVISIONS (Cont'd)

5. The Non-Qualified Stock Options shall not in any event be exercisable after the expiration of ten years from the Date of Grant specified on the grant summary page of this Grant Agreement and, to the extent not exercised, shall automatically terminate at the end of such ten-year period.
6. Certificates, or other evidence of beneficial ownership, for the shares of Common Stock purchased will be deliverable to you or your agent, duly accredited to the satisfaction of the Company, at the principal office of the Company in Akron, Ohio, or at such other place acceptable to the Company as may be designated by you.
7. In the event you retire or otherwise terminate your employment with the Company or a Subsidiary and within 18 months after such termination date you accept employment with a competitor of, or otherwise engage in competition with, the Company, the Committee, in its sole discretion, may require you to return, or (if not received) to forfeit, to the Company the economic value of the Non-Qualified Stock Options granted hereunder which you have realized or obtained by your exercise at any time on or after the date which is six months prior to the date of your termination of employment with the Company. Additionally, if you have retired from the Company, all Non-Qualified Stock Options granted to you hereunder which you have not exercised prior to your competitive engagement shall be automatically cancelled.
8. Each Non-Qualified Stock Option granted is not transferable by you otherwise than by will or the laws of descent and distribution, and is exercisable during your lifetime only by you.
9. All rights conferred upon you under the provisions of this Grant Agreement are personal and, except under the provisions of paragraph 8 of this Grant Agreement, no assignee, transferee or other successor in interest shall acquire any rights or interests whatsoever under this Grant Agreement, which is made exclusively for the benefit of you and the Company.
10. Any notice to you under this Grant Agreement shall be sufficient if in writing and if delivered to you or mailed to you at the address on record in the Executive Compensation Department. Any notice to the Company under this Grant Agreement shall be sufficient if in writing and if delivered to the Executive Compensation Department of the Company in Akron, Ohio, or mailed by registered mail directed to the Company for the attention of the Executive Compensation Department at 1144 East Market Street, Akron, Ohio 44316-0001. Either you or the Company may, by written notice, change the address. This Grant Agreement shall be construed and shall take effect in accordance with the laws of the State of Ohio.
11. Each Non-Qualified Stock Option may be exercised only at the times and to the extent, and is subject to all of the terms and conditions, set forth in this Grant Agreement, and in the Plan, including any rule or regulation adopted by the Committee.

1. These Non-Qualified Stock Options for the number of shares of Common Stock indicated on the grant summary page (the "Non-Qualified Stock Options") and the Stock Appreciation Rights granted in tandem with the Non-Qualified Stock Options (the "SARs") are granted to you under and are governed by the terms and conditions of the 2008 Performance Plan of The Goodyear Tire & Rubber Company, adopted effective April 8, 2008 (the "Plan"), and this Grant Agreement. As your stock options are conveyed and managed online, your online acceptance constitutes your agreement to and acceptance of all terms and conditions of the Plan and this Grant Agreement, including a recognition of the Company's right to specify whether or not you may exercise either the Non-Qualified Stock Options or the SARs at the time you notify the Company of your intent to exercise. In the event that you are, or become subject to taxation under the laws of the United States of America at any time prior to the expiration date, the grant hereunder shall be deemed to be a Non-Qualified Stock Option and not a SAR for so long as you remain subject to such tax laws. You also agree that you have read and understand the Plan and this Grant Agreement. All defined terms used in this Grant Agreement have the meanings set forth in the Plan.
2. If the Company approves the exercise of a Non-Qualified Stock Option, you may exercise the Non-Qualified Stock Options granted pursuant to this Grant Agreement through (1) a cash payment in the amount of the full option exercise price of the shares being purchased (including a simultaneous exercise and sale of the shares of Common Stock thereby acquired and use of the proceeds from such sale to pay the exercise price, to the extent permitted by law) (a "cash exercise"), (2) a payment in full shares of Common Stock having a Fair Market Value on the date of exercise equal to the full option exercise price of the shares of Common Stock being purchased (a "share swap exercise"), or (3) a combination of the cash exercise and share swap exercise methods. Any exercise of these Non-Qualified Stock Options shall be by written notice stating the number of shares of the Common Stock to be purchased and the exercise method, accompanied with the payment, or proper proof of ownership if the share swap exercise method is used. You shall be required to meet the tax withholding obligations arising from any exercise of Non-Qualified Stock Options.
3. If the Company approves the exercise of the SARs, written notice must be given to the Company stating the number of shares of Common Stock in respect of which the SARs are being exercised. In due course, you will receive payment in cash in an amount equal to the excess, if any, of the Fair Market Value of one share of the Common Stock on the date of exercise of the SARs over the Option Exercise Price per Share specified in respect of the Non-Qualified Stock Options times the number of shares of Common Stock in respect of which the SARs shall have been exercised. Such payment shall be subject to reduction for withholding taxes.
4. As further consideration for the Non-Qualified Stock Options and SARs granted to you hereunder, you must remain in the continuous employ of the Company or one or more of its Subsidiaries from the Date of Grant to the date or dates the Non-Qualified Stock Options and SARs become exercisable as set forth on the grant summary page of this Grant Agreement before you will be entitled to exercise the Non-Qualified Stock Options and SARs granted. The Non-Qualified Stock Options and SARs you have been granted shall not in any event be exercisable after your termination of employment except as provided in paragraph 5 below for Retirement (defined as termination of employment at any age after 30 or more years, or at age 55 or older with at least 10 years, of continuous service with the Company and its Subsidiaries), death, or Disability (defined as termination of employment while receiving benefits under a long-term disability income plan provided by a government or sponsored by the Company or one of its Subsidiaries).

Non-Qualified Stock Option with tandem  
Stock Appreciation Rights Grant Agreement

5. The Non-Qualified Stock Options and SARs terminate automatically and shall not be exercisable by you from and after the date on which you cease to be an employee of the Company or one of its Subsidiaries for any reason other than your death, Retirement or Disability. In the event of your death, Retirement or Disability while an employee of the Company or one of its Subsidiaries (and having been an employee continuously since the Date of Grant) during the exercise period on any date which is more than six (6) months after the Date of Grant specified on the grant summary page of this Grant Agreement, the Non-Qualified Stock Options and SARs shall become immediately exercisable and, except as provided below in the event of your death while an employee, shall be exercisable by you for the lesser of (a) the remainder of the term of the Non-Qualified Stock Option/SAR grant or (b) five years. In the event of your death while an employee, the Non-Qualified Stock Options and SARs may be exercised up to three years after date of death by the person or persons to whom your rights in the options passed by your will or according to the laws of descent and distribution. Nothing contained herein shall restrict the right of the Company or any of its Subsidiaries to terminate your employment at any time, with or without cause.
6. The Non-Qualified Stock Options and SARs shall not in any event be exercisable after the expiration of ten years from the Date of Grant specified on the grant summary page of this Grant Agreement and, to the extent not exercised, shall automatically terminate at the end of such ten-year period.
7. Certificates, or other evidence of beneficial ownership, for shares of the Common Stock purchased pursuant to Non-Qualified Stock Options will be deliverable to you or your agent, duly accredited to the satisfaction of the Company, at the principal office of the Company in Akron, Ohio, or at such other place acceptable to the Company as may be designated by you.
8. In the event you retire or otherwise terminate your employment with the Company or a Subsidiary and within 18 months after such termination date you accept employment with a competitor of, or otherwise engage in competition with, the Company, the Committee, in its sole discretion, may require you to return, or (if not received) to forfeit, to the Company the economic value of the Non-Qualified Stock Options or SARs which you have realized or obtained by your exercise of the Non-Qualified Stock Options or SARs granted hereunder at any time on or after the date which is six months prior to the date of your termination of employment with the Company. Additionally, if you have retired from the Company, all Non-Qualified Stock Options or SARs which are granted to you hereunder and which you have not exercised prior to your competitive engagement shall be automatically cancelled.
9. Each Non-Qualified Stock Option and SAR granted are not transferable by you otherwise than by will or the laws of descent and distribution, and are exercisable during your lifetime only by you.
10. All rights conferred upon you under the provisions of this Grant Agreement are personal and, except under the provisions of paragraph 9 of this Grant Agreement, no assignee, transferee or other successor in interest shall acquire any rights or interests whatsoever under this Grant Agreement, which is made exclusively for the benefit of you and the Company.

Non-Qualified Stock Option with tandem  
Stock Appreciation Rights Grant Agreement

11. Any notice to you under this Grant Agreement shall be sufficient if in writing and if delivered to you or mailed to you at the address on record in the Executive Compensation Department. Any notice to the Company under this Grant Agreement shall be sufficient if in writing and if delivered to the Executive Compensation Department of the Company in Akron, Ohio, or mailed by registered mail directed to the Company for the attention of the Executive Compensation Department at 1144 East Market Street, Akron, Ohio 44316-0001. Either you or the Company may, by written notice, change the address. This Grant Agreement shall be construed and shall take effect in accordance with the laws of the State of Ohio.

12. Each Non-Qualified Stock Option and/or SAR may be exercised only at the times and to the extent, and is subject to all of the terms and conditions, set forth in this Grant Agreement, and in the Plan, including any rule or regulation adopted by the Committee.

13. Your purchase of shares of Common Stock pursuant to the Non-Qualified Stock Options shall automatically reduce by a like number the shares of Common Stock subject to the SARs and, conversely, your exercise of any SARs shall automatically reduce by a like number the shares of Common Stock available for purchase by you under the Non-Qualified Stock Options.

14. In agreeing to accept this grant, you clearly acknowledge that The Goodyear Tire & Rubber Company assumes no responsibility for any regulatory or tax consequences that arise from either the grant or exercise of the Non-Qualified Stock Options or the SARs, whether under U.S. or foreign law, rules, regulations or treaties.

15. Prior to the exercise of a Non-Qualified Stock Option or SAR, written notice must be given to the Company of your intent to exercise. The Company will then advise you whether or not you may exercise a Non-Qualified Stock Option or SAR and upon receiving such advice you may then exercise the Non-Qualified Stock Option or the SAR.

## PART I — INCENTIVE STOCK OPTIONS

1. These Incentive Stock Options for the number of shares of Common Stock indicated on the grant summary page (the “Incentive Stock Options”) are granted to you under and are governed by the terms and conditions of the 2008 Performance Plan of The Goodyear Tire & Rubber Company, adopted effective April 8, 2008 (the “Plan”), and this Grant Agreement. As your stock options are conveyed and managed online, your online acceptance constitutes your agreement to and acceptance of all terms and conditions of the Plan and this Grant Agreement. You also agree that you have read and understand the Plan and this Grant Agreement. All defined terms used in this Grant Agreement have the meanings set forth in the Plan.

2. You may exercise the Incentive Stock Options granted pursuant to this Grant Agreement through (1) a cash payment in the amount of the full option exercise price of the shares being purchased (including a simultaneous exercise and sale of the shares of Common Stock thereby acquired and use of the proceeds from such sale to pay the exercise price, to the extent permitted by law) (a “cash exercise”), (2) a payment in full shares of Common Stock having a Fair Market Value on the date of exercise equal to the full option exercise price of the shares of Common Stock being purchased (a “share swap exercise”), or (3) a combination of the cash exercise and share swap exercise methods. Any exercise of these Incentive Stock Options shall be by written notice stating the number of shares of Common Stock to be purchased and the exercise method, accompanied with the payment, or proper proof of ownership if the share swap exercise method is used. You shall be required to meet the tax withholding obligations arising from any exercise of Incentive Stock Options.

3. As further consideration for the Incentive Stock Options granted to you hereunder, you must remain in the continuous employ of the Company or one or more of its Subsidiaries from the Date of Grant to the date or dates the Incentive Stock Options become exercisable as set forth on the grant summary page of this Grant Agreement before you will be entitled to exercise the Incentive Stock Options granted. The Incentive Stock Options you have been granted shall not in any event be exercisable after your termination of employment except as provided in paragraph 4 below for Retirement (defined as termination of employment at any age after 30 or more years, or at age 55 or older with at least 10 years, of continuous service with the Company and its Subsidiaries), death, or Disability (defined as termination of employment while receiving benefits under a long-term disability income plan maintained by the Company or one of its Subsidiaries).

## Part II — GENERAL PROVISIONS

4. The Incentive Stock Options terminate automatically and shall not be exercisable by you from and after the date on which you cease to be an employee of the Company or one of its Subsidiaries for any reason other than your death, Retirement or Disability. In the event of your death, Retirement or Disability while an employee of the Company or one of its Subsidiaries (and having been an employee continuously since the Date of Grant) during the exercise period on any date which is more than six (6) months after the Date of Grant of the Incentive Stock Options specified on the grant summary page of this Grant Agreement, the Incentive Stock Options shall become immediately exercisable and, except as provided below in the event of your death while an employee, shall be exercisable by you for the lesser of (a) the remainder of the term of the Incentive Stock Option grant or (b) five years. In the event of your death while an employee, the Incentive Stock Options may be exercised up to three years after date of death by the person or persons to whom your rights in the options passed by your will or according to the laws of descent and distribution. In the event of your Retirement, the Incentive Stock Options, to the extent they are exercisable, or they become exercisable pursuant to this paragraph, shall remain exercisable for the remainder of the exercise period as Non-Qualified Stock Options. Nothing contained herein shall restrict the right of the Company or any of its Subsidiaries to terminate your employment at any time, with or without cause.

## Incentive Stock Option Grant Agreement

### PART II — GENERAL PROVISIONS (Cont'd)

5. The Incentive Stock Options shall not in any event be exercisable after the expiration of ten years from the Date of Grant specified on the grant summary page of this Grant Agreement and, to the extent not exercised, shall automatically terminate at the end of such ten-year period.
6. Certificates, or other evidence of beneficial ownership, for the shares of Common Stock purchased will be deliverable to you or your agent, duly accredited to the satisfaction of the Company, at the principal office of the Company in Akron, Ohio, or at such other place acceptable to the Company as may be designated by you.
7. In the event you retire or otherwise terminate your employment with the Company or a Subsidiary and within 18 months after such termination date you accept employment with a competitor of, or otherwise engage in competition with, the Company, the Committee, in its sole discretion, may require you to return, or (if not received) to forfeit, to the Company the economic value of the Incentive Stock Options granted hereunder which you have realized or obtained by your exercise at any time on or after the date which is six months prior to the date of your termination of employment with the Company. Additionally, if you have retired from the Company, all Incentive Stock Options granted to you hereunder which you have not exercised prior to your competitive engagement shall be automatically cancelled.
8. Each Incentive Stock Option granted is not transferable by you otherwise than by will or the laws of descent and distribution, and is exercisable during your lifetime only by you.
9. All rights conferred upon you under the provisions of this Grant Agreement are personal and, except under the provisions of paragraph 8 of this Grant Agreement, no assignee, transferee or other successor in interest shall acquire any rights or interests whatsoever under this Grant Agreement, which is made exclusively for the benefit of you and the Company.
10. Any notice to you under this Grant Agreement shall be sufficient if in writing and if delivered to you or mailed to you at the address on record in the Executive Compensation Department. Any notice to the Company under this Grant Agreement shall be sufficient if in writing and if delivered to the Executive Compensation Department of the Company in Akron, Ohio, or mailed by registered mail directed to the Company for the attention of the Executive Compensation Department at 1144 East Market Street, Akron, Ohio 44316-0001. Either you or the Company may, by written notice, change the address. This Grant Agreement shall be construed and shall take effect in accordance with the laws of the State of Ohio.
11. Each Incentive Stock Option may be exercised only at the times and to the extent, and is subject to all of the terms and conditions, set forth in this Grant Agreement, and in the Plan, including any rule or regulation adopted by the Committee.

1. The Performance Share Unit Grant for the number of Units specified on the award summary page is granted to you under, and governed by the terms and conditions of, the 2008 Performance Plan of The Goodyear Tire & Rubber Company, adopted effective April 8, 2008 (the "Plan"), and this Grant Agreement. As your awards are conveyed and managed online, your online acceptance constitutes your agreement to, and acceptance of, all terms and conditions of the Plan and this Grant Agreement. You also agree that you have read and understand the provisions of the Plan, this Grant Agreement and Annex A. All defined terms used in this Grant Agreement have the meanings set forth in the Plan.

2. All rights conferred upon you under the provisions of this Grant Agreement are personal to you and no assignee, transferee or other successor in interest shall acquire any rights or interests whatsoever under this Grant Agreement, which is made exclusively for the benefit of you and the Company, except by will or the laws of descent and distribution.

3. As further consideration for the Units granted to you hereunder, you must remain in the continuous employ of the Company or one or more of its Subsidiaries until December 31, 20\_\_\_\_, the end of the Performance Period. Any Units earned will be prorated in the event of your death, Retirement (defined as termination of employment at any age after 30 or more years, or at age 55 or older with at least 10 years, of continuous service with the Company and its Subsidiaries) or Disability (defined as termination of employment while receiving benefits under a long-term disability income plan maintained by the Company or one of its Subsidiaries) prior to completion of the Performance Period. Any proration is based on the last day you worked. Nothing contained herein shall restrict the right of the Company or any of its Subsidiaries to terminate your employment at any time, with or without cause.

4. You will forfeit the right to receive any distribution or payment under this award if you enter into a relationship either as an employee, consultant, agent or in any manner whatsoever with an entity that sells products in competition with products sold by the Company and its Subsidiaries within six months after the earlier of (1) the date you receive your distribution of Units earned or (2) the date you cease to be an employee of the Company or one of its Subsidiaries.

5. The number of Units earned will be paid as follows:

(a) Each Unit earned will be valued at a dollar amount equal to the Fair Market Value of the Common Stock on December 31, 20\_\_\_\_(the "Unit Value").

(b) The Company will pay to you an amount equal to 50% of the Unit Value multiplied by the total number of Units earned in cash and an amount equal to 50% of the total number of units earned in shares of Common Stock, less such withholding and payroll taxes as the Company shall determine to be necessary or appropriate (withholding and payroll taxes to be deducted from the cash portion of the payment) by March 15, 20\_\_\_\_; provided, however, that notwithstanding the foregoing, you may elect, by delivering a written notice of your election to the Company not later than June 30, 20\_\_\_\_, to defer all or a specified whole

## Performance Share Grant Agreement

percentage of the aforesaid Units earned until the Optional Deferral Date (as defined below), in which event the amount you elect to defer (which shall be equal to the product of  $UE \times PDE$ , where UE equals the number of Units earned and PDE equals the percentage, expressed as a decimal, of the Units earned you elect to defer) will be credited by March 15, 20\_\_ to an account maintained in the records of the Company (the "Optional Deferred Amount") and will be converted into Deferral Units (as defined below). The amount of such deferral will be reduced, if necessary, to pay such tax, payroll and other withholding obligations as the Company shall determine to be necessary or appropriate.

(c) Notwithstanding the foregoing, the Compensation Committee of the Board of Directors may, at its sole election, at any time and from time to time require that the payment of the entire, or any portion of the, Unit Value of any number of the Units earned shall be deferred until the Optional Deferral Date, or such later date as it shall deem appropriate, in order for the Company to conform to the requirements of Section 162(m) of the Internal Revenue Code (the "Required Deferral Amount"). Any Required Deferral Amount so deferred will be credited to an account maintained in the records of the Company and will be converted into Deferral Units, the number of which shall be determined by dividing each amount so deferred by the Fair Market Value of the Common Stock on the date of such deferral.

6. As used herein, the term: (1) "Deferral Unit" means an equivalent to a hypothetical share of the Common Stock; (2) "Optional Deferral Date" means the first business day of the twelfth month following the month during which you cease to be employed by the Company, or one of its Subsidiaries, for any reason (whether Retirement, Disability, death, voluntary termination or otherwise); (3) "Optional Deferral Unit" means each Deferral Unit resulting from any Optional Deferred Amount, including Dividend Equivalents credited in respect thereof; and (4) "Required Deferral Unit" means each Deferral Unit resulting from any Required Deferred Amount, including Dividend Equivalents credited in respect thereof. All computations relating to Deferral Units, fractions of shares of Common Stock and Dividend Equivalents will be rounded, if necessary, to the fourth decimal place.

7. Each Deferral Unit will be credited with one Dividend Equivalent on each date on which cash dividends are paid on shares of the Common Stock (and each fraction of a Deferral Unit shall be credited with a like fraction of a Dividend Equivalent). Dividend Equivalents (and fractions thereof, if any) will be automatically translated into Deferral Units by dividing the dollar amount of such Dividend Equivalents by the Fair Market Value of the Common Stock on the date the relevant Dividend Equivalents are accrued to your account. The number of Deferral Units (and any fractions thereof) resulting will be credited to your account (in lieu of the dollar amount of such Dividend Equivalent) and shall continually be denominated in Deferral Units until converted for payment as provided in this Grant Agreement.

8. If you have duly elected to receive payment of all or a specified percentage of your Deferral Units on the Optional Deferral Date (or if payment of any of the Deferral Units has been

## Performance Share Grant Agreement

deferred until the Optional Deferral Date pursuant to the conversion thereof into Required Deferral Units), you may elect, at the time and in the manner specified below, to receive such Deferral Units in lieu of a lump sum on the fifth business day following the Optional Deferral Date, (1) in a series of not less than five (5) or more than ten (10) annual installments commencing on the fifth business day following the Optional Deferral Date, or (2) a specified percentage of your Deferral Units on the fifth business day following the Optional Deferral Date and the balance of your Deferral Units in installments as specified in clause (1) of this sentence.

9. On the Optional Deferral Date (to the extent you have not elected to receive payment in installments), the whole Deferral Units then in your account (which have not been designated for payment in installments) will be converted at your election (which election shall be made in writing on or before the last day of the seventh month prior to the month during which the Optional Deferral Date occurs), into (1) a like number of shares of Common Stock, or (2) a dollar amount determined by multiplying the number of whole Deferral Units credited to your account by the Fair Market Value of the Common Stock on the Optional Deferral Date, or (3) a combination of shares of Common Stock and cash in accordance with your election (which shall be expressed as a percentage of the Deferral Units to be paid in shares of Common Stock). In accordance with your election, within five business days following the Optional Deferral Date you will be paid (a) such number of shares of Common Stock, (b) such amount of cash, or (c) the elected combination of shares of Common Stock and cash, the amounts of which shall be determined in accordance with the preceding sentence. If you did not make an election as to the form of payment on or before the required date, you will receive payment in shares of Common Stock. Any fraction of a Deferral Unit will be paid to you on the relevant date in cash, the amount of which shall be calculated in the manner specified above.

10. If you desire to receive payment of your Deferral Units or a portion thereof in annual installments, you may elect (by delivering to the Company a written notice of your election, which shall specify the number of annual installments, not later June 30, 20\_\_ to receive all, or a specified whole percentage of, the Deferral Units in your account (which would otherwise be scheduled for distribution on the Optional Deferral Date) in not less than five (5) or more than ten (10) annual installments, payable commencing on the fifth business day following the Optional Deferral Date and thereafter on the fifth business day following each anniversary thereof until paid in full. You may also elect (in writing on or before the last day of the seventh month prior to the month during which the Optional Deferral Date occurs) to receive payment in shares of Common Stock, cash or any combination of Common Stock and cash (expressed as a percentage of the Deferral Units to be paid in shares of Common Stock). Each installment shall be in an amount equal to the total number of Deferral Units credited to your account on the Optional Deferral Date, or on the anniversary thereof which is the fifth business day prior to the date such installment is due and payable, as the case may be, divided by the number of annual installments remaining (including the annual installment then being calculated for payment) to be paid. In respect of each installment, the number of Deferral Units payable shall, in accordance with your election, be converted into (1) a like number of shares of Common Stock, (2) a dollar amount determined by multiplying the number of whole Deferral Units credited to your account by the Fair Market Value of the Common Stock on the relevant anniversary of the Optional Deferral Date (or the Optional Deferral Date in the case of the first installment), or

## Performance Share Grant Agreement

(3) the elected combination of shares of Common Stock and cash, the amounts of which shall be determined in the manner specified above. Any fraction of Deferral Unit will be paid to you on the relevant date in cash, the amount of which shall be calculated in the manner specified above.

11. You will be required to satisfy all Federal, state and local tax and payroll withholding obligations, and any other withholding obligations, arising in respect of any distribution of shares of Common Stock or cash to you. To the extent there is sufficient cash available, such withholding obligations will be deducted from your distribution. To the extent the amount of cash to be distributed is not sufficient to satisfy all withholding obligations, you may elect in writing on or before the last day of the seventh month prior to the month during which the Optional Deferral Date occurs to pay such withholding obligations as a condition of your receipt of any distribution of shares of Common Stock or to have the number of shares of Common Stock reduced by the number of shares equivalent to the required tax withholding obligation based on the Fair Market Value of the Common Stock on the relevant anniversary of the Optional Deferral Date if payment is in installments or on the Optional Deferral Date in the case of the first installment or payment in the form of a lump sum.

12. In the event of your death at any time prior to the Optional Deferral Date, your account balance will be paid in cash in a lump sum on the fifth business day following the Optional Deferral Date. In the event of your death at any time following the Optional Deferral Date and prior to the distribution of your account, the entire balance of your account shall be paid in cash on the anniversary of the Optional Deferral Date next following your date of death.

13. Any notice to you under this Grant Agreement shall be sufficient if in writing and if delivered to you or mailed to you at the address on record in the Executive Compensation Department. Any notice to the Company under this Grant Agreement shall be sufficient if in writing and if delivered to the Executive Compensation Department of the Company in Akron, Ohio, or mailed by registered mail directed to the Company for the attention of the Executive Compensation Department at 1144 East Market Street, Akron, Ohio 44316-0001. Either you or the Company may, by written notice, change the address. This Grant Agreement shall be construed and shall take effect in accordance with the laws of the State of Ohio.

**RESTRICTED STOCK PURCHASE AGREEMENT**

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, between The Goodyear Tire & Rubber Company, an Ohio corporation, with its principal office at 1144 East Market Street, Akron, Ohio 44316-0001 (hereinafter referred to as the "Company"), and *Name, title*, of the Company residing at *address* (hereinafter referred to as "Grantee").

**WITNESSETH: that**

**WHEREAS**, Grantee became an employee of the Company on \_\_\_\_\_, 20\_\_\_\_\_ and was appointed *Title* of the Company effective \_\_\_\_\_, 20\_\_\_\_\_; and

**WHEREAS**, the Compensation Committee of the Board of Directors of the Company deemed it in the best interest of the Company and in furtherance of the purposes of the 2008 Performance Plan of The Goodyear Tire & Rubber Company (the "Plan") to award restricted shares of the Common Stock, without par value, of the Company (the "Common Stock") to Grantee pursuant to the Plan on and subject to the terms, conditions and restrictions set forth herein; and

**WHEREAS**, in accordance with action duly taken by the Compensation Committee of the Board of Directors and by the Board of Directors, the following sets forth the terms, conditions and restrictions of the award.

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

**SECTION 1. AWARD; PURCHASE AND SALE OF SHARES.**

The Company awards pursuant to the Plan and agrees to sell to Grantee, and Grantee agrees to subscribe for and purchase from the Company, on and subject to the terms and conditions set forth in this Agreement, \_\_\_\_\_ shares of Common Stock (the "Shares") at a purchase price of one cent (\$.01) per share. The aggregate purchase price of \$\_\_\_\_\_ for the Shares shall be paid by Grantee by check, payable to the order of the Company, or by such other method as may be acceptable to the Company. The purchase and sale shall be consummated at the principal offices of the Company at such time as shall be agreed upon by the Company and Grantee, but in no event later than \_\_\_\_\_, 20\_\_\_\_\_. Upon receipt of the purchase price, the Company will cause a certificate or certificates for the Shares to be issued to Grantee as the registered owner thereof. Upon the purchase and issuance of the Shares, Grantee will be entitled to receive dividends and exercise voting rights. Grantee agrees that the Shares shall be subject to the restrictions on transfer set forth in Section 2 of this Agreement and to the Purchase Option set forth in Section 3 of this Agreement. Grantee hereby agrees that the Company shall retain, at its principal offices, possession of the certificate or certificates representing the Shares, duly endorsed in blank by Grantee or with duly executed stock power(s) attached, all in a form suitable for the transfer of the Shares.

**SECTION 2. RESTRICTIONS ON TRANSFER.**

Grantee shall not have the right or power to, and shall not, sell, assign, transfer, pledge, hypothecate, or otherwise dispose of, by operation of law or otherwise, any of the Shares, or any interest therein, so long as and to the extent that the Shares are subject to the Purchase Option of the Company provided for at Section 3 of this Agreement.

**SECTION 3. COMPANY PURCHASE OPTION.**

A. The Company shall have the right and option to purchase all of the Shares from Grantee for one cent (\$.01) per share (the "Option Price"), if Grantee ceases to be employed by the Company for any reason (the "Purchase Option"), except as expressly provided in Subsection B of this Section 3. Except as otherwise provided in Subsection C of this Section 3, the Purchase Option of the Company will expire on \_\_\_\_\_, 20\_\_\_\_ if Grantee has been continuously employed from the date of this Agreement through \_\_\_\_\_, 20\_\_\_\_\_.

B. In the event Grantee ceases to be an employee of the Company at any time subsequent to \_\_\_\_\_, 20\_\_\_\_\_ by reason of [his/her] death or total disability (as defined in the Company's Long-Term Disability Benefits for Salaried Employees Plan (the "LTDB Plan")), the Purchase Option shall thereupon terminate in respect of that number of the Shares which is equal to the product of (i) \_\_\_\_\_, multiplied by (ii) a fraction the numerator of which is the number of full calendar months elapsed during the period beginning on \_\_\_\_\_, 20\_\_\_\_\_ and ending on the date of the death or total disability (as defined in the LTDB Plan) of Grantee, and the denominator of which is [36], and the Purchase Option shall be exercised with respect to the remaining Shares.

C. In the event that on or before \_\_\_\_\_, 20\_\_\_\_\_ the Company determines that it would not be able to deduct for Federal Income Tax purposes the entire value of the Shares (less the purchase price paid by Grantee) by reason of the provisions of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), or any successor statute, in the 20\_\_ tax year of the Company, then the restrictions on transfer set forth in Section 2 of this Agreement shall continue and the Purchase Option of the Company shall be automatically extended until such date as the value of such Shares would be deductible by the Company for Federal Income Tax purposes. The Purchase Option of the Company shall be extended pursuant to this Subsection C only to the extent, and only in respect of that number of the Shares, necessary in order to assure the deductibility by the Company for Federal Income Tax purposes of the value of the Shares (net of the purchase price paid by Grantee).

D. Notwithstanding anything herein to the contrary, in the event that a Severance (as defined at Section 13 of the Plan) shall occur at any time after \_\_\_\_\_, 20\_\_\_\_\_, the Purchase Option of the Company shall automatically terminate in respect of all of the Shares on the date on which such Severance occurs.

E. The Company may exercise the Purchase Option by delivering or mailing to Grantee, or to [his/her] estate, at [his/her] address written notice of exercise within 60 days after the termination of Grantee's employment with the Company, which notice shall specify the number of Shares to be purchased. The Company shall thereafter tender to Grantee or [his/her] estate the option price in respect of that number of Shares being purchased within 90 days after Grantee's termination of

employment with the Company. If and to the extent the Purchase Option is not exercised within the aforesaid 60-day period, or the purchase is not completed within the aforesaid 90-day period, as the case may be, the Purchase Option of the Company shall automatically expire.

F. After the time when any of the Shares are required to be transferred to the Company pursuant to Subsection A of this Agreement, the Company shall not pay any dividend to Grantee on account of those Shares, or permit Grantee to exercise any of the privileges or rights of a shareholder with respect to those Shares, but shall, insofar as permitted by law, treat the Company as the owner of the Shares.

**SECTION 4. EFFECT OF PROHIBITED TRANSFER.**

The Company shall not be required (a) to transfer on its books any of the Shares that shall have been, or are purported or represented to have been, sold or transferred in violation of any of the provisions of this Agreement; or (b) to treat as owner of such Shares or to pay dividends to any transferee to whom any such Shares shall have been, or are purported or represented to have been, so sold or transferred.

**SECTION 5. RESTRICTIVE LEGEND.**

All certificates representing the Shares shall have affixed thereto a legend in substantially the following form, in addition to any other legends that may be required under Federal or state securities laws:

The shares of stock represented by this certificate are subject to restrictions on transfer and conditions of forfeiture set forth in the Restricted Stock Purchase Agreement, dated \_\_\_\_\_, 20\_\_\_\_\_, between the Company and Grantee, which agreement is on file with, and available for inspection without charge at the office of, the Secretary of the Company at 1144 East Market Street, Akron, Ohio 44316-0001.

**SECTION 6. CERTAIN RESALE LIMITATIONS.**

A. The Shares have been registered under the Securities Act for issuance pursuant to the Plan. Grantee acknowledges that in the event he shall be deemed to be an "affiliate" of the Company (within the meaning of that term as used in Rule 144 promulgated under the Securities Act of 1933), a sale of all or a portion of the Shares will be subject to certain provisions of said Rule 144 under the Securities Act.

B. Grantee agrees that [he/she] will not sell, transfer, or otherwise dispose of any of the Shares except in conformance with all applicable provisions of the Securities Act and that the Company shall have no obligation to cause the registration of the Shares for resale by Grantee if [he/she] is an "affiliate" of the Company.

C. A legend substantially in the following form will be placed on the certificate or certificates representing the Shares:

The shares represented by this certificate may not be sold, transferred, or otherwise disposed of in the absence of an effective registration statement under that Act or an opinion of counsel satisfactory to the Company to the effect that registration is not required.

**SECTION 7. ADJUSTMENTS.**

Any adjustments made pursuant to the provisions of the Plan (including Section 4(c) thereof) by the Compensation Committee of the Board of Directors shall be binding on Grantee.

**SECTION 8. WITHHOLDING TAXES.**

A. Grantee acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to [him/her] any federal, state, or local taxes of any kind required by law to be withheld with respect to the Shares.

B. If Grantee elects in accordance with Section 83(b) of the Internal Revenue Code to recognize ordinary income in respect of the Shares in 20\_\_\_\_, the Company will require, at the time of that election, that Grantee make an additional payment to the Company for withholding taxes, the amount of which shall be based on the difference, if any, between the purchase price of the Shares and the Fair Market Value of the Shares as of the date of the purchase of the Shares by Grantee.

**SECTION 9. SEVERABILITY.**

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

**SECTION 10. WAIVER.**

Any provision contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors of the Company.

**SECTION 11. BINDING EFFECT.**

This Agreement shall be binding upon, and inure to the benefit of, the Company and Grantee and their respective heirs, executors, administrators, legal representatives, successors and assigns.

**SECTION 12. NO RIGHTS TO EMPLOYMENT.**

Nothing contained in this Agreement shall be construed as giving Grantee any right to be retained, in any position, as an employee of the Company.

**SECTION 13. NOTICE.**

Any notice required or permitted hereunder shall be deemed served if personally delivered, delivered by courier service or mailed by registered or certified mail, postage prepaid, and properly addressed to the respective party to whom such notice relates, at the addresses set forth in this Agreement or at such different addresses as shall be specified by a notice given in the manner herein provided.

**SECTION 14. ENTIRE AGREEMENT.**

This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether oral or written, pertaining to the Shares or otherwise relating to the subject matter of this Agreement.

**SECTION 15. AMENDMENT.**

This Agreement may be amended or modified only by a written instrument executed by both the Company and Grantee.

**SECTION 16. GOVERNING LAW.**

This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of Ohio.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date first above written.

**THE GOODYEAR TIRE & RUBBER COMPANY**

By: \_\_\_\_\_  
Chairman of the Board, President and  
Chief Executive Officer

Attest: \_\_\_\_\_  
Secretary

\_\_\_\_\_  
Grantee