NOTICE TO INTERESTED PERSONS (the Notice)

May 23, 2012

The Cotter Merchandise Storage Co. Defined Benefit Plan (the Plan) has requested authorization from the United States Department of Labor (the Department) pursuant to procedures contained in Prohibited Transaction Class Exemption (PTE) 96-62, 61 FR 39988 (July 31, 1996), as amended by 67 FR 44622 (July 3, 2002), that the restrictions under sections 406(a) and 406(b)(1) and (2) of the Employee Retirement Income Security Act of 1974 (the Act) and section 4975(c)(1)(A) through (E) of the Internal Revenue Code of 1986, as amended (the Code) shall not apply to the sale of certain promissory notes (the Notes) from the Plan to the Cotter Merchandise Storage Company (Cotter or the Applicant).

This Notice informs you of the application to the Department and describes your right to comment to the Department.

Background

The following is a summary of the events leading up to this Notice (for a more detailed discussion of these events, please review the proposed exemption and grant for PTE 2009-33, which can be found respectively at 74 FR 49026 (September 25, 2009) and at 74 FR 67925 (December 21, 2009) and are enclosed as Exhibit A):

1. The Plan is a defined benefit plan that was established in August 1964 by Cotter, an Ohio corporation that is located in Akron, Ohio. Cotter is a real estate holding company that owns a warehousing subsidiary, Cotter Merchandise Storage Company of Ohio, Inc. (CMSCO). Cotter's current directors and officers are Messrs. Chris Geib, John Seikel, and Ms. Tonya Bridgeland. Chris Geib also serves as the Plan trustee and he makes investment decisions on behalf of the Plan. As of April 2012, the Plan has 14 participants and beneficiaries. As of June 30, 2011, the Plan had total assets of $375,183 and is 96% funded.

2. Robert Geib (Mr. Geib), the father of Chris Geib, was formerly an officer and an owner of Cotter, as well as a Plan trustee. Between 1988 and 1990, Mr. Geib made a series of unauthorized withdrawals from the Plan, which he characterized as "loans." The loans were unsecured at the time of their execution and were evidenced by promissory notes. The Notes carried interest at the rate of 12% per annum and ranged from $6,000 to $100,000 in principal amounts. These Notes are set forth as follows:

Date Loan	Amount
March 1, 1988	$62,000
March 7, 1988	$20,000
April 16, 1990	$10,000
April 19, 1990	$100,000
April 20, 1990	$6,000
April 30, 1990	$6,000
May 19, 1990	$6,500

The total principal amount of the loans was $210,500 and they each had a maturity date of January 1, 1992. In 1988, the outstanding loan balance represented 25.3% of the Plan's assets. In 1990, the outstanding loan balance represented 37.35% of the Plan's assets. The Applicant has no record that Mr. Geib made any repayments. Moreover, all of the loans remained unpaid at their maturity and have since remained unpaid.

3. In 2000, the Tax Court found Mr. Geib liable for excise taxes under section 4975 of the Code for the prohibited transaction arising from the Notes. Additionally, the Tax Court found Mr. Geib in violation of section 6651(a)(1) of the Code for the failure to file Forms 5330 for the prohibited transactions. These liabilities totaled $174,761.00 in 1998 and it is not evident that any payments have been made by Mr. Geib.

In a March 1, 2009 personal financial statement, Mr. Geib claimed that various creditors and other parties, including Cotter and the Plan, had obtained a total of $1,830,620.00 in judgments against him. A civil judgment (the Judgment) against Mr. Geib is described in Exhibit A. He also claimed an annual income of $22,200, of which $16,200 was derived from Social Security. In a May 14, 2009 affidavit, Mr. Geib claimed that there had been no substantial changes to his financial position since November 1, 2008. In addition, the Applicant represents that it has no knowledge of Mr. Geib's current personal circumstances.

Based on these representations, Mr. Geib is essentially insolvent and the Plan has little expectation of ever collecting the debt. The amounts owed by Mr. Geib to the Plan cannot be retired because the Notes are secured by the Cotter stock owned by Mr. Geib. The stock, which is held in escrow, is also subject to the judgments obtained by the Plan, Cotter and CMSCO against Mr. Geib.

4. Cotter requested an administrative exemption from the Department in order to purchase the Notes from the Plan (the 2009 Proposed Purchase). The proposed sale price for the Notes reflected their fair market value. In connection with the sale, the Plan was to surrender the Notes, while retaining the right to receive certain future recoveries from Cotter. Mr. Dunkle, a qualified, independent appraiser with Brockman, Coats, Gedelian & Co. (BCG), placed the fair market value of Cotter common stock on a minority, non-marketable basis at $500.59 per share as of March 31, 2009, relying primarily on the Asset Approach to valuation. The 1,642.2 shares of Cotter common stock owned by Mr. Geib had a fair market value of $822,069 as of March 31, 2009. Because of Mr. Geib's insolvency and the existence of combined equal priority debt of $1,381,058, the value of the Notes as of March 31, 2009 was equal to the pro rata portion of Mr. Geib's interest in Cotter that served as collateral for such debt. The $1,381,058 total debt, which included principal and interest due to the Plan as of March 31, 2009, consists of amounts owed to the Plan ($625,282), Cotter ($447,910) and CMSCO ($307,866). The Plan's pro rata interest in this debt was 45.2756% or ($625,282/$1,381,058). Applying this percentage to the value of Mr. Geib's ownership interest in Cotter common stock ($822,069), the Notes had a fair market value equivalent to the prorated collateral value of $372,197 ($822,069 × 45.2756%) as of March 31, 2009.

5. The Department of Labor originally published a prohibited transaction exemption to permit the 2009 Proposed Purchase (PTE 2009-33, 74 FR 67925, December 21, 2009). Cotter

represents that it had fully intended to complete the 2009 Proposed Purchase as soon as possible following the grant of the exemption.

The Proposed 2012 Sale of the Notes to the Plan

6. The Applicant represents that the 2009 Proposed Purchase was not completed because Cotter fell out of compliance with its lender's financial covenants. In this regard, Cotter negotiated new covenants allowing for the completion of the 2009 Proposed Purchase. However, too much time had passed since the Department granted PTE 2009-33, so Cotter applied under PTE 96-62 for an expedited authorization (EXPRO). The Tegrit Group (Tegrit) is representing the Plan as the independent fiduciary.[1]

7. Mr. Dunkle prepared a new valuation of the Cotter stock as of June 30, 2011.[2] BCG estimated the fair market value of one share of Cotter common stock on a minority, non-marketable basis at $429.32, substantially less than the 2009 Valuation of $500.59 per share. However, Cotter will pay the higher value to the Plan, as described below. In an affidavit dated October 21, 2011, Mr. Geib represented that he had insufficient funds to repay the Notes. Because of Mr. Geib's insolvency and the existence of combined equal priority debt of $1,557,621, the value of the Notes as of June 30, 2011 was equal to the pro rata portion of Mr. Geib's interest in Cotter that served as collateral for such debt. The $1,557,621 total debt, which included principal and interest due to the Plan as of June 30, 2011, consists of amounts owed to the Plan ($757,005), Cotter ($473,049) and CMSCO ($327,567). The Plan's pro rata interest in this debt was 48.60% or ($757,005/$1,557,621). Applying this percentage to the value of Mr. Geib's ownership interest in Cotter common stock ($705,029) the Notes had a fair market value equivalent to the prorated collateral value of $342,644 ($705,029 × 48.60%) as of June 30, 2011.

8. Tegrit represents that the Notes now represent 99% of the Plan's assets (Tegrit has taken into account the Plan's pro rata interest in the Notes). Tegrit represents also that the proposed sale of the Notes will give the Plan an infusion of cash that can be used to purchase investments that are in alignment with the Plan's investment policy and objectives.

Description of the Proposed Transaction

The proposed transaction will be subject to the following terms:

(a) The terms and conditions of the proposed sale transaction will be at least as favorable to the Plan as those that the Plan could obtain in an arm's length transaction with an unrelated party;

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[1] Tegrit, which is the former Summit Retirement Plan Services described in Exhibit A, explains that it now has five enrolled actuaries and its company and staff qualifications remain the same. Tegrit also represents that it receives or is projected to receive less than 2% of its total 2012 annual revenue based on its 2011 federal income tax year from Cotter or the Plan.

[2] BCG received less than 2% of its 2011 gross income from Cotter and its affiliates and Mr. Dunkle's qualifications are described in Exhibit A.

(b) As consideration for the Notes, the Plan will receive either: (1) the greater of $372,197 or (2) the fair market value of the Notes (based upon the Plan's proportionate share of Mr. Geib's ownership of Cotter common stock), as determined by a qualified, independent appraiser on the date of the sale transaction;

(c) The proposed sale will be a one-time transaction for cash;

(d) The Plan will pay no fees, commissions, costs or other expenses in connection with the proposed sale;

(e) Cotter will pay the Plan all recoveries resulting from certain judgments;

(f) An independent fiduciary will (1) determine that the sale is an appropriate transaction for the Plan and is in the best interests of the Plan and its participants and beneficiaries; (2) monitor the sale on behalf of the Plan; and (3) ensure that the Plan receives all future recoveries resulting from the Judgment; and

(g) The proposed sale will occur no later than June 30, 2012.

Tentative Authorization of Proposed Transaction

Under the EXPRO procedure, a proposed transaction is deemed to be tentatively authorized at the expiration of the 45-day period following acknowledgment by the Department of receipt of the EXPRO application, unless the Department advises the applicant that the transaction is not eligible for EXPRO. An application may also be tentatively authorized if the Department issues a written determination during such 45-day period that the proposed transaction meets the requirements for tentative authorization.

The proposed transaction became tentatively authorized as of the date first written above.

Substantially Similar Prior Exemptions

Authorization by the Department was requested under EXPRO procedures promulgated under PTE 96-62. This process requires that at least two prior exemptions of substantially similar structure have been granted by the DOL within the last 60 months. Alternatively, the Department must have granted one exemption within the past 120 months and issued one final authorization pursuant to PTE 96-62 within 60 months for substantially similar transactions. For this reason, the Applicant cites to PTE 2009-33 and to PTE 2009-34, 74 FR 67926, December 21, 2009. Both PTE 2009-33 and 2009-34 were granted within the last 60 months and are substantially similar to the 2009 Proposed Purchase.

The facts and circumstances of PTE 2009-33 are not just substantially similar to the current proposed transaction, but are the basis for this EXPRO application. The sale of the same Notes was exempted in PTE 2009-33, but the Sale was not consummated in a timely manner. As a result, Cotter applied under EXPRO. The only difference between PTE 2009-33 and this proposed transaction is that when PTE 2009-33 was published, the Notes comprised 67% of the

Plan's assets. Currently, the need for an authorization under EXPRO is more acute because the Notes constitute 99% of the Plan's assets.

The rationale for PTE 2009-33 and the proposed transaction are also substantially similar. The Notes constituted a large portion of the Plan's assets and the rationale of the sale was for restoring liquidity and balance to the Plan's investments. PTE 2009-33 and the proposed transaction both would allow the Plan to diversify its assets. As in PTE 2009-33, the proposed transaction is in the interests and protective of the Plan, its participants and its beneficiaries.

The protections and conditions in place for PTE 2009-33 and the proposed transaction are substantially similar. The only difference is that the proposed transaction must be completed by the June 30, 2012.

The Department has also granted relief to the Unaka Company Incorporated (Unaka) in PTE 2009-34 for Unaka's purchase of mortgage notes (the Unaka Notes) held by the Unaka Company, Incorporated Employees, Profit Sharing Plan (the Unaka Plan). PTE 2009-34 had similar facts to the proposed transaction. The obligors of the Unaka Notes were indigent and unable to pay off the Unaka Notes. Similar to the Notes, the Unaka Notes accrued at a high rate of interest of 10% to 15%. Neither the Unaka Notes nor the Notes had or have a ready market and could not be repaid by their obligors. The only difference is that the Unaka Plan had no other competing creditors with respect to the Unaka Notes as there are in the proposed transaction.

The rationale for PTE 2009-34 and the proposed transaction are substantially similar because in both instances, the Unaka Plan and the Plan were invested in notes that have no ready market. The sale in PTE 2009-34 made the Unaka Plan more liquid and the proposed transaction would make the Plan more liquid and diversified. In both instances, the sale of illiquid notes for cash is in the interests and protective of the Plan, its participants and its beneficiaries.

The protections and conditions in place for PTE 2009-34 and the proposed transaction are similar. However, the proposed transaction has an independent fiduciary and a deadline by which the proposed transaction must occur. These additional conditions are more protective of the Plan than the situation in PTE 2009-34.

YOUR RIGHT TO COMMENT ON TENTATIVE AUTHORIZATION

As an interested party, you have the right to submit comments to the DOL on the tentative authorization. If you decide to do so, please submit your comments at the following address:

Employee Benefits Security Administration
Office of Exemption Determinations, Division of Individual Exemptions
U.S. Department of Labor
200 Constitution Avenue, N.W.
Room N-5700
Washington, D.C. 20210

Attn: Anh-Viet Ly Re: E-00690

Please be sure to reference the submission number, E-00690. Comments must be received by the DOL no later than June 20, 2012.

Comments may be faxed or e-mailed to the DOL. The fax number is (202) 219-0204 and the e-mail address is ly.anh-viet@dol.gov. If you have questions regarding your right to comment on this tentative authorization, you may call Mr. Ly at (202) 693-8648.

Anticipated Date of Sale

The sale will be consummated only after the issuance of a final authorization by the Department. Final authorization occurs 5 days after the end of the comment period (unless the Department notifies the applicant that the proposed transaction is not eligible for authorization under EXPRO). It is anticipated that the sale will occur immediately after final authorization and no later than June 30, 2012.