MONRO MUFFLER BRAKE INC
Form SC 13G/A
February 13, 2003

SCHEDULE 13G

Amendment No. 8
Monro Muffler Brake Incorporated
Common Stock
Cusip #610236101

Cusip #610236101
Item 1: Reporting Person - FMR Corp.
Item 4: Delaware
Item 5: 222,810
Item 6: 0
Item 7: 1,106,063
Item 8: 0
Item 9: 1,106,063
Item 11: 12.999%
Item 12: HC

Cusip #610236101
Item 1: Reporting Person - Edward C. Johnson 3d
Item 4: United States of America
Item 5: 0
Item 6: 0
Item 7: 1,106,063
Item 8: 0
Item 9: 1,106,063
Item 11: 12.999%
Item 12: IN

Cusip #610236101
Item 1: Reporting Person - Abigail P. Johnson
Item 4: United States of America
Item 5: 0
Item 6: 0
Item 7: 1,106,063
Item 8: 0
Item 9: 1,106,063
Item 11: 12.999%
Item 12: IN

SCHEDULE 13G - TO BE INCLUDED IN STATEMENTS
FILED PURSUANT TO RULE 13d-1(b) or 13d-2(b)

Item 1(a). Name of Issuer:

Monro Muffler Brake Incorporated

Item 1(b). Name of Issuer's Principal Executive Offices:

200 Holleder Parkway,
Rochester, NY 14615-3808

Item 2(a). Name of Person Filing:

FMR Corp.

Item 2(b). Address or Principal Business Office or, if None, Residence:

82 Devonshire Street, Boston, Massachusetts 02109

Item 2(c). Citizenship:

Not applicable

Item 2(d). Title of Class of Securities:

Common Stock

Item 2(e). CUSIP Number:

610236101

Item 3. This statement is filed pursuant to Rule 13d-1(b) or 13d-2(b) and the person filing, FMR Corp., is a parent holding company in accordance with Section 240.13d-1(b)(ii)(G). (Note: See Item 7).

Item 4. Ownership

(a) Amount Beneficially Owned: 1,106,063

(b) Percent of Class: 12.999%

(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote: 222,810

(ii) shared power to vote or to direct the vote: 0

(iii) sole power to dispose or to direct the disposition of: 1,106,063

(iv) shared power to dispose or to direct the disposition of: 0

Item 5. Ownership of Five Percent or Less of a Class.

Not applicable.

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Common Stock of Monro Muffler Brake Incorporated. The interest of one person, Fidelity Low Priced Stock Fund, an investment company registered under the Investment Company Act of 1940, in the Common Stock of Monro Muffler Brake Incorporated, amounted to 816,800 shares or 9.599% of the total outstanding Common Stock at December 31, 2002.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company.

See attached Exhibit(s) A, B.

Item 8. Identification and Classification of Members of the Group.

Not Applicable. See attached Exhibit A.

Item 9. Notice of Dissolution of Group.

Not applicable.

Item 10. Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purpose or effect.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Schedule 13G in connection with FMR Corp.'s beneficial ownership of the Common Stock of Monro Muffler Brake Incorporated at December 31, 2002 is true, complete and correct.

February 14, 2003
Date

/s/Eric D. Roiter
Signature

Eric D. Roiter
Duly authorized under Power of Attorney
dated December 30, 1997 by and on behalf
of FMR Corp. and its direct and indirect
subsidiaries

SCHEDULE 13G - TO BE INCLUDED IN STATEMENTS
FILED PURSUANT TO RULE 13d-1(b) or 13d-2(b)

Pursuant to the instructions in Item 7 of Schedule 13G, Fidelity Management & Research Company

("Fidelity"), 82 Devonshire Street, Boston, Massachusetts 02109, a wholly-owned subsidiary of FMR Corp. and an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, is the beneficial owner of 883,253 shares or 10.380% of the Common Stock outstanding of Monro Muffler Brake Incorporated ("the Company") as a result of acting as investment adviser to various investment companies registered under Section 8 of the Investment Company Act of 1940.

The ownership of one investment company, Fidelity Low Priced Stock Fund, amounted to 816,800 shares or 9.599% of the Common Stock outstanding. Fidelity Low Priced Stock Fund has its principal business office at 82 Devonshire Street, Boston, Massachusetts 02109.

Edward C. Johnson 3d, FMR Corp., through its control of Fidelity, and the funds each has sole power to dispose of the 883,253 shares owned by the Funds.

Neither FMR Corp. nor Edward C. Johnson 3d, Chairman of FMR Corp., has the sole power to vote or direct the voting of the shares owned directly by the Fidelity Funds, which power resides with the Funds' Boards of Trustees. Fidelity carries out the voting of the shares under written guidelines established by the Funds' Boards of Trustees.

Fidelity Management Trust Company, 82 Devonshire Street, Boston, Massachusetts 02109, a wholly-owned subsidiary of FMR Corp. and a bank as defined in Section 3(a)(6) of the Securities Exchange Act of 1934, is the beneficial owner of 222,810 shares or 2.619% of the Common Stock outstanding of the Company as a result of its serving as investment manager of the institutional account(s).

Edward C. Johnson 3d and FMR Corp., through its control of Fidelity Management Trust Company, each has sole dispositive power over 222,810 shares and sole power to vote or to direct the voting of 222,810 shares of Common Stock owned by the institutional account(s) as reported above.

Members of the Edward C. Johnson 3d family are the predominant owners of Class B shares of common stock of FMR Corp., representing approximately 49% of the voting power of FMR Corp. Mr. Johnson 3d owns 12.0% and Abigail Johnson owns 24.5% of the aggregate outstanding voting stock of FMR Corp. Mr. Johnson 3d is Chairman of FMR Corp. and Abigail P. Johnson is a Director of FMR Corp. The Johnson family group and all other Class B shareholders have entered into a shareholders' voting agreement under which all Class B shares will be voted in accordance with the majority vote of Class B shares. Accordingly, through their ownership of voting common stock and the execution of the shareholders' voting agreement, members of the Johnson family may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR Corp.

SCHEDULE 13G - TO BE INCLUDED IN STATEMENTS
FILED PURSUANT TO RULE 13d-1(b) or 13d-2(b)
RULE 13d-1(f)(1) AGREEMENT

The undersigned persons, on February 14, 2003, agree and consent to the joint filing on their behalf of this Schedule 13G in connection with their beneficial ownership of the Common Stock of Monro Muffler Brake Incorporated at December 31, 2002.

FMR Corp.

By /s/ Eric D. Roiter
Eric D. Roiter
Duly authorized under Power of Attorney
dated December 30, 1997, by and on behalf
of FMR Corp. and its direct and indirect
subsidiaries

Edward C. Johnson 3d

By /s/ Eric D. Roiter
Eric D. Roiter
Duly authorized under Power of Attorney
dated December 30, 1997, by and on behalf
of Edward C. Johnson 3d

Abigail P. Johnson

By /s/ Eric D. Roiter
Eric D. Roiter
Duly authorized under Power of Attorney
dated December 30, 1997, by and on behalf
of Abigail P. Johnson

Fidelity Management & Research Company

By /s/ Eric D. Roiter
Eric D. Roiter
Senior V.P. and General Counsel

Fidelity Low Priced Stock Fund

By /s/ Eric D. Roiter
Eric D. Roiter
Secretary

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Compensation Discussion & Analysis

HOW COMPENSATION DECISIONS ARE MADE

Role of the Compensation and Leadership Talent Committee

The Committee is responsible for establishing, implementing and continually monitoring adherence to the Company s compensation philosophy, as well as approving compensation awarded to senior corporate and operating executives, including the NEOs. Among its duties, the Committee is responsible for formulating the compensation recommendations for our Chairman & CEO and approving all compensation recommendations for select senior executives including the NEOs. Following review and discussion, the Committee submits its recommendations for compensation for the Chairman & CEO to the non-employee members of our Board for approval. The Committee is supported in its work by the EVP, Chief Strategy and Talent Officer, his staff, and an independent executive compensation consultant as described below.

The Committee s charter, which sets out its duties and responsibilities and addresses other matters, is reviewed annually and can be found on our website at www.interpublic.com.

Role of Executive Officers and Management in Compensation Decisions

The Committee makes all pay decisions related to the NEOs. The Chairman & CEO does not participate in the Committee s deliberations or decisions with regard to his own compensation.

At the Committee s request, the Chairman & CEO does present individual pay recommendations to the Committee for the CFO, the other NEOs and other executives whose compensation arrangements are subject to the Committee s review. The Chairman & CEO s pay recommendations for such executives are informed by his assessments of individual contributions to the Company s financial performance, achievement of specified performance or strategic objectives, Talent Review results, as well as competitive pay data and other factors. These recommendations are then considered by the Committee with the assistance of its independent consultant.

The Chairman & CEO, the EVP, Chief Strategy and Talent Officer, the SVP, General Counsel & Secretary, and the Vice President of Global Executive Compensation & Benefits all attend Committee meetings, but are not present for the Committee s executive sessions, or for any discussion of their own compensation. Other senior executives, as appropriate to the topic, may be asked to attend Committee meetings to provide relevant information or advice, but they also do not attend executive sessions, or any discussion of their own compensation.

Setting Compensation for the Named Executive Officers

The Committee reviews and assesses the total compensation of each NEO on an annual basis. Material changes in compensation typically occur only based on performance, in response to significant changes in an individual s responsibility, due to changes in market conditions, or in limited circumstances when the Company is at risk of losing a highly talented and valued employee.

Role of Independent Consultant

In 2014, the Committee again retained the services of an external independent executive compensation consultant, Meridian Compensation Partners, LLC (Meridian), to work for the Committee in its review of executive and non-employee director compensation practices, including the competitiveness of pay levels, executive compensation design issues, market trends, and technical considerations.

At no time during 2014, nor at any other time, has the Committee directed Meridian to perform its services in any particular manner, or using any particular methodology.

The Committee has the final authority to hire and terminate the consultant, and the Committee evaluates the consultant annually. Pursuant to SEC rules, the Committee annually assesses the independence of Meridian and in 2014 the Committee again concluded that no conflict of interest exists that would prevent Meridian from independently representing the Committee. Meridian does not provide any consulting advice to IPG, or any of its subsidiaries, outside the scope of executive compensation and will not do so without the prior consent of the Committee chair. Meridian meets with the Committee chair and the Committee outside the presence of management.

Role of Shareholder Say-on-Pay Votes

We provide our shareholders with the opportunity to cast an annual advisory vote on executive compensation (a say-on-pay proposal). At our annual meeting of shareholders held in May 2014, a substantial majority of the votes (98%) cast on the say-on-pay proposal at that meeting were voted in favor of the proposal. The Committee believes this affirms shareholders support of our approach to executive compensation in 2013 and the structural changes that were approved for 2014. The Committee welcomes feedback and dialogue with shareholders and will continue to consider the outcome of the Company s say-on-pay votes and evolving best practices in this area when making future compensation decisions for the NEOs.

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Compensation Discussion & Analysis

Compensation decisions are made based on the following information:

External Market Analysis: The Committee annually conducts a review of the competitive market compensation level for each NEO. This review is performed by the independent consultant after the Committee has approved the peer companies to be used for the study. The Committee targets the competitive market for talent for both fixed and total target compensation.

Internal Equity: When making pay decisions, the Committee also takes into account internal equity. The Company has established comparability guidelines based on an executive s purview with regard to revenue, operating income and headcount responsibility, geographic scope, and job complexity.
Individual Performance and Talent Assessment: The Committee s consideration is also informed by the Company s Talent Review process. The Committee participates in this annual review with the full membership of the Board of Directors. This Board-level review includes a discussion of each of the NEOs, their future career path and successors, as well as succession plans for the IPG CEO position. These reviews inform pay decisions by providing an in-depth look at the NEOs, their responsibilities, relative contributions and future potential, as well as their relative compensation.

Other factors: Additional factors, such as scarce skills, leadership skills, long-term potential and key client relationships are also taken into consideration when reviewing compensation.

USE OF COMPETITIVE DATA FOR COMPENSATION REVIEWS

The Market for Talent

In order to ensure our compensation programs reflect best practices, as well as to maintain competitive compensation program designs and levels, the Committee considers market data and compensation ranges of our peer group. In 2013, the Committee approved a single peer group that reflects both talent peers as well as industry peers. The Committee continued to evaluate the compensation of our executives against this same peer group in 2014 based on its belief that this peer group continues to be appropriate.

In December 2013, Meridian Compensation Partners conducted its annual market review to assess the competitiveness of each NEO s target total compensation (consisting of base salary, target annual incentive and target long-term incentives). Compensation data were analyzed for comparable positions at the 2013 Compensation Peer Group (detailed below) as well as size-relevant data from several published survey sources. Meridian compares each of IPG s covered positions to comparable positions at peer companies and within the published survey sources based on title and described roles and responsibilities. Retirement benefits are reviewed independently, with the last review conducted in 2011.

Using the size-adjusted data, the 2013 study concluded that executives in aggregate, were positioned near the median of the market for total compensation, however certain officers had various elements of pay that were either above or below this level. The Committee utilized this information, as well as other incumbent specific factors, to determine whether any pay adjustments were warranted for 2014.

For 2013, in light of the consolidation in the advertising industry, the Committee decided to combine its two prior peer groups (Direct Advertising Competitors and Talent Peers) into one, eliminate peers that underwent a corporate transaction, eliminate peers that were considered too large and add peers based on industry, size and consideration by proxy advisory firms. Accordingly, the company eliminated from the 2012 peer groups Aegis Group plc, The McGraw-Hill Companies, Amazon.com, Inc., Google Inc. and The Walt Disney Company, then added Cablevision Systems Corporation, Nielsen Holdings N.V. and Sirius XM Holdings Inc. The resultant 2013 Compensation Peer Group, which was affirmed again for 2014, included the following companies:

Activision Blizzard, Inc.	Gannett Co., Inc.	Sirius XM Holdings Inc.
AOL Inc.	Havas	Thomson-Reuters Corporation
Cablevision Systems Corporation	IAC/InterActivCorp	Time Warner Inc.
CBS Corporation	Liberty Interactive Corporation	Viacom Inc.
Discovery Communications, Inc.	News Corporation	WPP plc
Dun & Bradstreet, Inc.	Nielsen Holdings N.V.	Yahoo! Inc.
eBay Inc.	Omnicom Group Inc.	
Electronic Arts Inc.	Publicis Groupe	

The median revenue in 2013 for these peer companies was approximately $6.2B as compared to IPG s 2013 revenue of $7.1B.

Note: While several modifications were made to IPG s peer groups in 2013, no changes were recommended for 2014 as the group continued to contain a good representation of IPG s industry competitors and size-relevant, talent-focused comparators.

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Compensation Discussion & Analysis

2014 EXECUTIVE COMPENSATION PROGRAM ELEMENTS

For the fiscal year ended December 31, 2014, the principal components of IPG s executive compensation program were:

- Base salary;
- Annual incentives;
- Long-term incentives; and
- Retirement and other benefits.

Base Salary

Purpose

Base salary is central to our ability to attract and retain talent, including our NEOs. Although its prominence in the pay mix declines with seniority, base salary generally remains an important part of compensation discussions with executive talent in our sector and related industries.

2014 Base Salary

For the NEOs, base salaries are specified in individual employment agreements (described in greater detail beginning on page 51, under the heading Employment Agreements), which give IPG the ability to increase, but not decrease, base salary. In considering whether to increase an executive s base salary, the Committee takes into consideration market pay for comparable executives at peer companies as well as the individual s performance and experience.

In an effort to continue aligning Mr. Bonzani s compensation with market following his first two years with IPG and proven performance as SVP, General Counsel and Secretary, the Committee increased Mr. Bonzani s salary from $600,000 to $700,000, effective January 1, 2014. No changes were made to base salary levels for other NEOs during 2014.

Base salaries for our NEOs are summarized in the following table:

Name	Base Salary as of 12/31/2013 ($)	Base Salary as of 12/31/2014 ($)	% increase (%)
Michael Roth	$ 1,400,000	$ 1,400,000	0%
Frank Mergenthaler	$ 1,000,000	$ 1,000,000	0%
Philippe Krakowsky	$ 800,000	$ 800,000	0%
Andrew Bonzani	$ 600,000	$ 700,000	17%
Christopher Carroll	$ 565,110	$ 565,110	0%

Annual Incentives

Purpose

Annual cash incentives remain a standard component of compensation within our labor markets and are in place to reward performance that grows annual organic revenue, increases profitability and involves the achievement of high priority strategic objectives, all of which ultimately drive increased long-term shareholder value. Given this design, our annual incentives encourage senior leaders to stay focused on results, but do not encourage or allow for excessive and unnecessary risk-taking in achieving said results.

Target Annual Incentive Opportunities

Individual incentive award targets are expressed as a percentage of each individual s base salary. These percentages are based, in part, on the target annual incentive data for compensation peers. Each year, the Committee determines the annual incentive target for the Chairman & CEO and approves the annual incentive targets for the other NEOs after considering recommendations from the Chairman & CEO. In determining the annual cash incentive target, the Committee takes into account the same factors that it considers in determining base salary.

For 2014, the annual cash incentive targets, as a percent of base salary, for the NEOs were as follows (no change from 2013):

Name	2014 Annual Cash Incentive Targe (as % of base salary)
Michael Roth	200%
Frank Mergenthaler	125%
Philippe Krakowsky	125%
Andrew Bonzani	75%
Christopher Carroll	60%

For the NEOs, annual incentive targets are detailed in individual employment agreements (described in greater detail beginning on page 51, under the heading Employment Agreements), which give IPG the ability to increase, but not decrease, target percentage levels.

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Compensation Discussion & Analysis

Performance Metrics

Annual Incentive Awards are tied to results in three areas:

- **Organic Revenue Growth % (OG):** measures ability to drive revenue growth from existing operations, exclusive of acquisitions, divestitures and currency effects

- **Operating Income Before Incentives Margin (OIBI Margin):** measures business efficiency and profitability

- **High Priority Objectives (HPOs):** focuses individuals on defined goals that contribute to the Company s short and long-term performance

In 2014, as in past years, actual annual incentive awards earned could vary between 0% and 200% of the individual incentive target, depending on the Company s financial performance and individual HPO ratings. The following changes were made to performance metrics and weightings for all IPG NEOs in 2014:

2013 Annual Incentive Design		2014 Annual Incentive Design	
Metric	**Weighting**	**Metric**	**Weighting**
Organic Revenue Growth %	20%	Organic Revenue Growth[1] %	20%
Operating Income After Incentives Margin %	50%	Operating Income Before Incentives Margin[2] %	60%
High-Priority Objectives (HPO s)	30%	High-Priority Objectives (HPO s)	20%

Note: *Shaded boxes reflect areas where 2014 design differs from 2013 design*

(1) Organic Revenue Growth (OG) reflects the competitiveness of our offerings and is defined as the percentage change in IPG s total gross revenue as compared to the prior year, excluding the impact of foreign currency rate fluctuations and the net effect of acquisitions and divestitures.

(2) Operating Income Before Incentives (OIBI) Margin is the most fundamental measure of profitability and is defined as Operating Income before expenses related to the Annual and Long-term Incentive Plans, and before any restructuring and asset impairment charges divided by gross revenue.

A change in the annual incentive design was approved for the 2014 incentive cycle; specifically in regards to the financial measures used to calculate awards. The first measure, Organic Revenue Growth (OG), remained unchanged from previous years. The second measure was changed from Operating Income After Incentives (OIAI) Margin to Operating Income Before Incentives (OIBI) Margin. This subtle change intends to better align the plan with the way our Networks/Agencies track profitability, also allowing them to more accurately push down clear and understandable financial targets to their respective local units. OG and OIBI Margin targets are set early each year, as part of the Company s annual budgeting process.

High-priority Objectives (HPOs) are also set early in the year, and may consist of quantitative and/or qualitative objectives

specific to the individual. HPOs include goals tied to the Company s overall, or an operating unit s, strategic priorities and typically include talent management, diversity and inclusion and cross-agency collaboration. For quantitative HPOs, specific objectives are established. For qualitative HPOs, specific accomplishments or expectations are defined and the Committee exercises judgment in assessing performance.

With all HPOs, performance is assessed after considering written assessments submitted to the Committee for both the Company as a whole and its principal operating units. Results are then ranked as poor, fair, good, excellent and spectacular, and a rating between 0% to 200%, respectively, of the target is assigned.

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Compensation Discussion & Analysis

2014 Financial Performance vs. Goals

Following on the OG of 2.8% in 2013, the OG goal set for 2014 was 3.2%. The OIBI Margin goal set for 2014 was 13.8%, which represented a 150 basis point improvement from the previous year. The actual reported results for 2014 versus these goals is shown by the following chart:

Financial Goals	2014 Goal	2014 Actual
Organic Revenue Growth (%)	3.2%	5.5%
OIBI Margin (%)	13.8%	14.0% (1)

(1) OIBI margin is calculated by adding the aggregate value of incentive compensation to operating income and dividing this sum by revenue.

These results were factored into the formulaic calculation for the financial performance portion of the award and resulted in a combined rating of 131.3% reflecting the weightings of the plan design.

HPO Performance vs. Goals

For the corporate NEOs other than Mr. Roth, each executive s HPO rating was based on the Committee and Chairman & CEO s assessment and the Committee s approval of the executive officer s achievement of the established key strategic objectives. Mr. Roth s assessment rating was based on an assessment by the full Board of Directors of his achievement of the established key strategic objectives. There were no material adjustments made to actual financial performance in determining these ratings.

Mr. Roth

Mr. Roth received an HPO rating of 153% against the 2014 HPOs. This reflected his financial and strategic leadership that resulted in: the Company s highly competitive professional offerings across the portfolio and resulting strong topline growth; further improvement in the Company s margins and financial position; significant shareholder value creation. Key accomplishments included:

Continued enhancement of the Company s ability to meet the evolving needs of clients, particularly in the delivery of integrated open architecture solutions, which were instrumental in strong performance in the pursuit of new business and retention/growth of existing clients.

Successfully represented the Company to all key stakeholders, including major multinational clients, prospective clients, as well as current and prospective senior-level employees. Outstanding performance in interactions with the broader financial community. Mr. Roth also continued to promote best practices in corporate governance and disclosure.

Led range of financial initiatives that drove margin improvement, built on success in managing capital structure, ensured strong linkage between strategic plan and M&A activity, and continued robust return of capital programs. Further improvement to management processes that more closely link strategy, operations and accountability. Continued to bring high level of focus to development of potential successors from within current senior management ranks.

Continued to demonstrate strong personal engagement in and commitment to the Company s full range of diversity and inclusion efforts; the Company continued to show year-on-year progress across all dimensions of diversity in 2014.

Mr. Mergenthaler

Mr. Mergenthaler received an HPO rating of 175% against the 2014 HPOs. This reflected his leadership that resulted in: continued improvement in the Company s operating results and key financial metrics, as well as its strong capital structure; enhancement of its marketing services offerings; significant shareholder value creation. Key accomplishments included:

Drove continued improvement in financial systems, which led to operating margin improvement driven by high levels of revenue conversion and leverage across Company s cost base. Played primary role in capital markets transaction and working capital management efforts that improved Company s financial strength. Continued to drive Company s robust capital return programs.

Played lead role in the Company s outreach to the investor community, which attracted new investment and maintained stability in existing ownership base. Commitment to shareholder engagement was instrumental in continued strength of the Company s reputation with investor community and resulted in numerous analyst upgrades during the course of the year.

Increased involvement in operating management led to continued improvement in the offerings and performance, as well as stronger accountability for financial performance, at the Company s major marketing services units.

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Compensation Discussion & Analysis

Continued strong involvement and leadership in diversity and inclusion activity, as Chairperson of the Corporate Diversity Council and an executive sponsor of MERGE (IPG Multicultural Employee Resource Groups for Excellence).

Mr. Krakowsky

Mr. Krakowsky received an HPO rating of 200% against the 2014 HPOs. This reflected his leadership role in: building a portfolio of offerings that is highly competitive, particularly in growth areas such as digital/emerging media; a range of operational, talent and client matters; significant shareholder value creation. Key accomplishments included:

Further engagement with operating unit leadership in strategic and leadership development, so as to ensure the competitiveness of the Company s offerings. This resulted in the continued evolution of our capabilities to meet the needs of the marketplace and in high levels of industry recognition for the quality of our talent and professional offerings.

Activation and involvement in IPG-wide teams on a number of major clients and new business opportunities, matching talent to client needs, thereby securing or expanding those business relationships and differentiating the Company.

Continued to enhance talent management and compensation processes to link operating strategy and global client needs, which position the company for future growth. Effectively represented the Company within the industry and related sectors in such as way as to increasingly make it an employer of choice relative to its competitive set.

Continued strong involvement and leadership in diversity and inclusion activity, including full engagement with operating unit leadership and linking of compensation to their results, as well as active participation in the Corporate Diversity Council.

Mr. Bonzani

Mr. Bonzani received a HPO rating of 141% against the 2014 HPOs. This reflected his leadership in the enhancement of the Company s legal department, his stewardship of certain

board functions and his increased involvement in operating matters. Key accomplishments included:

Close support of executive management in efforts to bolster agency leadership and attract key hires.

Leadership role in process that led to the identification of new independent directors who joined the Board in March of 2015.

Further restructuring of key legal coverage areas, including greater focus on regulatory compliance. Continued success in securing favorable outcomes on a number of high-profile litigations and disputes. These led to recognition of the department by third party organizations and legal publications.

Active support of the Company s diversity and inclusion initiatives, including ongoing role as one of two Executive Sponsors of the Women s Leadership Network and as a member of the Corporate Diversity Council.

Mr. Carroll

Mr. Carroll received an HPO rating of 153% against the 2014 HPOs in recognition of his leadership of the controller s organization and successful implementation of a number of major finance optimization initiatives. Key accomplishments included:

Improvements to the closing process that resulted in enhanced speed and efficiency, positioning company to complete its quarterly and annual reporting ahead of major competitors.

Continued progress in implementation of multi-year finance optimization plan. Back office operations of additional 33 agencies in 11 counties were consolidated, 35 legacy systems were retired and over 5,000 users added to Vantage/SAP platform.

SOX/business control testing results improvements that resulted in the company s highest pass percentages since inception of testing, in 2005.

Active support of the Company s diversity and inclusion initiatives, including recruitment of diverse candidates for key senior finance posts.

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Compensation Discussion & Analysis

2014 Annual Incentive Payouts

Following its regular practice, for the NEOs the Committee considered IPG s financial performance and each individual s achievement of individual HPOs when determining annual incentive payments. For the fiscal year ended December 31, 2014, the NEOs received the following annual incentive and supplemental awards, which were paid in March 2015:

Name	Annual Incentive Target $	Annual Incentive Payment $	Annual Incentive Payment % of Target
Michael Roth	$ 2,800,000	$ 3,800,000	136%
Frank Mergenthaler	$ 1,250,000	$ 1,750,000	140%
Philippe Krakowsky	$ 1,000,000	$ 1,450,000	145%
Andrew Bonzani	$ 525,000	$ 700,000	133%
Christopher Carroll	$ 339,066	$ 460,000	136%

Long-term Incentives

Purpose

Long-term incentive awards are designed to retain and attract top talent, and align executive and shareholder interests by focusing recipients on the long-term performance of IPG and its principal operating units. Like our annual incentives, our long-term incentives encourage senior leaders to focus on delivering on our key financial metrics, but do not encourage or allow for excessive and unnecessary risk-taking in achieving this aim. The long-term plan also ensures that executives have compensation that is at risk for longer periods of time and is subject to forfeiture in the event they terminate their employment.

2014 Long-term Incentive Awards

In 2014, as in prior years, annual long-term incentive awards were made on the final trading day of February. This allowed for synchronized communication of annual and long-term incentives with each executive, which enforces the concept of total compensation.

At its March meeting, the Committee determined the long-term incentive target awards under the Performance Incentive Plan, defined as a dollar expected value, for the Chairman & CEO and, after considering recommendations from the Chairman & CEO, approved the long-term incentive targets for the other NEOs. The Chairman & CEO s long-term incentives were discussed and approved by the full Board.

The determination of the annual long-term incentive award is assessed as part the total compensation review for senior executives and, as in the case of setting salaries, takes into consideration the independent consultant s competitive review and other factors such as each executive s total compensation, pay history, absolute and relative performance, and expected future performance.

For the NEOs, long-term incentive targets are the subject of individual employment agreements (described in greater detail beginning under the heading Employment Agreements on page 51) which allow IPG to increase, but not decrease, long-term incentive targets.

For 2014, IPG shifted the focus of long-term incentive awards for NEO s from cash-based awards to equity-based awards. Accordingly, the Committee decided that 75% of the target long-term incentive value for each of the NEOs would be delivered in equity (an increase from 67% for the Chairman & CEO and from 33% for the other NEOs). The total target value of the NEOs 2014 grants consisted 50% of performance-based shares, 25% of restricted shares and 25% of performance-based cash.

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Compensation Discussion & Analysis

The table below reflects the changes that were made to long-term incentive design for all IPG NEOs in 2014. Each of the long-term incentive vehicles employed is designed with unique characteristics that, when viewed in total, balance the need to incentivize executive performance and promote the retention of the executives, as well as provide them with clarity as to how and when the awards can be earned.

	2013 Long-term Incentive Design	2014 Long-term Incentive Design
LTI Vehicle	CEO: 1/3 Stock Options; 1/3 Performance Shares; 1/3 Performance Cash[1] All Other NEOs: 1/3 Performance Shares; 2/3 Performance Cash[1]	All NEOs (including CEO) 1/2 Performance Shares settling in shares; 1/4 in Performance Cash settling in cash; 1/4 in Restricted Shares
Performance Period	2 years for performance shares and performance cash	3 years for Performance Shares; 2 years for Performance Cash
Performance Metrics	Cumulative Organic Revenue Growth (OG)[2] (30%) and Operating Income Before Incentive Margin (OIBI)[3] (70%)	Cumulative Organic Revenue Growth (OG)[2] (30%) and Operating Income Before Incentive Margin (OIBI)[3] (70%)
Relative Total Shareholder Return (TSR) Modifier	Not applicable	+/- 10% applied to the performance rating on the performance-based share portion of award[4]
Payout Range [5]	0%-300% of target for performance share and cash awards	0%-300% of target based on OG and OIBI metrics for performance share and cash awards; final rating on performance shares is then modified up or down by up to 10% based on Relative TSR performance
Vesting	100% after year 3	100% after year 3

Note: *Shaded boxes reflect areas where recommended design differs from current design.*

(1) For 2013, performance cash settles 50% in shares and 50% in cash.

(2) Organic Revenue Growth (OG) reflects the competitiveness of our offerings and is defined as the percentage change in IPG s total gross revenue over prior year s results, excluding the impact of foreign currency rate fluctuations and the net effect of acquisitions and divestitures.

(3) Operating Income Before Incentives (OIBI) Margin is the most fundamental measure of profitability and is defined as Operating Income before expenses related to the Annual and Long-term Incentive Plans, and before any restructuring and asset impairment charges divided by gross revenue.

(4) Total Shareholder Return is a metric that assesses share performance over a defined period of time which reflects the change in stock price plus an assumed reinvestment of dividends into additional shares of stock. For the 2014 performance-based share awards, the modifier will be based on IPG s TSR over a three-year period compared to a group of peer companies. TSR will be based on 30-trading day average opening and closing prices; calculated as (Closing Price + Reinvested Dividends)/Opening Price 1. For purposes of this award the opening price will be the 30-trading days prior to January 1, 2014 and the closing price will be the 30-trading days up to and including December 31, 2016.

(5) The potential for a payout of 300% was a new feature of the plan approved in 2011. It should be noted that achieving a payout greater than 200% involves exceeding financial targets that the Committee deems to be exceptionally difficult to achieve.

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Compensation Discussion & Analysis

2014 Target Long-term Incentive Opportunities

Total long-term incentive expected dollar value guidelines are set for each of the NEOs. For 2014, the Committee set the following long-term incentive expected dollar value guidelines:

Name	2014 Long Term Incentive Target Value Awarded (value of A+B+C)	Value of Restricted Shares at Grant[1] (A)	Value of Target Performance Shares, 2014-16 Performance Cycle[1] (B)	Target $ Performance Cash Award, 2014-15 Performance Cycle (C)
Michael I. Roth	$8,800,000	$2,200,000 (124,540 shares)	$4,400,000 (249,080 target shares)	$2,200,000
Frank Mergenthaler	$2,500,000	$ 625,000 (35,380 shares)	$1,250,000 (70,761 target shares)	$ 625,000
Philippe Krakowsky	$2,150,000	$ 537,500 (30,427 shares)	$1,075,000 (60,854 target shares)	$ 537,500
Andrew Bonzani	$1,000,000	$ 250,000 (14,152 shares)	$ 500,000 (28,304 target shares)	$ 250,000
Christopher Carroll	$ 500,000	$ 125,000 (7,076 shares)	$ 250,000 (14,152 target shares)	$ 125,000

(1) The number of target shares was determined by dividing the target value by the average of the high and low stock price on the date of grant ($17.665 on February 28, 2014) and rounding down to the nearest whole share. For performance awards, the grant-date fair values estimated in accordance with ASC 718 and reported in the Summary Compensation Table and the Grants of Plan-Based Awards Table are lower than the values reported in this table since the awards do not pay any dividends or dividend equivalents while the awards are outstanding.

Restricted Shares

Restricted shares serve primarily as a retention vehicle, with ability to motivate executives to improve stock price. The sale or transfer of the these shares is restricted until the third anniversary of the date of grant. Dividend equivalents are accrued on all outstanding shares on a quarterly basis. The shares and dividend equivalents are subject to forfeiture if the executive leaves Interpublic before the restrictions expire. The Company believes that these vesting provisions promote a long-term focus and provide a strong retention incentive. The number of target shares was determined by dividing the target value by the average of the high and low stock price on the date of grant ($17.665 on February 28, 2014) and rounding down to the nearest whole share.

Performance-based Shares

Performance Period and Vesting

For 2014, performance-based share awards for NEOs are based on a longer-term financial performance forecast of 3 years rather than the 2-year performance that was utilized for awards granted in prior years. In 2014, performance share awards were granted for the performance period beginning on January 1, 2014 and ending on December 31, 2016. Vesting will occur on February 28, 2017, provided that the executive remains employed at that time.

Three year cumulative financial objectives are set at the start of each performance period. The Company does not disclose the multiple-year performance goals for its long-term

performance plans at any time during the performance cycle, as these data are not publicly disclosed and would provide insights to competitors that could harm our business. When they were established at its March 2014 meeting, the Committee considered the performance targets for the 2014-16 performance cycle difficult to attain, while appropriate for the current economic environment.

Performance Metrics

In addition, while the performance-based share awards granted to NEOs in 2014 continue to be tied to the Cumulative OG (30%) and OIBI Margin (70%) of IPG, we have also introduced a Relative TSR Modifier to this award. This Relative TSR Modifier may provide as much as a 10% upward or downward adjustment to the performance rating determined based on OG and OIBI Margin. The amount of the adjustment is based on how well IPG s 3-year Total Shareholder Return compares to that of its 2013 Compensation Peer Group (detailed in the 2014 Proxy Statement and on page 28) at the end of the performance period.

For purposes of calculating the Relative TSR Modifier, TSR will be based on 30-trading day average opening and closing prices; calculated as (Closing Price + Reinvested Dividends)/Opening Price 1. For purposes of this award the opening price will be the average of closing prices for the 30-trading days prior to January 1, 2014 and the closing price will be the average closing price for the 30-trading days up to and including December 31, 2016.

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Compensation Discussion & Analysis

Potential Payouts

Under the terms of the awards, the actual value, if any, that the executive would receive at the end of the performance period and subsequent vesting period depends on the extent to which the cumulative performance objectives are achieved at the end of the performance period. Based on year-over-year comparisons, management and the Committee deem these financial performance targets as relatively difficult to achieve or predict.

The final value of the awards before applying the Relative TSR Modifier may vary from 0% to 300% of the target amount, based on IPG s multi-year performance against financial objectives (achieving a payout of 200% or greater involves exceeding financial targets that the Committee deems to be exceptionally difficult to achieve). The Relative TSR modifier can then adjust this rating upwards or downwards by up to 10%.

Performance-based Cash

Performance Period and Vesting

The 2014 Performance Cash awards are subject to evaluation of financial performance over a two-year performance period, with vesting occurring on the third anniversary of the grant date. In 2014, performance cash awards were granted for the performance period January 1, 2014 through December 31, 2015 and subsequent vesting period of January 1, 2016 to February 28, 2017.

Performance Metrics

For the NEOs 30% of the target award value for performance cash awards was tied to IPG s cumulative organic revenue growth (OG) and 70% was tied to operating income before incentives (OIBI) margin targets.

Two year cumulative financial objectives are set at the start of each performance period. The Company does not disclose the multiple-year performance goals for its long-term performance plans at any time during the performance cycle, as these data are not publicly disclosed and would provide insights to competitors that could harm our business. When they were established at its March 2014 meeting, the Committee considered the performance targets for the 2014-15 performance cycle difficult to attain, while appropriate for the current economic environment.

Potential Payouts

Under the terms of the awards, the actual value, if any, that the executive would receive at the end of the performance period and subsequent vesting period depends on the extent to which the cumulative performance objectives are achieved at the end of the performance period. Based on year-over-year comparisons, management and the Committee deem these financial performance targets as relatively difficult to achieve or predict.

The final value of the awards may vary from 0% to 300% of the target amount, based on IPG s multi-year performance against financial objectives (achieving a payout of 200% or greater involves exceeding financial targets that the Committee deems to be exceptionally difficult to achieve).

2012-2013 Performance Award Payouts

On February 28, 2012, the Committee granted performance share awards and performance cash awards, both under the 2009 Performance Incentive Plan (PIP), one-third of which were delivered to NEO s as performance shares with the other two-thirds to be delivered as performance cash (with exception to the Chairman & CEO who received one-third in each performance shares, performance cash and stock options). In addition, 50% of the performance cash awards are settled in cash with the remaining 50% to be settled in shares of IPG. The performance cycle for these awards began on January 1, 2012 and ended on December 31, 2013. However, by design, all of the performance awards were subject to an additional vesting period which ended on February 28, 2015.

The final award values were determined in March 2014 based on IPG s cumulative performance against financial objectives over the two year performance period. The final number of shares for the performance share award and the final value for performance cash awards for each of the NEOs were settled in March of 2015, after the additional vesting period ended. The cumulative OG and OIBI Margin targets set for the 2012-2013 Performance Plan were 3.6% and 14.4%, respectively. The cumulative results were somewhat below target, with OG of 1.8% and OIBI Margin of 12.4%. Based on these results, Mr. Roth, Mr. Mergenthaler, Mr. Krakowsky, Mr. Bonzani and Mr. Carroll each earned a performance rating of 77.6% of target.

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The resulting share and cash payments earned and paid in March 2015 for the performance awards were as follows:

		2012 - 2013 Performance Awards					
		Performance Shares		Performance Cash			
Name	**% of Target Achieved**	**Target (#)**	**Actual (#)**	**Target ($)**	**Actual ($)**	**Cash-Settled**	**Shares Delivered**
Michael Roth	77.60%	199,089	154,493	$ 2,333,334	$ 1,810,667	$ 905,334	40,362
Frank Mergenthaler	77.60%	63,993	49,658	$ 1,500,000	$ 1,164,000	$ 582,000	25,947
Philippe Krakowsky	77.60%	49,772	38,623	$ 1,166,667	$ 905,334	$ 452,667	20,181
Andrew Bonzani	77.60%	17,064	13,241	$ 400,000	$ 310,400	$ 155,200	6,919
Christopher Carroll	77.60%	12,798	9,931	$ 300,000	$ 232,800	$ 116,400	5,189

Retirement and Other Benefits

Purpose

The Company views retirement benefits as a key component of our executive compensation program because they encourage and reward long-term service. Therefore, we offer our NEOs and other employees a comprehensive benefits program that provides the opportunity to accumulate retirement income.

Program Descriptions

Our retirement programs include the Company s qualified 401(k) savings plan, the Capital Accumulation Plan (CAP), the Senior Executive Retirement Income Plan (SERIP) and Executive Special Benefit Agreement (ESBA)

The Company s 401(k) savings plan is a tax-qualified retirement savings plan pursuant to which all U.S.-based employees, including the NEOs, are able to contribute compensation on a before-tax basis, subject to dollar limits prescribed by federal tax laws. For employees with less than 10 years of service, the Company matches 50% of the first 6% of compensation contributed. For employees with 10 or more years of service, the Company matches 75% of the first 6% of compensation that is contributed. The Company s 401(k) savings plan also allows after-tax contributions up to limits prescribed by federal tax laws. The match applies to the total amount contributed on both a before- and after-tax basis.

From time to time, the Company may provide an additional performance-based matching contribution to the 401(k) plan based on the Committee s assessment of the Company s annual performance, including the Company s operating margin for its consolidated U.S. businesses relative to pre-set targets. The objective of this feature is to induce greater participation in the 401(k) savings plan and to allow all U.S. employees to benefit from the Company s strong performance. For 2014, the Committee approved an additional matching contribution equal to 8.25% of participant matched contributions.

The CAP provides participants with an annual dollar credit to an interest-bearing account. Under the terms of the CAP,

interest is credited on December 31st of each year at an interest rate equal to the closing 10-year U.S. Treasury yield on the last business day of the immediately preceding calendar year. For a more detailed description of the CAP, see Nonqualified Deferred Compensation Arrangements The Interpublic Capital Accumulation Plan on page 49. Messrs. Roth, Mergenthaler, Krakowsky and Carroll participate in CAP at the levels described on page 50.

The SERIP provides a defined annual annuity to selected executives for a 15-year period following retirement upon satisfying specific vesting provisions. Participation is limited to a select group of very senior executives and requires Committee approval. Mr. Roth is the only NEO, who participates in the SERIP, and Mr. Roth no longer accumulates pay or service credit in the plan as his future benefit is fully vested. For a more detailed description of the SERIP, see Pension Arrangements The Interpublic Senior Executive Retirement Income Plan on page 48.

The ESBA also provides a defined annual annuity to selected executives for a 15 -year period following retirement upon satisfying specific vesting provisions. This type of agreement is frozen to new participants; participation is limited to a select group of very senior executives and requires Committee approval. Mr. Krakowsky is the only NEO who participates in the ESBA, and Mr. Krakowsky no longer accumulates pay or service credit in the plan as his future benefit is fully vested. For a more detailed description of the ESBA please refer to page 48.

Benefits Review and Decision Process

As part of its competitive pay review, the independent consultant periodically provides the Committee with a comparison of IPG s benefits programs to those of a sample of competing companies. This benefits program review is conducted in the context of total compensation, and the review considers compensation and benefits in total.

Decisions regarding new or enhanced participation in these programs, other than 401(k), are made after considering the total compensation as one component to a total pay discussion. For a number of the NEOs, retirement and other

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Compensation Discussion & Analysis

benefits are the subject of individual employment agreements (which are described in greater detail beginning on page 51, under the heading Employment Agreements and which give IPG the ability to increase, but not decrease, the specific benefit).

On a case-by-case basis, the Committee, and the Management Human Resources Committee (MHRC) consisting of IPG s Chairman & CEO, CFO, General Counsel and Chief Strategy and Talent Officer to which the Committee delegates certain responsibilities, consider the appropriateness of CAP and SERIP participation and benefits although all such decisions for NEOs are made solely by the Compensation Committee. In making recommendations to the Committee or MHRC, the Company considers an individual s role, level in the organization, total compensation level, performance, length of service, and other factors. When making determinations to award additional CAP and SERIP awards, the Company also considers an individual s current retirement positioning, including all forms of accrued qualified and non-qualified retirement benefits previously awarded or earned and the value of the individual s Company match in the 401(k) savings plan or if not a participant for any year it assumes the executive contributed the maximum amount permitted to the plan.

Severance and Change of Control Benefits

In order to provide market-competitive total compensation packages to our executive officers, as well as to ensure the ongoing retention of these individuals in the event of potential takeovers that would create uncertainty as to their future employment, the Company offers severance and change of control benefits upon the occurrence of several specified events.

The NEOs may receive severance benefits from the Company under the terms of their employment agreements (described in greater detail beginning on page 51 under the heading Employment Agreements), the Company s Executive Severance Plan and/or change of control agreements, depending on the circumstances of a potential termination.

Under the 2014 PIP, if a Change of Control occurs in the first quarter, NEOs receive an accelerated and prorated payout at target of their annual incentive. If a Change of Control occurs after the first quarter, NEOs receive a full accelerated payout at target of their annual incentives. Upon a Change of Control, the vesting of long-term incentives would remain in tact unless there is a qualifying termination (upon which vesting is accelerated). Under our change in control agreements, individuals are eligible for enhanced severance benefits, contingent on a Change of Control being followed by a Qualifying Termination.

SHARE OWNERSHIP GUIDELINES

We have adopted share ownership guidelines for non-employee directors, NEOs and other senior executives. The purpose of these stock ownership guidelines is to:

More closely align the financial interests of executives and non-employee directors with the Company s shareholders.

Communicate the commitment and personal investment of executives and directors in the Company.

Persons subject to the guidelines are also prohibited from engaging in any transaction involving derivatives that is designed to hedge against the market risk associated with ownership of IPG shares.

The share ownership guidelines are expressed as multiples of base salary. The multiple for the Chairman & CEO was increased from five times base salary to six times base salary in October 2012. Executives in the program have five years from 2008 (or from the date at which he or she joins the Company or is promoted into a position in which the guidelines apply) to reach the established guideline level. Beginning in 2013, those executives who have not met their established guideline level in the time allotted will be required to hold all net after-tax shares delivered from equity vestings until requirements are met.

Name	Stock Ownership Guideline as a Multiple of Base Salary	2014 Compliance with Stock Ownership Guidelines
Michael Roth	6x	Yes
Frank Mergenthaler	2x	Yes
Philippe Krakowsky	2x	Yes
Andrew Bonzani	2x	In Progress
Christopher Carroll	2x	Yes

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Compensation Discussion & Analysis

The Committee regularly reviews the levels of stock ownership against the stock ownership guideline levels applicable to the NEOs and other senior executives. As of December 31, 2014, all NEOs who are required to have

reached their stock ownership guidelines had met or exceeded these guidelines (average ownership of over 300% of target). Mr. Bonzani will have until October 2017 to reach set ownership guidelines.

TAX AND ACCOUNTING IMPLICATIONS

Deductibility of Executive Compensation

Section 162(m) of the U.S. Internal Revenue Code (the Code) prohibits the Company from taking a tax deduction for compensation paid in excess of $1,000,000 to a NEO (other than the principal financial officer). However, performance-based compensation, as defined in the tax law, is fully deductible if the plan under which the compensation is paid has been approved by shareholders and meets other requirements. The Company s policy is to qualify the compensation paid under its incentive compensation programs as tax deductible to the extent feasible and consistent with its overall compensation objectives.

As part of its responsibility, the Committee reviews and considers the deductibility of executive compensation. The Company believes that compensation paid in 2014 under its executive incentive plans is deductible for federal income tax purposes, except as indicated below. In certain situations, the Committee may approve compensation that is not deductible in order to ensure competitive levels of total compensation for its NEOs. In this regard, for 2014, with respect to each NEO who is covered by Section 162(m) of the Code, to the extent that the sum of the executive s base salary, the fair market value of restricted stock awards that vested during the year and the additional bonus awards exceeded $1,000,000, the excess was not deductible for federal income tax purposes.

The Company has guidelines for reviewing the impact of the accounting and tax treatment of various forms of compensation covered by the PIP. The guidelines identify specific responsibilities and actions required by the Human Resources, Accounting and Tax departments for all group and individual actions. These guidelines are designed to ensure that accounting and tax treatment of the awards granted under the plan are properly addressed.

Nonqualified Deferred Compensation

Effective since January 1, 2005, most of the Company s deferred compensation and nonqualified retirement benefit arrangements, including most of the Company s severance arrangements; have been subject to Section 409A of the Internal Revenue Code which provides that nonqualified deferred compensation plans follow certain rules on the timing and form of payments. Noncompliance with these rules could result in adverse tax consequences for the executives. The Company has made significant efforts to ensure that affected arrangements comply with the new requirements.

Accounting for Stock-based Compensation

Beginning on January 1, 2006, the Company began accounting for stock-based payments including its grants of stock options, restricted shares and performance shares in accordance with the requirements of FASB ASC Topic 718.

COMPENSATION RISK

The Company regularly reviews its compensation policies and practices, including any risks that may be inherent in the design of the Company s compensation plans. In early 2015, the Company reviewed its 2014 risk assessment process and the resulting analysis with the Committee, which concluded

that the compensation plans reflect the appropriate compensation goals and philosophy and any risk arising from the Company s compensation policies and practices was not deemed likely to have a material adverse impact on the Company s performance or financial results.

COMPENSATION RECOVERY IN THE EVENT OF A FINANCIAL RESTATEMENT

The Company has adopted a clawback policy under which, in the event of a significant restatement of financial results due to fraud or misconduct, it will review payments made to senior executives on the basis of having met or exceeded specific performance targets during the restatement period. If any bonuses paid based on such performance targets would have been lower had they been calculated based on such restated results, the Board of Directors will, to the full extent permitted by governing law, seek to recoup for the benefit of the Company all such bonuses to senior

executives whose fraud or misconduct, as determined by the Board of Directors, resulted in such restatement. For purposes of this policy, the term senior executives means executive officers as defined under the Securities Exchange Act of 1934, as amended, and the term bonuses means awards under The Interpublic Group of Companies, Inc. 2009 Performance Incentive Plan or any equivalent incentive plan which supersedes such plan, including, among other awards, annual incentives, stock options, performance cash and performance shares.

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Among its duties, the Compensation and Leadership Talent Committee is responsible for reviewing and discussing with the Company s management the Compensation Discussion and Analysis included in this Proxy Statement for the 2015 Annual Meeting (the CD&A). Based on such a review and discussion, the Committee has recommended to the Board of Directors that the CD&A be included in this Proxy Statement and incorporated by reference in the Company s 2014 Form 10-K.

William T. Kerr, Chair

Deborah G. Ellinger*

H. John Greeniaus

David M. Thomas

March 25, 2015

*Deborah Ellinger became a member of the Compensation and Leadership Talent Committee on March 1, 2015.

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Executive Compensation

Summary Compensation Table

The following table sets forth information concerning the compensation paid by Interpublic and its subsidiaries to (i) Mr. Roth, who served as the Interpublic s principal executive officer during 2014, (ii) Mr. Mergenthaler, who served as the principal financial officer in 2014 and (iii) each of the three most highly compensated executive officers of Interpublic, other than the principal executive officer and the principal financial officer (as determined based on total compensation in 2014, excluding the amount, if any, shown in the column headed Change in Pension Values and Nonqualified Deferred Compensation Earnings), who were serving as executive officers on December 31, 2014 (the named executive officers). In each instance, the compensation shown is for services rendered in all capacities for the years indicated. The employment agreements for the named executive officers are summarized beginning on page 51 under the heading Employment Agreements.

me d Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($) (1)	Option Awards ($) (2)	Non-Equity Incentive Plan Compensation ($) (3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($) (4)	All Other Compen-sation ($) (5)	Total ($)
chael I. Roth	2014	1,400,000	0	6,379,150	0	4,705,334	31,118	383,737	12,899,3
airman of the Board	2013	1,400,000	0	3,723,896	2,598,416	3,654,666	0	381,847	11,758,8
d Chief Executive ficer	2012	1,400,000	0	3,362,388	2,331,191	2,100,000	57,285	382,430	9,663,2
ank Mergenthaler	2014	1,000,000	0	1,812,240	0	2,332,000	0	212,237	5,356,4
ecutive Vice sident	2013	1,000,000	0	1,746,668	0	1,952,667	0	211,847	4,911,1
d Chief Financial ficer	2012	908,333	249,470	1,455,769	0	1,000,530	0	215,560	3,829,6
ilippe Krakowsky	2014	800,000	0	1,558,523	0	1,902,667	240,404	66,701	4,568,2
ecutive Vice sident	2013	800,000	0	1,474,618	0	1,506,800	0	66,212	3,847,6
	2012	754,167	166,225	1,132,262	0	833,775	335,525	68,538	3,290,4

ief Strategy and ent Officer									
drew Bonzani	2014	700,000	0	724,889	0	855,200	0	15,035	2,295,1
nior Vice President	2013	600,000	0	483,066	0	425,000	0	14,605	1,522,6
neral Counsel and cretary	2012	478,958	850,000	388,196	0	400,000	0	5,702	2,122,8
ristopher Carroll	2014	565,110	0	362,445	0	576,400	0	62,221	1,566,1
nior Vice President ntroller	2013	559,676	0	604,595	0	480,600	0	62,387	1,707,2
l Chief Accounting ficer	2012	543,375	0	291,147	0	350,000	0	63,060	1,247,5

(1) The amounts shown for each year is the aggregate grant date fair value of stock awards made to the executive during the year, computed in accordance with FASB ASC Topic 718, excluding the effect of estimated service-based forfeitures. The assumptions used in the calculation of these amounts are set forth in Note 10 to Interpublic s audited financial statements included in the 2014 Form 10-K. The grant date fair values of the performance share awards and the performance cash awards shown for each applicable year in which such awards were granted were calculated assuming a target level of performance achievement. The following tables show grant date fair values of (i) performance share awards and (ii) the portion of performance cash awards to be settled in shares of Common Stock, as applicable and, in each case assuming achievement of the target performance level and maximum performance level.

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Executive Compensation

For 2014, the amounts shown in the Summary Compensation Table consists solely of the grant date fair value of each executive s performance share award for the three-year performance period ending on December 31, 2016. These awards will vest on February 28, 2017 to the extent the performance criteria established for the awards are satisfied.

	2014 Performance Share Awards	
Name	Target ($)	Maximum ($)
Mr. Roth	4,179,151	13,791,198
Mr. Mergenthaler	1,187,253	3,917,935
Mr. Krakowsky	1,021,030	3,369,399
Mr. Bonzani	474,894	1,567,150
Mr. Carroll	237,447	783,575

For 2013, the amounts shown in the Summary Compensation Table consist of the grant date fair value of each executive s (i) performance share award for the two-year performance period ended on December 31, 2014 and (ii) the portion (fifty percent) of the executive s performance cash award for the two-year performance period ended on December 31, 2014 that is to be settled in shares of Common Stock. These awards as shown in the table below will vest on February 28, 2016 to the extent the performance criteria established for the awards are satisfied.

	2013 Performance Share Awards		2013 Performance Cash Awards *(Common Stock Settlement Portion)*	
Name	Target	Maximum	Target	Maximum
Mr. Roth	$ 2,423,895	$ 7,271,687	$ 1,300,000	$ 3,900,000
Mr. Mergenthaler	$ 963,334	$ 2,890,003	$ 783,333	$ 2,350,000
Mr. Krakowsky	$ 807,949	$ 2,423,848	$ 666,667	$ 2,000,001
Mr. Bonzani	$ 233,066	$ 699,197	$ 250,000	$ 750,000
Mr. Carroll	$ 155,373	$ 466,119	$ 449,222	$ 839,066

For 2012, the amounts shown in the Summary Compensation Table consist of the grant date fair value of each executive s (i) performance share award for the two-year performance period ended on December 31, 2013 and (ii) the portion (fifty percent) of the executive s performance cash award for the two-year performance period ended on December 31, 2013 that was settled in shares of Common Stock. The awards as shown in the table below vested on February 28, 2015.

Name	2012 Performance Share Awards Target	2012 Performance Share Awards Maximum	2012 Performance Cash Awards *(Common Stock Settlement Portion)* Target	2012 Performance Cash Awards *(Common Stock Settlement Portion)* Maximum
Mr. Roth	$ 2,195,721	$ 6,587,163	$ 1,166,667	$ 3,500,000
Mr. Mergenthaler	$ 705,769	$ 2,117,307	$ 750,000	$ 2,250,000
Mr. Krakowsky	$ 548,928	$ 1,646,784	$ 583,334	$ 1,750,002
Mr. Bonzani	$ 188,196	$ 564,588	$ 200,000	$ 600,000
Mr. Carroll	$ 141,147	$ 423,441	$ 150,000	$ 450,000

(2) The amount shown for each year is the aggregate grant date fair value of option awards made to Mr. Roth during the year, computed in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. The assumptions used in the calculation of these amounts are set forth in Note 10 to Interpublic s audited financial statements included in the 2014 Form 10-K.

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Executive Compensation

(3) The amounts shown for each of 2014 and 2013 for each named executive officer are the sum of the payments made in respect of the executive s (i) annual non-equity compensation award and (ii) performance cash awards for the (A) 2012-2013 performance period, which vested on February 28, 2015 and (B) 2011-2012 performance period, which vested on February 28, 2014, in the respective amounts shown in the following table. Mr. Bonzani did not receive a performance cash award for the 2011-2012 performance.

	2014 Non-Equity Incentive Plan Compensation		2013 Non-Equity Incentive Plan Compensation	
Name	Annual Incentive Award	2012 Performance Cash Award	Annual Incentive Award	2011 Performance Cash Award
Mr. Roth	3,800,000	905,334	$ 2,600,000	$ 1,054,666
Mr. Mergenthaler	1,750,000	582,000	$ 1,350,000	$ 602,667
Mr. Krakowsky	1,450,000	452,667	$ 1,100,000	$ 406,800
Mr. Bonzani	700,000	155,200	$ 425,000	
Mr. Carroll	460,000	116,400	$ 345,000	$ 135,600

The amount shown for 2012 for each named executive officer consists solely of the executive s annual non-equity compensation award.

(4) The amounts in this column for Mr. Roth reflect the change in the value of the benefits he is entitled to receive under the Senior Executive Retirement Income Plan, which is described in greater detail on page 48 under the heading Pension Arrangements Senior Executive Retirement Income Plan. Mr. Roth does not have an Executive Special Benefit Agreement.

The amounts in this column for Mr. Krakowsky reflect the change in the value of the benefits he is entitled to receive under his Executive Special Benefit Agreement, which is described in greater detail on page 48, under the heading Pension Arrangements Executive Special Benefit Agreements.

Messrs. Mergenthaler, Carroll and Bonzani do not participate in a pension plan nor do they have an Executive Special Benefit Agreement.

While each of the named executive officers, other than Mr. Bonzani, participate in deferred compensation arrangements, as described in greater detail beginning on page 49, under the heading Nonqualified Deferred

Compensation Arrangements, none received above-market or preferential earnings on deferred compensation as defined by SEC rules.

(5) The table below shows the components of the amounts shown in this column for 2014.

Name	Annual Dollar Credits under the Capital Accumulation Plan ($) [(a)]	Matching contributions under the Interpublic Savings Plan ($)	Premiums paid by Interpublic on group life insurance ($)	Perquisites and Other Personal Benefits ($) [(b)]	Total All Other Compensation ($)
Mr. Roth	350,000	10,524	261	22,952	383,737
Mr. Mergenthaler	200,000	9,024	261	2,952	212,237
Mr. Krakowsky	50,000	12,924	261	3,516	66,701
Mr. Bonzani	0	8,774	261	6,000	15,035
Mr. Carroll	50,000	8,444	261	3,516	62,221

(a) The Capital Accumulation Plan is described in greater detail on page 49 under the heading Nonqualified Deferred Compensation Arrangements The Interpublic Capital Accumulation Plan.

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(b) The 2014 Perquisites and Other Personal Benefits table below lists the type and amount of each perquisite received by the named executive officers in 2014.

2014 Perquisites and Other Personal Benefits

The following table describes the amount of each perquisite and other personal benefit received by each of the named executive officer in 2014.

Name	Executive Dental Plan Coverage ($)	Charitable Matching Program [(a)] ($)
Mr. Roth	2,952	20,000
Mr. Mergenthaler	2,952	0
Mr. Krakowsky	3,516	0
Mr. Bonzani	0	6,000
Mr. Carroll	3,516	0

(a) The Charitable Matching Program is described in greater detail on page 19 under the heading Non-Management Director Compensation.

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Executive Compensation

GRANTS OF PLAN-BASED AWARDS

The following table provides information on grants of equity and non-equity plan based awards made in 2014 to the named executive officers. The awards are described in greater detail in the Compensation Discussion and Analysis, beginning on page 21.

e	Grant Date	Approval Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards Thres-hold ($)	Target ($)	Maximum ($)	Estimated Future Payouts Under Equity Incentive Plan Awards Thres-hold (/#)	Target (/#)	Maximum (/#)	All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Grant I Fair Val Stock a Optio Awar ($)
oth	3/31/2014	3/27/2014(1)	0	2,800,000	5,600,000						
	2/28/2014	2/19/2014(2)	0	2,200,000	6,600,000						
	2/28/2014	2/19/2014(3)				0	249,080	821,964			4,179,
	2/28/2014	2/19/2014(4)							124,540		2,199,
ergenthaler	3/31/2014	3/27/2014(1)	0	1,250,000	2,500,000						
	2/28/2014	2/19/2014(2)	0	625,000	1,875,000						
	2/28/2014	2/19/2014(3)				0	70,761	233,511			1,187,
	2/28/2014	2/19/2014(4)							35,380		624,
rakowsky	3/31/2014	3/27/2014(1)	0	1,000,000	2,000,000						
	2/28/2014	2/19/2014(2)	0	537,500	1,612,500						
	2/28/2014	2/19/2014(3)				0	60,854	200,818			1,021,
	3/31/2014	3/27/2014(4)							30,427		537,
onzani	3/31/2014	3/27/2014(1)	0	525,000	1,050,000						
	2/28/2014	2/19/2014(2)	0	250,000	750,000						
	2/28/2014	2/19/2014(3)				0	28,304	93,403			474,
	2/28/2014	2/19/2014(4)							14,152		249,
arroll	3/31/2014	3/27/2014(1)	0	339,806	679,612						
	2/28/2014	2/19/2014(2)	0	125,000	375,000						
	2/28/2014	2/19/2014(3)				0	14,152	46,701			237,
	2/28/2014	2/19/2014(4)							7,076		124,

(1) Reflects the potential payout in cash that the executive was entitled to earn for calendar year 2014 pursuant to an annual incentive award made in 2014 under the 2009 PIP as described in greater detail on page 29, under the heading Compensation Discussion and Analysis 2014 Executive Compensation Program Elements Annual Incentives. The actual amounts paid are shown in the Summary Compensation Table in the column titled Non-Equity Incentive Plan Compensation.

(2) Reflects potential payout that the executive is entitled to earn pursuant to a long-term performance cash award made in 2014 under the 2009 PIP. As described in greater detail on page 33, under the heading Compensation Discussion and Analysis 2014 Executive Compensation Program Elements Long-term Incentives, depending on the actual level of performance relative to goals over a two-year performance period, an individual will be entitled to receive a payout ranging from 0% to 300% of the target amount. The amount of the payout, as so determined, will vest at the end of the third year following the grant of the award and will be settled entirely in cash.

(3) Reflects potential payout in shares of Common Stock that the executive is entitled to earn pursuant to a performance share award made in 2014 under the 2009 PIP. As described in greater detail on page 33, under the heading Compensation Discussion and Analysis 2014 Executive Compensation Program Elements Long-term Incentives, depending on the actual level of performance relative to goals over a two-year performance period, an individual will be entitled to receive a payout ranging from 0% to 300% of the target amount. The Relative TSR modifier can then adjust this rating upwards or downwards by up to 10%. The amount of the payout, as so determined, will vest at the end of the third year following the grant of the award.

(4) Reflects the number of shares under restricted stock award grants made under the 2009 PIP. These shares are credited with quarterly dividends, when and as declared by the Board of Directors on the Common Stock. The shares of restricted stock, and dividends paid on the restricted stock, are subject to forfeiture if the recipient terminates employment before the third anniversary of the grant date.

(5) Reflects the grant date fair value of the equity award computed in accordance with FASB ASC Topic 718, excluding the effect of estimated service-based forfeitures. The assumptions used in the calculation of these amounts are set forth in Note 10 to Interpublic s audited financial statements included in the 2014 Form 10-K.

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Executive Compensation

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table provides information on outstanding equity awards, consisting of stock option awards and stock awards, held by the named executive officers as of December 31, 2014.

	Option Awards (1)				Stock Awards			
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#) [2]	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) [11]
Mr. Roth	207,246	420,773	12.7700	2/28/2023	124,540[3]	2,586,696[8]	821,964[9]	17,072,192
	360,654	185,794	11.7200	2/28/2022	214,189[4]	4,448,705[8]		
	492,866		12.9350	2/28/2021	65,844[5]	1,367,600[8]		
	431,594		8.4500	3/31/2020	154,493[6]	3,208,820[8]		
	500,000		4.1400	3/31/2019	43,589[7]	905,344[8]		
	500,000		9.9125	5/30/2018				
	500,000		11.7000	5/31/2017				
	500,000		8.6550	6/15/2016				
	50,000		12.1650	8/04/2015				
Mr. Mergenthaler	84,981		9.9125	5/30/2018	35,380[3]	734,843[8]	233,511[9]	4,850,023
	102,188		11.7000	5/31/2017	86,260[4]	1,791,620[8]		
	115,540		8.6550	6/15/2016	39,675[5]	824,050[8]		
	201,775		12.3900	8/01/2015	49,658[6]	1,031,397[8]		
					28,021[7]	581,996[8]		
Mr. Krakowsky	59,487		9.9125	5/30/2018	30,427[3]	631,969[8]	200,818[9]	4,170,989
	51,094		11.7000	5/31/2017	61,825[4]	1,284,105[8]		
	57,770		8.6550	6/15/2016	33,766[5]	701,320[8]		
	32,935		12.1450	8/03/2015	38,623[6]	802,200[8]		
					21,794[7]	452,661[8]		
Mr. Bonzani					14,152[3]	293,937[8]	93,403[9]	1,939,980

					20,595(4)	427,758(8)		
					12,662(5)	262,990(8)		
					13,241(6)	275,016(8)		
					7,472(7)	155,193(8)		
Mr. Carroll	75,000		4.1400	3/31/2019	7,076(3)	146,969(8)	46,701(9)	969,979
					13,729(4)	285,151(8)	16,324(10)	339,066
					8,441(5)	175,319(8)		
					9,931(6)	206,267(8)		
					5,604(7)	116,395(8)		

(1) All of the stock options have a ten-year term and an exercise price equal to 100% of the fair market value of the Common Stock on the grant date which, as established by the Compensation Committee, is the average of the high and low sales prices of the Common Stock as reported by the NYSE.

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Executive Compensation

(2) The vesting schedule for the unexercisable stock options shown for Mr. Roth is as follows:

Grant Date	February 28, 2015	February 28, 2016
2/28/13	207,246	213,527
2/28/12	185,794	
2/28/11		
3/31/10		

(3) Represents the aggregate number of unvested shares of restricted stock held that will vest on February 28, 2017. All of the shares of restricted stock, and all dividends paid on the restricted stock, are subject to forfeiture if the award recipient terminates employment before the third anniversary of the grant date.

(4) Represents the number of unvested shares of Common Stock that the named executive officer has earned under a performance share award granted in 2013, for which the performance ended on December 31, 2014. The award remained subject to forfeiture had the employment of the award recipient terminated prior to the February 28, 2016 vesting date, which did not occur.

(5) Represents the number of unvested shares of Common Stock that the named executive officer has earned under a performance cash award granted in 2013. The two-year performance period under this performance cash award was completed on December 31, 2014. The award remains subject to forfeiture if the employment of the award recipient terminates prior to the February 28, 2016 vesting date. The number of shares shown in the table was calculated by dividing the vested payout amount by closing price of the Common Stock ($20.77), as reported by the NYSE on December 31, 2014. The number of shares issued will be determined by dividing the dollar amount earned by the market price of the Common Stock on the vesting date.

(6) Represents the number of unvested shares of Common Stock that the named executive officer has earned under a performance share award granted in 2012, for which the performance ended on December 31, 2013. The award remained subject to forfeiture had the employment of the award recipient terminated prior to the February 28, 2015 vesting date, which did not occur.

(7) Represents a performance cash award granted in 2012, for which the performance ended on December 31, 2013. The award remained subject to forfeiture had the employment of the award recipient terminated prior to the February 28, 2015 vesting date, which did not occur. The number of shares shown in the table was calculated by dividing the dollar amount earned by closing price of the Common Stock ($20.77), as reported by the NYSE on December 31, 2013. The number of shares issued will be determined by dividing the dollar amount earned by the market price of the Common Stock on the vesting date.

(8) The value shown is calculated by multiplying (i) the number of shares shown in the column headed Number of Shares or Units of Stock That Have Not Vested by (ii) the closing price of the Common Stock ($20.77), as reported by the NYSE on December 31, 2014.

(9) Represents the maximum number of shares of Common Stock that the named executive officer would receive under a performance share award granted in 2014, for which the performance period will end on December 31, 2016. Any shares earned will remain subject to forfeiture if the employment of the award recipient terminates prior to February 28, 2017.

(10) Represents the maximum number of shares of Common Stock that Mr. Carroll would receive under the portion of a performance cash award granted in 2013 to be paid in shares of Common Stock, with the number of shares to be determined by dividing the dollar amount of the vested payout amount by the market price of the Common Stock on the vesting date. Final payout under the performance cash award will not be known until the three year performance period ends on December 31, 2015.

(11) The values shown in this column are calculated by multiplying (i) the number of shares shown in the column headed Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested by (ii) the closing price of the Common Stock ($20.77), as reported by the NYSE on December 31, 2014.

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Executive Compensation

Option Exercises and Stock Vested

The following table provides information on the number of shares of Common Stock acquired upon (i) the exercise of stock options and (ii) the vesting of (a) performance share awards and (b) the portion (fifty percent) of the executive s performance cash award held by the named executive officers that occurred in 2014.

	Option Awards(1)		Stock Awards(2)	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Mr. Roth	611,974	2,975,711	222,774	3,935,303
Mr. Mergenthaler	0		80,707	1,425,689
Mr. Krakowsky	21,337	71,255	54,477	962,336
Mr. Bonzani	0		0	
Mr. Carroll	115,306	1,037,941	18,158	320,761

(1) Represents the number of stock options exercised in 2014. The value realized on exercise is the amount by which the market price of the Common Stock received upon exercise exceeds the exercise price.

(2) The value realized on the vesting of performance share awards and the portion (fifty percent) of the executive s performance cash award, which vested on February 28, 2014, is equal to the product of (A) the number of shares vested multiplied by (B) the average of the high and low price of the Common Stock, as reported by the NYSE, on the vesting date ($17.665).

PENSION ARRANGEMENTS

Executive Special Benefit Agreement

Mr. Krakowsky entered into an Executive Special Benefit Agreement (an ESBA) in 2002, which provides that if he retires, resigns or otherwise terminates employment with Interpublic after his 60th birthday, or his employment terminates due to death, Interpublic will pay him $245,000 per year for 15 years. If he retires, resigns or is terminated from employment with Interpublic on or after his 55th birthday, but prior to his 60th birthday, he will receive between $171,500 and $230,300 per year for 15 years, depending upon his age at the time of his termination. If his employment terminates (other than by reason of death) prior to his 55th birthday, he would receive $50,000 per year for eight years.

If Mr. Krakowsky has a Qualifying Termination (as defined under the heading Severance and Change of Control Benefits Estimated Current Value of Severance Benefits Upon Qualifying Termination below), the amount of his annual ESBA benefit will be the amount that would have been payable if he had continued working for Interpublic through the end of his severance period.

If Mr. Krakowsky s employment terminates within two years after a Change of Control (as defined under the heading Severance and Change of Control Benefits below) of Interpublic, his ESBA benefits would be paid in a lump sum, rather than installments. The amount of the lump sum would be the then-present value of the benefit described above, except that if Mr. Krakowsky s termination is a

Qualifying Termination and Mr. Krakowsky s age as of December 31st of the year in which the Change of Control occurs is 58 or older, the lump-sum would be based on the then-present value of $245,000 per year for 15 years.

If Mr. Krakowsky dies before all required payments are made to him under these ESBAs, Interpublic would make the remaining payments to his beneficiaries.

The Interpublic Senior Executive Retirement Income Plan

Interpublic provides retirement benefits to certain U.S.-based senior executives of Interpublic and its subsidiaries under the Senior Executive Retirement Income Plan (SERIP). Of the named executive officers, only Mr. Roth participates in SERIP. Mr. Roth is entitled to receive an annual benefit of $110,000 for 15 years that is fully vested.

The SERIP provides monthly payments for 10 or 15 years beginning two years after Mr. Roth s termination of employment. The amount of each participant s benefit is determined at the discretion of Interpublic, with approval from the Compensation Committee, and is set forth in a Participation Agreement entered into with the executive when the executive s participation in the SERIP is approved; the Participation Agreement may be amended from time to time, including to increase (but not to decrease) the amount of the SERIP benefit. In general, the SERIP provides that 30% of a participant s benefit becomes vested after three years of participation in the SERIP**,** and the vested percentage increases by 10% at the end of each of the next seven years.

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Executive Compensation

However, the Compensation Committee or its designee may approve an alternative vesting schedule on a case-by-case basis. If an executive breaches a non-competition or non-solicitation agreement, the executive s entire benefit will be forfeited (even if the benefit had already vested). If a participant has a Qualifying Termination, the SERIP generally provides for continued vesting through the end of the participant s severance period.

If a participant s employment terminates within two years after a Change of Control, the participant s vested SERIP

benefit will be accelerated and paid in a lump sum, rather than installments. The amount of the lump sum would be based on the then-present value of the future payments, to the extent vested. In general, the vested percentage would be determined as described above, provided that if the termination is a Qualifying Termination and, as of December 31st of the year in which the Change of Control occurs, (i) the participant s age is 55 or older and (ii) the participant is within two years of full vesting, the participant s entire benefit under SERIP will be fully vested.

Pension Benefits

The following table provides information on pension benefits held by the named executive officers as of December 31, 2014.

Name	Plan Name	Number of Years of Credited Service (#)	Present Value of Accumulated Benefit ($) (1)(2)	Payments Dur Last Fiscal Year ($)
Mr. Roth	SERIP	N/A	1,056,672	0
Mr. Mergenthaler				
Mr. Krakowsky	ESBA	12	1,883,544	0
Mr. Bonzani				
Mr. Carroll				

(1) The calculation of the present value of accumulated benefit assumes a discount rate of 4.15 percent.

(2) For Mr. Krakowsky, the amount shown is the present value of the maximum benefit that he would be entitled to receive under his ESBA if he works for Interpublic continuously until he reaches age 60. The terms and conditions of the ESBA are described in greater detail on page 48 under the heading Executive Special Benefit Agreement.

NONQUALIFIED DEFERRED COMPENSATION ARRANGEMENTS

The Interpublic Capital Accumulation Plan

Interpublic maintains a Capital Accumulation Plan (the CAP) under which senior management employees of Interpublic and its subsidiaries selected by the Management Human Resources Committee (the MHRC) are entitled to receive deferred compensation benefits. Under CAP, a participating employee receives annual credits of a specified dollar amount (a dollar credit) and interest each December 31st. The amount of each year s interest credit is equal to the 10-year U.S. Treasury yield curve annual rate (also known as the constant maturity rate) as of the last business day of the immediately preceding calendar year. Each participant s account balance becomes fully vested as to both prior and future dollar and interest credits when the participant has completed three years of participation in the CAP, except that all interest credits since the inception of the participant s participation in the plan are subject to forfeiture if the participant breaches a non-competition or non-

solicitation agreement. If a participant has a Qualifying Termination, the CAP provides for continued vesting through the end of the participant s severance period and a special dollar credit equal to the dollar credits that would have been added to the participant s account (based on the credit amount in effect at time of the Qualifying Termination) if he had continued working for Interpublic until the due date for his last severance payment. Any portion of a participant s benefit that is not vested upon termination of employment (taking into account accelerated vesting upon a Qualifying Termination) will be forfeited.

If a participant has a Qualifying Termination within two years after a Change of Control, (i) the participant will become fully vested and (ii) the participant s account will be credited with an amount equal to the dollar credits that would have been added to his account (based on the credit amount in effect at time of the Qualifying Termination) if he had continued working for Interpublic until the end of his severance period.

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Executive Compensation

Each named executive officer, other than Mr. Bonzani, is a participant in the CAP and for 2014 received the following annual dollar credit:

Name	Annual Dollar Credit
Mr. Roth	$ 350,000
Mr. Mergenthaler	$ 200,000
Mr. Krakowsky	$ 50,000
Mr. Carroll	$ 50,0 00

For 2014, each participant received an interest credit equal to 3.03% of his account balance as of December 31, 2014 (determined before the 2014 dollar credit was added). Each named executive officer s CAP account balance is fully vested.

In general, each named executive officer s vested account balance is payable in a lump sum two years after the termination of his employment with Interpublic and its subsidiaries. However, if the participant s employment terminates within two years after a Change of Control, payment will be accelerated.

Nonqualified Deferred Compensation

The following table provides information on non-qualified deferred compensation arrangements for the named executive officers as of December 31, 2014, which consist exclusively of benefits under the CAP.

Name	Executive contributions in last FY ($)	Registrant contributions in last FY ($) (1)	Aggregate earnings in last FY ($) (2)	Aggregate withdrawals/ distributions ($)	Aggregate balance at last FYE ($) (3)
Mr. Roth	0	350,000	91,884	0	3,474,368
Mr. Mergenthaler	0	200,000	49,876	0	1,895,941
Mr. Krakowsky	0	50,000	13,323	0	503,039
Mr. Bonzani					
Mr. Carroll	0	50,000	13,323	0	503,039

(1)

The amounts shown as Registrant contributions in last FY are dollar credits that were added to the named executive officer s CAP account as of December 31, 2014 and are included in the All Other Compensation column for 2014 of the Summary Compensation Table on page 41.

(2) No earnings on deferred amounts are included in the Change in Pension Value and Nonqualified Deferred Compensation Earnings column of the Summary Compensation Table for 2014, 2013 or 2012 because the interest credits under the CAP did not constitute above-market or preferential earnings as defined by SEC rules.

(3) The aggregate balances shown in this column include the following dollar credits that were included in the All Other Compensation column of the Summary Compensation Table for each of 2013 and 2012 on page 41:

Name	**2013**	**2012**
Mr. Roth	350,000	350,000
Mr. Mergenthaler	200,000	200,000
Mr. Krakowsky	50,000	50,000
Mr. Carroll	50,000	50,000

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Executive Compensation

EMPLOYMENT AGREEMENTS, TERMINATION OF EMPLOYMENT AND CHANGE OF CONTROL ARRANGEMENTS

Employment Agreements

Each of the named executive officers has an employment agreement with Interpublic. Each employment agreement includes provisions describing the named executive officer s position and responsibilities, his salary and eligibility for incentive compensation and other benefits and perquisites. Each agreement also includes covenants pursuant to which the named executive officer agrees not to divulge confidential information of Interpublic and its subsidiaries and agrees for a period of time after termination of employment to refrain from soliciting employees of Interpublic and its subsidiaries and from soliciting or handling the business of clients of Interpublic.

Annual Bonus **-** Each employment agreement provides for each executive officer to receive an annual bonus target bonus, with the actual award ranging between 0% and 200% of the target depending on Interpublic financial performance, his individual performance, and management discretion.

Long-term Incentive Awards - Each employment agreement also provides for participation in Interpublic s performance-based long-term incentive programs. Each year s awards may consist of stock options, restricted stock, performance-based share and cash awards or another form of incentive award at the sole discretion of the Compensation Committee.

Employment Agreement Base Salary and Incentive Compensation Information

The following table provides the annual salary, annual incentive target percentage and long-term incentive target award value for each executive officer for 2014.

Name	Salary $	Annual Incentive Target %	Long-term Incentive Tar $
Michael I. Roth	$ 1,400,000	200	8,800,000
Frank Mergenthaler	1,000,000	125	2,500,000
Philippe Krakowsky	800,000	125	2,150,000
Andrew Bonzani	700,000	75	1,000,000
Chris Carroll	565,110	60	500,000

Michael I. Roth Employment Agreement

Mr. Roth s employment agreement also provides that he is entitled to (i) participate in the CAP and (ii) participate in such other employee benefits and programs as are available from time to time to other key management executives generally.

If Mr. Roth s employment is terminated involuntarily without Cause (as defined under the heading Severance and Change of Control Benefits below), his employment agreement provides for salary continuation for 12 months from the date notice of his termination is provided, at the rate in effect before his termination. If Mr. Roth obtains alternative employment before the end of the severance period, the amount of his severance pay will be reduced (but not below zero) by the amount of the non-contingent compensation payable to Mr. Roth in connection with his new employment for service before the end of the severance period.

After an involuntary termination without Cause, Mr. Roth will also be eligible to receive (i) cash payments to subsidize the cost of medical, dental, and vision benefits at active employee rates until the end of the severance period and a subsequent COBRA period, and (ii) a cash payment equal to the amount of matching contributions that Interpublic would have

contributed on his behalf to the Interpublic Savings Plan if he had continued participating in that plan until the end of the severance period. The subsidy for medical, dental and vision benefits would end if Mr. Roth accepts employment with another employer offering similar benefits. Mr. Roth may terminate his employment at any time by giving notice to Interpublic at least three months in advance.

Frank Mergenthaler Employment Agreement

Mr. Mergenthaler s employment agreement also provides that he is entitled to (i) participate in the CAP, with a current annual dollar credit of $200,000, and (ii) participate in such other employee benefits and programs as are available from time to time to other key management executives generally.

In the event of a Qualifying Termination of Mr. Mergenthaler s employment, his employment agreement provides for a lump-sum payment equal to the sum of (i) one year s base salary at the rate in effect before his termination, (ii) his target bonus for the year of termination, plus (iii) a pro-rated portion of his target bonus for the year in which the termination occurs and (iv) any other awards and benefits to which he is entitled in accordance with their terms. In addition, if Mr. Mergenthaler or any of his dependents elects continuation health coverage under COBRA, his employment agreement provides for a lump sum payment equal to the sum of the premiums for the first year of such COBRA coverage. Mr. Mergenthaler may terminate his employment at any time by giving notice to Interpublic at least six months in advance.

Philippe Krakowsky Employment Agreement

Mr. Krakowsky s employment agreement also provides that he is entitled to (i) participate in Interpublic s Capital Accumulation Plan, with an annual dollar credit of $50,000 and (ii) participate in such other employee benefits and programs as are available from time to time to other key management executives generally.

If Mr. Krakowsky s employment is terminated involuntarily without Cause, his employment agreement provides for salary continuation for 12 months from the date notice of his termination is provided, at the rate in effect before his termination; provided that if Mr. Krakowsky obtains alternative employment before the end of the severance period, the amount of his severance pay will be reduced (but not below zero) by the amount of the non-contingent compensation payable to Mr. Krakowsky in connection with his new employment for service before the end of the severance period.

Mr. Krakowsky is also eligible to receive a bonus for the year in which his employment is terminated. After an involuntary termination, Mr. Krakowsky would also be eligible to receive: (i) continued vesting of all restricted stock and options until the end of the severance period, (ii) cash payments to subsidize the cost of medical, dental, and vision benefits at active employee rates until the end of the severance period and a subsequent COBRA period, (iii) a cash payment equal to the amount of matching contributions that Interpublic would have contributed on his behalf to the Interpublic Savings Plan if he had continued participating in that plan until the end of the severance period and (iv) a cash payment in lieu of continued life insurance for 12 months from the notice date. The subsidy for medical, dental and vision benefits would end if Mr. Krakowsky accepts

employment with another employer offering similar benefits. Mr. Krakowsky may terminate his employment at any time by giving notice to Interpublic at least six months in advance.

Andrew Bonzani Employment Agreement

Mr. Bonzani s agreement also provides that he is entitled to participate in such other employee benefits and programs as are available from time to time to other key management executives generally.

In the event of a Qualifying Termination, his employment agreement provides for severance pay under the Executive Severance Plan (described below), with a salary continuation period of 18 months.

Christopher Carroll Employment Agreement

Mr. Carroll s employment agreement also provides that he is entitled to participate in (i) Interpublic s Capital Accumulation Plan, with an annual dollar credit of $50,000, and (ii) such other employee benefits and programs as are available from time to time to other key management executives generally.

If Mr. Carroll s employment is terminated involuntarily without Cause, his employment agreement provides for (i) salary continuation, at the rate in effect before his termination, for 12 months from when notice of his termination is provided and (ii) lump sum payment of his target bonus for the year of termination. After his termination date, Mr. Carroll will be eligible to receive (i) cash payments to subsidize the cost of medical, dental, and vision benefits at active employee rates until the end of the severance period and a subsequent COBRA period, and (ii) a cash payment equal to the amount of matching contributions that Interpublic would have contributed on his behalf to the Interpublic Savings Plan if he had continued participating in that plan until the end of the severance period. Mr. Carroll may terminate his employment at any time by giving notice to Interpublic at least six-months in advance.

Executive Severance Plan

Under the Interpublic Executive Severance Plan (ESP), certain senior management employees, including the named executive officers, are entitled to receive severance and other welfare benefits, in the event of a Qualifying Termination. In general, the ESP provides for salary continuation, at the executive s base salary rate in effect for the year of termination, for a specified number of months, which varies generally according to the seniority of the executive. If the executive s Qualifying Termination occurs within two years after a Change of Control, severance is payable in a lump sum, rather than over the severance period.

Under the ESP the named executive officers are entitled to the following salary continuation periods:

Name	Salary Continuation Period
Michael I. Roth	24 months
Frank Mergenthaler	18 months
Philippe Krakowsky	18 months
Andrew Bonzani	18 months
Chris Carroll	12 months

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Executive Compensation

The ESP also provides for cash payments in lieu of continued medical, dental and vision benefits at active employee rates for the salary continuation period, followed by a COBRA period.

Benefits under the ESP are not in addition to severance benefits under individual employment agreements. Rather, severance benefits that are paid under individual

employment agreements are credited against amounts payable under the ESP.

The ESP requires the executive to agree to certain post-termination covenants which, if violated, would result in the forfeiture of the executive s future severance payments and benefits. Benefits under the ESP are also conditioned on the executive executing a mutual release.

Change of Control Agreements

Each named executive officer has entered into a change of control agreement with Interpublic that provides for severance and other benefits in the event of a Qualifying Termination within two years after a Change of Control. These benefits are instead of, and not in addition to, the benefits the executive otherwise would be entitled to receive under the executive s employment agreement and the ESP.

Each of these change of control agreements provides for a lump-sum severance payment equal to a specified multiple of the executive s base salary plus his target bonus. For purposes of this calculation, salary and target bonus are each determined based on the rate in effect for the executive for the year of the Change of Control or for the year of the Qualifying Termination, whichever is greater.

The multiple applied and the corresponding months of service under the change of control agreements are:

Name	Multiple	Months of Severance
Michael I. Roth	3	36 months
Frank Mergenthaler	2	24 months
Philippe Krakowsky	2	24 months
Andrew Bonzani	2	24 months
Chris Carroll	2	24 months

In addition, under the agreement the named executive officer s benefit under the CAP will be subject to the following adjustments: (i) annual dollar credits will be added for his severance period as if his severance were paid in semi-monthly installments over his severance period (rather than in a lump sum); (ii) he will receive a prorated annual dollar credit for the year in which the severance period expires, and (iii) in addition to the interest credits added under the terms of the CAP each December 31st, the executive will receive a pro-rated interest credit for the year in which the severance period expires**,** at the rate applied under CAP for the year in which the executive s CAP balance is paid.

The agreement also provides that, if the named executive officer is a participant in the SERIP, the vested percentage of his SERIP benefit will be determined as if his severance were paid in monthly installments over his severance period (rather than in a lump sum).

Each agreement also provides for cash payments to subsidize the cost of medical, dental and vision benefits during the months for which severance is provided, in lieu of the benefit subsidies otherwise payable under the executive s employment agreement and the ESP.

Each agreement requires the executive to agree to certain post-termination covenants, which restrict solicitation of employees and clients, and if violated, would result in the forfeiture of the executive s severance payments and benefit.

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Executive Compensation

SEVERANCE AND CHANGE OF CONTROL BENEFITS

The preceding narrative describes the severance and other benefits to which the named executive officers may be entitled under the various agreements, plans and arrangements in connection with or following a termination of the executive s employment. Below is a table that quantifies the benefits that each named executive officer would have received had his employment terminated as of December 31, 2014 under the following circumstances:

Triggering Event [1]	Description
Termination for Cause or Voluntary Termination Without Good Reason	In general (subject to certain variations in each executive s employment agreement), Interpublic would have Cause to terminate an executive s employment if the executive (a) materially breaches a provision in his employment agreement and fails to cure such breach within a 15-day period; (b) misappropriates funds or property of Interpublic; (c) attempts to secure any personal profit related to the business of Interpublic without proper prior written approval; (d) engages in fraud, material dishonesty, gross negligence, gross malfeasance or insubordination, or willful (i) failure to follow Interpublic s Code of Conduct or (ii) misconduct in the performance of his duties, excluding, in either case, acts taken in good faith that do not cause material harm to Interpublic; (e) refuses or fails to attempt in good faith to perform his duties as an employee or to follow a reasonable good-faith direction of the Board of Directors or the person to whom the executive reports directly if such refusal or failure is not cured within a 15-day period; (f) has committed or is formally charged or indicted for a felony or a crime involving dishonesty, fraud or moral turpitude or (g) engages in conduct that is clearly prohibited by the policy of Interpublic prohibiting discrimination or harassment based on age, gender, race, religion, disability, national origin or any other protected category. In general, an executive would have Good Reason to terminate his employment if Interpublic, without the executive s consent, (a) materially reduces the executive s base salary; (b) materially diminishes the authority, duties or responsibilities of the executive or the supervisor to whom the executive is required to report; (c) materially diminishes the budget over which the executive has authority; (d) requires the executive to relocate to an office more than 50 miles outside the city in which he is principally based or (e) materially breaches an employment agreement with the executive. Before resigning for Good Reason, the executive generally must give Interpublic notice and an opportunity to cure the adverse action.
Qualifying Termination	An involuntary termination of the executive s employment without Cause or a resignation by the executive for Good Reason.
Change of Control	In general, a Change of Control will be deemed to have occurred if: (i) any person, other than Interpublic or any of its subsidiaries, becomes the beneficial owner of more than 50% of the combined voting power of Interpublic s then outstanding voting securities; (ii) any person, other than Interpublic or any of its subsidiaries, acquires (during a 12-month

	period) ownership of 30% or more of the combined voting power of Interpublic s then-outstanding voting securities; (iii) any person acquires 40% or more of Interpublic s assets (determined based on gross fair market value) or (iv) during any 12-month period, a majority of the members of the Board is replaced by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of their appointment or election.
	Amounts shown in the table under the heading Change of Control are paid upon a Change of Control, without regard to whether the executive s employment is terminated.
Qualifying Termination following a Change of Control	A Qualifying Termination of an executive employment within two years after a Change of Control.
Death or Disability	Disability is determined in accordance with our policies and procedures based on the facts and circumstances presented.

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Executive Compensation

KEYS TO TERMINATION OF EMPLOYMENT AND CHANGE OF CONTROL PAYMENTS

Payment	Description
Severance	The severance amount shown as payable to each of the named executive officers in the event of a Qualifying Termination, other than following a Change of Control, is provided for under the terms of the executive s employment agreement as supplemented by the terms of ESP, except that for Messrs. Roth, Krakowsky and Carroll, severance benefits following a resignation for Good Reason are payable exclusively under the ESP. In the event of a Qualifying Termination following a Change of Control, the severance amount shown for each of the named executive officers is provided for under the terms of the executive s Change of Control Agreement.
Bonus	Mr. Mergenthaler s employment agreement provides for a bonus payment in the event of a Qualifying Termination, other than following a Change of Control. Mr. Carroll s employment agreement provides for a bonus payment only in the event of an involuntary termination without Cause (and not in the event of resignation for Good Reason), other than following a Change of Control. Mr. Krakowsky s employment agreement provides that he is eligible for consideration for a bonus if Interpublic terminates his employment without Cause, other than following a Change of Control, but does not provide for a bonus payment if he resigns for Good Reason. In the event of a Change of Control, each named executive officer is entitled to a bonus payment under the 2009 PIP at the executive s target level (without regard to whether his employment terminates). In the event of a termination of employment due to death or disability, the bonus amount shown for each of the named executive officers is payable under the 2014 PIP, which provides that award is pro-rated based on the time elapsed and the performance-level achieved. In the case of death, achievement of the performance objectives is determined

based on actual performance through the date of death and estimated performance for the rest of the performance period. In the case of disability, achievement is measured based on actual performance through the end of the performance period.

Long-term Incentives

Under the Interpublic s Performance Incentive Plans:

In the event of termination due to death or disability:

Restricted stock vests on a pro-rata basis; and

Performance shares and performance cash vest on a pro-rata basis based on the time elapsed and the performance level achieved, unless employment terminates within 12 months of the grant date (in which case the entire award is forfeited). In the case of death, achievement of the performance objectives is determined based on actual performance through the date of death and estimated performance for the rest of the performance period. In the case of disability, achievement is measured based on actual performance through the end of the performance period.

Stock options:

¡ Fully vest in the event of death; and

¡ Vest on a pro-rata basis in the event of disability, unless employment terminates within 12 months of the grant date (in which case the entire grant is forfeited).

Interpublic s Performance Incentive Plans provide in the event of a Change of Control:

For awards granted prior to 2014, whether or not accompanied by a termination of the executive s employment:

Stock options and restricted stock fully vest; and

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Executive Compensation

Payment	Description
	Performance shares and performance cash fully vest at the target performance level. For awards granted in 2014 and thereafter, in the event of a Qualifying Termination following a Change of Control: An executive will be entitled to payments for the following awards, each valued as of the date of the Change of Control: ¡ Stock options and restricted stock; and ¡ Performance shares and performance cash at the target performance level Mr. Krakowsky s employment agreement provides that if his employment is terminated involuntarily without cause (but not in the event of resignation for Good Reason), his restricted stock and options will continue to vest during his severance period. Notwithstanding the foregoing, the Compensation & Leadership Talent Committee has discretion to accelerate vesting of any award granted under the 2009 PIP, if the named executive officer s employment terminates at least 12 months after the date of grant.
Pension/Deferred Compensation	The amounts shown as payable under the CAP in the event of (i) a termination of employment for Cause or a voluntary termination without Good Reason or (ii) death or disability reflect the account balance as of December 31, 2014. The amounts shown as payable under the SERIP in these events reflect the sum of the 15 annual payments that would be due starting at age 60 (or 2 years after termination, if later) as of December 31, 2014. The amounts shown as payable under the CAP and SERIP in the event of a Qualifying Termination or a Qualifying Termination following a Change of Control reflect the total amounts payable after applying the additional credits and vesting through the applicable

severance period. In the event of a termination within 2 years after a Change of Control, (i) the amount shown for the SERIP will be paid in a lump sum at the then vested value of the future payments and (ii) the amount shown for the CAP will be paid in a lump sum.

The amounts shown as payable under Mr. Krakowsky s ESBA, other than in the event of death, reflect amounts accrued as of December 31, 2014, which would be paid in annual installments of $50,000 per year. In the event of termination due to death, Mr. Krakowsky would receive 15 annual payments of $245,000 each.

Welfare Benefits

The medical, dental and vision benefits shown as payable upon a Qualifying Termination, other than following a Change of Control, are generally provided under the executive s employment agreement and the ESP.

The medical, dental and vision benefits shown as payable in the event of a Qualifying Termination following a Change of Control are provided under the executive s Change of Control Agreement.

Messrs. Roth s, Mergenthaler s, and Krakowsky s 401(k) benefit, and Mr. Krakowsky s life insurance premium benefit, are provided under their respective employment agreements.

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Executive Compensation

ESTIMATED TERMINATION OF EMPLOYMENT AND CHANGE OF CONTROL PAYMENTS

The following table shows the total amounts each named executive officer would be entitled to receive in connection with the triggering events listed in the table.

Name		Termination for Cause or Voluntary Termination Without Good Reason ($)	Qualifying Termination ($)	Death ($)	Disability ($)	Qualifying Termina following a Change of Control ($) [5][6]
Mr. Roth	Severance	0	2,800,000	0	0	12,600,000
	Bonus	0	0	3,800,000	3,800,000	2,800,000
Long-term Incentive:	Stock Options [4]	0	0	3,185,459	1,406,671	3,185,459
	Performance Shares	0	0	5,749,018	5,749,018	13,537,284
	Performance Cash	0	0	3,373,507	3,373,507	7,133,334
	Restricted Stock	0	0	783,768	783,768	2,586,696
Benefits:	Med/Dental/Vision	0	38,470	0	0	57,705
	401(k) Match	0	9,300	0	0	9,300
Pension [1]						
Def Comp [3]						
Mr. Mergenthaler	Severance	0	1,500,000	0	0	4,500,000
	Annual Bonus	0	2,500,000	1,750,000	1,750,000	1,250,000
Long-term Incentive:	Stock Options	0	0	0	0	0
	Performance Shares	0	0	2,068,937	2,068,937	4,479,507
	Performance Cash	0	0	2,101,334	2,101,334	3,691,667
	Restricted Stock	0	0	222,657	222,657	734,842
Benefits:	Med/Dental/Vision	0	39,955	0	0	53,272
	401(k) Match	0	7,800	0	0	7,800
Def Comp [3]						
Mr. Krakowsky	Severance	0	1,200,000	0	0	3,600,000
	Annual Bonus	0	1,000,000	1,450,000	1,450,000	1,000,000
Long-term Incentive:	Stock Options	0	0	0	0	0
	Performance Shares	0	0	1,542,330	1,542,330	3,707,279
	Performance Cash	0	0	1,708,182	1,708,182	3,037,500
	Restricted Stock	0	0	191,487	191,487	631,969
Benefits:	Med/Dental/Vision	0	40,153	0	0	53,536

	401(k) Match	0	11,700	0	0	11,700
	Life Insurance	0	1,345	0	0	1,345
Pension (2)						
Def Comp (3)						
Mr. Bonzani	Severance	0	1,050,000	0	0	2,450,000
	Annual Bonus	0	0	700,000	700,000	525,000
Long-term Incentive:	Stock Options	0	0	0	0	0
	Performance Shares	0	0	521,141	521,141	1,348,908
	Performance Cash	0	0	613,215	613,215	1,150,000
	Restricted Stock	0	0	89,063	89,063	293,937
Benefits:	Med/Dental/Vision	0	33,279	0	0	44,372
	401(k) Match	0	7,550	0	0	7,550
Mr. Carroll	Severance	0	565,110	0	0	1,808,352
	Annual Bonus	0	339,066	460,000	460,000	339,066
Long-term Incentive:	Stock Options (4)	0	0	0	0	0
	Performance Shares	0	0	369,068	369,068	830,821
	Performance Cash	0	0	792,016	792,016	1,323,443
	Restricted Stock	0	0	44,531	44,531	146,968
Benefits:	Med/Dental/Vision	0	39,955	0	0	53,272
	401(k) Match	0	7,220	0	0	7,220
Def Comp (3)						

(1) The payment Mr. Roth is entitled to receive under the SERIP is described in detail on page 48, under the heading Pension Benefits The Interpublic Senior Executive Retirement Income Plan .

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Executive Compensation

(2) The payment Mr. Krakowsky is entitled to receive under his ESBA is described in detail on page 48, under the heading Pension Benefits Executive Special Benefit Agreement .

(3) The payments each named executive officer is entitled to receive under the CAP, other than Mr. Bonzani who is not a participant under the CAP, is set forth on page 50 in the Non-Qualified Deferred Compensation table under the column heading Aggregate Balance FYE .

Each of the named executive officers shall be entitled to the following additional amounts under the CAP in the event such named executive officer is terminated pursuant to either (i) a Qualifying Termination or (ii) a Qualifying Termination following a Change of Control.

Name	**Qualifying Termination ($)**	**Qualifying Termination following a Change of control ($)**
Michael I. Roth	924,341	1,407,622
Frank Mergenthaler	290,071	522,695
Philippe Krakowsky	73,852	132,461
Chris Carroll	65,242	132,461

(4) Represents the aggregate amount of the difference between the closing price of the Common Stock on December 31, 2014 ($20.77) and exercise price of all unvested stock options having an exercise price that is less than $20.77 (the In-the-Money Value).

(5) Some benefit payments shown in the table below may be reduced if necessary to avoid adverse tax consequences to the executive under Section 280G of the Internal Revenue Code.

(6) As a result of the shift to a double-trigger payment of the long-term incentive awards beginning with the long-term incentive grants made in 2014, the payments shown in this column under and Long-term Incentive for the Performance Share Awards and Performance Cash Awards would be paid to the executive as follows:

Name	**Change of Control ($)**	**Qualifying Termination**

			following a Change of control ($)
Michael I. Roth	Performance Shares	8,363,892	5,173,391
	Performance Cash	4,933,334	2,200,000
Frank Mergenthaler	Performance Shares	3,009,801	1,469,706
	Performance Cash	3,066,667	625,000
Philippe Krakowsky	Performance Shares	2,443,341	1,263,937
	Performance Cash	2,500,000	537,500
Andrew Bonzani	Performance Shares	761,034	587,874
	Performance Cash	900,000	250,000
Chris Carroll	Performance Shares	536,883	293,937
	Performance Cash	1,198,443	125,000

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Outstanding Shares and Ownership of Common Stock

Outstanding Shares

The outstanding capital stock of Interpublic at the close of business on March 27, 2015, the record date for the Annual Meeting consisted of 413,571,842 shares of Common Stock. Only the holders of Common Stock on the record date are entitled to vote at the Annual Meeting. Each share of Common Stock is entitled to one vote on each matter that is submitted to a vote of shareholders at the meeting.

Share Ownership of Certain Beneficial Owners

The following table sets forth information concerning direct and indirect beneficial ownership of Common Stock as of December 31, 2014 by persons known to Interpublic to have beneficial ownership of more than 5% of the Common Stock:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership of Common Stock (1)	Percent of Class
The Vanguard Group, Inc. (2) 100 Vanguard Blvd. Malvern, PA 19355	30,773,003	7.35%
BlackRock, Inc. (3) 40 East 52nd Street New York, NY 10022	26,102,154	6.2%

(1) The rules of the SEC deem a person to be the beneficial owner of a security (for purposes of proxy statement disclosure) if that person has or shares either or both voting or dispositive power with respect to such security. Additionally, a security is deemed to be beneficially owned by a person who has the right to acquire beneficial ownership of the security within 60 days.

(2) This disclosure is based on a Schedule 13G filed by The Vanguard Group, Inc. (Vanguard) with the SEC on February 10, 2015, in which Vanguard reported that it is an investment manager that has sole voting power with respect to 721,094 shares of Common Stock, sole dispositive power with respect to 30,090,553 shares of Common

Stock and shared dispositive power with respect to 682,450 shares of Common Stock.

(3) This disclosure is based on a Schedule 13G filed by BlackRock, Inc. with the SEC on January 30, 2015, in which it reported that it is a holding company of a group of investment management companies that in the aggregate have sole voting power with respect to 21,908,270 shares of Common Stock and sole dispositive power with respect to 26,102,154 shares of Common Stock.

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Outstanding Shares and Ownership of Common Stock

Share Ownership of Management

The following table sets forth information concerning the direct and indirect beneficial ownership of the Common Stock as of March 27, 2015 by each director, each executive officer named in the Summary Compensation Table, and all directors and executive officers of Interpublic as a group:

Name of Beneficial Owner	Common Stock Ownership (1)	Options Exercisable Within 60 Days	Total *
Andrew Bonzani	42,296	0	42,296
Christopher Carroll	56,285	0	56,285
Jocelyn Carter-Miller	39,611	0	39,611
Deborah Ellinger	0	0	0
H. John Greeniaus	240,988	0	240,988
Mary J. Steele Guilfoile	71,852	0	71,852
Dawn Hudson	27,841	0	27,841
William T. Kerr	113,101	0	113,101
Philippe Krakowsky	171,003	110,581	281,584
Frank Mergenthaler	311,581	302,789	614,370
Henry S. Miller	0	0	0
Jonathan F. Miller	0	0	0
Michael I. Roth	994,205	3,885,400	4,879,605
David M. Thomas	85,221	0	85,221
All directors and executive officers as a group (15 persons)	2,178,283	4,298,770	6,477,053

* No individual identified in the table had beneficial ownership of more than 1% of the outstanding shares of Common Stock. Interpublic s directors and executive officers as a group had beneficial ownership of 1.56% of the outstanding shares of Common Stock. For the purpose of computing the percentage for each individual and directors and executive officers as a group, in accordance with SEC rules, the shares of Common Stock owned by that person include stock options which are currently exerciseable or exercisable within 60 days.

(1) The rules of the SEC deem a person to be the beneficial owner of a security (for purposes of proxy statement disclosure) if that person has or shares either or both voting or dispositive power with respect to such security. Additionally, a security is deemed to be beneficially owned by a person who has the right to acquire beneficial ownership thereof within 60 days, for example through the exercise of a stock option that is exerciseable or that will become exerciseable within 60 days. Common Stock ownership set forth in this table includes unvested shares of restricted stock awarded under the 2014 PIP, 2009 PIP and the Interpublic Non-Management Directors Stock Incentive Plan due to the right of the persons identified to exercise voting power with respect to the shares. Except

as otherwise indicated, each person has sole voting and sole dispositive power over the shares indicated as beneficially owned.

No executive officer or director of Interpublic has pledged any shares of Common Stock as security.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires Interpublic s directors and executive officers and persons who beneficially own more than 10 percent of any class of its equity securities to file with the SEC an initial report of beneficial ownership and subsequent reports of changes in beneficial ownership of Interpublic s equity securities.

Based solely on our review of the copies of such reports furnished to us by the Company s directors and executive officers for the year ended December 31, 2014, and on the written representations made by such persons that no other

reports were required, we believe that each of Interpublic s directors and executive officers timely filed all required reports, except as follows:

On February 28, 2014, each of Messrs. Roth, Mergenthaler, Krakowsky, Bonzani and Mrs. Connors received an award of restricted stock. The Form 4 for each executive was filed with the SEC two business days after the date the filling was due.

Interpublic is not aware of any person or entity that is the beneficial owner of more than 10% of any class of its equity securities.

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Under SEC rules, brokers and banks that hold stock for the account of their customers are permitted to elect to deliver a single Annual Report and Proxy Statement (as well as other shareholder communications from the issuer) to two or more shareholders that share the same address. If you and other residents at your mailing address own shares of Common Stock through a broker or bank, you may have received a notice notifying you that your household will be sent only one copy of Interpublic s proxy materials. If you did not notify your broker or bank of your objection, you may have been deemed to have consented to the arrangement. If you determine that you would prefer in the future to receive a separate copy of Interpublic s Annual Reports and Proxy Statements, you may revoke your consent at any time by notifying Interpublic by letter addressed to The

Interpublic Group of Companies, Inc., 1114 Avenue of the Americas, New York, NY 10036, Attention: Secretary or by calling Corporate Communications at (212) 704-1200. Your notification should include the name of your brokerage firm or bank and your account number.

If your household received only single copy of the 2014 Annual Report or this Proxy Statement and you would like to receive a separate copy, please contact Interpublic at the above address or telephone number. If you hold your shares of Common Stock through a broker or bank and are receiving multiple copies of our Annual Reports and Proxy Statements at your address and would like to receive only one copy for your household, please contact your broker or bank.

Participants in The Interpublic Group of Companies, Inc., Savings Plan (the Plan) may vote the number of shares of Common Stock equivalent to the interest in Common Stock credited to their accounts under the Plan as of the record date. Participants may vote by instructions given to JPMorgan Chase Bank, N.A. (JPMorgan), the trustee of the Plan, pursuant to the proxy card being mailed with this Proxy Statement to Plan participants. JPMorgan will vote shares in accordance with duly executed instructions if received on or

before May 20, 2015. If JPMorgan does not receive timely instructions, the shares of Common Stock equivalent to the interest in Interpublic s Common Stock credited to that participant s account, will not be voted by JPMorgan. In addition, JPMorgan will vote any shares of Common Stock held by the Plan that are not specifically allocated to any individual Plan participant (known as the suspense account) in the same proportion that JPMorgan votes the Common Stock for which it receives timely instructions.

The Board of Directors is not aware of any other matters which may be brought before the meeting. If other matters not now known come before the meeting, the persons named in the accompanying form of proxy or their substitutes will vote such proxy in accordance with their best judgment.

By Order of the Board of Directors,

Andrew Bonzani

Senior Vice President, General Counsel & Secretary

April 10, 2015

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Electronic Voting Instructions

Available 24 hours a day, 7 days a week!

Instead of mailing your proxy, you may choose one of the voting methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

Proxies submitted by the Internet or telephone must be received by 1:00 a.m., Eastern Time, on May 21, 2015.

Vote by Internet

Go to **www.envisionreports.com/IPG**

Or scan the QR code with your smartphone

Follow the steps outlined on the secure website

Vote by telephone

Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch tone telephone

Follow the instructions provided by the recorded message

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas. x

q **IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.** q

A **Proposals** **THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ALL DIRECTOR NOMINEES AND FOR PROPOSALS 2 AND 3.**

lection of Directors:	**For**	**Against**	**Abstain**		**For**	**Against**	**Abstain**		**For**	**Against**	**Abstain**
.1 - Jocelyn Carter-Miller	¨	¨	¨	1.2 - Deborah G. Ellinger	¨	¨	¨	1.3 - H. John Greeniaus	¨	¨	¨
.4 - Mary J. Steele Guilfoile	¨	¨	¨	1.5 - Dawn Hudson	¨	¨	¨	1.6 - William T. Kerr	¨	¨	¨
.7 - Henry S. Miller	¨	¨	¨	1.8 - Jonathan F. Miller	¨	¨	¨	1.9 - Michael I. Roth	¨	¨	¨
.10 - David M. Thomas	¨	¨	¨								

	For	**Against**	**Abstain**		**For**	**Against**	**Abstain**
2. Ratification of the appointment of PricewaterhouseCoopers LLP as Interpublic s independent registered public accounting firm for 2015.	¨	¨	¨	3. Advisory vote to approve named executive officer compensation.	¨	¨	¨

B **Non-Voting Items**

ange of Address Please print your new address below. **Comments** Please print your comments below.

Meeting Attendance

Mark the box to the right if you plan to attend the Annual Meeting.

C Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below
The signer hereby revokes all proxies heretofore given by the signer to vote at said meeting or any adjournments thereof.

NOTE: Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such..

Date (mm/dd/yyyy) Please print date below.	Signature 1 Please keep signature within the box.	Signature 2 Please keep signature within the box.
/ /		

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THE INTERPUBLIC GROUP OF COMPANIES, INC.

ANNUAL MEETING OF SHAREHOLDERS

May 21, 2015

9:30 A.M.

PALEY CENTER FOR MEDIA

25 W. 52nd STREET

NEW YORK, NEW YORK

You can view the Annual Report and Proxy Statement

on the Internet at http://www.envisionreports.com/IPG

q **IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.** q

Proxy THE INTERPUBLIC GROUP OF COMPANIES, INC.

PROXY SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF

THE COMPANY FOR ANNUAL MEETING OF SHAREHOLDERS, May 21, 2015

The undersigned hereby constitutes and appoints Michael I. Roth, Frank Mergenthaler and Andrew Bonzani, and each of them, his true and lawful agents and proxies, with full power of substitution in each, to represent the undersigned at the Annual Meeting of Shareholders of THE INTERPUBLIC GROUP OF COMPANIES, INC. to be held at the Paley Center for Media, 25 W. 52nd Street, New York, New York, on Thursday, May 21, 2015 at 9:30 A.M. Eastern Time, and at any adjournments thereof, on all matters to come before the meeting. If you are a participant in The Interpublic Group of Companies, Inc. Savings Plan (the Plan), this card also constitutes voting instructions by the undersigned to JPMorgan Chase Bank, N.A. (JPMorgan), the trustee of the trust maintained under the Plan, for all shares held of record by JPMorgan as to which the undersigned is entitled to direct the voting. Any shares for which voting instructions are not timely received, will not be voted by JPMorgan. JPMorgan will vote any unallocated shares held under the Plan in the same proportion as it votes shares for which timely instructions are received.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN. IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF EACH OF THE DIRECTOR NOMINEES, FOR PROPOSALS 2 AND 3 AND IN THE DISCRETION OF THE PROXY HOLDERS ON ANY OTHER MATTER AS MAY PROPERLY COME BEFORE THE MEETING.

YOU ARE ENCOURAGED TO SPECIFY YOUR CHOICES BY MARKING THE APPROPRIATE BOXES, SEE REVERSE SIDE, BUT YOU NEED NOT MARK ANY BOXES IF YOU WISH TO VOTE IN ACCORDANCE WITH THE BOARD OF DIRECTORS RECOMMENDATIONS. HOWEVER, THE PROXY HOLDERS CANNOT VOTE YOUR SHARES UNLESS YOU SIGN, DATE AND RETURN THIS CARD.

(Continued, and to be marked, dated and signed, on the other side)