

COMERICA INC /NEW/
Form DEF 14A
March 17, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant ☒ x

Filed by a Party other than the Registrant ☐ ..

Check the appropriate box:

- ☐ .. Preliminary Proxy Statement
- ☐ .. **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- ☒ x Definitive Proxy Statement
- ☐ .. Definitive Additional Materials
- ☐ .. Soliciting Material under §240.14a-12

Comerica Incorporated

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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Comerica Incorporated
Proxy Statement and Notice of
2015 Annual Meeting of Shareholders

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Comerica Incorporated

Comerica Bank Tower

1717 Main Street

Dallas, Texas 75201

March 17, 2015

Dear Shareholder,

It is our pleasure to invite you to attend the 2015 Annual Meeting of Shareholders of Comerica Incorporated at 9:30 a.m., Central Time, on Tuesday, April 28, 2015 at Comerica Bank Tower, 1717 Main Street, 4th Floor, Dallas, Texas 75201. Registration will begin at 8:30 a.m., Central Time. A map showing the location of the Annual Meeting is on the back cover of the accompanying proxy statement.

This year, we are continuing to provide proxy materials to our shareholders primarily through the Internet. We are pleased to use this process, which allows our shareholders to receive proxy materials in an expedited manner, while significantly lowering the costs of our annual proxy campaign. On or about March 17, 2015, we mailed to our shareholders of record (other than those who previously requested electronic delivery) a Notice of Internet Availability of Proxy Materials containing instructions on how to access this proxy statement, our annual report and additional soliciting materials online. If you received a Notice of Internet Availability of Proxy Materials by mail, you will not receive a printed copy of the proxy materials in the mail (with the exception of the proxy card, which will be separately mailed on or around March 27, 2015 to shareholders of record that have not yet voted) unless you specifically request them. The Notice of Internet Availability of Proxy Materials instructs you on how to electronically access and review all of the important information contained in this proxy statement and the annual report, and it provides you with information on voting. The proxy materials available online include our 2015 proxy statement, our 2014 annual report, which summarizes Comerica's major developments during 2014 and includes the 2014 consolidated financial statements, and additional soliciting materials.

Whether or not you plan to attend the Annual Meeting, please submit your proxy promptly so that your shares will be voted as you desire.

Sincerely,

Ralph W. Babb, Jr.

Chairman and Chief Executive Officer

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EXECUTIVE SUMMARY

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting.

Annual Meeting of Shareholders

Time and Date	9:30 a.m., Central Time, April 28, 2015
Place	Comerica Bank Tower, 1717 Main Street, 4 th Floor, Dallas, Texas 75201
Record Date	February 27, 2015
Mailing Date	On or around March 17, 2015
Voting	Shareholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the proposals to be voted on.

Voting Matters

	Board Vote Recommendation	Page Reference
Election of directors	FOR EACH DIRECTOR NOMINEE	12
Ratification of Ernst & Young LLP as independent auditors for 2015	FOR	25
Approval of the 2015 Comerica Incorporated Incentive Plan for Non-Employee Directors	FOR	32
Advisory approval of the Company's executive compensation	FOR	37

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The following table provides summary information about each director nominee. Each director nominee will be elected for a one-year term. Directors are elected by a majority of votes cast.

Name	Age	Director since	Occupation	Independent	AC	Committee Memberships			Other Public Company Boards
						GCNC	ERC	QLCC	
Ralph W. Babb, Jr.	66	2001	Chairman, President & CEO, Comerica Incorporated and Comerica Bank						Texas Instruments Inc.
Roger A. Cregg	58	2006	President & CEO, AV Homes, Inc.	X	F	X		X	AV Homes, Inc.
T. Kevin DeNicola	60	2006	Former CFO, KIOR, Inc.	X	C, F		X	C	Axiall Corporation
Jacqueline P. Kane	62	2008	EVP, Human Resources and Corporate Affairs, The Clorox Company	X		X			
Richard G. Lindner	60	2008	Retired; Former SEVP & CFO, AT&T, Inc.	IFD		C	X		
Alfred A. Piergallini	68	1991	Consultant, Desert Trail Consulting	X		X			Central Garden & Pet Company
Robert S. Taubman	61	2000	Chairman, President & CEO, Taubman Centers, Inc. and The Taubman Company	X			X		Sotheby's Holdings, Inc., Taubman Centers, Inc.
Reginald M. Turner, Jr.	55	2005	Attorney, Clark Hill PLC	X	X		C	X	Masco Corporation
Nina G. Vaca	43	2008	Chairman & CEO, Pinnacle Technical Resources, Inc. and Vaca Industries Inc.	X	X		X	X	Cinemark Holdings, Inc., Kohl's Corporation

AC Audit Committee; C Chair; ERC Enterprise Risk Committee; F Financial expert; GCNC Governance, Compensation and Nominating Committee; IFD Independent Facilitating Director; QLCC Qualified Legal Compliance Committee

Attendance

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All director nominees and all incumbent directors attended at least seventy-five percent (75%) of the aggregate number of meetings held by the Board and all the committees of the Board on which the respective directors served.

Corporate Governance Highlights

Comerica is very committed to sound corporate governance practices. We believe that strong corporate governance is important, and that integrity and trustworthiness are the cornerstones upon which successful companies are built. In light of this belief, over the past several years, we have implemented multiple enhancements in the corporate governance of Comerica. Specifically, we have:

strengthened the role of the independent Facilitating Director who participates in the process of preparing meeting agendas and schedules and presides over executive sessions of the Board of Directors;

adopted a majority vote standard for director elections;

eliminated supermajority voting requirements in our governing documents;

declassified our Board of Directors to allow for the annual election of all directors; and

prohibited transactions by employees and directors that are designed to hedge or offset any decrease in the market value of Comerica's equity securities.

Table of Contents**Auditors**

As a matter of good corporate governance, we are asking our shareholders to ratify the selection of Ernst & Young LLP as our independent auditors for 2015. Set forth below is summary information with respect to Ernst & Young's fees for services provided in 2014 and 2013.

	2014	2013
Audit Fees	\$ 2,283,079	\$ 1,846,915
Audit-Related Fees	278,300	272,900
Tax Fees	18,987	66,933
All Other Fees	1,995	218,181
	\$ 2,582,361	\$ 2,404,929

2014 Compensation Highlights

Implemented a new three-year performance share program where payouts are contingent on the achievement of specific prospective financial goals that can be modified by relative total shareholder return (TSR) performance

Eliminated duplicate metrics in both the short- and long-term incentive programs

Restructured the short-term cash incentive program to measure absolute (actual) performance as opposed to relative (compared to our peers) performance

Updated the funding scale for the long-term cash incentive program to more clearly align pay with performance

Adopted a forfeiture provision applicable to awards granted in 2014 or later that allows for the cancellation of unvested equity awards in the event of an adverse risk outcome

Revised stock ownership guidelines to increase the amount of shares the CEO must own from 5 times base salary to 6 times base salary

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COMERICA INCORPORATED
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
APRIL 28, 2015

Date: April 28, 2015

Time: 9:30 a.m., Central Time

Place: Comerica Bank Tower
1717 Main Street, 4th Floor
Dallas, Texas 75201

We invite you to attend the Comerica Incorporated Annual Meeting of Shareholders for the following purposes:

1. To elect nine directors nominated by the Board of Directors for one-year terms expiring in 2016 or upon the election and qualification of their successors;
2. To ratify the appointment of Ernst & Young LLP as independent auditors for the fiscal year ending December 31, 2015;
3. To approve the 2015 Comerica Incorporated Incentive Plan for Non-Employee Directors;
4. To approve a non-binding, advisory proposal approving executive compensation; and
5. To transact any other business that is properly submitted before the Annual Meeting or any adjournments or postponements of the Annual Meeting.

The record date for the Annual Meeting is February 27, 2015 (the Record Date). Only shareholders of record at the close of business on the Record Date can vote at the Annual Meeting. Action may be taken at the Annual Meeting on any of the foregoing proposals on the date specified above or any date or dates to which the Annual Meeting may be adjourned or postponed.

Under rules adopted by the Securities and Exchange Commission, we are furnishing proxy materials to our shareholders primarily via the Internet, instead of mailing printed copies of the proxy statement and annual report. Shareholders of record have been mailed a Notice of Internet

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Availability of Proxy Materials on or around March 17, 2015, which provides them with instructions on how to vote and how to electronically access the proxy materials on the Internet. It also provides them with instructions on how to request paper copies of these materials, should they so desire. In addition, on or around March 27, 2015, Comerica will mail a proxy card to its shareholders of record that have not yet voted, along with a second copy of the Notice of Internet Availability of Proxy Materials. Shareholders of record who previously enrolled in a program to receive electronic versions of the proxy materials will receive an email notice with details on how to access those materials and how to vote.

Comerica will have a list of shareholders who can vote at the Annual Meeting available for inspection by shareholders at the Annual Meeting and, for 10 days prior to the Annual Meeting, during regular business hours at the offices of the Comerica Corporate Legal Department, Comerica Bank Tower, 1717 Main Street, Dallas, Texas 75201.

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If you plan to attend the Annual Meeting but are not a shareholder of record because you hold your shares in street name, please bring evidence of your beneficial ownership of your shares with you to the Annual Meeting. See the Questions and Answers section of the proxy statement for a discussion of the difference between a shareholder of record and a street name holder.

Whether or not you plan to attend the Annual Meeting and whether you own a few or many shares of stock, the Board of Directors urges you to vote promptly. Registered holders may vote through the Internet, by telephone or, once you receive a printed proxy card in the mail, by completing, dating, signing and returning the proxy card so that your shares may be represented at the Annual Meeting. Street name holders must vote their shares in the manner prescribed by their brokerage firm, bank or other nominee. You will find instructions for voting in the Questions and Answers section of the proxy statement.

By Order of the Board of Directors,
Jon W. Bilstrom

Executive Vice President Governance,

Regulatory Relations and Legal Affairs, and Corporate
Secretary

March 17, 2015

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Comerica Incorporated

Comerica Bank Tower

1717 Main Street

Dallas, Texas 75201

2015 PROXY STATEMENT

QUESTIONS AND ANSWERS

What is a proxy?

A proxy is your authorization for someone else to vote for you in the way that you want to vote. When you complete and submit a proxy card or use the automated telephone voting system or the Internet voting system, you are submitting a proxy. The Board of Directors of Comerica Incorporated (Comerica or the Company) is soliciting this proxy. All references in this proxy statement to you will mean you, the shareholder, and to yours will mean the shareholder s or shareholders , as appropriate.

What is a proxy statement?

A proxy statement is a document the United States Securities and Exchange Commission (SEC) requires to explain the matters on which you are asked to vote on by proxy and to disclose certain related information. This proxy statement was first made available to the shareholders on or about March 17, 2015.

Why am I receiving my proxy materials electronically instead of receiving paper copies through the mail?

Under rules adopted by the SEC, we are furnishing proxy materials to our shareholders primarily via the Internet, instead of mailing printed copies of the proxy statement and annual report. In addition to reducing the amount of paper used in producing these materials, this method lowers the costs associated with mailing the proxy materials to shareholders.

On or about March 17, 2015, we mailed to our shareholders of record (other than those who previously requested electronic delivery) a Notice of Internet Availability of Proxy Materials containing instructions on how to access this proxy statement and our annual report online. If you received a Notice of Internet Availability of Proxy Materials by mail, you will not receive a printed copy of the proxy materials in the mail (with the exception of the proxy card, which will be separately mailed on or around March 27, 2015 to shareholders of record that have not yet voted). The Notice of Internet Availability of Proxy Materials instructs you on how to electronically access and review all of the important information contained in this proxy statement and the annual report, and it provides you with information on voting.

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If you received a Notice of Internet Availability of Proxy Materials by mail and would like to receive a paper copy of our proxy materials, follow the instructions contained in the Notice of Internet Availability of Proxy Materials about how you may request to receive your materials in printed form on a one-time or ongoing basis.

Who can vote?

Only record holders of Comerica's common stock at the close of business on February 27, 2015, the Record Date, can vote at the Annual Meeting. Each shareholder of record has one vote, for each share of common stock owned, on each matter presented for a vote at the Annual Meeting.

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What is the difference between a shareholder of record and a street name holder?

If your shares are registered directly in your name, you are considered the shareholder of record with respect to those shares.

If your shares are held in a stock brokerage account or by a bank or other nominee, then the brokerage firm, bank or other nominee is considered to be the shareholder of record with respect to those shares. However, you still are considered the beneficial owner of those shares, and your shares are said to be held in street name. Street name holders generally cannot vote their shares directly and must instead instruct the brokerage firm, bank or other nominee how to vote their shares. See *How can I vote?* below.

How can I vote?

If you are a shareholder of record as of the Record Date (as opposed to a street name holder), you will be able to vote in four ways: in person, by proxy card, by telephone, or by the Internet. On or about March 17, 2015, we mailed to our shareholders of record (other than those who previously requested electronic delivery) a Notice of Internet Availability of Proxy Materials containing instructions on how to access the proxy materials and how to submit their proxy via the Internet. In addition, on or about March 27, 2015, we will mail a printed version of the proxy card, along with a second copy of the Notice of Internet Availability of Proxy Materials, to such shareholders of record, if they have not yet voted. Generally, shareholders of record will need information on the Notice of Internet Availability of Proxy Materials or the proxy card to vote. If you previously enrolled in a program to receive electronic versions of Comerica's annual report and proxy statement instead of receiving printed versions, you will receive an email notice that will provide you with the information you will need to access the proxy materials and vote.

To vote in person, you will need to attend the Annual Meeting to cast your vote. To vote by proxy card, complete, sign, date and return the proxy card in the return envelope provided with your proxy card. To vote by using the automated telephone voting system or the Internet voting system, the instructions for shareholders of record are as follows:

TO VOTE BY TELEPHONE: 1-866-883-3382

Use any touch-tone telephone to vote your proxy.

Have your proxy card or Notice of Internet Availability of Proxy Materials and the last four digits of your Social Security Number or Tax Identification Number available when you call.

Follow the simple instructions the system provides you.

You may dial this toll free number at your convenience, 24 hours a day, 7 days a week. The deadline for telephone voting is 11:59 p.m. (Central Time), April 27, 2015. For shares held in Comerica's employee benefit plans, the deadline is 11:59 p.m. (Central Time), April 26, 2015.

(OR)

TO VOTE BY THE INTERNET: <http://www.proxydocs.com/cma>

Use the Internet to vote your proxy.

Have your proxy card or Notice of Internet Availability of Proxy Materials and the last four digits of your Social Security Number or Tax Identification Number available when you access the website.

Follow the simple instructions to obtain your records and create an electronic ballot.

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You may log on to this Internet site at your convenience, 24 hours a day, 7 days a week. The deadline for Internet voting is 11:59 p.m. (Central Time), April 27, 2015. For shares held in Comerica's employee benefit plans, the deadline is 11:59 p.m. (Central Time), April 26, 2015.

If you submit a proxy to Comerica before the Annual Meeting, whether by proxy card, by telephone or by Internet, the persons named as proxies will vote your shares as you direct. If no instructions are specified, the proxy will be voted for the nine directors nominated by the Board of Directors; for the ratification of the appointment of Ernst & Young LLP as independent auditors for the fiscal year ending December 31, 2015; for the approval of the 2015 Comerica Incorporated Incentive Plan for Non-Employee Directors; and for the non-binding, advisory proposal to approve executive compensation. No other matters are currently scheduled to be acted upon at the Annual Meeting.

You may revoke a proxy at any time before the proxy is exercised by:

- (1) delivering written notice of revocation to the Corporate Secretary of Comerica at the Corporate Legal Department, Comerica Bank Tower, 1717 Main Street, MC 6404, Dallas, Texas 75201;
- (2) submitting another properly completed proxy card that is later dated;
- (3) voting by telephone at a subsequent time;
- (4) voting by the Internet at a subsequent time; or
- (5) voting in person at the Annual Meeting.

If you hold your shares in street name, you must vote your shares in the manner prescribed by your brokerage firm, bank or other nominee. Your brokerage firm, bank or other nominee should have enclosed or otherwise provided a voting instruction card for you to use in directing the brokerage firm, bank or other nominee how to vote your shares. If you hold your shares in street name and you want to vote in person at the Annual Meeting, you must obtain a legal proxy from your broker and present it at the Annual Meeting.

What is a quorum?

There were 178,069,044 shares of Comerica's common stock issued and outstanding on the Record Date. A majority of the issued and outstanding shares, 89,034,523 shares, present or represented by proxy at the meeting, constitutes a quorum. A quorum must exist to conduct business at the Annual Meeting.

What vote is required?

Directors: If a quorum exists, the nominees for director receiving a majority of the votes cast (*i.e.*, the number of shares voted for a director nominee exceeds the number of votes cast against that nominee) will be elected as directors. Votes cast will include only votes cast with respect to shares present in person or represented by proxy at the meeting and entitled to vote and will exclude abstentions. Therefore, shares not present at the meeting, broker non-votes (described below) and shares voting abstain have no effect on the election of directors. If the number of nominees exceeds the number of directors to be elected, the directors shall be elected by the vote of a plurality of the shares represented in

person or by proxy at the meeting.

Other Proposals: If a quorum exists, the proposals: (i) to ratify the appointment of Ernst & Young LLP as independent auditors; (ii) to approve the 2015 Comerica Incorporated Incentive Plan for Non-Employee Directors; and (iii) to approve a non-binding, advisory proposal to approve executive compensation must receive the affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote on the proposal in question. Therefore, abstentions will have the same effect as voting against the applicable proposal. Broker non-votes will not be counted as eligible to vote on the applicable proposal and, therefore, will have no effect on the outcome of the voting on that proposal.

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If you hold your shares in street name and do not provide voting instructions to your broker, your shares will not be voted on any proposal on which your broker does not have discretionary authority to vote under the rules of the stock exchange or other organization of which it is a member. In this situation, a broker non-vote occurs.

An independent third party, Wells Fargo, N.A., will act as the inspector of the Annual Meeting and the tabulator of votes.

Who pays for the costs of the Annual Meeting?

Comerica pays the cost of preparing and printing the proxy statement and soliciting proxies. Comerica will solicit proxies primarily by mail, but may also solicit proxies personally and by telephone, the Internet, facsimile or other means. Comerica will use the services of Georgeson Inc., a proxy solicitation firm, at a cost of \$10,000 plus out-of-pocket expenses and fees for any special services. Officers and regular employees of Comerica and its subsidiaries may also solicit proxies, but they will not receive additional compensation for soliciting proxies. Comerica also will reimburse banks, brokerage houses and other custodians, nominees and fiduciaries for their out-of-pocket expenses for forwarding solicitation materials to beneficial owners of Comerica's common stock.

When are shareholder proposals for the 2016 Annual Meeting due?