

CME GROUP INC.
Form DEFR14A
April 07, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

(Amendment No. 1)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-12

**Confidential, for Use of the Commission Only (as permitted by
Rule 14a-6(e)(2))**

CME GROUP INC.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(3) Filing Party:

(4) Date Filed:

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EXPLANTORY NOTE

This Amendment No. 1 to the Definitive Proxy Statement of CME Group Inc., filed with the Securities and Exchange Commission on April 6, 2017, is being filed to update the Proxy Statement to reflect the resignation of James E. Oliff and to remove him from the nominees for Equity Director for the 2017 annual meeting and to make other corresponding changes to the disclosure. A change to the Proxy Card for the Class B-1 Shareholders was also made to correct an error.

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NOTICE OF 2017 ANNUAL MEETING OF SHAREHOLDERS

Wednesday, May 24, 2017

10:00 a.m. Central Time

Auditorium at CME Group's headquarters

20 South Wacker Drive, Chicago, Illinois 60606

April 6, 2017

Dear Shareholder:

You are invited to attend the 2017 annual meeting of shareholders of CME Group Inc. In addition to the topics described herein, we will provide a report on our operating results and an opportunity to ask questions of interest to you as a valued shareholder and customer.

Shareholders will vote on the following items:

Item 1: To elect fourteen directors that we refer to as **Equity directors**.

Item 2: To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2017.

Item 3: To approve, by advisory vote, the compensation of our named executive officers.

Item 4: To approve, by advisory vote, the frequency of future votes on the compensation of our named executive officers.

Item 5: To approve the Amended and Restated CME Group Inc. Incentive Plan for Named Executive Officers (referred to as the **Incentive Plan**).

Item 6: To approve the Amended and Restated CME Group Inc. Omnibus Stock Plan (referred to as the **Omnibus Stock Plan**).

Item 7: To elect three Class B-1 directors, two Class B-2 directors and one Class B-3 director.

Item 8: To elect five members to each of the Class B-1, Class B-2 and Class B-3 nominating committees.

Your vote is important. You are eligible to vote if you were a shareholder of record at the close of business on March 29, 2017. Please ensure that your shares are represented at the meeting by promptly voting. Additional voting instructions begin on **page 81**.

If you or your legal proxy holder plan to attend the meeting in person, you must follow the admission procedures described on **page 80**. All attendees must have photo identification and proof of ownership of our stock as of the record date. Please note seating is limited and will be granted on a first come basis. You should allow sufficient time to clear security.

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If you are unable to attend the meeting, please join the live webcast on our Investor Relations website at

<http://investor.cmegroup.com/investor-relations> under Events.

By order of the board of directors,

Terrence A. Duffy

Chairman and Chief Executive Officer

Kathleen M. Cronin

Senior Managing Director,

General Counsel & Corp. Secretary

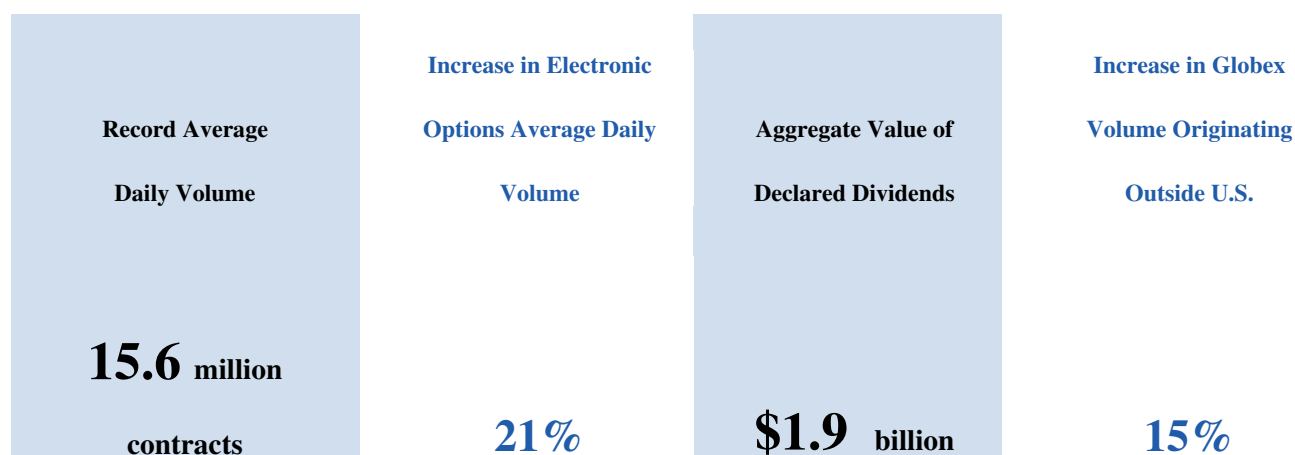
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Summary Information

This summary highlights key elements of our proxy statement. For more complete information, you should review the entire proxy statement along with our 2016 Annual Report.

BUSINESS HIGHLIGHTS

The year 2016 was one of growth and achievement for CME Group. Across all our core asset classes, we experienced numerous volume records, including in energy, agricultural commodities, metals, total options and electronic options. Total volume was more than 3.9 billion contracts traded, which generated \$1.7 billion in cash earnings. The following are additional key performance metrics from 2016:



For a more detailed discussion on our financial performance, see our **2016 Annual Report**.

ANNUAL MEETING PROPOSALS AND BOARD RECOMMENDATIONS**Proposal**

Item 1: Election of Equity Directors

Item 2: Ratification of Ernst & Young as our Auditors

Item 3: Approval, by advisory vote, on the compensation of our named executive officers

Item 4: Approval, by advisory vote, on the frequency of future votes on the compensation of our named executive officers

Item 5: Approval of the Incentive Plan

Item 6: Approval of the Omnibus Stock Plan

Item 7: Election of Class B-1, Class B-2 and Class B-3 Directors

Item 8: Election of Class B-1, Class B-2 and Class B-3 Nominating Committee Members

Beginning on or about April 6, 2017, we distributed to our shareholders (1) a copy of the proxy statement, 2016 Annual Report and proxy card(s) or voting instruction form, (2) an Important Notice Regarding the Availability of Proxy Materials, with instructions to access the proxy materials and vote online, or (3) for shareholders who have elected to receive materials electronically, an email with instructions on how to access the materials and vote online.

Board Recommendation

FOR each of the nominees

FOR

FOR

FOR 1 YEAR

FOR

FOR

No recommendation

No recommendation

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Additional information regarding the logistics of the annual meeting is available beginning on **page 80**.

[Notice of Annual Meeting of Shareholders and 2017 Proxy Statement](#) 1

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The board of directors of CME Group Inc. is providing this proxy statement in connection with the annual meeting of shareholders to be held on Wednesday, May 24, 2017, at 10:00 a.m. Central Time, in the auditorium at CME Group's corporate headquarters, 20 South Wacker Drive, Chicago, Illinois. The terms the Company, we, us and our refer to CME Group and its subsidiaries. Shares of our Class A common stock are listed on the Nasdaq Global Select Market (NASDAQ) under the trading symbol CME. Our principal offices are located at 20 South Wacker Drive, Chicago, Illinois 60606. Our phone number is 312.930.1000.

Further information about CME Group can be found at <http://www.cmegroup.com>. Information made available on our website does not constitute a part of this proxy statement. Additional information regarding the availability of materials referenced in this proxy statement is available on **page 86**.

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ITEM 1 Election of Equity Directors

You are being asked to vote on the election of fourteen Equity director nominees to hold office until the 2018 annual meeting.

OUR BOARD RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE EQUITY DIRECTOR NOMINEES.

Our directors are elected each year. Each director's term will last until the 2018 annual meeting and until his or her successor is duly elected and qualified.

We have implemented a majority vote standard for the Equity directors, except in the event of a contested election.

Fourteen individuals are nominated for election by our Class A and Class B shareholders voting together (**Equity directors**) under **Item 1**. All current CME Group directors are standing for re-election, except for William P. Miller II, who will retire at the end of his current term at the 2017 annual meeting. An additional six directors will be elected by our Class B shareholders (**Class B directors**) under **Item 7**. We have no reason to believe that any of the nominees will be unable or unwilling to serve if elected.

The biographies for the Equity director nominees begin on **page 5** and for the Class B director nominees on **page 29**. References to terms of our board of directors in their biographies include service on the board of CME Group (f/k/a Chicago Mercantile Exchange Holdings Inc.) from its formation in 2001 and service on the board of its wholly-owned subsidiary, Chicago Mercantile Exchange Inc. (**CME**). CME Group became a public company in December 2002. The boards of our other exchange subsidiaries: Board of Trade of the City of Chicago, Inc. (**CBOT**), New York Mercantile Exchange, Inc. (**NYMEX**) and Commodity Exchange, Inc. (**COMEX**) also are composed of the same members as the CME Group board of directors. Ages are as of March 29, 2017. Information on public directorships is for the past five years.

DIRECTOR NOMINATIONS AND QUALIFICATIONS

The policy of the board of directors is to remain an interactive, independent, thoughtful, highly qualified and collegial combination of individuals with diverse knowledge, skills and experience, so that the directors, working together, possess the competencies required to effectively carry out the board's responsibilities.

In considering candidates for the board, the nominating committee, composed entirely of directors who are independent under applicable listing standards, considers the entirety of each candidate's credentials. With respect to the nomination of continuing directors for re-election, the individual's contributions to the board are also considered. In assessing new candidates for the board, we do not have specific minimum qualifications that an individual must meet to be considered. The board and its nominating committee seek members having the characteristics essential for effectiveness as a member of our board, including but not limited to:

Integrity, objectivity, sound judgment and leadership;

The relevant expertise and experience required to offer advice and guidance to the Chairman and Chief Executive Officer and other members of senior management;

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The ability to make independent analytical inquiries;

The ability to collaborate effectively and contribute productively to the board's discussions and deliberations;

A commitment to enhancing long-term shareholder value;

An understanding of the Company's business, strategy and challenges;

The willingness and ability to devote adequate time and effort to board responsibilities and to serve on committees at the request of the board;

Is not a **Disqualified Person** (as defined in our corporate governance principles); and

Whether the individual meets the composition requirements of the Commodity Futures Trading Commission (**CFTC**) and the applicable listing standards.

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ITEM 1 Election of Equity Directors (Continued)

On an annual basis, the governance committee and the nominating committee meet jointly to assess the current and future needs of the board and will make recommendations to the board in the event they identify a need to recruit for an additional member of the board. The board believes it is essential that its members represent diverse viewpoints. The governance and nominating committee have agreed to consider the diversity of the board in the event the board identifies a need for a new candidate.

The nominating committee may solicit candidates from its current directors and, if deemed appropriate, retain for a fee recruiting professionals to identify and evaluate candidates. The nominating committee also will consider a nominee for Equity director recommended by shareholders if the recommendation is submitted in writing, accompanied by a description of the proposed nominee's qualifications, and other relevant biographical information and evidence of consent of the proposed nominee to serve as a director if elected. Recommendations should be addressed to the nominating committee, Attention: Corporate Secretary, CME Group Inc., 20 South Wacker Drive, Chicago, Illinois 60606. In considering a shareholder recommendation, the nominating committee may seek input from an independent advisor, legal counsel and/or other directors, as appropriate, and will reach a conclusion using its standard criteria. A copy of our nominating committee's charter is available on our website.

In February 2017, the board approved amendments to its bylaws primarily to implement proxy access to permit a shareholder, or a group of up to 20 shareholders, owning three percent or more of the Company's outstanding common stock continuously for at least three years to nominate and include in the Company's proxy materials director candidates constituting up to the greater of two individuals or 20% of the number of Equity directors, provided that the shareholder(s) and the nominee(s) satisfy the requirements specified in the bylaws. Proxy access will first be available to shareholders in connection with the 2018 annual meeting of shareholders.

The holders of the Class B-1, Class B-2 and Class B-3 common stock elect members of nominating committees for their respective class, which are responsible for nominating candidates for election by their class. See **Item 8** beginning on **page 33** for more information. Our certificate of incorporation requires that director candidates for election by a class of Class B common stock own, or be recognized under our rules as the owner of, at least one share of that class.

For more information concerning our current directors' qualifications, see the **Director Attributes** on **page 9**.

REQUIRED VOTE

Each Equity director candidate must receive a number of **FOR** votes that exceed the number of **AGAINST** votes to be elected.

Table of ContentsITEM 1 Election of Equity Directors *(Continued)***EQUITY DIRECTORS UP FOR ELECTION AT THE 2017 ANNUAL MEETING****Terrence A. Duffy****Age:** 58**Director since:** 1995

The Honorable Mr. Duffy has served as our Chairman and Chief Executive Officer since November 2016. Previously, he served as our Executive Chairman & President since 2012 and as our Executive Chairman since 2006, when he became an officer of the Company. He served as Chairman of the board since 2002 and as our Vice Chairman from 1998 until 2002. Mr. Duffy has been a member of our board since 1995. He was President of TDA Trading, Inc. from 1981 to 2002 and has been a member of CME since 1981. Mr. Duffy was appointed by President Bush and confirmed by the U.S. Senate in 2003 as a member of the Federal Retirement Thrift Investment Board, a position he held until 2013. Mr. Duffy currently serves as Co-Chair of the Mayo Clinic Greater Chicago Leadership Council. He is a Vice Chairman of the CME Group Foundation, whose mission is to enhance economic opportunity, health and education, especially for disadvantaged youth. He is also a member of the Economic Club of Chicago, the Executives Club of Chicago and the President's Circle of the Chicago Council on Global Affairs. Since 2003, Mr. Duffy has been recognized as one of the top 100 Irish Business Leaders by Irish America Magazine. Mr. Duffy attended the University of Wisconsin-Whitewater. In 2007, he received a Doctor of Humane Letters from DePaul University.

Timothy S. Bitsberger**Age:** 57**Director since:** 2008

Mr. Bitsberger has served as Managing Director and Portfolio Specialist on the Account Management Team at The TCW Group, where he is responsible for communicating investment strategies, performance and outlook to clients. Previously, he served as Managing Director, Official Institutions FIG Coverage Group of BNP PNA, a subsidiary of BNP Paribas, from December 2010 to November 2015, as a senior consultant with Booz Allen Hamilton from May 2010 to November 2010 and was with BancAccess Financial from December 2009 to April 2010. He also served as Senior Vice President and Treasurer of Freddie Mac from 2006 to 2008. Mr. Bitsberger also was with the U.S. Treasury Department from 2001 to 2005, serving first as their Deputy Assistant Secretary for federal finance and more recently as the Assistant Secretary for financial markets. He was confirmed by the U.S. Senate as the Assistant Secretary in 2004.

Charles P. Carey**Previous Public Directorship:**

Age: 63

BM&FBOVESPA S.A.

Director since: 2007

Mr. Carey served as our Vice Chairman from 2007 to 2010 in connection with our merger with CBOT Holdings, Inc. Prior to our merger, Mr. Carey served as Chairman of CBOT since 2003, as Vice Chairman from 2000 to 2002, as First Vice Chairman during 1993 and 1994 and as a board member of CBOT from 1997 to 1999 and from 1990 to 1992. Mr. Carey is a principal in the firms of Henning & Carey Trading Co. and HC Technologies LLC (formerly known as Henning-Carey Proprietary Trading LLC). He has been a member of CBOT since 1978 and was a member of the MidAmerica Commodity Exchange from 1976 to 1978. Mr. Carey previously served on the board of CBOT Holdings, Inc. until our merger in 2007. Mr. Carey serves as a Vice Chairman of the CME Group Foundation.

Dennis H. Chookaszian**Public Directorships:****Previous Public Directorships:****Age:** 73

Career Education Corporation

Allscripts Healthcare Solutions, Inc.

Director since: 2004

Prism Technologies Group, Inc.

LoopNet, Inc.

MDA Corporation (solely listed in Canada)

Mr. Chookaszian served as Chairman of the Financial Accounting Standards Advisory Council from 2007 to 2011. From 1999 until 2001, Mr. Chookaszian served as Chairman and CEO of mPower, Inc., a financial advice provider focused on the online management of 401(k) plans. Mr. Chookaszian served as Chairman and CEO of CNA Insurance Companies from 1992 to 1999. During his 27-year career with CNA, Mr. Chookaszian held several management positions at the business unit and corporate levels, including President and COO from 1990 to 1992 and CFO from 1975 to 1990. Mr. Chookaszian is a registered certified public accountant.

Table of ContentsITEM 1 Election of Equity Directors *(Continued)***Ana Dutra****Age:** 52**Director since:** 2015

Ms. Dutra has served as the President and CEO of The Executives Club of Chicago, a world-class senior executives organization focused on the development, innovation and networking of current and future business and community leaders, since September 2014. Ms. Dutra formerly served as CEO of Mandala Global Advisors, a global management consulting company, from 2013 to September 2014. Prior to that she was a Proxy Officer and CEO of Korn/Ferry Consulting from 2007 until 2013. Ms. Dutra serves as a director of Greeley and Hansen, Humantelligence, the International Women's Forum, Lurie Children's Hospital of Chicago, Chicago Philharmonic Society, Governor State University and Academy for Urban School Leadership and is a member of the Kellogg Alumni Advisory Board, the Economic Club of Chicago, the Committee of 200 and the Chicago Council on Global Affairs. She previously served as a director of the Executives Club of Chicago.

Martin J. Gepsman**Age:** 64**Director since:** 1994

Mr. Gepsman served as Secretary of the board from 1998 to 2007. He has been a member of CME for more than 30 years. Mr. Gepsman has also been an independent broker and trader since 1985.

Larry G. Gerdes**Age:** 68**Director since:** 2007**Previous Public Directorships:**

Access Plans, Inc.

Transcend Services, Inc.

Mr. Gerdes has served as CEO of Pursuant Health (formerly SoloHealth), a private health-care company in Atlanta since February 2014, as its Executive Chairman of the board since November 2013, as its Chairman since 2012 and as a board member since 2007. He also has served as a general partner of Sand Hill Financial Company, a venture capital partnership, since 1983. Mr. Gerdes is also a general partner of Gerdes Huff Investments. Mr. Gerdes formerly served as Chairman and CEO of Transcend Services, Inc., concluding with the sale of that company in April 2012, and as a director of Access Plans, Inc. from 2001 until its sale in June 2012. Mr. Gerdes is a major shareholder and President of Friesland

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Farms, LLC. Mr. Gerdes is a member of the Dean's Advisory Council for The Kelley School of Business at Indiana University and serves as trustee for Monmouth College. Mr. Gerdes previously served on the board of CBOT Holdings, Inc. until our merger in 2007.

Daniel R. Glickman

Age: 72

Director since: 2001

Mr. Glickman has served as our Lead Director since August 2014. Mr. Glickman has served as Executive Director of the Aspen Institute's Congressional Program since 2011 and as Vice President of the Aspen Institute since 2012. Mr. Glickman also has served as Senior Fellow for the Bipartisan Policy Center since 2010. From 2004 to 2010, Mr. Glickman served as Chairman and CEO of the Motion Picture Association of America, Inc. Mr. Glickman previously served as Director of the Institute of Politics at Harvard University's John F. Kennedy School of Government from 2002 to 2004 and served as Senior Advisor in the law firm of Akin, Gump, Strauss, Hauer & Feld, from 2001 to 2004. He also served as U.S. Secretary of Agriculture from 1995 through 2001 and as a member of the U.S. Congress, representing a district in Kansas, from 1977 through 1995. Mr. Glickman serves as co-chair of the global agriculture and development initiative of the Chicago Council on Global Affairs, as Chairman of the Board of the Foundation for Food and Agriculture Research, established in the 2014 Farm Bill by Congress, and Chairman of the International Advisory Board of APCO Worldwide, a public relations firm based in Washington, DC. Mr. Glickman also serves on a number of non-profit advisory boards with a focus on agriculture and food supply.

Table of ContentsITEM 1 Election of Equity Directors *(Continued)***Leo Melamed****Age:** 85**Director since:** 1997

1967 - 1990

Mr. Melamed is the founder of financial futures. He led in the creation of our FX, interest rate and stock index futures contracts. He served as Chairman of the CME board from 1968 until 1973 and upon founding of the International Monetary Market (IMM) as its Chairman from 1972 until its merger with CME in 1976 and then as Chairman of the merged exchange until 1977. He has served as CME Chairman Emeritus since 1997 and Chairman of our strategic steering committee since 2001. Mr. Melamed led CME in the role of Special Counsel to our board from 1977 to 1985 and then in the role of Chairman of its executive committee from 1985 until 1991. He was instrumental in the creation and launch of the Globex transaction system and served as its founding chairman in 1992. From 1993 to 2001, he served as Chairman and CEO of Sakura Dellsler, Inc., a former clearing firm of CME, and currently serves as Chairman and CEO of Melamed & Associates, a global consulting group. He is founder and a permanent special advisor to the National Futures Association, and an advisor of the International Advisory Council of the China Securities Regulatory Commission in China. He serves on the board of overseers of the Becker Friedman Institute of the University of Chicago. Mr. Melamed serves as a director of The Chicago Council on Global Affairs and as Senior Advisor to LEAP Innovations. Mr. Melamed is a published author of a number of books pertaining to markets and the history of CME Group. Mr. Melamed is a Vice Chairman of the CME Group Foundation.

Alex J. Pollock**Age:** 74**Director since:** 2004

Mr. Pollock has served as the Distinguished Senior Fellow and Director of Financial Systems Studies at the R Street Institute in Washington, DC since January 2016. He previously served as Resident Fellow of the American Enterprise Institute in Washington, DC from 2004 to January 2016 and as President and CEO of the Federal Home Loan Bank of Chicago from 1991 through 2004. He was previously President and CEO of Community Federal Savings. Mr. Pollock serves on the non-profit board of Great Lakes Higher Education Corporation and on the board of the Great Books Foundation. Mr. Pollock served as our Lead Director from August 2012 through August 2014.

John F. Sandner**Public Directorship:****Previous Public Directorship:****Age:** 75

Virtu Financial Inc.

Echo Global Logistics, Inc.

Director since: 1978

Mr. Sandner has been a member of CME for more than 40 years. He also served as our Special Policy Advisor from 1998 to 2005 and as Chairman of our board for 13 years. Previously, Mr. Sandner served as Chairman of E*Trade Futures, LLC from 2003 through 2013 and as President and CEO of RB&H Financial Services, L.P., a futures commission merchant and one of our former clearing firms, from 1985 to 2003. Mr. Sandner currently serves on the board of the National Futures Association and as a Vice Chairman of the CME Group Foundation.

Terry L. Savage

Age: 72

Director since: 2003

Ms. Savage is a nationally-syndicated financial columnist, author and President of Terry Savage Productions, Ltd., which provides speeches, columns and videos on personal finance for corporate and association meetings, publications and national television programs and networks. Ms. Savage is a registered investment advisor and commodity trading advisor. She was a member of CME from 1975 to 1980.

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ITEM 1 Election of Equity Directors *(Continued)*

William R. Shepard

Age: 70

Director since: 1997

Mr. Shepard has been a member of CME for more than 40 years. Previously he served as our Second Vice Chairman from 2002 to 2007. Mr. Shepard is founder and President of Shepard International, Inc., a futures commission merchant.

Dennis A. Suskind

Age: 74

Director since: 2008

Public Directorships:

Bridgethampston National Bank

(Vice Chairman)

Navistar, Inc.

Previous Public Directorship:

Liquid Holdings Group, Inc.

Mr. Suskind is a retired General Partner of Goldman Sachs & Co. He was an Executive Vice President at J. Aron and Company prior to its acquisition by Goldman in 1980. He joined J. Aron in 1961. During his tenure in trading, Mr. Suskind served as Vice Chairman of NYMEX, Vice Chairman of COMEX, a member of the board of the Futures Industry Association, a member of the board of International Precious Metals Institute, and a member of the boards of the Gold and Silver Institutes in Washington, DC. Mr. Suskind previously served on the board of NYMEX Holdings, Inc. until our merger in 2008.

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ITEM 1 Election of Equity Directors (Continued)

DIRECTOR ATTRIBUTES

We believe all of our board members have an inquisitive and objective perspective, practical wisdom and mature judgment. In addition, the following highlights the key characteristics the board believes qualifies its current members to serve the interests of our shareholders. This summary, however, is not meant to be a complete description of all of the skills and attributes of our board members. Additional details on our individual directors and director nominees are set forth in their individual biographies. The Class B nominees are nominated by a separate nominating committee. Therefore, the board has not made an assessment of the attributes of the Class B nominees who are not currently members of the board other than whether they may be classified as independent.

Attribute	Directors and Director Nominees with Attributes		
<p>Industry Experience Possesses an understanding of our markets as a result of trading our products, serving as an officer of a firm which trades our products or working in the financial services industry.</p>	Terrence A. Duffy	William W. Hobert	Terry L. Savage
	Jeffrey M. Bernacchi	Leo Melamed	William R. Shepard
	Timothy S. Bitsberger	Ronald A. Pankau	Howard J. Siegel
	Charles P. Carey	Alex J. Pollock	Dennis A. Suskind
	Elizabeth A. Cook	John F. Sandner	David J. Wescott
	Martin J. Gepsman		
<p>Independence Satisfies applicable standards of independence.</p>	Jeffrey M. Bernacchi	Daniel R. Glickman	Alex J. Pollock
	Timothy S. Bitsberger	Gedon Hertshten	John F. Sandner
	Charles P. Carey	William W. Hobert	Terry L. Savage
	Dennis H. Chookaszian	Patrick W. Maloney	William R. Shepard
	Elizabeth A. Cook	William P. Miller II	Howard J. Siegel
	Ana Dutra	Douglas M. Monieson	Dennis A. Suskind
	Martin J. Gepsman	Ronald A. Pankau	David J. Wescott
	Larry G. Gerdes		
<p>CFTC Public Director Satisfies the CFTC definition of public director.</p>	Timothy S. Bitsberger	Daniel R. Glickman	Terry L. Savage
	Ana Dutra	William P. Miller II	Dennis A. Suskind
	Larry G. Gerdes	Alex J. Pollock	

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Government Relations/Regulatory/Public Policy

Experience interacting with our regulators and members of government or prior service in government.

Management Experience

Experience as a chief executive officer, president or senior vice president of a company or a significant subsidiary, operating division or business unit.

Financial Expertise

Experience as a chief financial officer or similar financial oversight experience.

Professional Accreditations

Possesses an advanced degree.

Risk Management Experience

Experience in overseeing risk management processes and procedures.

Other Public Company Directorship

Experience serving as a director of another publicly traded company.

Terrence A. Duffy	Daniel R. Glickman	Ronald A. Pankau
Timothy S. Bitsberger	Leo Melamed	Alex J. Pollock
Charles P. Carey		
Terrence A. Duffy	Ana Dutra	Ronald A. Pankau
Timothy S. Bitsberger	Larry G. Gerdes	Alex J. Pollock
Dennis H. Chookaszian	Daniel R. Glickman	Dennis A. Suskind
Dennis H. Chookaszian	Larry G. Gerdes	
Jeffrey M. Bernacchi	Larry G. Gerdes	Alex J. Pollock
Dennis H. Chookaszian	Daniel R. Glickman	John F. Sandner
Ana Dutra	Leo Melamed	
Charles P. Carey	John F. Sandner	Dennis A. Suskind
Dennis H. Chookaszian	William R. Shepard	David J. Wescott
Leo Melamed		
Charles P. Carey	Daniel R. Glickman	Terry L. Savage
Dennis H. Chookaszian	Alex J. Pollock	Dennis A. Suskind
Larry G. Gerdes	John F. Sandner	

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Corporate Governance

CME Group is committed to good corporate governance. By aligning our governance approach with best practices, our company is able to strengthen board and management accountability, promote long-term shareholder value and sustain continued success.

The board of directors has established corporate governance principles which provide a framework for our effective governance. Our governance committee regularly reviews trends and best practices in corporate governance. The Office of the Secretary advises our board of directors and management in an effort to strengthen existing governance practices and develop new policies that make us a better company. Below is an overview of the Company's governance highlights and materials.

GOVERNANCE HIGHLIGHTS

Annual election of directors

Majority voting for Equity directors

Proxy access bylaw provision for Equity director positions

Confidential shareholder voting

Quarterly executive sessions of independent directors

Board and committee evaluations and individual peer director evaluations

Active risk oversight by the full board, a risk committee and other committees with oversight responsibilities based on areas of focus and expertise

Independent lead director

Policy restricting the pledging of shares of our Class A common stock

Orientation for newly elected board members

CORPORATE GOVERNANCE MATERIALS

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You can access the following governance materials by visiting <http://investor.cmegroup.com/investor-relations> under Corporate Governance.

Corporate Governance Principles

Board of Directors Conflict of Interest Policy

Board Code of Ethics

CME Group Charter

CME Group Bylaws

Employee Code of Conduct

Charters for committees composed solely of board members

Guide to Conducting Business for Third Parties of CME Group

Each of these documents is also available in print upon written request made to the Office of the Secretary, CME Group Inc., 20 South Wacker Drive, Chicago, Illinois 60606.

Our employee code of conduct is applicable to all of our employees, including our Chairman and Chief Executive Officer, our Chief Financial Officer and our other senior financial officers.

DIRECTOR ATTENDANCE

The board held nine meetings during 2016. All incumbent directors attended at least 75% of the combined total meetings of the full board and the committees on which he or she served during 2016.

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Corporate Governance (Continued)

We strongly encourage, but do not require, our directors to attend the annual meeting. Last year, 22 of the 23 directors on the board at that time attended the annual meeting of shareholders.

DIRECTOR INDEPENDENCE

The experience and diversity of our directors has been, and continues to be, critical to our success. Our corporate governance principles require that the board be composed of at least a majority of independent directors. Additionally, in accordance with applicable listing standards, the members of our audit, compensation, governance and nominating committees must be independent. For a director to be considered independent, the board must affirmatively determine that the director has no direct or indirect material relationship with CME Group. The board has adopted **categorical independence standards**, which are attached to this proxy statement as **Appendix A**, to assist it in making its determinations regarding independence. These standards conform to and exceed the independence criteria specified in the listing standards of NASDAQ. They specify the criteria by which the independence of our directors will be determined, including relationships and transactions between each director, director nominee, any member of his or her immediate family, his or her affiliates, charitable organizations with which he or she is affiliated, and us.

The board believes that all of its non-executive directors act independently of, and effectively monitor and oversee the actions of, management. Based on our categorical independence standards, at its meeting held in February 2017, the governance committee made a preliminary assessment of the independence of the directors and director nominees and based on such assessment made a recommendation to our board regarding their independence. Some of our directors are members of our exchanges, which provides them with access to our open outcry markets, lower trading fees, the ability to vote on certain matters relating to the operation of our open outcry markets and, for members of CME, the ability to elect six of our directors. Directors who are members of our exchanges may make payments directly to us or indirectly to us through our clearing firms in connection with their trading activity on an exchange. To ensure that such payments did not exceed the monetary thresholds set forth in the listing standards of NASDAQ, the governance committee reviewed the directors and their affiliated clearing firms trading activities and relationships with our exchanges as part of its independence determination. The governance committee and the board noted that all payments relating to trading fees were made in the ordinary course of our business, were on terms consistent with those prevailing at the time for corresponding transactions by similarly situated unrelated third parties and were not in excess of the applicable payment thresholds.

After considering information provided by our current directors and the additional nominees for Class B director in their annual questionnaires, the payments made to us relating to trading activities, as well as additional information gathered by our Office of the Secretary, the governance committee recommended and the board determined that all individuals be classified as independent with the exception of the following:

Mr. Duffy based on his employment relationship with CME Group.

Mr. Melamed based on his consulting relationship with CME Group.

The list of our current independent directors and Class B director nominees is set forth on **page 9**. Phupinder S. Gill, our former Chief Executive Officer, was not considered independent. James E. Oliff who resigned from the board as of April 6, 2017 was classified as independent.

PUBLIC DIRECTORS

As the parent company of four self-regulatory organizations, we are required to ensure we meet the core principles of the CFTC which, among other things, require that we have processes and procedures to address potential conflicts of interest that may arise in connection with the operation of our exchanges. Significant representation of individuals who do not have relationships with our exchanges, referred to as **public directors** in the CFTC regulations, play an important role in our processes to address potential conflicts of interest. The board has assessed

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which directors would be considered public directors based upon their lack of relationship with our exchanges and the industry per the CFTC regulations. The list of our public directors is set forth on **page 9**. Additionally, our market regulation oversight committee is composed solely of public directors.

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Corporate Governance (*Continued*)

BOARD LEADERSHIP STRUCTURE

In November 2016, we announced that Phupinder S. Gill, who served as our Chief Executive Officer, was retiring from the Company and the board as of December 31, 2016. At the board's request in November, our Executive Chairman and President, Terrence A. Duffy, assumed the expanded role of Chairman and Chief Executive Officer. In addition to Mr. Duffy's role as Chairman and Chief Executive Officer, our board leadership structure includes an independent Lead Director and our active board members of which more than a majority are considered independent. Mr. Glickman has served as our independent Lead Director since 2014. The independent Lead Director is appointed by the board based on the recommendation of the governance committee for a one-year term and has the following responsibilities:

Presides at meetings of the board if the Chairman is unavailable and at executive sessions of the board's independent directors.

Presides at the board's annual evaluation of the Chairman's achievement of his goals and objectives.

Communicates to the Chairman the results of meetings at which he presides.

Receives direct communications from directors and/or shareholders in cases where the Chairman is unavailable or where direct communication with the Chairman may not be appropriate.

Confers with the Chairman, in the Chairman's discretion, in regard to board agendas, scheduling and information distribution. Our governance documents provide the board with the flexibility to select the appropriate leadership structure for CME Group. In making leadership determinations, the board considers many factors, including the specific needs of the business and what is in the best interests of our shareholders. A combined Chairman and Chief Executive Officer position provides us with a single leader who communicates the Company's business and strategy to our shareholders, customers, employees, regulators and the public. The board believes its current leadership structure allows it to effectively operate, represent the rights of our shareholders and create long-term value and provides a well-functioning and effective balance between strong management leadership and appropriate safeguards and oversight by an independent Lead Director and non-employee board members. The board reserves the right to make changes to its governance structure in the future as it deems appropriate.

BOARD'S ROLE IN RISK OVERSIGHT

While senior management has primary responsibility for managing the Company's risk on a day-to-day basis, the board has the responsibility for overseeing our risk management activities and the overall programs designed to identify, assess, manage and monitor risks and opportunities, such as the Company's Enterprise Risk Management (**ERM**) program. The board oversees the business of the Company, including senior management performance and risk management programs and results, to ensure that the long-term interests of the shareholders are being served. The board has an active role, as a whole and also at the committee level, in overseeing management of our risks, with its focus on the risks facing the Company.

Our business exposes us to financial, compliance, market structure, operational, reputational and strategic risks. Our ERM program promotes and facilitates the evolution and alignment of consistent and transparent risk management practices at CME Group. Through the ERM program, we take a comprehensive approach to risk management and endeavor, in an ongoing manner, to ensure the enterprise risks are identified,

assessed, measured, prioritized and updated.

The risk committee is primarily responsible for reviewing, assessing and providing oversight of our risk management practices with respect to those risks enumerated in its charter and assisting the board in its oversight of the effectiveness of our policies and processes to identify, manage and plan for risks. The risk committee approves the ERM framework, the risk universe and reviews and recommends to the board the various levels of acceptable appetite for managing key risks associated with the Company's business and strategy.

In addition to the risk committee, the board also assigns risks to other committees, such as the clearing house oversight and compensation committees. This structure is designed to increase the effectiveness of our board's oversight by taking into account the background and experience of the various board committees, including their interactions with management. Each committee reports on its activities to the full board. The appendix to the charter of the risk committee provides additional detail on the allocation of risk oversight responsibilities to the various committees. The charter for the risk committee is available on our website.

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Corporate Governance (*Continued*)

Our universe of risks is reported to the board and senior management on a quarterly basis along with updates of any developments that could affect our risk profile or other aspects of our business. As appropriate, action plans are developed to mitigate risks as part of our strategic planning and budget process. Risk management is ongoing, and the importance assigned to identified risks can change and new risks can emerge during the year as the Company develops and implements its strategy.

Our ultimate objective is to help preserve and protect our enterprise value and to help increase the likelihood of achieving our objectives while maintaining or enhancing our reputation. In doing so, the board understands it may not be practicable or cost-effective to eliminate or mitigate certain risks, that it may be necessary to accept certain risks to achieve our goals and objectives and that the processes, procedures and controls employed to address certain risks may be limited in their effectiveness.

EXECUTIVE SESSIONS

Our corporate governance principles require our independent directors to meet in executive session (without management and non-independent directors) on a quarterly basis. These sessions are chaired by the independent Lead Director. The chair of the executive session may, at his discretion, invite our Chairman and Chief Executive Officer, other non-independent directors or other members of management to participate in a portion of such executive session, as appropriate.

ANNUAL ASSESSMENT OF BOARD, COMMITTEE AND INDIVIDUAL DIRECTOR PERFORMANCE

As provided in our corporate governance principles, the board annually reviews its own performance, structure and processes in order to assess how effectively it is functioning. The assessment is implemented and administered by the governance committee through an annual board self-evaluation survey. Our process also includes individual peer director evaluations. All of our board established committees, except for the executive committee, conduct an annual self-assessment.

REPORTING CONCERNS TO THE AUDIT COMMITTEE

We have engaged an independent, third party, EthicsPoint, for the purpose of receiving complaints, including complaints relating to accounting, internal control over financial reporting or auditing matters. Concerns received via EthicsPoint relating to financial matters are automatically referred to the chairman of the audit committee and will be handled in accordance with the procedures adopted by the audit committee. A copy of these procedures is available on our website.

CONTACTING THE BOARD OF DIRECTORS

Shareholders may contact the board of directors, including a committee of the board or the independent directors as a group, by using the following address:

CME Group Inc.

Attn: Board of Directors c/o Office of the Secretary

20 South Wacker Drive

Chicago, Illinois 60606

Email: *directors@cmegroup.com*

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All communications received will be compiled by the Office of the Secretary and submitted to the governance committee on a quarterly basis or more frequently as appropriate. Emails received via directors@cmegroup.com are screened for junk commercial email and general solicitations. If a communication does not involve an ordinary business matter as described below and if a particular director is named, the communication will be forwarded to that director.

In order to expedite a response to ordinary business matters, the governance committee has authorized management to receive, research and respond, if appropriate, on behalf of our directors, including a particular director or its non-executive directors, to any communication regarding a product of an exchange or transactions by a clearing firm or a member of an exchange, referred to as an **ordinary business matter**. Any director may review any such communication or response thereto.

SHAREHOLDER ENGAGEMENT

Shareholders who invest in our company and elect the board of directors are entitled to open and meaningful information about our business, strategies, corporate governance and senior management compensation practices so they can make informed decisions and knowledgeably participate in the proxy voting process. As owners of our company, you are encouraged to contact us through our provided communication channels to provide your feedback.

Table of ContentsCorporate Governance (*Continued*)

From time to time, when we have a matter of governance that we would like to discuss with our shareholders we will reach out to them for their input. For example, when we were considering the implementation of an exclusive forum bylaw provision, we sought input from our top shareholders prior to submitting the proposal to all of our shareholders. Additionally, to the extent we receive communications from our shareholders regarding governance matters, such communications are discussed with our governance committee.

Shareholder engagement through participation in our annual meeting is important to us. In 2016, the quorum at our meeting was approximately 83% of our total Class A and Class B shares outstanding.

We will continue to promote greater communication with our shareholders to better understand their views on current and trending corporate governance practices.

If you have a corporate governance or compensation matter that you would like to discuss with the board or a particular committee, you may send an email to *OfficeoftheSecretary@cme.com*.

BOARD COMMITTEES

The responsibilities of each committee composed entirely of board members are summarized in this proxy statement and described in more detail in each committee's written charter. Copies of these charters are available on our website. In addition, the board has established three clearing house risk committees, which are designed to include key market participants as members.

In the following descriptions, the chairman is designated with a **C**, the independent members are designated with an **I**, public directors are identified with a **P** and audit committee financial experts with an **F**. Members of the committee are as of the date of the proxy statement.

AUDIT COMMITTEE

NUMBER OF MEETINGS IN 2016: 14

The audit committee is a separately-designated standing committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (**Exchange Act**), and assists the board in fulfilling its oversight responsibilities with respect to the integrity of our financial statements, the qualifications and independence of our independent registered public accounting firm, the performance of our internal audit functions and our external auditors and the effectiveness of our internal control over financial reporting.

The committee performs this function by monitoring our financial reporting process and internal control over financial reporting and by assessing the audit efforts of the external and internal auditors. The committee has ultimate authority and responsibility to appoint, retain, compensate, evaluate, and where appropriate, replace the external auditors.

COMMITTEE MEMBERS:

Dennis H. Chookaszian (C,I,F)

Jeffrey M. Bernacchi (I)

Larry G. Gerdes (I,P,F)

William P. Miller II (I,P,F)

Terry L. Savage (I,P)

Dennis A. Suskind (I,P)

CLEARING HOUSE OVERSIGHT COMMITTEE

NUMBER OF MEETINGS IN 2016: 4

The clearing house oversight committee was created in May 2016. The purpose of the committee is to provide oversight of the risk management activities (excluding operational risk) of the CME Clearing House, including oversight of management of the Clearing House with respect to the effectiveness of the risk management program.

COMMITTEE MEMBERS:

William R. Shepard (C,I)

Howard J. Siegel (I)

Dennis A. Suskind (I,P)

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Corporate Governance (Continued)

COMPENSATION COMMITTEE

NUMBER OF MEETINGS IN 2016: 6

The compensation committee assists the board in fulfilling its responsibilities in connection with the compensation of board members and senior management and oversees the compensation programs for our employees. It performs this function by establishing and overseeing our compensation programs, approving compensation for our executive officers, recommending to the board the compensation of board members who do not serve as our officers, overseeing the administration of our equity award plans and approving the filing of the **Compensation Discussion and Analysis** section, in accordance with applicable rules and regulations of the SEC, in our proxy statements.

COMMITTEE MEMBERS:

Larry G. Gerdes (C,I,P)

Timothy S. Bitsberger (I,P)

Martin J. Gepsman (I)

Daniel R. Glickman (I,P)

William R. Shepard (I)

Howard J. Siegel (I)

Dennis A. Suskind (I,P)

EXECUTIVE COMMITTEE

NUMBER OF MEETINGS IN 2016: None

The executive committee exercises the authority of the board when the board is not in session, except in cases where action of the entire board is required by our articles of incorporation, bylaws or applicable law. The committee may also review and provide counsel to management regarding material policies, plans or proposals prior to submission of such items to the board.

COMMITTEE MEMBERS:

Terrence A. Duffy (C)

Charles P. Carey (I)

Daniel R. Glickman (I,P)

Leo Melamed

Ronald A. Pankau (I)

Alex J. Pollock (I,P)

John F. Sandner (I)

William R. Shepard (I)

FINANCE COMMITTEE

NUMBER OF MEETINGS IN 2016: 4

The finance committee assists the board in fulfilling its oversight responsibilities with respect to our financial policies, strategies, capital structure and annual operating and capital budget.

COMMITTEE MEMBERS:

William R. Shepard (C,I)

Charles P. Carey (I)

Dennis H. Chookaszian (I)

Larry G. Gerdes (I,P)

William P. Miller II (I,P)

Ronald A. Pankau (I)

Alex J. Pollock (I,P)

Dennis A. Suskind (I,P)

David J. Wescott (I)

GOVERNANCE COMMITTEE

NUMBER OF MEETINGS IN 2016: 7

The governance committee assists the board by making recommendations on our corporate governance practices. The committee reviews and recommends changes to our corporate governance principles and other policies in the area of corporate governance and establishes a culture of compliance and ethics within the organization through its oversight of board governance policies and the employee code of conduct.

COMMITTEE MEMBERS:

Daniel R. Glickman (C,I,P)

Dennis H. Chookaszian (I)

Alex J. Pollock (I,P)

Terry L. Savage (I,P)

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Corporate Governance (Continued)

MARKET REGULATION OVERSIGHT COMMITTEE

NUMBER OF MEETINGS IN 2016: 6

The market regulation oversight committee assists the board with its oversight of matters relating to our operation of four exchanges that are self-regulatory organizations. The committee provides independent oversight of the policies and programs of such regulatory functions and their senior management and compliance officers to ensure effective administration of our self-regulatory responsibilities.

COMMITTEE MEMBERS:

William P. Miller II (C,I,P)

Timothy S. Bitsberger (I,P)

Ana Dutra (I,P)

Alex J. Pollock (I,P)

Terry L. Savage (I,P)

NOMINATING COMMITTEE

NUMBER OF MEETINGS IN 2016: 8

The nominating committee reviews qualifications of potential candidates for Equity director and recommends to the board the slate for election at our annual meetings.

COMMITTEE MEMBERS:

Alex J. Pollock (C,I,P)

Martin J. Gepsman (I)

Larry G. Gerdes (I,P)

William R. Shepard (I)

RISK COMMITTEE

NUMBER OF MEETINGS IN 2016: 7

The primary purpose of the risk committee is to review, assess and provide oversight of the Company's risk management practices and to assist the board in its oversight of the effectiveness of the Company's policies and processes to identify, manage and plan for its financial, compliance, market structure, operational, reputational and strategic risks as

COMMITTEE MEMBERS:

described in more detail on **page 12**.

Dennis A. Suskind (C,I,P)

Jeffrey M. Bernacchi (I)

Timothy S. Bitsberger (I,P)

Dennis H. Chookaszian (I)

Elizabeth A. Cook (I)

Larry G. Gerdes (I,P)

Ronald A. Pankau (I)

Howard J. Siegel (I)

STRATEGIC STEERING COMMITTEE

NUMBER OF MEETINGS IN 2016: 5

The strategic steering committee assists and provides guidance to management and the board in fulfilling its responsibilities to oversee our long-range direction, corporate strategy and competitive position. The committee analyzes market trends, growth patterns and the impact of innovations that may create opportunity or risk for us.

COMMITTEE MEMBERS:

Leo Melamed (C)

William R. Shepard (Vice C,I)

Terrence A. Duffy

Charles P. Carey (I)

Martin J. Gepsman (I)

William W. Hobert (I)

John F. Sandner (I)

Howard J. Siegel (I)

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ITEM 2 Ratification of the Appointment of Ernst & Young LLP as
our Independent Registered Public Accounting Firm for 2017

You are being asked to vote on the ratification of the appointment of Ernst & Young to serve as our independent registered public accounting firm for 2017. Ernst & Young served as our accounting firm for 2016.

***OUR BOARD RECOMMENDS THAT YOU VOTE **FOR** THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG
AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2017.***

The audit committee has appointed Ernst & Young as CME Group's independent registered public accounting firm for 2017. We are not required to have the shareholders ratify the selection of Ernst & Young as our independent auditor. We nonetheless are doing so because we believe it is a matter of good corporate practice. If the shareholders do not ratify the selection, the audit committee will reconsider whether or not to retain Ernst & Young, but may choose to retain such independent auditor. Even if the selection is ratified, the audit committee, in its discretion, may change the appointment at any time during the year if it determines that such a change would be in the best interests of CME Group and its shareholders. Representatives of Ernst & Young will be present at the annual meeting, will have the opportunity to make a statement, and will be available to respond to appropriate questions by shareholders. In connection with the audit of our 2016 financial statements, we entered into an engagement letter with Ernst & Young, which sets forth the terms by which Ernst & Young would perform audit services for us and which did not include any limitations of liability for punitive damages. We expect to enter into a similar engagement letter with Ernst & Young for 2017.

THE AUDIT COMMITTEE HAS PRE-APPROVAL PROCESSES FOR NON-AUDIT SERVICES

The audit committee is responsible for the appointment, retention, compensation and oversight of our independent registered public accounting firm. The audit committee has adopted policies and procedures for pre-approving all services (audit and non-audit) performed by our independent registered public accounting firm. In accordance with such policies and procedures, the audit committee is required to pre-approve all audit and non-audit services to be performed by the independent registered public accounting firm in order to ensure that the provision of such services is in accordance with the rules and regulations of the SEC and does not impair the registered public accounting firm's independence. Under the policy, pre-approval is generally provided for up to one year, any pre-approval is detailed as to the particular service or category of services and is subject to a specific budget. In addition, the audit committee may pre-approve additional services on a case-by-case basis. The audit committee has delegated specific pre-approval to the chairperson of the audit committee, provided the estimated fee of the proposed service does not exceed \$100,000. The chairperson also has the authority to approve any actual or expected cost overruns relating to any pre-approved services provided the additional fees do not exceed \$100,000. The chairperson must report any decisions made pursuant to these delegations to the audit committee at its next scheduled meeting. Periodically, but not less than quarterly, our controller provides the audit committee with a report of audit and non-audit services provided and expected to be provided by the independent registered public accounting firm. A copy of our audit and non-audit services policy is available on our website.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

Fees paid to Ernst & Young for each of the last two fiscal years are listed in the following table.

Service Provided	2016	2015
Audit ⁽¹⁾	\$ 3,549,975	\$ 2,752,674
Audit-Related Fees ⁽²⁾	54,171	

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Tax Fees ⁽³⁾	675,490	650,052
All Other Fees ⁽⁴⁾		8,363
Total	\$ 4,279,636	\$ 3,411,089

(1) Fees for professional services rendered for the integrated audit of the consolidated financial statements of CME Group and, as required, audits of various domestic and international subsidiaries and other agreed-upon procedures.

(2) Fees for assurance and related services, including internal control and financial compliance reports and agreed-upon procedures not required by regulation.

(3) Fees for services rendered for tax return preparation, tax advice and other international, federal and state projects. In 2016 and 2015, tax compliance and preparation fees were \$316,978 and \$352,246, respectively.

(4) Fees for services not included in the foregoing categories, which includes permitted regulatory advisory services.

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ITEM 2 Ratification of the Appointment of Ernst & Young LLP as our
Independent Registered Public Accounting Firm for 2017 *(Continued)*

The audit committee has considered whether the provision of non-audit services is compatible with maintaining the registered public accounting firm's independence. All of the projects included in the foregoing fee table were pre-approved by the audit committee in accordance with our audit and non-audit services policy. In providing their pre-approval, the audit committee approves the proposed fees for the particular engagement.

AUDIT COMMITTEE FINANCIAL EXPERTS

The board has determined that Messrs. Chookaszian, Gerdes and Miller each meet the SEC's definition of an audit committee financial expert.

Dennis H. Chookaszian

Mr. Chookaszian is considered to have each of the attributes of an audit committee financial expert based upon his prior service as CFO of CNA for 15 years, through his supervision of the CFO for nine years when he was CEO of CNA and CEO of mPower, and through his service as a public accountant for eight years with Deloitte and Touche. Mr. Chookaszian has been a member of our audit committee since 2004 and previously served as chairman of the Financial Accounting Standards Advisory Council, the group that provides advice to the Financial Accounting Standards Board (**FASB**) on their agenda and the effectiveness of accounting standards. Mr. Chookaszian also teaches a course on Corporate Governance and Accounting Standards and Controls at the University of Chicago Booth School of Business, Cheung Kong University in China, and the Indian Institute of Professional Management in India. Throughout his career, he has served on the audit committee of seven other public and private organizations. He is also a member of the XBRL Advisory Council, which is the group that provides advice to the International Accounting Standards Board on the development of XBRL standards. He also currently serves on the Financial Crisis Advisory Group that provides advice to the G20 and to world-wide standards setters and regulators on the financial reporting issues related to the financial crisis and needed corrective actions. He has served in the past on numerous accounting related boards, including the American Institute of CPAs (**AICPA**), Insurance Companies Accounting Standards Committee, the AICPA Group of 100, several FASB task forces, the Statement on Auditing Standards 99 task force on Internal Control Fraud Standards, and the Public Oversight Board Blue Ribbon Panel on Audit Effectiveness.

Larry G. Gerdes

Mr. Gerdes is considered to have each of the attributes of an audit committee financial expert based upon his service as the CEO of a public company for more than 15 years, which included oversight of the CFO, and his service in the role of CFO for 10 years, six of which were at a public company. Mr. Gerdes has a Bachelor's of Science and a Masters of Business Administration in Finance, which included courses in accounting. Mr. Gerdes has been a member of our audit committee since joining our board in 2007. He has served on the audit committees of four other public companies over the past 15 years. Mr. Gerdes also is the founder of Gerdes Huff Investments.

William P. Miller II

Mr. Miller is considered to have each of the attributes of an audit committee financial expert primarily based upon his background and experience in preparing, modeling and analyzing financial statements in accordance with generally accepted accounting principles, which required him to develop and assess projected financial estimates, accruals and reserves. Mr. Miller has also been responsible for internal audit and compliance functions at Commonfund Group. Mr. Miller currently serves as chairman of the audit committee for American Axle and Manufacturing and has served as Chairman of the audit and risk management committee of the Dubai International Financial Exchange, Chairman of the audit and risk management committee of the BTOP 50, and Chairman of the audit committee of the New York Futures Exchange, a subsidiary of the New York Stock Exchange. Mr. Miller has served as a member of the PCAOB Standing Advisory Group and has testified before both the U.S. Congress and FASB on accounting and disclosure matters. Mr. Miller holds the Chartered Financial Analyst

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(CFA) designation and is a member of the CFA Institute. Mr. Miller has a Master's of Business Administration from the Wharton Graduate Division of the University of Pennsylvania. He has served as a member of our audit committee since 2003.

REQUIRED VOTE

This item must receive a **FOR** vote from the holders of a majority of the shares of our Class A and Class B common stock present in person or represented by proxy and entitled to vote on this matter at the annual meeting, voting together as a single class, to be approved.

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[Report of the Audit Committee](#)

ROLES AND RESPONSIBILITIES. The audit committee reviews CME Group's financial reporting process on behalf of the board. Management has the primary responsibility for establishing and maintaining adequate internal financial controls, for preparing the financial statements and for the public reporting process. Ernst & Young, our Company's independent registered public accounting firm for 2016, is responsible for expressing opinions on the conformity of the Company's audited financial statements with generally accepted accounting principles and on the Company's internal control over financial reporting. A copy of the audit committee charter, which has been adopted by our board of directors and further describes the role of the audit committee in overseeing our financial reporting process, is on our website under Investor Relations-Corporate Governance-Board Committees.

REQUIRED DISCLOSURES AND DISCUSSION. The audit committee has reviewed and discussed with management and Ernst & Young the audited financial statements for the year ended December 31, 2016 and Ernst & Young's evaluation of the Company's internal control over financial reporting. The committee has also discussed with Ernst & Young the matters that are required to be discussed under PCAOB standards. Ernst & Young has provided to the committee the written disclosures and the PCAOB-required letter regarding its communications with the audit committee concerning independence, and the committee has discussed with Ernst & Young that firm's independence. The committee has concluded that Ernst & Young's provision of audit and non-audit services to CME Group is compatible with Ernst & Young's independence.

COMMITTEE RECOMMENDS INCLUDING THE FINANCIAL STATEMENTS IN THE ANNUAL REPORT. Based on the review and discussions referred to above, the committee recommended to the board that the audited financial statements for the year ended December 31, 2016 be included in our 2016 Annual Report on Form 10-K for filing with the SEC. This report is provided by the following independent directors, who currently comprise the committee:

Dennis H. Chookaszian, *Chairman*

Jeffrey M. Bernacchi

Larry G. Gerdes

William P. Miller II

Terry L. Savage

Dennis A. Suskind

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ITEM 3 Advisory Vote on the Compensation

of our Named Executive Officers

You are being asked to vote on a non-binding advisory proposal on our executive compensation program for our named executive officers as described in our Compensation Discussion and Analysis beginning on page 40 and Executive Compensation tables beginning on page 58.

***OUR BOARD RECOMMENDS THAT SHAREHOLDERS VOTE **FOR** THE ADVISORY PROPOSAL ON
THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.***

FACTORS TO CONSIDER

The board and the compensation committee are committed to sound governance practices and recognize the interest our shareholders have expressed on CME Group's executive compensation program. As part of that commitment, and pursuant to Section 14A of the Exchange Act, our shareholders are being asked to approve an advisory resolution on the compensation of the named executive officers, as reported in this proxy statement.

This proposal, commonly known as the "say-on-pay" proposal, gives you the opportunity to endorse our 2016 executive compensation program and policies for the named executive officers through a vote "FOR" the approval of the following resolution:

RESOLVED, that the shareholders of CME Group approve, on an advisory basis, the compensation of CME Group's named executive officers, as disclosed pursuant to the compensation disclosure rules of the SEC in the proxy statement for the CME Group 2017 annual shareholders meeting (which disclosure includes the Compensation Discussion and Analysis, the Executive Compensation tables and any related material).

This vote is not intended to address any specific item of compensation, but rather our overall compensation policies and procedures relating to the named executive officers. Accordingly, your vote will not directly affect or otherwise limit any existing compensation or award arrangement of any of the named executive officers. Because your vote is advisory, it will not be binding on the board. The board and the compensation committee, however, will take into account the outcome of the "say-on-pay" vote when considering future compensation arrangements.

REQUIRED VOTE

This item must receive a "FOR" vote from the holders of a majority of the shares of our Class A and Class B common stock present in person or represented by proxy and entitled to vote on this matter at the annual meeting, voting together as a single class, to be approved.

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ITEM 4 Advisory Vote on the Frequency of Future Advisory
Votes on the Compensation of our Named Executive Officers

You are being asked to vote on a proposal commonly known as say-on-frequency, which gives our shareholders the opportunity to vote, on an advisory basis, on how often we should conduct future advisory say-on-pay votes on the compensation of our named executive officers. This non-binding frequency vote is required at least once every six years beginning with our 2011 annual meeting of shareholders, and as such is again required at this annual meeting.

***OUR BOARD RECOMMENDS THAT YOU VOTE FOR 1 YEAR AS THE FREQUENCY OF FUTURE
ADVISORY VOTES ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.***

FACTORS TO CONSIDER

After careful consideration of this proposal, our compensation committee recommended and our board agreed that an advisory vote on executive compensation that occurs annually is the most appropriate alternative for the Company. Therefore, our board recommends that you vote for a one-year interval for future advisory votes on executive compensation.

An advisory vote on executive compensation every year will allow our shareholders to provide us with their direct input on our compensation philosophy, policies and practices as disclosed in the proxy statement every year. Setting a one-year period for holding this shareholder vote will enhance shareholder communication by providing a clear, simple means for the Company to obtain information on investor sentiment about our executive compensation philosophy.

You may cast your vote on your preferred voting frequency by choosing the option of every year, every two years, every three years or you may abstain from voting in response to the resolution set forth below.

RESOLVED, that a non-binding advisory vote of CME Group's shareholders to approve the compensation of the Company's named executive officers, as disclosed pursuant to the compensation disclosure rules of the SEC (which disclosure includes the Compensation Discussion and Analysis, the Executive Compensation tables and any related material) shall be held at an annual meeting of shareholders (i) every year, (ii) every two years, or (iii) every three years, as determined by whichever frequency-option receives the highest number of votes.

The option of every one year, every two years or every three years that receives the highest number of votes cast by shareholders will be the frequency for the advisory vote on executive compensation that has been selected by shareholders. However, because this vote is advisory and not binding on the board in any way, the board may decide that it is in the best interests of our shareholders and the Company to hold an advisory vote on executive compensation with a different frequency than the option approved by our shareholders.

REQUIRED VOTE

The option (every one, two or three years) receiving the highest number of votes from the holders of the shares of our Class A and Class B common stock present in person or represented by proxy and entitled to vote on this matter at the annual meeting, voting together as a single class, will be the preferred frequency selected by our shareholders.

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ITEM 5 Approval of the Amendment and Restatement of our
Incentive Plan for our Named Executive Officers

You are being asked to vote on a proposal to approve the Incentive Plan to meet the requirements of Section 162(m) of the Internal Revenue Code (Code), which requires, among other things, incentive plans to be approved by shareholders every five years. This plan was last approved by shareholders in 2014. We are seeking shareholder approval to extend the term of the plan another five years from the date of the 2017 annual meeting of shareholders to May 23, 2022 consistent with Section 162(m). We are seeking approval at this time to correspond with the approval under Section 162(m) of our Omnibus Stock Plan as set forth in Item 6.

***OUR BOARD RECOMMENDS THAT YOU VOTE **FOR** THE APPROVAL OF THE
AMENDMENT AND RESTATEMENT OF THE INCENTIVE PLAN.***

FACTORS TO CONSIDER

Awards under the Plan are intended to Qualify as Performance-Based Compensation

Awards may be made under the Incentive Plan that are intended to qualify for the performance-based exclusion from the deduction limitations imposed pursuant to Section 162(m) of the Code. In general, Section 162(m) of the Code limits a company's ability to deduct compensation in excess of \$1 million annually to its named executive officers (other than the chief financial officer). This limitation does not apply to performance-based compensation, such as annual bonus awards which this plan is intended to permit.

SUMMARY OF KEY AMENDMENTS

Extension of the Term. We propose extending the term of the plan for an additional five years from the date of the 2017 annual meeting of shareholders until May 23, 2022 in accordance with Section 162(m) of the Code.

Increase in the Maximum Bonuses. We propose increasing the maximum award under the plan in any calendar year from \$5,000,000 to \$10,000,000. We believe this increase is appropriate to preserve our ability to take the maximum tax deduction available to the Company and is in line with similar plans in effect for our peer group. See the table on the following page for the estimated potential 2017 bonus awards for each of the named executive officers (other than the chief financial officer).

Clarify Payment of Bonus in the Event of Death, Disability or Voluntary Retirement with Consent of the Company. We propose an amendment to clarify that in the event employment is terminated under the foregoing circumstances after the performance period but before the bonus payment date, the compensation committee has the discretion to pay the full award.

Clarify our Recoupment Policy applies to Amounts Deferred. We propose an amendment clarifying the application of our recoupment policy to bonus amounts deferred.

OTHER KEY PROVISIONS OF THE PLAN

The description of the Incentive Plan is qualified in its entirety by reference to the text of the amended and restated plan set forth in **Appendix B**.

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Eligible Participants. All employees of CME Group and its subsidiaries are eligible participants. As of December 31, 2016, we had approximately 2,700 employees who were eligible to participate. On an annual basis, the compensation committee appoints certain highly compensated executive officers as participants in the plan.

Purpose. The purpose of the Incentive Plan is to align the interests of our senior management with those of our shareholders by encouraging senior management to achieve goals intended to increase shareholder value. Additionally, the plan is designed to serve as a qualified performance-based compensation program under Section 162(m) of the Code in order to preserve our tax deduction for compensation paid under the plan.

Administration. The Incentive Plan is administered by the compensation committee of the board of directors, which consists solely of outside directors within the meaning of Section 162(m) of the Code.

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ITEM 5 Approval of the Amendment and Restatement of our
Incentive Plan for our Named Executive Officers (*Continued*)

Performance Factors. The Incentive Plan provides that the compensation committee will determine the criteria and objectives (**Performance Factors**) that must be met during the applicable performance period in order for a participant to earn an award under the plan.

These Performance Factors may include any or all of the following or any combination thereof: annual daily volume, cash earnings, cash earnings per share, cash earnings margin, cash flow return, customer satisfaction, earnings before interest taxes depreciation and amortization, earnings before interest taxes depreciation and amortization margins, earnings per share, economic value added, expense reductions, expense targets, free cash flow, gross or operating margins, margins, market share, net earnings or income (before or after taxes), operating cash flow, operating efficiency, operating expenses, operating income, productivity ratios, return on assets, return on capital, return on equity, return on investment, revenue, share price, total shareholder return, and working capital or any increase or decrease of one or more of the foregoing over a specified period. The Performance Factors may relate to the performance of CME Group or that of a subsidiary, any portion of the business, product line, or a combination of the foregoing and may be expressed on an aggregate, per share or per unit basis. The Performance Factors may be expressed in terms of attaining a specified level of the particular criteria, the attainment of a percentage increase or decrease in the particular criteria, or may be applied relative to a market index, a group of other companies or their subsidiaries, business units or product lines. Performance Factors may include minimum, target and maximum levels of performance.

One of the requirements of performance-based compensation for purposes of Section 162(m) is that the material terms of the performance goals under which compensation may be paid must be disclosed to and approved by shareholders. For purposes of Section 162(m), the material terms include (i) the individuals eligible to receive compensation, (ii) a description of the business criteria on which the performance goal is based and (iii) the maximum amount of compensation that can be paid to an individual under the performance goal. Each of these aspects is discussed in this proposal, and shareholder approval of the Incentive Plan will constitute approval of each of these aspects of the Incentive Plan for purposes of the approval requirements of Section 162(m).

Maximum Bonuses. As amended, no participant may receive an award under the plan in excess of \$10,000,000 in any calendar year. This limitation does not limit amounts which may be paid to participants outside of the plan, subject to the limitation described in the following paragraph.

Limitation on Compensation Committee's Discretion. The compensation committee does not have the authority to increase the amount of the award payable upon attainment of a Performance Factor, but the committee may, in its discretion, reduce or eliminate the amount payable to such an individual.

Certification of Performance Goal Attainment. Before any awards for a particular performance period can be paid, the compensation committee must certify the extent to which Performance Factors and any other material terms of the plan were satisfied.

Amendments/Termination of the Plan. The Incentive Plan may be amended or terminated by the board of directors, provided that no amendment of the plan may be made without the approval of shareholders if shareholder approval is required in order for awards under the plan to continue to qualify for the performance-based compensation exception to Section 162(m) of the Code.

Benefits under the Plan. The compensation committee approves the Performance Factors under the plan. As discussed in the **Compensation Discussion and Analysis** on pages 40 through 56, the performance metric for 2017 is the achievement of cash earnings. Bonuses are granted based on a percentage of an employee's salary and are subject to the attainment of the applicable performance goal and the compensation committee's discretion to reduce awards otherwise payable under the plan. As a result, bonus awards that might be received by participants in the plan for 2017 are not determinable.

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ITEM 5 Approval of the Amendment and Restatement of our
Incentive Plan for our Named Executive Officers (*Continued*)

ESTIMATED BONUS AWARDS

The following table sets forth for illustrative purposes the estimated 2017 bonus awards for each of the named executive officers other than our chief financial officer assuming target performance.

Estimated Bonus Awards at Target Performance for 2017 Plan Participants	
Terrence A. Duffy	\$ 2,625,000
Bryan T. Durkin	1,000,000
Kimberly S. Taylor	700,000
Sean P. Tully	450,000

If the Incentive Plan is not approved by shareholders, the 2017 bonus opportunities approved pursuant to the plan will be forfeited.

However, the committee reserves the right to provide alternative bonus opportunities for such individuals which would not be eligible for treatment as performance-based compensation under Section 162(m).

REQUIRED VOTE

This item must receive a **FOR** vote from the holders of a majority of the shares of our Class A and Class B common stock present in person or represented by proxy and entitled to vote on this matter at the annual meeting, voting together as a single class, to be approved.

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ITEM 6 Approval of the Amendment and Restatement of
the CME Group Inc. Omnibus Stock Plan

You are being asked to vote on a proposal to approve our Omnibus Stock Plan to meet the requirements of Section 162(m) of the Code, which requires, among other things, incentive plans to be approved by shareholders every five years. This plan was last approved by shareholders in 2012.

*OUR BOARD RECOMMENDS THAT YOU VOTE **FOR** THE APPROVAL OF THE
AMENDMENT AND RESTATEMENT OF THE OMNIBUS STOCK PLAN.*

FACTORS TO CONSIDER***Key Component of Compensation***

We believe that our long-term success and the continued growth of shareholder value depends on our ability to attract, retain and motivate our employees. As a result, equity based incentive awards are a significant component of our compensation program. We believe that it is important to ensure that our performance goals and compensation incentives continue to be aligned with the interests of our shareholders through the operation of our equity program and the granting of long-term incentives.

Broad-Based Program

We have in place a broad-based equity award program and make grants to our employees under our Omnibus Stock Plan. In 2016, 59% of our eligible employee population received an equity award.

Historical Grant Information

We currently have authorization to issue under the Omnibus Stock Plan up to 40,229,875 shares, adjusted for the five-for-one stock split of which 16,522,614 remained available for future grants as of December 31, 2016. While the use of equity is an important part of our compensation program, we are mindful of our responsibility to our shareholders in granting equity awards. As part of this proposal, we are not seeking to increase the number of shares authorized under the plan; however, the share amounts in the amended and restated plan have been updated to reflect the stock split that occurred in 2012.

Shares granted under our Omnibus Stock Plan and Director Stock Plan as a percentage of our shares outstanding, referred to as our burn rate, was:

2016	0.17%
2015	0.18%
2014	0.23%

Our overhang, calculated by dividing the number of shares subject to outstanding awards plus shares available for grant under our Omnibus Stock Plan and Director Stock Plan (the numerator) by the number of common shares outstanding plus the number of shares in the numerator was approximately 0.7% as of December 31, 2016.

OTHER KEY PROVISIONS OF THE PLAN

The description of the Omnibus Stock Plan is qualified in its entirety by reference to the text of the amended and restated plan set forth in **Appendix C**.

No Stock Option repricing/Exchange. The Omnibus Stock Plan does not permit the repricing of options or the exchange of underwater options for cash or other awards without shareholder approval.

No Discounted Awards. Awards having an exercise price cannot be granted with an exercise price less than the fair market value on the date of grant.

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ITEM 6 Approval of the Amendment and Restatement of
the CME Group Inc. Omnibus Stock Plan *(Continued)*

No Evergreen Provision. There is no evergreen feature pursuant to which the shares authorized for issuance under the plan can be automatically replenished.

Material Amendments Require Shareholder Approval. Material changes, including increasing the number of authorized shares, changes to the restrictions on repricing and the pricing of options below market value, require shareholder approval.

Shares Reserved Under the Plan. The number of shares of common stock that may be issued or awarded under the plan shall not exceed 40,229,875 shares, subject to adjustment in the event of future stock dividends, stock splits, combination of shares, recapitalizations or other changes in the outstanding common stock. The shares issuable under the plan may be drawn from either authorized but previously unissued shares of common stock or from reacquired shares of common stock.

Administration of the Plan. The plan is administered by the compensation committee of the board of directors. The compensation committee has, among other powers, the exclusive power to administer and interpret the plan and to grant awards under the plan. The compensation committee's authority includes determining the types of awards to be granted and selecting award recipients as a group from among persons eligible to participate in the plan and determining the extent of their participation. Under certain circumstances, the compensation committee may delegate some aspects of its authority to one or more board members or officers of CME Group.

Awards Under the Plan.

Stock Options. The compensation committee may grant options qualifying as incentive stock options under the Code and/or non-qualified stock options. Since 2012, we have not used grants of stock options as part of equity compensation.

Stock Appreciation Rights (SARs). SARs generally allow the grantee to realize the appreciation in the shares of our Class A common stock subject to the grant over the life of the award. The compensation committee may grant SARs either independently or in conjunction with an award of a stock option which may only be exercised at such times and to the extent the related stock option is exercisable. The term, exercisability and other provisions of an SAR will be fixed by the compensation committee. Payment of an SAR may be made in cash, shares or a combination of both at the discretion of the compensation committee.

Stock Awards. The compensation committee may also award shares of our Class A common stock either as a restricted share award or as a bonus award that is not subject to restriction. With respect to restricted shares, the compensation committee shall fix the restrictions and the restriction period applicable to each restricted share award. The recipient of a restricted share award will be unable to dispose of the shares prior to the expiration of the restriction period. Unless otherwise determined by the compensation committee, during this period, the recipient will be entitled to vote the shares. Any regular cash dividends on shares subject to time restrictions are accrued and not paid out until vesting. Dividends may not be received by the holder of shares subject to performance goals until the satisfaction of such goals.

Performance Share Awards. The compensation committee may grant performance awards under which payment may be made in shares of our Class A common stock (including restricted shares), a combination of shares and cash or solely in cash. Such awards will be paid if our performance meets certain goals established by the compensation committee during an award period. The compensation committee, in its discretion, will determine the performance goals, the length of an award period and the manner and medium of payment of each performance award. In order to receive payment, a grantee must remain in the employ of CME Group or any of its subsidiaries until the completion of the award period, except that the compensation committee may provide complete or partial exceptions to that requirement as it deems equitable.

Change in Control. Upon a change in control as defined in, and subject to certain limitations under, the plan, all outstanding awards will vest, become immediately exercisable or payable or have all restrictions lifted as may apply to the type of award granted. Performance-based awards

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vest in the event of a change of control at the greater of (i) actual performance at the time of the change of control or (ii) at the target level.

Eligible Participants. The compensation committee has the authority to determine which CME Group employees, its subsidiaries and any other entity controlled by the Company are eligible to participate in the plan. As of December 31, 2016, we had approximately 2,700 employees who were eligible to receive grants.

Transferability. Unless otherwise determined by the compensation committee, awards under the plan are non-transferable.

Term of the Plan. The plan was originally adopted in 2000 and will terminate on June 30, 2022, unless terminated earlier by the board of directors.

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ITEM 6 Approval of the Amendment and Restatement of
the CME Group Inc. Omnibus Stock Plan (*Continued*)

Certain Award Limitations. The maximum number of shares which may be made subject to awards (including awards intended to be qualified performance-based compensation for purposes of Section 162(m) of the Code) granted to any plan participant in any fiscal year is 1,250,000. These limits are subject to adjustment upon corporate transactions and similar events in accordance with the terms of the plan. No more than 1,000,000 shares may be granted under the plan pursuant to incentive stock options.

Federal Income Tax Consequences. The following is only a brief summary of the effect of U.S. federal income taxation on the award recipient and on us of an equity award under the Omnibus Stock Plan and this summary does not discuss the income tax laws of any other jurisdiction (such as municipality or state) in which the recipient of the award may reside. This summary is based on the tax laws in effect on the date of this proxy statement. Changes to these laws could alter the tax consequences described below.

Stock Options. The grant of an incentive stock option or a non-qualified stock option will not result in income for the grantee or in a deduction for us. The exercise of a non-qualified stock option will result in ordinary income for the grantee and a deduction for us measured by the difference between the option price and the fair market value of the

shares received at the time of exercise. The exercise of an incentive stock option will not result in income for the grantee if the grantee (i) does not dispose of the shares within two years after the date of grant or one year after the transfer of shares upon exercise and (ii) is an employee of us from the date of grant until three months before the exercise date. If these requirements are met, the basis of the shares upon later disposition will be the option price. Any gain will be taxed to the employee as long-term capital gain, and we will not be entitled to a deduction. The excess of the market value on the exercise date over the option price is an item of tax preference, potentially subject to the alternative minimum tax.

If the grantee disposes of the shares prior to the expiration of either of the holding periods, the grantee will recognize ordinary income, and we will be entitled to a deduction equal to the lesser of the fair market value of the shares on the exercise date minus the option price or the amount realized on disposition minus the option price. Any gain in excess of the ordinary income portion will be taxable as long-term or short-term capital gain.

Restricted Share Awards. The grant of restricted shares should not result in income for the grantee or in a deduction for us for federal income tax purposes, assuming the shares transferred are subject to restrictions resulting in a substantial risk of forfeiture. If there are no such restrictions, the grantee will recognize ordinary income upon receipt of the shares. Dividends, if any, paid and received by the grantee while the stock remains subject to restriction will be treated as compensation for federal income tax purposes. At the time the restrictions lapse, the grantee will receive ordinary income, and we will be entitled to a deduction measured by the fair market value of the shares at the time of lapse.

SARs and Performance Awards. The grant of an SAR or a performance award will not result in income for the grantee or in a deduction for us. Upon the exercise of an SAR or the receipt of shares or cash under a performance award, the grantee will recognize ordinary income, and we will be entitled to a deduction measured by the fair market value of the shares plus any cash received.

Section 162(m). The plan is intended to permit the grant of performance-based compensation within the meaning of Section 162(m) of the Code, which generally limits the deduction by an employer for compensation of certain covered officers.

The compensation committee may condition vesting of an award intended to constitute performance-based compensation upon attainment of goals using one or a combination of the following criteria: annual daily volume growth or revenue growth; cash earnings growth per share; cash earnings; customer satisfaction; earnings before or after taxes, interest, depreciation, and/or amortization; earnings per share; economic value added (net operating profit after tax minus the sum of capital multiplied by the cost of capital); expense reductions; expense targets; free cash

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flow, cash flow return on equity, and cash flow return on investment; gross or operating margins; margins; market share; net earnings or net income (before or after taxes); operating efficiency; operating expenses; productivity ratios; return on assets; return on equity; return on investment; share price (including, but not limited to, growth measures, total shareholder return and relative total shareholder return); and working capital targets and change in working capital; or any increase or decrease of one or more of the foregoing over a specified period. Such performance goals may relate to the performance of CME Group, an affiliate, any portion of the business, product line, or any combination thereof, on a per share basis), a market index, a group of other companies (or their subsidiaries, business units or product lines), or a combination thereof, all as determined by the compensation committee.

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ITEM 6 Approval of the Amendment and Restatement of
the CME Group Inc. Omnibus Stock Plan *(Continued)*

One of the requirements of performance-based compensation for purposes of Section 162(m) is that the material terms of the performance goals under which compensation may be paid must be disclosed to and approved by shareholders. For purposes of Section 162(m), the material terms include (i) the individuals eligible to receive compensation, (ii) a description of the business criteria on which the performance goal is based and (iii) the maximum amount of compensation that can be paid to an individual under the performance goal. Each of these aspects is discussed in this proposal, and shareholder approval of the Omnibus Stock Plan will constitute approval of each of these aspects of the Omnibus Stock Plan for purposes of the approval requirements of Section 162(m).

The board may amend the plan as it deems advisable subject to the requirements of applicable law and other regulatory requirements, including those imposed by the applicable listing standards.

ESTIMATED EQUITY AWARDS

Awards under the Omnibus Stock Plan are granted at the discretion of the compensation committee. While it is not possible to determine at this time the amount of any awards that may be made under the plan in the future, our annual equity program includes grants to our named executive officers, other executive officers (nine individuals) and other employees below senior management. The following table shows the number of shares and corresponding economic value of equity awards made on September 15, 2016 to these groups:

	Economic Value ⁽¹⁾	Performance Shares ⁽²⁾	Restricted Stock	Restricted Stock Units
Terrence A. Duffy	\$ 4,500,000	20,590	20,588	
John W. Pietrowicz	1,350,000	6,176	6,176	
Bryan T. Durkin	2,100,000	9,608	9,608	
Kimberly S. Taylor	2,100,000	9,608	9,608	
Sean P. Tully	1,350,000	6,176	6,176	
Phupinder S. Gill	3,750,000	17,158	17,156	
Other Executive Officers	8,616,013	38,928	39,912	
Employees Below Executive Officer ⁽³⁾	49,201,934	29,446	412,892	7,884

(1) Economic value was calculated using the closing price on the date of grant of \$109.28. The valuation methods used above differ from those used in the **Summary Compensation Table**.

(2) Performance shares represent equity awards to senior management which are tied to 2017-2019 growth in net income margin relative to the diversified financial services index of the S&P 500 and total shareholder return relative to the S&P 500.

(3) In 2016, 1,543 employees below the level of executive officer received equity awards.

REQUIRED VOTE

This item must receive a FOR vote from the holders of a majority of the shares of our Class A and Class B common stock present in person or represented by proxy and entitled to vote on this matter at the annual meeting, voting together as a single class, to be approved.

28 [Notice of Annual Meeting of Shareholders](#) and 2017 Proxy Statement

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ITEM 7 Election of Class B-1, Class B-2 and Class B-3 Directors

Our Class B-1 shareholders are being asked to vote for three Class B-1 directors, our Class B-2 shareholders are being asked to vote for two Class B-2 directors and our Class B-3 shareholders are being asked to vote for one Class B-3 director. Each Class B director's term will last until the 2018 annual meeting and until his or her successor is duly elected and qualified.

OUR BOARD IS NOT PROVIDING ANY RECOMMENDATION AS TO HOW OUR CLASS B SHAREHOLDERS SHOULD VOTE ON THE ELECTION OF CLASS B-1, CLASS B-2 AND CLASS B-3 DIRECTORS.

If you own more than one share of Class B-1, Class B-2 or Class B-3 common stock, you must vote each class of your Class B-1 shares, Class B-2 shares and/or Class B-3 shares the same way. You may not split your vote. If you do so, your vote will be invalid.

CLASS B DIRECTOR NOMINEES

Ages of the nominees are as of March 29, 2017, and the nominee's trading badge symbol is shown in parenthesis.

CLASS B-1 DIRECTOR NOMINEES (Class B-1 Shares only)

Vote FOR up to three nominees to be elected to the board of directors.

Jeffrey M. Bernacchi (JMB)

Director since: 2009

Age: 58

Mr. Bernacchi, a CME, CBOT, and NYMEX member, is an active independent trader of our markets and has been President and owner of JMB Trading Corp. since 1980 and managing member of Celeritas Capital, LLC since 2008. He serves on our risk and audit committees. He has participated in numerous risk management educational programs and as a long time market participant has significant market risk management experience. Mr. Bernacchi is a member of the Federal Reserve Bank of Chicago's Working Group on Financial Markets, PRMIA (Professional Risk Managers' International Association), and ISACA, formerly known as the Information Systems Audit and Control Association. Mr. Bernacchi is also a member of Hyde Park Angels, a leading Chicago-based angel investment group, and serves as an independent board member of Prism Analytical Technologies, a private company providing leading air testing technologies.

Gedon Hertshsten (GHF)

Director since: n/a

Age: 64

Mr. Hertshten started his career in the derivatives industry as an independent floor trader at the CBOT in 1978 and has been involved in the industry ever since. Following his successful trading career on various exchanges, he founded GH Financials Ltd. in 1993 in London, which operates two subsidiaries located in Chicago and Hong Kong. GH Financials is now a leading global provider of clearing and settlement services and is a clearing member of CME, CBOT, NYMEX and COMEX as well as other exchanges around the globe. Mr. Hertshten served on the board of directors of the LIFFE exchange in London from 1997 to 2005. In 2005, Mr. Hertshten founded the Hertshten Group, which is a growing global company with more than 600 employees involved in three areas: proprietary trading; commercial real estate investments, and insurance business. Today, Mr. Hertshten focuses on expanding the Hertshten Group's global reach and developing new business ventures.

William W. Hobert (WH)

Director since: 2015

Age: 53

Mr. Hobert founded WH Trading, LLC, a proprietary options and futures trading firm, in 1998. WH Trading serves as a market maker and liquidity provider in numerous asset classes at CME in both its open outcry and electronically traded markets. From 1988 to 1994, Mr. Hobert worked for Cooper-Neff and Associates as an FX options market maker on the floor of CME and in over-the-counter markets. In 1994, he founded Hobert Trading Inc. which is currently a member of WH Trading, LLC.

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ITEM 7 Election of Class B-1, Class B-2 and Class B-3

Directors (Continued)

Douglas M. Monieson (DMON)**Director since:** n/a**Age:** 51

Mr. Monieson has been a member and active futures trader on CME for 25 years. He is a member of CME, CBOT, NYMEX and COMEX. He serves on our political action and pit supervision committees. Mr. Monieson is a founding member of the NASDAQ 100 pit and served as the pit vice-chairman from 1997-2001. Mr. Monieson is an active fintech angel investor and Chairman Emeritus and board member of Hyde Park Angels, a leading Chicago-based angel investment group. Mr. Monieson has extensive board experience in nominating, compensation and audit and serves on the board of several venture backed companies. Through Hyde Park Angels, he has worked with CME Ventures, the CME Group Foundation and the Futures Industry Association to identify and showcase new and disruptive technology affecting our industry. Mr. Monieson serves on the Advisory Board of the University of Chicago Polksy Center for Entrepreneurship and on the Advisory Board of Top Step Trader, a Chicago based firm that is identifying new futures traders and bringing retail business to CME.

Howard J. Siegel (EGLE)**Director since:** 2000**Age:** 60

Mr. Siegel has been a member of CME since 1977. In 1978, Mr. Siegel began his trading career at Moccatta Metals in their Class B arbitrage operations and served as an order filler until 1980. From there, he went on to fill orders and trade cattle from 1980 until 1982. At that time, Mr. Siegel became a partner and an officer in a futures commission merchant that cleared at CME until selling his ownership interest in 1990. For more than 30 years, Mr. Siegel has been an independent trader on our CME exchange. He continues to actively trade electronically in our agricultural product suite. Mr. Siegel is the secretary and treasurer of the CME Group Foundation. He also serves on our risk committee and co-chairs our clearing house risk committee.

VOTE REQUIRED

The three nominees for Class B-1 director receiving the highest number of FOR votes will be elected.

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ITEM 7 Election of Class B-1, Class B-2 and Class B-3

Directors (Continued)

CLASS B-2 DIRECTOR NOMINEES (Class B-2 shares only)

Vote **FOR** up to two nominees to be elected to the board of directors.

Patrick W. Maloney (PAT)

Director since: n/a

Age: 55

Mr. Maloney has been a member of CME since 1985. Mr. Maloney has served as an independent floor broker in the Eurodollar option pit from 2007 to present. Mr. Maloney has served on numerous CME functional committees: pit committee 1997-1999, nominating committee 1995-1996, arbitration committee 1994-1995, booth space committee 1992-1996 and floor practices committee 1995-1997. Mr. Maloney currently serves on our political action committee.

Ronald A. Pankau (PAN)

Director since: 2011

Age: 60

Mr. Pankau has been an independent trader since 1981. He serves as the treasurer and secretary of our political action committee. He also is a member of our finance, executive and risk committees. He has participated in numerous risk management educational programs and as a long time market participant has significant market risk management experience. Mr. Pankau also serves on our business conduct and pit supervision committees. He is the owner and CEO of JH Best and Sons, a steel fabricating plant.

David J. Wescott (COT)

Director since: 2003

1989-1996

Age: 60

Mr. Wescott has been a member of CME for more than 30 years. He is a founder of TradeForecaster Global Markets, an algorithmic trading and technology company. He is also a founder and partner in Nirvana Technology Solutions, a hosting company for the trading community through data center co-location, technology consulting, and 24-hour technology support. He has served as President of The Wescott Group LTD since 1991 and Managing Partner of The Dowd/Wescott Group LTD since 2006. Mr. Wescott has served, chaired, vice chaired, or co-chaired on several board and functional committees at CME and served as a past member of the CFTC Regulatory Coordination Advisory Committee under former Chairwoman Wendy Gramm. Mr. Wescott also devotes significant time to individual business opportunities.

VOTE REQUIRED

The two nominees for Class B-2 director receiving the highest number of FOR votes will be elected.

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ITEM 7 Election of Class B-1, Class B-2 and Class B-3

Directors (Continued)

CLASS B-3 DIRECTOR NOMINEES (Class B-3 shares only)

The Class B-3 Nominating Committee nominated Ms. Cook and another candidate for the position of Class B-3 director. Subsequent to the nomination, the other candidate sold his membership, making him no longer eligible to serve as a Class B director. Therefore, Ms. Cook is the sole nominee for Class B-3 director.

Vote FOR one nominee to be elected to the board of directors.

Elizabeth A. Cook (LZY)

Director since: 2015

Age: 56

Ms. Cook has been a member of CME since 1983. She is founder and sole owner of MiCat Group LLC, a trading firm specializing in option execution services with a focus on equities, FX and interest rates. During her 38-year career at CME, Ms. Cook has actively participated in our committees, including serving on the risk, arbitration (co-chair), floor conduct (co-chair), political action and business conduct committees. She also serves on the board of the CME gratuity fund and has served as a panel member on our board of appeals. As a long time market participant and through her ownership of three brokerage firms, she has significant market risk management experience. Ms. Cook also serves as president of Lucky Star LLC, a commercial property management company. She also volunteers for The ALS Association, Honor Flight Chicago and The Navy Seal Foundation.

VOTE REQUIRED

The nominee for Class B-3 director receiving the highest number of FOR votes will be elected.

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ITEM 8 Election of Class B-1, Class B-2 and Class B-3

Nominating Committees

Our bylaws provide that holders of our Class B-1, Class B-2 and Class B-3 shares elect the members of their respective Class B nominating committees. The Class B nominating committees are not committees of our board of directors and serve only to nominate the slate of Class B directors for their respective classes. Each Class B nominating committee is composed of five members who serve for a term of one year. The existing members are responsible for selecting up to 10 candidates to stand for election as members of a particular Class B nominating committee. The five nominees with the greatest number of votes will serve on the applicable committee. Ages of the nominees are as of March 29, 2017.

OUR BOARD IS NOT PROVIDING ANY RECOMMENDATION AS TO HOW OUR CLASS B SHAREHOLDERS SHOULD VOTE ON THE ELECTION OF CLASS B-1, CLASS B-2 AND CLASS B-3 NOMINATING COMMITTEES. NOMINEES FOR 2017 CLASS B-1 NOMINATING COMMITTEE

Vote FOR up to five nominees to be elected to the Class B-1 Nominating Committee.

J. Michael Crouch (MCX), 66

Mr. Crouch has been a member of CME since 1979. Over his trading career, he has been a broker, floor trader, electronic trader and local. Mr. Crouch trades through Kottke Associates Inc. and participates in the CME agriculture, CBOT grains and NYMEX energy markets. For 29 years, Mr. Crouch was one of three principals at Kottke Associates, LLC. Kottke was an active proprietary trader on all CME Group exchanges. Mr. Crouch has served on a variety of CME, CBOT and futures industry committees. He owns one CME membership.

Thomas A. Bentley (TAB), 61

Mr. Bentley has been a member of CME since 1981. Over his trading career, he has been a floor broker in live cattle since 1981 and a floor trader. Mr. Bentley trades through RCG Group and participates in the CME agriculture/live cattle markets. He also has participated in the Eurodollar and S&P futures markets. Mr. Bentley served as a member of the CME board of directors for two years and has served on many CME exchange committees, including arbitration, nominating and membership. He owns one CME membership.

Bradley S. Glass (BRAD), 52

Mr. Glass has been a member of CME since 1987. Over his 30-year trading career, he has been a local floor trader in many markets, including currencies, Eurodollar, NASDAQ, pork bellies and lean hogs. He specializes in back months and spread market making for many futures products and has recently transitioned to the screen. Mr. Glass currently trades through Dorman Trading and participates in the CME agriculture, equity and interest rate markets. Mr. Glass has served on numerous CME exchange committees, including clearing house operations, membership and arbitration. He owns one CME membership.

Joseph H. Gressel (GPC), 67

Mr. Gressel has been a member of CME since 1976. Mr. Gressel trades through Gressel Produce & Commodities LLC. Over his trading career, he has been an electronic trader participating in the precious metals, CME agriculture and S&P markets. Mr. Gressel is the Chairman of Gressel Produce, engaging in electronic market making mainly in dairy. He also is involved in precious metals trading of both futures and options. Mr. Gressel owns one CME membership and two GEM memberships.

Mark S. Kobilca (HTR), 62

Mr. Kobilca has been a member of CME since 1979. Over his trading career, he has been a trader, order filler and local trader on the floor. Mr. Kobilca trades through Dowd Wescott and currently participates in the live cattle, feeder cattle, lean hogs markets and also trades options on the meats. He owns one CME membership and one GEM membership.

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ITEM 8 Election of Class B-1, Class B-2 and Class B-3

Nominating Committees (Continued)

Gary T. Lark (GTX), 65

Mr. Lark has been a member of CME since 1977. During the last five years, his primary business was trading commodity futures (mostly agriculture products), working with commercial accounts and managing outside accounts. Mr. Lark trades through Phillip Capital and participates in the live cattle, feeder cattle and bonds markets. Mr. Lark has served on the business conduct, probable cause, live cattle and live cattle pit committees. He owns one CME membership.

W. Winfred (Fred) Moore II (FMOR), 67

Mr. Moore has been a member of CME since 1977. During his trading career, his primary business has been trading futures and options in agricultural commodities for his own account. Mr. Moore also facilitates commercial customer business in live cattle and feeder cattle with an emphasis in the options market. He has been a broker, floor trader, electronic trader and local trader. He trades through F-Mor, Inc. and participates in the live cattle, feeder cattle and hogs markets. He has served on the live cattle committee and business conduct committee and as chairman of the feeder cattle committee. He owns one CME membership.

Michael J. Small (SML), 56

Mr. Small has been a member of CME since 1985. Over his trading career, he has been an order filler in the 2nd option live cattle pit. Mr. Small trades through FC Stone and Trean and participates in the CME agriculture markets. Mr. Small has served on the live cattle futures pit committee and the CME/CBOT floor conduct committee. He owns one CME membership.

Michael G. Sundermeier (MIK), 57

Mr. Sundermeier has been a member since 1981. During his trading career, he was a broker, floor trader, electronic trader and local. Mr. Sundermeier retired from professional trading in 2011. His current primary business is part owner of a Culvers restaurant in Fort Mill, South Carolina and general stock investing. He trades agriculture futures and options on futures. Mr. Sundermeier served on the pit and live cattle committees. He owns one CME membership.

Robert J. Tierney Jr. (QZF), 41

Mr. Tierney has been a member since 1999. He co-founded and co-owns AlphaBit Trading, LLC, a 106J member firm that is an active participant in all CME Group markets. The firm prides itself in mentoring and hiring new college graduates each year. Mr. Tierney actively trades all CME Group fixed income products and most agricultural products. He has served on the CME business conduct and probable cause committees since 2012. Mr. Tierney owns one CME membership, two IOM memberships and one GEM membership.

VOTE REQUIRED

The five nominees for the Class B-1 nominating committee receiving the highest number of **FOR** votes will be elected.

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ITEM 8 Election of Class B-1, Class B-2 and Class B-3

Nominating Committees (Continued)

NOMINEES FOR 2017 CLASS B-2 NOMINATING COMMITTEE

Vote FOR up to five nominees to be elected to the Class B-2 Nominating Committee.

Frank Catizone (FDC), 58

Mr. Catizone has been a member of CME since 1986. During his trading career, he was a floor broker in the Eurodollar quadrant and an electronic trader. Mr. Catizone currently trades through Dowd Wescott and participates in the Eurodollar and S&P mini products. He has served on the LIBOR pit committee for 10 years. He owns one IMM membership.

Richard J. Duran (RJD), 68

Mr. Duran has been a member of CME since 1979. Over his trading career, he has been an active trader, speculator and investor. He currently trades through Mocho Trading, a high frequency trading group. Mr. Duran was previously a trader and broker on the exchange floor and a partner in a clearing firm. He has served on numerous CME exchange committees, including the nominating and membership committees. He owns one IMM membership.

Yra G. Harris (YRA), 63

Mr. Harris has been a member of CME since 1977. During his trading career, he has been actively trading for his personal account as well as a blogger and consultant on industry matters. He currently participates in currencies, metals and all interest rate markets. Mr. Harris was previously a local and electronic trader as well as a floor trader and broker. He currently trades through Shepard International. Mr. Harris previously served as a member of the CME board of directors for six years and chaired many CME committees. In addition, he was a member of many CME exchange committees, including strategic planning, CME GLOBEX and business conduct. He owns one IMM membership.

Patrick J. Lahey (XDE), 38

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Mr. Lahey has been a member of CME since 2015 and a member of CBOT since 2013. He was previously a member of CME from 2002 to 2003. During his trading career, he has been a senior trader and partner in WH Trading's Chicago office where he chairs the firm's risk and futures committees. Mr. Lahey was previously the managing director of the WH Trading London office. He currently participates in the CME FX, interest rates and agriculture markets. Mr. Lahey is an electronic proprietary trader. He is the recognized owner of one IMM membership.

Patrick J. Mulchrone (PJM), 59

Mr. Mulchrone has been a member of CME since 1980. During his trading career, he has been a self-employed partner and electronic trader at Advantage Futures. He currently trades through Advantage Futures, LLC and participates in the currencies, Eurodollar and treasuries markets. Mr. Mulchrone has served on many CME exchange committees over the past 30 years, including the disciplinary and nominating committees and is a former member of the CME board. He owns one CME membership, one IMM membership, one IOM membership and one GEM membership.

Stuart A. Unger (UNG), 69

Mr. Unger has been a member of CME since 1975. During his trading career, he has developed and promoted futures business through Price Futures Group which consists of brokers, branch offices and GIBs (Guaranteed Introducing Brokers). This business includes the futures industry worldwide with coordination targeting agriculture business, speculative, commercial and hedging type business. Mr. Unger has been a broker, floor trader and local. He currently trades through Price Futures Group. Mr. Unger participates in the cattle, Eurodollar and LIBOR markets. Mr. Unger has served on many CME exchange committees, including the nominating, floor practice and LIBOR pit committees. He owns one IMM membership.

Gregory J. Veselica (GV), 62

Mr. Veselica has been a member since 1979. During his trading career, he has served as a managing director of Buttonwood Trading LLC, trading manager and independent trader. Mr. Veselica is a local and electronic trader. He currently trades through PNT Financial LLC. Mr. Veselica participates in the Eurodollar futures and NYMEX energy futures markets. Over the span of 30 years, he has participated in many different CME exchange committees, including pit supervision, probable cause, Globex and product development. Mr. Veselica has served on the Class B-2 nominating committee for five years. He owns one IMM membership.

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ITEM 8 Election of Class B-1, Class B-2 and Class B-3

Nominating Committees (Continued)

Barry D. Ward (BDW), 53

Mr. Ward has been a member of CME since 1990. During his trading career, he has traded for his personal account and was involved with proprietary trading groups as both an equity owner and as a trader. Mr. Ward is a Managing Director at TJM Holdings, LLC. He currently participates in the Eurodollar futures and E-Mini S&P markets. Mr. Ward has served on the nominating and pit committees and was Pit Vice Chairman from 1998-2004. He owns one IMM membership.

James J. Zellinger (JZZ), 71

Mr. Zellinger has been a member of CME since 2015. He has 52 years of experience in all phases of the futures industry operations, trading, risk and sales 30 of them at the executive level. Mr. Zellinger is presently Senior Vice President of Wedbush, a futures commission merchant and securities broker dealer. Mr. Zellinger is a former General Partner of Hennessey and Associates and former Vice President of Operations at Globex Corporation, where he was instrumental in setting procedures still in effect at CME's Global Command Center. In addition to holding executive positions at Merrill Lynch, TransMarket, and Advantage Futures, Mr. Zellinger has served on numerous operations related exchange committees. He is currently a member of the business conduct committee. He owns one IMM membership.

VOTE REQUIRED

The five nominees for the Class B-2 nominating committee receiving the highest number of FOR votes will be elected.

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ITEM 8 Election of Class B-1, Class B-2 and Class B-3

Nominating Committees (*Continued*)

NOMINEES FOR 2017 CLASS B-3 NOMINATING COMMITTEE

Vote FOR up to five nominees to be elected to the Class B-3 Nominating Committee.

John F. Connors (CON), 47

Mr. Connors has been a member of CME since 2010. During his trading career, he has been a floor trader in the cattle, hog, feeder cattle and lumber options. He is the owner of PJ Trading LLC. He has served on the agricultural option pit committee for two years. Mr. Connors owns one IOM membership.

Bryan P. Cooley (COOL), 57

Mr. Cooley has been a member of CME since 1994. During his trading career, he has been a broker and order filler. He currently participates in the equities markets. Mr. Cooley has been a member of the our political action committee for five years and has also served on the nominating and arbitration committees. He owns one IOM membership.

Joel P. Glickman (GLK), 61

Mr. Glickman has been a member of CME since 1983. He has 15 years of experience as a floor broker in the S&P and 24 years of experience as a local trader on Globex. Mr. Glickman is the principal of an electronic trading group trading primarily E-mini S&P and 5- and 10-year treasury notes. He has served on numerous exchange committees. Mr. Glickman owns one IOM membership.

Spencer K. Hauptman (SPNC), 38

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Mr. Hauptman has been a member of CME since 2002. Since May 2009, he has been a partner at Apex Brokerage Group, a brokerage group that executes customer orders in the Eurodollar options pit. He clears through Shatkin Arbor. Mr. Hauptman owns one IOM membership.

Kevin P. Heaney (FROG), 39

Mr. Heaney has been a member of CME since 2006. During his trading career, he has been a partner/managing member of Constitution Capital, LLC, a pit execution brokerage firm. He was previously a partner in Optima Options, LLC. Mr. Heaney clears through Constitution Capital and participates in the Eurodollar options pit. Mr. Heaney owns one IOM membership.

Robert J. Kevil (REV), 36

Mr. Kevil has been a member of CME since 2006. During his trading career, he has been a broker in the feeder cattle, live cattle, hog and lumber options pit. He currently works with Rossi Services Inc. Mr. Kevil owns one IOM membership.

Kimberly Marinaro, 48

Ms. Marinaro is a shareholder non-member investor. She owns one IOM membership and one GEM membership.

Thomas G. Rossi (SSI), 53

Mr. Rossi has been a member of CME since 1986. During his trading career, he has executed customer orders in the live cattle option, feeder cattle option and hog option pits. Mr. Rossi currently fills orders in the agriculture options pit. He has served as vice chairman of the live cattle options pit committee since 1998. Mr. Rossi owns one IOM membership.

Paul D. Zirpolo (ZIR), 58

Mr. Zirpolo has been a member of CME since 1987. During his trading career, he has traded Live Cattle futures/options, Lean Hog futures/options and S&P 500 futures/options. Mr. Zirpolo trades through Trean Group. Mr. Zirpolo has been a floor trader, electronic trader and local. He owns one CME membership and one IOM membership.

VOTE REQUIRED

The five nominees for the Class B-3 nominating committee receiving the highest number of FOR votes will be elected.

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Compensation Committee Matters

This section provides an overview of the role and responsibility of our compensation committee. We have an executive compensation program that is designed to tie pay to performance, balance rewards with prudent business decisions and risk management, and focus on both annual and long-term performance for the benefit of our shareholders. In designing our program, we also take into consideration our unique role in the financial services industry.

OUR COMPENSATION COMMITTEE PROVIDES OVERSIGHT OF OUR COMPENSATION PROGRAM FOR OUR SENIOR MANAGEMENT GROUP

The compensation committee is composed of seven independent directors. The primary responsibilities of the compensation committee are to review and approve compensation arrangements for our senior management group (our Chairman and Chief Executive Officer and the other members of our management team), to review and recommend compensation arrangements for the board of directors, to adopt incentive compensation plans in which senior management is eligible to participate and to oversee matters relating to employee compensation, employee benefit plans and employee incentive programs. A complete description of the committee's responsibilities may be found in its charter, a copy of which is on our website.

There were six meetings of the committee in 2016. The committee typically meets in executive session for a portion of each regular committee meeting and may include members of management as appropriate. The committee provides regular reports to the board of directors on its activities.

THE COMMITTEE CONSIDERS THE RECOMMENDATIONS OF OUR CHAIRMAN AND CHIEF EXECUTIVE OFFICER IN APPROVING COMPENSATION FOR OUR EXECUTIVE OFFICERS

The committee is solely responsible for approving the compensation of our executive officers. The committee, however, takes into consideration the recommendations of our Chairman and Chief Executive Officer in approving compensation for executive officers other than himself.

THE COMMITTEE DELEGATES AUTHORITY TO OUR CHAIRMAN AND CHIEF EXECUTIVE OFFICER ON A LIMITED BASIS SUBJECT TO PRE-ESTABLISHED CRITERIA

Subject to pre-established guidelines for individual awards and aggregate value limitations, the committee delegates authority to the individual in the role of Chief Executive Officer to approve salary increases, equity awards and annual cash bonus awards for employees other than the executive officers. The committee reviews annual reports on the use of such delegation.

OUR PROGRAM IS DESIGNED TO CREATE LONG-TERM SHAREHOLDER VALUE WHILE DISCOURAGING EXCESSIVE RISK TAKING

We realize that it is not possible to grow and enhance long-term shareholder value without assuming some level of risk. This is true whether we decide to make an acquisition, introduce a new product or change our corporate strategy. Our compensation program is designed to create appropriate incentive for creating long-term shareholder value and delivering on our financial and strategic goals while discouraging excessive risk taking.

Several elements of our program, which are discussed in more detail in the **Compensation Discussion and Analysis** section beginning on **page 40**, are designed to promote the creation of long-term value and thereby discourage behavior that leads to excessive risk taking. The following are the key elements of our program designed to address compensation risk:

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We utilize a mix of both fixed and variable compensation. Our fixed pay is intended to provide a stable income.

A significant portion of our senior management group compensation is composed of long-term equity incentives and the senior management group is also subject to company stock ownership guidelines based on their level of responsibility.

Our annual cash bonus plan for our senior management group and other senior employees as currently in effect will not pay out in the event we fail to achieve cash earnings at or above the threshold level of performance.

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Compensation Committee Matters (Continued)

We set maximum guidelines for annual incentive and long-term incentive awards, thereby establishing and communicating potential payouts.

All compensation of our senior management group is subject to the approval of the compensation committee, which includes the ability to decrease an award for failure to perform or inappropriate risk taking.

We have adopted a recoupment policy, whereby employees at the level of managing director and above may be required to repay any previously granted annual bonus awards to the extent that all or a portion of such individual's award was not actually earned due to a restatement of our financial results with the outcome being the achievement of the related performance metric was less than previously reported.

We prohibit all of our employees and board members from engaging in any derivative transactions in our securities (hedging the economic risk of their ownership of our stock) and have adopted a policy restricting the pledging of our Class A shares by our board members and executive officers.

As discussed below, the committee engages its independent compensation consultant to advise on executive compensation best practices and to provide counsel as it considers executive compensation programs and arrangements, as it deems appropriate.

OUR COMPENSATION COMMITTEE HAS ITS OWN INDEPENDENT COMPENSATION CONSULTANT

The committee has engaged Meridian Compensation Partners, LLC to serve as its independent advisor. During 2016, Meridian advised the committee regarding the revised employment agreement with our Chairman and Chief Executive Officer, the compensation package for our President and executive severance and retention practices. Meridian also provided information on trends in executive compensation as well as general executive compensation advice. In late 2016, Skadden, Arps, Slate, Meagher & Flom LLP & Affiliates provided legal counsel regarding the revised employment agreement with our Chairman and Chief Executive Officer, the retirement agreement with our former Chief Executive Officer and the severance protection agreements entered into with certain executive officers.

Management also engages its own consultants to provide advice as it relates to compensation programs. Specifically in 2016, management engaged Exequity LLP to provide information on executive compensation practices and technical guidance on executive compensation matters. Such consultants may attend compensation committee meetings and provide advice to the compensation committee. The committee at its discretion may also include its independent advisor in such reviews and decision-making processes, meeting either jointly or separately from management and management's consultant.

The committee has assessed the independence of the advisors it engaged in 2016 relative to the factors identified by the SEC and NASDAQ.

OUR COMPENSATION COMMITTEE IS COMPOSED OF INDEPENDENT MEMBERS WITH LIMITED RELATIONSHIPS WITH THE COMPANY COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 2016, none of the members of the compensation committee served at any time as an officer or employee of CME Group or received any compensation from us other than in his capacity as a member of the board or a committee thereof or compensation for service on the board of one of our wholly-owned subsidiaries. Except as described below regarding Mr. Shepard, none of the members of the compensation committee has any relationship with us other than service as a director or member of one of our exchanges or as an employee of one of our clearing or

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member firms. Mr. Shepard owns a minority interest in one of our clearing firms, which made net payments to us of approximately \$108 million, and he owns a minority interest in a trading firm that made indirect payments to us through its clearing firm in excess of \$120,000 in connection with trading activity conducted on our exchanges in 2016. Such fees are consistent with those prevailing at the time for corresponding activity by other similarly situated unrelated third parties. No member of the compensation committee is, or was during 2016, an executive officer of another entity, one of whose board or compensation committee members served as an executive officer of the Company.

[Notice of Annual Meeting of Shareholders](#) and 2017 Proxy Statement 39

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Compensation Discussion and Analysis

This discussion provides you with a detailed description of our compensation program for our named executive officers. It also provides an overview of our compensation philosophy and our policies and programs, which are designed to achieve our compensation objectives, and an overview of our program as it relates to other members of our management team. These individuals along with our named executive officers are referred to as our senior management group.

KEY TOPICS COVERED IN OUR COMPENSATION DISCUSSION AND ANALYSIS

Opportunity for Shareholder Feedback, below

Executive Summary, **page 41**

Chief Executive Officer Total Pay vs. Performance, **page 44**

Philosophy and Objectives, **page 45**

Peer Group, **page 47**

Principal Elements of our Compensation Program, **page 48**

2016 Named Executive Officer Bonus Awards, **page 50**

2016 Named Executive Officer Equity Awards, **page 52**

Stock Ownership Guidelines, Hedging Policy, Tally Sheets and Recoupment Policy, **page 55**