TUTOR PERINI Corp
Form DEFR14A
April 20, 2015

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

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION

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

TUTOR PERINI CORPORATION
(Name of Registrant as Specified In Its Charter)

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

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(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Tutor Perini Corporation

15901 Olden Street

Sylmar, California 91342

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON MAY 27, 2015

TO THE SHAREHOLDERS OF TUTOR PERINI CORPORATION:

NOTICE IS HEREBY GIVEN that the 2015 Annual Meeting of Shareholders of TUTOR PERINI CORPORATION, a Massachusetts corporation (the "Company", "Tutor Perini", "we", "us", or "our") will be held at our corporate headquarters, 15901 Olden Street, Sylmar, California, on May 27, 2015 at 9:00 a.m., Pacific Daylight Time.

At the meeting, holders of common stock, par value $1.00 per share, of the Company (the "Common Stock") will consider and vote on the following matters:

1. Elect eleven (11) directors to hold office for a one-year term expiring at the Company's 2016 Annual Meeting of Shareholders unless he or she resigns, dies, or is removed before his or her term expires, or until his or her successors are duly elected and qualified;

2. Consider and ratify the selection of Deloitte & Touche LLP, independent registered public accountants, as auditors of the Company for the fiscal year ending December 31, 2015;

3. Consider an advisory vote on Tutor Perini's executive compensation plans and programs; and

4. Such other business as may properly come before the meeting.

The Board of Directors has fixed the close of business on April 2, 2015 as the record date for the determination of the shareholders entitled to vote at the meeting. Only shareholders of record as of the close of business on the record date will be entitled to notice of and to vote at the meeting and any adjournments or postponements thereof.

Securities and Exchange Commission (“SEC”) rules permit us to furnish proxy materials to shareholders over the Internet. We have mailed to our shareholders a Notice of Internet Availability of Proxy Materials, which indicates how to access our proxy materials on the Internet. We are constantly focused on improving the ways people connect with information, and believe that providing our proxy materials over the Internet increases the ease and ability of our shareholders to connect with the information they need while reducing the environmental impact of our Annual Meeting. If you would prefer to receive a paper copy of the proxy materials, you may request them by following the procedures set forth in the Notice of Internet Availability of Proxy Materials.

Your vote is very important. Whether or not you plan to attend the Annual Meeting, we encourage you to read this proxy statement and submit your proxy or voting instructions as soon as possible. If you are a shareholder of record, you may vote your shares over the Internet at www.proxyvote.com, telephonically by dialing 1-800-690-6903 or if you requested to receive printed proxy materials, via your enclosed proxy card. If the shares you own are held in “street name” by a bank or brokerage firm, your bank or brokerage firm will provide a Notice of Availability of Proxy Materials, or, if requested, a printed set of proxy materials together with a voting instruction form, which you may use to direct how your shares will be voted.

By order of the Board of Directors,

William B. Sparks, Secretary

Sylmar, California

April 17, 2015

Important Notice Regarding the Availability of Proxy Materials

for the Annual Meeting of Shareholders to be Held on May 27, 2015

The Proxy Statement and 2014 Annual Report are available at

http://investors.tutorperini.com/events-calendar/proxy-voting/default.aspx

2015 ANNUAL MEETING OF SHAREHOLDERS

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ANNUAL MEETING OF SHAREHOLDERS

OF TUTOR PERINI CORPORATION

This proxy statement is furnished in connection with the solicitation by the Board of Directors (the “Board”) of TUTOR PERINI CORPORATION (the “Company”, “Tutor Perini”, “we”, “us” or “our”) of proxies for use in voting at the 2015 Annua Meeting of Shareholders (“Annual Meeting”) to be held at our corporate headquarters, 15901 Olden Street, Sylmar, California, on May 27, 2015, at 9:00 a.m., Pacific Daylight Time, and any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders. On or about April 17, 2015 proxy materials for the Annual Meeting, including this proxy statement and the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014 were made available over the Internet to shareholders entitled to vote at the Annual Meeting. A Notice of Internet Availability of Proxy Materials indicating how to access our proxy materials over the Internet was first sent, or given, to shareholders on or about April 17, 2015. The date of this amended proxy statement is April 20, 2015. This amended proxy contains certain explanatory footnote information that was not included in the proxy filed on April 17, 2015 due to an issue in preparing the proxy document for filing with the SEC. This amended proxy now conforms to the April 17, 2015 printed version of our proxy that was mailed to our shareholders.

SHAREHOLDERS ENTITLED TO VOTE

The Board has fixed the close of business on April 2, 2015 as the record date for the determination of the shareholders entitled to vote at the Annual Meeting. As of April 2, 2015, the Company had outstanding 49,001,429 shares of common stock. Each share is entitled to one vote.

Only shareholders of record as of the close of business on April 2, 2015 will be entitled to notice of and to vote at the meeting and any adjournments or postponements thereof. Notwithstanding the record date specified above, our stock transfer books will not be closed and shares may be transferred subsequent to the record date. However, all votes must be cast in the names of shareholders of record on the record date.

Shareholders wishing to attend the Annual Meeting can access directions found in the “Contact Us” section of our website at www.tutorperini.com.

ADMISSION TO THE MEETING

You are entitled to attend the Annual Meeting if you were a shareholder of record or a beneficial owner of our common stock on the record date. If you are a shareholder of record, you may be asked to present valid picture identification, such as a driver's license or passport, for admission to the Annual Meeting. Seating and parking are limited.

If your shares are registered in the name of a bank or brokerage firm (your record holder), you may be asked to provide proof of beneficial ownership as of the record date, such as a brokerage account statement, a copy of the Notice of Internet Availability of Proxy Materials or voting instruction form provided by your bank, broker or other holder of record, or other similar evidence of ownership, as well as picture identification, for admission. If you wish to be able to vote in person at the Annual Meeting, you should obtain a legal proxy from your brokerage firm, bank or other holder of record and present it to the inspector of elections with your ballot at the Annual Meeting.

PROXIES AND VOTING PROCEDURES

As discussed in the Notice of Internet Availability of Proxy Materials you received in the mail, if you are a shareholder of record, you may vote your shares over the Internet at www.proxyvote.com or telephonically by dialing 1-800-690-6903. Proxies submitted via the Internet or by telephone must be received by 8:59 p.m., Pacific Daylight Time on May 26, 2015. If you would prefer to receive a printed copy of the proxy materials, you may request it by following the procedures set forth in the Notice of Internet Availability of Proxy Materials, and you may vote your shares by following the instructions on the enclosed proxy card.

If the shares you own are held in "street name" by a bank or brokerage firm, you are considered the "beneficial owner" of such shares, and your bank or brokerage firm will provide a Notice of Internet Availability of Proxy Materials, or a printed set of proxy materials together with a voting instruction form which you may use to direct how your shares will be voted. In order to vote your shares, you must follow the voting instructions forwarded to you by or on behalf of that organization. Brokerage firms, banks and other fiduciaries or nominees are required to request voting instructions for shares they hold on behalf of customers and others. As the beneficial owner, you have the right to direct your broker, bank or other nominee or fiduciary how to vote and you are also invited to attend the Annual Meeting. We encourage you to provide instructions to your broker, bank or other nominee or fiduciary to vote your shares. Since a beneficial owner is not the record stockholder, you may not vote the shares in person at the Annual Meeting unless you obtain a legal proxy from the broker, bank or other nominee or fiduciary that holds your shares giving you the right to vote the shares at the meeting.

SHAREHOLDER VOTES REQUIRED

Proposal 1, for the election of each of the nominees for director, requires the affirmative vote of a plurality of the votes cast at the Annual Meeting. You may vote FOR any or all director nominees and/or WITHHOLD your vote from any or all of the director nominees. We recommend a vote FOR the election of each nominee as a director.

Proposal 2, for ratification of the selection of Deloitte & Touche LLP as the Company's independent auditors for fiscal 2015, requires the affirmative vote of the holders of a majority of the votes cast on the proposal at the Annual Meeting. We recommend a vote FOR the ratification of Deloitte & Touche LLP.

Proposal 3, an advisory (non-binding) vote on the Company's executive compensation plans and programs as disclosed in "Compensation Discussion and Analysis" starting on page 14, requires the affirmative vote of the holders of a majority of the votes cast on the proposal at the Annual Meeting. This proposal is advisory in nature, which means that the vote is not binding upon the Company. The opinions expressed by shareholders on this matter will be taken into consideration when making future executive compensation decisions. We recommend a vote FOR the advisory vote to approve executive compensation.

ELECTRONIC AVAILABILITY OF PROXY STATEMENT AND 2014 ANNUAL REPORT

As permitted by Securities and Exchange Commission ("SEC") rules, we are making this proxy statement and our 2014 Annual Report available to shareholders electronically via the Internet at http://investors.tutorperini.com/events-calendar/proxy-voting/default.aspx. On April 17, 2015, we began mailing to our shareholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access this proxy statement and our 2014 Annual Report and how to vote online. If you received that notice, you will not receive a printed copy of the proxy materials unless you request it by following the instructions for requesting such materials contained in the notice. We are constantly focused on improving the ways people connect with information, and believe that providing our proxy materials over the Internet increases the ease and ability of our shareholders to connect with the information they need while reducing the environmental impact of our Annual Meeting.

QUORUM

The presence, in person or by proxy, of outstanding shares of common stock representing a majority of the shares entitled to vote is necessary to constitute a quorum for the transaction of business at the Annual Meeting. Shares that reflect abstentions or broker non-votes will be counted for purposes of determining whether a quorum is present for the transaction of business at the Annual Meeting.

ABSTENTIONS AND BROKER NON-VOTES

An “abstention” occurs when a shareholder sends in a proxy with explicit instructions to decline to vote regarding a particular matter. For purposes of establishing a quorum, abstentions in person and proxies received but marked as abstentions as to any or all matters to be voted on count as present.

Abstentions have no effect on any of the proposals discussed in this proxy statement.

If your shares are held in “street name,” your brokerage firm, under certain circumstances, may vote your shares for you if you do not return your proxy. Brokerage firms have authority under the rules of the New York Stock Exchange (“NYSE”) to vote customers’ unvoted shares on some routine matters. If you do not give a proxy to your brokerage firm to vote your shares, your brokerage firm may either vote your shares on routine matters or leave your shares unvoted. Of the proposals contained herein, only Proposal 2 is considered a routine matter.

Regardless of whether you are a record holder of your shares or hold your shares in “street name,” we encourage you to provide voting instructions to your brokerage firm. This ensures your shares will be voted at the meeting according to your instructions.

PROXY SOLICITATION

In addition to solicitation by mail, our directors, officers, and employees may solicit proxies from Tutor Perini shareholders by telephone, facsimile or other electronic means of communication. These persons will not receive additional or special compensation for such solicitation services. In addition, the Company has retained the services of Proxy Advisory Group (PAG) to assist as needed in the proxy preparation, review, and solicitation process for a fee not to exceed $15,000. We pay the cost of soliciting proxies, and we will, upon request, reimburse brokers, banks and other nominees for their expenses in sending proxy materials to their customers who are beneficial owners and obtaining their voting instructions.

REVOCATION OF PROXIES

If you execute and return a form of proxy or vote electronically in accordance with the instructions provided in the Notice of Internet Availability of Proxy Materials, your proxy may be revoked at any time before it is voted by written notice to our Secretary, by the subsequent execution and delivery of another proxy, or by voting in person at the Annual Meeting. Please note that if you have instructed your broker to vote your shares, the options for revoking your proxy described above do not apply and instead you must follow the directions provided by your broker to change those instructions.

ADJOURNMENTS AND POSTPONEMENTS

Although it is not currently expected, the Annual Meeting may be adjourned or postponed, including for the purpose of soliciting additional proxies, by action of the presiding officer of the Annual Meeting in accordance with Tutor Perini's bylaws. In addition, the Board may postpone and reschedule the Annual Meeting prior to the meeting in accordance with Tutor Perini's bylaws. Any adjournment may be made without notice, other than by an announcement made at the Annual Meeting of the time, date and place of the adjourned meeting, regardless of whether or not a quorum is present.

Any adjournment or postponement of the Annual Meeting for the purpose of soliciting additional proxies will allow the Tutor Perini shareholders who have already sent their proxies to revoke them any time prior to their use at the Annual Meeting as adjourned or postponed.

PROPOSAL 1: ELECTION OF DIRECTORS

BOARD OF DIRECTORS

In March 2013, the Board, in accordance with the provisions of Massachusetts General Laws and in consideration of recent corporate governance trends and best practices, by majority vote elected to declassify the Board. As such, the terms of all current members of the Board of Directors will expire at the Annual Meeting of Shareholders on May 27, 2015.

The current Board of Directors consists of eleven (11) members, eight (8) of whom are independent directors. The Board has re-nominated all eleven (11) of the current directors to serve until the 2016 Annual Meeting of

Shareholders. In accordance with our bylaws, each director nominee will be elected to serve a one-year term expiring at the 2016 Annual Meeting of Shareholders, unless he or she resigns, dies, or is removed before his or her term expires, or until his or her successor has been duly elected and qualified.

The following individuals are the nominees for election to the Board:

Name	Age	Director Since
Ronald N. Tutor	74	1997
Marilyn A. Alexander	63	2008
Peter Arkley	60	2000
Sidney J. Feltenstein	74	2013
James A. Frost	62	2015
Michael R. Klein	73	1997
Robert C. Lieber	60	2014
Raymond R. Oneglia	67	2000
Dale A. Reiss	67	2014
Donald D. Snyder	67	2008
Dickran M. Tevrizian, Jr.	74	2011

The Board has affirmatively concluded that Messrs. Arkley, Klein, Lieber, Oneglia, Snyder, and Tevrizian, and Mss. Alexander and Reiss qualify as independent directors under the independence standards established by Section 303A of the NYSE corporate governance rules. Mr. Tutor and Mr. Frost, both of whom are executive officers and employees of the Company, as well as Mr. Feltenstein, who is Mr. Tutor's father-in-law, do not qualify as independent directors and none of them serves on any committee that is reserved for independent directors. More detailed information about the Board's determination of director independence is provided in the section of this proxy statement titled "Director Independence" starting on page 8.

The principal occupation, business experience and educational background of each director nominee are set forth below:

Ronald N. Tutor has served as our Chief Executive Officer since March 2000, as Chairman of the Board since July 1999, and as a director since January 1997. Mr. Tutor also served as Chairman of the Board, President and Chief Executive Officer of Tutor-Saliba Corporation ("Tutor-Saliba"), a privately held California corporation engaged in the construction industry, until Tutor-Saliba merged with the Company in September 2008. He is a member of the Board of Trustees of the University of Southern California. With over 18 years at the Company and over 52 years in the industry, Mr. Tutor brings to our Board an industry acknowledged leadership role and in-depth knowledge of our Company and the construction industry. Mr. Tutor holds a Bachelor of Science degree in Finance from the University of Southern California.

Marilyn A. Alexander has served as a director since 2008. She has been an independent consultant since 2003, serving as principal of Alexander & Friedman, LLC since 2006. She is a member of the board of directors, audit committee (chair), and nominating and governance committee for DCT Industrial Trust, an industrial real estate investment trust (REIT) specializing in the ownership, acquisition, leasing, development, and redevelopment of bulk distribution and light industrial properties. She also is a member of the board of directors and audit committee for Torchmark Corporation, a publicly traded holding company specializing in life and supplemental health insurance for middle-income Americans. Ms. Alexander is a member of the Board of Governors at Chapman University and Board of Regents, marketing and enrollment committee (chair), and finance committee for Brandman University, a non-profit subsidiary of Chapman University. Previously, she served on the board of directors for Equity Office Properties, PIMCO funds, PIMCO Variable Insurance Trust, PIMCO Commercial Securities Trust, Inc., and PIMCO Strategic Global Government Fund, Inc., as well as New Century Financial Corporation. Earlier, she was Senior Vice President and Chief Financial Officer of the Disneyland Resort, Vice President of Destination Marketing and Brand Management at the Walt Disney World Resort, and Vice President, Financial Planning and Analysis at Marriott Corporation. Ms. Alexander brings to our Board a wide range of management experience and financial expertise. Ms. Alexander holds a Bachelor of Arts degree in Philosophy from Georgetown University and a Master of Business Administration degree from the Wharton Graduate School, University of Pennsylvania. She is a Certified Public Accountant.

Peter Arkley has served as a director since May 2000. Since June 2011, he has served as Senior Managing Director, Construction Services Group of Alliant Insurance Services, an insurance and bonding brokerage firm. From 1994 to 2008, he served as the Chairman/CEO of AON's United States Construction Services Group, an insurance and bonding brokerage firm, and from 2008 until June 2011 he served as the Managing Principal/CEO of AON's Global Construction Group. He is also a director of the Greater Los Angeles Zoo Association, a non-profit organization. Mr. Arkley has extensive knowledge and expertise in insurance surety and financial service markets. Mr. Arkley provides the Board insight on risk management and financial service matters. Mr. Arkley holds a Bachelor of Science degree in Finance from Wagner College.

Sidney J. Feltenstein has served as a director since November 2013 and is a Senior Operating Partner of Sentinel Capital Partners. He is the retired chairman and CEO of Yorkshire Global Restaurants, Inc., the holding company for

A&W Restaurants and Long John Silver's, which he founded in 1994. Prior to creating Yorkshire Global Restaurants, Mr. Feltenstein spent 19 years with Dunkin' Donuts in both operations and marketing, the last 12 of which he spent as chief marketing officer. In 1992, he left Dunkin' Donuts to become executive vice president of worldwide marketing for Burger King Corporation. Mr. Feltenstein serves as a director of Focus Brands, Arby's, Inc., Wingstop, Inc., Huddle House, Inc., Checkers, Inc., and TGI Fridays, all of which are privately held companies. In addition, he is a former trustee and Audit Committee chairman and is currently an Overseer of Boston University, and is a trustee of The Health Store Foundation and One Family Health, all of which are non-profit organizations. Mr. Feltenstein is a past chairman of the International Franchise Association (IFA) and a former chairman of the IFA Educational Foundation. He is also a member of the IFA Hall of Fame and a past recipient of the IFA's Entrepreneur of the Year Award. Mr. Feltenstein brings extensive operational and marketing management expertise to the Board through various positions held over his career and through his experience as a director of other public and private companies. Mr. Feltenstein holds a Bachelor of Arts degree in Communications from Boston University.

James A. Frost has served as a director since February 2015, when he was promoted to the position of President and Chief Operating Officer. He originally joined the Company's predecessor, Tutor-Saliba Corp., in 1988 and quickly climbed to the role of Chief Operating Officer. Over the course of his career, Mr. Frost has gained extensive executive leadership experience in construction management and operations, overseeing numerous projects, including many of the Company's largest and most difficult building and civil projects. Since 2008, Mr. Frost has served as Executive Vice President and CEO of Tutor Perini's Civil Group. With more than 25 years of experience with the Company, Mr. Frost provides to the Board significant insight into the executive management and operational aspects of the Company.

Michael R. Klein has served as a director since January 1997 and as Vice Chairman of the Board since September 2000. He is the designated Lead Director and is considered an independent director, as defined by the NYSE and as affirmed by the Board. Mr. Klein, a private investor, serves as Chairman of the Board of Directors of CoStar Group, Inc., a publicly held provider of commercial real estate information; as Chairman and CEO of the Sunlight Foundation, a non-profit organization; and as Chairman of the Shakespeare

Theatre Company, a non-profit organization. Through 2009 he served as Chairman of the Board of Directors of Le Paradou, LLC, a privately held company, and through 2011 he served as the Lead Director and Chairman of the Governance Committee of SRA International, Inc., a formerly publicly held provider of technology and strategic consulting services and solutions which was sold in June 2011. He is also a director of ASTAR Air Cargo, Inc., a privately held company which was sold in 2014 and of ThinkFood Group, LLC, a privately held company. From 1974 until 2005, Mr. Klein was a partner of the law firm Wilmer Cutler Pickering, now Wilmer Hale. Mr. Klein's 33 plus years as a corporate lawyer, investor, and director of multiple corporations, both public and private, qualify and enable him to contribute sound judgment and leadership to the Company in his role as Lead Director. Mr. Klein holds a Master of Laws degree from the Harvard Law School and Juris Doctor and Bachelor of Business Administration degrees from the University of Miami.

Robert C. Lieber has served as a director since August 2014. Mr. Lieber is Executive Managing Director of the Island Capital Group, which he joined in July 2010 after having served under New York City Mayor Michael R. Bloomberg as Deputy Mayor for Economic Development. Prior to joining the Bloomberg administration in January 2007, Mr. Lieber retired from Lehman Brothers after 23 years, serving most recently as a Managing Director in Lehman's Real Estate Private Equity Fund and earlier as the Global Head of Real Estate Investment Banking. Mr. Lieber also serves as a Director of ACRE Realty Investors, a publicly traded real estate investment trust headquartered in Atlanta, Georgia. He is also Board member, Secretary of the Board and Trustee for the Urban Land Institute and formerly served as Chairman of the Zell-Lurie Real Estate Center at the Wharton School, University of Pennsylvania. Mr. Lieber brings extensive expertise and insight into financial and political matters pertaining to real estate and infrastructure development projects, gained through his experience in the financial and government sectors. Mr. Lieber holds a Bachelor of Arts degree from the University of Colorado and a Master of Business Administration degree from the Wharton School.

Raymond R. Oneglia has served as a director since March 2000. Since 1997, he has also served as Vice Chairman of the Board of Directors of O&G Industries, Inc., a Connecticut corporation engaged in the construction industry, and prior to that, served in various operating and administrative capacities since 1970. Mr. Oneglia's 45 years of experience at O&G Industries allows him to contribute an in-depth industry perspective. Mr. Oneglia holds a Bachelor of Science degree from Union College.

Dale A. Reiss has served as a director since May 2014. She currently serves as senior managing director of Brock Capital Group LLC and chairman of Brock Real Estate LLC, its equity and mezzanine financing arm, as well as managing director of Artemis Advisors, LLC. Ms. Reiss is a director of iStar Financial Inc., a real estate finance company, where she is chairperson of the Audit Committee and a member of the Investment Committee, and of CYS Investments, Inc., where she is a member of the Audit and Nominating and Governance Committees. Ms. Reiss was a senior consultant to the Global Real Estate Center of Ernst & Young LLP from 2008 to 2011. Until her retirement in 2008, she served as Global and America's director of real estate, hospitality and construction, at Ernst & Young LLP and was a senior partner there from 1995 through 2008 in various capacities. She served as a managing partner at Kenneth Leventhal & Company from 1985 through its merger with Ernst & Young in 1995. From 1980 to 1985, Ms. Reiss was a senior vice president and controller at Urban Investment & Development Company. Since 1998, Ms. Reiss has served as a governor and past trustee of Urban Land Institute and in various Urban Land Institute officer and committee leadership positions. She also serves on the board of directors of the Guttmacher Institute. She is a former member of the board of directors of Post Properties, Inc., where she served on the Audit Committee, and of the Pension Real Estate Association. In 2002, the New York Women Executives in Real Estate named Ms. Reiss Woman of the Year. Ms. Reiss is a Certified Public Accountant. Ms. Reiss brings extensive expertise in financial and accounting matters from her experience over an extended period at several major public accounting firms, her leadership experience in management and operations at those firms, and her experience as a director of other public and private companies. Ms. Reiss holds a Bachelor of Science degree in Economics and Accounting from the Illinois Institute of Technology and a Master of Business Administration degree from the University of Chicago.

Donald D. Snyder has served as a director since 2008. He was a director and the president of Boyd Gaming Corporation from 1997 until his retirement in 2005. Following service from 2010 as dean of the Harrah College of Hotel Administration at the University of Nevada, Las Vegas (“UNLV”), Mr. Snyder was named Acting President of UNLV in February 2014. Since January 2015, he has served as Presidential Advisor at UNLV. He also serves as a member of the nominating and governance (chair) and the risk management committees of Western Alliance Bancorporation, a publicly held commercial bank holding company, as well as serving as a member of the board of directors of its lead bank, Western Alliance Bank (formerly Bank of Nevada), and as a director and member of the compensation, governance (chair), and audit committees of Switch, LLC, a privately held technology company. He is presently on the Board of Directors of non-profit entities, including The Smith Center for the Performing Arts (Chairman) and the Nathan Adelson Hospice. Mr. Snyder’s role as a public gaming company executive, his experience in commercial banking (former Chairman & CEO of First Interstate Bank of Nevada), and his experience on several public, private and non-profit boards provides the Board comprehensive insight on financial and business matters. Mr. Snyder holds a Bachelor of Science degree in Business Administration from the University of Wyoming.

Dickran M. Tevrizian, Jr. has served as a director since September 2011. Prior to his retirement in April 2007, Mr. Tevrizian was a federal judge for the United States District Court for the Central District of California since 1986, and earlier served from 1972 to 1982 as a Superior Court judge for the State of California. From 1999 to 2007, Judge Tevrizian also served as an Advisory Director to the University of California, Los Angeles School of Public Policy. Upon retirement from the federal judiciary, Judge Tevrizian assumed the role of a private mediator/arbitrator with Judicial Arbitration and Mediation Services. Judge Tevrizian also serves on the boards of the Children's Hospital of Los Angeles, the legal advisory board of Legal Zoom, Inc. and several other privately held companies and corporations. He is also a trustee of Pacific Oaks College. Judge Tevrizian's 31 plus years of experience as a federal and state judge provides the Board with significant insight on risk management and compliance matters. Mr. Tevrizian holds a Juris Doctor degree and a Bachelor of Science degree in Finance from the University of Southern California.

Former Director

Robert Band served as a director from May 1999 until his resignation from the Board in February 2015. He continues to serve with the Company as President, Perini Management Services. Previously, Mr. Band served as the Company's President from May 1999 until February 2015 and as Chief Operating Officer from March 2000 to March 2009. He also previously served in various operating and financial positions with the Company since 1973, including Executive Vice President and Chief Financial Officer from 1997 to1999. Mr. Band is also the immediate past president of Jewish Family Services of Metrowest, a non-profit entity. Over his career with the Company, which has spanned more than 40 years, Mr. Band has provided tremendous insight into the financial and operational aspects of the Company and brought significant international and government expertise to the Board gained through his executive positions at Perini Management Services, Inc. Mr. Band holds a Bachelor of Business Administration degree in Accounting from the University of Massachusetts.

THE TUTOR PERINI BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" EACH OF THE BOARD OF DIRECTORS' NOMINEES FOR RE-ELECTION OR ELECTION AS DIRECTOR.

EXECUTIVE OFFICERS

The following table sets forth certain information on our executive officers.

Name	Age	Position
Ronald N. Tutor	74	Chairman of the Board and Chief Executive Officer
James A. Frost	62	President and Chief Operating Officer
Michael J. Kershaw	65	Executive Vice President and Chief Financial Officer
Craig W. Shaw	60	Executive Vice President and CEO of the Building Group

For biographical summaries of Mr. Tutor and Mr. Frost, see Proposal 1 above.

Michael J. Kershaw has served as Executive Vice President and Chief Financial Officer since September 2011. Previously, he served as Senior Vice President and Chief Accounting Officer of The Shaw Group Inc., a global provider of technology, engineering, procurement, and construction services. Mr. Kershaw joined The Shaw Group in September 2007 as Senior Vice President and Corporate Controller. From 2005 until September 2007, he served as the Vice President of Accounting and Finance of the Energy and Chemicals Division of KBR, Inc., a global engineering, construction and services company. From 2003 until 2005, Mr. Kershaw served as Senior Controller for KBR, Inc. Mr. Kershaw holds a Master of Business Administration degree from Tulane University and a Bachelor of Science degree in Economics and Accounting from the University of Bristol in England. He is a fellow of the Institute of Chartered Accountants in England and Wales.

Craig W. Shaw was appointed Executive Vice President and Chief Executive Officer of the Building Group in May 2013. Mr. Shaw was previously appointed in May 2007, and continues to serve, as President and Chief Executive Officer of Tutor Perini Building Corp., one of the business units within the Building Group. Prior to that, he served in various project and executive management positions, including President, at Perini Building Company since joining the Company in 1978. Mr. Shaw holds a Bachelor of Science degree in Construction Engineering from Arizona State University.

Our officers are elected on an annual basis at the Board of Directors' Meeting immediately following the Annual Meeting of Shareholders, to hold such offices until the Board of Directors' Meeting following the next Annual Meeting of Shareholders and until their respective successors have been duly appointed or until his earlier resignation or removal.

Board Composition

The Board currently consists of eleven directors, all of whose terms expire upon the election of their successors at the 2015 Annual Meeting. Most recently, Robert C. Lieber was elected to the Board by a vote of the directors in August 2014. Earlier, Dale A. Reiss was elected to the Board by a vote of the Company's shareholders at the 2014 Annual Meeting of Shareholders. Sidney J. Feltenstein was originally appointed to the Board in November 2013 to fill the vacancy created by the death of former director Robert L. Miller in

August 2013, and he was subsequently re-elected by a vote of the shareholders at the 2014 Annual Meeting. Mr. Feltenstein was originally nominated by Mr. Tutor, pursuant to Mr. Tutor's rights under a shareholder agreement by and among the Company and certain of its shareholders, dated April 2, 2008, as amended on September 17, 2010, June 2, 2011, September 13, 2011 and March 20, 2013 (the "Amended Shareholders Agreement"), as discussed below. Mr. Feltenstein is Mr. Tutor's father-in-law. The Corporate Governance and Nominating Committee reviewed Mr. Feltenstein's qualifications and his appointment to the Board was unanimously approved by the Board.

Under the Amended Shareholders Agreement, which became effective upon the September 2008 merger between Perini Corp. and Tutor-Saliba, Mr. Tutor (as the representative of the former Tutor-Saliba shareholders) has the right to designate one nominee for election as a member of the Board (and thereafter, for nomination for election), so long as Mr. Tutor and the two trusts he controls (the "Tutor Group") own at least 11.25% of the outstanding shares of the Company's common stock. For more information, see "Amended Shareholders Agreement" starting on page 41.

As of the date of this proxy statement and as also discussed above, Mr. Tutor elected to exercise his right to designate one nominee to the Board when he designated Mr. Feltenstein for nomination and election to the Board.

Director Independence

The Board has determined that Ms. Alexander, Mr. Arkley, Mr. Klein, Mr. Lieber, Mr. Oneglia, Mr. Snyder, Ms. Reiss, and Judge Tevrizian, are "independent" in accordance with the independence standards established by Section 303A of the NYSE rules. In determining independence pursuant to NYSE standards, after an initial review by the Corporate Governance and Nominating Committee, each year the Board makes an affirmative determination whether directors have a direct or indirect material relationship with Tutor Perini, including its subsidiaries that may interfere with their ability to exercise their independence from Tutor Perini.

In evaluating the independence of each non-employee director, the Board considered several factors. With respect to Mr. Oneglia, the Board considered the relationship between O&G Industries, Inc., of which Mr. Oneglia is Vice Chairman of the Board of Directors and a shareholder, and Tutor Perini, including the construction joint ventures between Tutor Perini and O&G Industries. The Board determined that the joint ventures did not impact Mr. Oneglia's independence from Tutor Perini management because: (1) the joint ventures are formed for the limited purposes of performing specific contractual requirements for owners as is commonplace in the construction business, (2) Mr. Oneglia is not personally involved in the management of these joint ventures and (3) Tutor Perini and O&G have an equal vote in the governance of such joint ventures. With respect to Mr. Arkley, the Board considered the relationship between Alliant Insurance Services ("Alliant") during 2014, of which Mr. Arkley is currently Senior Managing Director, Construction Services Group, and Tutor Perini, an insurance and bonding client of Alliant. The Board has determined that his independence from Tutor Perini management is not impacted because: (1) services provided by Alliant are supplied to Tutor Perini on terms similar to Alliant's other clients and (2) income generated by Alliant for services provided to Tutor Perini are not material to Alliant's U.S. or consolidated operations. Specifically with regard to the income generated by Alliant, the Board also considered the independence testing as defined in the

NYSE Listing Standard 303A.02(b)(v), which states that a director is not independent if the director is a current employee of a company that has made payments to or received payments from Tutor Perini in an amount which, in any of the last three fiscal years exceeds the greater of $1 million or 2% of such other company's consolidated gross revenues. For 2014, Tutor Perini paid fees to Alliant which were less than 2% of Alliant's 2014 consolidated gross revenues. No other independent directors had material relationships with Tutor Perini other than in their capacities as directors.

Messrs. Tutor and Frost, who are executive officers and employees of Tutor Perini, as well as Mr. Feltenstein, who is Mr. Tutor's father-in-law, do not qualify as independent directors, and none of them serves on any committee that is reserved for independent directors.

Communications with the Board

The Board welcomes the submission of any comments or concerns from shareholders, employees and other interested parties. Any shareholder, employee or interested party who wishes to communicate with the Board may submit such communication in writing to Tutor Perini Corporation, 15901 Olden Street, Sylmar, California 91342 and marked to the attention of the Board or any of its committees or individual directors. All comments or concerns from shareholders and other interested parties will be forwarded directly to the appropriate Board committee or specific directors, as well as to the Company's Compliance Officer.

In order to facilitate communications with the independent directors, we have a secure telephone number (800-489-8689) whereby shareholders, employees and other interested parties may be able to make their concerns known directly and confidentially to the non-employee directors, the Audit Committee, or the Corporate Governance and Nominating Committee. Shareholders and other interested parties can also communicate with the independent directors via email at board@tutorperini.com. The designated recipients of these reports will not filter the communications.

CORPORATE GOVERNANCE

Board Leadership

Mr. Tutor is the Chairman of the Board and Chief Executive Officer. The Chairman of the Board and Chief Executive Officer positions are separately designated offices of the Company, as defined in the Company's bylaws. However these offices may be held by the same person. Mr. Tutor's Employment Agreement stipulates that he shall serve as the Company's Chief Executive Officer, as a member of the Board of Directors, and as Chairman of the Board. Furthermore, the Board has evaluated these positions and determined that Mr. Tutor's continued participation in both positions is important to the continued success of the Company because of: (i) his iconic role in the construction industry with a proven past in the successful bidding and managing of large, complex building and civil projects, (ii) his strong industry relationships with our surety and insurance partners, and (iii) his lengthy history of business acumen and strategic acquisitions which have significantly increased the Company's competitiveness through vertical integration of the Company's services and an expanded nationwide footprint, including a strong presence in the New York and east coast construction markets.

Mr. Klein is a non-employee director designated to be the Lead Director. Mr. Klein was elected the Lead Director by a majority of the independent directors and was determined by the Board to be independent. As Lead Director, Mr. Klein has had the duties and authority outlined starting on page 11 under "Corporate Governance and Nominating Committee."

Committees and Meetings of the Board of Directors

The Board met six times during 2014. During 2014, each of our directors attended at least 75% of: (i) the total number of meetings of the Board and (ii) the total number of meetings held by all committees on which such director served. The members of the Board are encouraged to attend our annual shareholders meetings. Nine of the eleven current directors attended the 2014 Annual Meeting of Shareholders, with the exception of Messrs. Lieber and Frost, whose terms began in August 2014 and February 2015, respectively, after the date of the 2014 Annual Meeting. Mr. Band also attended the 2014 Annual Meeting.

Our bylaws authorize the Board to appoint one or more committees, each consisting of one or more directors. The Board currently has three standing committees: an Audit Committee, a Corporate Governance and Nominating Committee, and a Compensation Committee.

The Board's Role in Risk Oversight

Periodically, and at least quarterly, the Board meets with management to discuss key risks to our operations and our strategy as well as risk mitigation plans and activities. The Board plays an integral role in providing risk oversight on potential related party transactions and any transactions outside of the normal course of our operations. Our Board administers its risk oversight function as a whole and through its Board committees. For example, the Audit Committee regularly discusses with management our major risk exposures, their potential financial impact on our company and our risk mitigation strategies. In addition, the Audit Committee participates in regular reviews of our process to assess and manage enterprise risk management, including those related to market/environmental, strategic, financial, operational, legal, compliance, and reputational risks. In addition, each of the other standing Board committees (the Compensation Committee and the Corporate Governance and Nominating Committee) regularly meets to discuss the short-term and long-term objectives and to provide oversight for risks relating to the applicable committee's areas of responsibility. The Compensation Committee, with management's assistance, reviews the compensation plans and programs throughout the Company to confirm that these plans do not encourage excessive risk-taking that may have a materially adverse effect on the Company.

Since Mr. Tutor serves as both CEO and Chairman of the Board, having a non-employee Lead Director in place, as discussed above, helps to ensure that the Board is fulfilling its role in risk oversight.

Nominations for Director

The Board seeks candidates who are independent, possess relevant business, professional, or board experience to make a significant contribution to the Board and have sufficient availability to attend to the business of the Company. Annually, the Corporate Governance and Nominating Committee conducts an evaluation of the Board to determine whether it is functioning effectively, and recommends to the full Board the slate of director-nominees to be nominated for election at the next annual meeting of shareholders. Potential candidates for the Board may include candidates nominated by shareholders in accordance with our bylaws, those identified by a search firm retained for such purpose, or candidates recommended by other persons, including current directors or executive officers. Pursuant to the Corporate Governance and Nominating Committee charter, the process and criteria for considering the recommendations of shareholders with respect to candidates for election to the Board is the same as those used for candidates recommended by other parties. The minimum qualifications and specific qualities and skills required for directors are set forth in the Corporate Governance Guidelines, a copy of which is maintained in the "Corporate Governance" section of our website at www.tutorperini.com. The Corporate Governance and Nominating Committee considers the diversity in skill and experience of each nominee when evaluating candidates individually and when considered with all directors as a group.

A shareholder who wishes to recommend a director-nominee to the Corporate Governance and Nominating Committee for the 2016 Annual Meeting of Shareholders should submit the recommendation in writing to Tutor Perini Corporation, 15901 Olden Street, Sylmar, California 91342, Attention: Corporate Secretary, so it is received not less than 75 days nor more than 180 days prior to the anniversary date of the 2015 Tutor Perini Annual Meeting of Shareholders. However, if the 2016 Annual Meeting of Shareholders is held more than seven (7) days earlier than the anniversary date of the 2015 Annual Meeting of Shareholders, then notice must be delivered or received no later than 5:00 p.m. Pacific Daylight Time on (a) the 20th day following the earlier of: (i) the day on which such notice of the date of the annual meeting is mailed or (ii) the day on which public disclosure of the date of the annual meeting is made, or (b) if such date of notice or public disclosure occurs more than 75 days prior to the scheduled date of such meeting, then the later of: (i) the 20th day following the first to occur of such notice or such public disclosure or (ii) the 75th day prior to such scheduled date of such meeting.

Audit Committee

The Audit Committee consists of Michael R. Klein (Chair), Marilyn A. Alexander, Raymond R. Oneglia, and Dale A. Reiss. Each of the members of the Audit Committee is "financially literate", as defined in the NYSE listing standards and meets the independence requirements for members of an audit committee set forth in the rules of the SEC and the listing standards of the NYSE, as affirmed by the Board. Based upon review of their qualifications, the Board has designated Mr. Klein and Mss. Alexander and Reiss as the Company's "audit committee financial experts" as defined by the rules of the SEC.

The primary duties and responsibilities of the Audit Committee are to:

1.Oversee the integrity of our internal controls, financial systems and financial statements;

2.Review the quarterly unaudited and annual audited financial statements with management and the independent auditor;

3.Appoint and evaluate the independent auditor and monitor and evaluate the auditor's qualifications and independence;

4.Oversee compliance with legal and regulatory requirements;

5.Meet with the independent auditor in executive session at least annually;

6.Monitor the performance of both our internal and external auditors; and

7.Annually review the Audit Committee's charter and performance.

The Audit Committee has the authority to retain special legal, accounting or other consultants to advise the Audit Committee. The Audit Committee met eight times during 2014.

AUDIT COMMITTEE REPORT

Pursuant to rules adopted by the SEC designed to improve disclosures related to the functioning of corporate audit committees and to enhance the reliability and credibility of financial statements of public companies, the Audit Committee of the Board submits the following report.

The primary duties and responsibilities of the Audit Committee (the "Committee") are to oversee:

1.The integrity of Tutor Perini's internal controls, financial systems and financial statements;

2.Compliance by Tutor Perini with legal and regulatory requirements;

3.The appointment, pre-approval of non-audit services and performance of Tutor Perini's independent auditors; and

4.The performance of Tutor Perini's internal audit function.

Management has primary responsibility for Tutor Perini's financial statements and the overall reporting process, including Tutor Perini's system of internal controls, and compliance with Sarbanes-Oxley Section 404.

The directors who currently serve on the Committee meet the "independence" and "experience" requirements of the NYSE, and have been so affirmed by the Board. The Board has designated Michael R. Klein, Marilyn A. Alexander, and Dale A. Reiss as the Company's "audit committee financial experts", as defined by the rules of the SEC, based on review of their qualifications.

The Board has adopted a written charter setting forth the duties and responsibilities the Committee is to perform, which we review annually and revise as appropriate.

The independent auditors, in accordance with the standards of the Public Company Accounting Oversight Board ("PCAOB"), audit the effectiveness of the internal controls over financial reporting as well as annual financial statements prepared by management, express an opinion as to whether those financial statements present fairly the financial position, results of operations and cash flows of Tutor Perini in conformity with accounting principles generally accepted in the United States and discuss with us any issues they believe should be raised with us.

We reviewed with the Company's independent auditors, Deloitte & Touche LLP, who are responsible for expressing an opinion on the conformity of the audited financial statements with generally accepted accounting principles, their judgments as to the quality, not just the acceptability, of our accounting principles and such other matters as are required to be discussed with the Audit Committee under generally accepted accounting standards. In addition, we have received from and discussed with Deloitte & Touche LLP the written disclosure and the letter required by PCAOB Ethics and Independence Rule 3526, "Communication with Audit Committees Concerning Independence." We also discussed with Deloitte & Touche LLP its independence and any matters requiring discussion per the standards of the PCAOB, including those required by Statement on Auditing Standards No. 61, Communication with Audit Committees, as amended.

Based on these reviews and discussions, we recommended to the Board that Tutor Perini's audited financial statements be included in the Tutor Perini Corporation Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

AUDIT COMMITTEE
Michael R. Klein, Chair
Marilyn A. Alexander
Raymond R. Oneglia
Dale A. Reiss

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee consists of Michael R. Klein (Chair), Robert C. Lieber, Donald D. Snyder, and Dickran M. Tevrizian, Jr. Each member of the Corporate Governance and Nominating Committee is an independent director, as defined by the NYSE and as affirmed by the Board. The duties of the Corporate Governance and Nominating Committee include:

1.Identifying individuals qualified to become directors and recommending to the full Board the persons to be nominated for election as directors;

2.Recommending director nominees for each committee of the Board and nominees for Chair of each committee;

3.Evaluating the independence of each director and so advising the Board;

4.Conducting a review and update, as necessary, of the Corporate Governance Guidelines and the Code of Business Conduct and Ethics;

5.Conducting evaluations of the performance of the Board and each committee, including a self-evaluation; and

6.Nominating a Lead Director whose duties shall include presiding at executive sessions of the non-management directors.

The Corporate Governance and Nominating Committee has the authority to retain consultants or other experts as it considers necessary to assist in the performance of its duties. The Corporate Governance and Nominating Committee met four times during 2014.

The independent directors have designated Michael R. Klein, chair of the Audit Committee and the Corporate Governance and Nominating Committee, to act as the "Lead Director." In his capacity as Lead Director, Mr. Klein has the following duties and authority:

Chairing any meeting of the independent members of the Board in executive session;

Meeting with any director who is not adequately performing his duties as a member of the Board or any committee;

Serving as a liaison between the Chairman of the Board and the independent directors;

Working with the Chairman of the Board to prepare the agenda for Board meetings and determining the need for special meetings of the Board; and

Consulting with the Chairman of the Board on matters relating to corporate governance and Board performance.

Tutor Perini maintains in the "Corporate Governance" section of its website at www.tutorperini.com, copies of the charters of each of the committees of our Board. We have also developed Corporate Governance Guidelines and a Code of Business Conduct and Ethics to outline our commitment to carefully govern the operation of our business and compliance with applicable laws and regulations, while maintaining the highest ethical standards. The Code applies to all of our officers, directors, and employees, including our principal executive officer, principal financial officer, principal accounting officer, and persons performing similar functions. Tutor Perini's Corporate Governance Guidelines and Code of Business Conduct and Ethics are also available in the "Corporate Governance" section of our website at www.tutorperini.com. Interested parties may obtain printed copies of these documents by writing to or calling the Investor Relations Department of the Company at 15901 Olden Street, Sylmar, California 91342; Telephone: (818) 362-8391; E-Mail: investor.relations@tutorperini.com. Any amendments to, or waivers of, the Code of Business Conduct and Ethics which apply to our directors, Chief Executive Officer, President, Chief Financial Officer, or any person performing similar functions will be disclosed on our website promptly following the date of such amendment or waiver.

Compensation Committee

The Compensation Committee consists of Donald D. Snyder (Chair), Peter Arkley, and Michael R. Klein. Each member of the Compensation Committee is an independent director, as defined by the NYSE and as affirmed by the Board.

The principal powers and duties of the Compensation Committee as established by the Board are to:

1.Review and approve the executive compensation programs and policies and to employ outside expert assistance, if required, to analyze our compensation practices to assure that they are consistent with corporate goals and objectives, and competitive with those of comparable firms in the construction industry;

2.Review and approve corporate goals and objectives relevant to the compensation of the Chairman of the Board and Chief Executive Officer, to evaluate his performance in light of those goals and objectives, and to determine and recommend to the Board for approval his compensation level based on this evaluation;

3.Make recommendations to the Board with respect to executive officer compensation;

4.Recommend to the Board annual profit and, if applicable, other targets for Tutor Perini for the purpose of determining incentive compensation awards under the provisions of the 2009 General Incentive Compensation Plan and the Amended and Restated (2004) Construction Business Unit Incentive Compensation Plan (the “Incentive Compensation Plans”);

5.Administer the Tutor Perini Corporation Long Term Incentive Plan (the “Stock Option Plan”) and the Incentive Compensation Plans; such administration includes power to: (i) approve participants’ participation in the Stock Option Plan, (ii) establish performance goals, (iii) determine if and when any bonuses shall be paid, (iv) pay out any bonuses, in cash or stock or a combination thereof, as the Committee shall determine from year to year, (v) construe and interpret the Incentive Compensation Plans and the Stock Option Plan, and (vi) establish rules and regulations and perform all other acts it believes reasonable and proper; and

6.Review the investment performance of the Perini Corporation Pension Plan and make changes in investment managers and allocations, as the Compensation Committee deems necessary.

The Compensation Committee has the authority to retain special consultants to advise the Committee as it considers necessary. These consultants report exclusively to the Compensation Committee, which has sole discretion to hire and fire the consultants and to

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approve the consultants' fees. The Compensation Committee in 2014 retained the services of Meridian Compensation Partners, LLC ("Meridian") to review and provide guidance on the 2014 proxy statement and to provide other consultative services related to our compensation programs and practices. In addition, during 2014, the Compensation Committee consulted Kirkland & Ellis LLP ("K&E"), on certain legal aspects of executive compensation, including our employment and compensation arrangements with our CEO and other executive officers, the design of performance goals pursuant to our 2014 incentive compensation programs for our executive officers, and our Say-on-Pay Proposal. K&E also advises the Company regarding executive compensation matters, including executive compensation practices and contractual matters as well as regarding our equity compensation plans and other executive and employee plans. The Compensation Committee considered independence factors under Dodd-Frank and NYSE rules and concluded that the work performed by Meridian and K&E did not give rise to any conflicts of interest.

The Compensation Committee met six times during 2014.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and approved the Compensation Discussion and Analysis (CD&A) contained in this proxy statement. The Compensation Committee has recommended to the Board, and the Board has approved, that the CD&A be included in the 2015 proxy statement for filing with the SEC.

COMPENSATION COMMITTEE
Donald D. Snyder, Chair
Peter Arkley
Michael R. Klein

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

This discussion addresses executive compensation in 2014 for our named executive officers ("NEOs"), who are:

- Ronald N. Tutor – Chairman of the Board and Chief Executive Officer;
- Michael J. Kershaw – Executive Vice President and Chief Financial Officer;
- Robert Band1 – Director and President (during 2014);
- James A. Frost2 – Executive Vice President (during 2014) and CEO of the Civil Group; and
- Craig W. Shaw – Executive Vice President and CEO of the Building Group.

In this Compensation Discussion and Analysis ("CD&A"), we first provide a summary of our executive compensation practices. Next, we discuss unique factors that play into the Company's executive compensation decisions and practices. We then provide an overview of our 2014 business highlights and discuss the results of the 2014 advisory vote on our executive compensation and the actions taken in response to the advisory vote results. Finally, we discuss the Company's compensation philosophy, including the process which the Compensation Committee follows in deciding how to compensate Tutor Perini's NEOs, and provide an overview and details regarding the elements of compensation and targets of Tutor Perini's compensation program.

Tutor Perini's core compensation philosophy is one of pay for performance whereby incentive compensation to our executive officers is based on the achievement of financial goals that the Compensation Committee and our Board believe are critical to enhancing shareholder value.

Executive Compensation Practices

Tutor Perini's executive compensation programs are designed to reflect appropriate governance practices aligned with the needs of our business. Below is a summary of compensation practices we have implemented to drive performance in alignment with shareholder interests, followed by a list of those we do not practice.

[1] Mr. Band was a Named Executive Officer of the Company throughout 2014. On February 12, 2015, Mr. Band resigned from the Board and Mr. Frost was promoted to the position of President and Chief Operating Officer.
[2] Mr. Frost was promoted to the position of President and Chief Operating Officer on February 12, 2015.

What We Do:
Pay-for-Performance Philosophy – The majority of executive compensation is performance-based and is tied to our financial performance. We utilize aggressive, but achievable performance targets to provide our executives strong incentives to maximize shareholder value. As a result, our NEOs may earn significantly less than their potential targeted total compensation in a given year. See page 20 for further details.
Ongoing Shareholder Outreach Program – We maintain an open and regular dialogue with our large institutional shareholders to glean insights regarding their views and opinions about our executive compensation programs, and to provide the Company’s compensation perspectives. See page 17 for further details.
Double-Trigger Equity Acceleration upon a Change-in-Control – Since June 2012, all new long-term incentive award grants have provided for accelerated vesting upon a change-in-control only if the executive is involuntarily terminated (without “Cause”) in conjunction with that change-in-control.
Stock Ownership Policy – NEOs must acquire and hold Tutor Perini stock worth three to six times their base salary within five years of appointment. As of the most recent measurement date, all NEOs met or exceeded these requirements. Our non-employee directors must also acquire and hold Tutor Perini stock worth five times their annual cash retainer by the later of fiscal year-end 2015 or five years from the date of their election to the Board. As of the most recent measurement date, all non-employee directors met or exceeded these requirements. The three directors who have joined the Board over the past two years are not yet required to meet this requirement.
Stock Retention Policy – NEOs, as well as non-employee directors and other executives designated by the Compensation Committee, are required to maintain ownership of at least 75% of net shares acquired via grants of equity-based compensation until they are no longer with the Company. As of the most recent measurement date, all NEOs, non-employee directors and other executives so designated by the Compensation Committee were in compliance with this policy.
Clawback Policy – NEOs are subject to a clawback policy that applies in the event of certain financial restatements.
Mitigation of Undue Risk – Our compensation plans have provisions to mitigate undue risk, including caps on the maximum level of payouts, clawback provisions, and Board and management processes to identify risk. We do not believe any of our compensation programs create risks that are reasonably likely to have a material adverse impact on the Company.
Independent Executive Compensation Consultant – The Compensation Committee worked with an independent executive compensation consultant on matters related to the proxy statement and the Company’s compensation programs and practices. The consultant provided no other services to Tutor Perini.

What We Don’t Do:
No Excise Tax Gross-Ups Upon Change-in-Control – As of September 2013, the Company does not and will not provide any 280G excise tax gross-up benefits upon a change-in-control.
No Repricing of Underwater Stock Options
No Discounted Stock Option Grants
No Permitted Hedging, Short Sales, or Derivative Transactions in Company Stock

Unique Factors Play into our Executive Compensation Decisions and Practices

Over the past several years, Mr. Tutor has been the key driving force—both strategically and operationally—behind the Company's growth and evolution into a stronger, vertically integrated, and broader geographic player in the market. Through several strategic acquisitions and other business decisions, including a refocus from the Las Vegas market to the New York market, Mr. Tutor has transformed the Company from a firm primarily involved in lower-margin building work to one that today boasts a broad nationwide footprint with particular strength in the New York and east coast markets. Our growth is driven today by a large volume of higher-margin civil and specialty contracting opportunities and an increasing volume of larger, complex building project opportunities.

Mr. Tutor's value to the Company is significant. This factors in to the Compensation Committee's decision-making process and plays strongly into the Compensation Committee's views on the appropriateness of Mr. Tutor's compensation.

Tutor Perini is a construction services company that competes with many other companies—both public and private—for projects and for executive talent. Our closest competitors for projects are primarily large privately held firms whose focus and revenues stem largely from construction services and less from providing design and engineering services. In contrast, the revenues of many of the larger publicly traded companies with which we sometimes compete are primarily consulting, design, architecture, and engineering services with some construction-related revenues. Our Board and executive management have found through various succession planning endeavors that overall executive compensation levels at our privately held competitors tend to be higher compared with compensation levels at our publicly traded peers. While Mr. Tutor's compensation is higher than the compensation levels of CEOs at several of the Company's public peers, it is lower than the compensation levels of CEOs at our privately held peers and significantly lower than it was at then privately held Tutor-Saliba.

The construction markets in which the Company operates are inherently cyclical and demand levels fluctuate significantly more than in the markets for consulting, engineering, and design services. Throughout these cycles, we strive to ensure that our executive compensation programs remain consistent with the competitive labor markets for executive talent, especially in comparison with the privately held peers with which we compete for projects and executive talent. The Compensation Committee considers, when available, private company compensation levels and construction market cyclicality and volatility important factors when assessing and understanding the Company's executive compensation programs.

The Company's unique history and evolution has had a substantial impact on the Company's executive compensation views and practices. Tutor Perini was formed through the merger in 2008 between Perini Corp., a publicly held construction company based in Framingham, Massachusetts, and Tutor-Saliba Corp., Mr. Tutor's former privately held construction company based in Sylmar, California. Prior to the merger, Mr. Tutor had been the Chairman and Chief Executive Officer of both companies as a result of the Perini board's request that he assist them in restructuring Perini during a period of extreme financial distress. Mr. Tutor was instrumental in successfully restructuring Perini and returning it to financial health and improved operational performance, while simultaneously growing his successful west coast business. Mr. Tutor's critical role in Perini's corporate survival and return to prosperity was evidenced in 2005 when Forbes magazine named Perini Corp. to its list of the Best Managed Companies in America. When Mr. Tutor later contemplated an initial public offering for Tutor-Saliba, the Perini board asked him to instead consider a merger between the two companies, based on his in-depth knowledge of both companies and the significant scale and synergies that a combination could create. Mr. Tutor agreed and the merger was completed in September 2008. The newly combined company changed its name to Tutor Perini Corporation in 2009.

The success of our diversification and expansion efforts, and of Mr. Tutor's active involvement in our bidding and claims management efforts, continues to be evidenced by the numerous large, complex contract awards received in 2014, as well as by the favorable resolution in 2014 of several key sizable legal disputes. See "2014 Business Highlights" below. Mr. Tutor plays an important role in the review and approval process of bids for many of the Company's larger prospective civil projects. Many of these contracts were won partly as a result of our integrated approach to bidding and executing large projects, which involves fully leveraging all of our civil, building, and specialty contracting capabilities. He also plays an instrumental role in navigating and negotiating the legal processes related to various disputes over our larger claims, unapproved change orders, and other matters.

2014 Business Highlights

The Company experienced another year of strong growth and improved profitability in 2014. During the year, we continued leveraging our broad geographic reach and enhanced self-perform capabilities through our integrated approach to bidding and executing projects, and were rewarded by winning several new major projects, including: two mass transit projects in New York collectively valued at $844 million; a $255 million multi-unit residential tower project in Florida; a $243 million runway reconstruction project in New York; two hospitality and gaming projects in Mississippi and California collectively valued at $225 million; a $211 million healthcare facility project in California; three bridge projects in Wisconsin and Minnesota collectively valued at $181 million; a $120 million retail development project in California; and a $113 million technology building project in California.

As a result of these and other new contract awards and adjustments to existing contracts, we grew our backlog by 12.6% year-over-year to $7.8 billion.

The Company successfully resolved several key sizable, long-standing legal disputes in 2014, including the CityCenter matter and the C-11/Central Artery (Big Dig) dispute, and has since collected the associated cash that had been owed for each.

Overall, the Company’s revenue grew 7.6% in 2014 compared to 2013. The revenue growth was driven by strong performance from our Civil and Specialty Contractors segments, which grew their revenue by 17.0% and 10.1% year-over-year, respectively. Our Building segment’s revenue declined 3.1% in 2014 compared to 2013 due to reduced activity on certain large hospitality and gaming and healthcare projects. Because of the particularly strong revenue growth in our Civil segment, which typically generates the highest margins across our business, we experienced significant growth in income from construction operations in 2014 compared to 2013, and achieved an operating margin of 5.4% for 2014 – the highest operating margin since 2010. The Civil segment delivered an operating margin of 13.1% for the year, up 80 bps compared to its operating margin in 2013. Our Building segment’s operating margin was stable at 1.6% for the year compared to 1.6% in 2013. Our Specialty Contractors segment finished 2014 with an operating margin of 3.9%, which was below longer-term expectations due to lower-than-expected profitability from our mechanical business in New York.

As a result of the Company’s strong financial performance in 2014, each of our NEOs achieved and was paid his incentive compensation award for the year, with the exception of Mr. Band[3]. For more information, see “Incentive Compensation Plan – Annual Awards” starting on page 23.

Importantly, in addition to considering the Company’s continued strong performance in 2014, the Compensation Committee also factored the Company’s strong performance in 2013 – a year in which the Company’s operating income and backlog grew significantly and its share price increased 92% – in its decisions around long-term executive compensation for 2014, 2015, and beyond, including the additional long-term performance-based equity awards granted in 2014 for Messrs. Tutor and Frost and other NEOs (see “Long-Term Incentives” on page 25).

2014 Advisory Vote on Executive Compensation

At our 2014 Annual Meeting of Shareholders, 44% of the votes cast by our shareholders supported the executive compensation of our named executive officers. As such, our shareholders by majority vote did not approve, on a non-binding advisory basis, of the executive compensation of our named executive officers. The Compensation Committee has taken into consideration these vote results in determining executive compensation decisions and policies, and based on this consideration implemented a new relative-return-based performance metric for certain long-term incentive compensation awards (described in greater detail on page 18). In addition, the Company continues its shareholder outreach program to seek feedback regarding our executive compensation policies in order to inform future executive compensation decisions.

Shareholder Outreach Program

Since 2012, we have conducted an ongoing shareholder outreach program to maintain discussions with and glean insights from our large shareholders regarding our executive compensation programs. Additionally, this outreach program is intended to provide insights to our shareholders regarding the Company's unique evolution, history, and position in its industry, and the relative lack of comparability between Tutor Perini and other public companies in terms of its size, focus, and operations. Our outreach program has included several productive discussions regarding certain policy changes the Company has implemented over the past few years in light of its recent advisory votes on executive compensation. Most recently, we invited our top 15 institutional shareholders, who collectively represented more than 50% of our outstanding shares, to a dialogue regarding their views, opinions, and proxy voting guidelines with respect to companies' executive compensation programs and disclosures. As a result of that outreach, we held productive discussions with nine of these shareholders, who represented more than 30% of our shares. The discussions included topics such as CEO compensation, compensation disclosure, equity award vesting periods and performance-based vesting criteria and metrics, board and committee composition, talent management, acquisitions, and succession planning. The participants of Tutor Perini's shareholder outreach team have generally consisted of our Lead Director and prior Compensation Committee Chair, our Chief Financial Officer, and our Vice President of Investor Relations. The Compensation Committee intends to continue this outreach program going forward to facilitate continued shareholder input into the Company's compensation philosophy.

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[3] Mr. Band did not earn his annual bonus because the business unit for which he was responsible did not achieve its performance target.

Summary of Recent Changes to Executive Compensation

The principal change to our executive compensation programs made by the Compensation Committee and the Company following our 2014 Annual Meeting of Shareholders is summarized below. This change was made based upon information gathered from shareholders, executive officers, and Meridian Compensation Partners. The Board and the Compensation Committee will continue to explore additional ways in which Tutor Perini's executive compensation programs can be improved.

New Relative-Return-Based Performance Metric for Certain Long-Term Compensation Awards

In 2014, the Compensation Committee approved a new performance-based metric for the award of certain long-term equity incentives based upon the achievement of a 3-year Total Shareholder Return (TSR) relative to the Company's disclosed peer group. This new relative-return-based metric was applied to two planned grants of performance shares to Mr. Tutor as part of the consideration for his amended and restated employment agreement, which extends his term with the Company through December 31, 2018 (for more details, see "Employment Agreements" on page 35). This new metric was implemented in response to requests by several of the Company's largest shareholders for a relative performance metric to be used for long-term incentive compensation.

The following other changes to our executive compensation program were implemented earlier (prior to our 2014 Annual Meeting of Shareholders):

3-Year Cumulative EPS Metric for Long-Term Equity Compensation Awards

In response to feedback from shareholders during our outreach efforts regarding their preference for a different, longer-term performance metric than an annual pre-tax income metric, in March 2014, the Compensation Committee approved a new performance-based metric for the award of certain long-term equity incentives. The new metric was based upon the achievement of a forward 3-year cumulative consolidated amount of diluted earnings per share (EPS). For the initial measuring year (2014), the level of diluted EPS required to earn the equity bonus was linked to the Company's announced 2014 EPS guidance. For each subsequent year, the target diluted EPS level will be based on a pre-determined annual percentage increase over the prior year's diluted EPS, as specified in each equity award agreement and subject to adjustment at the sole discretion of the Compensation Committee for the financial impact of significant one-time events that are not in the ordinary course of business (e.g., substantial settlements of prior-year claims). The pre-determined annual percentage increase will not change during the performance period of each award.

Under this new performance metric, each of the awards shall be earned on a prorated basis to the following extent:

- 50% of the award earned if 80% of target is achieved
- 100% of the award earned if 100% of target is achieved
- 150% of the award earned if 120% of target is achieved

At the same time this new performance metric was approved, the Compensation Committee approved certain long-term incentive awards recommended by the Chairman and CEO subject to the new metric. These awards consisted of the following, which will vest in March 2017 subject to achievement of the new criteria described above:

- For Mr. Tutor – 150,000 restricted stock units and 150,000 stock options
- For Mr. Frost – 100,000 restricted stock units and 100,000 stock options
- For Mr. Kershaw – 30,000 restricted stock units
- For Mr. Shaw – 30,000 restricted stock units

Additional Incentive Compensation Performance Metric

In alignment with shareholder focus and requests for improved cash generation as discussed during our shareholder outreach programs, and in an effort to increase our internal focus on cash generation while continuing to reward the achievement of pre-tax income performance targets, in 2013 the Company implemented an additional incentive compensation (bonus) performance metric based on the Company's quality of earnings. This metric applies to our key business unit executives and to other employees who qualify for short-term incentive compensation. Historically, one of the significant components of the Company's working capital and cash usage has been the financing of unapproved change orders and claims associated with various projects – both those that are ongoing as well as those that have largely been completed. Given the fact that a significant component of our work is lump sum fixed price, it is important that the Company manages that financial risk by clearly identifying changes in scope and pursuing entitlement to financial recovery through contractual change order processes. While these unapproved change orders and claims are being negotiated and finalized, the Company bears the burden of funding the associated costs. By incorporating a performance metric related to the successful negotiation and resolution of unapproved change orders and claims, over time, the Company expects to strongly motivate key business unit executives and other key project executives to more efficiently manage working capital and accelerate cash generation.

The first step is to assess whether the business unit has achieved its pre-tax income target for the period. If that target has been achieved, the second step is to assess the percentage of pre-tax income associated with unapproved change orders and claims. If the business unit's pre-tax income includes significant unapproved change orders and claims, then full payment of the bonus will not be made until either the change orders have been approved or the Company has successfully negotiated legally enforceable settlements.

Based on this new secondary, quality-of-earnings performance metric, approximately 18% of the total 2014 incentive compensation (bonus) payments to the Company's business units remains unpaid and will only be paid once the metric has been achieved.

Increased Rigor in Performance Goals Related to Long-Term Equity Incentive Compensation

Previously, long-term equity incentive compensation awards based on pre-tax income performance targets set annually by the Compensation Committee were tied to the achievement of a 70% threshold of the target. If the 70% threshold was achieved, 100% of the long-term equity incentive compensation award was earned and paid. In an effort to increase the rigor in performance goals related to our long-term equity incentive compensation, beginning in November 2013, the Company began incorporating sliding-scale award payouts and, in certain cases, a more rigorous (100%) threshold for the achievement and payout of such compensation.

For example, Mr. Tutor's November 2013 award of 75,000 restricted stock units and 75,000 stock options was based on the achievement of between 70% and 100% of the Company's 2014 target consolidated pre-tax income target. Thus, if the Company achieved 70% of this goal in 2014, Mr. Tutor would only earn 70% of the value of these awards, compared to previously having earned and received a full 100% of the value. These sliding-scale award payout provisions apply to the November 2013 incentive compensation awards granted to Messrs. Tutor, Shaw, and Kershaw, as detailed in "Long-Term Incentives" starting on page 25.

For Mr. Frost, his November 2013 award of 50,000 restricted stock units and 50,000 stock options was based on an even more rigorous performance threshold of 100% achievement of the Civil Group's 2014 target pre-tax income goal. This higher performance threshold was implemented by the Compensation Committee to increase the rigor in achieving a high level of performance in the Civil Group, which typically generates the Company's highest margins.

Key Policy Elements of Our Executive Compensation Program

The following are several key policy elements of Tutor Perini's Executive Compensation program:

Excise Tax Gross-Up: As of September 2013, the Company has no agreements in place that would provide excise tax gross-ups to any NEO in the event of a termination following a change-in-control, and the Company will not enter into any new agreements that would provide such gross-ups.

Stock Ownership Policy: The Company maintains a stock ownership policy whereby the Chief Executive Officer and the Chief Executive Officer's direct reports are expected to maintain stock ownership levels dependent on their role. The Chief Executive Officer is subject to a guideline of six times base salary and executive officers that report directly to the Chief Executive Officer are subject to a guideline of three times base salary. In addition, in 2014 the Company implemented a policy requiring stock ownership by its non-employee directors at a level representing at least five times the directors' annual cash retainer.

Stock Retention Policy: The Company maintains a policy requiring the Chief Executive Officer and the Chief Executive Officer's direct reports to maintain ownership of at least 75% of net shares earned through future equity grants until termination of employment.

Clawback Provision: The Company maintains a clawback policy whereby any future short- and long-term incentive awards are subject to a clawback provision allowing the Company to recoup any incentives earned based on financial information that is later restated, in specific circumstances.

Anti-Hedging Provision: The Company maintains an anti-hedging policy that prohibits executive officers from hedging their position relative to Company stock they own.

Double-Trigger Equity Awards: The Company requires that any equity grants made after May 2012 have a "double-trigger," effectively requiring a qualifying termination of employment within 24 months following a change in control for any vesting/payout to be accelerated.

In addition to the changes to the executive compensation plans and programs discussed above, the Compensation Committee continues to maintain and demonstrate a commitment to a pay-for-performance philosophy. All annual bonuses and equity awards are generally performance-based, with the exception of sign-on and promotional awards used to recruit and retain top talent.

Compensation Philosophy

Our executive compensation plans and programs are intended to:

- Provide a competitive pay opportunity to attract and retain the most qualified executive officers and key management employees who have the ability to secure and successfully complete the most profitable projects.
- Provide total target compensation (i.e., the sum of base salary, target bonus opportunity and target long-term incentive opportunity) to our executive officers in or near the upper quartile of market pay particularly with respect to company peers and, in situations involving extraordinary performance and value to the Company, provide compensation to our executive officers that may reach toward the top end of the upper quartile of market pay at the Compensation Committee's discretion.
- Provide annual performance-based cash incentive to each of our executive officers that is aligned with the Company's project business cycle and strategic objectives.
- Provide an appropriate, but significant, mix of performance-based compensation to align our executive officers' interests with the achievement of the Company's operating and financial goals.

In recognition of the cyclicality and variability of the construction industry, we believe that compensation focusing on both variable short-term and long-term corporate goals is appropriate for Tutor Perini and our shareholders. This incentive approach also provides greater rewards for higher performance and has been effective in retaining and motivating our highest-performing key executive talent. As a result, our compensation practices for our NEOs have a significant focus on annual "variable pay" incentive awards. Long-term incentive awards have periodically been granted to select executives when the Compensation Committee has determined an award to be appropriate based upon Company strategic goals, superior performance, and upon the value of the executive to the Company.

The Compensation Committee is guided by the above philosophy when making compensation decisions. The Compensation Committee reviews public and private company market data and evaluates each executive officer's performance and value to Tutor Perini, balanced with providing a competitive pay package to encourage attraction and retention. Lastly, the Compensation Committee considers ways to appropriately focus the efforts of its executives on achieving Tutor Perini's overall corporate goals and business strategies.

Pay for Performance

We believe that the results of the Company's 2014 compensation plan reflect the Company's pay-for-performance philosophy and alignment of its compensation philosophy with shareholder value creation given the variable industry in which we operate. Mr. Tutor's amended employment agreement sets his target incentive cash bonus compensation at 60% of total target cash compensation (i.e., the sum of base salary and target annual bonus opportunity). Target incentive cash bonus compensation for our other executive officers has historically been set at 40-50% of total target cash compensation (depending upon the position). Additionally, all of our periodic equity grants to our executive officers during the past five years have been performance-based with the exceptions of restricted stock unit awards and a stock option award granted to Mr. Kershaw in 2011 and 2012.

The Compensation Committee strives to establish aggressive, but achievable financial goals that motivate our NEOs to attain the levels of prospective work required to grow our business segments, and to effectively manage the execution of our current projects to ensure we achieve maximum profitability, while appropriately managing risk. For example, the consolidated pre-tax income performance target established for 2014 represented growth of approximately 22% in the Company's diluted earnings per share compared to 2013 (calculated on the basis of U.S. generally accepted accounting principles (GAAP)).

Setting Our Executive Compensation

To execute the executive compensation strategy, the Compensation Committee works with management to determine compensation for the NEOs. The Compensation Committee believes that the CEO is best positioned to evaluate the performance of our other NEOs. Accordingly, the Compensation Committee works closely with Mr. Tutor in establishing the compensation of our NEOs, excluding himself. The CEO reviews performance of the executive officers and based on his assessment makes recommendations to the Compensation Committee for approval, based on these parameters: base salary and the opportunity, metrics and targets of our annual cash incentive compensation and our long-term equity awards. The Compensation Committee also reviews the CEO’s performance and, based on his performance, makes pay recommendations to the Board for approval. Additionally, the Compensation Committee reviews competitive external market data. As part of this process, the Compensation Committee regularly receives independent advice and recommendations from Meridian, which serves as the Compensation Committee’s executive compensation consultant.

The Compensation Committee typically reviews base salary, annual incentive compensation opportunities and long-term equity target values for executive officers for the current year at its regularly scheduled March meeting, and assesses this data in relation to market data for the Company’s peer group. Taking into account the Company’s long-term strategy and annual business plan, the Compensation Committee reviews and approves the annual incentive compensation performance targets, as well as our long-term equity award performance targets for awards granted in that year, for executive officers. The Compensation Committee also at its regularly scheduled March meeting reviews performance against the plan provisions and associated expense implications of the annual incentive compensation amounts earned for the previous year, retaining discretion as to the final incentive compensation for subsequent approval. The Compensation Committee may set salary and grant cash incentive awards and equity awards for executive officers at other times to reflect promotions, new hires, or other special circumstances.

Our Compensation Targets

We do not target a specific mix of pay for our executive officers. We set base salary, annual incentive and long-term incentive compensation opportunities and target total compensation annually, in light of our evaluation of the competitive situation. Concurrent with that process we review pay levels for comparator company executives, and each executive officer’s performance and experience. This process provides guideposts for establishing the mix of pay for our executives, in terms of short-term versus long-term compensation and in terms of cash versus equity compensation. As reflected in the following charts, long-term incentive compensation, which we typically grant in the form of performance-based equity awards, made up well over 50% of target total compensation for each of our named executive officers in 2014, reinforcing alignment of our executive officers with our shareholders.

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We tally target total compensation (base salary plus target annual incentives plus target annual long-term incentive value) for each of our executive officers to confirm that it is appropriate for the position, and make adjustments where appropriate. We target executive officers' total compensation to be highly competitive (generally in or near the upper quartile of total pay) relative to our comparator companies. Executive officers then have the potential through incentive compensation to earn actual total compensation at a level that can be well above or below the peer group median, depending upon performance. See page 27 for a summary of how our actual total compensation compares to targeted parameters.

According to data provided by Meridian, as well as Equilar, target total compensation for our named executive officers for 2014 was above the market median range on average. An individual executive's salary, annual incentive opportunity, and long-term incentive opportunity may be higher or lower relative to the competitive market depending on a variety of factors specific to the position or the incumbent.

Peer Group

Annually, the Compensation Committee undertakes a peer group review with the aim of optimizing the Company's peer group for analyzing and determining executive compensation. The peer group companies were selected based on various criteria considered by the Compensation Committee including industry, revenue and market capitalization size, and location. As a result of this peer group review and evaluation, in March 2014, the Compensation Committee approved the continued use of the Company's 2013 peer group for its assessment of executive compensation in 2014. This peer group (referred to as the "2014 peer group") represents the public and private companies with which Tutor Perini competed in 2014 for projects, as well as for executive talent and, unlike a prior peer group which the Company had used from 2010 through 2012, this peer group excludes companies outside the Engineering and Construction industry. The Compensation Committee utilized the 2014 peer group to assess the relative competitiveness of the compensation for the Company's NEOs in 2014 by reviewing market information on peer group NEOs' base salaries, annual cash incentive compensation, and long-term incentive compensation.

The following table shows the companies included in the Company's 2014 peer group:

2014 Peer Group	
AECOM Technology Corp.	KBR, Inc.
The Babcock & Wilcox Co.	Kiewit Corp.*
Chicago Bridge & Iron Co.	McDermott International, Inc.
Dycom Industries	Parsons Corp.*
EMCOR Group, Inc.	PCL Constructors, Inc.*
Flatiron Construction Corp.*	Quanta Services, Inc.
Fluor Corp.	Skanska USA (part of Skanska AB)
Foster Wheeler AG	Sterling Construction Co.
Granite Construction Inc.	Tetra Tech, Inc.
Henkels & McCoy, Inc.*	Turner Construction Co.*
Jacobs Engineering Group, Inc.	URS Corp.

* Privately held peer

In March 2015, the above peer group was modified to remove Foster Wheeler AG and URS Corp., as both of these companies were acquired by other firms in 2014 and, therefore, ceased to exist as standalone companies. The new 2015 peer group, which excludes these two companies, will be used to assess the relative competitiveness of the compensation for the Company's NEOs in 2015.

Elements of Compensation

Our executive compensation program relies on annual cash and stock based compensation to retain and motivate our NEOs. In addition, the Compensation Committee has granted stock based long-term incentive awards when deemed appropriate by the Compensation Committee based on strategic goals, superior performance, and value of the executive to the Company.

Base Salary

We provide market-competitive base salaries to fairly compensate our NEOs for the services that they provide during the year and to assist in retaining our NEOs. Following are the changes made in 2014 to the base salaries of our NEOs:

- For Mr. Frost, a 10.3% increase in base salary (from $725,000 to $800,000) in January 2014, based on merit for his strong performance in managing the Civil Group's revenue and backlog growth and profitability
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For Mr. Shaw, an 8.3% increase in base salary (from $600,000 to $650,000) in January 2014, based on merit for his strong performance in managing the Building Group's improved profitability

- For Mr. Kershaw, a 9.1% increase in base salary (from $550,000 to $600,000) in March 2014, based on merit for his strong performance in managing the Company's finances and to more closely align his salary with that of his peers at comparator companies

No other changes to base salaries were made for any of our other NEOs in 2014.

Effective January 1, 2015, Mr. Tutor's base salary was increased to $1,750,000 under the terms of his 2014 restated and amended employment agreement (see page 35 for further information). Prior to this increase, Mr. Tutor's base salary had not been adjusted since 2008. Mr. Frost's base salary was increased to $1,000,000 effective February 16, 2015, based on his promotion to the position of President and Chief Operating Officer.

Incentive Compensation Plan—Annual Awards

The Compensation Committee believes that providing meaningful cash-based incentives provides executives with focus to achieve the Company's strategic goals. To provide appropriate incentives to our NEOs, between 50% and 60% (depending upon the position) of their target annual cash compensation is comprised of an annual incentive bonus opportunity that is paid only if Tutor Perini achieves pre-established performance goals set by the Compensation Committee.

For the CEO, according to the terms of his employment agreement, Mr. Tutor's target annual bonus opportunity represents 60% of his total target annual cash compensation.

For 2014, the Compensation Committee established a target annual bonus opportunity for each NEO, stated as a percentage of each NEO's base salary. The annual bonus was only payable if Tutor Perini achieved financial performance goals established at the beginning of the performance period by the Compensation Committee. For 2014, if Tutor Perini achieved 80% of the target goal (the "Threshold" as shown in the table below), each NEO would receive 80% of his target annual bonus amount, except for Mr. Tutor, who would receive 100% of base salary as annual bonus. If Tutor Perini achieved between 80% and 100% of this goal, each NEO would receive between 80% and 100% of his target annual bonus amount, except for Mr. Tutor, who would receive between 100% and 150% of base salary as annual bonus. With the exception of Mr. Tutor, each NEO's annual bonus was capped at 100% of his applicable target bonus. Mr. Tutor can earn an annual bonus up to 215% of his base salary if the Company achieves 120% or more of the target goal.

The table below shows the threshold, target and maximum bonus opportunities as a percentage of the executive's base salary:

	Threshold		Target		Maximum	
R. Tutor	100	%	150	%	215	%
M. Kershaw	80	%	100	%	100	%
R. Band	80	%	100	%	100	%
J. Frost	80	%	100	%	100	%
C. Shaw	80	%	100	%	100	%

The dollar amounts corresponding to these percentages are included in the table captioned "Grants of Plan-Based Awards Table" on page 31.

For 2014, the Compensation Committee selected pre-tax income as the applicable performance metric for the annual bonus plan. The rationale for using pre-tax income centers upon the fact that operating results in the construction industry are project-driven, and as a result there may be fluctuations in earnings depending upon the cycle and mix of projects. However, the common goal in managing the Company's operations is the maximization of pre-tax income, which best aligns with the goal of shareholder value creation. Furthermore, the Compensation Committee believes that a focus on pre-tax income maximization encourages executives to both obtain new projects for Tutor Perini and to complete Tutor Perini's projects on a cost efficient basis. The applicable targets set by the Compensation Committee and the actual performance as calculated based on the plan formula for 2014 were as follows:

(Dollars in thousands)	Target Amount ($)	2014 Results (a) ($)	Achievement (%)
Consolidated (applicable to Messrs. Tutor and Kershaw)	191,821	200,924	