

ICAHN ENTERPRISES L.P.
Form DEF 14C
March 06, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14C INFORMATION

**Information Statement Pursuant to Section 14(c) of the
Securities Exchange Act of 1934**

Check the appropriate box:

Preliminary Information Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14c-5(d)(2))

Definitive Information Statement

ICAHN ENTERPRISES L.P.

(Name of Registrant as Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11.

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

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

ICAHN ENTERPRISES L.P.

767 Fifth Avenue, Suite 4700

New York, NY 10153

Telephone: (212) 702-4300

To the holders of depositary units of Icahn Enterprises L.P.:

This information statement is being furnished by the general partner of Icahn Enterprises L.P., a Delaware limited partnership (“Icahn Enterprises,” “we,” or “our”), to the holders of record, at the close of business on March 3, 2017 (the “Record Date”), of the issued and outstanding depositary units representing limited partnership interests in Icahn Enterprises L.P. (the “depositary units”).

We are writing to advise you that on February 14, 2017, the board of directors of our general partner unanimously approved the adoption of the Icahn Enterprises L.P. 2017 Long Term Incentive Plan (the “Plan”), subject to unitholder approval. The effectiveness of the Plan is subject to approval by holders of a majority of depositary units. Effective as of March 3, 2017, Icahn Enterprises obtained Written Consents from holders representing a majority of the issued and outstanding depositary units (the “Written Consents”).

The Written Consents constitute the only limited partner approval required under the Delaware Revised Uniform Limited Partnership Act, the NASDAQ Listing Rules, and our Second Amended and Restated Agreement of Limited Partnership.

The Written Consents will not be effective until the date that is 20 calendar days after the initial mailing of this information statement.

WE ARE NOT ASKING YOU FOR A PROXY, AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

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No action is requested or required on your part. This information statement is being sent to you for information purposes only in accordance with Rule 14c-2 of the Securities Exchange Act of 1934, as amended.

This information statement is being mailed on or about March 6, 2017, to the holders of record of the outstanding depositary units on the Record Date.

Sincerely,

/s/ Keith Cozza

Keith Cozza

President, Chief Executive Officer and Director of Icahn Enterprises G.P. Inc., the general partner of Icahn Enterprises L.P.

ICAHN ENTERPRISES L.P.

767 Fifth Avenue, Suite 4700

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**INFORMATION STATEMENT REGARDING ACTION TAKEN BY WRITTEN CONSENT OF
MAJORITY OF UNITHOLDERS IN LIEU OF A SPECIAL MEETING**

IMPORTANT NOTICE REGARDING

THE AVAILABILITY OF THE INFORMATION STATEMENT

GENERAL

This information statement is being furnished by the general partner of Icahn Enterprises L.P., a Delaware limited partnership (“Icahn Enterprises,” “we,” or “our”), to the holders of record, at the close of business on March 3, 2017 (the “Record Date”), of the issued and outstanding depositary units representing limited partnership interests in Icahn Enterprises L.P. (the “depositary units”).

We are writing to advise you that on February 14, 2017, the board of directors of our general partner unanimously approved the adoption of the Icahn Enterprises L.P. 2017 Long Term Incentive Plan (the “Plan”), subject to unitholder approval. A copy of the Plan is attached as Appendix A to this information statement. The effectiveness of the Plan is subject to approval by holders of a majority of depositary units. Effective as of March 3, 2017, Icahn Enterprises obtained Written Consents from holders representing a majority of the issued and outstanding depositary units (the “Written Consents”).

The Written Consents constitute the only limited partner approval required under the Delaware Revised Uniform Limited Partnership Act, the NASDAQ Listing Rules, and our Second Amended and Restated Agreement of Limited Partnership (the “LPA”).

The Written Consents will not be effective until the date that is 20 calendar days after the initial mailing of this information statement.

WE ARE NOT ASKING YOU FOR A PROXY, AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

No action is requested or required on your part. This information statement is being sent to you for information purposes only in accordance with Rule 14c-2 of the Securities Exchange Act of 1934, as amended.

This information statement is being mailed on or about March 6, 2017, to the holders of record of the outstanding depositary units on the Record Date.

The entire cost of furnishing this information statement will be borne by us. We may also reimburse brokerage firms, banks and other agents for the cost of forwarding copies of this information statement to beneficial owners.

RECORD DATE AND VOTING SECURITIES

Only unitholders of record at the close of business on the Record Date are entitled to notice of the information disclosed in this information statement. As of the Record Date, there were 155,912,253 issued and outstanding depositary units held by 2,201 holders of record. Holders of our depositary units are entitled to one vote per depositary unit.

APPROVAL OF ICAHN ENTERPRISES L.P.

2017 LONG TERM INCENTIVE PLAN

Background

On February 14, 2017, the board of directors of our general partner unanimously approved and adopted the Plan, subject to unitholder approval. The effectiveness of the Plan is subject to approval by holders of a majority of depositary units, which approval was obtained by the Written Consents. The Plan will permit us to grant options, restricted units and other unit-based awards to our (and our affiliates') employees, consultants, members and partners, as well as directors of Icahn Enterprises G.P. Inc. ("Icahn Enterprises GP"), our general partner, in respect of or relating to our depositary units. We may refer to the board of directors of our general partner as the "board of directors."

Maintaining an effective equity compensation program is a key component of achieving our long-term goals. The board of directors of our general partner believes that the Plan will afford us the ability to design compensatory awards that are responsive to our needs, including our ability to continue to attract and retain key employees and directors, motivate such individuals to achieve long-range goals, and allow such individuals to participate in our long-term growth and financial success. The Plan will become effective on the date that is 20 calendar days after the date this Information Statement is first sent or given to our unitholders. We expect that this Information Statement will be first sent or given to our unitholders on or about March 6, 2017. Therefore, we expect that the Plan will become effective on or about March 26, 2017.

Summary of the Plan

The following summary of the material terms of the Plan is qualified in its entirety by reference to the complete text of the Plan as set forth in Appendix A to this Information Statement. Capitalized terms not otherwise defined in this summary have the meanings ascribed to them in the Plan. You should read the complete text of the Plan for more details regarding the operation of the Plan.

The Committee. The board of directors of our general partner will administer the Plan. However, the board of directors of our general partner may delegate such authority, including to a committee or subcommittee of the board of directors. We refer to the board of directors of our general partner or the committee or subcommittee thereof to whom authority to administer the Plan has been delegated, as the case may be, as the "Committee." The Committee will determine who will receive awards under the Plan, as well as the form of the awards, the number of depositary units underlying the awards and the terms and conditions of the awards consistent with the terms of the Plan. The

Committee will have full authority to interpret and administer the Plan in its sole and absolute discretion, which determinations will be final and binding on all parties concerned.

Eligibility. All of our (and our affiliates') employees, consultants, members and partners, as well as the three non-employee directors of our general partner, are eligible to be granted awards under the Plan. As of December 31, 2016, approximately 89,499 employees and 3,557 consultants were performing services for us and/or our affiliates. The total number of persons eligible to receive awards under the Plan is subject to change as the number of individuals in our business is adjusted to meet our operational requirements. Eligibility for the grant of awards and actual participation in the Plan will be determined by the Committee.

Depositary Units Subject to the Plan. The total number of depositary units that are initially available for future grants under the Equity Incentive Plan is 1,000,000. The depositary units underlying any award granted under the Plan that expire, terminate or are cancelled (other than in consideration of a payment) without being settled in depositary units will again become available for awards under the Plan. Awards settled solely in cash do not use depositary units under the Plan.

Options. The Committee may award non-qualified unit options under the Plan. Options granted under the Plan will become vested and exercisable at such times and upon such terms and conditions as may be determined by the Committee at the time of grant, but an option will not be exercisable for a period of more than ten years after it is granted. The option exercise price per depositary unit will be determined by the Committee, but will not be less than 100% of the fair market value per underlying depositary unit on the date of grant. The exercise price may be paid in cash or by check, bank draft or money order payable to the order of Icahn Enterprises or on such other terms and conditions as may be acceptable to the Committee (including, without limitation, the relinquishment of options or by payment in full or in part in the form of depositary units owned by the participant).

Restricted Units. The Committee may award restricted units under the Plan. Recipients of restricted units enter into an agreement with us subjecting the restricted unit awards to transfer and other restrictions and providing the criteria or dates on which such awards vest and such restrictions lapse. The restrictions on restricted unit awards may lapse and the awards may vest over time, based on performance criteria or other factors, as determined by the Committee at grant. Except as otherwise determined by the Committee, a holder of a restricted unit award has all of the attendant rights of a unitholder. However, such holder does not have the right to tender any of the restricted units and any dividends or other distributions payable on the restricted units will not be paid unless and until the restricted units to which they relate vest and are no longer subject to restrictions.

Other Unit-Based Awards. The Committee, in its sole discretion, may grant other unit-based awards to eligible participants that are valued in whole or in part by reference to, or are payable in or otherwise based on or related to, our depositary units, including, but not limited to, depositary units awarded purely as a bonus in lieu of cash and not subject to any restrictions or conditions; depositary units awarded in payment of the amounts due under an incentive or performance plan sponsored or maintained by us or an affiliate; unit appreciation rights; unit equivalent awards; and deferred restricted units valued by reference to book value of our depositary units. Any of these other unit-based awards may be in such form, and dependent on such conditions, as the Committee shall determine.

Adjustments Upon Certain Events. In the event of any change in our capital structure, equity interests or business by reason of any unit split, reverse split, distribution of equity interests, combination or reclassification of depositary units, recapitalization, merger, consolidation, spin off, reorganization or partial or complete liquidation, issuance of rights to purchase depositary units or other equity interests convertible into depositary units, sale or transfer of all or part of our assets or business, or other transaction or event that would be considered an "equity restructuring" within the meaning of FASB ASC Topic 718, then (i) the aggregate number or kind of depositary units or other securities that thereafter may be issued under the Plan, (ii) the number or kind of depositary units or other property (including cash) subject to an award, or (iii) the purchase or exercise price of awards shall be adjusted by the Committee as the Committee determines, in good faith, to be necessary or advisable to prevent substantial dilution or enlargement of the rights of participants under the Plan.

Change in Control. In the event of a change in control (as defined in the Plan), the Plan provides that the Committee may provide that (i) awards, whether or not then vested, may be continued, assumed, have new rights substituted therefor or be required to exercise any award that may be exercised contingent upon the consummation of such change in control, and awards may receive the same distribution as other depositary units on such terms as determined by the Committee, or the Committee may grant additional awards in lieu of any cash distribution; (ii) we (or one of our affiliates) will purchase awards for an amount of cash equal to the price per unit paid in the transaction (as may be adjusted by the Committee as appropriate), less the exercise price per unit of such award, if any, or (iii) appreciation awards may be cancelled without payment therefor, if the price per unit paid in the transaction (as adjusted) is less than the exercise price per unit of such awards. The Committee also may provide for accelerated vesting or lapse of restrictions, of an award at any time.

Transferability. Unless otherwise determined by the Committee, no award granted under the plan will be transferable or assignable by a participant in the Plan, other than by will or by the laws of descent and distribution.

Amendment, Termination and Term. The Committee may amend or terminate the Plan and any award at any time, but no amendment or termination shall be made without the consent of a participant, if such action would substantially impair any of the rights of the participants without their consent under any award theretofore granted to such participants under the Plan; provided, however, that the Committee may amend the Plan or any outstanding awards in such manner as it deems necessary to permit the Plan or outstanding awards to satisfy applicable requirements of the applicable laws. The Plan will have a term of ten years.

United States Federal Income Tax Consequences of Awards

The U.S. federal income tax consequences to Icahn Enterprises and recipients of awards under the Plan are complex and subject to change. The following discussion is only a summary of the general rules applicable to the Plan. Recipients of awards under the Plan should consult their own tax advisors since a taxpayer's particular situation may be such that some variation of the rules described below will apply.

Unit Options. No federal income tax is imposed on the optionee upon the grant of an option to purchase depositary units under the Plan. Generally, upon the exercise of such option, the optionee will be treated as receiving compensation taxable as ordinary income in the year of exercise equal to the excess of the fair market value of the depositary units on the date of exercise over the option price paid for the depositary units. Correspondingly, Icahn Enterprises has a withholding tax obligation with respect to the option-related taxable income realized by the optionee. At the time of exercise, Icahn Enterprises is also entitled to a tax deduction, equal to the amount of income recognized by the optionee upon exercise of the unit option.

Restricted Units. The recipient of a restricted unit award will not recognize income at the time of the award, assuming the restrictions applicable to such award constitute a substantial risk of forfeiture for federal income tax purposes and the recipient does not make an election to include the value of the depositary units in income currently under Section 83(b) of the Internal Revenue Code (an "83(b) election"). When such forfeiture restrictions lapse, the recipient will recognize ordinary income equal to the fair market value of the depositary units on the date the forfeiture restrictions lapse. If the recipient of a restricted unit award makes an 83(b) election, the recipient will recognize ordinary income equal to the fair market value of the depositary units on the date the award is granted. In the event the recipient is an employee, Icahn Enterprises may have an obligation to withhold taxes. At the time a recipient recognizes income in connection with these awards, Icahn Enterprises is entitled to claim a tax deduction equal to a like amount.

Plan Benefits Table

No depositary units have been issued through the date of this information statement under the Plan. The number of such depositary units to be issued under the Plan to the individuals or groups of individuals eligible to receive awards under the Plan, and the net values to be realized upon such issuances, are not determinable, except that Icahn Enterprises has allocated under the Plan, for grant to eligible non-executive officer employee(s) awards having an aggregate value of approximately \$5.6 million.

SECURITY OWNERSHIP OF

CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of March 1, 2017, affiliates of Mr. Icahn, owned 140,524,155 of Icahn Enterprises' depositary units, or approximately 90.1% of Icahn Enterprises' outstanding depositary units. In accordance with the listing rules of NASDAQ, Icahn Enterprises' status as a limited partnership affords Icahn Enterprises an exemption from certain corporate governance requirements which includes an exemption from the requirement to have compensation and nominating committees consisting entirely of independent directors. Icahn Enterprises GP's board of directors presently consists of three independent directors and the audit committee consists entirely of independent directors.

The affirmative vote of unitholders holding more than 75% of the total number of all depositary units then outstanding, including depositary units held by Icahn Enterprises GP and its affiliates, is required to remove Icahn Enterprises GP. Thus, since Mr. Icahn, through affiliates, currently holds approximately 90.1% of Icahn Enterprises' outstanding depositary units, Icahn Enterprises GP will not be able to be removed pursuant to the terms of our partnership agreement without Mr. Icahn's consent. Moreover, under the partnership agreement, the affirmative vote of Icahn Enterprises GP and unitholders owning more than 50% of the total number of all outstanding depositary units then held by unitholders, including affiliates of Mr. Icahn, is required to approve, among other things, selling or otherwise disposing of all or substantially all of our assets in a single sale or in a related series of multiple sales, our dissolution or electing to continue Icahn Enterprises in certain instances, electing a successor general partner, making certain amendments to the partnership agreement or causing us, in our capacity as sole limited partner of Icahn Enterprises Holdings, to consent to certain proposals submitted for the approval of the limited partners of Icahn Enterprises Holdings. Accordingly, as affiliates of Mr. Icahn hold in excess of 50% of the depositary units outstanding, Mr. Icahn, through affiliates, will have effective control over such approval rights.

The following table provides information, as of March 1, 2017, as to the beneficial ownership of the depositary units for each director of Icahn Enterprises GP and all directors and executive officers of Icahn Enterprises GP, as a group. Except for Mr. Icahn, none of our named executive officers or directors beneficially owns more than 5% of Icahn Enterprises' depositary units.

Name of Beneficial Owner	Beneficial Ownership of Icahn Enterprises' Depositary Units	Percent of Class
Carl C. Icahn	140,524,155 (a) (b)	90.1%
Keith Cozza	2,000	*
SungHwan Cho	1,100	*
Jack G. Wasserman	862	*
James L. Nelson	1,292	*
Peter Reck	—	—%
William A. Leidesdorf	—	—%
All Directors and Executive Officers as a Group (seven persons)	140,529,409	90.1%

*Less than 1% of total outstanding depositary units of Icahn Enterprises.

(a) The foregoing is exclusive of a 1.99% ownership interest which Icahn Enterprises GP holds by virtue of its 1% general partner interest in each of us and Icahn Enterprises Holdings.

(b) The following footnotes describe Mr. Icahn's beneficial ownership of Icahn Enterprises' depositary units:

CCI Onshore LLC ("CCI Onshore") beneficially owns 31,704,855 Depositary Units. High Coast Limited Partnership ("High Coast") is the sole member of CCI Onshore. Little Meadow Corp. ("Little Meadow") is the general partner of High Coast. Carl C. Icahn beneficially owns 100% of Little Meadow. Pursuant to Rule (1) 16a-1(a)(2) under the Exchange Act, each of Mr. Icahn, Little Meadow and High Coast (by virtue of their relationships to CCI Onshore) may be deemed to indirectly beneficially own the Depositary Units which CCI Onshore owns. Each of Mr. Icahn, Little Meadow and High Coast disclaims beneficial ownership of such Depositary Units except to the extent of their pecuniary interest therein.

(2) Gascon Partners ("Gascon") beneficially owns 19,264,759 Depositary Units. Little Meadow is the managing general partner of Gascon. Carl C. Icahn beneficially owns 100% of Little Meadow. Pursuant to Rule 16a-1(a)(2) under the Exchange Act, each of Mr. Icahn and Little Meadow (by virtue of their relationships to Gascon) may be deemed to indirectly beneficially own the Depositary Units which Gascon owns. Each of Mr. Icahn and Little Meadow disclaims beneficial ownership of such Depositary Units except to the extent of their pecuniary interest therein.

(3) High Coast beneficially owns 68,599,657 Depositary Units. Little Meadow is the general partner of High Coast. Carl C. Icahn beneficially owns 100% of Little Meadow. Pursuant to Rule 16a-1(a)(2) under the Exchange Act,

each of Mr. Icahn and Little Meadow (by virtue of their relationships to High Coast) may be deemed to indirectly beneficially own the Depositary Units which High Coast owns. Each of Mr. Icahn and Little Meadow disclaims beneficial ownership of such Depositary Units except to the extent of their pecuniary interest therein.

Highcrest Investors LLC ("Highcrest") beneficially owns 15,723,298 Depositary Units. Starfire Holding Corporation ("Starfire") beneficially owns 100% of Highcrest. Carl C. Icahn beneficially owns 100% of Starfire. (4) Pursuant to Rule 16a-1(a)(2) under the Exchange Act, each of Mr. Icahn and Starfire (by virtue of their relationships to Highcrest) may be deemed to indirectly beneficially own the Depositary Units which Highcrest owns. Each of Mr. Icahn and Starfire disclaims beneficial ownership of such Depositary Units except to the extent of their pecuniary interest therein.

Thornwood Associates Limited Partnership ("Thornwood") beneficially owns 5,231,586 Depositary Units. Barberry Corp. ("Barberry") is the general partner of Thornwood. Carl C. Icahn beneficially owns 100% of Barberry. Pursuant to Rule 16a-1(a)(2) under the Exchange Act, each of Mr. Icahn and Barberry (by virtue of their (5) relationships to Thornwood) may be deemed to indirectly beneficially own the Depositary Units which Thornwood owns. Each of Mr. Icahn and Barberry disclaims beneficial ownership of such Depositary Units except to the extent of their pecuniary interest therein.

Does not include 12,000 Depositary Units owned by Gail Golden, the wife of Mr. Icahn. Mr. Icahn, by virtue of (6) his relationship to Ms. Golden, may be deemed to beneficially own such Depositary Units. Mr. Icahn disclaims beneficial ownership of such Depositary Units for all purposes.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The following section provides an overview and analysis of our compensation programs, the compensation decisions we have made under those programs, and the factors we considered in making those decisions. Later in this section, under the heading “Additional Information Regarding Executive Compensation,” we provide a table containing specific information about the compensation earned by the following individuals in 2016, whom we refer to as our named executive officers:

- Carl C. Icahn, Chairman of the Board⁽¹⁾
- Keith Cozza, President and Chief Executive Officer⁽²⁾
- SungHwan Cho, Chief Financial Officer⁽³⁾
- Peter Reck, Chief Accounting Officer

⁽¹⁾ In addition, Mr. Icahn serves as Chief Executive Officer of our subsidiary, Icahn Capital and of Icahn Onshore LP and Icahn Offshore LP.

In addition, Mr. Cozza also serves as the Chief Operating Officer of Icahn Capital, serves as director of Icahn Enterprises and Icahn Enterprises Holdings and holds officer and/or director positions at certain of our other subsidiaries.

⁽³⁾ In addition, Mr. Cho serves as a director of Icahn Enterprises and Icahn Enterprises Holdings.

The discussion below is intended to help you understand the detailed information provided in the table and put that information into context within our overall compensation program.

Overview of Compensation Program

Throughout this narrative discussion and in the accompanying table, we refer to our named executive officers. The key compensation package provided to our named executive officers consists of (i) base salary, (ii) incentive compensation and (iii) other benefits. The key compensation provided to our named executive officers for 2016 consisted of salary and bonuses. See “Additional Information Regarding Executive Compensation - Summary Compensation Table” for the compensation received by each of our named executive officers for 2016. Executive compensation levels and bonuses are established based upon the recommendation of our chairman, which are discussed with members of the board. The board of directors does not delegate the authority to establish executive officer compensation to any other person and has not retained any compensation consultants to determine or

recommend the amount or form of executive and director compensation.

Compensation Philosophy and Objectives

Our executive compensation philosophy is designed to support our key business objectives while maximizing value to our unitholders. The objectives of our compensation structure are to attract and retain valuable employees, assure fair and internally equitable pay levels and provide a mix of base salary and variable bonuses that provides motivation and rewards performance. At the same time, we seek to optimize and manage compensation costs.

The primary components of our executive compensation are base salary and, except as otherwise indicated, annual bonus, payable in cash. Base salary is paid for ongoing performance throughout the year and is determined based on job function and each executive's contribution to our performance and achievement of our overall business objectives. Our annual bonuses are intended to reward particular achievement during the year, motivate future performance and attract and retain highly qualified key employees.

Determination of Appropriate Pay Levels

We compete with many other companies for experienced and talented executives. Although we do not benchmark compensation against a specified peer group of companies, we review and consider market information regarding pay practices in the real estate and finance industries generally in assessing the reasonableness of compensation and ensuring that compensation levels remain competitive in the marketplace.

Each element of compensation is reviewed so that the overall compensation package will attract, motivate and retain our key employees, including our named executive officers, by rewarding superior performance. The following factors are considered to determine the amount of compensation paid to each executive officer:

- overall job performance, including performance against corporate and individual objectives;
- job responsibilities, including unique skills necessary to support our long-term performance, including that of our subsidiaries; and
- teamwork, both contributions as a member of the executive management team and fostering an environment of personal and professional growth for the entire work force.

Determination of Bonuses

We believe that bonuses are an integral component of compensation that is an important way to motivate and reward performance of our employees. We do not have a formula or pre-established policy for determining either salary levels or bonuses; bonuses are discretionary. In addition, in order that we remain competitive in the marketplace, we may review market information regarding pay practices in the real estate and finance industries generally in determining bonuses. Generally, bonuses are determined by various factors, including, but not limited to, the achievement of financial goals and other goals that are determined to be critical to our success, overall job performance, including performance against corporate and individual objectives, job responsibilities and teamwork for each individual.

Allocation of Compensation

There is no pre-established policy or target for the allocation of compensation. As we are a limited partnership and a controlled entity, under the NASDAQ listing rules, our status as a limited partnership exempts us from certain corporate governance rules, including the requirement to maintain a compensation committee. In 2016, the total compensation granted to named executive officers was in the form of cash compensation.

Compensation Components

Base Salary

Base salaries for executive officers are determined based on job performance, job responsibilities and teamwork.

Mr. Icahn is currently an at will employee serving as Chairman of the Board of Icahn Enterprises GP and as Chairman and Chief Executive Officer of Icahn Capital and Chief Executive Officer of Icahn Onshore LP and Icahn Offshore LP. for which he receives an annual base salary of \$1 per annum.

Generally, total compensation is used in determining the amount of contributions permitted under our 401(k) Plan. In addition, base salary may include accrued but unused paid time off ("PTO") days that have been paid in accordance with our PTO policy.

See "Additional Information Regarding Executive Compensation - Summary Compensation Table" for detailed information on the compensation received by each of our named executive officers for 2016.

Bonus

For 2016, Messrs. Cozza, Cho and Reck received discretionary bonuses of \$2,500,000, \$1,200,000 and \$215,000, respectively.

401(k) Plan and Other Benefits

For 2016, Messrs. Cozza, Cho and Reck were our only named executive officers participating in our qualified Icahn Enterprises Holdings 401(k) Plan, or the 401(k) Plan, and thus received matching contributions for 2016. The matching contributions for the respective named executive officer in 2016 are disclosed in our Summary Compensation Table under “All Other Compensation” and in the related footnote. Mr. Icahn was our only named executive who did not participate in the 401(k) Plan for 2016. All of our named executive officers are entitled to receive medical, dental and paid time-off benefits that are offered to all of our employees and are designed to enable us to attract and retain our workforce in a competitive environment. Our 401(k) Plan helps employees save and prepare financially for retirement. Health and paid time-off benefits help ensure that we have a productive and focused workforce.

Our qualified 401(k) Plan allows employees to contribute up to 50% of their eligible compensation, up to the limits imposed by the Internal Revenue Code, as amended on a pre-tax basis. We currently match, within prescribed limits, 50% of eligible employees' contributions up to 6.25% of their eligible compensation. Participants choose to invest their account balances from an array of investment options as selected by plan fiduciaries from time to time. The 401(k) Plan provides distributions in a lump sum. Under certain circumstances, loans and withdrawals are permitted.

Perquisites

The total value of all perquisites and personal benefits (exclusive of 401(k) matching contributions) provided to each of our named executive officers for 2016, 2015 and 2014 was less than \$10,000 per person, except for Mr. Icahn, for whom perquisites and other benefits are identified in the Summary Compensation Table under the “All Other Compensation” column and in related footnotes.

Compensation Committee Report

As stated above, pursuant to exemptions from the NASDAQ listing rules, the board of directors is not required to have, and does not have, a standing compensation committee. The board of directors has reviewed and discussed the Compensation Disclosure and Analysis required by Item 402(b) of Regulation S-K with management. Based on that review and discussion, the board of directors recommended that the Compensation Disclosure and Analysis be included in this Report.

This report is provided by the board of directors:

Carl C. Icahn

Sung Hwan Cho

Keith Cozza

William A. Leidesdorf

James L. Nelson

Jack G. Wasserman

Compensation Committee Interlocks and Insider Participation

During 2016, our entire board of directors, including Mr. Icahn, participated in deliberations concerning executive compensation. During 2016, none of our executive officers served on the compensation committee (or equivalent), or the board of directors, of another entity whose executive officer(s) served on our board of directors.

Additional Information Regarding Executive Compensation

The following table sets forth information in respect of the compensation earned for services to us and/or our subsidiaries by each of our named executive officers for 2016.

Summary Compensation Table

Name and Principal Position	Year	Annual Compensation ⁽¹⁾			Total (\$)
		Salary (\$)	Bonus (\$)	All Other Compensation (\$)	
Carl C. Icahn ⁽²⁾ Chairman of the Board	2016	1	—	104,910	(3) 104,911
	2015	1	—	137,227	(3) 137,228
	2014	1	—	105,532	(3) 105,533
Keith Cozza ⁽⁴⁾ President and Chief Executive Officer	2016	1,557,736	2,500,000	10,779	(3) 4,068,515
	2015	1,569,498	2,500,000	10,466	(3) 4,079,964
	2014	1,505,567	2,000,000	9,284	(3) 3,514,851
SungHwan Cho ⁽⁵⁾ Chief Financial Officer	2016	822,616	1,200,000	10,779	(3) 2,033,395
	2015	649,267	1,200,000	10,562	(3) 1,859,829
	2014	513,466	1,000,000	9,326	(3) 1,522,792
Peter Reck ⁽⁶⁾ Chief Accounting Officer	2016	300,000	215,000	9,774	(3) 524,774
	2015	301,154	215,000	9,801	(3) 525,955
	2014	280,000	210,000	8,514	(3) 498,514

(1) Pursuant to applicable regulations, certain columns of the Summary Compensation Table have been omitted, as there has been no compensation awarded to, earned by or paid to any of the named executive officers by us, any of our subsidiaries or by Icahn Enterprises GP, which was subsequently reimbursed by us, required to be reported in those columns.

(2) The salary indicated above represents compensation paid to Mr. Icahn in each of 2016, 2015 and 2014 for his services as Chief Executive Officer of our subsidiary, Icahn Capital, and of Icahn Onshore LP and Icahn Offshore LP. Mr. Icahn is currently an at will employee serving as Chairman of the Board of Icahn Enterprises GP and as Chairman and Chief Executive Officer of Icahn Capital and Chief Executive Officer of Icahn Onshore LP and

Icahn Offshore LP, for which he currently receives an annual base salary of \$1 per annum. Mr. Icahn does not receive director fees from us.

Represents other compensation paid to the following named executive officers: (i) Carl C. Icahn, \$20,107, \$18,719 and \$17,559, in medical and dental benefits for 2016, 2015 and 2014, respectively; \$955 in life insurance paid by us for both 2016 and 2015 and \$173 for 2014; and in his capacity as the Chairman of the board of directors of Federal-Mogul Holdings LLC, one of our wholly owned subsidiaries ("Federal-Mogul"), \$83,848, \$118,508 and \$87,800 representing the incremental cost of Mr. Icahn's personal use of Federal-Mogul's corporate aircraft for 2016, 2015 and 2014, respectively. Mr. Icahn received no fees or compensation from Federal-Mogul for 2016, 2015 and 2014 other than the use of the corporate aircraft as discussed above. The calculation of incremental cost for the personal use of Federal-Mogul's corporate aircraft includes the variable costs incurred as a result of personal flight activity, which are comprised of a portion of ongoing maintenance and repairs, aircraft fuel, airport fees, catering, and fees and travel expenses for the flight crew. The use of the aircraft for personal use by Mr. Icahn was approved by the board of directors and the Compensation Committee of Federal-Mogul; (ii) Mr. Cho, \$8,438, \$8,221 and \$8,167 in matching contributions under our 401(k) Plan for 2016, 2015 and 2014, (3) respectively; \$1,386, \$1,386 and \$986 in medical and dental benefits paid by us for 2016, 2015 and 2014, respectively; and \$955 in life insurance premiums paid by us for both 2016 and 2015 and \$173 for 2014; (iii) Mr. Reck, \$8,291, \$8,342 and \$7,977 in matching contributions under our 401(k) Plan for 2016, 2015 and 2014, respectively; \$764, \$764 and \$364 in medical and dental benefits paid by us for 2016, 2015 and 2014, respectively; and \$719, \$695 and \$173 in life insurance premiums paid by us for 2016, 2015 and 2014, respectively; (iv) Mr. Cozza, \$8,438 in matching contributions under our 401(k) Plan for 2016, and \$8,125 for both 2015 and 2014; \$1,386 in medical and dental benefits paid by us for 2016, and \$986 for both 2015 and 2014, respectively; \$955 in life insurance premiums paid by us for both 2016 and 2015 and \$173 for 2014. In each of 2016, 2015 and 2014, to the extent that a named executive officer participated in our 401(k) Plan, we made a matching contribution to his individual 401(k) Plan account in the amount of one-half (1/2) of up to the first six and one-quarter (6.25%) percent of eligible compensation (within prescribed limits) contributed by the employee. Mr. Icahn did not participate in the 401(k) plan during 2016, 2015 and 2014 and thus did not receive any matching contributions for those fiscal years.

Mr. Cozza served as Executive Vice President of Icahn Enterprises and Icahn Enterprises Holdings from February 20, 2013 through February 4, 2014. Effective February 5, 2014, Mr. Cozza was appointed as President and Chief Executive Officer of Icahn Enterprises and Icahn Enterprises Holdings. In addition, Mr. Cozza serves as the Chief (4) Operating Officer of Icahn Capital and holds officer and/or director positions at certain of our other subsidiaries. During 2016, Mr. Cozza received a salary of \$1,557,736 and a bonus of \$2,500,000, which was determined based on various factors, including, but not limited to, overall job performance, including performance against corporate and individual objectives, job responsibilities and teamwork.

Mr. Cho served as Chief Financial Officer of Icahn Enterprises and Icahn Enterprises Holdings since March 2012. During 2016, Mr. Cho received a salary of \$822,616 and a bonus of \$1,200,000, which was determined based on (5) various factors, including, but not limited to overall job performance, including performance against corporate and individual objectives, job responsibilities and teamwork. The increase in salary for Mr. Cho in 2016 relative to 2015 was primarily due to his individual job performance, coupled with the fact that Mr. Cho had played a key role with respect to the disposition of American Railcar Leasing, LLC during 2016.

Mr. Reck served as Chief Accounting Officer of Icahn Enterprises and Icahn Enterprises Holdings since March (6) 2012. During 2016, Mr. Reck received a salary of \$300,000 and a bonus of \$215,000 which was determined based on various factors, including, but not limited to overall job performance, including performance against corporate and individual objectives, job responsibilities and teamwork.

There are no family relationships between or among any of our directors and/or executive officers.

Employment Agreements

We currently do not have any employment agreements with our named executives.

Stock Award, Option and Non-Equity Incentive Plans

As of December 31, 2016, we did not have any stock award, option or non-equity incentive plans with respect to our named executives.

Potential Payments Upon Termination or Change in Control

We do not have any employment agreements or other arrangements pursuant to which any of our employees would have received potential payments upon termination or change in control as of December 31, 2016.

Director Compensation

The following table provides compensation information for our directors in 2016, except for Messrs. Icahn, Cho and Cozza. Compensation received by Messrs. Icahn, Cho and Cozza is included in the Summary Compensation Table. Messrs. Icahn, Cho and Cozza did not receive compensation for serving as director of the Icahn Enterprises and Icahn Enterprises Holdings.

Name	Fees Earned or Paid in Cash (\$)	All Other Compensation (\$)	Total (\$)
William A. Leidesdorf	35,000	—	35,000
James L. Nelson			