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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: **January 18, 2017**

ICON Leasing Fund Twelve Liquidating Trust

(Exact Name of Registrant as Specified in Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

000-53189

(Commission File Number)

81-7012783

(I.R.S. Employer Identification No.)

**3 Park Avenue, 36th Floor
New York, New York 10016**

(Address of Principal Executive Offices)

(212) 418-4700

(Registrant's telephone number, including area
code)

ICON Leasing Fund Twelve, LLC

(Former name or former address, if changed since
last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 Regulation FD Disclosure

On or about January 18, 2017, ICON Leasing Fund Twelve Liquidating Trust (the "Liquidating Trust") distributed the 2016 Third Quarter Portfolio Overview (the "Portfolio Overview") of ICON Leasing Fund Twelve, LLC (the "LLC") to the broker-dealers who sold the original membership interests in the LLC. The Liquidating Trust will distribute the Portfolio Overview to the Liquidating Trust's beneficial interest holders on or about January 20, 2017. A copy of the Portfolio Overview is being furnished as Exhibit 99.1 hereto.

The information in this Report is provided under Item 7.01 of Form 8-K and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section.

Item 9.01 Financial Statements and Exhibits

(d) The following exhibit is furnished herewith:

99.1 2016 Third Quarter Portfolio Overview

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ICON LEASING FUND TWELVE LIQUIDATING TRUST
By: ICON CAPITAL, LLC, Managing Trustee

Dated: January 18, 2017

By: /s/ Michael A. Reisner
Michael A. Reisner
Co-President and Co-Chief Executive Officer

ICON Leasing Fund Twelve, LLC

PORTFOLIO OVERVIEW

THIRD QUARTER 2016



ICON
CAPITAL

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As of December 1, 2016




Introduction to Portfolio Overview

We are pleased to present ICON Leasing Fund Twelve, LLC's (the "Fund") Portfolio Overview for the quarter ended September 30, 2016. References to "we," "us," and "our" are references to the Fund, and references to the "Manager" are references to the manager of the Fund, ICON Capital, LLC.

The Fund raised \$347,686,947 commencing with its initial offering on May 7, 2007 through the closing of its offering on April 30, 2009. The Fund entered into its liquidation period on May 1, 2014. During the liquidation period, the Fund began the orderly termination of its operations and has begun, and will continue, to gradually dispose of its assets and/or allow its investments to mature in the ordinary course of business. During the liquidation period, distributions are generated from the sale of our assets and the receipt of rental, finance and other income from our investments. In some months, the distribution may be larger, in some months the distribution may be smaller, and in some months there may not be any distribution.

Dispositions During the Quarter

The Fund disposed of the following investments during the quarter ended September 30, 2016:

	Premier Trailer Leasing, Inc.	Structure: Loan Disposition Date: 8/8/2016 The Fund's Investment: \$10,000,000 Total Proceeds Received: \$12,303,000	Collateral: Trailers
	Bengal Tiger Line Singapore*	Structure: Vessel Disposition Date: 9/20/2016 The Fund's Investment: \$9,874,000 Total Proceeds Received: \$3,596,000	Collateral: Handy-size container vessel
	Golden Sea Shipping Pte. Ltd.*	Structure: Vessel Disposition Date: 9/29/2016 The Fund's Investment: \$9,914,000 Total Proceeds Received: \$3,721,000	Collateral: Handy-size container vessel

*Vessel was previously on charter to Vroon Group B.V.

Portfolio Overview

As of September 30, 2016, our portfolio consisted of the following investments:



Lubricating Specialties Company

Structure:	Loan	Collateral:	Liquid storage tanks, blending lines and packaging equipment
Maturity Date:	8/1/2018	Net Carrying Value:	\$2,643,061 ⁽¹⁾
Current Status:	See Discussion		



Técnicas Marítimas Avanzadas, S.A. de C.V.

Structure:	Loan	Collateral:	Four platform supply vessels
Maturity Date:	8/27/2019	Net Carrying Value:	\$21,002,938 ⁽¹⁾
Current Status:	See Discussion		



Murray Energy Corporation

Structure:	Lease	Collateral:	Mining equipment
Expiration Date:	9/30/2017	Net Carrying Value:	\$1,940,765 ⁽²⁾
Current Status:	Performing		



Blackhawk Mining, LLC




Structure:	Lease	Collateral:	Mining equipment
Expiration Date:	2/28/2018	Net Carrying Value:	\$5,273,991 ⁽³⁾
Current Status:	Performing		



Siva Global Ships Limited

Structure:	Lease	Collateral:	Two liquefied petroleum gas tanker vessels
Expiration Dates:	3/28/2022 4/8/2022	Net Carrying Value:	\$9,050,057 ⁽³⁾
Current Status:	Performing		

Portfolio Overview (Continued)

	<p>Pacific Radiance Ltd.</p>	<p>Structure: Lease Expiration Date: 6/12/2024 Current Status: Performing</p>	<p>Collateral: Offshore supply vessel Net Carrying Value: \$10,134,890 ⁽⁴⁾</p>
	<p>Swiber Holdings Limited</p>	<p>Structure: Lease Expiration Date: 3/23/2017 Current Status: See Discussion</p>	<p>Collateral: A 300-man accommodation and work barge Net Carrying Value: \$9,240,195 ⁽⁴⁾</p>
	<p>Jurong Aromatics Corporation Pte. Ltd.</p>	<p>Structure: Loan Maturity Date: 1/16/2021</p>	<p>Collateral: Equipment, plant, and machinery associated with a condensate splitter and aromatics complex located on Jurong Island, Singapore Net Carrying Value: \$0 ⁽⁵⁾</p>

⁽¹⁾ Net carrying value of our investment in note receivable is the sum of the remaining principal outstanding and the unamortized initial direct costs, less deferred fees.

⁽²⁾ Leased equipment at cost is the cost of the equipment and initial direct costs, less accumulated depreciation and accumulated amortization. Net carrying value of our investment in leased equipment at cost is leased equipment at cost less any outstanding indebtedness associated with the investment.

⁽³⁾ This investment is through a joint venture that we consolidated and presented on our consolidated balance sheets as net investment in finance lease. Net investment in finance lease is the sum of the remaining minimum lease payments receivable, the estimated residual value of the asset and the unamortized initial direct costs, less unearned income. Net carrying value represents our proportionate share of the investment, less any outstanding indebtedness associated with the investment, and includes the recognition of an investment by noncontrolling interests for the share of such investment held by the joint venture's noncontrolling interest holders.

⁽⁴⁾ This investment is through a joint venture that we consolidated and presented on our consolidated balance sheets as leased equipment at cost. Leased equipment at cost is the cost of the equipment and initial direct costs, less accumulated depreciation and accumulated amortization. Net carrying value represents our proportionate share of the investment, less any outstanding indebtedness associated with the investment, and includes the recognition of an investment by noncontrolling interests for the share of such investment held by the joint venture's noncontrolling interest holders.

⁽⁵⁾ Net carrying value of our investment in joint ventures is calculated as follows: investment at cost plus/less our share of the cumulative net income/loss of the joint venture and less distributions received since the date of our initial investment. Our Manager determined to fully reserve the outstanding balance of the loan as of June 30, 2016.

Discussion

Jurong Aromatics Corporation Pte. Ltd.

Jurong Aromatics Corporation Pte. Ltd. (“Jurong”) owns and operates a \$2 billion state-of-the-art aromatics plant. We participated in a subordinated loan in April 2011 alongside Standard Chartered Bank and BP Singapore Pte. Ltd., which was part of a \$2 billion financing package that included over \$500 million in equity from strategic investors. While the plant was completed on time, a combination of industry headwinds, the price decline of energy and other commodities and an economic slowdown in China and India forced Jurong into receivership, as the company did not have the liquidity to continue operations. In July 2016, a tolling arrangement with Jurong’s suppliers was implemented and the plant resumed operations. As part of the receivership process, we are hoping that there will be a restructuring involving the senior lenders, shareholders and trade creditors that will allow us a chance to recover some of our investment.

Técnicas Maritimas Avanzadas, S.A. de C.V.

On August 27, 2014, we, ICON Equipment and Corporate Infrastructure Fund Fourteen, L.P. and ICON ECI Fund Fifteen, L.P., affiliates of our Manager (collectively, “ICON”), advanced Técnicas Maritimas Avanzadas, S.A. de C.V. (“TMA”) a senior secured facility of \$29,000,000 secured by two offshore supply vessels. On November 24, 2014, such facility agreement was amended to allow for a senior secured first lien and second lien structure and to include an additional two offshore supply vessels as security for the facility. A senior secured first lien tranche of \$66,000,000 was funded by an unrelated third party and ICON’s original loan of \$29,000,000 was converted to the senior secured second lien tranche. As a condition to the amendment and increased facility size, TMA was required to have all four vessels under contract by March 31, 2015.

On March 31, 2015, TMA defaulted on the facility because only two of the four vessels had commenced employment. As a result of such default, the senior lender is, among other things, entitled to receive all cash flow from the existing employed vessels to pay interest and reduce its principal balance. Interest on ICON’s tranche is currently being capitalized. While our loan has not been paid in accordance with the facility agreement, our collateral position continues to improve as the principal balance of the senior secured first lien tranche is paid down at a faster rate. In January 2016, the remaining two previously unchartered vessels had commenced employment. Our Manager is currently engaged in discussions with the senior lender and TMA to amend the facility.

Swiber Chateau

On March 24, 2009, we and Swiber Engineering Ltd. (“Swiber”) entered into a joint venture owned 51% by us and 49% by Swiber for the purpose of purchasing the Swiber Chateau. On July 27, 2016, Swiber Holdings Ltd., the parent company of Swiber (“Swiber Holdings”), filed a petition in Singapore to wind up and liquidate the company. On July 29, 2016, Swiber Holdings withdrew its petition for winding up and liquidation and submitted an application for court-supervised judicial management. We are currently in the process of evaluating our rights and remedies under all relevant Singapore judicial management and insolvency laws. Given the structure of the transaction that positions us in a senior position, however, we believe it is likely that we will recover our full investment.

Lubricating Specialties Company

On April 5, 2013, we made a secured term loan in the amount of \$3,870,000 to Lubricating Specialties Company (“LSC”) as part of an \$18,000,000 facility. Our Manager engaged in discussions with LSC management during which it was advised that the liquidity constraints being experienced by LSC is temporary. In addition, LSC management acknowledged its outstanding debt obligations under the loan and the commencement of default interest accruing on such outstanding debt pursuant to the loan agreement. Based on, among other things, the value of the collateral, our Manager continues to believe that all contractual interest and outstanding principal payments are collectible. Our Manager is currently engaged in discussions with LSC regarding a refinancing transaction related to its outstanding debt obligations under the secured term loan.

Performance Analysis

Capital Invested as of September 30, 2016	\$490,644,795
Leverage Ratio	0.62:1*
% of Receivables Collected for the Quarter Ended September 30, 2016	47.09%**

* Leverage ratio is defined as total liabilities divided by total equity.

** Collections as of December 1, 2016. The uncollected receivables relate to our investments with Jurong, TMA, Swiber and LSC.

One of our objectives is to provide cash distributions to our members. In order to assess our ability to meet this objective, unaffiliated broker dealers, third party due diligence providers and other members of the investing community have requested that we report a financial measure that can be reconciled to our financial statements and can be used to assess our ability to support cash distributions from our business operations. We refer to this financial measure as cash available from our business operations, or CABO.

CABO is not equivalent to our net operating income or loss as determined under GAAP. Rather, it is a measure that may be a better financial measure for an equipment fund because it measures cash generated by investments, net of management fees and expenses, during a specific period of time. We define CABO as the net change in cash during the period plus distributions to members and investments made during such period, less the debt proceeds used to make such investments, as well as the net proceeds from equity raised through the sale of interests during such period, if any.

We believe that CABO may be an appropriate supplemental measure of an equipment fund's performance because it is based on a measurement of cash during a specific period that excludes cash from non-business operations, such as distributions, investments and equity raised.

Presentation of this information is intended to assist unaffiliated broker dealers, third party due diligence providers and other members of the investing community in understanding the Fund's ability to support its distributions from its business operations. It should be noted, however, that no other equipment funds calculate CABO, and therefore comparisons with other equipment funds are not meaningful. CABO should not be considered as an alternative to net income (loss) as an indication of our performance or as an indication of our liquidity. CABO should be reviewed in conjunction with other measurements as an indication of our performance.

Performance Analysis (Continued)

Cash Available from Business Operations, or CABO, is the cash generated by investments during a specific period of time, net of fees and expenses, excluding distributions to members, net equity raised and investments made.

Net Change in Cash per GAAP Cash Flow Statement	Business Operations Net cash flow generated by our investments, net of fees and expenses (CABO)	Non-Business Operations Net Equity Raised Cash expended to make investments and Distributions to Members
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As indicated above, the total net change in cash is the aggregate of the net cash flows from Business Operations and the net cash flows from Non-Business Operations. By taking the total net change in cash and removing the cash activity related to Non-Business Operations (distributions, investments and equity raised), the amount remaining is the net cash available from Business Operations (net cash flows generated by investments, net of fees and expenses).

In summary, CABO is calculated as:

- Net change in cash during the period per the GAAP cash flow statement
- + distributions to Members during the period
- + investments made during the period
- debt proceeds to be specifically used to make an investment
- net proceeds from the sale of Interests during the period
- = CABO

**Cash Available From Business Operations
for the Period January 1, 2016 through September 30, 2016**

Cash balance at January 1, 2016	\$	8,404,092	
Cash balance at September 30, 2016	\$	17,810,643	
Net change in cash			\$ 9,406,551
Add Back:			
Distributions paid to members from January 1, 2016 through September 30, 2016			\$ 23,298,603
Investments made during the period			
Investment in joint ventures	\$	12,957	
			\$ 12,957
Cash Available from Business Operations (CABO)			\$ 32,718,111⁽¹⁾

(1) Cash available from business operations includes the collection of principal and interest from our investments in notes receivable and finance leases.

Transactions with Related Parties

We entered into certain agreements with our Manager and CION Securities, LLC, formerly known as ICON Securities, LLC (“CION Securities”), an affiliate of our Manager and the dealer manager for our offering, whereby we pay or paid certain fees and reimbursements to those parties. Our Manager was entitled to receive an organizational and offering expense allowance of 3.5% of capital raised up to \$50,000,000, 2.5% of capital raised between \$50,000,001 and \$100,000,000, 1.5% of capital raised between \$100,000,001 and \$200,000,000, 1.0% of capital raised between \$200,000,001 and \$250,000,000 and 0.5% of capital raised over \$250,000,000. CION Securities was entitled to receive a 2% underwriting fee from the gross proceeds from sales of shares to additional members.

In accordance with the terms of our limited liability company agreement, we pay or paid our Manager (i) management fees ranging from 1% to 7% based on the type of transaction, and (ii) acquisition fees, through the end of the operating period, of 3% of the total purchase price (including indebtedness incurred or assumed and all fees and expenses incurred in connection therewith) of, or the value of the capital assets secured by or subject to, our investments. In addition, our Manager may be reimbursed for administrative expenses incurred in connection with our operations. Administrative expense reimbursements are costs incurred by our Manager or its affiliates that are necessary to our operations.

Our Manager performs certain services relating to the management of our equipment leasing and other financing activities. Such services include, but are not limited to, the collection of lease payments from the lessees of the equipment or loan payments from borrowers, re-leasing services in connection with equipment which is off-lease, inspections of the equipment, liaising with and general supervision of lessees and borrowers to ensure that the equipment is being properly operated and maintained, monitoring performance by the lessees and borrowers of their obligations under the leases and loans, and the payment of operating expenses.

Our Manager also has a 1% interest in our profits, losses, distributions and liquidation proceeds. We paid distributions to our Manager of \$131,976 and \$52,627 for the three months ended September 30, 2016 and 2015, respectively. We paid distributions to our Manager of \$232,986 and \$229,646 for the nine months ended September 30, 2016 and 2015, respectively. Additionally, our Manager’s interest in the net income (loss) attributable to us was \$10,808 and \$(123,094) for the three months ended September 30, 2016 and 2015, respectively. Our Manager’s interest in the net income (loss) attributable to us was \$28,115 and \$(206,606) for the nine months ended September 30, 2016 and 2015, respectively.

Transactions with Related Parties (Continued)

Fees and other expenses incurred by us to our Manager or its affiliates were as follows:

Entity	Capacity	Description	Three Months Ended September 30,		Nine Months Ended September 30,	
			2016	2015	2016	2015
ICON Capital, LLC	Manager	Management fees (1)	\$ 117,369	\$ 431,142	\$ 809,578	\$ 1,135,442
ICON Capital, LLC	Manager	Administrative expense reimbursements (1)	225,055	316,839	843,590	1,068,138
			<u>\$ 342,424</u>	<u>\$ 747,981</u>	<u>\$ 1,653,168</u>	<u>\$ 2,203,580</u>

(1) Amount charged directly to operations.

At September 30, 2016 and December 31, 2015, we had a net payable due to our Manager and affiliates of \$10,378 and \$437,925, respectively, primarily related to administrative expense reimbursements.

Your participation in the Fund is greatly appreciated.

We are committed to protecting the privacy of our investors in compliance with all applicable laws. Please be advised that, unless required by a regulatory authority such as FINRA or ordered by a court of competent jurisdiction, we will not share any of your personally identifiable information with any third party.

Financial Statements
Consolidated Balance Sheets

	September 30, 2016 (unaudited)	December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 17,810,643	\$ 8,404,092
Current portion of net investment in notes receivable	5,861,053	4,102,738
Current portion of net investment in finance leases	6,644,128	6,630,691
Other current assets	5,414,172	3,285,536
Total current assets	<u>35,729,996</u>	<u>22,423,057</u>
Non-current assets:		
Net investment in notes receivable, less current portion	17,784,946	29,411,423
Net investment in finance leases, less current portion	40,704,917	50,580,803
Leased equipment at cost (less accumulated depreciation of \$30,064,511 and \$25,438,880, respectively)	52,794,205	65,743,479
Vessels (less accumulated depreciation of \$2,683,605)	-	5,720,000
Investment in joint ventures	-	12,233,856
Other non-current assets	3,078,363	2,068,911
Total non-current assets	<u>114,362,431</u>	<u>165,758,472</u>
Total assets	<u><u>\$ 150,092,427</u></u>	<u><u>\$ 188,181,529</u></u>
Liabilities and Equity		
Current liabilities:		
Current portion of non-recourse long-term debt	\$ 23,114,661	\$ 6,205,639
Deferred revenue	146,807	158,988
Due to Manager and affiliates, net	10,378	437,925
Accrued expenses and other current liabilities	1,056,378	1,559,498
Current portion of seller's credit	5,000,000	-
Total current liabilities	<u>29,328,224</u>	<u>8,362,050</u>
Non-current liabilities:		
Non-recourse long-term debt, less current portion	19,742,506	41,233,476
Seller's credits	8,105,219	12,747,733
Other non-current liabilities	150,000	150,000
Total non-current liabilities	<u>27,997,725</u>	<u>54,131,209</u>
Total liabilities	<u>57,325,949</u>	<u>62,493,259</u>
Equity:		
Members' equity:		
Additional members	83,236,383	103,518,658
Manager	(2,270,533)	(2,065,662)
Total members' equity	<u>80,965,850</u>	<u>101,452,996</u>
Noncontrolling interests	11,800,628	24,235,274
Total equity	<u>92,766,478</u>	<u>125,688,270</u>
Total liabilities and equity	<u><u>\$ 150,092,427</u></u>	<u><u>\$ 188,181,529</u></u>

Financial Statements

Consolidated Statements of Operations (unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Revenue and other income:				
Finance income	\$ 2,416,693	\$ 3,546,182	\$ 8,531,589	\$ 10,709,698
Rental income	1,705,906	3,532,157	8,770,221	10,596,472
Time charter revenue	927,186	1,219,751	2,960,443	4,184,849
Loss from investment in joint ventures	(4,173)	(3,668,760)	(1,922,968)	(10,351,311)
Gain on sale of investment in joint venture	-	-	2,012,669	-
Gain on sale of vessels	303,943	-	303,943	-
Other income	117,288	-	117,288	-
Total revenue and other income	<u>5,466,843</u>	<u>4,629,330</u>	<u>20,773,185</u>	<u>15,139,708</u>
Expenses:				
Management fees	117,369	431,142	809,578	1,135,442
Administrative expense reimbursements	225,055	316,839	843,590	1,068,138
General and administrative	521,069	553,965	1,864,053	2,077,060
Interest	792,256	1,020,040	2,516,884	3,100,451
Depreciation	1,063,132	2,180,691	4,803,018	6,543,215
Credit loss, net	-	-	-	4,848,978
Impairment loss	3,105,000	10,440,129	8,323,643	10,440,129
Vessel operating	1,384,102	999,825	3,248,348	3,420,581
Litigation expense	-	-	1,209,000	-
Total expenses	<u>7,207,983</u>	<u>15,942,631</u>	<u>23,618,114</u>	<u>32,633,994</u>
Net loss	<u>(1,741,140)</u>	<u>(11,313,301)</u>	<u>(2,844,929)</u>	<u>(17,494,286)</u>
Less: net (loss) income attributable to noncontrolling interests	<u>(2,821,929)</u>	<u>996,098</u>	<u>(5,656,386)</u>	<u>3,106,286</u>
Net income (loss) attributable to Fund Twelve	<u>\$ 1,080,789</u>	<u>\$ (12,309,399)</u>	<u>\$ 2,811,457</u>	<u>\$ (20,600,572)</u>
Net income (loss) attributable to Fund Twelve allocable to:				
Additional members	\$ 1,069,981	\$ (12,186,305)	\$ 2,783,342	\$ (20,394,566)
Manager	10,808	(123,094)	28,115	(206,006)
	<u>\$ 1,080,789</u>	<u>\$ (12,309,399)</u>	<u>\$ 2,811,457</u>	<u>\$ (20,600,572)</u>
Weighted average number of additional shares of limited liability company interests outstanding	<u>348,335</u>	<u>348,335</u>	<u>348,335</u>	<u>348,335</u>
Net income (loss) attributable to Fund Twelve per weighted average additional share of limited liability company interests outstanding	<u>\$ 3.07</u>	<u>\$ (34.98)</u>	<u>\$ 7.99</u>	<u>\$ (58.55)</u>

Financial Statements

Consolidated Statements of Changes in Equity

	Members' Equity					
	Additional Shares of Limited Liability Company Interests	Additional Members	Manager	Total Members' Equity	Noncontrolling Interests	Total Equity
Balance, December 31, 2015	348,335	\$ 103,518,658	\$ (2,065,662)	\$ 101,452,996	\$ 24,235,274	\$ 125,688,270
Net income	-	890,908	8,999	899,907	1,507,635	2,407,542
Distributions	-	(7,499,945)	(75,757)	(7,575,702)	(4,616,409)	(12,192,111)
Balance, March 31, 2016 (unaudited)	348,335	96,909,621	(2,132,420)	94,777,201	21,126,500	115,903,701
Net income (loss)	-	822,453	8,308	830,761	(4,342,092)	(3,511,331)
Distributions	-	(2,500,064)	(25,253)	(2,525,317)	(1,540,487)	(4,065,804)
Balance, June 30, 2016 (unaudited)	348,335	95,232,010	(2,149,365)	93,082,645	15,243,921	108,326,566
Net income (loss)	-	1,069,981	10,808	1,080,789	(2,821,929)	(1,741,140)
Distributions	-	(13,065,608)	(131,976)	(13,197,584)	(621,364)	(13,818,948)
Balance, September 30, 2016 (unaudited)	348,335	\$ 83,236,383	\$ (2,270,533)	\$ 80,965,850	\$ 11,800,628	\$ 92,766,478

Financial Statements

Consolidated Statements of Cash Flows (unaudited)

	Nine Months Ended September 30,	
	2016	2015
Cash flows from operating activities:		
Net loss	\$ (2,844,929)	\$ (17,494,286)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Finance income	(5,179,324)	(5,186,090)
Loss from investment in joint ventures	1,922,968	10,351,311
Depreciation	4,803,018	6,543,215
Interest expense from amortization of debt financing costs	116,599	134,268
Net accretion of seller's credits	357,486	335,293
Impairment loss	8,323,643	10,440,129
Credit loss, net	-	4,848,978
Gain on sale of investment in joint venture	(2,012,669)	-
Gain on sale of vessels	(303,943)	-
Changes in operating assets and liabilities:		
Collection of finance leases	14,909,935	12,152,798
Other assets	(3,138,088)	(2,317,153)
Accrued expenses and other current liabilities	(760,693)	(590,825)
Deferred revenue	(12,181)	(18,432)
Due to Manager and affiliates, net	(427,547)	(2,651,661)
Distributions from joint ventures	264,140	85,420
Net cash provided by operating activities	<u>16,018,415</u>	<u>16,632,965</u>
Cash flows from investing activities:		
Proceeds from sale of vessels	6,104,129	-
Proceeds from exercise of purchase options	-	144,521
Investment in joint ventures	(12,957)	(14,170)
Distributions received from joint ventures in excess of profits	5,275	669,568
Proceeds from sale of investment in joint venture	12,067,099	-
Principal received on notes receivable	10,000,000	24,562,480
Net cash provided by investing activities	<u>28,163,546</u>	<u>25,362,399</u>
Cash flows from financing activities:		
Repayment of non-recourse long-term debt	(4,698,547)	(9,570,047)
Investment by noncontrolling interests	-	57,826
Distributions to noncontrolling interests	(6,778,260)	(5,889,899)
Distributions to members	(23,298,603)	(22,964,518)
Net cash used in financing activities	<u>(34,775,410)</u>	<u>(38,366,638)</u>
Net increase in cash and cash equivalents	9,406,551	3,628,726
Cash and cash equivalents, beginning of period	8,404,092	15,410,563
Cash and cash equivalents, end of period	<u>\$ 17,810,643</u>	<u>\$ 19,039,289</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ 2,066,203</u>	<u>\$ 2,650,246</u>
Supplemental disclosure of non-cash investing and financing activities:		
Balance due from equity investee deemed contribution in investment in joint venture	<u>\$ -</u>	<u>\$ 142,500</u>

Forward Looking Statements

Certain statements within this document may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (“PSLRA”). These statements are being made pursuant to the PSLRA, with the intention of obtaining the benefits of the “safe harbor” provisions of the PSLRA, and, other than as required by law, we assume no obligation to update or supplement such statements. Forward-looking statements are those that do not relate solely to historical fact. They include, but are not limited to, any statement that may predict, forecast, indicate or imply future results, performance, achievements or events. You can identify these statements by the use of words such as “may,” “will,” “could,” “anticipate,” “believe,” “estimate,” “expect,” “continue,” “further,” “plan,” “seek,” “intend,” “predict” or “project” and variations of these words or comparable words or phrases of similar meaning. These forward-looking statements reflect our current beliefs and expectations with respect to future events and are based on assumptions and are subject to risks and uncertainties and other factors outside our control that may cause actual results to differ materially from those projected. We undertake no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Additional Information

“Total Proceeds Received,” as referenced in the section entitled Dispositions During the Quarter, does not include proceeds received to satisfy indebtedness incurred in connection with the investment, if any, or the payment of any fees or expenses with respect to such investment.

A detailed financial report on SEC Form 10-Q or 10-K (whichever is applicable) is available to you. It is typically filed either 45 or 90 days after the end of a quarter or year, respectively. Usually this means a filing will occur on or around March 31, May 15, August 14, and November 14 of each year. It contains financial statements and detailed sources and uses of cash plus explanatory notes. You are always entitled to these reports. Please access them by:

- Visiting www.iconinvestments.com, or
- Visiting www.sec.gov, or
- Writing us at: Angie Seenauth c/o ICON Investments, 3 Park Avenue, 36th Floor, New York, NY 10016

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