ICONIX BRAND GROUP, INC.
Form DEF 14A
August 27, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the**

**Securities Exchange Act of 1934 (Amendment No. )**

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 Pursuant to §240.14a-12

*(Name of Registrant as Specified In Its Charter)*

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**Dear Fellow Stockholders:**

You are cordially invited to attend the 2018 Annual Meeting of Stockholders (the "Annual Meeting") of Iconix Brand Group, Inc. (the "Company" or "Iconix"), which will be held on Thursday, September 27, 2018, at 10:00 a.m., local time, at the offices of the Company, located at 1450 Broadway, Third Floor, New York, New York 10018.

Iconix is proud to be part of your portfolio and the Company thanks you for your support. The Notice of Annual Meeting and proxy statement (the "Proxy Statement"), which follow, describe the business to be conducted at the Annual Meeting.

The board of directors of the Company (the "Board of Directors" or the "Board") has over the last three (3) years restructured the Company's executive compensation and governance policies to respond to stockholder feedback. The Board, the Compensation Committee of the Board (the "Compensation Committee") and the Nominating and Governance Committee of the Board (the "Governance/Nominating Committee") also continue to review the Company's governance and compensation practices and will make additional changes where appropriate. Specifically, our most recent changes include:

*Refreshing the composition of our Board*: This year, we added one new independent director to our Board and committed to decreasing the size of our Board from eight (8) to seven (7) directors. Our newest director brings extensive experience in the areas of global business management, data, consumer insight and governance, and is helping us further develop a complementary mix of key skills on our Board. The qualifications and biographies of all of our directors are provided in the attached Proxy Statement.

*Establishing the Steering Committee:* In July 2018, the Company established an ad hoc Steering Committee (the "Steering Committee"), the purpose of which is to conduct an operational review with respect to the Company's business and operating model. The Steering Committee will periodically make recommendations to the Board regarding actions to be considered in furtherance of this purpose.

Whether or not you will be able to attend the Annual Meeting, it is very important that your shares be represented. We urge you to read the accompanying Proxy Statement carefully and to use the enclosed proxy card to vote for the Board of Directors' nominees, and in accordance with the Board of Directors' recommendations on the other proposals, as soon as possible. You may vote your shares by signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided, whether or not you plan to attend the Annual Meeting. For your convenience, you may also vote your shares via the Internet or by a toll-free telephone number by following the instructions on the enclosed proxy card.

Holders of shares as of the close of business on August 13, 2018, the record date for voting at the Annual Meeting, are urged to submit a proxy card, even if your shares were sold after such date.

If your brokerage firm, bank, dealer or other similar organization is the holder of record of your shares (*i.e.*, your shares are held in "street name"), you will receive voting instructions from the holder of record. You must follow these instructions in order for your shares to be voted. Your broker is required to vote those shares in accordance with your instructions. If you do not give instructions to your broker, your broker can vote your shares with respect to "discretionary" items, but not with respect to "non-discretionary" items. Discretionary items are proposals considered routine under the rules on which your broker may vote shares held in "street name" without your voting instructions. On "non-discretionary" items for which you do not give your broker instructions, the shares will be treated as broker non-votes. For example, under current broker voting rules, any election of a member of the Board of Directors is considered "non-discretionary" and therefore brokers are not permitted to vote your shares held in street name for the election of directors in the absence of instructions from you.

Your vote is very important. Whether or not you plan to attend the Annual Meeting in person, we appreciate a prompt submission of your vote. We hope to see you at the Annual Meeting. On behalf of the Company and your Board of Directors, thank you for your continued support.

Cordially,

**F. Peter Cuneo**

*Executive Chairman and Interim Chief Executive Officer*

August 27, 2018

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on September 27, 2018: The Notice of the Annual Meeting and accompanying Proxy Statement as well as the 2017 Annual Report on Form 10-K are available at: http://www.cstproxy.com/iconixbrand/2018.**

Notice of
Annual Meeting
of Stockholders
**To be held on THURSDAY, SEPTEMBER 27, 2018**

**10:00 a.m., Local Time**

*1450 Broadway, Third Floor, New York, New York 10018*

**To the Stockholders of ICONIX BRAND GROUP, INC.:**

NOTICE IS HEREBY GIVEN that the 2018 Annual Meeting of Stockholders (the "Annual Meeting") of Iconix Brand Group, Inc. (the "Company") will be held on Thursday, September 27, 2018, at 10:00 a.m., local time, at the Company's offices at 1450 Broadway, Third Floor, New York, New York 10018, for the following purposes:

1. To elect six (6) directors to hold office until the next annual meeting of stockholders and until their respective successors have been duly elected and qualified;
2. To ratify the appointment of BDO USA, LLP as the Company's independent registered public accountants for the fiscal year ending December 31, 2018;
3. To approve, by non-binding advisory vote, the resolution approving named executive officer compensation;
4. To approve a proposal to adopt an amendment to the Company's Certificate of Incorporation, as amended, to authorize the Board to effect a reverse stock split of the issued shares of the Company's common stock, $0.001 par value per share, at a reverse stock split ratio of not less than 1-for-5 and not more than 1-for-10; and
5. To transact such other business as may properly come before the Annual Meeting or any adjournment(s) or postponement(s) thereof.

These items of business are more fully described in the proxy statement (the "Proxy Statement") accompanying this Notice of the Annual Meeting.

Only stockholders of record at the close of business on August 13, 2018 are entitled to notice of, and to vote at, the Annual Meeting or any adjournment(s) or postponement(s) thereof. A list of all stockholders entitled to vote at the Annual Meeting will be available for examination at our principal executive office, located at 1450 Broadway, Third Floor, New York, New York 10018, for the ten (10) day period before the date of the Annual Meeting, between 9:00 a.m. and 5:00 p.m., local time, and at the place of the Annual Meeting during the Annual Meeting for any purpose germane to the Annual Meeting.

**PLEASE NOTE THAT ATTENDANCE AT THE ANNUAL MEETING WILL BE LIMITED TO STOCKHOLDERS OF THE COMPANY AS OF THE RECORD DATE (OR THEIR AUTHORIZED REPRESENTATIVES) HOLDING EVIDENCE OF OWNERSHIP. IF YOUR SHARES ARE HELD BY A BANK OR BROKER, PLEASE BRING TO THE ANNUAL MEETING YOUR BANK OR BROKER STATEMENT EVIDENCING YOUR BENEFICIAL OWNERSHIP OF THE COMPANY'S COMMON STOCK TO GAIN ADMISSION TO THE ANNUAL MEETING.**

**YOUR VOTE IS VERY IMPORTANT. EVEN IF YOU PLAN TO ATTEND THE ANNUAL MEETING, WE REQUEST THAT YOU READ THE PROXY STATEMENT AND VOTE YOUR SHARES BY VOTING VIA THE INTERNET OR BY TELEPHONE BY FOLLOWING THE INSTRUCTIONS PROVIDED ON THE ENCLOSED PROXY CARD OR BY SIGNING AND DATING THE ENCLOSED PROXY CARD AND RETURNING IT IN THE POSTAGE-PAID ENVELOPE PROVIDED.**

**Dated: August 27, 2018**

By Order of the Board of Directors,

**F. Peter Cuneo**

*Executive Chairman*

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PROXY STATEMENT

This proxy statement (this "Proxy Statement") is furnished in connection with the solicitation of proxies by the board of directors (the "Board of Directors" or the "Board") of Iconix Brand Group, Inc., a Delaware corporation (the "Company", "Iconix", "we", "us" or "our"), for use at the 2018 Annual Meeting of Stockholders (the "Annual Meeting") to be held on September 27, 2018 at 10:00 a.m., local time, including any adjournment(s) or postponement(s) thereof, for the purposes set forth in the accompanying Notice of the Annual Meeting. The Annual Meeting will be held at the Company's offices, located at 1450 Broadway, Third Floor, New York, New York 10018. For directions to the Annual Meeting, please write to our Secretary at Iconix Brand Group, Inc., 1450 Broadway, Third Floor, New York, New York 10018.

If your shares are held in the name of a bank, broker or other holder of record, you will receive instructions from the holder of record. You must follow the instructions of the holder of record in order for your shares to be voted. Internet voting also will be offered to stockholders owning shares through certain banks and brokers. If your shares are not registered in your own name and you plan to vote your shares in person at the Annual Meeting, you should contact your broker or agent to obtain a legal proxy or broker's proxy card and bring it to the Annual Meeting in order to vote.

Proxies duly executed and returned to the management of the Company, and not revoked, will be voted at the Annual Meeting. Any proxy given may be revoked by the stockholder at any time prior to the voting of the proxy by a subsequently dated proxy or by voting again at a later date on the Internet or by telephone, by written notification of such revocation to the Secretary of the Company, or by personally withdrawing the proxy at the Annual Meeting and voting in person. Only the latest ballot or Internet or telephone proxy submitted by a stockholder prior to the Annual Meeting will be counted.

The address and telephone number of the principal executive offices of the Company are:

1450 Broadway, Third Floor

New York, New York 10018

Telephone No.: (212) 730-0030

OUTSTANDING STOCK AND VOTING RIGHTS

Only stockholders of record at the close of business on August 13, 2018 (the "Record Date") are entitled to notice of and to vote at the Annual Meeting. As of the Record Date, there were issued and outstanding 68,343,711 shares of the Company's common stock, $0.001 par value per share (the "Common Stock"), the Company's only class of voting securities. Each share of Common Stock entitles the holder to one vote on each matter submitted to a vote at the Annual Meeting.

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GENERAL INFORMATION

Revocation of Proxies

You can change your vote or revoke your proxy at any time before it is exercised at the Annual Meeting by doing any of the following:

(1) you can submit a valid proxy with a later date;
(2) you can change your vote via the Internet or by telephone by following the instructions on the enclosed proxy card;
(3) you can notify our Secretary in writing at Iconix Brand Group, Inc., c/o Secretary, 1450 Broadway, Third Floor, New York, New York 10018 that you have revoked your proxy; or
(4) you can vote in person by written ballot at the Annual Meeting. If you are not a record holder of shares, you must provide a "legal" proxy from the record holder in order to vote your shares in person at the Annual Meeting. Simply attending the Annual Meeting will not, by itself, revoke your proxy.

**If your shares are held in "street name" through a broker, bank or other nominee, you need to contact the record holder of your shares regarding how to revoke your proxy.**

Receipt of Multiple Proxy Cards

Many of our stockholders hold their shares in more than one account and may receive separate proxy cards or voting instructions forms for each of those accounts. To ensure that all of your shares are represented at the Annual Meeting, we recommend that you **vote every proxy card you receive**.

VOTING PROCEDURES

You may vote "FOR" the six (6) nominees to the Board of Directors or you may vote "against" any nominee you specify. The directors will be elected by a majority of the votes "cast" at the Annual Meeting (the number of shares voted "for" a director nominee must exceed the number of votes cast "against" that nominee), provided a quorum is present. The reverse stock split proposal will be decided by the affirmative vote of the holders of a majority of the shares of common stock outstanding as of the Record Date. All other matters to be voted upon at the Annual Meeting will be decided by a majority of votes cast for such matter at the Annual Meeting, provided a quorum is present. A quorum is present if at least a majority of the shares of common stock outstanding as of the Record Date are present in person or represented by proxy at the Annual Meeting. Votes will be counted and certified by one or more inspector of elections who are expected to be one or more employees of the Company's transfer agent. In accordance with Delaware law, abstentions, "votes against" and "broker non-votes" (i.e., proxies from brokers or nominees indicating that such persons have not received instructions from the beneficial owner or other person entitled to vote shares as to a matter with respect to which the brokers or nominees do not have discretionary power to vote) will be treated as present for purposes of determining the presence of a quorum.

Stockholders vote by casting ballots (in person or by proxy), which are tabulated by the inspector of elections. Abstentions and broker "non-votes" are included in the number of shares present at the Annual Meeting for quorum purposes. Abstentions will have the same effect as negative votes for purposes of Proposal IV (authorization to effect the reverse stock split), but will not be considered votes "cast" and therefore will have no effect for purposes of

Proposals I, II and III.

Broker "non-votes" are not counted in the tabulations of the votes cast on proposals that constitute "non-routine" or "non-discretionary" matters because stockholders are not considered to be entitled to vote on matters as to which broker authority is withheld. Broker non-votes occur when a beneficial owner of shares held in "street name" does not give instructions to the broker or nominee holding the shares as to how to vote on matters deemed "non-routine." Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the broker or nominee holding the shares. If the beneficial owner does not provide voting instructions, the broker or nominee can still vote the shares with respect to matters that are considered to be "routine," but not with respect to "non-routine" matters. Accordingly, banks, brokers and other nominees have discretionary voting power only with respect to Proposals II (the ratification of the appointment of our auditor) and IV (authorization to effect the reverse stock split), as these are the only proposals considered to be "routine" matters. Banks, brokers and other nominees will not have discretionary voting power with respect to Proposals I (the election of directors) and III (the non-binding advisory vote on named executive officer compensation) in the absence of specific instruction. We encourage all beneficial owners to vote their shares because banks, brokers and other nominees cannot vote on other matters.

Proxies will be voted in accordance with the instructions thereon. Unless otherwise stated, all shares represented by a proxy will be voted as instructed. Proxies may be revoked as noted above.

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**Proposal I** Election of Directors

At the Annual Meeting, six (6) directors will be elected to hold office for a term expiring at the next annual meeting of stockholders, which is expected to be held in 2019, or until their successors have been duly elected and qualified, or until their earlier death, resignation or removal.

At the Annual Meeting, proxies granted by stockholders will be voted individually for the election of the persons listed below as directors of the Company, unless a proxy specifies that it is not to be voted in favor of a nominee for director. Each of the persons named below, whether a current Board member or a nominee for election as a director, has indicated to the Board that he or she will be available to serve on the Board, if elected at the Annual Meeting. The Board recommends that you vote "FOR" the nominees listed below.

When reviewing candidates for our Board, the Nominating and Governance Committee of our Board (the "Governance/Nominating Committee") and the Board consider the evolving strategy of the Company, its operating environment and outlook, as well as the needs of the Board to seek candidates that fill any current or anticipated future needs. The Governance/Nominating Committee and the Board also believe that all directors should possess the attributes described below under "Consideration of Director Nominees by the Board." While the Governance/Nominating Committee does not have a formal policy with respect to diversity, the Board and the Governance/Nominating Committee believe that it is important that Board members represent diverse viewpoints in order to provide the most significant benefits to us. In considering candidates for the Board, the Governance/Nominating Committee and the Board consider the entirety of each candidate's credentials in the context of these standards. With respect to the nomination of continuing directors for re-election, the individual's contributions to the Board are also considered. In addition to the qualities and skills of the directors that are referred to under "Consideration of Director Nominees by the Board," certain individual qualifications and skills of our directors that contribute to the Board's effectiveness as a whole and the qualities that make the individuals suitable to serve on our Board are described in the following paragraphs.

| **Name** | **Age** | **Position with the Company** |
|---|---|---|
| **Justin Barnes**[1] | 53 | Director |
| **F. Peter Cuneo** | 74 | Executive Chairman of the Board and Interim Chief Executive Officer |
| **Drew Cohen**[1,2] | 50 | Lead Director |
| **Mark Friedman**[2,3] | 54 | Director |
| **Sue Gove**[2,3] | 60 | Director |
| **James Marcum**[1,2] | 59 | Director |

(1) Member of the Governance/Nominating Committee.
(2) Member of the Audit Committee of the Board (the "Audit Committee").
(3) Member of the Compensation Committee of the Board (the "Compensation Committee").

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**JUSTIN BARNES**

**Director Since 2018**

**Age 53**

Justin Barnes, 53, has served as Chairman of IBSL Consultancy Limited since 2012, previously served as Head of Brands at Sports Direct from 2006 to 2008, and previously worked with Sports Direct as a consultant for a number of years. Mr. Barnes is also a chartered trademark attorney and has significant experience in the field of intellectual property law. The Board of Directors believes that Mr. Barnes, with his extensive background and significant experience in brand management, retail, wholesale distribution, licensing and intellectual property law, adds key experience and viewpoints to our Board of Directors.

**F. PETER CUNEO**

**Director Since 2006**

**Age 74**

**Executive Chairman and Interim Chief Executive Officer**

F. Peter Cuneo has served as our Executive Chairman of the Board of Directors since December 2017 and from April 2016 until December 2016. Since August 2015, and while not serving as Executive Chairman, Mr. Cuneo has served as our Chairman of the Board. He also served as our Interim Chief Executive Officer from August 2015 until April 2016 and again since June 15, 2018. Mr. Cuneo has served on our Board of Directors since October 2006. From June 2004 through December 2009, Mr. Cuneo served as the Vice Chairman of the board of directors of Marvel Entertainment, Inc. ("Marvel Entertainment"), a publicly traded entertainment company active in motion pictures, television, publishing, licensing and toys, and prior thereto, he served as the President and Chief Executive Officer of Marvel Entertainment from July 1999 to December 2002. Mr. Cuneo has also served as the Chairman of Cuneo & Co., L.L.C., a private investment firm, since July 1997 and previously served on the board of directors of WaterPik Technologies, Inc., a New York Stock Exchange company engaged in designing, manufacturing and marketing health care products, swimming pool products and water-heating systems, prior to its sale in 2006. From October 2004 to December 2005, he served on the board of directors of Majesco Entertainment Company, a provider of video game products primarily for the family-oriented, mass-market consumer. Mr. Cuneo received a Bachelor of Science degree from Alfred University in 1967 and currently serves as the Chairman of the Alfred University Board of Trustees. Mr. Cuneo received a Masters degree in business administration from Harvard Business School in 1973. The Board of Directors believes that Mr. Cuneo, with his extensive business and financial background and significant experience as an executive of Marvel Entertainment, an owner and licensor of iconic intellectual property, contributes important expertise to our Board of Directors.

**DREW COHEN**

**Director Since 2004**

**Age 50**

**Lead Director**

Drew Cohen has served on our Board of Directors since April 2004. From August 2015 until April 2016, and since September 2016, Mr. Cohen has served as our Lead Director. Since 2007, he has been the President of Music Theatre International ("MTI") and currently serves as its Chief Executive Officer and President. MTI represents the dramatic performing rights of classic properties, such as "West Side Story" and "Fiddler on the Roof," and licenses over 50,000 performances a year around the world. Before joining MTI in September 2002, Mr. Cohen was, from July 2001, the director of investments for Big Wave NV, an investment management company, and, prior to that, General Manager for GlassNote Records, an independent record company. Mr. Cohen received a Bachelor of Science degree from Tufts University in 1990, his Juris Doctor degree from Fordham Law School in 1993, and a Master's degree in business administration from Harvard Business School in 2001. The Board believes that Mr. Cohen's legal and business background, and experience as an executive in an industry heavily involved in the licensing business, make him well suited to serve on our Board.

**MARK FRIEDMAN**

**Director Since 2006**

**Age 54**

Mark Friedman has served on our Board of Directors since October 2006. Mr. Friedman has been a Managing Partner at The Retail Tracker, an investment advisory and consulting firm since May 2006. From 1996 to 2006, Mr. Friedman was with Merrill Lynch, serving in various capacities, including group head of its U.S. equity research retail team where he specialized in analyzing and evaluating specialty retailers in the apparel, accessory and home goods segments. Prior to joining Merrill Lynch, Mr. Friedman specialized in similar areas for Lehman Brothers Inc. and Goldman, Sachs & Co. Mr. Friedman has been ranked on the Institutional Investor All-American Research Team as one of the top-rated sector analysts. He received a Bachelor of Business Administration degree from the University of Michigan in 1986 and a Master's degree in business administration from The Wharton School, University of Pennsylvania in 1990. The Board of Directors believes that Mr. Friedman, with his extensive business background and investment banking experience, adds key experience and viewpoints to our Board of Directors.

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**SUE GOVE**

**Director since 2014**

**Age 60**

Sue Gove has served on our Board of Directors since October 2014. Ms. Gove has been the President of Excelsior Advisors, LLC since May 2014 and has also been retained as a Senior Advisor at Alvarez & Marsal. Ms. Gove had served as the President of Golf Smith International Holdings, Inc. from February 2012 through April 2014 and as Chief Executive Officer from October 2012 through April 2014. Previously, she was Chief Operating Officer of Golfsmith International Holdings, Inc. from September 2008 through October 2012, Executive Vice President from September 2008 through February 2012 and Chief Financial Officer from March 2009 through July 2012. Ms. Gove previously had been a self-employed consultant from April 2006 until September 2008, serving clients in specialty retail and private equity. She was Executive Vice President and Chief Operating Officer of Zale Corporation from 2002 to March 2006 and a director of Zale Corporation from 2004 to 2006. She was Executive Vice President, Chief Financial Officer of Zale Corporation from 1998 to 2002 and remained in the position of Chief Financial Officer until 2003. Ms. Gove served as a director of AutoZone, Inc. from 2005 to 2017, and has served as a director of Logitech International since September 2015 and a director of Tailored Brands, Inc. since August 2017. Ms. Gove received a Bachelor of Business Administration degree from the University of Texas at Austin. The Board believes that Ms. Gove’s financial background and extensive experience in executive management positions with leading retailers adds key insight and knowledge to our Board.

**JAMES A. MARCUM**

**Director since 2007**

**Age 59**

James A. Marcum has served on our Board of Directors since October 2007. Since January 2016, Mr. Marcum has served as a Senior Operating Partner for an affiliate of Apollo Global Management Holdings, LLC. Prior to that, Mr. Marcum served as an Operating Partner and Operating Executive of Tri-Artisan Capital Partners, LLC, a merchant banking firm, positions he held from December 2014 to January 2016. From August 2013 to December 2014, Mr. Marcum served as Chief Executive Officer, President and Director of Heartland Automotive Services, Inc., the nation’s largest franchisee of Jiffy Lubes. From February 2010 through December 31, 2012, Mr. Marcum served as the Chief Executive Officer, President and Director of Central Parking Corporation, a nationwide provider of professional parking management. From September 2008 to January 2010, Mr. Marcum served as Vice Chairman, Acting President and Chief Executive Officer of Circuit City Stores, Inc., a specialty retailer of consumer electronics where Mr. Marcum had also served as a member of the board of directors since June 2008. Circuit City Stores, Inc. filed for bankruptcy in November 2008. Prior to Circuit City Stores Inc., Mr. Marcum served in several other notable board capacities and senior executive roles, including roles as Lead Director, CEO, COO and CFO for a variety of nationwide specialty retailers, both public and private. He received a Bachelor of Science degree from Southern Connecticut State University in accounting and economics in 1980. The Board of Directors believes that Mr. Marcum’s contributions to the Board of Directors are well served by his extensive business background and his experience as a corporate executive of national retail establishments.

Agreement with Sports Direct

On July 25, 2018, the Company entered into a cooperation agreement (the "Agreement") with Sports Direct, which beneficially owned 5,664,115 shares of Common Stock on such date. The following summary does not purport to be complete and is qualified in its entirety by reference to the Agreement, a copy of which is attached as Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on July 27, 2018.

Pursuant to the Agreement, the Company agreed that the Board would (i)(x) appoint Mr. Barnes, an individual designated by Sports Direct (the "Initial Investor Director"), as a director of the Company to serve until the Annual Meeting and (y) designate James Marcum as an additional director identified by Sports Direct (the "Additional Investor Director" and, together with the Initial Investor Director, the "Investor Directors"); and (ii) the Board would nominate each of the Investor Directors on its slate of nominees for election as directors of the Company at the Annual Meeting. Under the terms of the Agreement, the Company further agreed that its slate of nominees for election as directors of the Company at the Annual Meeting would consist of not more than six (6) director nominees, including the Initial Investor Director, the Additional Investor Director, F. Peter Cuneo, Sue Gove, Mark Friedman and Drew Cohen; provided that, notwithstanding the foregoing, the Company's slate of nominees for election as directors of the Company at the Annual Meeting may consist of seven (7) director nominees if the Company's permanent Chief Executive Officer is identified and appointed prior to the mailing date of the Company's proxy statement for the Annual Meeting. The Company also agreed to use its reasonable best efforts to (i) hold the Annual Meeting no later than October 1, 2018 and (ii) hold the Company's 2019 annual meeting of stockholders (the "2019 Annual Meeting") prior to May 31, 2019.

Under the terms of the Agreement, the Company also agreed that (i) the Board would appoint the Initial Investor Director to each of the Governance/Nominating Committee and the ad hoc CEO Search Committee of the Board (the "Search Committee") and (ii) the Additional Investor Director would continue to serve as a member of the Audit Committee. Pursuant to the Agreement, the Company also agreed that, in connection with the Board's identification and appointment of a permanent Chief Executive Officer of the Company, (A) the Initial Investor Director will have a reasonable opportunity to participate as a member of the Search Committee and to interview any candidate being seriously considered by the Board for appointment as the Company's permanent Chief Executive Officer, (B) the Search Committee will not make a determination or recommendation to the Board with respect to the appointment of the Company's permanent Chief Executive Officer and the Company will not take any action or enter into any agreement to appoint the Company's permanent Chief Executive Officer prior to the date that is the later of sixty (60) days from the date of the Agreement and five (5) days after the Annual Meeting, unless the Search Committee makes a unanimous recommendation to the Board regarding appointment of the Company's permanent Chief Executive Officer prior to such date, and (C) the Board will consider in good faith the views of each of the Investor Directors regarding the skill sets and qualifications required of the Company's permanent Chief Executive Officer.

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Additionally, the Company agreed to establish, and did establish, a non-Board steering committee (the "Steering Committee") to undertake an operational review of the Company's business. The Steering Committee, which will remain in effect during the Standstill Period (and, if determined by the Board, thereafter), will initially consist of each of the Investor Directors, Messrs. Friedman and Cuneo, Ms. Gove and the Company's new permanent Chief Executive Officer, once identified and appointed. Pursuant to its charter, the Steering Committee will have authority to make recommendations to the full Board regarding actions related to certain operational matters to be considered in furtherance of the Steering Committee's purpose, which the Board will have the sole right to review and approve or reject.

The Company has also agreed that during the Standstill Period, for so long as Sports Direct beneficially owns at least four percent (4.0%) of the then-outstanding Common Stock (the "Minimum Ownership Threshold"), Sports Direct will have the right to designate one (1) individual (who resides in the United States of America) as a non-voting observer (the "SDI Adviser") to attend any meetings of the Board, any of its committees or the Steering Committee, subject to certain exceptions.

The Agreement further provides that Sports Direct, during the period from the date of the Agreement until the earlier of (i) the date that is thirty (30) days prior to the deadline for the submission of stockholder nominations for directors for the 2019 Annual Meeting pursuant to the Company's By-Laws, (ii) the date that is thirteen (13) months after the date of the Annual Meeting, (iii) the date of any breach by the Company in any material respect of its obligations under the Agreement (subject to a cure period and other exceptions) and (iv) upon written notice from Sports Direct to the Company following the announcement by the Company of a definitive agreement (or the intent to enter or seek to enter into a definitive agreement) with respect to any Extraordinary Transaction (as defined below) (the "Standstill Period"), will not, among other things, (i) acquire securities in the Company, which would result in Sports Direct having beneficial ownership interest of fifteen percent (15.0%) or more of the then-outstanding shares of Common Stock; (ii) engage in any short sale or other similar agreement; (iii) publicly propose or seek to effect (a) any tender or exchange offer for the Company's securities or any merger, recapitalization, restructuring, extraordinary dividend, significant share repurchase, issuance of fifteen percent (15%) or more of the Company's then-outstanding equity or similar transactions involving the Company (each, an "Extraordinary Transaction") or (b) any acquisition, sale or disposition of a business or assets representing either (x) ten percent (10%) or more of the fair market value of assets of the Company or of the market capitalization of the Company or (y) twenty five percent (25%) or more of the Company's revenues for the most recent twelve (12) month period (subject to certain exceptions described in the Agreement); (iv) make a stockholder proposal or seek any form of proxy with respect to the removal, election or appointment of any person to the Board; (v) deposit any Common Stock in any voting trust or similar arrangement with a third party; (vi) publicly seek additional representation on the Board or the removal of any member of the Board or encourage any person to submit nominees in furtherance of a contested election; or (vii) make any public disclosure regarding any plan that relates to the Board, the Company, its management or policies, any of its securities or assets or any of its businesses or strategy that would be inconsistent with the Agreement.

Additionally, if (A) either of the Investor Directors (or any replacement director therefor) is unable or unwilling to serve, resigns or is removed as a director of the Company or (B) Sports Direct notifies the Additional Investor Director and the Board that Sports Direct desires that the Additional Investor Director resign from the Board, in each case, prior to the expiration of the Standstill Period, and at such time Sports Direct beneficially owns at least the Minimum Ownership Threshold, then Sports Direct will be able to recommend a replacement director in accordance with the terms of the Agreement. Pursuant to the Agreement, Sports Direct has also agreed that both of the Investor Directors will resign from the Board and all applicable committees of the Board (subject to the Board accepting such resignation), if (i) at any time Sports Direct's aggregate beneficial ownership of Common Stock is less than the Minimum Ownership Threshold or (ii) Sports Direct or any of its affiliates nominates one or more director candidates for election to the Board at the 2019 Annual Meeting.

Sports Direct has further agreed that it will vote all shares of Common Stock beneficially owned by Sports Direct (x) in favor of (i) the slate of directors recommended by the Board at the Annual Meeting and (ii) the Company's reverse stock split proposal and (y) in accordance with the Board's recommendation with respect to any other proposal presented at the Annual Meeting; provided, however, that if Institutional Shareholder Services Inc. ("ISS") issues a recommendation against the Board's position, Sports Direct will have the right to vote in accordance with such ISS recommendation.

Each of the parties to the Agreement also agreed to customary mutual non-disparagement obligations. The Company and Sports Direct also agreed to enter into a customary confidentiality agreement to permit the Initial Investor Director, directors who replace the Investor Directors (if applicable) and the SDI Adviser to share certain material, non-public information of the Company with Sports Direct, subject to the terms of such confidentiality agreement.

The Company further agreed to reimburse Sports Direct for all of its reasonable and documented out-of-pocket fees and expenses (including legal fees) incurred in connection with its director nominations, the Annual Meeting, the negotiation and execution of the Agreement, analysis of the corporate governance, debt, and executive compensation of the Company, and all related activities and matters, up to a maximum of $475,000 in the aggregate.

## Board Independence

Our Board of Directors has determined that Messrs. Barnes, Cohen, Friedman and Marcum and Ms. Gove are each an "independent director" under the applicable Marketplace Rules of The Nasdaq Global Market ("NASDAQ").As more fully described below under "Corporate Governance," in connection with the August 2015 resignation of our former Chairman, President and Chief Executive Officer, Mr. Cuneo was appointed Interim Chief Executive Officer and Chairman of the Board. In connection with his appointment as Interim Chief Executive Officer, Mr. Cuneo resigned from his positions as chair of the Audit Committee and member of the Compensation Committee. Additionally, in connection with the foregoing the Board appointed Mr. Cohen as Lead Director of our Board. Mr. Cuneo became Executive Chairman of the Board on April 1, 2016, following the Company's entry into an employment agreement with John Haugh, as the Company's President effective February 23, 2016 and also as Chief Executive Officer effective

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April 1, 2016. Mr. Cuneo ceased serving as Executive Chairman on December 31, 2016, and served as our Chairman of the Board from January 1, 2017 to December 18, 2017, when he was again appointed to serve as Executive Chairman. In connection with John Haugh's departure from the Company, Mr. Cuneo was appointed by the Board as Interim Chief Executive Officer on June 15, 2018 and continued to serve as Executive Chairman.

Board Attendance at Stockholder Meetings

Members of the Board are encouraged to attend annual meetings of stockholders. All of the directors then serving on our Board of Directors attended last year's annual meeting of stockholders.

Communications with the Board

Our Board, through its Governance/Nominating Committee, has established a process for stockholders to send communications to the Board. Stockholders may communicate with members of the Board individually or as a group by writing to: The Board of Directors of Iconix Brand Group, Inc. c/o Secretary, 1450 Broadway, Third Floor, New York, New York 10018. Stockholders should identify their communication as being from a stockholder of the Company. The Secretary may require reasonable evidence that the communication or other submission is made by a stockholder of the Company before transmitting the communication to the Board.

Consideration of Director Nominees by the Board

Stockholders of the Company wishing to recommend director candidates to the Governance/Nominating Committee for election to our Board at next year's annual meeting of stockholders must submit their recommendations in writing to the Governance/Nominating Committee, c/o Secretary, Iconix Brand Group, Inc., 1450 Broadway, Third Floor, New York, New York 10018.

The Governance/Nominating Committee will consider nominees recommended by the Company's stockholders; provided that the recommendation contains sufficient information for the Governance/Nominating Committee to assess the suitability of the candidate, including the candidate's qualifications, name, age and business and residence addresses. Candidates recommended by stockholders that comply with these procedures will receive the same consideration that candidates recommended by the Governance/Nominating Committee receive. The recommendations must also state, among other items set forth in the By-Laws, the name and record address of the stockholder who is submitting the recommendation, and the class and number of shares of Common Stock beneficially owned by the stockholder. Each nomination is also required to set forth a representation that the stockholder making the nomination is a holder of record of capital stock of the Company entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to vote for the person or persons nominated; a description of all arrangements and understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination was made by the stockholder; such other information regarding each nominee proposed by such stockholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the SEC in connection with the solicitation of proxies for the election of directors in a contested election; and the consent of each nominee to serve as a director of the Company if so elected. A nomination that does not comply with the above requirements or that is not received by the deadline referred to below in "Deadline and Procedures for Submitting Director Nominations" will not be considered.

The qualities and skills sought in prospective members of the Board are determined by the Governance/Nominating Committee. The Governance/Nominating Committee generally requires that director candidates be qualified individuals who, if added to the Board, would provide the mix of director characteristics, experience, perspectives and skills appropriate for the Company. Criteria for selection of candidates will include, but not be limited to: (i) business and financial acumen, as determined by the Governance/Nominating Committee in its discretion, (ii) qualities reflecting a proven record of accomplishment and ability to work with others, (iii) knowledge of our industry, (iv) relevant experience and knowledge of corporate governance practices and (v) expertise in an area relevant to the Company. Such persons should not have commitments that would conflict with the time commitments of a director of the Company.

Deadline and Procedures for Submitting Director Nominations

A stockholder wishing to nominate a candidate for election to our Board at next year's annual meeting of stockholders is required to give written notice of his or her intention to make such a nomination containing the required information specified above and in the By-Laws addressed to the Governance/Nominating Committee, c/o Secretary, Iconix Brand Group, Inc., 1450 Broadway, Third Floor, New York, New York 10018. The notice of nomination and other required information must be received by our Secretary in accordance with the dates set forth in the section below entitled "Stockholder Proposals for 2019 Annual Meeting and Other Information—Director Nominations, Proposal for Action and Other Business Brought Before the Annual Meeting."

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## CORPORATE GOVERNANCE

### Board of Directors Leadership Structure

On August 5, 2015, our former Chief Executive Officer, President and the Chairman of our Board of Directors resigned from such positions as well as from our Board. On August 6, 2015, the Board appointed F. Peter Cuneo, a current director and our current Executive Chairman, as Interim Chief Executive Officer and Chairman of the Board of Directors. In connection with his appointment to the Interim Chief Executive Officer position, Mr. Cuneo resigned from his positions as Audit Committee Chairperson and as a member of the Compensation Committee, to ensure that all members of our committees would continue to be independent under the NASDAQ and SEC standards applicable to members of such committees. Sue Gove, a current director, was appointed as the Audit Committee Chairperson and as a member of the Compensation Committee.

In February 2016, the Company entered into an employment agreement with John Haugh to serve as the Company’s Chief Executive Officer effective April 1, 2016 and, as previously noted, Mr. Cuneo transitioned into the Executive Chairman role at such time. The Board believes that having separate Executive Chairman and Chief Executive Officer roles will provide an enhanced governance framework for our Company going forward and we expect that this new leadership structure will promote the long-term success of our Company, both for our employees and for our stockholders.

Additionally, on August 6, 2015, the Board appointed Drew Cohen, a current director, to the then newly created position of Lead Director, to serve for as long as Mr. Cuneo served as Interim Chief Executive Officer. Mr. Cohen ceased serving as Lead Director once Mr. Cuneo transitioned from the Interim Chief Executive Officer role in April 2016. However, in an effort to ensure we have a corporate governance structure consistent with best practices, the Board thereafter determined to retain the Lead Director position, and on September 26, 2016, the Board reappointed Mr. Cohen to the Lead Director role. The Lead Director’s primary responsibility is to act as the chief of all directors and manage all Board functions.

On December 17, 2017, Mr. Cuneo was appointed to serve as Executive Chairman, to focus on and evaluate strategic opportunities, oversee the financial and legal functions and work toward stabilizing the Company’s balance sheet.

As of June 15, 2018, Mr. Haugh was no longer employed as our Chief Executive Officer and President, or a member our Board of Directors. On June 15, 2018, the Board appointed F. Peter Cuneo, a director and our Executive Chairman, as Interim Chief Executive Officer.

The Board of Directors is actively conducting a search for a permanent Chief Executive Officer. Once that search has been completed, the Board of Directors expects to implement the separation of the Chairman and Chief Executive

Officer roles.

Risk Management

The Board has an active role, as a whole and also at the committee level, in overseeing management of the Company's risks. The Board regularly reviews information regarding the Company's credit, liquidity, proposed acquisitions and operations, as well as other risks associated with the Company's business. The Compensation Committee is responsible for overseeing the management of risks relating to the Company's executive compensation plans and arrangements, as well as all of the Company's benefit plans. The Audit Committee oversees management of financial risks and potential conflicts of interest with related parties. The Governance/Nominating Committee manages risks associated with the independence of the Board. While each committee of the Board is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board is regularly informed by members of management and through committee reports, or otherwise, about such risks.

Corporate Governance Policies

We have adopted a written code of business conduct that applies to our officers, directors and employees, responsive to Section 406 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and the rules of the SEC. In addition, we have established an ethics web site at www.ethicspoint.com. To assist individuals in upholding the code of conduct and to facilitate reporting, we have established an anonymous and confidential online reporting mechanism that is hosted at www.ethicspoint.com, and an anonymous and confidential telephone hotline at (800) 963-5864. Copies of our code of business conduct and ethics (our "Code of Ethics") are available, without charge, upon written request directed to our Secretary at Iconix Brand Group, Inc., 1450 Broadway, Third Floor, New York, New York 10018 or on our website at www.iconixbrand.com.

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## Committees of the Board

Our By-Laws authorize our Board to appoint one or more committees of the Board, each consisting of one or more directors. During 2017, our Board had three (3) standing committees: an Audit Committee, a Governance/Nominating Committee and a Compensation Committee, each of which has adopted written charters which are currently available on our website at www.iconixbrand.com. We are not incorporating any of the information on our website into this Proxy Statement. Each member of the Audit Committee, Governance/Nominating Committee and Compensation Committee is, and is required to be, an “independent director” under the Marketplace Rules of NASDAQ.

In August 2017, the Board of Directors also formed a Special Committee of the Board (the “Special Committee”) to engage in a broad review of possible strategic alternatives for the Company. Following the Special Committee’s review, the Special Committee was dissolved on October 15, 2017.

### Audit Committee

Our Audit Committee’s responsibilities include, among others:

- appointing, replacing, overseeing and compensating the work of a firm to serve as the independent registered public accounting firm to audit our financial statements;
- discussing the scope and results of the audit with the independent registered public accounting firm and reviewing with management and the independent registered public accounting firm our interim and year-end operating results, which includes matters required to be discussed under Rule 3200T of the Public Company Accounting Oversight Board (“PCAOB”);
- considering the adequacy of our internal accounting controls and audit procedures;
- approving all related party transactions entered into by the Company;
- approving (or, as permitted, pre-approving) all audit and non-audit services to be performed by the independent registered public accounting firm; and
- receiving and reviewing written disclosures on independence required by PCAOB Rule 3526.

From January 2017 to August 2017, the members of the Audit Committee were Ms. Gove and Messrs. Cohen, Marcum and Slutsky. As part of the Governance/Nominating Committee’s and the Board’s regular process of reviewing and evaluating the composition and needs of the Board’s committees, in August 2017, Mr. Slutsky rotated off of the Audit Committee and Mr. Friedman joined the Audit Committee. The current members of our Audit Committee are Ms. Gove and Messrs. Cohen, Marcum and Friedman. Ms. Gove continues to serve as the Audit Committee Chairperson.

In addition to being an “independent director” under the Marketplace Rules of NASDAQ, each member of the Audit Committee is an independent director as that term is defined by applicable SEC rules under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Our Board has also determined that Ms. Gove and Mr. Marcum are “Audit Committee Financial Experts,” as that term is defined under applicable SEC rules and NASDAQ Marketplace Rules.

Oversight in Addressing Material Weaknesses in the Company’s Review Controls

The material weaknesses which existed at December 31, 2015, as identified by the Company in its evaluation of the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) of the Exchange Act) under the supervision and with the participation of its management, including its President and Chief Executive Officer and Chief Financial Officer were remediated as of December 31, 2016. Material weaknesses identified in 2017, related to the financial reporting for reconsideration events of joint venture accounting and monitoring controls related to the identification of the need for a valuation allowance against certain deferred tax assets associated with the Company’s intangible asset impairment charges, were remediated as of December 31, 2017. However, due to errors identified during 2017 related to the Company’s statement of cash flows and its intangible asset impairment testing, we were not able to determine that 2016 material weaknesses in these areas have been remediated; and, in 2017, errors were identified in our calculation of long-term incentive program (“LTIP”) compensation expense, and the financial reporting for the modification of our debt. In 2017, additional review procedures were performed and will continue to be performed by the Senior Vice President-Finance and the Chief Financial Officer and certain other additional control procedures, which will be tested in 2018, have been adopted to mitigate these material weaknesses. Also, management has implemented further procedures to address the material weakness identified in the Company’s first quarter 2018 financial close process.

We are in the process of remediating the above weaknesses and testing the operating effectiveness of the new and existing controls. The material weaknesses cannot be considered completely addressed until the applicable additional controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. As a result of the foregoing, the principal executive officer and the principal financial and accounting officer concluded that as of March 31, 2018, certain of the Company’s disclosure controls and procedures, including management review controls related to our statement

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of cash flows, our intangible asset impairment testing, calculation of LTIP compensation expense, and the financial reporting for the modification of our debt were not effective in timely alerting them to material information required to be included in our periodic SEC filings and ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time period specified in the SEC's rules and forms.

The Audit Committee, which as noted above consists of independent, non-executive directors, will continue to meet regularly with management, the Director of Internal Audit, and its independent accountants to review accounting, reporting, auditing and internal control matters. The Audit Committee has direct and private access to the Director of Internal Audit and the external auditors, and will continue to meet with each, separately, in executive sessions of the Audit Committee.

Governance/Nominating Committee

Our Governance/Nominating Committee's responsibilities include, among others:

- establishing procedures and criteria for the director nomination process;
- assisting the Board in defining and assessing qualifications for Board membership and identifying qualified individuals to serve as directors;
- recommending director nominees for each annual meeting of the stockholders and nominees for election and filling any vacancies on the Board;
- considering and recommending to the Board corporate governance principles applicable to the Company;
- overseeing the implementation, amendment and application of all governance policies of the Company and the Board;
- leading the Board in its self-evaluation and establishing criteria in such evaluation; and
- overseeing the annual evaluation of the Chief Executive Officer and establishing criteria to be used in such evaluation.

In 2017, the members of our Governance/Nominating Committee were Messrs. Marcum, Cohen and Slutsky; and our former director, Ms. Kristin O'Hara. Mr. Marcum was the Chairperson of the Governance/Nominating Committee in 2017. Ms. O'Hara resigned from the Board on January 18, 2018. The current members of our Governance/Nominating Committee are Messrs. Marcum, Cohen, Slutsky and Barnes. Mr. Marcum continues to serve as the Governance/Nominating Committee Chairperson.

Compensation Committee

Our Compensation Committee's responsibilities include, among others:

formulating, evaluating and approving compensation for our directors and executive officers, including the Chief Executive Officer;

reviewing, overseeing and approving (i) all compensation programs involving our stock and other equity securities under the Company's long-term incentive plans, (ii) all other incentive awards and opportunities, (iii) any employment and severance arrangements, (iv) any change-in-control provisions affecting any elements of compensation and benefits and (v) any special or supplemental compensation and benefits for management and individuals who formerly served as management;

reviewing and discussing with management the Compensation Discussion and Analysis required under Item 402 of Regulation S-K promulgated by the SEC;

annually assessing the risks associated with our compensation practices, policies and programs;

periodically reviewing compensation practices and trends at other companies to evaluate the Company's executive compensation programs and policies; and

assisting the Board in succession planning.

In 2017, the members of the Compensation Committee were Messrs. Friedman, Khosla and Slutsky and Ms. Gove. Mr. Friedman was the Chairperson of the Compensation Committee in 2017. The current members of our Compensation Committee are Messrs. Friedman, Khosla and Slutsky, and Ms. Gove. Mr. Friedman continues to serve as the Compensation Committee Chairperson.

Each member of the Compensation Committee is an "independent director" under the Marketplace Rules of NASDAQ.

From time to time, our Chief Executive Officer (or Interim Chief Executive Officer, as applicable) provides to the Compensation Committee proposals concerning compensation for other executive officers. The Compensation Committee considers such recommendations regarding compensation for such other executive officers.

Under its charter, the Compensation Committee may form and delegate authority to subcommittees or individuals, including, but not limited to, a subcommittee composed of one or more members of the Board or an executive, to grant and administer stock, option and other equity awards under the Company's equity incentive plans.

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Meetings of the Board and its Committees during the Year Ended December 31, 2017

The Board held 23 meetings (including eight executive sessions with the independent Board members) during the fiscal year ended December 31, 2017 (“FY 2017”), and the Board, along with its committees, also took various actions by unanimous written consent in lieu of meetings. In addition, during FY 2017, the Audit Committee held six meetings, the Governance/Nominating Committee held two meetings and the Compensation Committee held two meetings. During FY 2017, each of the Company’s directors attended at least seventy-five percent (75%) of the aggregate of: (i) the total number of meetings of the Board of Directors; and (ii) the total number of meetings of all committees of the Board on which they served. Also, members of the Board and each of its committees met periodically during FY 2017 to address various matters and engaged in various informal meetings, telephonic meetings and correspondence.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our officers and directors, and persons who beneficially own more than ten percent (10%) of a registered class of our equity securities, to file reports of ownership and changes in ownership with the SEC. Officers, directors and greater-than-ten-percent (10%) owners are required by certain SEC regulations to furnish us with copies of all Section 16(a) forms they file.

Based solely on our review of the copies of such forms received by us, we believe that during 2017, there was compliance with the filing requirements applicable to our officers, directors and greater-than-ten-percent (10%) stockholders of the Company, other than two (2) reports that were not filed within two (2) business days that were subsequently filed on behalf of Messrs. Jones and Schaefer relating to the surrender of 4,072 shares and 3,284 shares, respectively, in payment of tax liability incident to the vesting of RSUs on March 30, 2017.

Director Compensation

The Compensation Committee determined that for service as a director of our Company during 2017, each non-employee member of the Board of Directors would receive a cash payment of $80,000 payable one half on January 1st and one half on July 1st, and a number of shares of restricted stock with an aggregate value of $120,000 based on the closing price of the first trading day of each new year, with all of such shares vesting in full on July 1st of the year of grant. Directors who are elected to the Board after January 1st receive a cash payment equal to a pro-rata portion of $80,000 and an equity grant equal to a number of shares of restricted stock with an aggregate value representing a pro-rata portion of $120,000, vesting six (6) months from the date of grant. Additionally, each Chairperson of the Audit Committee, the Compensation Committee and the Governance/Nominating Committees would receive additional cash payments of $25,000, $20,000 and $15,000, respectively, and a Lead Director would receive an additional cash payment of $40,000. Following a detailed review of Audit Committee activities during 2017 and the considerable time and attention the Company required from the Audit Committee and its members, the Compensation Committee determined that in 2017, each member of the Audit Committee would receive an incremental $30,000 for their work, and the Chairperson of the Audit Committee would receive an incremental $60,000.

In August 2017, the Board of Directors also formed a Special Committee of the Board (the "Special Committee") to engage in a broad review of possible strategic alternatives for the Company. The Board appointed each of Ms. Gove and Messrs. Marcum and Friedman to serve on the Special Committee, with Mr. Slutsky serving as its Chairperson, and resolved that each member of the Special Committee would receive fees, commencing September 1, 2017, in the amount of $10,000 per calendar month, with the Chairperson of the Special Committee receiving $15,000 per calendar month. Following the Special Committee's review, the Special Committee was dissolved on October 15, 2017.

In 2017, Mr. Cuneo was compensated for service in the role of our Chairman of the Board. Since December 18, 2017, Mr. Cuneo has served as our Executive Chairman of the Board. Mr. Cuneo will not receive compensation in respect of his service as a director during the period he is employed by us.

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The following table sets forth compensation information for 2017 for each person who served as a member of our Board of Directors at any time during 2017 who is not also a current executive officer. An executive officer who serves on our Board of Directors does not receive additional compensation for serving on the Board of Directors.

| Name | Fees Earned or Paid in Cash ($) | Stock Awards ($)(1)(2) | Total ($) |
|---|---|---|---|
| **F. Peter Cuneo(3)** | 140,000 | 120,000 | 260,000 |
| **Drew Cohen(4)** | 150,000 | 120,000 | 270,000 |
| **Mark Friedman(5)** | 145,000 | 120,000 | 265,000 |
| **Sue Gove(6)** | 180,000 | 120,000 | 300,000 |
| **James A. Marcum(7)** | 125,000 | 120,000 | 245,000 |
| **Sanjay Khosla(8)** | 80,000 | 120,000 | 200,000 |
| **Kristen M. O'Hara(9)** | 80,000 | 120,000 | 200,000 |
| **Kenneth W. Slutsky(10)** | 102,500 | 120,000 | 222,500 |

(1) Represents the aggregate grant date fair value, determined without regard to forfeitures. See Note 6 to Notes to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2017, filed with the SEC on March 14, 2018 (the "Form 10-K"), for a discussion of the relevant assumptions used in calculating grant date fair value.

(2) In 2017, there were no outstanding options or other unvested equity awards at fiscal year-end for directors.

(3) Fees earned or paid in cash to Mr. Cuneo include (i) $80,000 attributable to annual cash director fees and (ii) $60,000 attributable to annual Chairman fee.

(4) Fees earned or paid in cash to Mr. Cohen include (i) $80,000 attributable to annual cash director fees, (ii) $40,000 attributable to annual Lead Director fee and (iii) $30,000 attributable to 2017 Audit Committee member fees.

(5) Fees earned or paid in cash to Mr. Friedman include (i) $80,000 attributable to annual cash director fees, (ii) $20,000 attributable to annual Compensation Committee Chairperson fee, (iii) $30,000 attributable to 2017 Audit Committee member fees and (iv) $15,000 attributable to Special Committee member fees.

(6) Fees earned or paid in cash to Ms. Gove include (i) $80,000 attributable to annual cash director fees, (ii) $85,000 attributable to 2017 Audit Committee Chairperson fee and (iii) $15,000 attributable to Special Committee member fees.

(7) Fees earned or paid in cash to Mr. Marcum include (i) $80,000 attributable to annual cash director fees, (ii) $15,000 attributable to annual Governance/Nominating Committee Chairperson fee and (iii) $30,000 attributable to 2017 Audit Committee member fees.

(8) Fees earned or paid in cash to Mr. Khosla include $80,000 attributable to annual cash director fees.

(9) Fees earned or paid in cash to Ms. O'Hara include $80,000 attributable to annual cash director fees. As previously disclosed in our Current Report on Form 8-K filed with the SEC on January 24, 2018, Ms. O'Hara resigned from the Board on January 18, 2018.

(10) Fees earned or paid in cash to Mr. Slutsky include (i) $80,000 attributable to annual cash director fees and (ii) $22,500 attributable to Special Committee Chairperson fees.

Director Compensation for 2018

Following its annual review of director compensation, the Compensation Committee determined, given the limited availability of shares of Common Stock available for grant under the Amended and Restated 2016 Omnibus Incentive Plan (the “2016 Plan”) and the number of shares of Common Stock required to be reserved for issuance in connection with the issuance of the Company’s 5.75% Convertible Senior Subordinated Secured Second Lien Notes due 2023, to pay in cash for 2018 that portion of director compensation historically settled in equity. Therefore, for service as a director of our company during 2018, each non-employee member of the Board of Directors will receive a cash payment of $80,000 payable one half on January 1st and one half on July 1st, and additional cash payments totaling $120,000, with such additional cash compensation vesting in twelve (12) equal monthly installments. Directors will not receive equity grants in respect of 2018 service on our Board. Additionally, each Chairperson of the Audit Committee, the Compensation Committee and the Governance/Nominating Committee will receive additional cash payments of $35,000, $20,000 and $15,000, respectively.

In addition to the fees noted above, Mr. Cohen will receive $40,000 in annual cash fees for his service as Lead Director, and in connection with the departure of Mr. Haugh from the Company, in 2018 the Board formed the Search Committee, each member of which will receive cash payments of $10,000 per month during its existence, other than its chairperson who will receive $15,000 per month during its existence.

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EXECUTIVE OFFICERS

Our Board appoints the officers of the Company on an annual basis to serve until their successors are duly elected and qualified, unless earlier removed by the Board. No family relationships exist among any of our officers or directors.

As noted above under "Corporate Governance—Board of Directors Leadership Structure," as of June 15, 2018, (x) John Haugh, our former Chief Executive Officer and President, was no longer employed by the Company or a member our Board of Directors, and (y) the Board of Directors appointed Mr. Cuneo to the position of Interim Chief Executive Officer.

Our executive officers, their positions with us and certain other information with respect to these officers, as of the Record Date, are set forth below:

| Name | Age | Position |
|---|---|---|
| **F. Peter Cuneo** | 74 | Executive Chairman and Interim Chief Executive Officer |
| **David Jones** | 48 | Executive Vice President and Chief Financial Officer |
| **Jason Schaefer** | 43 | Executive Vice President and General Counsel |

**F. PETER CUNEO**

**Executive Chairman since 2017 and Interim Chief Executive Officer since 2018**

**Age 74**

On June 15, 2018, the Board appointed F. Peter Cuneo, the Executive Chairman of the Board of Directors, as Interim Chief Executive Officer of the Company. He also served as our Interim Chief Executive Officer from August 2015 until April 2016. He has served as our Executive Chairman of the Board of Directors since December 2017 and from April 2016 until December 2016. From August 2015 until December 2017, and while not serving as Executive Chairman, Mr. Cuneo served as our Chairman of the Board. Mr. Cuneo has served on our Board of Directors since October 2006.

**DAVID K. JONES**

**Executive Vice President and Chief Financial Officer since 2015**

**Age 48**

David K. Jones has served as our Executive Vice President and Chief Financial Officer since July 2015. Prior to joining our Company, Mr. Jones served as Executive Vice President and Chief Financial Officer of Penske Automotive Group, Inc. from May 2011 to June 2015. Previously, Mr. Jones served in various capacities for Penske

Automotive Group, Inc., including as Vice President—Financial Compliance and Controls from April 2006 to May 2011 and Director of Financial Reporting from 2003 to April 2006. Prior to joining Penske, Mr. Jones was a Senior Manager at Andersen LLP, an accounting and financial advisory services firm, which he joined in 1991. Mr. Jones received a Bachelor of Arts degree in accounting from Seton Hall University in 1991.

**JASON SCHAEFER**

**Executive Vice President and General Counsel since 2013**

**Age 43**

Jason Schaefer has served as our Executive Vice President and General Counsel since joining our Company in September 2013. From May 2008 until September 2013, Mr. Schaefer served as General Counsel of Pegasus Capital Advisors, L.P., a private equity fund. From March 2006 to May 2008, he advised on merger and acquisition transactions in both the private and public space at Akin Gump Strauss Hauer and Feld LLP. Prior to that time, Mr. Schaefer was an associate in the corporate group of Paul Weiss Rifkind Wharton and Garrison LLP, an international law firm. Mr. Schaefer received his Juris Doctor, cum laude, from Brooklyn Law School in 2001 and a Bachelor of Arts degree in political science from the University at Buffalo in 1996.

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# EXECUTIVE COMPENSATION

## COMPENSATION DISCUSSION AND ANALYSIS

### Introduction

The purpose of this Compensation Discussion and Analysis is to provide the information necessary for understanding the compensation philosophy, policies and decisions that are material to the compensation of our principal executive officer, our principal financial officer and our other most highly compensated executive officers (we refer to these officers as our "named executive officers") during 2017.

This Compensation Discussion and Analysis will place in context the information regarding our 2017 named executive officers contained in the tables and accompanying narratives that follow this discussion.

In 2017, our named executive officers were:

**Former Executives**:

| | |
|---|---|
| **John N. Haugh**(1) | Former President, Chief Executive Officer and Director |

(1) As of June 15, 2018, John Haugh was no longer employed by the Company or a member of our Board of Directors.

**Current Executives**:

| | |
|---|---|
| **F. Peter Cuneo**(2) | Executive Chairman of the Board of Directors and Interim Chief Executive Officer (Director since 2006) |
| **David K. Jones** | Executive Vice President and Chief Financial Officer |
| **Jason Schaefer** | Executive Vice President, General Counsel and Secretary |

(2) Mr. Cuneo's service as Executive Chairman of the Board commenced on December 18, 2017, and on June 15, 2018, upon Mr. Haugh's departure, the Board of Directors appointed Mr. Cuneo as the Company's Interim Chief Executive Officer.

### Objectives of our Executive Compensation Program

The Company's goals for its executive compensation program are to:

Attract, motivate and retain a talented, entrepreneurial and creative team of executives who will provide leadership for the Company’s success in dynamic and competitive markets.
Align pay with performance as well as with the long-term interests of stockholders by linking payouts to pre-determined performance measures that promote long-term stockholder value.
Promote stability in the executive team and establish continuity of the service of named executive officers, so that they will contribute to, and be a part of, the Company’s long-term success.

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Key Features of Our Executive Compensation Program

Following is a summary of the key features of our compensation program, which demonstrates how each feature furthers the overall goals of our compensation philosophy.

**What we do**

**Pay for Performance.** Our 2017 annual bonus program was based on pre-established financial goals. We have adopted the 2016 LTIP, which provides for grants that are tied to our long-term business goals. Because these PSUs are generally earned only at the end of the three (3) year performance period, they remain "at risk" (over the term) based on performance metrics.

**Clawback Policy.** We have adopted a clawback policy that applies if there is a restatement of our financial statements that is required, within the previous three years, to correct accounting errors due to material non-compliance with any financial reporting requirements under the federal securities laws. This applies to equity as well as cash payments that were paid based on performance metrics. During 2016, we clawed back equity and cash payments from former executives pursuant to the policy.

**Anti-Pledging Policy.** We have adopted a policy that prohibits directors and executive officers from pledging any additional shares of Common Stock following October 20, 2015.

**Stock Ownership Guidelines.** The Company has adopted stock ownership guidelines for its directors, named executive officers and all other direct reports to the Chief Executive Officer to provide for ownership maintenance of the Company's equity. To be consistent with market practice, the Compensation Committee recently amended the guidelines to allow for unvested restricted stock, net of shares to cover taxes at a forty percent (40%) assumed tax rate, to count toward ownership levels.

**What we don't do**

**No Gross-Ups on Compensation.** We do not have any provisions requiring the Company to gross-up salary or bonus compensation to cover taxes owed by our executives.

**No Excess Perquisites and Limited Retirement Benefits.** We have a 401k program and have never had a defined benefit plan. We do not maintain any supplemental executive retirement plans or other pension benefits. We do not provide any excessive perquisites.

**No option repricing or exchanges without stockholder approval.** We have not engaged in the activities below and they are prohibited by our 2016 Plan:

- repricing options; and
- buying out underwater options for cash.

**No dividends or dividend equivalents on unvested awards.** We do not pay dividends or dividend equivalents on unvested shares of restricted stock or unearned PSU awards.

**Anti-Hedging Policy.** We have a policy prohibiting directors and named executive officers from engaging in hedging transactions, which include puts, calls and other derivative securities, with respect to the Company's equity securities.

**No "catch-up" feature on PSU awards.** Commencing with PSU grants made in 2016, we eliminated the "catch-up" feature on PSU awards.

**"Double-Trigger" Change in Control Provision.** Our 2016 Plan and its predecessor plan provide for "double-trigger" change in control provisions, which provide that unvested equity awards do not accelerate unless, within twenty-four (24) months following such change in control, the participant is terminated without cause or leaves for good reason.

**Independence of our Compensation Committee and Advisor.** The Compensation Committee, which is comprised solely of independent directors, utilizes the services of FW Cook, as its independent, third party compensation consultant. FW Cook reports to the Compensation Committee, does not perform any other services for the Company and, to the Compensation Committee's knowledge, has no economic or other ties to the Company or the management team that could compromise its independence or objectivity.

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Elements of Compensation

To accomplish our compensation objectives, our compensation program for 2017 principally consisted of equity compensation granted pursuant to the 2017 LTIP (as defined below), which is the Company's plan for annual, performance-based, long-term incentive compensation described above, base salaries and cash bonus awards made pursuant to the 2017 Annual Incentive Plan ("AIP"), which is the Company's plan for annual, performance-based cash bonuses. These elements were designed to provide a competitive mix of compensation that balanced retention and performance in a simple and straightforward manner. The compensation program was designed to ensure that the named executive officers' annual target total direct compensation was tied to the Company's long-term and short-term performance. The Company provides certain limited perquisites to its named executive officers. The Company has no supplemental retirement plan.

| | |
|---|---|
| **Base Salary** | Base salary represents amounts paid during the fiscal year to named executive officers as direct, fixed compensation under their respective employment agreements (in the case of Messrs. Cuneo and Haugh) or Participation Agreements executed in connection with their participation in the Executive Severance Plan (in the case of Messrs. Jones and Schaefer), for their services to us. Base salaries are used to compensate each named executive officer for day-to-day operations during the year, and to encourage them to perform at their highest levels. We also use our base salary as an incentive to attract top quality executives and other management employees. Moreover, base salary and increases to base salary are intended to recognize the overall experience, position within our Company and expected contributions of each named executive officer to us. |
| **Annual cash bonuses (short-term incentives)** | We award bonuses to promote the achievement of our short-term, targeted business objectives by providing competitive incentive reward opportunities to our executive officers who can significantly impact our performance towards those objectives. Further, a competitive bonus program enhances our ability to attract, develop and motivate individuals as members of a talented management team. Following its previously disclosed commitment to do so, the Compensation Committee eliminated the historical practice of determining annual cash bonuses on a solely discretionary basis in 2016. Cash bonus awards are currently made pursuant to the Company's AIP, which requires the achievement of measurable, pre-determined goals in order to be eligible for performance-based cash bonuses as more fully described below. |
| **Equity-based compensation (long-term incentives)** | Beginning in 2016, annual equity awards were made in the form of RSUs and a target amount of PSUs granted pursuant to the terms of a long-term incentive compensation plan. These grants are designed to compensate our named executive officers for their expected ongoing contributions to our long-term performance.<br><br>RSUs<br><br>Generally, the RSUs under the LTIP vest in equal installments annually following the date of grant, or a period determined by the Compensation Committee, typically beginning on the first anniversary of the date of grant.<br><br>PSUs<br><br>PSUs vest upon the Company's achievement of pre-determined adjusted operating income performance targets at the end of a three-year performance period, or a period determined by the Compensation Committee. |

**Perquisites and other personal benefits**

During 2017, our named executive officers received a limited amount of perquisites and other personal benefits that we paid on their behalf.

**Post-termination compensation**

We had previously entered into employment agreements with each of our named executive officers, which were replaced by participation agreements to our Executive Severance Plan (as described herein) in 2017, other than for Mr. Haugh, whose employment agreement continued to be in effect until his departure from the Company as of June 15, 2018, and Mr. Cuneo, with whom we entered into a new employment agreement. Each of Mr. Haugh's employment agreement and the participation agreements related to the Executive Severance Plan provide for certain payments and other benefits if the executive's employment is terminated under certain circumstances, including, in the event of a "change in control." As noted above, we amended our 2009 Plan to implement "double-trigger" change in control provisions with respect to equity grants. Our 2016 Plan also contains "double-trigger" change in control provisions. These provisions provide that, upon a change in control, as defined in the 2016 Plan, in the event that a successor company assumes or substitutes awards under the 2016 Plan, unvested equity awards do not accelerate unless, within twenty-four (24) months following such change in control, the Plan participant is terminated without cause or leaves for good reason. However, if a successor company in the change in control does not assume or substitute awards under the 2016 Plan, then all outstanding awards would immediately vest. See "Employment Agreements and Executive Severance Plan Participation Agreements" on page 31 and "Potential Payments Upon Termination or Change in Control" on page 37 for a description of the severance and change in control benefits pursuant to Mr. Haugh's employment agreement, Mr. Cuneo's employment agreement and the Executive Severance Plan participation agreements for Messrs. Jones and Schaefer.

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Results of 2017 Say on Pay Vote

At our 2017 annual meeting of stockholders, we held our annual stockholder advisory vote on executive compensation, or “say-on-pay” vote, with respect to our 2016 executive compensation actions; 78.1% of the votes cast were in favor of the say-on-pay proposal.

In addition, at our 2017 annual meeting of stockholders, we held an advisory vote on the frequency of future “say-on-pay” votes; 82.8% of the votes cast were in favor of holding an annual say-on-pay vote.

As discussed earlier, we continued to implement significant revisions to our executive compensation structure and design in 2017 that are directly responsive to investor feedback, better aligned with market best practices and support our business strategy. It is our expectation that these changes will effectively motivate our executive officers to achieve our short- and long-term business objectives and to create sustainable stockholder value over the long-term. Our Board and Compensation Committee will continue to review our executive compensation policies and programs and consider additional changes, where appropriate.

Roles of the Board and Compensation Committee in Compensation Decisions

Compensation of our named executive officers (other than in respect of the Chief Executive Officer) has been determined by the Board of Directors pursuant to recommendations made by our former Chief Executive Officer prior to his departure from the Company and the Compensation Committee. The Compensation Committee is responsible for, among other things, reviewing and making recommendations as to the compensation of our executive officers; administering our equity incentive and stock option plans; reviewing and making recommendations to the Board of Directors with respect to incentive compensation and equity incentive plans; and setting our Chief Executive Officer’s compensation based on the achievement of corporate objectives.

Effective October 2015, the Compensation Committee retained Frederic W. Cook & Co., Inc. (“FW Cook”) as its independent, third-party compensation consultant for advice and assistance on executive compensation matters. The Compensation Committee has assessed the independence of FW Cook pursuant to the NASDAQ listing standards and SEC rules and is not aware of any conflict of interest that would prevent FW Cook from providing independent advice to the Committee concerning executive compensation matters.

Compensation Peer Group

FW Cook assisted the Compensation Committee in identifying public companies against which the Company competes for executive talent – the “Peer Group”.

As a result of Iconix’s unique business model, in which a large portion of our profits are generated through licensing of our brands rather than direct retail sales, Iconix has very few similarly-sized public company competitors.

Accordingly, developing the Peer Group required a careful balancing of “typical” peer group criteria such as market capitalization and revenue, as well as business model-specific criteria such as licensing revenue, profitability and operating margin. Based on the foregoing considerations and viewed holistically, the Peer Group is generally comprised of companies in our industry and reflect a portfolio of characteristics relevant to Iconix’s business considerations.

In November 2016, the Compensation Committee reviewed and evaluated the Peer Group and revised it to eliminate companies that were no longer public or no longer fit the appropriate criteria and add replacement companies as necessary, and approved the following revised Peer Group, which was used to measure performance of 2017 PSUs and may be used with respect to other future performance-based awards:

| | | |
|---|---|---|
| Cherokee Inc. | Meredith Corp. | Vince Holding |
| Choice Hotels | Movado Group, Inc. | Wolverine World Wide, Inc. |
| Deckers Outdoor Corporation | Oxford Industries, Inc. | |
| Fossil Inc. | Perry Ellis Inc. | |
| Francesca’s Holdings | Sequential Brands Inc. | |
| G-III Apparel Group L | | |