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

FORM 10-Q

[x] **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **September 30, 2015**

or

[ ] **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____________ to ____________

Commission File Number: **333-185144**

ICON ECI Fund Sixteen
(Exact name of registrant as specified in its charter)

Delaware	**80-0860084**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3 Park Avenue, 36th Floor **New York, New York**	**10016**
(Address of principal executive offices)	(Zip Code)

(212) 418-4700
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☑ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o	Accelerated filer o
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes o No ☑

Number of outstanding Class A and Class I shares of the registrant on November 4, 2015 is 17,189 and 410, respectively.

ICON ECI Fund Sixteen
Table of Contents

PART I – FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

ICON ECI Fund Sixteen
(A Delaware Statutory Trust)
Consolidated Balance Sheets

	September 30, 2015	December 31, 2014
	(unaudited)	
Assets		
Cash	$ 3,772,211	$ 4,249,074
Net investment in note receivable	2,624,772	2,643,487
Net investment in finance lease	7,757,380	9,594,485
Investment in joint ventures	3,721,141	4,094,120
Other assets	165,969	15,515
Total assets	$ 18,041,473	$ 20,596,681
Liabilities and Equity		
Liabilities:		
Due to Investment Manager and affiliates	$ 116,160	$ 945,186
Accrued expenses and other liabilities	575,855	580,337
Total liabilities	692,015	1,525,523
Commitments and contingencies (Note 8)		
Equity:		
Shareholders' capital		
Class A	13,311,769	14,143,865
Class I	319,188	338,623
Total shareholders' capital	13,630,957	14,482,488
Noncontrolling interests	3,718,501	4,588,670
Total equity	17,349,458	19,071,158
Total liabilities and equity	$ 18,041,473	$ 20,596,681

See accompanying notes to consolidated financial statements.

[Table of contents](#)

ICON ECI Fund Sixteen
(A Delaware Statutory Trust)
Consolidated Statements of Operations
(unaudited)

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Revenue:				
Finance income	$ 259,780	$ 93,093	$ 836,906	$ 93,093
Income from investment in joint ventures	144,268	166,547	414,160	365,552
Other income	-	11	-	11
Total revenue	404,048	259,651	1,251,066	458,656
Expenses:				
Management fees	42,891	27,702	125,016	62,075
Administrative expense reimbursements	99,234	132,432	336,069	459,505
General and administrative	56,261	51,197	252,084	205,699
Interest	6,394	7,236	20,857	17,166
Organization costs	-	1,047	-	6,622
Total expenses	204,780	219,614	734,026	751,067
Net income (loss)	199,268	40,037	517,040	(292,411)
Less: net income attributable to noncontrolling interests	94,838	43,768	305,056	43,768
Net income (loss) attributable to Fund Sixteen	$ 104,430	$ (3,731)	$ 211,984	$ (336,179)
Net income (loss) attributable to Fund Sixteen allocable to:				
Additional Class A and Class I shareholders	$ 103,386	$ (3,694)	$ 209,864	$ (332,817)
Managing Owner	1,044	(37)	2,120	(3,362)
	$ 104,430	$ (3,731)	$ 211,984	$ (336,179)
Additional Class A shares:				
Net income (loss) attributable to Fund Sixteen allocable to additional Class A shareholders	$ 100,881	$ (3,687)	$ 204,681	$ (328,189)
Weighted average number of additional Class A shares outstanding	17,189	14,502	17,189	10,101
Net income (loss) attributable to Fund Sixteen per weighted average additional Class A share	$ 5.87	$ (0.25)	$ 11.91	$ (32.49)
Additional Class I shares:				
Net income (loss) attributable to Fund Sixteen allocable to additional Class I shareholders	$ 2,505	$ (7)	$ 5,183	$ (4,628)
Weighted average number of additional Class I shares outstanding	410	328	410	190
Net income (loss) attributable to Fund Sixteen per weighted average additional Class I share	$ 6.11	$ (0.02)	$ 12.64	$ (24.36)

See accompanying notes to consolidated financial statements.

Table of contents

ICON ECI Fund Sixteen
(A Delaware Statutory Trust)
Consolidated Statements of Changes in Equity

	Class A						Class I				
	Managing Owner		Additional Shareholders		Total Class A		Additional Shareholders			Total	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Noncontrolling Interests	Shares	Amount
Balance, December 31, 2014	0.001	$ (12,729)	17,189	$ 14,156,594	17,189	$ 14,143,865	410	$ 338,623	$ 4,588,670	17,599	$ 19,071,158
Net income	-	239	-	23,019	-	23,258	-	649	104,557	-	128,464
Distributions	-	(3,466)	-	(335,044)	-	(338,510)	-	(8,086)	(444,000)	-	(790,596)
Balance, March 31, 2015 (unaudited)	0.001	(15,956)	17,189	13,844,569	17,189	13,828,613	410	331,186	4,249,227	17,599	18,409,026
Net income	-	837	-	80,781	-	81,618	-	2,029	105,661	-	189,308
Investment by noncontrolling interests	-	-	-	-	-	-	-	-	17,163	-	17,163
Distributions	-	(3,585)	-	(346,608)	-	(350,193)	-	(8,266)	(453,657)	-	(812,116)
Balance, June 30, 2015 (unaudited)	0.001	(18,704)	17,189	13,578,742	17,189	13,560,038	410	324,949	3,918,394	17,599	17,803,381
Net income	-	1,044	-	100,881	-	101,925	-	2,505	94,838	-	199,268
Distributions	-	(3,585)	-	(346,609)	-	(350,194)	-	(8,266)	(294,731)	-	(653,191)
Balance, September 30, 2015 (unaudited)	0.001	$ (21,245)	17,189	$ 13,333,014	17,189	$ 13,311,769	410	$ 319,188	$ 3,718,501	17,599	$ 17,349,458

See accompanying notes to consolidated financial statements.

Table of contents

ICON ECI Fund Sixteen
(A Delaware Statutory Trust)
Consolidated Statements of Cash Flows
(unaudited)

	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014
Cash flows from operating activities:		
Net income (loss)	$ 517,040	$ (292,411)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:		
Finance income	60,978	5,467
Income from investment in joint ventures	(414,160)	(365,552)
Interest expense from amortization of debt financing costs	8,105	7,025
Interest expense, other	12,752	5,973
Changes in operating assets and liabilities:		
Other assets	(158,559)	-
Due to Investment Manager and affiliates, net	(827,500)	427,891
Accrued expenses and other liabilities	(17,234)	40,532
Distributions from joint ventures	414,160	345,936
Net cash (used in) provided by operating activities	(404,418)	174,861
Cash flows from investing activities:		
Purchase of equipment	-	(10,798,469)
Investment in note receivable	-	(2,626,471)
Principal received on finance lease	1,794,842	522,739
Investment in joint ventures	(1,014,355)	(4,904,295)
Distributions received from joint ventures in excess of profit	1,387,334	1,319,675
Net cash provided by (used in) investing activities	2,167,821	(16,486,821)
Cash flows from financing activities:		
Sale of Class A and Class I shares	-	13,917,075
Sales and offering expenses paid	(1,526)	(880,347)
Investment by noncontrolling interests	17,163	5,214,390
Distributions to noncontrolling interests	(1,192,388)	(347,473)
Distributions to shareholders	(1,063,515)	(571,138)
Net cash (used in) provided by financing activities	(2,240,266)	17,332,507
Net (decrease) increase in cash	(476,863)	1,020,547
Cash, beginning of period	4,249,074	1,027,327
Cash, end of period	$ 3,772,211	$ 2,047,874
Supplemental disclosure of non-cash investing and financing activities:		
Offering expenses payable to Investment Manager charged to equity	$ -	$ 128,540
Distribution fees payable to dealer-manager	$ -	$ 11,135
Sales commission trail payable to third parties	$ -	$ 343,836
Acquisition fee payable to Investment Manager	$ -	$ 125,328

See accompanying notes to consolidated financial statements.

ICON ECI Fund Sixteen
(A Delaware Statutory Trust)
Notes to Consolidated Financial Statements
September 30, 2015
(unaudited)

(1) Organization

ICON ECI Fund Sixteen (the “Fund”) was formed on October 11, 2012 as a Delaware statutory trust. When used in these notes to consolidated financial statements, the terms “we,” “us,” “our” or similar terms refer to the Fund and its consolidated subsidiaries.

We are a direct financing fund that primarily makes investments in or that are collateralized by equipment and other corporate infrastructure (collectively, “Capital Assets”). The investments are in companies that utilize Capital Assets to operate their businesses. These investments are primarily structured as debt and debt-like financings such as loans, leases and other structured financing transactions in or that are collateralized by Capital Assets that ICON MT 16, LLC, a Delaware limited liability company and our managing owner (the “Managing Owner”), believes will provide us with a satisfactory, risk-adjusted rate of return. Our Managing Owner makes investment decisions on our behalf and manages our business.

Our investment objectives are to preserve investors’ capital, provide distributions and provide a favorable total return. To meet our investment objectives, we have used the net proceeds from our offering and will use the cash generated from our investments to originate or acquire a diverse pool of investments described above, as well as other strategic investments collateralized by Capital Assets. ICON Capital, LLC, a Delaware limited liability company and our affiliate, is our investment manager (the “Investment Manager”). Our Investment Manager originates and services our investments. Wilmington Trust, National Association (the “Trustee”) serves as our sole trustee pursuant to our Third Amended and Restated Trust Agreement (the “Trust Agreement”). The Trustee delegated to our Managing Owner all of the power and authority to manage our business and affairs and has only nominal duties and liabilities to us.

Our offering period commenced on July 1, 2013 and ended on December 31, 2014. Our Managing Owner determined to cease our offering period earlier than originally anticipated as a result of lower than expected offering proceeds being raised. Our operating period commenced on January 1, 2015. We offered to sell to the public any combination of two classes of shares, Class A shares and Class I shares (collectively, the “Shares”), on a “best efforts” basis with the intention of raising up to $250,000,000 of capital, of which $9,000,000 had been reserved for issuance pursuant to our distribution reinvestment plan (the “DRIP”). Other than differing allocable fees and expenses, Class A shares and Class I shares have identical rights and privileges, such as identical voting and distribution rights. We reserved the right to reallocate the offering amount between the primary offering and the DRIP.

As of November 12, 2013 (the “Initial Closing Date”), we raised a minimum of $1,200,000 from the sale of our Shares, at which time shareholders were admitted and we commenced operations. As of June 13, 2014, we raised the $12,500,000 minimum offering amount for the Commonwealth of Pennsylvania. Subsequent to the Initial Closing Date, we returned the initial capital contribution of $1,000 to ICON Investment Group, LLC (the “Initial Shareholder”). From the commencement of our offering on July 1, 2013 through December 31, 2014, we sold 17,189 Class A shares to 351 Class A shareholders and 410 Class I shares to six Class I shareholders, of which 404 Class A shares and 12 Class I shares were issued pursuant to the DRIP, representing an aggregate of $17,469,610 of capital contributions. From the Initial Closing Date through December 31, 2014, we incurred sales commissions to third parties of $1,198,531 and dealer-manager and distribution fees of $347,547 to CĪON Securities, LLC, formerly known as ICON Securities, LLC, the dealer-manager of our offering and an affiliate of our Investment Manager (“CĪON Securities”). In addition, organization costs of $8,418 and offering expenses of $161,422 were incurred by us during such period. Organization costs were expensed when incurred and offering expenses were recorded as a reduction of shareholders’ equity.

(2) Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

Our accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”) for Quarterly Reports on Form 10-Q. In the opinion of our Managing Owner, all adjustments, which are of a normal recurring nature, considered necessary for a fair presentation have been included. These consolidated financial statements should be read together with the consolidated financial statements and notes included in our Annual Report on Form 10-K for the year ended December 31, 2014. The results for the interim period are not necessarily indicative of the results for the full year.

Credit Quality of Notes Receivable and Finance Leases and Credit Loss Reserve

Our Investment Manager monitors the ongoing credit quality of our financing receivables by (i) reviewing and analyzing a borrower's financial performance on a regular basis, including review of financial statements received on a monthly, quarterly or annual basis as prescribed in the loan or lease agreement, (ii) tracking the relevant credit metrics of each financing receivable and a borrower's compliance with financial and non-financial covenants, (iii) monitoring a borrower's payment history and public credit rating, if available, and (iv) assessing our exposure based on the current investment mix. As part of the monitoring process, our Investment Manager may physically inspect the collateral or a borrower's facility and meet with a borrower's management to better understand such borrower's financial performance and its future plans on an as-needed basis.

As our financing receivables, generally notes receivable and finance leases, are limited in number, our Investment Manager is able to estimate the credit loss reserve based on a detailed analysis of each financing receivable as opposed to using portfolio-based metrics. Our Investment Manager does not use a system of assigning internal risk ratings to each of our financing receivables. Rather, each financing receivable is analyzed quarterly and categorized as either performing or non-performing based on certain factors including, but not limited to, financial results, satisfying scheduled payments and compliance with financial covenants. A financing receivable is usually categorized as non-performing only when a borrower experiences financial difficulties and has failed to make scheduled payments. Our Investment Manager then analyzes whether the financing receivable should be placed on a non-accrual status, a credit loss reserve should be established or the financing receivable should be restructured. As part of the assessment, updated collateral value is usually considered and such collateral value can be based on a third party industry expert appraisal or, depending on the type of collateral and accessibility to relevant published guides or market sales data, internally derived fair value. Material events would be specifically disclosed in the discussion of each financing receivable held.

Financing receivables are generally placed in a non-accrual status when payments are more than 90 days past due. Additionally, our Investment Manager periodically reviews the creditworthiness of companies with payments outstanding less than 90 days and based upon our Investment Manager's judgment, these accounts may be placed in a non-accrual status.

In accordance with the cost recovery method, payments received on non-accrual financing receivables are applied to principal if there is doubt regarding the ultimate collectability of principal. If collection of the principal of non-accrual financing receivables is not in doubt, interest income is recognized on a cash basis. Financing receivables in non-accrual status may not be restored to accrual status until all delinquent payments have been received, and we believe recovery of the remaining unpaid receivable is probable.

When our Investment Manager deems it is probable that we will not be able to collect all contractual principal and interest on a non-performing financing receivable, we perform an analysis to determine if a credit loss reserve is necessary. This analysis considers the estimated cash flows from the financing receivable, and/or the collateral value of the asset underlying the financing receivable when financing receivable repayment is collateral dependent. If it is determined that the impaired value of the non-performing financing receivable is less than the net carrying value, we will recognize a credit loss reserve or adjust the existing credit loss reserve with a corresponding charge to earnings. We then charge off a financing receivable in the period that it is deemed uncollectible by reducing the credit loss reserve and the balance of the financing receivable.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), requiring revenue to be recognized in an amount that reflects the consideration expected to be received in exchange for goods and services. This new revenue standard may be applied retrospectively to each prior period presented, or retrospectively with the cumulative effect recognized as of the date of adoption. In August 2015, FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers – Deferral of the Effective Date* ("ASU 2015-14"), which defers implementation of ASU 2014-09 by one year. Under such deferral, the adoption of ASU 2014-09 becomes effective for us on January 1, 2018, including interim periods within that reporting period. Early adoption is permitted, but not before our original effective date of January 1, 2017. We are currently in the process of evaluating the impact of the adoption of ASU 2014-09 on our consolidated financial statements.

In August 2014, FASB issued ASU No. 2014-15, *Presentation of Financial Statements – Going Concern: Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern* ("ASU 2014-15"), which provides guidance about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. The adoption of ASU 2014-15 becomes effective for us on our fiscal year ending December 31, 2016, and all subsequent annual and interim periods. Early adoption is permitted. The adoption of ASU 2014-15 is not expected to have a material effect on our consolidated financial statements.

In January 2015, FASB issued ASU No. 2015-01, *Income Statement – Extraordinary and Unusual Items* ("ASU 2015-01"), which simplifies income statement presentation by eliminating the concept of extraordinary items. The adoption of ASU 2015-01 becomes effective for us on January 1, 2016, including interim periods within that reporting period. Early adoption is permitted. The adoption of ASU 2015-01 is not expected to have a material effect on our consolidated financial statements.

In February 2015, FASB issued ASU No. 2015-02, *Consolidation – Amendments to the Consolidation Analysis* ("ASU 2015-02"), which modifies the evaluation of whether limited partnerships and similar legal entities are variable interest entities or voting interest entities, eliminates the presumption that a general partner should consolidate a limited partnership, and affects the consolidation analysis by reducing the frequency of application of related party guidance and excluding certain fees in the primary beneficiary determination. The adoption of ASU 2015-02 becomes effective for us on January 1, 2016, including interim periods within that reporting period. Early adoption is permitted. The adoption of ASU 2015-02 is not expected to have a material effect on our consolidated financial statements.

In April 2015, FASB issued ASU No. 2015-03, *Interest – Imputation of Interest* ("ASU 2015-03"), which requires debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of such debt liability, consistent with debt discounts. In August 2015, FASB issued ASU No. 2015-15, *Interest – Imputation of Interest* ("ASU 2015-15"), which further specifies the SEC Staff's view on the presentation and subsequent measurement of debt issuance costs associated with line of credit arrangements. ASU 2015-03 and ASU 2015-15 will be applied on a retrospective basis. The adoption of ASU 2015-03 and ASU 2015-15 becomes effective for us on January 1, 2016, including interim periods within that reporting period. Early adoption is permitted. The adoption of ASU 2015-03 and ASU 2015-15 is not expected to have a material effect on our consolidated financial statements. Upon adoption of both accounting standards updates, debt issuance costs associated with non-recourse long-term debt will be reclassified in our consolidated balance sheets from other assets to non-recourse long-term debt, while debt issuance costs associated with line of credit arrangements will continue to be presented in other assets on our consolidated balance sheets.

(3) Net Investment in Note Receivable

As of September 30, 2015 and December 31, 2014, we had no net investment in note receivable on non-accrual status and no net investment in note receivable that was past due 90 days or more and still accruing.

Net investment in note receivable consisted of the following:

	September 30, 2015	December 31, 2014
Principal outstanding	$ 2,500,000	$ 2,500,000
Initial direct costs	166,286	191,229
Deferred fees	(41,514)	(47,742)
Net investment in note receivable	$ 2,624,772	$ 2,643,487

Assets for which Fair Value is Disclosed

Certain of our financial assets, which include a fixed-rate note receivable, for which fair value is required to be disclosed, were valued using inputs that are generally unobservable and are supported by little or no market data and are therefore classified within Level 3. Under U.S. GAAP, we use projected cash flows for fair value measurements of this financial asset. Fair value information with respect to certain of our other assets is not separately provided since (i) U.S. GAAP does not require fair value disclosures of lease arrangements and (ii) the carrying value of financial assets and liabilities, other than lease-related investments, approximates fair value due to their short-term maturities.

The estimated fair value of our fixed-rate note receivable was based on the discounted value of future cash flows related to the loan at inception, adjusted for changes in certain variables, including, but not limited to, credit quality, industry, financial markets and other recent comparables. As of September 30, 2015, the fair value of the principal outstanding on the fixed-rate note receivable was estimated to be $2,550,000 and was derived using a discount rate of 10.68% per year.

(4) Net Investment in Finance Lease

As of September 30, 2015 and December 31, 2014, we had no investment in finance lease on non-accrual status and no net investment in finance lease that was past due 90 days or more and still accruing.

Net investment in finance lease consisted of the following:

	September 30, 2015	December 31, 2014
Minimum rents receivable	$ 7,061,247	$ 9,558,326
Estimated unguaranteed residual value	1,593,483	1,600,345
Initial direct costs	111,469	189,202
Unearned income	(1,008,819)	(1,753,388)
Net investment in finance lease	$ 7,757,380	$ 9,594,485

(5) Investment in Joint Ventures

On September 12, 2013, ICON Murray VI, LLC ("ICON Murray VI"), a joint venture owned 19.8% by us, 67% by ICON Leasing Fund Eleven, LLC ("Fund Eleven") and 13.2% by ICON Leasing Fund Twelve, LLC ("Fund Twelve"), each an entity also managed by our Investment Manager, purchased mining equipment that was simultaneously leased to Murray Energy Corporation and certain of its affiliates (collectively, "Murray") for 24 months. The lease was scheduled to expire on September 30, 2015, but was extended for one month with an additional lease payment of $635,512. On October 29, 2015, Murray repurchased the equipment from the joint venture pursuant to the terms of the lease for $2,991,400. Pursuant to a remarketing agreement with a third party, the joint venture is required to pay an aggregate remarketing fee of $766,466. No gain or loss was recognized as a result of the sale.

Information as to the results of operations of ICON Murray VI is summarized as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Revenue	$ 1,906,537	$ 1,906,537	$ 5,719,612	$ 5,719,612
Net income	$ 254,338	$ 330,567	$ 764,617	$ 842,761
Our share of net income	$ 43,326	$ 58,419	$ 130,294	$ 132,839

Information as to the results of operations of ICON Blackhawk, LLC is summarized as follows:

ICON ECI Fund Sixteen
(A Delaware Statutory Trust)
Notes to Consolidated Financial Statements
September 30, 2015
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Revenue	$ 486,138	$ 727,311	$ 1,871,007	$ 1,638,798
Net income	$ 328,642	$ 555,156	$ 1,284,170	$ 1,303,866
Our share of net income	$ 33,414	$ 56,119	$ 130,113	$ 131,793

Information as to the results of operations of ICON 1845, LLC is summarized as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Revenue	$ 348,738	$ 413,524	$ 1,126,627	$ 803,778
Net income	$ 333,801	$ 413,524	$ 1,018,320	$ 802,139
Our share of net income	$ 42,043	$ 52,009	$ 128,267	$ 100,920

On July 10, 2015, a joint venture owned 10% by us, 50% by ICON ECI Fund Fifteen, L.P. (“Fund Fifteen”) and 40% by ICON Equipment and Corporate Infrastructure Fund Fourteen, L.P. (“Fund Fourteen”), each an entity also managed by our Investment Manager, purchased auxiliary support equipment and robots used in the production of certain automobiles for $9,934,118, which were simultaneously leased to Challenge Mfg. Company, LLC and certain of its affiliates (collectively, “Challenge”) for 60 months. Our contribution to the joint venture was $998,379.

(6) Revolving Line of Credit, Recourse

On March 31, 2015, we extended our revolving line of credit of up to $5,000,000 (the “Facility”) with California Bank & Trust (“CB&T”) through May 30, 2017. As part of such extension, we paid debt financing costs of $19,000. The Facility is secured by all of our assets not subject to a first priority lien. Amounts available under the Facility are subject to a borrowing base that is determined, subject to certain limitations, by the present value of the future receivables under certain loans and lease agreements in which we have a beneficial interest.

The interest rate for general advances under the Facility is CB&T’s prime rate. We may elect to designate up to five advances on the outstanding principal balance of the Facility to bear interest at the London Interbank Offered Rate (“LIBOR”) plus 2.5% per year. In all instances, borrowings under the Facility are subject to an interest rate floor of 4.0% per year. In addition, we are obligated to pay an annualized 0.5% fee on unused commitments under the Facility. At September 30, 2015, there were no obligations outstanding under the Facility and we were in compliance with all covenants related to the Facility.

At September 30, 2015, we had $2,052,341 available under the Facility pursuant to the borrowing base.

(7) Transactions with Related Parties

We have entered into certain agreements with our Investment Manager and CĪON Securities whereby we paid or pay certain fees and reimbursements to these parties. We paid or pay CĪON Securities (i) a dealer-manager fee for Class A shares sold in the offering equal to 2% of gross offering proceeds from sales of such Class A shares for managing the offering and to reimburse the dealer-manager for wholesaling fees and expenses and (ii) a distribution fee equal to 0.55% of gross offering proceeds from Class I shares sold in the offering for managing the distribution of the Class I shares. We will continue to pay the distribution fee with respect to the Class I shares sold in the offering until the earlier to occur of: (i) total distribution fees paid with respect to the Class I shares following the completion of the offering equaling 10% of the gross proceeds received with respect to the issuance of such shares from the primary portion of the offering or (ii) our entry into our wind down period. The distribution fee is paid monthly in arrears. During the three and nine months ended September 30, 2015, we paid distribution fees of $1,526 previously accrued in due to Investment Manager and affiliates on our consolidated balance sheets. No dealer-manager or distribution fees were or will be paid on any Shares sold pursuant to the DRIP.

Our Managing Owner also has a 1% interest in our profits, losses, distributions and liquidation proceeds, subject to increase based on our investors achieving a preferred return. In addition, our Investment Manager and its affiliates were reimbursed for a portion of the organization and offering expenses incurred in connection with our organization and offering of

ICON ECI Fund Sixteen
(A Delaware Statutory Trust)
Notes to Consolidated Financial Statements
September 30, 2015
(unaudited)

Shares and will be reimbursed for administrative expenses incurred in connection with our operations. The reimbursement of organization and offering expenses was capped at the lesser of 1.44% of the maximum primary offering amount of $241,000,000 and the actual costs and expenses incurred by our Investment Manager and its affiliates. Through the end of our offering period, our Investment Manager and its affiliates incurred, on our behalf, organization and offering expenses of $1,759,237, of which our Investment Manager and its affiliates determined only to seek reimbursement of $239,758. As of September 30, 2015 and December 31, 2014, $0 and $52,144, respectively, of such amount was included in due to Investment Manager and affiliates on our consolidated balance sheets.

We pay our Investment Manager (i) a management fee of 3.50% of the gross periodic payments due and paid from our investments and (ii) acquisition fees of 2.50% of the total purchase price (including indebtedness incurred or assumed therewith) of, or the value of the Capital Assets secured by or subject to, each of our investments.

Administrative expense reimbursements are costs incurred by our Investment Manager or its affiliates that are necessary to our operations. These costs include our Investment Manager's and its affiliates' legal, accounting, investor relations and operations personnel, as well as professional fees and other costs that are charged to us. Excluded are salaries and related costs, office rent, travel expenses and other administrative costs incurred by individuals with a controlling interest in our Investment Manager.

We paid distributions to our Managing Owner of $3,585 and $10,636 for the three and nine months ended September 30, 2015, respectively. We paid distributions to our Managing Owner of $2,848 and $5,307 for the three and nine months ended September 30, 2014, respectively. Additionally, our Managing Owner's interest in the net income attributable to us was $1,044 and $2,120 for the three and nine months ended September 30, 2015, respectively. Our Managing Owner's interest in the net loss attributable to us was $37 and $3,362 for the three and nine months ended September 30, 2014, respectively.

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

			Three Months Ended September 30,		Nine Months Ended September 30,	
Entity	Capacity	Description	2015	2014	2015	2014
ICON Capital, LLC	Investment Manager	Offering expense reimbursements (1)	$ -	$ 22,619	$ -	$ 128,540
ICON Capital, LLC	Investment Manager	Organization cost reimbursements (2)	-	1,047	-	6,622
ICON Capital, LLC	Investment Manager	General and administrative reimbursements (2)	-	1,745	-	43,389
ICON Capital, LLC	Investment Manager	Management fees (2)	42,891	27,702	125,016	62,075
CĪON Securities, LLC	Dealer-manager	Dealer-manager and distribution fees (1)	-	47,457	-	277,664
ICON Capital, LLC	Investment Manager	Administrative expense reimbursements (2)	99,234	132,432	336,069	459,505
ICON Capital, LLC	Investment Manager	Acquisition fees (3)	24,835	339,075	24,835	440,599
			$ 166,960	$ 572,077	$ 485,920	$ 1,418,394

(1) Amount charged directly to shareholders' equity.

(2) Amount charged directly to operations.

(3) Amount capitalized and amortized to operations.

At September 30, 2015, we had a net payable of $116,160 due to our Investment Manager and affiliates that primarily consisted of administrative expense reimbursements of $99,234. At December 31, 2014, we had a net payable of $945,186 due to our Investment Manager and affiliates that primarily consisted of administrative expense reimbursements of $649,191, management fees of $104,690 and acquisition fees of $101,524.

(8) Commitments and Contingencies

At the time we acquire or divest of our interest in Capital Assets, we may, under very limited circumstances, agree to indemnify the seller or buyer for specific contingent liabilities. Our Managing Owner believes that any liability of ours that may arise as a result of any such indemnification obligations will not have a material adverse effect on our consolidated financial condition or results of operations taken as a whole.

(9) Subsequent Event

On October 27, 2015, a joint venture owned 10% by us amended the lease with Blackhawk Mining, LLC ("Blackhawk") to waive Blackhawk's breach of a financial covenant during the nine months ended September 30, 2015 and to obtain a partial prepayment of $3,502,514, which included an amendment fee of $75,000. In addition, corresponding amendments were made to certain payment and repurchase provisions of the lease to account for the partial prepayment.

Item 2. Managing Owner's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion of our current financial position and results of operations. This discussion should be read together with our unaudited consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and our audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2014. This discussion should also be read in conjunction with the disclosures below regarding "Forward-Looking Statements."

As used in this Quarterly Report on Form 10-Q, references to "we," "us," "our" or similar terms include ICON ECI Fund Sixteen and its consolidated subsidiaries.

Forward-Looking Statements

Certain statements within this Quarterly Report on Form 10-Q 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," "would," "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. They are based on assumptions and are subject to risks and uncertainties and other factors outside of 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.

Overview

We are a direct financing fund that primarily makes investments in domestic and international businesses, which investments are primarily structured as debt and debt-like financings (such as loans, leases and other structured financing transactions) in or that are collateralized by Capital Assets utilized by such companies to operate their businesses, as well as other strategic investments in or collateralized by Capital Assets that our Managing Owner believes will provide us with a satisfactory, risk-adjusted rate of return. We were formed as a Delaware statutory trust and are treated as a partnership for federal income tax purposes.

Our offering period commenced on July 1, 2013 and ended on December 31, 2014. Our Managing Owner determined to cease our offering period earlier than originally anticipated as a result of lower than expected offering proceeds being raised. Our operating period commenced on January 1, 2015. As of the Initial Closing Date, we raised a minimum of $1,200,000 from the sale of our Shares, at which time shareholders were admitted and we commenced operations. As of June 13, 2014, we raised the $12,500,000 minimum offering amount for the Commonwealth of Pennsylvania. Subsequent to the Initial Closing Date, we returned the initial capital contribution of $1,000 to the Initial Shareholder. From the commencement of our offering on July 1, 2013 through December 31, 2014, we sold 17,189 Class A shares to 351 Class A shareholders and 410 Class I shares to six Class I shareholders, of which 404 Class A shares and 12 Class I shares were issued pursuant to the DRIP, representing an aggregate of $17,469,610 of capital contributions. From Initial Closing Date through December 31, 2014, we incurred sales commissions to third parties of $1,198,531 and dealer-manager and distribution fees to CĪON Securities of $347,547. In addition, organization costs of $8,418 and offering expenses of $161,422 were incurred by us during such period.

After the net offering proceeds were invested, additional investments have been and will continue to be made with the cash generated from our initial investments to the extent that cash is not used for our expenses, reserves and distributions to our shareholders. The investment in additional Capital Assets in this manner is called "reinvestment." We anticipate investing and reinvesting in Capital Assets from time to time during our five year operating period, which may be extended at our Managing Owner's discretion for up to an additional three years. After the operating period, we will then sell our assets and/or let our investments mature in the ordinary course of business, during a time frame called the "wind down period."

Our Trustee serves as our sole trustee pursuant to the Trust Agreement and has delegated to our Managing Owner all of the power and authority to manage our business and affairs, including, but not limited to, our investments in Capital Assets. Pursuant to the terms of our investment management agreement, our Managing Owner has engaged our Investment Manager to, among other things, originate and service our investments.

Recent Significant Transactions

We engaged in the following significant transactions since December 31, 2014:

Auto Manufacturing Equipment

On July 10, 2015, a joint venture owned 10% by us, 50% by Fund Fifteen and 40% by Fund Fourteen purchased auxiliary support equipment and robots used in the production of certain automobiles for $9,934,118, which were simultaneously leased to Challenge for 60 months. Our contribution to the joint venture was $998,379.

Mining Equipment

On September 12, 2013, ICON Murray VI purchased mining equipment that was simultaneously leased to Murray for 24 months. The lease was scheduled to expire on September 30, 2015, but was extended for one month with an additional lease payment of $635,512. On October 29, 2015, Murray repurchased the equipment from the joint venture pursuant to the terms of the lease for $2,991,400. Pursuant to a remarketing agreement with a third party, the joint venture is required to pay an aggregate remarketing fee of $766,466. No gain or loss was recognized as a result of the sale.

The following table includes information on the significant transactions that we engaged in from the Initial Closing Date through September 30, 2015:

Portfolio Company	Structure	Equity Invested	Interest Rate	Expiration Date	Collateral/ Priority	Net Carrying Value	Credit Loss Reserve	Current Status
Murray Energy Corporation (1)	Lease	$2,659,195	N/A	9/30/2015 (5)	Ownership of mining equipment	$418,592 (2)	None	Performing
Blackhawk Mining, LLC (1)	Lease	$1,795,597	N/A	2/28/2018	Ownership of mining equipment	$1,471,240 (2)	None	Performing
D&T Holdings, LLC (1)	Lease	$1,484,705	N/A	12/31/2018	Ownership of trucks, trailers and equipment	$861,087 (2)	None	Performing
Geokinetics, Inc.	Lease	$5,690,851	N/A	8/31/2017	Ownership of seismic testing equipment	$4,048,855 (3)	None	Performing
Premier Trailer Leasing, Inc.	Loan	$2,626,471	LIBOR, subject to 1% floor, plus 9%	9/24/2020	Second priority in all assets and equity interests	$2,624,772 (4)	None	Performing
Challenge Mfg. Company, LLC (1)	Lease	$998,379	N/A	7/9/2020	Ownership of auxiliary support equipment and robots	$970,222 (2)	None	Performing

(1) Our investment in this portfolio company is through a joint venture and is included in our consolidated balance sheets as investment in joint ventures.

(2) 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.

(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 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) 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.

(5) Please refer to the disclosure under the subheading "Mining Equipment" above for developments related to the lease with Murray subsequent to September 30, 2015.

Acquisition Fees

We incurred acquisition fees to our Investment Manager of $24,835 during the three and nine months ended September 30, 2015, which is included in due to Investment Manager and affiliates on our consolidated balance sheets as of September 30, 2015.

Subsequent Event

On October 27, 2015, a joint venture owned 10% by us amended the lease with Blackhawk to waive Blackhawk's breach of a financial covenant during the nine months ended September 30, 2015 and to obtain a partial prepayment of $3,502,514, which included an amendment fee of $75,000. In addition, corresponding amendments were made to certain payment and repurchase provisions of the lease to account for the partial prepayment.

Recent Accounting Pronouncements

In May 2014 and August 2015, FASB issued ASU 2014-09, *Revenue from Contracts with Customers*, and ASU 2015-14, *Revenue from Contracts with Customers – Deferral of the Effective Date*, respectively, which will become effective for us on January 1, 2018. Early adoption is permitted, but not before our original effective date of January 1, 2017. We are currently in the process of evaluating the impact of the adoption of ASU 2014-09 on our consolidated financial statements.

In August 2014, FASB issued ASU 2014-15, *Presentation of Financial Statements – Going Concern: Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern,* which will become effective for us on our fiscal year ending December 31, 2016. The adoption of ASU 2014-15 is not expected to have a material effect on our consolidated financial statements.

In January 2015, FASB issued ASU 2015-01, *Income Statement – Extraordinary and Unusual Items*, which will become effective for us on January 1, 2016. The adoption of ASU 2015-01 is not expected to have a material effect on our consolidated financial statements.

In February 2015, FASB issued ASU 2015-02, *Consolidation – Amendments to the Consolidation Analysis*, which will become effective for us on January 1, 2016. The adoption of ASU 2015-02 is not expected to have a material effect on our consolidated financial statements.

In April 2015 and August 2015, FASB issued ASU 2015-03 , *Interest – Imputation of Interest,* and ASU 2015-15, *Interest – Imputation of Interest*, respectively, which will become effective for us on January 1, 2016. The adoption of ASU 2015-03 and ASU 2015-15 is not expected to have a material effect on our consolidated financial statements. Upon adoption of both accounting standards updates, debt issuance costs associated with non-recourse long-term debt will be reclassified in our consolidated balance sheets from other assets to non-recourse long-term debt, while debt issuance costs associated with line of credit arrangements will continue to be presented in other assets on our consolidated balance sheets.

We do not believe any other recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have a material effect on our consolidated financial statements.

Results of Operations for the Three Months Ended September 30, 2015 (the "2015 Quarter") and 2014 (the "2014 Quarter")

The following percentages are only as of a stated period and are not expected to be comparable in future periods. Further, these percentages are only representative of the percentage of the carrying value of such assets or finance income as of each stated period, and as such are not indicative of the concentration of any asset type or customer by the amount of equity invested or our investment portfolio as a whole.

Financing Transactions

As of September 30, 2015 and December 31, 2014, the net investment in finance lease amount presented on our consolidated balance sheets is secured by our ownership of seismic testing equipment. As of September 30, 2015 and December 31, 2014, the net investment in note receivable amount presented on our consolidated balance sheets is secured by a second priority security interest in all of the borrower's assets, including trailers and equity interests.

During the 2015 Quarter and the 2014 Quarter, certain customers generated significant portions (defined as 10% or more) of our total finance income as follows:

Customer	Asset Type	Percentage of Total Finance Income 2015 Quarter	2014 Quarter
Geokinetics, Inc.	Seismic testing equipment	78%	96%
Premier Trailer Leasing, Inc.	Trailers	22%	4%
		100%	100%

Interest income from our net investment in note receivable and finance income from our net investment in finance lease are included in finance income in our consolidated statements of operations.

Revenue for the 2015 Quarter and the 2014 Quarter is summarized as follows:

	Three Months Ended September 30, 2015	2014	Change
Finance income	$ 259,780	$ 93,093	$ 166,687
Income from investment in joint ventures	144,268	166,547	(22,279)
Other income	-	11	(11)
Total revenue	$ 404,048	$ 259,651	$ 144,397

Total revenue for the 2015 Quarter increased $144,397, or 55.6%, as compared to the 2014 Quarter. The increase was due to an increase in finance income in the 2015 Quarter generated by our investment in a finance lease and a note receivable entered into during September 2014.

Expenses for the 2015 Quarter and the 2014 Quarter are summarized as follows:

	Three Months Ended September 30, 2015	2014	Change
Management fees	$ 42,891	$ 27,702	$ 15,189
Administrative expense reimbursements	99,234	132,432	(33,198)
General and administrative	56,261	51,197	5,064
Interest	6,394	7,236	(842)
Organization costs	-	1,047	(1,047)
Total expenses	$ 204,780	$ 219,614	$ (14,834)

Total expenses for the 2015 Quarter decreased $14,834, or 6.8%, as compared to the 2014 Quarter. The decrease primarily related to a decrease in administrative expense reimbursements due to lower costs incurred on our behalf by our Investment Manager during the 2015 Quarter as compared to the 2014 Quarter. The decrease was partially offset by an increase in management fees and tax professional fees incurred during the 2015 Quarter as a result of the increase in size of our investment portfolio.

Net Income Attributable to Noncontrolling Interests

Net income attributable to noncontrolling interests increased $51,070, from $43,768 in the 2014 Quarter to $94,838 in the 2015 Quarter. The increase was a result of our investment in a new finance lease during September 2014 in which Fund Fourteen and ICON ECI Partners L.P. ("ECI Partners"), an entity also managed by our Investment Manager, have a noncontrolling interest.

Net Income (Loss) Attributable to Fund Sixteen

As a result of the foregoing factors, net income (loss) attributable to us for the 2015 Quarter and the 2014 Quarter was $104,430 and $(3,731), respectively. Net income attributable to us per weighted average additional Class A share and Class I share outstanding for the 2015 Quarter was $5.87 and $6.11, respectively. Net loss attributable to us per weighted average additional Class A share and Class I share outstanding for the 2014 Quarter was $0.25 and $0.02, respectively.

Results of Operations for the Nine Months Ended September 30, 2015 (the "2015 Period") and 2014 (the "2014 Period")

The following percentages are only as of a stated period and are not expected to be comparable in future periods. Further, these percentages are only representative of the percentage of finance income as of each stated period, and as such are not indicative of the concentration of any asset type or customer by the amount of equity invested or our investment portfolio as a whole.

Financing Transactions

During the 2015 Period and the 2014 Period, certain customers generated significant portions (defined as 10% or more) of our total finance income as follows:

		Percentage of Total Finance Income	
Customer	Asset Type	2015 Period	2014 Period
Geokinetics, Inc.	Seismic testing equipment	80%	96%
Premier Trailer Leasing, Inc.	Trailers	20%	4%
		100%	100%

Interest income from our net investment in note receivable and finance income from our net investment in finance lease are included in finance income in our consolidated statements of operations.

Revenue for the 2015 Period and the 2014 Period is summarized as follows:

	Nine Months Ended September 30,		
	2015	2014	Change
Finance income	$ 836,906	$ 93,093	$ 743,813
Income from investment in joint ventures	414,160	365,552	48,608
Other income	-	11	(11)
Total revenue	$ 1,251,066	$ 458,656	$ 792,410

Total revenue for the 2015 Period increased $792,410, or 172.8%, as compared to the 2014 Period. The increase was primarily due to an increase in finance income in the 2015 Period generated by our investment in a finance lease and a note receivable entered into during September 2014.

Expenses for the 2015 Period and the 2014 Period are summarized as follows:

	Nine Months Ended September 30,		
	2015	2014	Change
Management fees	$ 125,016	$ 62,075	$ 62,941
Administrative expense reimbursements	336,069	459,505	(123,436)
General and administrative	252,084	205,699	46,385
Interest	20,857	17,166	3,691
Organization costs	-	6,622	(6,622)
Total expenses	$ 734,026	$ 751,067	$ (17,041)

Total expenses for the 2015 Period decreased $17,041, or 2.3%, as compared to the 2014 Period. The decrease primarily related to a decrease in administrative expense reimbursements due to lower costs incurred on our behalf by our Investment Manager during the 2015 Period as compared to the 2014 Period. The decrease was partially offset by an increase in management fees and tax and audit-related professional fees incurred during the 2015 Period as a result of the increase in size of our investment portfolio.

Net Income Attributable to Noncontrolling Interests

Net income attributable to noncontrolling interests increased $261,288, from $43,768 in the 2014 Period to $305,056 in the 2015 Period. The increase was a result of our investment in a new finance lease during September 2014 in which Fund Fourteen and ECI Partners have a noncontrolling interest.

Net Income (Loss) Attributable to Fund Sixteen

As a result of the foregoing factors, net income (loss) attributable to us for the 2015 Period and the 2014 Period was $211,984 and $(336,179), respectively. Net income attributable to us per weighted average additional Class A share and Class I share outstanding for the 2015 Period was $11.91 and $12.64, respectively. Net loss attributable to us per weighted average additional Class A share and Class I share outstanding for the 2014 Period was $32.49 and $24.36, respectively.

Financial Condition

This section discusses the major balance sheet variances at September 30, 2015 compared to December 31, 2014.

Total Assets

Total assets decreased $2,555,208, from $20,596,681 at December 31, 2014 to $18,041,473 at September 30, 2015. The decrease was primarily due to the use of existing cash and cash generated from our investments to pay distributions to our shareholders and noncontrolling interests and to pay down our related party payable due to our Investment Manager during the 2015 Period.

Total Liabilities

Total liabilities decreased $833,508, from $1,525,523 at December 31, 2014 to $692,015 at September 30, 2015. The decrease was primarily due to the paydown of our related party payable due to our Investment Manager during the 2015 Period.

Equity

Equity decreased $1,721,700, from $19,071,158 at December 31, 2014 to $17,349,458 at September 30, 2015. The decrease was primarily due to distributions to our shareholders and noncontrolling interests, partially offset by our net income in the 2015 Period.

Liquidity and Capital Resources

Summary

At September 30, 2015 and December 31, 2014, we had cash of $3,772,211 and $4,249,074, respectively. Pursuant to the terms of our offering, we have established a cash reserve in the amount of 0.50% of the gross offering proceeds from the sale of our Shares. As of September 30, 2015, the cash reserve was $87,348. During our offering period, which ended on December 31, 2014, our main source of cash was from financing activities and our main use of cash was in investing activities. During our operating period, which commenced on January 1, 2015, our main source of cash is typically from operating activities and our main use of cash is in investing activities. Our liquidity will vary in the future, increasing to the extent cash flows from investments and proceeds from the sale of our investments exceed expenses and decreasing as we make new investments, pay distributions to our shareholders and to the extent that expenses exceed cash flows from operations and proceeds from the sale of our investments.

We believe that cash generated from the expected results of our operations will be sufficient to finance our liquidity requirements for the foreseeable future, including distributions to our shareholders, general and administrative expenses, new investment opportunities, management fees and administrative expense reimbursements.

Our ability to generate cash in the future is subject to general economic, financial, competitive, regulatory and other factors that affect us and our borrowers' and lessees' businesses that are beyond our control.

We have used the net proceeds of our offering and will use the cash generated from our investments to invest in Capital Assets located in North America and other developed markets, including those in Asia and elsewhere. We have sought and continue to seek to acquire a portfolio of Capital Assets that is comprised of transactions that generate (a) current cash flow from payments of principal and/or interest (in the case of secured loans and other financing transactions) and rental payments (in the case of leases), (b) deferred cash flow by realizing the value of Capital Assets or interests therein at the maturity of the investment, or (c) a combination of both from other structured investments.

Unanticipated or greater than anticipated operating costs or losses (including a borrower's inability to make timely loan payments or a lessee's inability to make timely lease payments) would adversely affect our liquidity. To the extent that working capital may be insufficient to satisfy our cash requirements, we anticipate that we would fund our operations from cash flow generated by investing and financing activities. At September 30, 2015, we had $2,052,341 available under a revolving line of credit pursuant to the borrowing base to fund our short-term liquidity needs. For additional information, see "Financings and Borrowings – Revolving Line of Credit, Recourse" below and Note 6 to our consolidated financial statements. Our Managing Owner does not intend to fund any cash flow deficit of ours or provide other financial assistance to us.

From the commencement of our offering on July 1, 2013 through the completion of our offering on December 31, 2014, we sold 17,189 Class A shares to 351 Class A shareholders and 410 Class I shares to six Class I shareholders, of which 404 Class A shares and 12 Class I shares were issued pursuant to the DRIP, representing an aggregate of $17,469,610 of capital contributions. From the Initial Closing Date through December 31, 2014, we incurred sales commissions to third parties of $1,198,531 and dealer-manager and distribution fees to CĪON Securities of $347,547. In addition, organization costs of $8,418 and offering expenses of $161,422 were incurred by us during such period. Organization costs were expensed when incurred and offering expenses were recorded as a reduction of shareholders' equity.

Cash Flows

Operating Activities

Cash flows from operating activities decreased $579,279, from a source of cash of $174,861 in the 2014 Period to a use of cash of $404,418 in the 2015 Period. The decrease was primarily due to the paydown of our related party payable due to our Investment Manager during the 2015 Period, partially offset by increased cash receipts generated from our investment in a finance lease and a note receivable entered into during September 2014.

Investing Activities

Cash flows from investing activities increased $18,654,642, from a use of cash of $16,486,821 in the 2014 Period to a source of cash of $2,167,821 in the 2015 Period. The increase was due to fewer investments made in the 2015 Period and an increase in principal received in the 2015 Period on our finance lease that we entered into during September 2014.

Financing Activities

Cash flows from financing activities decreased $19,572,773, from a source of cash of $17,332,507 in the 2014 Period to a use of cash of $2,240,266 in the 2015 Period. The decrease was primarily due to (i) our offering period ending on December 31, 2014 resulting in no cash generated from the sale of Shares in the 2015 Period, (ii) a decrease in contributions from our noncontrolling interests and (iii) an increase in distributions to our noncontrolling interests and shareholders.

Financings and Borrowings

Revolving Line of Credit, Recourse

On March 31, 2015, we extended our Facility through May 30, 2017. As part of such extension, we paid debt financing costs of $19,000. The Facility is secured by all of our assets not subject to a first priority lien. Amounts available under the Facility are subject to a borrowing base that is determined, subject to certain limitations, by the present value of the future receivables under certain loans and lease agreements in which we have a beneficial interest.

The interest rate for general advances under the Facility is CB&T's prime rate. We may elect to designate up to five advances on the outstanding principal balance of the Facility to bear interest at LIBOR plus 2.5% per year. In all instances, borrowings under the Facility are subject to an interest rate floor of 4.0% per year. In addition, we are obligated to pay an annualized 0.5% fee on unused commitments under the Facility. At September 30, 2015, there were no obligations outstanding under the Facility and we were in compliance with all covenants related to the Facility.

At September 30, 2015, we had $2,052,341 available under the Facility pursuant to the borrowing base.

Distributions

We, at our Managing Owner's discretion, pay monthly distributions to our shareholders beginning with the first month after each such shareholder's admission and expect to continue to pay such distributions until the termination of our operating period. During the 2015 Period, we paid distributions to our Managing Owner, Class A additional shareholders and Class I shareholders of $10,636, $1,028,261 and $24,618, respectively. We also paid distributions to our noncontrolling interests of $1,192,388 in the 2015 Period.

Commitments and Contingencies and Off-Balance Sheet Transactions

Commitments and Contingencies

At the time we acquire or divest of our interest in Capital Assets, we may, under very limited circumstances, agree to indemnify the seller or buyer for specific contingent liabilities. Our Managing Owner believes that any liability of ours that may arise as a result of any such indemnification obligations will not have a material adverse effect on our consolidated financial condition or results of operations taken as a whole. We are a party to the Facility, as discussed in "Financings and Borrowings – Revolving Line of Credit, Recourse" above. We had no borrowings under the Facility at September 30, 2015.

Off-Balance Sheet Transactions

None.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Smaller reporting companies are not required to provide the information required by this item.

Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures

In connection with the preparation of this Quarterly Report on Form 10-Q for the three months ended September 30, 2015, our Managing Owner carried out an evaluation, under the supervision and with the participation of the management of our Managing Owner, including its Co-Chief Executive Officers and the Principal Financial and Accounting Officer, of the effectiveness of the design and operation of our Managing Owner's disclosure controls and procedures as of the end of the period covered by this report pursuant to the Securities Exchange Act of 1934, as amended. Based on the foregoing evaluation, the Co-Chief Executive Officers and the Principal Financial and Accounting Officer concluded that our Managing Owner's disclosure controls and procedures were effective.

In designing and evaluating our Managing Owner's disclosure controls and procedures, our Managing Owner recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Our Managing Owner's disclosure controls and procedures have been designed to meet reasonable assurance standards. Disclosure controls and procedures cannot detect or prevent all error and fraud. Some inherent limitations in disclosure controls and procedures include costs of implementation, faulty decision-making, simple error and mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based, in part, upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all anticipated and unanticipated future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with established policies or procedures.

Evaluation of internal control over financial reporting

There have been no changes in our internal control over financial reporting during the three months ended September 30, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

In the ordinary course of conducting our business, we may be subject to certain claims, suits, and complaints filed against us. In our Managing Owner's opinion, the outcome of such matters, if any, will not have a material impact on our consolidated financial position or results of operations. We are not aware of any material legal proceedings that are currently pending against us or against any of our assets.

Item 1A. Risk Factors

Smaller reporting companies are not required to provide the information required by this item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

We did not sell or repurchase any Shares during the three months ended September 30, 2015.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

3.1	Certificate of Trust of Registrant (Incorporated by reference to Exhibit 3.1 to Registrant's Registration Statement on Form S-1 filed with the SEC on November 26, 2012 (File No. 333-185144)).
4.1	Form of Third Amended and Restated Trust Agreement of Registrant (Incorporated by reference to Exhibit A to Registrant's Prospectus Supplement No. 4 filed with the SEC on April 2, 2014 (File No. 333-185144)).
10.1	Form of Investment Management Agreement, by and between ICON ECI Fund Sixteen and ICON Capital, LLC (Incorporated by reference to Exhibit 10.2 to Amendment No. 1 to the Registrant's Registration Statement on Form S-1 filed with the SEC on February 1, 2013 (File No. 333-185144)).
10.2	Commercial Loan Agreement, by and between California Bank & Trust and ICON ECI Fund Sixteen, dated as of December 26, 2013 (Incorporated by reference to Exhibit 10.2 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2013, filed March 28, 2014).
10.3	Loan Modification Agreement, by and between California Bank & Trust and ICON ECI Fund Sixteen, dated as of March 31, 2015 (Incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015, filed on May 8, 2015).
31.1	Rule 13a-14(a)/15d-14(a) Certification of Co-Chief Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) Certification of Co-Chief Executive Officer.
31.3	Rule 13a-14(a)/15d-14(a) Certification of Principal Financial and Accounting Officer.
32.1	Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.3	Certification of Principal Financial and Accounting Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

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, thereunto duly authorized.

ICON ECI Fund Sixteen
(Registrant)

By: ICON MT 16, LLC
(Managing Owner of the Registrant)

November 5, 2015

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

By: /s/ Mark Gatto
Mark Gatto
Co-Chief Executive Officer and Co-President
(Co-Principal Executive Officer)

By: /s/ Christine H. Yap
Christine H. Yap
Managing Director
(Principal Financial and Accounting Officer)

Exhibit 31.1

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael A. Reisner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ICON ECI Fund Sixteen;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the board of directors of ICON MT 16, LLC (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2015

/s/ Michael A. Reisner
Michael A. Reisner
Co-Chief Executive Officer and Co-President
ICON MT 16, LLC

Exhibit 31.2

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark Gatto, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ICON ECI Fund Sixteen;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the board of directors of ICON MT 16, LLC (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2015

/s/ Mark Gatto
Mark Gatto
Co-Chief Executive Officer and Co-President
ICON MT 16, LLC

Exhibit 31.3

CERTIFICATION OF PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Christine H. Yap, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ICON ECI Fund Sixteen;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

   b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the board of directors of ICON MT 16, LLC (or persons performing the equivalent functions):

   a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2015

/s/ Christine H. Yap
Christine H. Yap
Managing Director
(Principal Financial and Accounting Officer)
ICON MT 16, LLC

Exhibit 32.1

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael A. Reisner, Co-Chief Executive Officer and Co-President of ICON MT 16, LLC, the Managing Owner of the Registrant, in connection with the Quarterly Report of ICON ECI Fund Sixteen (the "Fund") on Form 10-Q for the quarter ended September 30, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Quarterly Report"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Fund.

Date: November 5, 2015

/s/ Michael A. Reisner
Michael A. Reisner
Co-Chief Executive Officer and Co-President
ICON MT 16, LLC

Exhibit 32.2

**CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark Gatto, Co-Chief Executive Officer and Co-President of ICON MT 16, LLC, the Managing Owner of the Registrant, in connection with the Quarterly Report of ICON ECI Fund Sixteen (the "Fund") on Form 10-Q for the quarter ended September 30, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Quarterly Report"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Fund.

Date: November 5, 2015

/s/ Mark Gatto
Mark Gatto
Co-Chief Executive Officer and Co-President
ICON MT 16, LLC

Exhibit 32.3

**CERTIFICATION OF PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Christine H. Yap, Principal Financial and Accounting Officer of ICON MT 16, LLC, the Managing Owner of the Registrant, in connection with the Quarterly Report of ICON ECI Fund Sixteen (the "Fund") on Form 10-Q for the quarter ended September 30, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Quarterly Report"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Fund.

Date: November 5, 2015

/s/ Christine H. Yap
Christine H. Yap
Managing Director
(Principal Financial and Accounting Officer)
ICON MT 16, LLC