

Macquarie Infrastructure CO LLC
Form DEF 14A
April 05, 2013

**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**

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:

- o Preliminary Proxy Statement
- o Confidential, For Use of the Commission Only (as Permitted by Rule 14a-6(e)(2))
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-12

MACQUARIE INFRASTRUCTURE COMPANY LLC

(Name of Registrant as Specified in Its Charter)

N/A

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

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
 - o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:

Edgar Filing: Macquarie Infrastructure CO LLC - Form DEF 14A

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

TABLE OF CONTENTS

MACQUARIE INFRASTRUCTURE COMPANY LLC

April 5, 2013

Dear Shareholder:

You are cordially invited to participate in our 2013 Annual Meeting of Shareholders, referred to herein as the Annual Meeting, which will be held on Monday, May 20, 2013 at 5:30 P.M. (Eastern Time). We are pleased that this year's Annual Meeting will be a completely virtual meeting of shareholders, that is, you may participate solely by means of remote communication. You will be able to participate in the Annual Meeting, vote and submit your questions during the Annual Meeting via live webcast by visiting www.virtualshareholdermeeting.com/MIC13. Prior to the Annual Meeting, you will be able to vote at www.proxyvote.com.

The following pages contain the formal Notice of the Annual Meeting and our proxy statement. The proxy statement contains important information about the Annual Meeting, the proposals we will consider and how you can vote your LLC interests. Please review this material for information concerning the business to be conducted at the meeting and the nominees for election as directors.

Your vote is very important to us. Whether or not you plan to participate in the Annual Meeting, we encourage you to promptly vote and submit your proxy by telephone or by Internet or by completing, signing, dating and returning the enclosed proxy card. This will help us ensure that your vote is represented at the Annual Meeting.

On behalf of the board of directors and management, I extend our appreciation for your participation and interest in Macquarie Infrastructure Company LLC.

Sincerely,

John Roberts
Chairman of the Board of Directors

TABLE OF CONTENTS

MACQUARIE INFRASTRUCTURE COMPANY LLC

April 5, 2013

NOTICE OF 2013 ANNUAL MEETING OF SHAREHOLDERS To Be Held on Monday, May 20, 2013

Macquarie Infrastructure Company LLC's 2013 Annual Meeting of Shareholders, referred to herein as the Annual Meeting, will be held on Monday, May 20, 2013 at 5:30 P.M. (Eastern Time). You can participate in the Annual Meeting online, vote your shares electronically and submit questions during the Meeting, by visiting www.virtualshareholdermeeting.com/MIC13. Be sure to have your 12-Digit Control Number to enter the Annual Meeting. At the Annual Meeting, we will discuss, and you will vote on, the following proposals:

the election of directors eligible for election by our shareholders to our board of directors to serve for a one-year term; the ratification of the selection of KPMG LLP as our independent auditor for the fiscal year ending December 31, 2013;

the approval, on an advisory basis, of executive compensation; and
any other business as may be properly brought before the meeting.

These matters are more fully described in the enclosed proxy statement. The board of directors recommends that you vote **FOR** the election of directors, the ratification of the independent auditors and the approval, and on an advisory basis, of executive compensation.

Only shareholders of record at the close of business on April 1, 2013 will be entitled to notice of, and to vote at, the Annual Meeting and at any subsequent adjournments or postponements. Prior to the Annual Meeting, those shareholders will be able to vote at www.proxyvote.com. Each shareholder is entitled to one vote for each LLC interest held at the close of business on April 1, 2013.

The share register will not be closed between the record date and the date of the Annual Meeting. A list of shareholders entitled to vote at the Annual Meeting is available for inspection at our principal executive offices at 125 West 55th Street, New York, New York 10019, and electronically during the Annual Meeting at www.virtualshareholdermeeting.com/MIC13 when you enter your 12-Digit Control Number.

You have three options for submitting your vote before the Annual Meeting:

Internet;
Phone; or
Mail.

We encourage you to vote promptly, even if you plan to participate in the Annual Meeting.

**Important Notice Regarding the Internet Availability of
Proxy Materials for the
Shareholder Meeting to be Held on May 20, 2013.
The proxy statement and our 2012 annual report are
available on our web site at
www.macquarie.com/mic under *Investor
Center/Reports and Presentations* .**

By order of the board of directors,

Michael Kernan
General Counsel and Secretary

TABLE OF CONTENTS

**MACQUARIE INFRASTRUCTURE COMPANY LLC
TABLE OF CONTENTS**

	Page
<u>Voting Instruction and Information</u>	1
<u>Purpose of Meeting</u>	1
<u>Internet and Electronic Availability of Proxy Materials</u>	1
<u>Procedure for Participating and Voting at the Annual Meeting</u>	2
<u>Voting by Proxy</u>	2
<u>Revocation of Proxy</u>	3
<u>Approval of Proposals and Solicitation</u>	3
<u>Delivery of Documents to Shareholders Sharing an Address</u>	4
<u>Proposal 1: Election of Directors</u>	5
<u>Election of Directors</u>	5
<u>Recommendation of the Board</u>	6
<u>Proposal 2: Ratification of Selection of Independent Auditor</u>	7
<u>General</u>	7
<u>Fees</u>	7
<u>Pre-Approval Policies and Procedures</u>	7
<u>Recommendation of the Board</u>	8
<u>Proposal 3: Approval, on an Advisory Basis, of Executive Compensation</u>	9
<u>General</u>	9
<u>Recommendation of the Board</u>	9
<u>Governance Information</u>	10
<u>Board Leadership Structure</u>	10
<u>Our Board's Role in Risk Oversight</u>	11
<u>Compensation Risk Assessment</u>	11
<u>Board Composition and Independence</u>	12
<u>Certain Information Regarding Our Directors and Executive Officers</u>	12
<u>Executive Officers</u>	12
<u>Board Meetings and Committees; Annual Meeting Attendance</u>	13
<u>Compensation Committee Interlocks and Insider Participation</u>	15
<u>Director Retirement Policy</u>	15
<u>Executive Sessions of Our Board</u>	15
<u>Corporate Governance Guidelines and Code of Ethics and Conduct</u>	15
<u>Minimum Shareholding Guidelines</u>	15
<u>Nominations of Directors</u>	15
<u>Shareholder Nominations of Directors</u>	16
<u>Communication with Our Board</u>	17
<u>Director Compensation Fiscal Year 2012</u>	18
<u>Director Fees</u>	18
<u>Independent Directors' Equity Plan</u>	19
<u>Compensation Discussion and Analysis</u>	20
<u>General</u>	20

TABLE OF CONTENTS

	Page
<u>Objectives of Macquarie s Compensation Program</u>	20
<u>Responsibility for Macquarie s Compensation Program</u>	21
<u>2012 Say-on-Pay Advisory Vote</u>	22
<u>Elements of Macquarie s Compensation Program</u>	22
<u>Post-Termination Compensation and Benefits</u>	25
<u>Compensation Committee Report</u>	26
<u>Executive Compensation</u>	27
<u>Summary Compensation Table</u>	27
<u>Grants of Plan Based Awards in Fiscal Year 2012</u>	28
<u>Grants of Macquarie Restricted Share Units</u>	28
<u>Retained Cash Portion of Profit Share</u>	29
<u>Employment Agreements</u>	29
<u>Outstanding Equity Awards at 2012 Fiscal Year-End</u>	30
<u>Stock Vested in Fiscal Year 2012</u>	31
<u>Nonqualified Deferred Compensation in Fiscal Year 2012</u>	31
<u>Potential Payments on Termination or Change in Control</u>	32
<u>Security Ownership of Certain Beneficial Owners and Management</u>	34
<u>Audit Committee Report</u>	36
<u>Certain Relationships and Related Party Transactions</u>	37
<u>Related Party Transactions Policies</u>	37
<u>Our Relationship With the Macquarie Group</u>	37
<u>Contractual Arrangements With Our Manager</u>	37
<u>Advisory and Other Services from the Macquarie Group</u>	39
<u>Derivative Instruments and Hedging Activities</u>	40
<u>Other Transactions</u>	40
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	41
<u>Shareholder Proposals for the 2014 Annual Meeting of Shareholders</u>	41
<u>United States Securities and Exchange Commission Reports</u>	41
<u>Other Matters</u>	41

Macquarie Infrastructure Company LLC is not an authorized deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia) and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL). MBL does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Infrastructure Company LLC.

Except where the context indicates otherwise, Macquarie Infrastructure Company, MIC, we, us, and our refer to Macquarie Infrastructure Company LLC, or the Company. References to shareholders refer to holders of limited liability company interests, or LLC interests, of Macquarie Infrastructure Company LLC.

Macquarie Group or Macquarie refers to the Macquarie Group of companies, which comprises Macquarie Group Limited (MGL) and its worldwide subsidiaries and affiliates, including our Manager, Macquarie Infrastructure Management (USA) Inc.

TABLE OF CONTENTS

MACQUARIE INFRASTRUCTURE COMPANY LLC

125 West 55th Street

New York, New York 10019

PROXY STATEMENT

for Annual Meeting of Shareholders on May 20, 2013

VOTING INSTRUCTION AND INFORMATION

This Proxy Statement is furnished in connection with the solicitation of proxies by the board of directors of Macquarie Infrastructure Company LLC, a Delaware limited liability company, for the Annual Meeting of Shareholders of Macquarie Infrastructure Company LLC to be held on Monday, May 20, 2013 at 5:30 P.M. (Eastern Time). You can participate in the Annual Meeting online, vote your shares electronically and submit questions during the Meeting, by visiting www.virtualshareholdermeeting.com/MIC13 and for any subsequent adjournments or postponements of the 2013 Annual Meeting of Shareholders. Be sure to have your 12-Digit Control Number to access the Annual Meeting. The notice of Annual Meeting, proxy statement and proxy are first being distributed to shareholders on or about April 9, 2013.

Purpose of Meeting

As described in more detail in this proxy statement, shareholders will vote on the following proposals at the Annual Meeting:

the election of directors eligible for election by our shareholders to our board of directors to serve for a one-year term that expires at our 2014 Annual Meeting (Proposal 1);

the ratification of the selection of KPMG LLP as our independent auditor for the fiscal year ending December 31, 2013 (Proposal 2);

the approval, on an advisory basis, of executive compensation (Proposal 3); and
any other business as may be properly brought before the meeting.

Internet and Electronic Availability of Proxy Materials

As permitted by the Securities and Exchange Commission, or the SEC, we are sending a Notice of Internet Availability of Proxy Materials, or the Notice, to shareholders who hold LLC interests in street name through a bank, broker or other holder of record. The Notice includes instructions on how to access this proxy statement and our 2012 annual report over the Internet or to request a printed set of these materials at no charge. The Notice also provides instructions on how to access your proxy card to be able to vote through the Internet or by telephone.

We are either mailing or providing notice and electronic delivery of the proxy solicitation materials and our 2012 annual report at <https://materials.proxyvote.com/55608B> on or around April 9, 2013 to all shareholders entitled to vote at the Annual Meeting. Prior to the Annual Meeting, shareholders will be able to vote, as well as access these documents, at www.proxyvote.com. At the Annual Meeting, shareholders will be able to participate, vote, access these documents and submit questions, by visiting www.virtualshareholdermeeting.com/MIC13.

Edgar Filing: Macquarie Infrastructure CO LLC - Form DEF 14A

Any beneficial owner may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. If you hold your LLC interests through a bank, broker or another financial institution, refer to the information provided by that entity for instructions on how to elect this option. Choosing to receive future proxy materials by email will save us the cost of printing and mailing documents and will reduce the impact of our annual meetings on the environment. An election to receive proxy materials by mail or email will remain in effect until terminated.

1

TABLE OF CONTENTS

Procedure for Participating and Voting at the Annual Meeting

The Company will be hosting the Annual Meeting live via the Internet. A summary of the information you need to participate in the Annual Meeting online is provided below:

any shareholder can participate in the Annual Meeting live via the Internet at www.macquarie.com/mic under Investor Center/Reports and Presentations ;

the webcast starts at 5:30 P.M. (Eastern Time), but access to the Annual Meeting will be available 15 minutes prior to such time and we encourage you to login during that period;

shareholders may vote and submit questions while participating in the Annual Meeting on the Internet;

please have your 12-Digit Control Number to enter the Annual Meeting;

instructions on how to participate via the Internet, including how to demonstrate proof of LLC interest ownership, are posted at www.virtualshareholdermeeting.com/MIC13; and

a webcast replay of the Annual Meeting will be available until December 31, 2013 at www.macquarie.com/mic under Investor Center/Reports and Presentations .

Voting by Proxy

In addition to voting at the Annual Meeting as described above, shareholders can vote by proxy in any of the following ways before the Annual Meeting:

By Internet. You can use the Internet to transmit your voting instructions up until 11:59 P.M. (Eastern Time) the day before the Annual Meeting. Instructions for voting over the Internet can be found in the enclosed proxy card or the Notice.

By Telephone. The number for telephone voting can be found on the enclosed proxy card or the Notice. Please have your 12-Digit Control Number to vote by telephone. Telephone voting is available 24 hours a day.

By Mail. Complete, sign, date and return the proxy card supplied by your broker, bank or other financial institution through which you hold your LLC interests.

WE MUST RECEIVE YOUR PROXY BY NO LATER THAN 11:59 P.M. (EASTERN TIME) ON MAY 19, 2013. IF WE DO NOT RECEIVE YOUR PROXY BY THAT TIME, YOUR PROXY WILL NOT BE VALID. IN THIS CASE, UNLESS YOU ATTEND THE ANNUAL MEETING, YOUR VOTE WILL NOT BE REPRESENTED.

The Internet and telephone voting procedures are designed to authenticate your identities, to allow you to give your voting instructions and to confirm that your instructions have been recorded properly. We have been advised that the Internet and telephone voting procedures that have been made available to you are consistent with the requirements of applicable law. When voting by Internet or telephone, you should understand that, while neither we nor any third party proxy service providers charge fees for voting by Internet or telephone, there may nevertheless be costs, such as usage charges from Internet access providers and telephone companies, which must be borne by you.

Your proxy will be voted as you direct in your proxy. Proxies returned without voting directions, and without specifying a proxy to participate in the Annual Meeting and vote on your behalf, will be voted in accordance with the recommendations of our board. Our board recommends:

a vote **FOR** each of the five nominees for director to serve for a one-year term that expires at our 2014 Annual Meeting (Proposal 1);

a vote **FOR** the ratification of the selection of KPMG LLP as the Company's independent auditor for the fiscal year ending December 31, 2013 (Proposal 2); and

a vote **FOR** the proposal to approve, on an advisory basis, of executive compensation (Proposal 3).

2

TABLE OF CONTENTS

If any other matter properly comes before the Annual Meeting, your proxy will be voted on that matter by the proxy holders, in their discretion.

Revocation of Proxy

You may revoke or change your proxy before the Annual Meeting by:

subsequently executing and mailing a new proxy card that is received on a later date and no later than the deadline specified on the proxy card;
subsequently submitting a new proxy by Internet or telephone that is received by the deadline specified on the proxy card;
giving written notice of revocation to the attention of Michael Kernan, General Counsel and Secretary, Macquarie Infrastructure Company LLC, 125 West 55th Street, New York, New York 10019, that is received no later than 11:59 P.M. (Eastern Time) on May 19, 2013; or
voting on the Internet at our Annual Meeting.

If you need an additional proxy card and are a record holder, contact Michael Kernan, our General Counsel and Secretary, at 212-231-1849; if you are a beneficial owner, contact your bank, broker or other financial institution through which you hold your LLC interests.