

DYNEGY INC.
Form 4
March 03, 2011

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
ICAHN CARL C

(Last) (First) (Middle)

C/O ICAHN ASSOCIATES
CORP., 767 FIFTH AVE., SUITE
4700

(Street)

NEW YORK, NY 10153

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
DYNEGY INC. [DYN]

3. Date of Earliest Transaction
(Month/Day/Year)
03/01/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

___ Form filed by One Reporting Person
X Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock, par value \$0.01 per share ("Common Shares") | 03/01/2011 | | X | 6,042,212 A | ① 18,042,212 | I | please see footnotes (1) (2) (3) (4) (5) (6) (7) |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|-----|--|-----------------|---|-----------|
| | | | | | (A) | (D) | Date Exercisable | Expiration Date | | |
| Call option ("right to purchase") | \$ 2.9 | 03/01/2011 | | X | 6,042,212 | | (8) | 11/10/2012 | Common Stock | 6,042,212 |
| Put option ("obligation to purchase") | \$ 2.9 | 03/01/2011 | | X | 6,042,212 | | (8) | 11/10/2012 | Common Stock | 6,042,212 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| ICAHN CARL C C/O ICAHN ASSOCIATES CORP. 767 FIFTH AVE., SUITE 4700 NEW YORK, NY 10153 | | X | | |
| IPH GP LLC 445 HAMILTON AVENUE SUITE 1210 WHITE PLAINS, NY 10601 | | X | | |
| ICAHN CAPITAL LP 445 HAMILTON AVENUE SUITE 1210 WHITE PLAINS, NY 10601 | | X | | |
| ICAHN ENTERPRISES G.P. INC. 445 HAMILTON AVENUE SUITE 1210 WHITE PLAINS, NY 10601 | | X | | |
| | | X | | |

ICAHN ENTERPRISES HOLDINGS L.P.
 445 HAMILTON AVENUE
 SUITE 1210
 WHITE PLAINS, NY 10601

BECKTON CORP
 445 HAMILTON AVENUE
 SUITE 1210
 WHITE PLAINS, NY 10601

X

Signatures

| | |
|---|------------|
| CARL C. ICAHN | 03/03/2011 |
| <u> </u> **Signature of Reporting Person | Date |
| ICAHN ENTERPRISES HOLDINGS L.P. | 03/03/2011 |
| <u> </u> **Signature of Reporting Person | Date |
| BECKTON CORP. | 03/03/2011 |
| <u> </u> **Signature of Reporting Person | Date |
| ICAHN ENTERPRISES G.P. INC. | 03/03/2011 |
| <u> </u> **Signature of Reporting Person | Date |
| ICAHN CAPITAL LP | 03/03/2011 |
| <u> </u> **Signature of Reporting Person | Date |
| IPH GP LLC | 03/03/2011 |
| <u> </u> **Signature of Reporting Person | Date |

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) High River Limited Partnership ("High River") directly beneficially owns 3,608,441 Shares, Icahn Partners LP ("Icahn Partners") directly beneficially owns 5,510,709 Shares, Icahn Partners Master Fund LP ("Icahn Master") directly beneficially owns 6,238,314 Shares, Icahn Partners Master Fund II LP ("Icahn Master II") directly beneficially owns 1,805,714 Shares, and Icahn Partners Master Fund III LP ("Icahn Master III") directly beneficially owns 879,034 Shares.
- (2) Barberry Corp. ("Barberry"), is the sole member of Hopper Investments LLC ("Hopper"), which is the general partner of High River. Beckton Corp. ("Beckton") is the sole stockholder of Icahn Enterprises G.P. Inc. ("Icahn Enterprises GP"), which is the general partner of Icahn Enterprises Holdings L.P. ("Icahn Enterprises Holdings"). Icahn Enterprises Holdings is the sole member of IPH GP LLC ("IPH"), which is the general partner of Icahn Capital LP ("Icahn Capital"). Icahn Capital is the general partner of each of Icahn Onshore LP ("Icahn Onshore") and Icahn Offshore LP ("Icahn Offshore"). Icahn Onshore is the general partner of Icahn Partners. Icahn Offshore is the general partner of each of Icahn Master, Icahn Master II and Icahn Master III.
- (3) Each of Barberry and Beckton is 100 percent owned by Carl C. Icahn. As such, Mr. Icahn is in a position indirectly to determine the investment and voting decisions made by each of High River, Icahn Partners, Icahn Master, Icahn Master II and Icahn Master III. Each of Hopper, Barberry and Mr. Icahn may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the Shares which High River owns. Each of Hopper, Barberry and Mr. Icahn disclaims beneficial ownership of such Shares except to the extent of their pecuniary interest therein.
- (4) Each of Icahn Onshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the Shares which Icahn Partners owns. Each of Icahn Onshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn disclaims beneficial ownership of such Shares except to the extent of their pecuniary interest therein.
- (5) Each of Icahn Offshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn may be deemed to indirectly beneficially own (as that term is defined in Rule 13d-3 under the Act) the Shares which each of Icahn Master, Icahn Master II

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and Icahn Master III owns. Each of Icahn Offshore, Icahn Capital, IPH, Icahn Enterprises Holdings, Icahn Enterprises GP, Beckton and Mr. Icahn disclaims beneficial ownership of such Shares except to the extent of their pecuniary interest therein.

High River directly beneficially owned 1,208,442 call options (the "Call Options"), Icahn Partners directly beneficially owned 1,857,034 Call Options, Icahn Master directly beneficially owned 2,092,971 Call Options, Icahn Master II directly beneficially owned 590,137 Call Options, and Icahn Master III directly beneficially owned 293,628 Call Options. On March 1, 2011, each of High River, Icahn Partners, Icahn Master, Icahn Master II and Icahn Master III exercised all of their respective Call Options in their entirety, and thereby acquired 1,208,442 Shares, 1,857,034 Shares, 2,092,971 Shares, 590,137 Shares, 293,628 Shares, respectively.

High River directly wrote 1,208,442 European-style put options (the "Put Options"), Icahn Partners directly wrote 1,857,034 Put Options, Icahn Master directly wrote 2,092,971 Put Options, Icahn Master II directly wrote 590,137 Put Options, and Icahn Master III directly wrote 293,628 Put Options. On March 1, 2011, upon exercise of the Call Options, all of the Put Options terminated.

(8) The options first became exercisable starting on various dates ranging from November 10, 2010 to November 16, 2010.

(9) The exercise price upon exercise of the call option was \$2.90. In addition, the premium paid for the call option was \$1.69.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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