LITTELFUSE INC /DE
Form DEF 14A
March 16, 2017
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES

EXCHANGE ACT OF 1934 (AMENDMENT NO.)

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

Check the appropriate box:

Preliminary Proxy Statement
CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to Section 240.14a-12

LITTELFUSE, INC.
(Name of Registrant as Specified in its Charter)

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

Payment of Filing Fee (check the appropriate box):

No fee required.
Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.
1) Title of each class of securities to which transaction applies:
2) Aggregate number of securities to which transaction applies:
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.

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1) Amount Previously Paid:
2) Form, Schedule or Registration Statement No.:
3) Filing Party:
4) Date Filed:

8755 West Higgins Road, Suite 500
Chicago, IL 60631

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

APRIL 28, 2017

The 2017 Annual Meeting of Stockholders of Littelfuse, Inc. (the “Company”) will be held at the Chicago Marriott O’Hare, 8535 West Higgins Road, Chicago, Illinois 60631, on Friday, April 28, 2017 at 9:00 a.m. local time, for the following purposes as described in the attached Proxy Statement:

1. To elect eight directors to serve a term of one year and until their successors are duly elected and qualified
2. To conduct an advisory (non-binding) vote on the compensation of our named executive officers (“NEOs”);
3. To conduct an advisory (non-binding) vote on the frequency of future advisory votes on the compensation of our NEOs;
4. To approve the Amended and Restated Littelfuse, Inc. Long Term Incentive Plan to increase the number of shares authorized for issuance under the Plan, and to make certain other changes to the Plan;
5. To approve and ratify the appointment by the Audit Committee of Grant Thornton LLP as the Company’s independent auditors for the fiscal year ending December 30, 2017 and
6. To transact such other business as may properly come before the Annual Meeting or any postponement or adjournment thereof.

Stockholders of record at the close of business on March 1, 2017 will be entitled to vote at the meeting.

Ryan K. Stafford
Corporate Secretary

March 16, 2017

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on April 28, 2017:

Your vote is important. Please review our proxy materials, including the enclosed Proxy Statement, and vote your shares by using the Internet or telephone or by signing, dating and returning the enclosed proxy card. If you attend the Annual Meeting, you may revoke your proxy and vote in person if you so desire. The Proxy Statement and the 2016 Annual Report for the fiscal year ended December 31, 2016, are available at www.proxyvote.com

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GENERAL INFORMATION AND FREQUENTLY ASKED QUESTIONS

We are furnishing this Proxy Statement to the stockholders of Littelfuse, Inc. in connection with the solicitation by the Board of Directors of Littelfuse, Inc. (the "Board") of proxies to be voted at our annual meeting of stockholders to be held on April 28, 2017, (the "Annual Meeting"). The Annual Meeting will be held at the Chicago Marriott O'Hare, 8535 West Higgins Road, Chicago, Illinois 60631, at 9:00 a.m., local time, and at any postponements or adjournments of that meeting.

When used in this Proxy Statement, the terms "we," "us," "our," "the Company" and "Littelfuse" refer to Littelfuse, Inc.

The Notice of Internet Availability of Proxy Materials is first being mailed to stockholders on or about March 16, 2017, to notify stockholders of record that the proxy materials (this Proxy Statement, proxy card, and the 2016 Annual Report on Form 10-K) are available online at **www.proxyvote.com**, or in hard copy by request, free of charge. We encourage all stockholders to access their proxy materials online to reduce the environmental impact and the cost of our proxy solicitation. You may request a paper copy of the proxy materials using any of the following methods:

1. By Internet: go to www.proxyvote.com
2. By Phone: 1-800-579-1639
3. By Email: sendmaterial@proxyvote.com

We encourage you to access and review all of the important information in the proxy materials before voting.

What is required for a quorum at the Annual Meeting?

A quorum of stockholders is required for the transaction of business at our Annual Meeting. Our bylaws provide that a majority of all of the shares of common stock entitled to vote whether present in person or represented by proxy, constitutes a quorum for the transaction of business at the meeting. Abstentions and "broker non-votes" will also be considered as present for purposes of determining the presence or absence of a quorum at the Annual Meeting.

How are proxies solicited and what is the cost?

The proxy accompanying this proxy statement is solicited on behalf of our Board of Directors, for use at the Annual Meeting. We will bear the cost of soliciting proxies. Copies of solicitation materials will be furnished to brokerage firms, fiduciaries and custodians holding shares in their names that are beneficially owned by others to forward to such beneficial owners. The Company may reimburse such persons for the costs they incur to forward the solicitation material to such beneficial owners. In addition to solicitation by mail, our officers and employees may solicit proxies by telephone or in person.

What is Householding?

Under SEC rules, only one copy of this proxy statement is being delivered to stockholders residing at the same address, unless the stockholders have notified the Company of their desire to receive multiple copies of the proxy statement. This process, which is commonly referred to as "householding," potentially means extra convenience for stockholders and cost savings for companies.

If you receive notice from your broker that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement and annual report, please notify your broker directly or direct your written request to our Corporate Secretary at 8755 West Higgins Road, Suite 500, Chicago, Illinois 60631.

Who may vote at the Annual Meeting?

Stockholders of record at the close of business on March 1, 2017, the record date for the annual meeting, will be entitled to notice of and to vote at the meeting. On March 1, 2017, we had outstanding 22,641,223 shares of our common stock, par value $.01 per share. Each outstanding share of common stock entitles the holder to one vote per share on each matter submitted to a vote at the meeting.

A list of the stockholders of record entitled to vote at the meeting will be available for examination by stockholders for any purpose germane to our annual meeting during ordinary business hours for a period of at least ten days prior to the meeting at our headquarters located at 8755 West Higgins Road, Suite 500, Chicago, Illinois 60631.

What shares are included on the proxy card?

If your shares are registered directly in your name with the Company's transfer agent, Wells Fargo, you are considered a stockholder of record with respect to those shares. If your shares are held in a bank or brokerage account, you are considered the beneficial owner of those shares.

If you are a stockholder of record, you will receive only one notice or proxy card for all the shares you hold in certificate form, or book-entry form.

If you are a beneficial owner, you will receive voting instruction information from the bank, broker or other nominee through which you own your shares.

What if I am a beneficial owner and do not give voting instructions to my broker?

If you are a beneficial owner and do not provide voting instructions to your bank, broker or other nominee, the following applies:

Non-Discretionary Items. The election of directors, the advisory vote on executive compensation, the advisory vote on the frequency of future executive compensation votes, and the approval of the amendment and restatement of the Long Term Incentive Plan are nondiscretionary items and may not be voted on by brokers, banks or other nominees that have not received specific voting instructions from beneficial owners. This is called a “broker non-vote.”

Discretionary Items. The ratification of the appointment of the Company’s independent registered public accounting firm (Grant Thornton LLP) is a discretionary item. Generally, banks, brokers and other nominees that do not receive voting instructions from beneficial owners may vote on this proposal in their discretion.

How do I vote?

Via Internet: visit www.proxyvote.com	**By Mail:** sign, date and return your proxy card to the address listed on the proxy card.
By Phone: call 1-800-690-6903	**In Person:** All stockholders of record may vote in person at the annual meeting.

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All shares entitled to vote and represented by properly executed and unrevoked proxies will be voted at the Annual Meeting in accordance with the instructions given therein. If no instructions are indicated on a properly executed proxy (other than broker non-votes), the shares represented by that proxy will be voted as recommended by the Board.

What can I do if I change my mind after I vote my shares?

Any stockholder giving a proxy has the right to revoke it at any time prior to the time it is voted. A proxy may be revoked by (1) written notice to us sent to the attention of our Corporate Secretary at 8755 West Higgins Road, Suite 500, Chicago, Illinois 60631, (2) execution of a subsequent proxy, (3) voting on the Internet or by telephone, or (4) attending the annual meeting and voting in person. Mere attendance at the annual meeting will not automatically revoke the proxy. All shares represented by effective proxies will be voted at the annual meeting or at any postponements or adjournment thereof.

What are the voting standards for each of the Proposals to be voted on at the Annual Meeting?

Stockholders are being asked to vote on the following matters at the 2017 annual meeting. The voting standard and our Board of Directors' voting recommendation for each matter is described below:

Proposal	**Voting Standard***	**Board Recommendation**
Proposal 1: Election of Director Nominees	Majority of votes cast**	FOR ALL the nominees for director
Proposal 2: Advisory Vote on Executive Compensation	Majority of votes cast	FOR
Proposal 3: Advisory Vote Regarding Frequency of Executive Compensation Vote	Plurality of votes cast	EVERY YEAR
Proposal 4: Approval of the Amended and Restated Littelfuse Long Term Incentive Plan	Majority of votes cast	FOR
Proposal 5: Approval and Ratification of the Appointment of Grant Thornton LLP as Independent Auditors	Majority of votes cast	FOR

***Majority of votes cast** means that the number of votes cast "For" the proposal exceeds the number of votes cast "Against". **Plurality of votes cast** for purposes of Proposal 3 means that the frequency of advisory votes (One Year, Two Years or Three Years) that receives the most votes will be deemed the advisory vote of our stockholders.

**Except in the event of a contested election. In the event of a contested election, directors shall be elected by plurality of votes cast. Also, our Corporate Governance Guidelines include a resignation policy, which provides, among other things, that if a director nominee does not receive a majority of the votes cast:

such nominee must tender his or her resignation within ten days
the Nominating and Governance Committee of the Board must recommend to our Board whether such resignation should be accepted or rejected and
our Board must take final action no later than 90 days after the stockholder vote.

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How are abstentions and broker non-votes counted?

Abstentions will not be included in vote totals and will have no effect on Proposal 1 – the election of director nominees. Abstention votes on each of Proposal 2, 3, 4 and 5 will have the same effect as a vote "Against".

Broker non-votes will not be included in vote totals and will have no effect on the outcome of any of the proposals to be voted on at the 2017 Annual Meeting.

What do I need in order to attend the Annual Meeting?

Admittance information.
Attendance is limited to stockholders of record as of March 1, 2017. You should be prepared to present photo identification for admittance. Please note that cameras, sound or video recording equipment, cellular telephones, or similar electronic devices, large bags, briefcases or packages will not be allowed in the meeting room.

Proof that you own shares of the Company as of March 1, 2017.
If you are a stockholder of record, your name is subject to verification against the list of stockholders of record on the record date prior to being admitted to the meeting. If you are a beneficial owner and your shares are held through a broker, bank or other nominee, you may also attend our 2017 annual meeting if you provide proof of beneficial ownership on the record date, such as your most recent account statement or similar evidence of ownership.

Who will tabulate and count the votes?

We retain an independent inspector of election from Broadridge Financial Solutions, to attend our Annual Meeting and to certify the results of the vote.

When will the Company announce the voting results?

We will announce the preliminary voting results at the 2017 Annual Meeting of Stockholders. The Company will report the final results on a Current Report on Form 8-K, to be filed with the SEC within four business days following the Annual Meeting.

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PROPOSAL NO. 1 - ELECTION OF DIRECTORS

The Board currently consists of eight members. All of our current directors are standing for re-election. We are asking our stockholders to elect eight directors at the annual meeting to serve a term of one year and until their successors have been duly elected and qualified. The nominees for director, all of whom are now serving as directors, are listed below together with certain biographical information as of March 1, 2017.

Name	**Position**
Tzau-Jin Chung	Director
Cary T. Fu	Director
Anthony Grillo	Director
David W. Heinzmann	Director
Gordon Hunter	Executive Chairman of the Board
John E. Major	Director
William P. Noglows	Lead Independent Director
Ronald L. Schubel	Director

The Board of Directors recommends that the stockholders vote FOR ALL of the director nominees.

Tzau-Jin (T.J.) Chung, 54 Director since 2007

Committee Membership:

Compensation Chair

Nominating & Governance

Technology

Mr. Chung served as president and chief executive officer of Navman Wireless and Teletrac Inc., a market leader in fleet management solutions and GPS technologies, from 2007 until May 2016. Previously, Mr. Chung served as president of the New Technologies Division of Brunswick Corporation from 2002 to 2007. Prior to that, he served as vice president — strategy of Brunswick Corporation, where he was responsible for corporate-wide strategic planning, mergers and acquisitions and information technology. Mr. Chung has served on the board of directors of MCBC Holdings, Inc. (NASDAQ:MCFT), since December 2016. Mr. Chung earned his bachelor's degree in science, electrical and computer engineering from the University of Texas — Austin. He also holds a MS in computer science from North Carolina State University and an MBA from the Fuqua School of Business at Duke University.

In nominating Mr. Chung for election as a director, our Board focused on his past experience in developing new products and his experience with operations in Asia as important attributes for his continuing to serve as one of our directors

Cary T. Fu, 68 Director since 2012

Committee Membership:

Audit Chair

Technology

Mr. Fu is the co-founder of Benchmark Electronics, Inc. (NYSE:BHE), a solutions provider for high technology OEM customers. He served as chairman of the board of Benchmark from 2009 until his retirement in 2012, and served as a director from 1990 until 2012. Mr. Fu also served as the chief executive officer of Benchmark from 2004 to 2011, and was the president and chief executive officer from 2004 to 2006. From 1986 to 2004, Mr. Fu served in various capacities with Benchmark, including as executive vice president, treasurer and secretary. Mr. Fu has served on the board of directors of Teradata Corporation (NYSE:TDC), since 2008. Mr. Fu holds an MS in accounting from the University of Houston and is a certified public accountant.

In nominating Mr. Fu for election as a director, our Board focused on his past experience in the industry and unparalleled management experience.

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Anthony Grillo, 61 Director since 1991

Committee Membership: Audit	Mr. Grillo is the founder of American Securities Advisors, LLC and affiliates (now known as Ascribe Opportunities Management, LLC), an advisory and investment firm established in 2005. From 2001 through 2004, Mr. Grillo served as Senior Managing Director of Evercore Partners, Inc. (NYSE:EVR), an investment banking boutique providing advisory services to multinational corporations on significant mergers, acquisitions, divestitures, restructurings and other strategic corporate transactions, where he founded the restructuring practice for the firm. From 1999 through 2001, Mr. Grillo served as Senior Managing Director of Joseph Littlejohn & Levy, Inc., a private equity firm. From 1991 through 1999, Mr. Grillo was a Senior Managing Director of the Blackstone Group L.P., an investment banking firm. Mr. Grillo has served on the board of directors of Lumeta Corporation since 2016. Mr. Grillo previously served as a director of GeoKinetics from 2013 through 2015. In nominating Mr. Grillo for election as a director, our Board focused on his past experience in the financial markets, his experience with corporate acquisitions, his value as an audit committee financial expert and the knowledge of the Company that he has gained and shared from serving as a director since 1991 as important attributes for his continuing to serve as one of our directors.

Gordon Hunter, 65 Director since 2002

Committee Membership: Technology Chair	Mr. Hunter serves as the Executive Chairman of the Board, since January 2017. He previously served as a director since 2002, and as our Chairman of the Board, President and Chief Executive Officer from 2005 until January 2017. From 2003 to 2005 he served as our Chief Operating Officer. Prior to joining Littelfuse, Mr. Hunter served as vice president, Intel communications group, and general manager, optical products group for Intel Corporation (NASDAQ:INTC) from 2002 to 2003. Prior to joining Intel in 2002, he served as president of Elo TouchSystems, a subsidiary of Raychem Corporation. Mr. Hunter also served in a variety of positions during a 20-year career at Raychem Corporation, including vice president of commercial electronics and a variety of sales, marketing, engineering and management positions. Mr. Hunter served on the council of advisors of Shure Incorporated from 2003 through April 2016, and became a member of the board of directors in April 2016. He also has served on the board of directors of Veeco Instruments, Inc. (NASDAQ:VECO) since 2010, and the board of directors of CTS Corporation (NYSE:CTS) since 2011. Mr. Hunter holds a BS in electrical engineering from the University of Liverpool, England, and an MBA from London Business School. In nominating Mr. Hunter for election as a director, our Board focused on his leadership, vision and execution as our Chief Executive Officer in growing and reshaping the Company and setting and communicating the proper cultural and behavioral tone as important attributes for his continuing to serve as one of our directors.

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David W. Heinzmann, 53   Director since January 2017

Committee Membership:

None

Mr. Heinzmann serves as the President and Chief Executive Officer and a member of the Board since January 2017. He previously served as our Chief Operating Officer, since 2014. Mr. Heinzmann began his career at Littelfuse in 1985 as a manufacturing engineer and has held positions of increasing responsibility since that time. From 2004 through 2007, he served as Vice President and General Manager, Automotive segment, and then as Vice President, Global Operations until 2014. Mr. Heinzmann has served on the board of directors of Pulse Electronics Corporation, since 2014. Mr. Heinzmann holds a BS in mechanical engineering from Missouri University of Science and Technology.

In nominating Mr. Heinzmann for election as a director, our Board focused on his extensive experience with Littelfuse as a key driver for continued growth and evolution of the Company.

John E. Major, 71   Director since 1991

Committee Membership:

Nominating and Governance

Chair

Audit

Technology

Mr. Major has served as president of MTSG, a strategic consulting, governance and investments company, since he founded it in 2003. From 2004 to 2006, Mr. Major served as chief executive officer of Apacheta Corporation, a mobile wireless software company. From 2000 to 2003, he served as chairman and chief executive officer of Novatel Wireless Inc., a wireless data access solutions company. Previously, Mr. Major was chairman and chief executive officer of Wireless Knowledge. Prior to that, Mr. Major served in executive level positions at Qualcomm Incorporated, including president of its wireless infrastructure division, and prior to that he held various leadership positions at Motorola, Inc., including senior vice president and chief technology officer. Mr. Major has served on the boards of directors of Lennox International Inc. (NYSE:LII) since 1993, Pulse Electronics since 2013, Resonant, Inc. (NASDAQ:RESN) since 2013, and ORBCOMM Inc. (NASDAQ:ORBC) since 2007. He previously served as a director of Broadcom Corporation (NASDAQ: BRCM) from 2003 until its acquisition by Avago Technologies in February 2016. Mr. Major received a BS in Mechanical and Aerospace Engineering from the University of Rochester, an MS in Mechanical Engineering from the University of Illinois, an MBA from Northwestern University and a JD from Loyola University.

In nominating Mr. Major for election as a director, our Board focused on his seasoned experience from having served as an executive officer and on the boards and board committees of varied technology companies, his vision and expertise in matters of corporate governance, his expertise in technical development and the knowledge of the Company that he has gained and shared as a director since 1991 as important attributes for his continuing to serve as one of our directors.

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William P. Noglows, 59 Director since 2007

Mr. Noglows has served as chairman of the board of Cabot Microelectronics Corporation (NASDAQ:CCMP), a leading worldwide supplier of consumable products used in the semiconductor manufacturing process, since January 2016. He previously served as executive chairman of the board from 2014 until December 2015, and served as chairman, president and chief executive officer of Cabot from 2003 through 2014. Prior to that, Mr. Noglows served as executive vice president and general manager at Cabot. Mr. Noglows has served on the board of directors of Aspen Aerogels, Inc. (NYSE: ASPN) since 2014, and he also served on the Aspen board from 2011 to 2013. He received a bachelor's degree in chemical engineering from the Georgia Institute of Technology.

Committee Membership:

Compensation

Nominating and Governance Chair

In nominating Mr. Noglows for election as a director, our Board focused on his experience as chief executive officer of a leading public company and his expertise in developing technology as important attributes for his continuing to serve as one of our directors.

Ronald L. Schubel, 73 Director since 2002

Mr. Schubel retired as corporate executive vice president and president of the Americas region for Molex Incorporated, a global manufacturer of interconnect systems, in 2007. He began his career with Molex in 1981, spending five years in Singapore as president of the far east south region. Prior to joining Molex, for 15 years Mr. Schubel held various leadership roles at General Motors, the most recent of which was director of operations for the Packard Electric division. Mr. Schubel is Chair of the Board of Trustees of Elmhurst Health Care Corporation and serves on the board of the Edward Cayman Corporation for investment and insurance support of Edward-Elmhurst Health Service Corporation, a nonprofit corporation, and its affiliate of the EHSC Cayman Segregated Portfolio Company, which is the insurance company of EHSC. He also serves as an advisor for Oaktree Capital, a global alternative investment management firm, working with the board of directors of Isola Group Ltd.

Committee Membership:

Compensation

Technology

In nominating Mr. Schubel for election as a director, our Board focused on his knowledge of managing manufacturing operations and his experience with operations in Asia as important attributes for his continuing to serve as one of our directors.

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Director Compensation

For the 2016 fiscal year, non-employee directors were paid an annual retainer of $65,000, paid in quarterly installments, plus reimbursement of reasonable expenses relating to attendance at meetings. No additional fees are paid to directors who are employee directors. Additional annual retainers are paid to our Board Leadership, as shown below:

Role	**Annual Retainer**
Lead Director	$15,000
Audit Committee Chairperson	$18,000
Compensation Committee Chairperson	$15,000
Nominating and Governance Committee Chairperson	$10,000
Technology Committee Chairperson	$10,000

In addition to cash compensation, each non-employee director receives an equity grant under the Littelfuse, Inc. Long-Term Incentive Plan (the “Long-Term Plan”) valued at approximately $105,000. The equity grant is comprised of (1) one-third stock options that vest on the first three annual anniversaries of the grant date, have an exercise price equal to the fair market value of our common stock on the date of grant, and have a seven-year term, and (2) two-thirds restricted stock units (“RSUs”) that are granted upon his or her election or reelection to the Board at the Company’s annual meeting that vest on the first three annual anniversaries of the grant date. On April 22, 2016, Messrs. Chung, Fu, Grillo, Major, Noglows and Schubel were each granted 1,200 stock options and 671 RSUs. Mr. Hunter is not a non-employee director for purposes of director compensation. For 2017 he is our Executive Chairman of the Board and is compensated pursuant to his Executive Retirement Agreement, described on page 35.

Non-employee directors may elect to defer receipt of their cash fees under the Littelfuse Deferred Compensation Plan for Non-employee Directors (the “Directors Plan”) and defer payout of their equity grants and any dividend distributions under the Long-Term Plan. All deferrals are deposited with a third-party trustee, where they (and any distributions thereon) are invested in Littelfuse common stock. Deferred cash fees are generally paid in a lump sum or in installments when the director ceases to be a director of Littelfuse. Deferred equity grants are generally paid out when the director ceases to be a director or the date specified by the director at the time of his or her deferral election. Deferred payments owing to Mr. Hunter as a result of his prior service as a non-employee director are expected to be delayed an additional six months following his separation from service as both a director and employee of Littelfuse as required by law due to his status as a "specified employee" under Section 409A of the Internal Revenue Code of 1986, as amended.

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The following table sets forth compensation paid to non-employee directors during 2016:

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(2)	Option Awards ($)(3)	Total
T.J. Chung	$80,000	$79,084	$31,272	$190,356
Cary T. Fu	$83,000	$79,084	$31,272	$193,356
Anthony Grillo (1)	$65,000	$79,084	$31,272	$175,356
John E. Major	$75,000	$79,084	$31,272	$185,356
William P. Noglows	$80,000	$79,084	$31,272	$190,356
Ronald L. Schubel	$65,000	$79,084	$31,272	$175,356

(1) Fees earned by Mr. Grillo includes amounts deferred under the Directors Plan.

(2) On April 22, 2016, each director received an annual RSU award of 671 shares of common stock. The amounts shown reflect the grant date fair value of restricted stock unit awards computed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718, based on assumptions described in Note 11 to our audited financial statements included in our 2016 Annual Report on Form 10-K for fiscal year ended December 31, 2016. As of December 31, 2016, each director held the following outstanding RSUs (including RSUs that have been deferred under the Long-Term Plan): Mr. Chung, 8,743 shares Mr. Fu, 1,435 shares Mr. Grillo, 1,951 shares Mr. Major, 1,435 shares Mr. Noglows, 3,139 shares and Mr. Schubel, 1,435 shares.

(3) On April 22, 2016, each director received an annual stock option award of 1,200 shares. The amounts shown reflect the grant date fair value of stock option awards computed in accordance with FASB ASC Topic 718, based on assumptions described in Note 11 to our audited financial statements included in our 2016 Annual Report on Form 10-K for fiscal year ended December 31, 2016. As of December 31, 2016, each director held the following outstanding option awards: Mr. Chung, 6,262 shares Mr. Fu, 5,713 shares Mr. Grillo, 11,848 shares Mr. Major, 7,361 shares Mr. Noglows, 10,848 shares and Mr. Schubel, 11,848 shares.

CERTAIN GOVERNANCE MATTERS

Board Leadership

In conjunction with his retirement as President and Chief Executive Officer, effective January 1, 2017, Gordon Hunter became the Executive Chairman of the Board. Additionally, William Noglows serves as the independent Lead Director. Among other things, the Lead Director convenes and chairs regular and special executive sessions of the independent directors and serves as liaison between the independent directors and our Chief Executive Officer ("CEO"). We believe that our leadership structure allows the Board to have better control of the direction of management, while still retaining independent oversight.

Attendance at Meetings

The Board held eight meetings during fiscal year 2016. All of the directors attended 100% of the meetings of the Board and at least 75% of the meetings of the committees on which they served. Consistent with our policy, all of our directors attended our 2016 annual meeting of stockholders. Independent members of our Board regularly meet in executive session without management present.

Director Independence; Financial Experts

There is no arrangement or understanding between any of our directors and any other person or entity other than the company to which any director was or is to be selected as a director. The Board has affirmatively determined that each current board member, except Messrs. Hunter and Heinzmann, (i) is "independent" within the definitions contained in the current NASDAQ listing standards and the rules and regulations of the SEC, and (ii) has no other "material relationship" with the Company that could interfere with his or her ability to exercise independent judgment. In addition, the Board has determined that (i) each Audit Committee member is "independent" within the enhanced requirements for audit committee members under NASDAQ and SEC rules, (ii) each Compensation Committee member is a "non-employee director" under SEC rules, and (iii) each Compensation Committee member qualifies as an "outside director" pursuant to IRS Code Section 162(m). Furthermore, the Board has determined that Messrs. Fu and Grillo are "audit committee financial experts" as defined by the SEC.

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Board Committees

We have four standing committees: the Audit Committee, Compensation Committee, Nominating and Governance Committee and Technology Committee. Each of these committees has a written charter approved by our Board, copies of which are posted under the "Corporate Governance" section of the Company's website at http://investor.littelfuse.com/governance. Current membership of each committee is provided below, followed by a description of each committee's responsibilities.

Director	Audit Committee	Compensation Committee	Nominating and Governance Committee	Technology Committee
T.J. Chung		Chairman	X	X
Cary T. Fu	Chairman			X
Anthony Grillo	X			
David W. Heinzmann				
Gordon Hunter				Chairman
John E. Major	X		Chairman	X
William P. Noglows		X	X	
Ronald L. Schubel		X		X

Audit Committee

Meetings held in 2016: 9

The Audit Committee is responsible to, among other things:

- Appoint, compensate, retain and oversee the independent registered public accounting firm (including resolving any disagreements with management regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.
- Review the adequacy and effectiveness of the accounting and financial controls and procedures of the Company.
- Review the annual internal audit plan and performance of the internal audit function.
- Review any legal or regulatory matters that may have a material effect on the financial statements of the Company or related Company compliance policies.
- Review the Company's risk assessment and risk management process.
- Review procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submission by

employees of the Company of concerns regarding questionable accounting or auditing matters.
Review swap transactions, reliance on end-user exception and related policies and procedures.
Prepare the Audit Committee report required to be included in the Company's annual proxy statement.

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Compensation Committee

Meetings held in 2016: 7

The Compensation Committee is responsible to, among other things:

- Review the Company's compensation practices and policies.
- Review and recommend to the Board for its consideration and determination the compensation for the Chief Executive Officer and the other executive officers.
- Review and recommend to the Board for its consideration and determination any employment agreements, severance agreements, change-in-control arrangements and any special or supplemental benefits for the executive officers of the Company.
- Establish and certify the achievement of performance goals for performance-based compensation.
- Evaluate Chief Executive Officer performance.
- Review and recommend to the Board for its consideration and determination the director compensation fees and equity-based awards.
- Review and report to the Board on the Company's organizational structure, succession plans for executive officers and programs for development of individuals to assume positions of higher responsibility.
- Review and report on our compensation discussion and analysis and recommend its inclusion in our Annual Report on Form 10-K and Proxy Statement each year.

The Compensation Committee has the authority under its charter to engage services of outside advisors to assist in carrying out its duties. Under this authority, the Compensation Committee retained Compensation Strategies, Inc. as its independent compensation consultant during the 2016 fiscal year to assist the Compensation Committee with compiling a comprehensive analysis of market data and analyzing its implications for executive compensation at the Company, as well as various other executive compensation matters such as: (1) reviewing our annual incentive and long-term incentive programs (2) providing an update on executive compensation trends and pending and enacted legislation relevant to the compensation of our executive officers and (3) providing advice on compensation matters relating to the CEO transition, described on page 24. The Compensation Committee has assessed the independence of Compensation Strategies, Inc. and determined that Compensation Strategies, Inc. did not have any economic interests or other relationships that would conflict with its obligation to provide impartial and objective advice.

Nominating and Governance Committee

Meetings held in 2016: 5

The Nominating and Governance Committee is responsible to, among other things:

- Identify individuals qualified to serve on our Board and to recommend director nominees to the Board for nomination at our annual meeting of stockholders.
- Initiate and oversee an annual self-assessment of the Board and its committees.
- Monitor the orientation and training needs of directors.
- Review new legislation, rules, regulations and other developments affecting corporate governance and make recommendations to the Board, as appropriate.
- Review all potential related party transactions that require the Committee's approval.
- Review the Company's Code of Conduct and monitor the communication thereof.
- Develop corporate governance guidelines for the Company.

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Technology Committee

Meetings held in 2016: 4

The Technology Committee is responsible to, among other things:

- Review the technology program scope, direction, quality, investment levels and execution of the technology strategies presented by the Company's management.
- Review the Company's key information technology controls.
- Review significant emerging technology issues and trends that may affect the Company, its business and strategy.
- Review the Company's technology competitiveness, including the effectiveness of its technological efforts and investments in developing new products and business.

Director Candidates

In considering a person as a nominee as a director the Nominating and Governance Committee takes into consideration such factors as it deems appropriate, including:

- Experience as an executive or director of a publicly traded company
- Familiarity with our business and our industry
- Availability to actively participate in meetings of the Board and attend the annual meeting of stockholders
- Knowledge and experience in the preparation or evaluation of financial statements
- Diversity of background, including gender and ethnic diversity, knowledge, skills and experience to create a well-rounded Board
- Satisfaction of the criteria for independence established by the SEC and NASDAQ listing standards, as they may be amended from time to time and
- Ability to interact in a productive manner with the other members of the Board.

The Nominating and Governance Committee used the same criteria to evaluate Mr. Hunter and determine it to be in the best interest of the Company to nominate him as a director through the annual meeting of stockholders occurring during the 2017 and 2018 calendar years, pursuant to the CEO transition described on page 24.

The Nominating and Governance Committee will consider nominees for the Board recommended by stockholders, using the same evaluation process as for any other nominee. Recommendations must comply with the procedures in our Bylaws and be submitted to the Corporate Secretary at 8755 West Higgins Road, Suite 500, Chicago, Illinois

60631. Any recommendation must include:

- The name and address of the candidate
- A brief biographical description, including his or her occupation for at least the last five years, and a statement of the qualifications of the candidate, taking into account the qualification factors set forth above and
- The candidate's signed consent to be named in the Proxy Statement if nominated and to serve as a director if elected.

To be considered by the Nominating and Governance Committee for nomination and inclusion in our proxy statement for the 2018 annual meeting of stockholders, stockholder recommendations for director must have been received by us no later than November 16, 2017. Each stockholder recommendation must include the name and address of the nominating stockholder and the number of shares beneficially owned by such stockholder.

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Role in Risk Oversight

The Board's role in risk oversight includes receiving regular reports from members of management on areas of material risk to the Company, including operational, financial, legal, regulatory, compensation and strategic risks. The full Board, or the appropriate committee, receives these reports from management to enable it to understand our risk identification, risk management and risk mitigation strategies. All Board committees meet regularly and report to the full Board on risk management matters. This enables the Board and its committees to coordinate the risk oversight role, particularly with respect to risk interrelationships.

Compensation Risk

At the direction of the Compensation Committee, management conducts a comprehensive risk assessment of our compensation policies and practices and presents its findings to the Compensation Committee. The assessment includes a review of the risk areas within the Company's compensation programs to ensure that there are no design flaws which motivate inappropriate or excessive risk taking. Management conducted this assessment of all compensation policies and practices for all employees, including the NEOs, and determined that the compensation programs are not reasonably likely to have a material adverse effect on the Company.

During the review, several risk mitigating factors in our programs were noted, including:

- Our annual incentive program awards are capped to limit compensation in any given year
- The Compensation Committee has the ability to apply negative discretion over annual incentive program payouts and to adjust any performance measure for extraordinary events or circumstances
- Our equity incentive awards vest over several years, so while the potential compensation payable for equity incentive awards is tied directly to appreciation of our stock price, taking excessive risk for a short-term gain is discouraged because it would not maximize the value of equity incentive awards over the long term and
- Our executive officers and directors are subject to a stock ownership policy that aligns their interests with the interests of our stockholders.

Stock Ownership Policy

The Board maintains a stock ownership policy that requires our executive officers and directors to hold and maintain a certain number of shares of common stock of the Company. The policy provides for the following:

Each executive officer and non-employee director is required to reach stock ownership levels, detailed below, within five years of their election or appointment.

- o Non-Employee Directors: 5 times annual retainer
- o Chief Executive Officer and Executive Chairman: 5 times base salary
- o Chief Financial Officer and Executive Vice Presidents: 3 times base salary
- o Senior Vice Presidents: 2 times base salary

Until such time as the director or executive officer achieves the required stock ownership level, the director or executive officer is required to retain 50% of the net after-tax shares of common stock realized from any equity granted by the Company.

Failure of a director or named executive officer to satisfy the applicable stock ownership level within the required compliance period may result in their removal of participation in the Company's annual equity grants, and/or being subject to a 100% retention requirement.

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All of our directors are in compliance with the guidelines and requirements set forth in our stock ownership policy. The executive officers' compliance with the stock ownership policy is discussed further in the Compensation Discussion and Analysis Section on page 33.

Corporate Governance Guidelines; Code of Conduct

The Board has adopted Corporate Governance Guidelines. These guidelines address items such as the qualifications and responsibilities of our directors and director candidates and the corporate governance policies and standards applicable to the Board. In addition, the Board has adopted a Code of Conduct that applies to all our directors, principal executive officer, principal financial officer, principal accounting officer and controller, and all employees. The full text of our Corporate Governance Guidelines and our Code of Conduct is available on our website at: http://investor.littelfuse.com/governance. We will also disclose on this page of our website any amendments to, or waivers from the Code of Conduct.

Certain Relationships and Related Transactions

The Board maintains a Related Person Transactions Policy that governs the review, approval and ratification of transactions involving the Company and related persons where the amount involved exceeds $120,000. The Nominating and Governance Committee reviews and approves all proposed Related Person Transactions (as defined below).

Related persons include:

- any person who is, or at any time since the beginning of our last fiscal year was, a director, executive officer, or a nominee to become a director of Littelfuse
- any person who is known to be the beneficial owner of more than 5% of any class of our voting securities
- any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the director, executive officer, nominee, or more than 5% beneficial owner
- any person (other than a tenant or employee) sharing the household of such director, executive officer, nominee, or more than 5% beneficial owner
- any firm, corporation or other entity in which any of the foregoing persons is employed or is a partner or principal or in a similar position or in which such person has a 5% or greater beneficial ownership interest and
- any charitable or non-profit organization in which any of the foregoing persons is actively involved in fundraising or otherwise serves as a director, trustee or in a similar capacity.

The policy defines a Related Person Transaction as a transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships in which the Company (including any of our subsidiaries) was, is or will be a participant, the amount involved exceeds $120,000, and in which any Related Person had, has or will have a direct or indirect interest.

Our Executive Vice President, Chief Legal and Human Resources Officer and Corporate Secretary (“CHRO”) determines for purposes of the policy whether a proposed transaction is a Related Person Transaction that must be approved by the Nominating and Governance Committee.

The Nominating and Governance Committee will consider all of the relevant facts and circumstances available to the Nominating and Governance Committee, including (if applicable) but not limited to:

- the benefits to the Company
- the impact on a director's independence in the event the Related Person is a director, an immediate family member of a director or an entity in which a director is a partner, stockholder or executive officer
- the availability of other sources for comparable products or services
- the terms of the transaction and
- the terms available to unrelated third parties or to employees generally.

The Nominating and Governance Committee will approve only those Related Person Transactions that are in, or are not inconsistent with, our best interests and the best interest of our stockholders, as the Nominating and Governance Committee determines in good faith.

We did not enter into any Related Person Transactions in 2016.

Compensation Committee Interlocks and Insider Participation

T.J. Chung, William P. Noglows and Ronald L. Schubel served on the Compensation Committee during fiscal year 2016, and none of them is now or ever was an employee of the Company. None of our executive officers served as a member of the compensation committee, or on a board of directors performing equivalent functions, of any entity that had one or more of its executive officers serving as a director or member of our Compensation Committee.

Board Communication

Stockholders wishing to communicate directly with the Board or individual directors should communicate in writing at the following address:

Littelfuse, Inc.

8755 West Higgins Road, Suite 500

Chicago, Illinois 60631

Attention: Corporate Secretary

All written communications are received and processed by the Corporate Secretary prior to being forwarded to the chairman of the board or other appropriate members of the Board. Directors generally will not be forwarded communications that are primarily commercial in nature, relate to improper or irrelevant topics, or request general information about the Company.

In addition to internal reporting procedures, the Audit Committee has established communication procedures through an independent telephonic voice call-in system and an independent website that can be accessed globally. The independent phone line and website provide for communication, either anonymously or identified, from employees, vendors, and other interested parties to communicate concerns, including concerns with respect to our accounting, internal controls or financial reporting, to the Audit Committee and CHRO. Concerns may be reported via telephone in the U.S. at 1-800-803-4135 or via the link in our Code of Conduct found on the Company's website at http://investor.littelfuse.com/governance.

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OWNERSHIP OF LITTELFUSE, INC. COMMON STOCK

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of March 1, 2017, by (1) each person known by us to be the beneficial owner of more than 5% of our outstanding common stock, (2) each director, (3) each NEO, and (4) all of our directors and executive officers as a group. Information concerning persons known to us to be beneficial owners of more than 5% of our common stock is based upon our review of Schedules 13D, 13F and 13G, and amendments thereto, as filed with the SEC. Of the shares reported, none are subject to pledge or lien in a margin account or pursuant to a loan agreement.

Beneficial Ownership Table

	Shares of Common Stock Beneficially Owned (1)	Percentage of Common Stock (2)	
5% Principal Stockholders			
BlackRock, Inc. (3) 55 East 52nd Street New York, New York 10055	2,160,642	9.5	%
The Vanguard Group (4) 100 Vanguard Boulevard Malvern, Pennsylvania 19355	1,761,848	7.8	%
Neuberger Berman Group LLC Neuberger Berman Investment Advisers LLC (5) 1290 Avenue of the Americas New York, New York 10104	1,462,343	6.5	%
Silvercrest Asset Management Group LLC Silvercrest L.P. Silvercrest Asset Management Group Inc. (6) 1330 Avenue of the Americas, 38th Floor New York, New York 10019	1,197,192	5.3	%

Directors			
T.J. Chung (7)	23,538	*	
Cary T. Fu (8)	7,124	*	
Anthony Grillo (9)	53,060	*	
David W. Heinzmann (10)	74,096	*	
Gordon Hunter (11)	53,730	*	
John E. Major (12)	29,610	*	
William P. Noglows (13)	25,579	*	
Ronald L. Schubel (14)	31,549	*	
Officers			
Meenal A. Sethna (15)	7,177	*	
Ryan K. Stafford (16)	40,053	*	
Michael P. Rutz (17)	15,401	*	
Philip G. Franklin (18)	4,878	*	
All current directors and executive officers as a group (15 persons) (19)	**403,459**	**1.8**	%

*Indicates ownership of less than 1% of common stock.

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(1) Shares beneficially owned includes all outstanding stock options, restricted stock units, and deferred restricted stock units exercisable for or convertible into our common stock either currently or within 60 days after March 1, 2017.

(2) Applicable ownership percentage is based upon 22,641,223 shares of common stock outstanding as of March 1, 2017.

(3) The information is based on a Schedule 13G/A filed by BlackRock, Inc. with the SEC on January 25, 2017 reporting beneficial ownership as of December 31, 2016. BlackRock, Inc. reported that they have sole voting power with respect to 2,114,357 shares, and sole dispositive power with respect to all of the shares reported.

(4) The information is based on a Schedule 13G/A filed by The Vanguard Group with the SEC on February 10, 2017 reporting beneficial ownership as of December 31, 2016. The Vanguard Group reported that they have sole voting power with respect to 44,111 shares, shared voting power with respect to 2,398 shares, shared dispositive power with respect to 45,407 shares, and sole dispositive power with respect to 1,716,441 shares.

(5) The information is based on a Schedule 13G/A filed by Neuberger Berman Group LLC and Neuberger Berman Investment Advisers LLC with the SEC on February 14, 2017 reporting beneficial ownership as of December 31, 2016. The Neuberger Berman Group LLC and its affiliates reported that they have shared voting and shared dispositive power with respect to all of the shares reported.

(6) The information is based on a Schedule 13G filed by Silvercrest Asset Management Group LLC, Silvercrest L.P. and Silvercrest Asset Management Group Inc. with the SEC on February 14, 2017 reporting beneficial ownership as of December 31, 2016. The Silvercrest Asset Management Group LLC and its affiliates reported that they have shared voting and shared dispositive power with respect to all of the shares reported.

(7) Includes (i) 6,079 stock options currently exercisable or that become exercisable within 60 days, (ii) 989 restricted stock units that vest within 60 days, and (iii) 7,308 deferred restricted stock units granted pursuant to the directors deferred compensation plan that are deferred until termination of service from the Board.

(8) Includes (i) 4,431 stock options currently exercisable or that become exercisable within 60 days, and (ii) 989 restricted stock units that vest within 60 days.

(9) Includes (i) 7,842 stock options currently exercisable or that become exercisable within 60 days, (ii) 731 restricted stock units that vest within 60 days, and (iii) 774 deferred restricted stock units granted pursuant to the directors deferred compensation plan that are deferred until termination of service from the Board.

(10)

Includes (i) 47,911 stock options currently exercisable or that become exercisable within 60 days, (ii) 4,504 restricted stock units that vest within 60 days, and (iii) 6,349 shares held indirectly by trust.

(11) Includes (i) 39,384 stock options currently exercisable or that become exercisable within 60 days, and (ii) 10,859 restricted stock units that vest within 60 days.

(12) Includes (i) 6,079 stock options currently exercisable or that become exercisable within 60 days, and (ii) 989 restricted stock units that vest within 60 days.

(13) Includes (i) 7,842 stock options currently exercisable or that become exercisable within 60 days, (ii) 224 restricted stock units that vest within 60 days, and (iii) 2,468 deferred restricted stock units granted pursuant to the directors deferred compensation plan that are deferred until termination of service from the Board.

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(14) Includes (i) 7,842 stock options currently exercisable or that become exercisable within 60 days, and (ii) 989 restricted stock units that vest within 60 days.

(15) Includes (i) 5,771 stock options currently exercisable or that become exercisable within 60 days, and (ii) 1,130 restricted stock units that vest within 60 days.

(16) Includes (i) 22,311 stock options currently exercisable or that become exercisable within 60 days, and (ii) 6,115 restricted stock units that vest within 60 days.

(17) Includes (i) 12,805 stock options currently exercisable or that become exercisable within 60 days, and (ii) 2,118 restricted stock units that vest within 60 days.

(18) Mr. Franklin retired from his position as CFO effective March 31, 2016 and remained employed as an advisor to the Company through July 31, 2016.

(19) Our executive officers as of March 1, 2017 consisted of our named executive officers (excluding Mr. Franklin) and Messrs. Matthew Cole, Ian Highley, Deepak Nayar, and Dieter Roeder.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires our executive officers, directors and holders of more than 10% of our common stock to file with the SEC initial reports of ownership and reports of changes in ownership of our common stock and other equity securities. Based solely on our review of the copies of these reports and on information provided by our executive officers and directors, we believe that during the fiscal year ended December 31, 2016 our directors and executive officers complied with all Section 16(a) filing requirements, with the following exception: A Form 5 was filed late, in February 2017, on behalf of Mr. Schubel to disclose a gift transaction entered into by Mr. Schubel in November 2014.

PROPOSAL NO. 2 - ADVISORY VOTE ON COMPENSATION

OF NAMED EXECUTIVE OFFICERS

Under the Dodd-Frank Act and the related rules promulgated by the SEC, we are requesting your advisory, non-binding approval of the compensation of our NEOs as disclosed in the following Compensation Discussion and Analysis, the compensation tables, and the accompanying narrative as presented in this Proxy Statement. This proposal, commonly known as a "Say-on-Pay" proposal, gives stockholders the opportunity to provide their input on our executive pay program and policies.

Executive Compensation Vote

We believe that our executive compensation program effectively aligns the interests of stockholders and executives, incentivizes the accomplishment of corporate goals, and attracts and retains talented executives. The key components of our compensation program are as follows:

- Alignment of executive and stockholder interests through short and long-term incentives linked to operating performance
- Short-term cash compensation based upon individual contribution and performance
- Compensation structured to attract and retain the most talented industry leaders and
- Compensation program based, in part, on the practices of peers in our industry and other comparable companies.

At our 2016 Annual Meeting of Stockholders, more than 95% of the shares voted were cast in support of our executive compensation program. The Board and Compensation Committee value the opinions of our stockholders and took this high level of approval into account when developing the compensation for our NEOs.

This vote is not intended to address any specific item of compensation; rather the overall compensation of our NEOs and the philosophy, policies and practices described in this Proxy Statement. Our Board urges you to approve the compensation of our NEOs by voting in favor of the following resolution:

"RESOLVED, that the stockholders approve, on an advisory basis, the compensation of our NEOs, as disclosed in the Compensation Discussion and Analysis, the compensation tables and the accompanying narrative as presented in this Proxy Statement."

The Board of Directors recommends that you vote FOR the approval of the compensation of our NEOs.

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PROPOSAL NO. 3 - ADVISORY VOTE ON THE FREQUENCY OF ADVISORY VOTES ON THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

In connection with the requirements of the Dodd-Frank Act and the related rules promulgated by the SEC, we are asking you to provide an advisory, non-binding vote on how frequently you wish to cast an advisory vote on the compensation of our named executive officers; once every year, once every two years, or once every three years. This proposal, often called a “Say-When-on-Pay” proposal, allows stockholders to provide advisory input on the frequency with which they would prefer an advisory vote on executive compensation be included as a proposal in our Proxy Statement.

Frequency of Advisory Vote on Executive Compensation

After careful consideration, the Board has determined that an advisory vote on executive compensation that occurs every year is the most appropriate alternative for the Company at this time, and therefore the Board recommends that you vote for a one-year interval for the advisory vote. In formulating its recommendation, the Board considered that an annual advisory vote on executive compensation will allow our stockholders to provide us with current direct input on our compensation philosophy, policies and practices as disclosed in the Proxy Statement, consistent with our policy of seeking input from and engaging in discussions with our stockholders on corporate governance matters and our executive compensation philosophy, policies and practices. The Board also considered the stockholders’ advisory vote on the Say-When-on-Pay proposal presented at the Company’s annual meeting in 2011, when a plurality of votes cast were cast in favor of one-year intervals.

Although the Board of Directors recommends that stockholders vote for a Say-on-Pay proposal every year, you may cast your vote on your preferred voting frequency by choosing the option of one year, two years or three years, or abstain from voting, when you indicate your preference in response to the following resolution:

“RESOLVED, that the stockholders determine on an advisory basis that the frequency with which the stockholders shall have an advisory vote on the compensation of the named executive officers, as disclosed in the Compensation Discussion and Analysis, the compensation tables and the accompanying narrative as presented in the Proxy Statement, shall be (A) every year, (B) every two years or (C) every three years.”

Vote Required

While we believe that a vote once every year is the best choice for us, you are not voting to approve or disapprove our recommendation, but rather to make your own choice among a vote once every year, every two years or every three years. You may also abstain from voting on this item. The option of one year, two years or three years that receives a plurality of votes cast by our stockholders will be the frequency for the advisory vote on executive compensation that has been selected by our stockholders. However, because this vote is advisory and will not be binding on the Board of Directors, the Board of Directors may decide that it is in the best interests of our stockholders and the Company to hold an advisory vote on executive compensation more or less frequently than the option selected by stockholders.

The Board of Directors recommends that you vote for a frequency of

every YEAR for future stockholder advisory votes on the compensation of our named executive officers.

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COMPENSATION DISCUSSION AND ANALYSIS

The following Compensation Discussion and Analysis, or CD&A, describes our 2016 executive compensation programs. This CD&A is intended to be read in conjunction with the tables beginning on page 37, which provide detailed historical compensation information for our following NEOs.

Name	Title	Notes
David W. Heinzmann	President and Chief Executive Officer and Former Chief Operating Officer	Appointed to current role effective January 1, 2017.
Gordon Hunter	Executive Chairman of the Board, and Former Chairman of the Board, President and Chief Executive Officer	Appointed to current role effective January 1, 2017.
Meenal A. Sethna	Executive Vice President, Chief Financial Officer	Appointed to current role effective March 31, 2016.
Ryan K. Stafford	Executive Vice President, Chief Legal and Human Resources Officer and Corporate Secretary	Appointed to expanded role as Corporate Secretary effective January 1, 2017.
Michael P. Rutz	Senior Vice President, Global Operations	Appointed to current role effective February 1, 2015.
Philip G. Franklin	Former Executive Vice President and Chief Financial Officer	Retired from his role as CFO effective March 31, 2016; remained employed as an advisor to the Company through July 31, 2016.

Executive Summary

As described below, our executive compensation programs are designed to pay for performance and align the interests of our executives with those of our stockholders. In fiscal year 2016, our annual incentive awards for our NEOs were based on (i) the Company's achievement of financial objectives related to its base business operations, which exclude the impact of material acquisitions completed during the year, (ii) the acquisition and integration during 2016 of three businesses key to the Company's long-term strategy, and (iii) the NEOs' individual performances. In addition, a significant portion of our executive compensation program consists of long-term compensation subject to long-term vesting requirements.

The Compensation Committee continually reviews the compensation programs for our NEOs to ensure they achieve the desired goals of aligning our executive compensation structure with our stockholders' interests and current market practices. We believe we have programs that align the compensation of our executives with the interests of our stockholders and manage compensation risk, including through stock ownership guidelines, an independent Compensation Committee and the use of an independent compensation consultant.

The compensation of our NEOs during fiscal year 2016 directly ties to our strong performance during the Company's milestone year. Revenues crossed the $1 billion dollar mark, we achieved a record level of cash flow from operations, and we achieved many of the goals in our 2012 – 2016 growth strategy. We continued to return capital to stockholders through cash dividends, with a 13.8% increase in the quarterly dividend rate during 2016.

CEO Transition

On November 15, 2016, Mr. Hunter notified the Board of his retirement as President and Chief Executive Officer of the Company, effective January 1, 2017. Mr. Hunter agreed to serve the Company as Executive Chairman of the Board upon his retirement as President and Chief Executive Officer, effective January 1, 2017 through December 31, 2017. In connection with his retirement, Mr. Hunter and the Company entered into an Executive Retirement Agreement, which provided that (i) the Company and Mr. Hunter intend for him to serve as Chairman of the Board through at least the Company's annual meeting of stockholders occurring in the 2019 calendar year; provided, that, effective December 31, 2017, Mr. Hunter will hold the title of Non-Executive Chairman of the Board, and (ii) the Company will nominate Mr. Hunter for service on the Board as its Chairman at each annual meeting of stockholders occurring during the 2017 and 2018 calendar years. The terms of the Executive Retirement Agreement are described further on page 35.

In connection with Mr. Hunter's retirement, the Board promoted Mr. Heinzmann, who previously served as the Company's Chief Operating Officer, to succeed Mr. Hunter as President and Chief Executive Officer of the Company, effective January 1, 2017. In addition, the Board approved the expansion of the number of directors constituting the whole Board to eight members and elected Mr. Heinzmann to serve as a member of the Board, effective January 1, 2017. The terms of Mr. Heinzmann promotion are described further on page 36.

Total Rewards Philosophy

The Compensation Committee is responsible for overseeing the formulation and application of the Company's Total Rewards Philosophy relating to the compensation and benefit programs for executive officers. Pay for performance is an essential element of our Total Rewards Philosophy, which is designed to drive performance in the form of global business growth by financially incentivizing our executive officers to create stockholder value.

The Compensation Committee has worked with our management and the Compensation Committee's compensation consultant to design compensation programs with the following primary objectives:

- Attract, retain and motivate highly qualified executives
- Reward executives based upon our financial performance at levels competitive with peer companies and
- Align a significant portion of the executive compensation with driving our performance and stockholder value in the form of performance-based executive incentive awards and long-term awards.

The guiding principles of our Total Rewards Philosophy are as follows:

Performance. We believe that the best way to accomplish alignment of compensation with the interests of our stockholders is to link a significant portion of total compensation directly to meeting or exceeding individual, business unit and overall Company performance goals. When performance exceeds expectations, total pay levels are expected to be above the competitive median. When performance falls below expectations, total pay levels are expected to be below competitive levels.

Competitiveness. Our compensation and benefit programs are designed to be competitive with the compensation provided by companies with whom we compete for talent. While we generally target the 50th percentile of the total compensation of competitor companies, in some instances, we provide compensation above or below the 50th percentile to account for other factors such as an executive's operating responsibilities, management level, tenure and performance in the position. To help us analyze the competitiveness of our compensation programs, we developed a compensation peer group that was used to set compensation for the 2016 fiscal year, as discussed below.

Cost. Compensation and benefit programs are designed to be cost effective, ensuring that the interests of our stockholders are considered.

Allocation between Short-Term and Long-Term Compensation

The allocation between short-term and long-term compensation is based primarily on competitive market practices relative to base salaries, annual incentive awards and long-term incentive values, as opposed to a targeted allocation between short-term and long-term pay. We also consider certain internal factors that may cause us to target a particular element of a NEO's compensation differently. These internal factors may include the NEO's operating responsibilities, management level and tenure and performance in the position. We consider the total compensation to be delivered to individual NEOs, and as such, exercise discretion in determining the portion allocated to annual and long-term incentive opportunity. We believe that this "total compensation" approach provides the ability to align pay decisions with the short-term and long-term needs of the business and the interests of our stockholders. It also allows for the flexibility needed to recognize differences in performance of each NEO by providing differentiated pay.

Benchmarking

Competitive compensation levels for our executive officers are in part established through the review of competitive market compensation data provided by the Compensation Committee's independent compensation consultant. This review includes base salary, annual incentive opportunities and long-term incentive opportunities for comparable companies. In 2015, we selected an industry compensation peer group as a source to evaluate compensation levels for the 2015 and 2016 fiscal years. The compensation peer group consisted of 17 publicly-traded companies of reasonably similar size to us in the electronic equipment/electronic manufacturing services industry, the electronic components and equipment industry and the semiconductor/semiconductor equipment and manufacturing industry, representing different segments of our business. The compensation peer group is set forth below:

Cabot Microelectronics Corporation (CCMP)	MTS Systems Corporation (MTSC)
CTS Corporation (CTS)	ON Semiconductor Corporation (ON)
Diodes Incorporated (DIOD)	Rogers Corporation (ROG)
Electro Scientific Industries, Inc. (ESIO)	Semtech Corporation (SMTC)
Fairchild Semiconductor International, Inc. (FCS)	Stoneridge, Inc. (SRI)
Gentex Corporation (GNTX)	TTM Technologies, Inc. (TTMI)
Hubbell Incorporated (HUBA, HUBB)	Veeco Instruments Inc. (VECO)
KEMET Corporation (KEM)	Vishay Intertechnology, Inc. (VSH)
Methode Electronics, Inc. (MEI)	

For 2016, the raw data derived from each compensation peer group companies' 2015 proxy statement was aged at an annual rate of 3% for cash and 5% for equity, and was size-adjusted to approximate our revenues for the corresponding fiscal year. The total compensation for our NEOs is generally targeted at the 50th percentile of the competitive market data. In 2016, the Compensation Committee awarded total annual target compensation to Messrs. Heinzmann, Hunter, Stafford, Rutz and Ms. Sethna that was +6%, +11%, +16%, +14%, and +1%, respectively, in relation to the median of our peer group. In addition, Ms. Sethna and Mr. Stafford received special retention grants, as described on page 33, which are not reflected in these percentages. In making the awards to our NEOs in 2016 above the median of our peer group, the Compensation Committee considered the individual scope of responsibility of each NEO, each NEO's historical compensation levels, the NEO's years of experience, the NEO's past, and expected future, contributions to our success, market practice, internal equity considerations and individual performance. Additional information regarding the components of total compensation for our NEOs is discussed below under "Components of Total Compensation."

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Annual Compensation Process

The Compensation Committee reviews industry data and performance results presented by its independent compensation consultant in determining the appropriate aggregate and individual compensation levels for the year. In conducting its review, the Compensation Committee considers quantitative performance results, the overall need of the organization to attract, retain and motivate the executive team, and the total cost of compensation programs.

The Compensation Committee reviews base salaries annually with any changes to be effective February 1 of the following year. The approval of incentive awards for NEOs under the Littelfuse, Inc. Annual Incentive Plan (the "Annual Incentive Plan") for the preceding year and the terms of the incentive awards for NEOs for the current year are approved by the Compensation Committee at its January or February meeting. Long term equity compensation is granted by the Compensation Committee and the full Board at the April meeting, held in connection with the annual meeting of stockholders. The Compensation Committee oversees the administration of the Company's equity-based programs and makes recommendations to the Board for its consideration and approval of equity awards to be made to the CEO and other executive officers. The Compensation Committee has delegated authority to the CEO to grant equity awards to other non-executive officer employees. Ratification of grants for any non-executive officers who are newly-hired or promoted during the course of the year generally occurs at the Compensation Committee meeting immediately following the hiring or promotion, as applicable.

Role of the Board, Compensation Committee, Management and Consultants

The Compensation Committee establishes, reviews and recommends all elements of the executive compensation program to the members of the Board for approval. The Compensation Committee works with an independent compensation consultant, Compensation Strategies, Inc., for advice and perspective regarding market trends that may affect decisions about our executive compensation program and practices. Our independent compensation consultant also advises the Compensation Committee on non-employee director compensation matters. Additional responsibilities of the Board, the Compensation Committee, management and the independent compensation consultant include:

Board of Directors and Compensation Committee

The Compensation Committee reviews and recommends the CEO's business goals and objectives relevant to executive compensation to the members of the Board other than the CEO, for approval   evaluates the performance of the CEO in light of those goals and objectives and recommends the CEO's compensation level to such members of the Board based on this evaluation. The Compensation Committee reviews and recommends the CEO's annual and long-term incentive target opportunities and payouts for approval by the members of the Board, other than the CEO.

For NEOs other than the CEO, the Compensation Committee reviews and makes recommendations based on a review of compensation survey data and publicly-disclosed compensation information for our peer group, individual performance, internal pay equity and other relevant factors for approval by the full Board for all NEO compensation arrangements including base salary determination and annual and long-term incentive target opportunities and payouts.

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Management and Consultants

Compensation program design: Management makes recommendations in consultation with the independent compensation consultant on compensation program design and pay levels and implements the compensation programs approved by the Board.

Develop performance measures: Management identifies appropriate performance measures, recommends performance targets that are used to determine annual awards, and develops individual performance objectives for each NEO.

Compile competitive market data: Management works with the independent compensation consultant in compiling compensation information and preparing the data for presentation to the Compensation Committee.

Develop compensation recommendations: Based on the compensation survey data and publicly-disclosed compensation information, our CEO and our CHRO prepare recommendations for the NEOs (other than for the CEO) and present these recommendations to the Compensation Committee. The Compensation Committee reviews these recommendations along with the competitive market data and other information and advice of the independent compensation consultant, and makes a recommendation to the full Board for approval. Our CEO also assists the Compensation Committee by providing input with regards to the fulfillment of the individual performance objectives of the other NEOs. Compensation recommendations for the CEO are made by the Compensation Committee based on the compensation survey data and are presented for approval to the directors other than the CEO. Our Executive Vice President and Chief Financial Officer also assists in the preparation of performance targets and objectives based on our short-term and long-term growth plans and provides financial information used by the Compensation Committee to make decisions with respect to incentive goals based on achievement of financial targets and related payouts.

Impact of Accounting and Tax Issues on Executive Compensation

In setting each NEO's compensation levels, we do not have a stated policy that all compensation must be tax deductible. The Compensation Committee and Board analyze the overall expense arising from aggregate executive compensation levels and consider various alternatives to preserving the tax deductibility of compensation payments and benefits to the extent reasonably practicable and to the extent consistent with our compensation goals. Section 162(m) of the Internal Revenue Code ("Section 162(m)") places a limit of $1,000,000 on the amount of compensation that we may deduct in any one year with respect to our CEO and our three other most highly compensated officers other than the principal financial officer. Compensation, including compensation pursuant to plans or arrangements approved by our stockholders, that qualifies as "performance-based compensation" under Section 162(m) is not subject to the deduction limit. The Annual Incentive Plan and Long Term Incentive Plan have been approved by our stockholders; as a result, stock options, stock appreciation rights, performance shares, performance units and cash incentive awards under these plans that qualify as "performance based compensation" will not be subject to the deductibility limit imposed by Section 162(m). In fiscal 2016, the Compensation Committee established an annual incentive plan structured to allow payments to be made, if a certain financial target is met, that are deductible under Section 162(m). In fiscal 2016, we met the performance objective of our annual incentive plan, as described further on page 29.

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Components of Total Compensation

The compensation of our NEOs consists of five components, each designed to help achieve our compensation objectives and to contribute to a total compensation arrangement that is competitive, appropriately performance-based and valued by our NEOs, as described in the following table.

Compensation Component	**Purpose**
Base Salary	Designed to attract, retain and motivate highly-qualified executives by paying a competitive salary.
Annual Incentive Plan (cash awards)	Designed to provide a performance-based cash reward to executives and key employees of the Company for contributing to the achievement of our short-term corporate goals.
Long Term Incentive Plan (stock option and RSU awards)	Designed to emphasize the goals of our equity compensation: (1) align each NEO's financial interests with driving stockholder value (2) focus the NEOs' efforts on long-term financial performance of the Company and (3) assist in the retention of our NEOs.
Perquisites and Health and Welfare Programs Retirement and Post-Employment Compensation	Designed to provide competitive levels of health and welfare protection and financial security to executives.

Information regarding the administration and the determination of amounts of each component is below.

A. Base Salary

Administration: Our CEO and our CHRO recommend NEO salary levels (other than for the CEO) to the Compensation Committee for approval. The Compensation Committee reviews the NEO salary recommendations and makes its recommendations to the full Board for approval. The Compensation Committee determines and makes CEO salary recommendations to the Board, other than the CEO, for approval.

Determination of amounts: Base salary is generally targeted at the 50th percentile of the compensation peer group, although we also take into account factors such as individual scope of responsibility, years of experience, past and future contributions to our success and possible differences in compensation standards in our industry. We strive to be market competitive in an effort to attract, retain and motivate highly-talented executive officers.

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In both 2016 and for 2017, the Compensation Committee recommended to the Board and the Board approved increases in base salary for all NEOs, effective as of February 1, except as noted. The base salary amounts for the NEOs, effective as of February 1, 2016 and February 1, 2017, are as follows:

Name	**2016 Annualized Base Salary**	**2017 Annualized Base Salary**
David W. Heinzmann (1)	$525,000	$700,000
Gordon Hunter (1)	$782,740	$600,000
Meenal A. Sethna	$375,000	$393,750
Ryan K. Stafford (2)	$400,000	$463,500
Michael P. Rutz	$360,706	$371,527
Philip G. Franklin (3)	$420,767	-

(1) 2017 Annualized Base Salary effective as of January 1, 2017, in connection with the CEO transition.

(2) 2016 Annualized Base Salary was increased from $400,000 to $450,000 effective as of July 20, 2016, in light of Mr. Stafford's ongoing performance and the Company's desired retention of Mr. Stafford.

(3) Upon his transition to an advisor role from April 1, 2016 to July 31, 2016, Mr. Franklin served as a part-time employee and his base salary was reduced accordingly.

B. Annual Incentive Plan

In January 2014, our Compensation Committee and our Board approved the Annual Incentive Plan and on April 25, 2014 our stockholders approved the Annual Incentive Plan ("AIP").

Administration: The Compensation Committee establishes, after (1) consulting with our CEO and CHRO, (2) reviewing the compensation peer group information and other information and advice of the independent compensation consultant and (3) discussing the financial goals and targets of the Company for the next fiscal year with our CEO and our CFO, the threshold, target and maximum amounts that may be awarded under the AIP to each NEO for the fiscal year. The annual target amounts are set as percentages of each NEO's base salary and the maximum amount is set at 200% percent of the annual target percentage.

Determination of eligible AIP amounts: Our AIP is intended to compensate NEOs for their short-term contributions to the Company's performance. Annual incentive awards to NEOs are granted based on the NEOs' and the Company's performances and are approved by the Compensation Committee and recommended to the full Board for approval. While one factor the Compensation Committee considers regarding the compensation of our NEOs is where that compensation falls in relation to the 50th percentile of the total compensation of our compensation peer group, it does not necessarily match our annual incentive awards against a certain percentile of the compensation peer group and it considers other factors, such as internal equity considerations, executive experience and the years of service of the NEO, in setting the targets as a percent of base salary. It sets the threshold, target and maximum amounts for the AIP so that, if earned, we pay sufficient total annual compensation to remain competitive. The maximum incentive amount that may be paid to an employee for a performance period has been limited under the AIP to $2,500,000.

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The following table summarizes the AIP opportunity percentages for the NEOs for 2016, excluding Mr. Franklin who retired from his role as CFO effective March 31, 2016 and did not participate in the 2016 AIP:

	2016 AIP Target Opportunity (as a % of 2016 Base Salary)		
Name	**Threshold**	**Target**	**Maximum**
David W. Heinzmann	40%	80%	160%
Gordon Hunter	50%	100%	200%
Meenal A. Sethna	35%	70%	140%
Ryan K. Stafford	35%	70%	140%
Michael P. Rutz	30%	60%	120%

In 2016, the Compensation Committee structured the AIP to ensure sufficient flexibility to determine appropriate non-equity incentive compensation and preserve corporate tax deductions for performance-based compensation under Section 162(m). Under the 2016 AIP, the Compensation Committee established a performance goal and a maximum annual award percentage that could be paid to each NEO; the NEOs were eligible to receive up to a maximum of 200% of their target annual incentive opportunities, upon the Company's achievement of $1.00 of diluted earnings per share ("EPS") for 2016. In January 2017, the Compensation Committee determined that the Company had achieved $4.60 of EPS for 2016, thereby satisfying the performance goal under the 2016 AIP. The Compensation Committee then exercised its negative discretion to determine each NEO's 2016 AIP award amount.

Exercise of negative discretion: With respect to the 2016 AIP award amounts for NEOs, the Compensation Committee gave consideration to three performance areas: (i) the Company's achievement of financial objectives related to its base business operations, which exclude the impact of material acquisitions completed during the year, (ii) the acquisition and integration during 2016 of three businesses key to the Company's long-term strategy, and (iii) the NEOs' individual performances.

The Compensation Committee considered the performance of the Company's base business operations with respect to the financial performance metrics shown in the table below. Notably, these metrics excluded the financial impact of the three businesses we acquired and integrated in 2016 (i.e., PolySwitch, ON Portfolio and Menber's, which are further described below). The Compensation Committee believed that these metrics reflected the performance of the Company's ongoing operations with respect to its existing business.

Base Business Operations	**Threshold**	**Target**	**Maximum**	**Actual**	**Percentage**

Performance Metric (1)	Performance (50%)	Performance (100%)	Performance (200%)	Performance	Achievement
Corporate Sales ($M)	$851.2	$896.0	$940.8	$890.6	94%
AIP Earnings per Share ("AIP EPS")	$5.53	$5.95	$6.37	$5.95	100%
Cash from Operations ($M)	$170.2	$193.4	$216.6	$205.8	153%

(1) The performance metrics were determined as follows:
Corporate Sales - represents our 2016 sales as reported in our audited financial statements, less sales attributable to businesses acquired in 2016.
AIP EPS – represents our 2016 AIP net income, as described below, divided by our diluted weighted-average common shares outstanding. "AIP net income" is calculated as our net income, as reported in our audited financial statements, excluding the after-tax impact of the following items: acquisition, divestiture and integration costs; restructuring charges related to business reorganizations; plant closure and related move and reduction in force costs; intangible asset impairment; expensing of inventory fair market value step-up; non-operating foreign exchange gains and losses; and net income/loss related to businesses acquired in 2016.
Cash from Operations – represents our 2016 cash flow from operations, as reported in our audited financial statements, less the cash flow from operations attributable to, or expended in connection with, businesses acquired in 2016.

In 2016, the Company completed three separate acquisitions that furthered the Company's long-term strategic growth plan. In March 2016, the Company acquired the circuit protection business ("PolySwitch") of TE Connectivity Ltd. for a net amount of approximately $348 million; this was the largest acquisition in the Company's history. In April 2016, the Company acquired Menber's S.p.A. ("Menber's") for a net amount of approximately $19 million. In August 2016, the Company acquired certain assets of select businesses (the "ON Portfolio") of ON Semiconductor Corporation for approximately $104 million.

Significant efforts were required both to negotiate and accomplish the three acquisitions and to integrate the acquired business after the acquisitions. The Compensation Committee gave consideration to: the successful completion of the three acquisitions and the achievement of specific integration objectives including (i) execution of synergy plans that yielded significant savings, (ii) retention of key talent, and (iii) the accelerated integration of those businesses. The Compensation Committee attributes much of the Company's success regarding the acquisitions and integrations to the performance of the Company's management including the NEOs.

The Compensation Committee also reviews the individual performance of each NEO. These reviews are qualitative in nature and require subjective determinations by the Compensation Committee. The Compensation Committee receives input from the CEO and CHRO with respect to each NEO's performance and considers factors generally related to (i) overall Company business performance, (ii) development of managerial leaders and talent within the Company; (iii) legal compliance and corporate governance best practices, and (iv) other matters specific to each NEO's scope of responsibility.

The Compensation Committee also received recommendations from Mr. Hunter related to the 2016 AIP award amounts for the other NEOs. It received input from its independent compensation consultant with respect to the appropriate 2016 AIP award amount for Mr. Hunter. After consideration of the three performance areas described above and the recommendations from Mr. Hunter and input from the independent compensation consultant, the Compensation Committee approved and recommended to the Board, and the Board approved, the following 2016 AIP awards to the NEOs at levels less than the entire amounts for which the NEOs were eligible under the 2016 AIP:

NEO	**Eligible Award Under the 2016 AIP ($)**	**Actual 2016 AIP Award after Negative Discretion (% of target)**	**Actual 2016 AIP Award after Negative Discretion ($)**
David W. Heinzmann	$840,000	150.0%	$630,000
Gordon Hunter	$1,565,480	153.3%	$1,200,000
Meenal A. Sethna	$525,000	150.0%	$393,750

Ryan K. Stafford	$560,000	150.0%	$472,500
Michael P. Rutz	$432,850	133.0%	$287,844

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2017 Annual Incentive Plan: At its January 2017 meeting, the Compensation Committee approved the same annual incentive plan structure providing for sufficient flexibility under Section 162(m) and established the NEOs' target annual incentive plan opportunity percentages for the 2017 AIP. It also established a 2017 financial performance goal that was based on the same performance metric as in 2016. The following table summarizes AIP target opportunity percentages, as a percentage of base salary for the NEOs for 2017:

	2017 AIP Opportunity (as a % of Base Salary)		
Name	**Threshold**	**Target**	**Maximum**
David W. Heinzmann	45%	90%	180%
Gordon Hunter	50%	100%	200%
Meenal A. Sethna	35%	70%	140%
Ryan K. Stafford	35%	70%	140%
Michael P. Rutz	30%	60%	120%

C. Long-Term Incentive Compensation

Consistent with prior years' practice, in 2016 the Compensation Committee awarded a combination of two types of equity awards under the Long-Term Incentive Plan to our NEOs: stock option awards and RSUs. The stock options vest one-third annually over a three-year vesting period and have an exercise price equal to the fair market value of our common stock on the date of grant. The RSUs also vest one-third annually over a three-year vesting period.

Administration: The Compensation Committee reviews the compensation peer group information, the advice of the independent compensation consultant and, for NEOs other than the CEO, the recommendation of our CEO and our CHRO with respect to the NEOs' long-term incentive grants of stock options and RSUs. The Compensation Committee makes recommendations to the Board, other than the CEO, for the grant of stock options and RSUs to the CEO.

Determination of amounts: We target total equity compensation awards at the 50th percentile of our compensation peer group, although we also take into account other factors, such as years of service with the Company and internal pay equity considerations, when determining total equity compensation. In 2016, based on a valuation performed by the independent compensation consultant, the Compensation Committee determined that 50% of the value of the equity awards would be made in stock options, and 50% of the value of the equity awards would be made in RSUs. The restricted stock unit awards and stock options granted in 2016 to each NEO, other than Mr. Franklin who retired from his position as CFO effective March 31, 2016, are set forth below.

Name	RSU Award	RSU Vesting Schedule (1)	Stock Option Award	Option Vesting Schedule (1)	Option Grant Price
David W. Heinzmann	4,755	3-year vest	17,004	3-year vest	$120.15
Gordon Hunter	10,087	3-year vest	36,074	3-year vest	$120.15
Meenal A. Sethna	3,389	3-year vest	12,121	3-year vest	$120.15
Ryan K. Stafford	3,006	3-year vest	10,750	3-year vest	$120.15
Michael P. Rutz	2,134	3-year vest	7,632	3-year vest	$120.15

(1) 2016 grant of RSUs and Options vest in installments of 33% on each anniversary of the grant date.

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Special Retention Awards

As reported in our Current Report on Form 8-K filed on July 26, 2016, the Board awarded 5,594 RSUs to Mr. Stafford and 2,486 RSUs to Ms. Sethna, in light of each of their ongoing performance and desired retention. The awards were granted pursuant to the Long-Term Incentive Plan, and vest in full after three years.

Stock Ownership Policy

As discussed on page 15, the Company maintains a stock ownership policy applicable to all executive officers and directors. The table below describes the ownership guidelines for each Named Executive Officer, excluding Mr. Franklin who retired from his CFO role effective March 31, 2016, and their progress towards the ownership requirements, as of March 1, 2017.

Name	**Ownership Requirement as % of Base Salary**	**Number of Shares Required (1)**	**Number of Shares Owned (2)**
David W. Heinzmann	500%	23,000	37,865
Gordon Hunter	500%	19,700	39,729
Meenal A. Sethna (3)	300%	7,800	6,949
Ryan K. Stafford	300%	9,100	25,339
Michael P. Rutz (4)	200%	4,900	4,731

(1) Pursuant to the stock ownership policy, the Compensation Committee may adjust the ownership requirements in the event of a significant increase in the price of the Company's common stock. The ownership requirements were last amended in January 2014 using a 30-business-day average stock price of $93.00 per share. In light of the approximately 63% increase in the price of the Company's common stock from January 2014 to the 30-business-day average stock price used for the period of December 1, 2016 through January 13, 2017, the Compensation Committee approved an adjustment to the ownership requirements of $152.00 per share.

(2) Includes direct and indirect ownership of beneficially owned shares and restricted stock/units.

(3) Ms. Sethna has five years from the date of her promotion to Executive Vice President, Chief Financial Officer, or until March 31, 2021, to meet the stock ownership requirements.

(4) Mr. Rutz has five years from his date of hire, or until February 3, 2019, to meet the stock ownership requirements.

D. Perquisites and Health and Welfare Programs

Perquisites

Our NEOs are provided with the opportunity to receive executive physicals and financial planning services on an annual basis. The executive physical program provides approximately $5,000 in services per NEO annually. In addition, pursuant to Mr. Hunter's Amended and Restated Employment Agreement, dated December 31, 2007, Mr. Hunter is entitled to $15,000 per year of financial planning and tax consulting services, and each of our other NEOs is entitled to $12,000 per year of financial planning services. Additionally, Mr. Hunter is provided with continued use of a Company automobile through December 31, 2017, and during 2016 and the Company provided reimbursement of certain spouse travel to industry events. We provide these benefits to help our NEOs efficiently manage their time and financial affairs and to allow them to stay focused on business issues. Amounts and types of perquisites are included in the 2016 All Other Compensation Table below on page 38.

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Health and Welfare Programs

Our NEOs participate in the same health and welfare programs designed for all of our full-time U.S. employees. The program includes partial reimbursement of gym membership dues, group health, dental, disability, business travel accident, life and accidental death and dismemberment (AD&D) coverage. Our NEOs are also provided with an increased amount of life and AD&D insurance in order to provide a targeted level of coverage equal to three times base salary. These programs are important components of our total compensation program, and we provide them to remain competitive.

E. Retirement and Post-Employment Compensation

Retirement Plans

We provide retirement benefits to our U.S. employees and NEOs through the following plans:

Littelfuse, Inc. 401(k) Retirement and Savings Plan

NEOs may elect to participate in the Littelfuse, Inc. 401(k) Retirement and Savings Plan (“401(k) Plan”) on the same basis as all other U.S. employees. The 401(k) Plan provides employees the opportunity to save for retirement on a tax-favored basis. The Company amended the 401(k) Plan, effective as of January 1, 2012, to provide discretionary Company contributions equal to 2% of a participant’s annual eligible pay. This is in addition to the existing Company matching contributions, which provide a dollar-for-dollar match on participant salary deferrals up to 4% of a participant’s annual eligible pay (subject to IRS compensation limits). The Plan also provides for discretionary contributions for those eligible, active participants who as of January 1, 2010, participated in the Littelfuse, Inc. Retirement Plan (“Pension Plan”) and had earned a minimum of 10 years of service and a combined age and years of service of at least 60 (the “60 Point Group”). Currently, Mr. Heinzmann is the only NEO who is a member of the 60 Point Group. The Company has currently set these contributions at 5% of base pay (subject to IRS compensation limits). All contributions to the 401(k) Plan are fully vested and nonforfeitable.

Littelfuse, Inc. Supplemental Retirement and Savings Plan

The Littelfuse, Inc. Supplemental Retirement and Savings Plan (the "Supplemental Plan") is a non-qualified retirement plan that is intended to provide supplemental retirement income benefits to employees whose benefits under our tax-qualified 401(k) plan are limited by the application of Internal Revenue Code Section 415, which includes our NEOs. Participants can defer a portion of their annual compensation to the Supplemental Plan. The Company provides a matching contribution designed to ensure that participants receive a combined match under the Supplemental Plan and the Company's 401(k) plan on the first 4% of their annual compensation that they defer to both plans. The Company also makes the same 5% contribution as it makes to the Company's 401(k) Plan for Supplemental Plan participants who are members of the 60 Point Group, based on their compensation in excess of the IRS limit. Currently Mr. Heinzmann is the only NEO who receives this additional contribution as a member of the 60 Point Group.

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Littelfuse Inc. Retirement Plan ("Pension Plan")

As reported in our Current Report on Form 8-K filed on July 31, 2014, the Board of Directors terminated the Pension Plan effective July 30, 2014, and the Company settled all Pension Plan liabilities either via lump sum payout or the purchase of a group annuity contract by the end of the 2015 fiscal year. Therefore, due to the plan termination, no 2016 Pension Benefits Table is provided.

Other Plans

Mr. Franklin accrued a retirement benefit under the Littelfuse, Inc. Supplemental Executive Retirement Plan (the "SERP") prior to its termination effective December 31, 2009. Amounts earned are reported in the footnotes to the 2016 Nonqualified Deferred Compensation table.

Post-Employment Compensation

Change in Control Agreements

Each of the NEOs has entered into a change of control agreement with the Company that provides certain payments and benefits on termination of employment in connection with a change of control of the Company. Additional information including the terms of our NEO's change of control agreements is included below on page 46.

Employment Contracts

We have not entered into an employment agreement with any NEO, other than Mr. Hunter. However, in connection with the CEO transition, we entered into a Letter Agreement with Mr. Heinzmann. The terms of Mr. Hunter's employment agreement and Mr. Heinzmann's Letter Agreement are described below.

Mr. Hunter. As previously disclosed, the Company has entered into an Executive Retirement Agreement, effective January 1, 2017 through December 31, 2017 (the "Term"), with Mr. Hunter in connection with his retirement as

President and Chief Executive Officer and assumption of the Executive Chairman of the Board role. The Executive Retirement Agreement amends Mr. Hunters prior Amended and Restated Employment Agreement, dated December 31, 2007.

Pursuant to the Executive Retirement Agreement, Mr. Hunter will receive a base salary of $600,000, and continue to participate in the Annual Incentive Plan with a target bonus of 100% of his base salary for the 2017 fiscal year. In lieu of any other 2017 annual equity awards, the Executive Retirement Agreement provided for the grant of restricted stock units having a grant date value of $2,240,000 that vest on December 31, 2017. During the Term of the agreement, all outstanding equity awards granted to Mr. Hunter will remain outstanding and continue to vest in accordance with their terms. However, at the end of the Term, any then-unvested equity awards will become immediately vested, subject to Mr. Hunter's continued employment through the end of the Term. The termination provisions under the Executive Retirement Agreement and Mr. Hunter's Change in Control Agreement are described on page 45.

Mr. Hunter and the Company entered into an employment agreement dated May 1, 2006, as amended and restated on December 31, 2007. The employment agreement, as amended, remains in effect and provides that Mr. Hunter will receive certain benefits, including a home office, an automobile, and up to $15,000 in annual financial planning and tax counseling services. The employment agreement also contains non-disclosure, non-competition, non-solicitation and non-hire restrictions applicable to Mr. Hunter following cessation of his employment with us. Additional discussion regarding the terms of Mr. Hunter's employment agreement are below on page 45.

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Mr. Heinzmann. As previously disclosed, the Company has entered into a Letter Agreement effective January 1, 2017, with Mr. Heinzmann in connection with his assumption of the President and Chief Executive Officer role. Pursuant to the Letter Agreement, Mr. Heinzmann's base salary was increased to $700,000 and his target bonus was increased to 90% of base salary. In addition, the Letter Agreement provided for the grant of restricted stock units having a grant date value of $1,050,000, that vest on the third anniversary of the grant. The Company also entered into a new change of control agreement with Mr. Heinzmann, consistent with the terms described on page 46.

COMPENSATION COMMITTEE REPORT

To the Board of Directors of Littelfuse, Inc.:

We have reviewed and discussed with management the Compensation Discussion and Analysis contained in this Proxy Statement.

Based on the review and discussion referred to above, we recommend to the Board of Directors that the Compensation Discussion and Analysis referred to above be included in this Proxy Statement and in our Annual Report on Form 10-K for the year ended December 31, 2016.

Compensation Committee:

Tzau-Jin (T.J.) Chung (Chairman)

William P. Noglows

Ronald L. Schubel

The foregoing report is not deemed to be "soliciting material" or to be "filed" with the Securities and Exchange Commission or subject to the Securities and Exchange Commission's proxy rules or the liabilities of Section 18 of the

Securities Exchange Act of 1934, as amended, and the report shall not be deemed to be incorporated by reference into any prior or subsequent filing by us under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

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COMPENSATION TABLES

The following table sets forth compensation information for our NEOs in fiscal years 2014, 2015 and 2016.

2016 Summary Compensation Table

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)(2)	Stock Awards ($)(3)	Option Awards ($)(4)	Non-Equity Incentive Plan Compensation ($)(5)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(6)	All Other Compensation ($)(7)	Total ($)
David W. Heinzmann	2016	$522,917	$150	$560,424	$443,124	$630,000	$0	$95,166	$2,251,781
President and Chief Executive Officer and	2015	$477,532	$0	$436,995	$387,814	$594,623	$0	$83,954	$1,980,918
Former Chief Operating Officer	2014	$395,308	$150	$579,908	$377,213	$334,600	$116,587	$69,677	$1,873,442
Gordon Hunter	2016	$780,231	$700	$1,188,854	$940,088	$1,200,000	$0	$89,703	$4,199,576
Executive Chairman	2015	$759,239	$600	$1,074,594	$954,382	$1,128,556	$945	$134,247	$4,052,563
of the Board and Former Chairman, President and Chief Executive	2014	$725,966	$300	$1,031,548	$1,013,775	$887,087	$10,789	$132,897	$3,802,362

Officer									
Meenal A. Sethna (8) Executive Vice President and Chief Financial Officer	2016	$372,917	$700	$690,886	$315,873	$393,750	$0	$47,510	$1,821,637
Ryan K. Stafford	2016	$421,034	$150	$1,010,128	$280,145	$472,500	$0	$58,252	$2,242,209
Executive Vice	2015	$387,320	$150	$297,609	$264,398	$399,536	$0	$50,436	$1,399,449
President, Chief Legal and Human Resources Officer and Corporate Secretary	2014	$367,474	$150	$468,729	$280,875	$317,040	$11,351	$50,868	$1,496,487
Michael P. Rutz	2016	$359,831	$150	$251,513	$198,890	$287,844	$0	$51,670	$1,149,898
Senior Vice President	2015	$353,273	$0	$201,545	$178,754	$295,546	$0	$34,343	$1,063,461
Global Operations	2014	$300,115	$0	$266,727	$190,313	$173,570	$0	$17,124	$947,849
Philip G. Franklin (9)	2016	$148,414	$150	$109,246	$0	$0	$0	$43,750	$301,560
Former Executive	2015	$424,459	$150	$363,535	$322,373	$431,955	$58,361	$81,965	$1,682,798
Vice President and Chief Financial Officer	2014	$404,738	$150	$348,194	$342,563	$341,720	$21,371	$61,042	$1,519,777

(1) Base salary includes compensation deferred under the 401(k) Plan and the Supplemental Plan.

(2) Represents discretionary bonuses earned in connection with our wellness initiatives in fiscal year 2016.

(3) Represents the full grant date fair value of RSUs for fiscal years 2014, 2015 and 2016, in accordance with FASB ASC Topic 718, based on assumptions described in Note 11 to our audited financial statements included in our 2016 Annual Report on Form 10-K.

(4) Represents the full grant date fair value of stock option awards for fiscal years 2014, 2015 and 2016, in accordance with FASB ASC Topic 718, based on assumptions described in Note 11 to our audited financial statements included in our 2016 Annual Report on Form 10-K.

(5) Represents payouts for performance under Annual Incentive Plan. See page 29 for information on how amounts were determined.

(6) Amounts shown in this column represent the change in the actuarial present value of each NEO's accumulated benefit under the Pension Plan for the specified year, plus the amount of any payments made to or on behalf of the NEO during the last fiscal year. Although the Pension Plan was frozen effective April 1, 2009, the actuarial present value of each NEO’s benefit under the plan is subject to change, largely due to the passage of time and changes in the discount rate used to value the Pension Plan's liabilities. Note further that the plan was terminated effective July 30, 2014 and all of the plan’s liabilities were settled, either via lump sum payout or purchase of a group annuity contract in the third quarter of 2015. As a result, the actuarial present value of each NEO’s benefit under the plan is now $0. There are no above-market or preferential earnings in the Supplemental Plan or the SERP. See the 2016 Nonqualified Deferred Compensation Table for more information.

(7) The amounts shown are detailed in the supplemental “All Other Compensation” table below.

(8) Ms. Sethna became CFO effective March 31, 2016.

(9) Mr. Franklin retired from his position as CFO effective March 31, 2016.

2016 All Other Compensation Table

The table below provides additional information about the amounts that appear in the “All Other Compensation” column in the Summary Compensation Table above. For additional information regarding perquisites and health and welfare programs, refer to page 33.

NEO	401(k) Plan Company Matching Contributions	Supplemental Plan Company Matching Contributions	Miscellaneous ($)	Total All Other Compensation ($)

	($)	($)		
David W. Heinzmann	$ 29,150	$ 52,156	$ 13,860(1)	$ 95,166
Gordon Hunter	$ 15,900	$ 23,705	$ 50,098(2)	$ 89,703
Meenal A. Sethna	$ 15,900	$ 11,722	$ 19,889(3)	$ 47,510
Ryan K. Stafford	$ 15,900	$ 23,152	$ 19,201(4)	$ 58,252
Michael P. Rutz	$ 15,900	$ 17,512	$ 18,259(5)	$ 51,670
Philip G. Franklin	$ 10,600	$ 12,615	$ 20,535(6)	$ 43,750

(1) The amount reported for Mr. Heinzmann includes the cost of tax and financial planning, and life and AD&D insurance.

(2) The amount reported for Mr. Hunter includes the cost of: spouse travel for industry events ($5,042); personal use of a Company vehicle, including maintenance, fuel and upkeep ($18,154); life and AD&D insurance ($1,356); partial reimbursement of health club membership dues generally available to U.S. employees ($400); executive physical ($5,360); tax and financial planning ($15,000); and club membership dues ($4,785).

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(3) The amount reported for Ms. Sethna includes the cost of partial reimbursement of health club membership dues generally available to U.S. employees, an executive physical, life and AD&D insurance, tax and financial planning, and club membership dues.

(4) The amount reported for Mr. Stafford includes the cost of an executive physical, life and AD&D insurance, and tax and financial planning.

(5) The amount reported for Mr. Rutz includes the cost of an executive physical, life and AD&D insurance, and tax and financial planning.

(6) The amount reported for Mr. Franklin includes the cost of an executive physical, life and AD&D insurance, tax and financial planning, and club membership dues.

Grants of Plan-Based Awards in 2016

The following table sets forth plan-based awards granted to our NEOs in 2016.

Name	Type of Award	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards Threshold ($)	Target ($)	Maximum ($)	All Other Stock Awards: Number of Shares of Stock or Units (#)		All Other Option Awards: Number of Securities Underlying Options (#)(1)	Exercise or Base Price of Option Awards ($/sh)(2)	Grant Date Fair Value of Stock and Option Awards (3)
David W. Heinzmann	RSUs	4/22/16	-	-	-	4,755	(5)	-	-	$560,424
	Options	4/22/16	-	-	-	-		17,004	$120.15	$443,124
	Annual Cash (4)	-	$210,000	$420,000	$840,000	-		-	-	-

Gordon Hunter	RSUs	4/22/16	-	-	-	10,087	(5)	-	-	$1,188,854
	Options	4/22/16	-	-	-	-		36,074	$120.15	$940,088
	Annual Cash (4)	-	$391,370	$782,740	$1,565,481	-		-	-	-
Meenal A. Sethna	RSUs	4/22/16	-	-	-	3,389	(5)	-	-	$399,428
	RSUs	7/20/16	-			2,486	(6)	-		$291,459
	Options	4/22/16	-	-	-	-		12,121	$120.15	$315.873
	Annual Cash (4)	-	$131,250	$262,500	$525,000	-		-	-	-
Ryan K. Stafford	RSUs	4/22/16	-	-	-	3,006	(5)	-	-	$354.287
	RSUs	7/20/16	-	-	-	5,594	(6)	-		$655,841
	Options	4/22/16	-	-	-	-		10,750	$120.15	$280,145
	Annual Cash (4)	-	$140,000	$280,000	$560,000	-		-	-	-
Michael P. Rutz	RSUs	4/22/16	-	-	-	2,134	(5)	-	-	$251,513
	Options	4/22/16	-	-	-	-		7,632	$120.15	$198,890
	Annual Cash (4)	-	$108,212	$216,424	$432,847	-		-	-	-
Philip G. Franklin	RSUs	7/31/16	-	-	-	3,499	(7)	-	-	$109,246

(1) Reflects the award of stock options under the 2016 Long Term Incentive Plan, described on page 32. The underlying option awards typically vest in installments of 33% on each anniversary of the date of grant, such that options are fully exercisable on or after three years from the date of grant.

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(2) The exercise price shown for individual options is the fair market value of the Company's common stock on the date of grant (determined as the closing price on that date reported by NASDAQ).

(3) Represents the full grant date fair value of 2016 awards calculated in accordance with FASB ASC Topic 718, based on assumptions described in Note 11 to our audited financial statements included in our 2016 Annual Report on Form 10-K. There can be no assurance that amounts shown under the Grant Date Fair Value of Stock Awards column will ever be realized by the NEOs.

(4) These amounts represent annual incentive cash awards granted under the 2016 Annual Incentive Plan. The actual 2016 annual incentive cash award achievements were determined by the Compensation Committee and approved by the full Board in January 2017 and are reflected in the Summary Compensation Table under the Non-Equity Incentive Plan Compensation column. Refer to page 29 for additional information concerning these awards.

(5) Represents the annual 2016 grant of RSUs awarded under the Long-Term Plan that typically vest in installments of 33% on each anniversary of the grant date such that RSUs are fully vested on or after 3 years from the date of grant. Refer to page 32 for additional information concerning these awards.

(6) Represents special RSU retention awards granted under the Long-Term Plan that vest entirely on the third anniversary of the grant date. Refer to page 33 for additional information concerning these awards.

(7) Represents the unvested RSUs previously granted on April 25, 2014 and April 24, 2015 that were modified to provide for acceleration of vesting upon retirement.

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

See discussion of information presented in the Summary Compensation Table and Grants of Plan-Based Awards Table in the section titled "Components of Total Compensation" starting on page 28.

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Outstanding Equity Awards at 2016 Fiscal Year-End Table

The following table provides information regarding the outstanding equity awards held by each of the NEOs as of December 31, 2016, other than Mr. Franklin who retired from his position as CFO effective March 31, 2016 and all outstanding unvested equity was accelerated on July 31, 2016, following his service as an advisor to the Company.

		Option Awards		Stock Awards
Name	**Date of Grant**	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	