

DineEquity, Inc
Form DEF 14A
April 13, 2011

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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 under §240.14a-12

DineEquity, Inc.

(Name of Registrant as Specified In Its Charter)

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

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**450 North Brand Boulevard
Glendale, California 91203
(866) 995-DINE**

Dear Fellow Stockholders:

We are pleased to invite you to attend the 2011 Annual Meeting of Stockholders of DineEquity, Inc. to be held on May 17, 2011, at 9:00 a.m., local time, at our offices located at 450 North Brand Boulevard, Glendale, California 91203. You will be asked to vote on the election of three Class II directors, the ratification of the selection of our independent auditor, Ernst & Young LLP, the approval of our 2011 Stock Incentive Plan, the approval, in a non-binding vote, of the compensation of our named executive officers, and the determination, in a non-binding vote, of whether a stockholder vote to approve our named executive officer compensation should occur every one, two or three years.

In addition to the formal items of business at our 2011 Annual Meeting of Stockholders, we will review the major Company developments over the past year and share with you some of our plans for the future. You will have an opportunity to ask questions and express your views to the Board of Directors and senior management of the Company. In addition, representatives of Ernst & Young LLP are expected to be present.

Whether or not you are able to attend the annual meeting in person, it is important that your shares be represented. You can vote your shares using the Internet or a toll-free telephone number, or by completing and returning the enclosed proxy card by mail. Instructions on each of these voting methods are outlined in the enclosed Proxy Statement. Please vote as soon as possible. The enclosed Proxy Statement and the accompanying form of proxy card are being first sent or given to stockholders on or about April 13, 2011.

Thank you for your ongoing support of, and continued interest in, DineEquity, Inc. We look forward to seeing you on May 17th.

Sincerely yours,

Julia A. Stewart
Chairman and Chief Executive Officer

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**450 North Brand Boulevard
Glendale, California 91203
(866) 995-DINE**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 17, 2011**

To the Stockholders of DineEquity, Inc.:

NOTICE IS HEREBY GIVEN that the 2011 Annual Meeting of Stockholders (the "Annual Meeting") of DineEquity, Inc., a Delaware corporation (the "Company"), will be held at the Company's offices located at 450 North Brand Boulevard, Glendale, California 91203, on Tuesday, May 17, 2011, at 9:00 a.m., local time, for the following purposes as more fully described in the accompanying proxy statement:

- (1) To elect three Class II directors;
- (2) To ratify the appointment of Ernst & Young LLP as the Company's independent auditor for the fiscal year ending December 31, 2011;
- (3) To approve the adoption of the Dine Equity, Inc. 2011 Stock Incentive Plan;
- (4) To approve, in a non-binding vote, the compensation of the Company's named executive officers;
- (5) To determine, in a non-binding vote, whether a stockholder vote to approve the compensation of the Company's named executive officers should occur every one, two or three years; and
- (6) To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

Only stockholders of record at the close of business on March 28, 2011, the record date for the Annual Meeting, are entitled to notice of, and to vote at, the Annual Meeting and any adjournment thereof. A list of such stockholders will be available for examination at the principal executive offices of the Company at least ten days prior to the Annual Meeting.

To assure that your interests will be represented, whether or not you plan to attend the Annual Meeting, please complete, sign and date the accompanying proxy card and promptly return it in the pre-addressed envelope provided, which requires no postage if mailed in the United States, or you may vote your shares using the Internet or a toll-free telephone number. Instructions for voting using the Internet or by toll-free telephone number are included on the proxy card.

All stockholders are cordially invited to attend the Annual Meeting in person. If you attend the Annual Meeting, you may vote in person if you wish, even if you have previously returned your proxy card.

By Order of the Board of Directors,

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Bryan R. Adel
Senior Vice President, Legal, General Counsel and Secretary

April 13, 2011
Glendale, California

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450 North Brand Boulevard
Glendale, California 91203
(866) 995-DINE
QUESTIONS AND ANSWERS

**PROXY STATEMENT
FOR 2011 ANNUAL MEETING OF STOCKHOLDERS**

Q: What am I voting on?

A: The DineEquity, Inc. Board of Directors (the "Board") is requesting that stockholders vote on the following five proposals at the 2011 Annual Meeting of Stockholders (the "Annual Meeting"):

Proposal 1: The election of three Class II directors.

Proposal 2: The ratification of the appointment of Ernst & Young LLP as the Company's independent auditor for the fiscal year ending December 31, 2011.

Proposal 3: The approval of the adoption of the Dine Equity, Inc. 2011 Stock Incentive Plan.

Proposal 4: The approval, in a non-binding vote, of the compensation of the Company's named executive officers.

Proposal 5: The determination, in a non-binding vote, of whether a stockholder vote to approve the compensation of the Company's named executive officers should occur every one, two or three years.

Q: How does the Board recommend voting?

A: The Board recommends that you vote your shares:

"FOR" each of the individuals nominated to serve as Class II directors;

"FOR" the ratification of the Audit and Finance Committee's appointment of Ernst & Young LLP as the Company's independent auditor;

"FOR" the approval of the adoption of the Dine Equity, Inc. 2011 Stock Incentive Plan;

"FOR" the approval of the compensation of the Company's named executive officers; and

"FOR" every "3 YEARS" on the frequency of the stockholder vote to approve the compensation of the Company's named executive officers.

Q: Who is entitled to vote?

A: Only stockholders of record at the close of business on March 28, 2011 (the "Record Date") will be entitled to receive notice of, and to vote at, the Annual Meeting. As of the Record Date, there were outstanding 18,459,671 shares of common stock, par value \$.01 per share (the "Common Stock"), and 34,900 shares of Series B Convertible Preferred Stock ("Preferred Stock"). The holders of Common Stock are entitled to

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one vote per share and the holders of the Preferred Stock are entitled to one vote for each share of Common Stock issuable upon conversion of the Preferred Stock as of the Record Date (17.72 votes per share). Stockholders of record of the Common Stock and the Preferred Stock may vote their shares either in person or by proxy. The presence in person or by proxy of 9,539,051 shares will constitute a quorum at the Annual Meeting.

Q: What constitutes a "quorum"?

A: A quorum is necessary to hold a valid meeting of stockholders. A quorum exists if the holders of a majority of the capital stock issued and outstanding and entitled to vote at the meeting are present in person or represented by proxy.

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Q: How do I cast my vote?

A: If you hold your shares as a registered stockholder, you can vote in person at the Annual Meeting or you can vote by the Internet, telephone or mail. For directions to the Annual Meeting, please visit the Investor Info section of our website at <http://www.dineequity.com>.

If your stock is held through a broker or bank, you will receive voting instructions from your broker or bank describing how to vote your stock. The availability of Internet or telephone voting will depend upon the bank's or broker's voting processes.

Without your instructions, your broker or bank is permitted to use its discretion and vote your shares on certain routine matters (such as Proposal Two ratification of the Company's independent auditor) but is not permitted to use its discretion and vote your shares on non-routine matters (such as Proposal One the election of our Class II directors, Proposal Three approval of the adoption of the Company's 2011 Stock Incentive Plan, Proposal Four approval of the named executive officer compensation, or Proposal Five determination of the frequency of the approval of the named executive officer compensation). Accordingly, we urge you to give your broker or bank instructions on voting your shares on all non-routine matters, including Proposals One, Three, Four and Five. Shares that are not permitted to be voted by your broker or banker are called "broker non-votes."

Whichever method you use, each valid proxy received in time will be voted at the Annual Meeting by the persons named on the proxy card in accordance with your instructions. To ensure that your proxy is voted, it should be received by the close of business on May 16, 2011.

If you submit a proxy card without giving instructions, your shares will be voted as recommended by the Board.

BNY Mellon Shareowner Services has been engaged as the independent inspector of election to tabulate stockholder votes at the Annual Meeting.

Q: How will my stock be voted on other business brought up at the Annual Meeting?

A: By signing and submitting your proxy card or voting your shares using the Internet or the toll-free telephone number, you authorize the persons named on the proxy card to use their discretion in voting on any other matter brought before the Annual Meeting. The Company does not know of any other business to be considered at the Annual Meeting.

Q: Can I change my vote or revoke my proxy?

A: Yes. You can change your vote or revoke your proxy at any time before it is voted at the Annual Meeting by executing a later-voted proxy by the Internet, telephone or mail or by voting by ballot at the Annual Meeting.

Q: What vote is necessary to pass the items of business at the Annual Meeting?

A: Assuming a quorum is present at the Annual Meeting, the three director candidates will be elected if they receive a plurality of the votes cast. This means the nominees will be elected unless other candidates properly nominated for election receive a greater number of votes. However, no other candidates have been nominated. If you vote, your shares will be voted for election of all three of the director nominees unless you give instructions to "withhold" your vote for one or more director candidates. Withhold votes will not influence election results. Abstentions and broker non-votes are not recognized as to election of directors.

The affirmative vote of a majority of the shares present or represented by proxy and entitled to vote on the proposal is required to approve all other proposals. In determining whether each of the other proposals has received the requisite number of affirmative votes, abstentions will be counted and will have the same effect as a vote against the proposal. Broker non-votes will have no impact since they are not considered shares entitled to vote on the proposal.

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Q: What is the date of distribution of this Proxy Statement and the proxies solicited hereby?

A: We are sending this Proxy Statement and the proxies to our stockholders beginning on or about April 13, 2011.

Q: What are the costs of this proxy solicitation?

A: We hired Morrow & Co., LLC to help distribute materials and solicit votes for the Annual Meeting. We will pay them a fee of \$7,500, plus out-of-pocket costs and expenses. We also reimburse banks, brokers, and other custodians, nominees, and fiduciaries for their reasonable out-of-pocket expenses for forwarding proxy materials to you because they hold title to Company stock for you. In addition to using the mail, our directors, officers, employees, and agents may solicit proxies by personal interview, telephone, telegram, or otherwise, although they will not be paid any additional compensation. The Company will bear all expenses of solicitation.

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Where to Find More Information about DineEquity, Inc.

Documents Filed with the Securities and Exchange Commission ("SEC")

This Proxy Statement is accompanied by the Company's 2010 Annual Report, which includes the Company's consolidated financial statements for the fiscal year ending December 31, 2010.

You can obtain any of the documents that we file with the SEC (including a copy of our 2010 Annual Report on Form 10-K) by contacting us or the SEC (see below for information on contacting the SEC). To obtain documents from us, please direct requests in writing or by telephone to:

DineEquity, Inc.
450 North Brand Boulevard
Glendale, California 91203
Telephone: (866) 995-DINE
Attention: Secretary

We will send you the requested documents without charge, excluding exhibits. If you would like to request documents from us, including any documents we may subsequently file with the SEC prior to the Annual Meeting, please do so by May 7, 2011, so that you will receive them before the Annual Meeting. Alternatively, you may view these documents at the Investor Info section of our website at <http://www.dineequity.com>.

The Company files and furnishes annual, quarterly and current reports and other information, including proxy statements, with the SEC. You may read and copy any reports or other information that we file with or furnish to the SEC at:

SEC's Public Reference Room
100 F Street, N.E.
Washington, D.C. 20549

You may also receive copies of these documents upon payment of a duplicating fee, by writing to the SEC's Public Reference Room. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room in Washington, D.C. and other locations. Our SEC filings are also available to the public on the SEC's website (www.sec.gov).

Additional Information

There are a number of other sources for additional information on DineEquity, Inc., including:

The DineEquity, Inc. website. Our website at <http://www.dineequity.com> provides ongoing information about the Company and its performance along with copies of the charters of our board committees, and our corporate governance guidelines and ethics policies. In addition, the Investor Info section of the website includes links to the Company's filings with the SEC and recordings of recent investor conference calls with management. Please note that information contained on our website does not constitute part of this Proxy Statement.

The Company's 2011 Proxy Statement, Proxy Card and the 2010 Annual Report may be viewed online at <http://bnymellon.mobular.net/bnymellon/din>.

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IMPORTANT NOTE

You should rely only on the information contained in this Proxy Statement to vote on the proposals at the Annual Meeting. We have not authorized anyone to provide you with information that is different from what is contained in this Proxy Statement. This Proxy Statement is dated April 13, 2011. You should not assume that the information contained in this Proxy Statement is accurate as of any date other than such date, unless indicated otherwise herein, and the mailing of this Proxy Statement to stockholders shall not create any implication to the contrary.

PROPOSAL ONE: ELECTION OF THREE CLASS II DIRECTORS

The Board currently consists of 10 members and is divided into three classes of directors. Class II directors currently serve until the Annual Meeting in 2011, Class III directors serve until the Annual Meeting in 2012 and Class I directors serve until the Annual Meeting in 2013 (in each case, until their respective successors are duly elected and qualified). At the 2011 Annual Meeting, three Class II directors will be elected to serve a term of three years. Shares represented by the enclosed Proxy, if returned duly executed, or voted via the Internet or telephone, and unless instructions to the contrary are indicated thereon, will be voted for the nominees listed below.

Based on the recommendation of the Nominating and Corporate Governance Committee, the Board has designated the three nominees listed below for election as Class II directors of the Company to serve for a term of three years that will expire at the Company's 2014 Annual Meeting. The Board has also designated Ms. Julia A. Stewart to continue to serve as the Chairman of the Board.

No security holder that held a beneficial ownership interest in the Company's Common Stock of 5% or more for at least one year recommended any candidates to serve on the Board.

Your Proxy will be voted as specified thereon or, if no instructions are given, for the Board's nominees; however, the persons designated to vote Proxies reserve full discretion to vote the shares represented by the Proxies for the election of the remaining nominees and any substitute nominee or nominees designated by the Board in the event the nominee who would otherwise receive the votes is unavailable or unable to serve as a candidate for election as a director. The Board has no reason to believe that any of the nominees will be unavailable or unable to serve if elected.

The Board believes that each of the director nominees and continuing directors is well qualified to serve on the Board, and each of the nominees brings his or her particular business, industry and financial experience and expertise to the Board. The Board believes that the backgrounds and qualifications of all of the directors, considered as a group, provide a complementary blend of experience, knowledge and abilities.

DIRECTOR NOMINEES

The following paragraphs give the name and age of each director nominee, as well as each nominee's business experience over the last five years or more. Immediately following the description of each nominee's business experience is a description of the particular experience, skills and qualifications that were instrumental in the Nominating and Corporate Governance Committee's determination that he or she should serve as a director of the Company.

Class II Director Terms to Expire 2014

Michael S. Gordon (age 75). Mr. Gordon has served on the Company's Board since 1987, before the Company went public. In April 2006, he assumed the position of vice chairman of First Q Capital LLC. He served as chairman of StoneCreek Capital, Inc. (formerly The Gordon+Morris Group, Inc.) from January 2002 through March 2006. He served on the board of BSSI, Inc. from September 2004 until October 2007. Mr. Gordon is a member of the board, and has served as chairman of the board, of the

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Orange County Performing Arts Center and the Pacific Symphony and is a member of the board of the Jewish Community Foundation of Orange County. Mr. Gordon's qualifications to sit on our Board include his experience in corporate finance, private equity and investment management and his experience on the boards of directors of private companies and non-profit organizations.

Larry A. Kay (age 64). Mr. Kay has served on the Company's Board since 1987, before the Company went public. Mr. Kay served as the Board's Lead Director from May 2006 through December 2009. He served as Chairman of the Board from January 2003 until May 2006. From 1978 through 1993, Mr. Kay was employed by the Company in a variety of capacities, including General Counsel and Executive Vice President Administration, from 1987 through 1993. Mr. Kay has served as Chief Executive Officer and Managing Member of BSG Technologies, LLC since 2008. Mr. Kay was a private consultant and investor from 1994 until 2008. He serves as director of Design Center Solutions, Inc. dba Bridgeway Media Group and is an honorary board member of the New Century Chamber Orchestra. Mr. Kay's qualifications to sit on our Board include his experience as the Company's Chairman and Lead Director, his experience as a consultant and private investor, his prior experience in senior management of the Company and his service on the boards of directors of private companies and non-profit organizations.

Julia A. Stewart (age 55). Ms. Stewart serves as Chairman and Chief Executive Officer of DineEquity, Inc. She has served on the Company's Board since December 2001 and became Chairman in May 2006. She has served as the Company's Chief Executive Officer and President since May 2002 and had served as the Company's President and Chief Operating Officer from December 2001 until May 2002. Ms. Stewart served as President, Domestic Division, of Applebee's International, Inc. from October 1998 to August 2001. Ms. Stewart has served on the board of directors of Avery Dennison Corporation since January 2003. She is a board member of the non-profit boards of UCLA Anderson School of Management-Board of Visitors and the Children's Bureau. Ms. Stewart's qualifications to sit on our Board include her experience as the Company's Chairman and Chief Executive Officer, her extensive experience in the restaurant industry and her experience on the boards of directors of a public company and non-profit organizations.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE ELECTION OF ALL OF THE NOMINEES NAMED ABOVE FOR DIRECTOR.

CONTINUING DIRECTORS

Class III Director Terms to Expire 2012

H. Frederick Christie (age 77). Mr. Christie has served on the Company's Board since 1992. He is an independent consultant and has served on the board of directors of Ducommun, Incorporated since 1985, Southwest Water Co. from 1995 until 2010, and AECOM Technology Corp from 1990 until March 2011. Beginning in 1972, he has served as a director or trustee of various mutual funds operated by Capital Research and Management Company. Mr. Christie also served as a director of Valero L.P. from 2002 until 2005. From 1987 to 1990, he served as president and chief executive officer of The Mission Group. He is chairman emeritus of the Natural History Museum of Los Angeles County. Mr. Christie's qualifications to sit on our Board include his experience in senior management of public companies, including service as chairman, chief executive officer, president, chief operating officer and chief financial officer, and experience on the boards of directors of public companies and non-profit organizations.

Richard J. Dahl (age 59). Mr. Dahl currently serves as the Company's Lead Director, a position he has held since January 2010. He has served on the Company's Board since February 2004. Since August 2011, Mr. Dahl has served as the chairman of the board and as the president and chief executive officer of the James Campbell Company LLC. He has served as chairman of the board of International

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Rectifier Corporation since May 2008. Previously, Mr. Dahl served on the board of directors and as president and chief operating officer of Dole Food Company, Inc. from July 2004 through July 2007. He is a member of the boards of directors of International Rectifier Corporation, and IDACORP, Inc. and its principal subsidiary, Idaho Power Company. Mr. Dahl's qualifications to sit on our Board include his experience in senior management of public and private companies, including service as chairman, president, chief executive officer, chief operating officer and chief financial officer, his experience on the board of directors of public companies, including service as chairman of the audit committees of two public companies, including DineEquity, Inc., and his experience as a certified public accountant.

Patrick W. Rose (age 69). Mr. Rose has served on the Company's Board since 1992. He is a private investor. Mr. Rose served as chairman of the board, president and chief executive officer of Bumble Bee Seafoods, Inc. from June 1985 to August 1988. He served as chairman of the board, president and chief executive officer of Van Camp Seafood, Inc., from March 1992 to August 1997. He served on the board of directors of Birds Eye Foods, Inc. from 2003 until December 2009 and has served as United States commissioner to the Inter-American Tropical Tuna Commission since 2003. Mr. Rose has also served as chairman of the board of Chart House Enterprises, Inc. Mr. Rose's qualifications to sit on our Board include his experience in senior management of private companies, including service as chairman, chief executive officer, president and chief operating officer, his experience in marketing and his experience on the boards of directors of private companies.

Class I Director Term to Expire 2013

Howard M. Berk (age 46). Mr. Berk has served on the Company's Board since February 2009. Since 2002, Mr. Berk has been a partner at MSD Capital, L.P., a private investment firm. From 1998 to 2002, Mr. Berk was managing director of TG Capital Corp., an investment group that manages the capital of a single family and acquires and invests in both public and private companies. From 1995 to 1998, Mr. Berk was with The Stenbeck Group, acquiring and managing businesses in multiple countries. Prior to that, he was with Goldman, Sachs & Co., where he worked in the Principal Investment area as well as the mergers and acquisitions department. Mr. Berk's qualifications to sit on our Board include his experience in dealing with public company boards of directors from a public investor perspective and his experience in finance and managing and investing private capital.

Daniel J. Brestle (age 65). Mr. Brestle has served on the Company's Board since July 2009. Mr. Brestle most recently served as vice chairman and president of Estee Lauder Companies Inc. North America, a position he retired from in June 2009 after spending more than 30 years in leadership positions within the Lauder organization and its family of brands. During his tenure, he held numerous positions including chief operating officer and group president of Lauder's high growth specialty brands. Prior to these positions, he was president of the Estee Lauder, Clinique and Prescriptives brands. Prior to Estee Lauder, Mr. Brestle held various positions of increasing responsibility in distribution, manufacturing and operations at Johnson & Johnson and served in the United States Air Force. Mr. Brestle has served on the board of Airborne Inc. since October 2009 and served on the board of Abercrombie & Fitch from 2005 to 2007. Mr. Brestle's qualifications to sit on our Board include his experience in senior management at a multi-national consumer products public company, including experience in operations, manufacturing, marketing and brand-building, and his experience on the boards of directors of public companies.

Caroline W. Nahas (age 62). Ms. Nahas has served on the Company's Board since 1992. She has held the position of managing director, Southern California, of Korn/Ferry International or similar positions since May 1998. She served as a member of the executive committee of Korn/Ferry International from December 1995 until August 1998. Ms. Nahas serves as chairman of the board of United Way of Greater Los Angeles and as a director of Whittier Holdings, Inc. and UCLA Anderson School of

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Management-Board of Visitors. She previously served as a director of the Los Angeles Chamber of Commerce and Town Hall Los Angeles. Ms. Nahas' qualifications to sit on our Board include her experience in a senior executive position with a professional services firm, her expertise in executive recruiting, human resources and compensation matters and other for profit and not for profit board experience.

Gilbert T. Ray (age 66). Mr. Ray has served on the Company's Board since 2004. He is a retired partner of O'Melveny & Myers LLP. Mr. Ray currently is a member of the boards of Advanced Auto Parts, Inc., DiamondRock Hospitality Company, Seasons Series Fund and SunAmerica Series Trust, Towers Watson & Company and The John Randolph Haynes and Dora Haynes Foundation. Mr. Ray's qualifications to sit on our Board include his experience as a corporate lawyer and counselor and experience in compensation and corporate governance issues as a result of his service on the boards of directors of public and private companies and non-profit organizations.

CORPORATE GOVERNANCE

We are committed to maintaining the highest standards of business conduct and corporate governance, which we believe are essential to running our business efficiently, serving our stockholders well and maintaining the Company's integrity in the marketplace. The Board has adopted the DineEquity, Inc. Global Code of Conduct for Company employees and has also adopted the DineEquity, Inc. Code of Ethics for our Chief Executive Officer and Senior Financial Officers, as required by the SEC. In addition, the Company maintains the DineEquity, Inc. Code of Conduct for Non-Employee Directors, which, in conjunction with the Corporate Governance Guidelines, forms the framework for the governance of the Company. All of these documents can be found in the Corporate Governance section of the Company's website, <http://www.dineequity.com>, and are also available at no charge upon written request to the Secretary, DineEquity, Inc., 450 North Brand Boulevard, Glendale, California 91203.

The Structure of the Board and the Lead Director

The business and affairs of the Company are managed under the direction of the Board. Generally, it is management's responsibility to formalize, propose and implement strategic choices and the Board's role to approve strategic direction and evaluate strategic results, including both the performance of the Company and the performance of the Chief Executive Officer. The Board believes that the combined role of Chairman and Chief Executive Officer promotes the execution of the strategic responsibilities of the Board and management because the Chief Executive Officer is the director most familiar with the Company's business and industry and most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy.

Ms. Stewart has served as both the Chairman and Chief Executive Officer of the Company since May 2006. Because the Chairman is a member of management, the Board considers it useful and appropriate to designate a Lead Director to coordinate the activities of the independent directors. The presence of a Lead Director provides additional assurance as to the independence of the Board's oversight of management. Richard J. Dahl has served as the Lead Director since January 2010. Before Mr. Dahl, Larry A. Kay served as Lead Director beginning in May 2006. The Board has adopted specific responsibilities of the Lead Director, which include:

presiding over executive sessions of the independent directors;

coordinating and developing the agenda for executive sessions of the independent directors;

assuming the lead role on behalf of the independent directors to communicate to the Chairman any feedback from executive sessions;

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serving as principal liaison between the independent directors and the Chairman on Board issues;

calling meetings of the independent directors;

coordinating with the Chairman the schedule of Board meetings and the agenda, time allocation and quality, quantity, appropriateness and timeliness of information provided for each Board meeting;

recommending, after consulting with the Chairman wherever appropriate, the retention of outside advisors and consultants who report directly to the Board on Board issues; and

serving as interim Chairman in the event of a vacancy in that position.

The Board believes that the combined role of Chairman and Chief Executive Officer together with an independent Lead Director having the responsibilities outlined above provides the appropriate balance between strategy development and independent oversight of senior management.

The Board's Role in Risk Oversight

The Board and each of its committees have an active role in overseeing management of the Company's risks. The Board regularly reviews information regarding the Company's strategic, financial and operational risks. The Company's Compensation Committee oversees the management of risks relating to the Company's compensation policies and practices. The Audit and Finance Committee oversees the management of risks associated with accounting, auditing, financial reporting and internal controls over financial reporting. The Audit and Finance Committee also assists the Board in its oversight of the integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the qualifications and independence of the Company's independent auditor and the performance of the Company's independent auditor and the Company's internal audit function. The Audit and Finance Committee is responsible for reviewing and discussing the guidelines and policies governing the process by which senior management and the internal auditing department assess and manage the Company's exposure to risk, as well as the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures. The Nominating and Corporate Governance Committee oversees risks associated with Board organization, membership and structure, corporate governance, the independence of members of the Board and assessment of the Board members' performance and effectiveness. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board is regularly informed through committee reports about such risks.

Director Independence

The New York Stock Exchange ("NYSE") rules require listed companies to have a board of directors with at least a majority of independent directors. The Board has had a majority of independent directors since it went public in 1991.

Under the NYSE rules, a director qualifies as "independent" upon the Board affirmatively determining that he or she has no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a material relationship with the Company). Based upon a review of the directors' backgrounds and business activities, the Board has determined that directors Howard M. Berk, Daniel J. Brestle, H. Frederick Christie, Richard J. Dahl, Michael S. Gordon, Larry A. Kay, Caroline W. Nahas, Gilbert T. Ray, and Patrick W. Rose have no other material relationship with the Company and therefore that they qualify as independent. In making its determination, the Board considered Mr. Berk's position as a partner of MSD Capital, L.P. and the fact that MSD Capital, L.P. may be deemed to beneficially own 2,512,356 shares of the Company's Common Stock. The Board also considered Mr. Dahl's position as the chairman of the board and the president

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and chief executive officer of the James Campbell Company and the fact that the Company leases space from a building owned by the James Campbell Company in Novato, California. For the year ended December 31, 2010, the Company paid rent to the James Campbell Company totaling approximately \$178,969. The Company entered into the lease before Mr. Dahl joined the James Campbell Company. The Company does not believe that Mr. Dahl has a material direct or indirect interest in such lease.

The Company's Chief Executive Officer, Julia A. Stewart, does not qualify as an independent director.

Both the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and the NYSE rules require the Board to have an audit committee comprised solely of independent directors, and the NYSE rules also require the Board to have a compensation committee and a nominating and corporate governance committee, each of which is comprised solely of independent directors. The Company is in compliance with these requirements.

The Audit and Finance Committee Charter, the Compensation Committee Charter, and the Nominating and Corporate Governance Committee Charter can be found in the Corporate Governance section of the Company's website, <http://www.dineequity.com>, and are also available at no charge upon written request to the Secretary, DineEquity, Inc., 450 North Brand Boulevard, Glendale, California 91203.

Corporate Governance Guidelines

The Company has adopted corporate governance guidelines which can be found in the Corporate Governance section of our website, <http://www.dineequity.com>. In addition, printed copies of the Company's corporate governance guidelines are available at no charge upon request from the Secretary, DineEquity, Inc., 450 North Brand Boulevard, Glendale, California 91203, (866) 995-DINE.

Director Attendance at Meetings

All directors are expected to attend the Company's Annual Meeting. All of the directors attended the Company's 2010 Annual Meeting of Stockholders. In 2010, each director attended 75% or more of the total number of meetings held by the Board and all committees on which he or she served.

Non-Management Directors

The NYSE rules require that the non-management directors of a listed company meet regularly in executive session. The Company's non-management directors meet separately at each regular meeting of the Board and most committee meetings. The Lead Director, Richard J. Dahl, is not a member of management and presides during executive sessions of the Board.

Interested parties may express their concerns to the Company's non-management directors by contacting the Chairman of the Nominating and Corporate Governance Committee, care of the Secretary, DineEquity, Inc., 450 North Brand Boulevard, Glendale, California 91203. Interested parties may also submit their communications electronically to directors@dineequity.com. The Secretary will forward all such communications to the director(s) indicated to receive the communication, or if no recipient is indicated, to the Lead Director.

Communications with the Board

Stockholders may communicate with the Board by writing to DineEquity, Inc. Board of Directors, c/o Secretary, DineEquity, Inc., 450 North Brand Boulevard, Glendale, California 91203. Stockholders may also submit their communications electronically to directors@dineequity.com. The Secretary will forward all such communications to the director(s) indicated to receive the communication, or if no recipient is indicated, to the Lead Director.

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Senior Management Evaluation

The Compensation Committee annually evaluates the performance of the Chief Executive Officer in light of the goals and objectives of the Company's executive compensation plans, and approves the Chief Executive Officer's compensation level based on this evaluation.

Corporate Ethics Hotline

The Company maintains an ethics hotline, to allow any employee to express a concern or lodge a complaint, confidentially and anonymously, about any potential violation of the Company's Code of Conduct that is of concern.

Board Retirement Policy

In 2004, the Board resolved that effective with the 2005 Annual Meeting of Stockholders, no person may stand for election to serve as a member of the Company's Board if he or she shall have reached his or her 76th birthday. Under special circumstances, upon the recommendation of the Nominating and Corporate Governance Committee, and upon the consent and approval of a majority of the Board, a person who has reached his or her 76th birthday may be permitted to stand for election and serve on the Board.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Board has adopted a Global Code of Conduct for officers and employees and a Code of Conduct for Non-Employee Directors. The Company's Global Code of Conduct provides that executive officers who encounter a potential or actual conflict of interest must fully disclose all facts and circumstances to the Company's Senior Vice President, Legal, General Counsel and Secretary, who will inform and seek a determination from the Audit and Finance Committee of the Board as to whether a conflict exists and the appropriate disposition of the matter. The Company's Code of Conduct for Non-Employee Directors provides that any director who becomes aware of any situation that involves, or reasonably may appear to involve, a conflict of interest with the Company must promptly bring it to the attention of the Company's Senior Vice President, Legal, General Counsel and Secretary or to the Chairman of the Audit and Finance Committee of the Board. Any waiver of any provision of the Global Code of Conduct for executive officers may be granted only by the Board. Any waiver of the Code of Conduct for Non-Employee Directors may be made only by the disinterested directors of the Board or the Audit and Finance Committee of the Board, and any such waiver shall be promptly disclosed to the Company's stockholders.

The Board and the Audit and Finance Committee review whether such waivers are in the best interests of the Company and its stockholders, taking into account all relevant factors. There were no waivers of the Global Code of Conduct for executive officers or of the Code of Conduct for Non-Employee Directors in 2010. The Company's Global Code of Conduct and Code of Conduct for Non-Employee Directors can be found in the Corporate Governance section of our website, <http://www.dineequity.com> and are also available at no charge upon written request to the Secretary, DineEquity, Inc., 450 North Brand Boulevard, Glendale, California 91203.

Neither the Global Code of Conduct nor the Code of Conduct for Non-Employee Directors addresses the conduct of director nominees who are not already board members (or members of any such director nominee's immediate family) or beneficial owners of more than five percent of the Company's voting securities (or members of any such beneficial owner's immediate family). The charter of the Nominating and Corporate Governance Committee of the Board provides that it will consider conflicts of interest in evaluating director nominees. As a matter of practice, the Board or the Audit and Finance Committee of the Board would be called upon to review any transaction involving such

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security holders (or members of their immediate family) that would be required to be disclosed by the applicable rules of the SEC.

BOARD COMMITTEES AND THEIR FUNCTIONS

The Board has three standing committees, each of which operates under a written charter approved by the Board: Audit and Finance Committee, Compensation Committee and Nominating and Corporate Governance Committee. In accordance with the NYSE listing standards, each of these committees consists solely of independent directors. The charter for each of these committees can be found in the Corporate Governance section of the Company's website, <http://www.dineequity.com>, and is also available at no charge upon written request to the Secretary, DineEquity, Inc., 450 North Brand Boulevard, Glendale, California 91203.

In addition to the three standing committees, in 2010 the Board also established a Pricing Committee for the limited purpose of overseeing and approving a refinancing of the Company's debt. The chart below identifies directors who were members of each committee at the end of fiscal year 2010, the principal function of each committee, the number of meetings held by each committee during fiscal year 2010, and the chairs of each committee. The Board held 8 meetings during fiscal year 2010.

| Name of Committee and Membership | Principal Functions of the Committee | Meetings in 2010 |
|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Audit and Finance Committee Richard J. Dahl, Chairman Howard M. Berk Michael S. Gordon Larry A. Kay | Responsible for the appointment, compensation, retention and oversight of the work of any independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. Reviews with management and the independent auditor the Company's quarterly and annual financial statements and other financial disclosures, the adequacy and effectiveness of accounting and internal controls and major issues regarding accounting principles and practices, including any changes resulting from amendments to SEC or Financial Accounting Standards Board ("FASB") rules. Meets at each regular meeting with the Company's director of internal audit and the independent auditor in separate executive sessions. Reviews the performance of the Company's independent auditor. Prepares a report to stockholders included in the Company's proxy statement for its annual meeting of stockholders. | 11 Meetings |

Reviews and provides guidance to the Board and management about dividend policy; sales, issuance or repurchases of Company Common Stock; policies and guidelines on investment of cash; policies and guidelines on short and long-term financing; debt/equity ratios, fixed charge ratios, working capital, other debt covenant ratios; and other transactions or financial issues that management desires to have reviewed by the Audit and Finance Committee from time to time.

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| Name of Committee and Membership | Principal Functions of the Committee | Meetings in 2010 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <p>Compensation Committee Patrick W. Rose, Chairman Daniel J. Brestle Caroline W. Nahas</p> | <p>Oversees the Company's compensation and employee benefit plans and practices, including its executive compensation plans and its incentive-compensation and equity-based plans. Reviews at least annually the goals and objectives of the Company's executive compensation plans, and amends, or recommends that the Board amend, these goals and objectives if the Compensation Committee deems it appropriate. Reviews the Company's succession plans for officer level executives. Evaluates annually the performance of the CEO and other executive officers in light of the goals and objectives of the Company's executive compensation plans, and either as a committee or, together with the other independent directors, determines and approves the CEO's compensation based on this evaluation. Evaluates annually the appropriate level of compensation for Board and committee service by non-employee members of the Board. Prepares a report on executive compensation to be included in the Company's proxy statement for its annual meeting of stockholders or its annual report on Form 10-K.</p> | 6 Meetings |
| <p>Nominating and Corporate Governance Committee H. Frederick Christie, Chairman Caroline W. Nahas Gilbert T. Ray Patrick W. Rose</p> | <p>Identifies and recommends to the Board individuals qualified to serve as directors of the Company and on committees of the Board. Advises the Board with respect to the Board composition, procedures and committees. Develops and recommends to the Board a set of corporate governance principles applicable to the Company. Oversees the evaluation of the Board and the Company's</p> | 2 Meetings |

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management.

Pricing Committee

Richard J. Dahl,
Chairman
Howard M. Berk
Michael S. Gordon

Determined the timing of the offering of the Company's \$825 million 9.50% Senior Unsecured Notes due 2018 and \$950 million Senior Secured Credit Facility due 2017 (the "Offering").

8 Meetings

Larry A. Kay

Approved the financing agreements related to &nbs the Offering.