

Great franchisees. Great brands.®

dineEquity®



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

April 3, 2017

Dear Fellow Stockholders:

We are pleased to invite you to attend the 2017 Annual Meeting of Stockholders of DineEquity, Inc., which will be held on Tuesday, May 16, 2017, at 8:00 a.m., Local Time, at our offices located at 450 North Brand Boulevard, Glendale, California 91203. At this year's Annual Meeting, you will be asked to: (i) elect the two Class II directors identified in this proxy statement; (ii) ratify the appointment of Ernst & Young LLP as our independent auditor; (iii) approve, on an advisory basis, the compensation of our named executive officers and (iv) approve, on an advisory basis, whether the advisory vote to approve the compensation of the Corporation's named executive officers should be held every one, two or three years.

Whether or not you plan to attend the Annual Meeting in person, we hope you will vote as soon as possible. Voting your proxy will ensure your representation at the Annual Meeting. You can vote your shares over the Internet, by telephone or by using a traditional proxy card. Instructions on each of these voting methods are outlined in the enclosed proxy statement.

We urge you to review carefully the proxy materials and to vote: FOR the election of each of the Class II directors identified in this proxy statement; FOR the ratification of the appointment of Ernst & Young LLP as our independent auditor; FOR the approval, on an advisory basis, of the compensation of our named executive officers and "ONE YEAR" for the frequency of the advisory vote to approve the compensation of our named executive officers.

Thank you for your continued support of and interest in DineEquity, Inc. We look forward to seeing you on May 16th.

Sincerely yours,

A handwritten signature in black ink that reads "Richard J. Dahl".

Richard J. Dahl
Chairman and Interim 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 16, 2017**

April 3, 2017

To the Stockholders of DineEquity, Inc.:

NOTICE IS HEREBY GIVEN that the 2017 Annual Meeting of Stockholders (the "Annual Meeting") of DineEquity, Inc., a Delaware corporation (the "Corporation"), will be held at the Corporation's offices located at 450 North Brand Boulevard, Glendale, California 91203, on Tuesday, May 16, 2017, at 8:00 a.m., Local Time, for the following purposes as more fully described in the accompanying proxy statement:

- (1) To elect the two Class II directors identified in the proxy statement;
- (2) To ratify the appointment of Ernst & Young LLP as the Corporation's independent auditor for the fiscal year ending December 31, 2017;
- (3) To approve, on an advisory basis, the compensation of the Corporation's named executive officers;
- (4) To approve, on an advisory basis, whether the advisory vote to approve the compensation of the Corporation's named executive officers should be held every one, two or three years; and
- (5) 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 22, 2017, the record date for the Annual Meeting, are entitled to notice of, and to vote at, the Annual Meeting and any adjournment thereof.

By Order of the Board of Directors,

A handwritten signature in black ink, appearing to read "Bryan R. Adel", is written over a horizontal line.

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

**Important Notice Regarding the Availability of
Proxy Materials for the Annual Meeting of Stockholders
to be Held on May 16, 2017**

The notice of the Annual Meeting, proxy statement and 2016 annual report to stockholders and the means to vote by Internet are available at www.envisionreports.com/DIN.

Your Vote is Important

Please vote as promptly as possible by using the Internet or telephone or by signing, dating and returning the proxy card. If you did not receive a paper copy of the proxy statement with the proxy card and would like to vote by proxy card, please refer to the instructions on requesting a paper copy of these materials in this proxy statement. 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 voted by another method.

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

PROXY STATEMENT FOR THE 2017 ANNUAL MEETING OF STOCKHOLDERS

QUESTIONS AND ANSWERS

Q: Why am I receiving these materials?

A: The Corporation has made these materials available to you on the Internet and by mail in connection with the Corporation's solicitation of proxies for use at the Annual Meeting to be held on Tuesday, May 16, 2017, at 8:00 a.m., Local Time, and at any adjournment or postponement thereof. These materials were first sent or made available to stockholders on April 3, 2017. You are invited to attend the Annual Meeting and are requested to vote on the proposals described in this proxy statement. The Annual Meeting will be held at the Corporation's offices located at 450 North Brand Boulevard, Glendale, California 91203.

Q: What is included in these materials?

A: These materials include:

- This proxy statement for the Annual Meeting; and
- The Corporation's 2016 annual report to stockholders, which contains the annual report on Form 10-K for the fiscal year ended December 31, 2016, as filed with the Securities and Exchange Commission ("SEC") on March 1, 2017.

Q: What items will be voted on at the Annual Meeting?

A: The Board of Directors is requesting that stockholders vote on the following four proposals at the Annual Meeting:

Proposal One: The election of the two Class II directors identified in this proxy statement.

Proposal Two: The ratification of the appointment of Ernst & Young LLP as the Corporation's independent auditor for the fiscal year ending December 31, 2017.

Proposal Three: The approval, on an advisory basis, of the compensation of the Corporation's named executive officers.

Proposal Four: The approval, on an advisory basis, of whether the advisory vote to approve the compensation of the Corporation's named executive officers should be held every one, two or three years.

Q: What are the voting recommendations of the Board of Directors?

A: The Board of Directors recommends that you vote your shares:

- **"FOR"** the two individuals nominated to serve as Class II directors;
- **"FOR"** the ratification of the appointment of Ernst & Young LLP as the Corporation's independent auditor for the fiscal year ending December 31, 2017;
- **"FOR"** the approval, on an advisory basis, of the compensation of the Corporation's named executive officers; and
- **"ONE YEAR"** for the approval, on an advisory basis, of whether the advisory vote to approve the compensation of the Corporation's named executive officers should be held every one, two or three years.

Q: Who is entitled to vote?

A: Only stockholders of record at the close of business on March 22, 2017 (the “Record Date”) will be entitled to receive notice of, and to vote at, the Annual Meeting. As of the Record Date, there were 17,987,021 shares of common stock, par value \$.01 per share (the “Common Stock”) outstanding. The holders of Common Stock are entitled to one vote per share. Stockholders of record of the Common Stock may vote their shares either in person or by proxy.

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 voting power of the capital stock issued and outstanding and entitled to vote at the Annual Meeting are present in person or represented by proxy.

Q: How do I cast my vote?

A: There are four ways to vote:

- *By Internet.* To vote by Internet, go to www.envisionreports.com/DIN. Internet voting is available 24 hours a day, although your vote by Internet must be received by 11:59 p.m. Eastern Time on May 15, 2017. You will need the control number found either on the Notice of Internet Availability of Proxy Materials or on the proxy card if you are receiving a printed copy of these materials. If you vote by Internet, do not return your proxy card or voting instruction card unless you intend to revoke your earlier vote. If you hold your shares in “street name,” please refer to the Notice of Internet Availability of Proxy Materials or voting instruction card provided to you by your broker, bank or other holder of record for Internet voting instructions.
- *By Telephone.* To vote by telephone, registered stockholders should dial 800-652-VOTE (8683) and follow the instructions. Telephone voting is available 24 hours a day, although your vote by phone must be received by 11:59 p.m. Eastern Time, May 15, 2017. You will need the control number found either on the Notice of Internet Availability of Proxy Materials or on the proxy card if you are receiving a printed copy of these materials. If you vote by telephone, do not return your proxy card or

voting instruction card unless you intend to revoke your earlier vote. If you hold your shares in street name, please refer to the Notice of Internet Availability of Proxy Materials or voting instruction card provided to you by your broker, bank or other holder of record for telephone voting instructions.

- *By Mail.* By signing the proxy card and returning it in the prepaid and addressed envelope enclosed with proxy materials delivered by mail, you are authorizing the individuals named on the proxy card to vote your shares at the Annual Meeting in the manner you indicate. Stockholders are encouraged to sign and return the proxy card even if you plan to attend the Annual Meeting so that your shares will be voted if you are ultimately unable to attend the Annual Meeting. If you receive more than one proxy card, it is an indication that your shares are held in multiple accounts. Please sign and return all proxy cards to ensure that all of your shares are voted.
- *In Person.* If you attend the Annual Meeting and plan to vote in person, you will be provided with a ballot at the Annual Meeting. If your shares are registered directly in your name, you are considered the stockholder of record and you have the right to vote in person at the Annual Meeting. If your shares are held in the name of your broker or other nominee, you are considered the beneficial owner of shares held in street name. As a beneficial owner, if you wish to vote at the Annual Meeting, you will need to bring to the Annual Meeting a legal proxy from your broker or other nominee authorizing you to vote those shares. Whether you are a stockholder of record or a beneficial owner, you must bring valid, government-issued photo identification to gain admission to the Annual Meeting. For directions to the Annual Meeting, please visit the Investors section of the Corporation’s website at <http://www.dineequity.com>.

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 11:59 p.m., Eastern Time on May 15, 2017.

Q: What happens if I do not give specific voting instructions?

A: If you do not give specific voting instructions, the following will apply:

Stockholders of Record. If you are a stockholder of record and do not give specific voting instructions for each proposal when voting by signing and returning a proxy card, then the proxy holders will vote your shares as follows:

- **“FOR”** the two individuals nominated to serve as Class II directors;
- **“FOR”** the ratification of the appointment of Ernst & Young LLP as the Corporation’s independent auditor for the fiscal year ending December 31, 2017;
- **“FOR”** the approval, on an advisory basis, of the compensation of the Corporation’s named executive officers; and
- **“ONE YEAR”** for the approval, on an advisory basis, of whether the advisory vote to approve the compensation of the Corporation’s named executive officers should occur every one, two or three years.

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, under the rules of the New York Stock Exchange (the “NYSE”), the organization that holds your shares may generally vote on routine matters in its discretion (such as Proposal Two—ratification of Ernst & Young LLP as the Corporation’s independent auditor for the fiscal year ended December 31, 2017) but cannot vote on non-routine matters (such as Proposal One—the election of the Corporation’s Class II directors, Proposal Three—the approval, on an advisory basis, of the compensation of the Corporation’s named executive officers and Proposal Four—the approval, on an advisory basis, of the frequency of the advisory vote to approve the compensation of the Corporation’s named executive officers). If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, the organization that holds your shares will inform the tabulator of votes that it does not have the authority to vote on this matter with respect to your shares. This is

generally referred to as a “broker non-vote.” Accordingly, stockholders are urged to give their broker or bank instructions on voting their shares on all matters.

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 on the Internet or by telephone, you authorize the persons named on the proxy card to use their discretion in voting on any other matter brought before the Annual Meeting. As of the date of this proxy statement, the Corporation 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. If you are a stockholder of record, you can change your vote at any time before it is voted at the Annual Meeting by entering a new vote using the Internet or telephone, by submitting a later-dated proxy card or by voting by ballot at the Annual Meeting. You may also revoke your proxy at any time before it is voted at the Annual Meeting by giving written notice of revocation to the Secretary of the Corporation or by revoking your proxy in person at the Annual Meeting. If you hold shares in street name, you may submit new voting instructions by contacting your broker or other nominee. You may also change your vote or revoke your proxy in person at the Annual Meeting if you obtain a legal proxy from your broker or other nominee authorizing you to vote the shares.

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 two director nominees identified in this proxy statement will be elected if they receive a majority of the votes cast. This means that the individuals nominated for election to the Board of Directors (Proposal One) will be elected if the votes cast “FOR” such nominee’s election exceed the number of votes cast “AGAINST” such nominee’s election. Abstentions and broker non-votes have no effect on the proposal relating to the election of directors. Any nominee for director who receives a greater number of votes cast “AGAINST” his or her election than votes cast “FOR” such election is required to tender his

or her resignation to the Nominating and Corporate Governance Committee of the Board of Directors within 15 days of the certification of the stockholder vote at the Annual Meeting. The Nominating and Corporate Governance Committee will make a recommendation to the Board of Directors on whether to accept or reject the tendered resignation, and the Board of Directors will act on such recommendation within 90 days of the certification of the stockholder vote at the Annual Meeting.

The affirmative vote of a majority of the voting power of the stock present or represented by proxy and entitled to vote on the proposal is required to approve Proposal Two, the ratification of Ernst & Young LLP as the Corporation's independent auditor for the fiscal year ending December 31, 2017 and Proposal Three, the approval, on an advisory basis, of the compensation of the Corporation's named executive officers. If you abstain from voting on these matters, the abstention will have the same effect as a vote against that proposal. Broker non-votes, if any, will have no effect on the outcome of the proposals. Regarding Proposal Four, the approval, on an advisory basis, of whether the advisory vote to approve the compensation of the Corporation's named executive officers should be held every one, two or three years, the frequency receiving the greatest number of votes will be considered the frequency recommended by stockholders. Abstentions and broker non-votes will therefore have no effect on the outcome of such vote.

Q: Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

A: Pursuant to rules adopted by the SEC, the Corporation has elected to provide access to its proxy materials via the Internet. Accordingly, the Corporation mailed a Notice of Internet Availability of Proxy Materials (the "Notice") to its stockholders on April 3, 2017. The Notice contains instructions on how to access the Corporation's proxy materials, including this proxy

statement and the Corporation's 2016 annual report to stockholders. The Notice also contains instructions on how to vote. All stockholders will have the ability to access the proxy materials on the website referred to in the Notice or request to receive a printed set of the proxy materials by mail or electronically by email. The Corporation encourages stockholders to take advantage of the availability of the proxy materials on the Internet to help reduce the environmental impact of its annual meetings.

This process is designed to expedite stockholders' receipt of proxy materials, lower the cost of the Annual Meeting and help conserve natural resources. However, if you would prefer to receive printed proxy materials on an ongoing basis, please follow the instructions included in the Notice. If you have previously elected to receive the Corporation's proxy materials electronically, you will continue to receive these materials via e-mail unless you elect otherwise.

Q: What are the costs of this proxy solicitation and who will bear them?

A: The Corporation will bear the expense of printing, mailing and distributing these proxy materials and soliciting votes. In addition to using the mail, the Corporation's directors, officers, employees, and agents may solicit proxies by personal interview, telephone, or otherwise, although they will not be paid any additional compensation. The Corporation will request brokers and nominees who hold shares of the Corporation's Common Stock in their names to furnish proxy materials to beneficial owners of the shares. The Corporation will reimburse such brokers and nominees for their reasonable out-of-pocket expenses for forwarding proxy materials to such beneficial owners.

Q: Who will count the votes?

A: A representative of Computershare, transfer agent for the Corporation, will count the votes and will serve as the independent inspector of elections for the Annual Meeting.

Additional Information

The Corporate Governance section of the DineEquity, Inc. website provides up-to-date information about the Corporation's corporate governance policies and practices. In addition, the Investors section of the website includes links to the Corporation's filings with the SEC, news releases, and investor presentations by management. Please note that information contained on the Corporation's website does not constitute part of this proxy statement. You may also obtain a copy of our periodic filings from the SEC's EDGAR database at www.sec.gov.

IMPORTANT NOTE

You should rely only on the information contained in this proxy statement to vote on the proposals at the Annual Meeting. The Corporation has 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 3, 2017. 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.

CORPORATE GOVERNANCE

Current Board of Directors

There are currently 10 members of the Board of Directors who are divided into the following three classes:

<u>Class I</u>	<u>Class II</u>	<u>Class III</u>
Howard M. Berk	Larry A. Kay	Richard J. Dahl
Daniel J. Brestle	Douglas M. Pasquale	Stephen P. Joyce
Caroline W. Nahas		Patrick W. Rose
Gilbert T. Ray		Lilian Tomovich

Class I directors will serve until the annual meeting in 2019, Class II directors will serve until the Annual Meeting and Class III directors will serve until the annual meeting in 2018 (in each case, until their respective successors are duly elected and qualified). At the Annual Meeting, two Class II directors will be elected to serve a term of three years and until their respective successors are duly elected and qualified.

The Structure of the Board of Directors and the Lead Director

The business and affairs of the Corporation are managed under the direction of the Board of Directors. It is management's responsibility to formalize, propose and implement strategic choices and the Board of Directors' role to approve strategic direction and evaluate strategic results, including both the performance of the Corporation and the performance of the Chief Executive Officer.

Currently, the roles of Chairman and Chief Executive Officer are combined. Julia A. Stewart served in the role of Chairman and Chief Executive Officer from May 2006 to March 2017. Richard J. Dahl has served in the role of Chairman and Interim Chief Executive Officer since March 2017. At this time, the Board of Directors believes that the combined role of the Chairman and Chief Executive Officer facilitates the execution of the strategic responsibilities of the Board of Directors and management. As such, because the Chairman is a member of management, the Board of Directors considers it useful and appropriate to appoint a Lead Director from among the independent directors to coordinate the activities of the independent directors. The presence of a Lead Director provides additional assurance as to the independence of the Board of Directors' oversight of management. Mr. Dahl served as the Lead Director from January 2010 to March 2017. Caroline W. Nahas has served as the Lead Director since March 2017. The Board of Directors 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;
- serving as principal liaison between the independent directors and the Chairman on Board of Directors issues;
- calling meetings of the independent directors;
- coordinating with the Chairman the schedule of Board of Directors meetings and the agenda, time allocation and quality, quantity, appropriateness and timeliness of information provided for each Board of Directors meeting;
- recommending, after consulting with the Chairman wherever appropriate, the retention of outside advisors and consultants who report directly to the Board of Directors on certain issues; and
- serving as interim Chairman in the event of a vacancy in that position.

In February 2017, the Board of Directors announced its intention to separate the roles of Chairman and Chief Executive Officer once it completes its search for a permanent Chief Executive Officer. The Board of Directors believes that the separation of roles will allow the Chief Executive Officer to focus on managing the daily operations of the business and enhance the Board of Directors' independence from management, thus leading to better monitoring and oversight of management. The Board of Directors believes that this structure will best serve the interests of the Corporation and its stockholders once a permanent Chief Executive Officer is found.

The Role of the Board of Directors in Risk Oversight

The Board of Directors and each of its committees have an active role in overseeing management of the Corporation's risks. The Board of Directors regularly reviews information regarding the Corporation's strategic, financial and operational risks and believes that evaluating how the executive team manages the various risks confronting the Corporation is one of its most important areas of oversight.

In carrying out this critical responsibility, the Board of Directors has established an Enterprise Risk Management Council consisting of key members of the risk management, quality assurance, legal, finance and internal audit functions within the Corporation. The Enterprise Risk Management Council assists the Board of Directors and the Chairman and Chief Executive Officer with regard to risks inherent to the business of the Corporation, the identification, assessment, management, and monitoring of those risks, and risk management decisions, practices, and activities of the Corporation. The Enterprise Risk Management Council is led by the Corporation's Executive Director, Risk Management, who reports regularly to the Audit and Finance Committee and the Board of Directors.

The Audit and Finance Committee oversees the Corporation's policies with respect to risk assessment and risk management. In addition, the Audit and Finance Committee oversees and evaluates the management of risks associated with accounting, auditing, financial reporting and internal controls over financial reporting. The Audit and Finance Committee assists the Board of Directors in its oversight of the integrity of the Corporation's financial statements, the Corporation's compliance with legal and regulatory requirements, the performance, qualifications, and independence of the Corporation's independent auditor and the performance of the Corporation'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 Corporation's internal audit function assess and manage the Corporation's exposure to risk, as well as the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures.

The Compensation Committee and the Nominating and Corporate Governance Committee also oversee risks within their respective areas of responsibility. The Compensation Committee oversees the management of risks relating to the Corporation's compensation philosophy, policies and practices. The Nominating and Corporate Governance Committee oversees the management of risks associated with the

Board of Directors' organization, membership and structure, corporate governance, the independence of members of the Board of Directors and assessment of the performance and effectiveness of each member of the Board of Directors. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board of Directors is regularly informed through committee reports and management updates about such risks.

Director Independence

The NYSE rules require listed companies to have a board of directors with at least a majority of independent directors. The Board of Directors has had a majority of independent directors since the Corporation went public in 1991.

Under the NYSE rules, a director qualifies as "independent" if the Board of Directors affirmatively determines that he or she has no material relationship with the Corporation (either directly or as a partner, stockholder or officer of an organization that has a material relationship with the Corporation). Based upon a review of the directors' backgrounds and business activities, the Board of Directors has affirmatively determined that directors Howard M. Berk, Daniel J. Brestle, Stephen P. Joyce, Larry A. Kay, Caroline W. Nahas, Douglas M. Pasquale, Gilbert T. Ray, Patrick W. Rose and Lilian Tomovich have no material relationships (other than service as a director on the Board of Directors) with the Corporation and therefore that they each qualify as independent. In making its determination, the Board of Directors considered, amongst other factors, 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 700,856 shares of the Corporation's Common Stock.

Prior to Richard J. Dahl assuming the role of Interim Chief Executive Officer in March 2017, the Board of Directors affirmatively determined that Mr. Dahl had no material relationships (other than his service as a director on the Board of Directors) with the Corporation and therefore qualified as independent. In making its determination, the Board of Directors considered Mr. Dahl's position as the chairman of the board of directors and former president and chief executive officer of the James Campbell Company in connection with the Corporation's lease of space in a building owned by the James Campbell Company in Novato, California. For the year ended December 31, 2016, the Corporation paid rent to the James Campbell Company totaling approximately \$219,502. The Corporation entered into the lease before Mr. Dahl joined the James Campbell Company. The Corporation does not believe that Mr. Dahl has a material direct or indirect interest in such lease.

Upon assuming the role of Interim Chief Executive Officer in March 2017, Mr. Dahl no longer qualified as an independent director. Prior to her departure from the Corporation and the Board of Directors in March 2017, Julia A. Stewart served as an executive officer of the Corporation and therefore did not qualify as an independent director.

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

Codes of Conduct

The Corporation is committed to maintaining high standards of business conduct and corporate governance, which we consider essential to running the business efficiently, serving the Corporation's stockholders well and maintaining the Corporation's integrity in the marketplace. Accordingly, the Board of Directors has adopted a Global Code of Conduct, which applies to all directors, officers and employees of the Corporation. The Global Code of Conduct sets forth the fundamental principles and key policies that govern the way the Corporation conducts business, including workplace conduct, conflicts of interest, gifts and entertainment, political and community involvement, protection of corporate property, fair business practices, global relations and other laws and regulations applicable to the Corporation's business.

In addition to the Global Code of Conduct, the Board of Directors has adopted a Code of Conduct for Non-Employee Directors, which serves as guidance to the Corporation's non-employee directors on ethical issues including conflicts of interest, confidentiality, corporate opportunities, fair disclosure, protection and proper use of corporate assets, fair dealing, harassment and discrimination, and other laws and regulations applicable to the Corporation's business.

The Board of Directors has also adopted the Code of Ethics for Chief Executive Officer and Senior Financial Officers. These individuals are expected to avoid actual or apparent conflicts between their personal and professional relationships and make full disclosure of any material transaction or relationship that could create or appear to create a conflict of interest to the General Counsel, who will inform and seek a determination from the Chair of the Audit and Finance Committee as to whether a conflict exists and the appropriate disposition of the matter. In addition, these individuals are expected to promote the corporate policy of making full, fair, accurate and understandable disclosure in all reports and documents filed with the SEC; report violations of the Code of Ethics to the General Counsel or the Chair of the Audit and Finance Committee; and request from the General Counsel any waivers of the Code of Ethics, which shall be publicly disclosed if required by applicable law.

Any waiver of any provision of the Global Code of Conduct or the Code of Ethics for Chief Executive Officer and Senior Financial Officers for any executive officer may be granted only by the Board of Directors. Any waiver of the Code of Conduct for Non-Employee Directors may be granted only by the disinterested directors of the Board of Directors or the Audit and Finance Committee, and any such waiver shall be promptly disclosed to the Corporation's stockholders. The Board of Directors and the Audit and Finance Committee review whether such waivers are in the best interests of the Corporation and its stockholders, taking into account all relevant factors. In 2016, there were no waivers of (a) the Global Code of Conduct for executive officers, (b) the Code of Ethics for Chief Executive Officer and Senior Financial Officers, or (c) the Code of Conduct for Non-Employee Directors.

The Corporation also 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 Corporation's Global Code of Conduct.

Copies of the Global Code of Conduct, the Code of Conduct for Non-Employee Directors and the Code of Ethics for Chief Executive Officer and Senior Financial Officers can be found in the Corporate Governance section of the Corporation's website, <http://www.dineequity.com>. In addition, printed copies of the codes of conduct are available at no charge upon request to the Secretary at DineEquity, Inc., 450 North Brand Boulevard, Glendale, California 91203, (866) 995-DINE. We will disclose any future substantive amendments to, or waivers granted to any officer from, the provisions of these ethics policies and standards as promptly as practicable as may be required under applicable rules of the SEC or the NYSE.

Corporate Governance Guidelines

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

Director Attendance at Meetings

Directors are expected to attend the Corporation's Annual Meeting. All directors except for Howard M. Berk and Larry A. Kay attended the 2016 annual meeting of stockholders. The Board of Directors held six meetings during 2016. During 2016, each incumbent director attended 75% or more of the aggregate of the meetings of the Board of Directors and of the committees on which he or she served that were held during the period for which he or she served as a director.

Executive Sessions of Non-Management Directors

The NYSE rules require that the non-management directors of a listed company meet at regularly scheduled executive sessions without management. The Corporation's non-management directors generally meet separately at regular meetings of the Board of Directors and a majority of committee meetings. The Lead Director, Caroline W. Nahas, is not a member of management and presides during executive sessions of the Board of Directors.

Communications with the Board of Directors

Stockholders and other interested persons wishing to communicate directly with the Board of Directors, Chairman, Lead Director, any Committee or Committee Chairman, or the non-management directors, individually or as a group, may do so by sending written communications appropriately addressed to the following address:

DineEquity, Inc.
(or a particular subgroup or individual director)
c/o Office of the Secretary
450 North Brand Boulevard, 7th Floor
Glendale, California 91203

Each written communication should specify the applicable addressee or addressees to be contacted, as well as the general topic of the communication. The Board of Directors has designated the Secretary of the Corporation as its agent to receive and review communications addressed to the Board of Directors, Chairman, Lead Director, any committee or committee chairman, or the non-management directors, individually or as a group. The Office of the Secretary will initially receive and process communications to determine whether it is a proper communication for the Board of Directors. If the envelope containing a communication that a stockholder or other interested person wishes to be confidential is conspicuously marked "Confidential," the Secretary of the Corporation will not open the communication prior to forwarding it to the appropriate individual(s). Generally, any communication that is primarily commercial, offensive, illegal or otherwise inappropriate, or does not substantively relate to the duties and responsibilities of our Board of Directors, may not be forwarded.

Board of Directors Retirement Policy

The Corporation's corporate governance guidelines provide that no person may stand for election to serve as a member of the Corporation's Board of Directors 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 approval by the Board of Directors, a person who has reached his or her 76th birthday may be permitted to stand for election and, if elected, continue to serve on the Board of Directors.

Other Public Corporation Directorships

The Corporation's corporate governance guidelines provide that directors should not serve on more than a total of five public corporation boards, inclusive of service on the Corporation's Board of Directors. Directors who also serve as executives of the Corporation should not serve on more than a total of two public corporation boards, inclusive of service on the Corporation's Board of Directors. The Nominating and Corporate Governance Committee has discretion to waive this guideline on a case by case basis if it determines that special circumstances warrant permitting a director to serve on more than the applicable number of public corporation boards allowed under the corporate governance guidelines. The Nominating and Corporate Governance Committee waived this guideline for Richard J. Dahl, who assumed the role of Chairman and Interim Chief Executive Officer in March 2017. Mr. Dahl serves on the boards of directors of Hawaiian Electric Industries, Inc. and its subsidiary, Hawaiian Electric Company, Inc. Mr. Dahl also serves on the boards of directors of IDACORP, Inc. and its subsidiary, Idaho Power Company. In making

its determination to waive this guideline for Mr. Dahl, the Nominating and Corporate Governance Committee considered the nature of Mr. Dahl's service on other public company boards of directors, Mr. Dahl's substantial skills, experience and expertise and the special circumstances surrounding his temporary service as an executive of the Corporation.

Certain Relationships and Related Person Transactions

The Corporation'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 Corporation's General Counsel, who will inform and seek a determination from the Audit and Finance Committee as to whether a conflict exists and the appropriate disposition of the matter. The Corporation's Code of Ethics for Chief Executive and Senior Financial Officers provides that no senior officer may enter into any investment, accept any position or benefits, participate in any transaction or business arrangement or otherwise act in a manner that creates or appears to create a conflict of interest unless the senior officer makes full disclosure of all facts and circumstances to, and obtains the prior written approval of, the General Counsel, the Chair of the Audit and Finance Committee of the Board of Directors and/or the Board of Directors. The Corporation'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 Corporation must promptly bring it to the attention of the Corporation's General Counsel or to the Chair of the Audit and Finance Committee. The charter of the Nominating and Corporate Governance Committee of the Board of Directors provides that it will consider conflicts of interest in evaluating director nominees.

The Board of Directors recognizes that transactions involving the Corporation and related parties present a heightened risk of conflicts of interest. The charter of the Audit and Finance Committee provides that it will review any related party transactions. Since January 1, 2016, there were no transactions between the Corporation and any related party of the type or amount required to be disclosed under Item 404 of Regulation S-K.

Board of Directors Committees and Their Functions

The Board of Directors has three standing committees, each of which operates under a written charter approved by the Board of Directors: the Audit and Finance Committee, Compensation Committee and Nominating and Corporate Governance Committee. Each member of these committees is an independent director in accordance with the NYSE listing standards and the applicable rules and regulations of the SEC. 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 Corporation's website, <http://www.dineequity.com>. Printed copies are also available at no charge upon request to the Secretary at DineEquity, Inc., 450 North Brand Boulevard, Glendale, California 91203, (866) 995-DINE.

The chart below identifies directors who are members, and chairs, of each committee as of the date of this proxy statement, the principal functions of each committee and the number of meetings held by each committee during 2016.

Name of Committee and Membership	Principal Functions of the Committee	Meetings in 2016
<p>Audit and Finance Committee Douglas M. Pasquale, Chairman Howard M. Berk Larry A. Kay Lilian Tomovich</p>	<ul style="list-style-type: none"> • 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 Corporation. • Reviews with management and the independent auditor the Corporation's annual audited and quarterly financial statements and other financial disclosures, the adequacy and effectiveness of accounting and internal control policies and procedures and major issues regarding accounting principles and financial statement presentations. • Meets periodically with the Corporation's director of internal audit and the independent auditor in separate executive sessions. • Reviews and discusses with management and, when appropriate, makes recommendations to the Board of Directors regarding the following: (i) the Corporation's tax program, including tax planning and compliance; and (ii) the Corporation's insurance risk management policies and programs. • Reviews the Corporation's program to monitor compliance with the Corporation's Global Code of Conduct and meets periodically with the Corporation's General Counsel or Compliance Officer to discuss compliance with the Global Code of Conduct. • Reviews requests from directors and executive officers of the Corporation for waivers from the application of the Corporation's Code of Conduct for Non-Employee Directors and Global Code of Conduct, respectively, and related policies of the Corporation, to make recommendations to the Board of Directors concerning such requests or to grant or deny such requests on behalf of the Board of Directors, as appropriate, and to review any public disclosures related to such waivers. • Reviews any potential related party transactions. • Reviews the performance and independence of the Corporation's independent auditor. • Prepares a report required by the rules of the SEC to be included in the Corporation's proxy statement for its annual meeting of stockholders. • Reviews and provides guidance to the Board of Directors and management regarding: dividend policy; sales, issuance or repurchases of the Corporation's 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. • Oversees the Corporation's policies with respect to risk assessment and risk management. Oversees and evaluates the management of risks associated with accounting, auditing, financial reporting and internal controls over financial reporting, and reviews and discusses with the Board of Directors, at least annually and at the request of the Board of Directors, issues relating to the assessment and mitigation of major financial risk factors affecting the Corporation. 	<p>9 Meetings</p>

Name of Committee and Membership	Principal Functions of the Committee	Meetings in 2016
<p>Compensation Committee Patrick W. Rose, Chairman Daniel J. Brestle Stephen P. Joyce Caroline W. Nahas</p>	<ul style="list-style-type: none"> • Oversees the Corporation’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 Corporation’s executive compensation plans, and amends, or recommends that the Board of Directors amend, these goals and objectives if the Compensation Committee deems it appropriate. • Reviews, at least annually, the Corporation’s executive compensation plans in light of the Corporation’s goals and objectives with respect to such plans and, if appropriate, adopts, or recommends that the Board of Directors adopt, any new executive compensation plans or the amendments of existing, executive compensation plans. • Oversees the Corporation’s succession planning for the Chief Executive Officer and management development. • Evaluates annually the performance of the Chief Executive Officer and other executive officers in light of the goals and objectives of the Corporation’s executive compensation plans, and either as a committee or, together with the other independent directors, determines and approves the Chief Executive Officer’s and such other executive officers’ compensation. • Evaluates annually the appropriate level of compensation for the Board of Directors and committee service by non-employee members of the Board of Directors. • Prepares a report on executive compensation to be included in the Corporation’s proxy statement for its annual meeting of stockholders or its annual report on Form 10-K. Reviews and discusses with management, the Corporation’s Compensation Discussion and Analysis and, as part of this review, considers the results of the most recent stockholder advisory vote on executive compensation. • Reviews and approves severance or termination arrangements to be made with executive officers. • Reviews and approves a peer group of companies against which to compare the Corporation’s executive compensation for the purposes of assessing the competitiveness of the Corporation’s executive compensation programs. • Reviews annually the compliance of each director and executive officer with the Corporation’s stock ownership guidelines. • Reviews and monitors risks related to compensation policies and practices, and reviews with the Board of Directors, at least annually, any issues regarding assessment and mitigation of risk factors affecting the Corporation related to the Corporation’s compensation policies and practices. 	<p>7 Meetings</p>
<p>Nominating and Corporate Governance Committee Caroline W. Nahas, Chairman Howard M. Berk Gilbert T. Ray</p>	<ul style="list-style-type: none"> • Identifies and recommends to the Board of Directors individuals qualified to serve as directors of the Corporation and on committees of the Board of Directors. • Recommends to the Board of Directors criteria for membership on the Board of Directors. • Reviews annually and advises the Board of Directors with respect to the Board of Directors’ composition and reviews periodically and advises the Board of Directors with respect to the size, frequency of meetings, and any other aspects of procedures of the Board of Directors and its committees. 	<p>3 Meetings</p>

Name of Committee and Membership	Principal Functions of the Committee	Meetings in 2016
	<ul style="list-style-type: none"> • Develops and recommends to the Board of Directors a set of corporate governance guidelines applicable to the Corporation; reviews periodically, and at least annually, the corporate governance guidelines adopted by the Board of Directors to assure that they are appropriate for the Corporation and comply with the requirements of the NYSE; and recommends any desirable changes to the Board of Directors. • Reviews periodically with management the Corporation’s policies and programs in such areas as charitable contributions, political action and legislative affairs. • Reviews periodically the Corporation’s Global Code of Conduct and Code of Conduct for Non-Employee Directors and makes recommendations to the Board of Directors for any changes deemed appropriate. • Oversees the evaluation of the Board of Directors as a whole and evaluates and reports to the Board of Directors on the performance and effectiveness of the Board of Directors. • Oversees and reviews policies with respect to assessment and management of risks associated with the Board of Directors’ organization, membership and structure, succession planning, corporate governance, independence, and the performance and effectiveness of the Board of Directors. 	

Board of Directors Nominations

Consistent with its charter, the Nominating and Corporate Governance Committee considers various criteria in evaluating Board of Directors candidates, including: business experience, board of directors experience, skills, expertise, education, professions, backgrounds, diversity, personal and professional integrity, character, business judgment, business philosophy, time availability in light of other commitments, dedication, conflicts of interest, and such other relevant factors that the Nominating and Corporate Governance Committee considers appropriate in the context of the needs of the Board of Directors. In considering diversity, the Nominating and Corporate Governance Committee evaluates candidates with a broad range of expertise, experience, skills, professions, education, backgrounds and other board of directors experience. While the Nominating and Corporate Governance Committee does not have a formal policy with respect to diversity, it seeks to identify directors who will bring diverse viewpoints, opinions and areas of expertise that will benefit the Board of Directors as a whole. The Nominating and Corporate Governance Committee does not assign specific weights to particular criteria in evaluating prospective nominees.

The Nominating and Corporate Governance Committee also considers whether a potential nominee would satisfy the NYSE’s criteria for director “independence,” the NYSE’s “accounting or related financial management expertise” standard and the SEC’s definition of “audit committee financial expert.”

Whenever a vacancy or potential vacancy exists on the Board of Directors due to expansion of the size of the Board of Directors or the resignation or retirement of an existing director, the Nominating and Corporate Governance Committee begins its process of identifying and evaluating potential director nominees. The Nominating and Corporate Governance Committee considers recommendations of management, stockholders and others. The Nominating and Corporate Governance Committee has sole authority to retain and terminate any search firm to be used to identify director candidates, including approving its fees and other retention terms.

The Nominating and Corporate Governance Committee conducted an evaluation and assessment of each director whose term expires in 2017 for purposes of determining whether to recommend them for nomination for re-election to the Board of Directors. After reviewing the assessment results, the

Nominating and Corporate Governance Committee determined to make a recommendation to the Board of Directors that Larry A. Kay and Douglas M. Pasquale be nominated for re-election to the Board of Directors. The Board of Directors reviewed and accepted the Nominating and Corporate Governance Committee's recommendation and has nominated Larry A. Kay and Douglas M. Pasquale for re-election to the Board of Directors.

Stockholder Nominations

The Nominating and Corporate Governance Committee will consider director candidates recommended by stockholders and will apply the same standards in considering director candidates recommended by stockholders that it applies to other candidates. Stockholders wishing to recommend director candidates for consideration by the Nominating and Corporate Governance Committee may do so by writing to the Secretary, giving the recommended nominee's name, biographical data and qualifications, accompanied by the written consent of the recommended nominee to serve if elected. Any stockholder who wishes to directly nominate a director candidate to stand for election at a meeting of stockholders must provide written notice that is timely and in proper form in accordance with the advance notice procedures provided in the Corporation's Bylaws.

The Nominating and Corporate Governance Committee did not receive any recommendations from stockholders proposing candidates for election to the Board of Directors at the Annual Meeting.

DIRECTOR COMPENSATION

The Corporation does not pay directors who are also employees of the Corporation additional compensation for their service on the Board of Directors. Compensation for non-employee directors is comprised of a cash component and an equity component. Cash compensation for non-employee directors is comprised of retainers for Board of Directors membership and retainers for serving as a member and/or chair of a Board of Directors committee and as the Lead Director.

During 2016, non-employee directors were entitled to receive \$70,000 as an annual cash retainer for serving as a member of the Board of Directors. In addition, depending on their roles, non-employee directors were entitled to receive:

- \$25,000 as an annual retainer for the Lead Director;
- \$15,000, \$12,500 and \$7,500, respectively, as an annual retainer for the chairs of the Audit and Finance Committee, Compensation Committee, and Nominating and Corporate Governance Committee;
- \$12,500, \$10,000 and \$7,500, respectively, as an annual retainer for the members of the Audit and Finance Committee, Compensation Committee, and Nominating and Corporate Governance Committee; and
- \$1,500 per meeting beyond the eighth meeting attended for each director who serves on a standing committee that meets more than eight times per year.

The Corporation also reimburses each of the directors for reasonable out-of-pocket expenses incurred for attendance at Board of Directors and committee meetings and other corporate events.

Under the DineEquity, Inc. 2016 Stock Incentive Plan ("2016 Stock Incentive Plan") and the Corporation's predecessor plan, the DineEquity, Inc. 2011 Stock Incentive Plan ("2011 Stock Incentive Plan"), non-employee directors may receive periodic grants of stock options, restricted stock awards ("RSAs"), restricted stock units ("RSUs"), stock appreciation rights ("SARs") or performance unit awards. In February 2016, equity awards valued at approximately \$105,000 in the form of RSUs were granted to each non-employee director under the 2011 Stock Incentive Plan. All of the currently outstanding RSUs granted to non-employee directors will generally vest on the third anniversary of the grant date. In the event a director retires from the Board of Directors after completing five years of service, all of the director's then

outstanding RSUs will vest. To the extent the Corporation declares dividends, non-employee directors receive dividend equivalent rights in the form of additional RSUs in lieu of receiving cash dividends based upon the number of RSUs held by the director at the time of the dividend record dates. Dividend equivalent rights are subject to the same vesting restrictions as the underlying RSUs.

Directors are eligible to defer up to 100% of their annual Board of Directors retainer fees pursuant to the DineEquity, Inc. Nonqualified Deferred Compensation Plan (the “Deferred Compensation Plan”). Beginning in 2017, directors are also eligible to defer up to 100% of their equity award compensation.

Stock Ownership Guidelines

Non-employee directors are subject to stock ownership guidelines whereby each director is expected to hold the lesser of 7,000 shares of Common Stock or Common Stock with a value of at least five times the amount of the Board of Directors’ annual retainer. Directors are expected to meet the ownership guidelines within five years of joining the Board of Directors. Upon review by the Compensation Committee in 2016, all directors met or exceeded the ownership guidelines.

Director Compensation Table for 2016

The following table sets forth certain information regarding the compensation earned or paid in cash and stock awards granted to each non-employee director who served on the Board of Directors in 2016.

<u>Name</u>	<u>Fees Earned or Paid in Cash (\$)</u>	<u>Stock Awards \$(1)(2)</u>	<u>Total (\$)</u>
Howard M. Berk	91,500	105,080	196,580
Daniel J. Brestle	80,000	105,080	185,080
Richard J. Dahl	124,000	105,080	229,080
Stephen P. Joyce	80,000	105,080	185,080
Larry A. Kay	84,000	105,080	189,080
Caroline W. Nahas(3)	95,000	105,080	200,080
Douglas M. Pasquale	84,000	105,080	189,080
Gilbert T. Ray	77,500	105,080	182,580
Patrick W. Rose	92,500	105,080	197,580
Lilian Tomovich(4)	—	—	—

(1) These amounts reflect the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board’s Accounting Standards Codification Topic 718, *Compensation—Stock Compensation* (“FASB ASC Topic 718”). See Note 13 to the Consolidated Financial Statements in the Corporation’s annual report on Form 10-K for the fiscal year ended December 31, 2016 for information regarding assumptions underlying the valuation of equity awards.

- (2) The following table sets forth the number of RSUs outstanding at December 31, 2016.

<u>Name</u>	<u>Stock Awards Outstanding at December 31, 2016 (#)</u>
Howard M. Berk	3,549
Daniel J. Brestle	3,549
Richard J. Dahl	3,549
Stephen P. Joyce	3,549
Larry A. Kay	3,549
Caroline W. Nahas	3,549
Douglas M. Pasquale	3,322
Gilbert T. Ray	3,549
Patrick W. Rose	3,549
Lilian Tomovich(5)	—

- (3) Ms. Nahas elected to defer all of her 2016 director cash compensation pursuant to the Deferred Compensation Plan.
- (4) Ms. Tomovich was appointed to the Board of Directors on January 11, 2017. As such, no cash compensation or stock awards were earned, paid or granted to Ms. Tomovich in 2016.
- (5) Upon Ms. Tomovich's appointment to the Board of Directors, Ms. Tomovich received an initial equity award grant of 1,365 RSUs pursuant to the Corporation's non-employee director compensation policy.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Security Ownership of Certain Beneficial Owners

The following table sets forth information regarding beneficial ownership of more than 5% of the outstanding shares of any class of the Corporation's voting securities, which information is derived solely from certain SEC filings available as of March 22, 2017, as noted below. The percentages of Common Stock ownership have been calculated based upon 17,987,021 shares of Common Stock outstanding as of March 22, 2017.

<u>Name and Address of Beneficial Owner</u>	<u>Shares of Common Stock Beneficially Owned</u>	
	<u>Number</u>	<u>Percent</u>
BlackRock, Inc. 55 East 52 nd Street New York, New York 10055	1,950,986(1)	10.85%
Capital Research Global Investors	1,901,520(2)	10.57%
333 South Hope Street Los Angeles, CA 90071		
The Vanguard Group. 100 Vanguard Blvd. Malvern, PA 19355	1,501,489(3)	8.35%
Jackson Square Partners, LLC	1,326,770(4)	7.38%
101 California Street, Suite 3750 San Francisco, CA 94111		

- (1) Based solely upon on a Schedule 13G/A filed with the SEC on January 12, 2017 by BlackRock, Inc. reporting beneficial ownership as of December 31, 2016. BlackRock, Inc. reported that it possessed

sole power to vote or direct the vote with respect to 1,913,461 of these shares and sole power to dispose or direct the disposition of all the shares indicated in the table above.

- (2) Based solely upon a Schedule 13G/A filed with the SEC on February 13, 2017 by Capital Research Global Investors reporting beneficial ownership as of December 31, 2016. Capital Research Global Investors reported that it possessed sole power to vote or direct the vote and sole power to dispose or direct the disposition of all of the shares indicated in the table above.
- (3) Based solely upon a Schedule 13G/A filed with the SEC on February 9, 2017 by The Vanguard Group reporting beneficial ownership as of December 31, 2016. The Vanguard Group reported that it possessed sole power to vote or direct the vote with respect to 28,526 shares, shared power to vote or direct the vote with respect to 2,257 shares, sole power to dispose or direct the disposition of 1,471,549 shares and shared power to dispose or to direct the disposition of 29,940 of these shares.
- (4) Based solely upon a Schedule 13G filed with the SEC on February 13, 2017 by Jackson Square Partners, LLC reporting beneficial ownership as of December 31, 2016. Jackson Square Partners, LLC reported that it possessed sole power to vote or to direct the vote with respect to 603,156 of these shares, shared power to vote or to direct the vote with respect to 515,549 of these shares and sole power to dispose or to direct the disposition of all of the shares indicated in the table above.

Security Ownership of Management

The following table sets forth as of March 22, 2017 the beneficial ownership of the Corporation's Common Stock, including shares as to which a right to acquire ownership exists within the meaning of Rule 13d-3(d)(1) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), within 60 days of March 22, 2017, of each director, each nominee for election as director, each named executive officer and all directors and executive officers of the Corporation, as a group. The percentages of ownership have been calculated based upon 17,987,021 shares of Common Stock outstanding as of March 22, 2017.

Name	Amount and Nature of Beneficial Ownership		Total Shares Beneficially Owned	Percent of Class
	Shares Beneficially Owned(1)	Unvested Restricted Shares(2)		
Howard M. Berk	21,846(3)	—	21,846	*
Daniel J. Brestle	15,846	—	15,846	*
Richard J. Dahl	47,746(4)	—	47,746	*
Stephen P. Joyce	5,053	—	5,053	*
Larry A. Kay	21,936(5)	—	21,936	*
Caroline W. Nahas	24,671	—	24,671	*
Douglas M. Pasquale	4,004(6)	—	4,004	*
Gilbert T. Ray	23,782	—	23,782	*
Patrick W. Rose	52,518	—	52,518	*
Lilian Tomovich	—	—	—	*
Julia A. Stewart	414,052(7)	—	414,052	2.30%
Thomas W. Emrey	81,998(8)	—	81,998	*
Greggory H. Kalvin	11,873	2,777	14,650	*
Darren M. Rebelez	21,148	29,345	50,493	*
John C. Cywinski	—	32,179	32,179	*
Daniel V. del Olmo	15,871	11,240	27,111	*
John B. Jakubek	22,937	6,679	29,616	*
All directors and executive officers as a group (16 persons)	298,961	87,937	386,898	2.15%

* Represents less than 1% of the outstanding shares of Common Stock.

- (1) None of the shares have been pledged as security. Share amounts for each of the directors, each nominee for election as director, each named executive officer and for all directors and executive officers as a group include shares subject to stock options that are exercisable within 60 days of March 22, 2017, as follows:

<u>Name</u>	<u>Shares Subject to Options</u>
Howard M. Berk	—
Daniel J. Brestle	—
Richard J. Dahl	—
Stephen P. Joyce	—
Larry A. Kay	—
Caroline W. Nahas	—
Douglas M. Pasquale	—
Gilbert T. Ray	—
Patrick W. Rose	—
Lilian Tomovich	—
Julia A. Stewart(9)	326,690
Thomas W. Emrey(8)	72,532
Greggory H. Kalvin	4,651
Darren M. Rebelez	17,769
John C. Cywinski	58,875
Daniel V. del Olmo	11,852
John B. Jakubek	20,727
All directors and executive officers as a group (16 persons)	149,920

Directors also hold RSUs that are not included in the beneficial ownership table because vesting will not occur within 60 days of March 22, 2017. The amounts of RSUs held by non-employee directors as of December 31, 2016 are provided in the section of this proxy statement entitled “Director Compensation.”

- (2) Unvested RSAs are deemed beneficially owned because grantees of unvested RSAs under the Corporation’s equity compensation plans hold the sole right to vote such shares.
- (3) The amount for Mr. Berk does not include 700,856 shares of the Corporation’s Common Stock beneficially owned by MSD SBI, L.P. MSD Capital, L.P. is the general partner of MSD SBI, L.P. and may be deemed to beneficially own securities owned by MSD SBI, L.P. Mr. Berk is a partner of MSD Capital, L.P. and may be deemed to beneficially own securities owned by MSD Capital, L.P. Mr. Berk disclaims beneficial ownership of the shares that may be deemed to be beneficially owned by MSD Capital, L.P., except to the extent of his pecuniary interest therein.
- (4) The amount for Mr. Dahl includes 46,365 shares of Common Stock held by the Richard J. Dahl Revocable Living Trust dated 1/20/1995, of which Mr. Dahl serves as Trustee.
- (5) The amount for Mr. Kay includes 12,645 shares of Common Stock held by the IRA Trustee for the benefit of Mr. Kay.
- (6) The amount for Mr. Pasquale includes 1,250 shares of Common Stock held by the Pasquale Living Trust.
- (7) The amount for Ms. Stewart is as of March 1, 2017, the date of her departure from the Corporation, and includes 64,702 shares of Common Stock held by the Julia Stewart Family Trust, of which Ms. Stewart is sole Trustee and sole beneficiary, and 660 shares of Common Stock held in the DineEquity, Inc. 401(k) Plan.
- (8) The amount for Mr. Emrey is as of March 15, 2017, the date of his departure from the Corporation.
- (9) The amount for Ms. Stewart is as of March 1, 2017, the date of her departure from the Corporation.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires that the Corporation's directors, executive officers and persons who own more than ten percent of the Corporation's equity securities file reports of ownership and changes in ownership with the SEC. Based on its review of such reports and other information furnished by the directors and executive officers, the Corporation believes that all reports required to be filed pursuant to Section 16(a) of the Exchange Act were filed on a timely basis in 2016.

EXECUTIVE COMPENSATION COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management. Based on its review and discussion, the Compensation Committee recommended that the Board of Directors include the Compensation Discussion and Analysis in this proxy statement and the Corporation's annual report on Form 10-K.

THIS REPORT IS SUBMITTED BY THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

Patrick W. Rose (Chairman)
Daniel J. Brestle
Stephen P. Joyce
Caroline W. Nahas

COMPENSATION DISCUSSION AND ANALYSIS

The following discussion provides an overview and analysis of the Corporation's compensation programs and policies, the material compensation decisions made under those programs and policies with respect to the Corporation's named executive officers (the "NEOs") and the material factors that were considered in making those decisions. Following this Compensation Discussion and Analysis is a series of tables under the heading "Compensation Tables" containing specific data about the compensation earned by or granted to the following NEOs in 2016:

- Former Chairman and Chief Executive Officer ("CEO") and Interim President of the Applebee's Business Unit, Ms. Julia A. Stewart, who ceased service as an executive officer and departed from the Corporation on March 1, 2017;
- Former Chief Financial Officer ("CFO"), Mr. Thomas W. Emrey, who ceased service as an executive officer and departed from the Corporation on March 15, 2017;
- President of the IHOP Business Unit, Mr. Darren M. Rebelez;
- Senior Vice President, Human Resources, Mr. John B. Jakubek; and
- President, International and Senior Vice President, Development, Mr. Daniel V. del Olmo.

Executive Summary

2016 Fiscal Year Performance Highlights[†] and Link to Pay Decisions

2016 was the worst year for the restaurant industry in terms of same-restaurant sales growth since 2009, and the casual dining segment was one of the worst-performing segments within the restaurant industry

[†] For complete information regarding the Corporation's 2016 performance, stockholders should read "Management's Discussion and Analysis of Results of Operation and Financial Condition" and the audited consolidated financial statements and accompanying notes thereto contained in the Corporation's 2016 annual report on Form 10-K filed with the SEC on March 1, 2017, which is being made available to stockholders with this proxy statement.

during 2016.¹ Despite this challenging environment, the Corporation and its Applebee's, IHOP and International Business Units delivered several notable accomplishments against their key strategic priorities to evolve strong brands, drive same-restaurant sales growth, facilitate franchisee restaurant development and maintain strong financial discipline. These are highlighted by the following key accomplishments:

- Generated cash provided by operating activities of over \$118 million in 2016;
- Generated adjusted free cash flow of approximately \$123 million in 2016;
- Generated Operating Profit for the IHOP Business Unit and International Business Unit at 101.4% and 100.9% of operating plan targets, respectively, under the Corporation's 2016 Annual Incentive Plan;
- Returned over \$122 million to stockholders in stock repurchases and quarterly cash dividends combined;
- Opened 66 new restaurants worldwide by IHOP franchisees and area licenses with net development (openings less closures) of 50 restaurants, the highest single-year net development total for the brand since 2009;
- Remodeled 300 restaurants by IHOP franchisees under our new *Rise N' Shine* design; and
- Completed the consolidation of our restaurant support centers, enabling cross-brand collaboration to provide for faster innovation and effective implementation to the benefit of both domestic and international franchisees.

While the Corporation and its IHOP and International Business Units delivered several notable achievements during 2016, performance against certain metrics fell below expectations:

- Adjusted Earnings Per Share of \$6.01 fell below the target of \$6.11;
- Traffic growth for the domestic Applebee's Business Unit fell below its target by 6.8 % (and was below threshold performance) and underperformed against the casual dining segment;
- Traffic growth for the domestic IHOP Business Unit fell below its target by 4.2% (and was below threshold performance);
- Total Net Franchise Restaurant Development for the Corporation fell below threshold; and
- The Corporation's total stockholder return ("TSR") for fiscal years 2014 through 2016, was 4.6% and ranked in the bottom third of the Value Line Restaurant Index ("VLRI").

"Adjusted Earnings Per Share" (or "AEPS") is defined as total adjusted net income available to common stockholders divided by weighted average diluted shares. AEPS is considered to be a non-U.S. GAAP measure. Reconciliation of U.S. GAAP earnings per share to AEPS is provided in Appendix A.

"Adjusted Free Cash Flow" is defined as cash provided by operating activities, plus net receipts from notes and equipment contracts receivable, less capital expenditures. Adjusted free cash flow is considered to be a non-U.S. GAAP measure. Reconciliation of the cash provided by operating activities to adjusted free cash flow is provided in Appendix A.

"Operating Profit" is defined as Segment Profit plus gains on asset dispositions, less Direct G&A and losses on asset dispositions. Segment Profit is defined as segment revenues less segment expenses. Direct G&A is defined as general and administrative expenses directly incurred at operating units excluding any allocation of shared service and general corporate overhead.

"Traffic", a growth performance indicator used by the Corporation, provides a measure of the change in number of guests visiting restaurants.

¹ Source: QSR magazine, "2016 Was the Worst Restaurant Year Since the Recession," January 13, 2017.

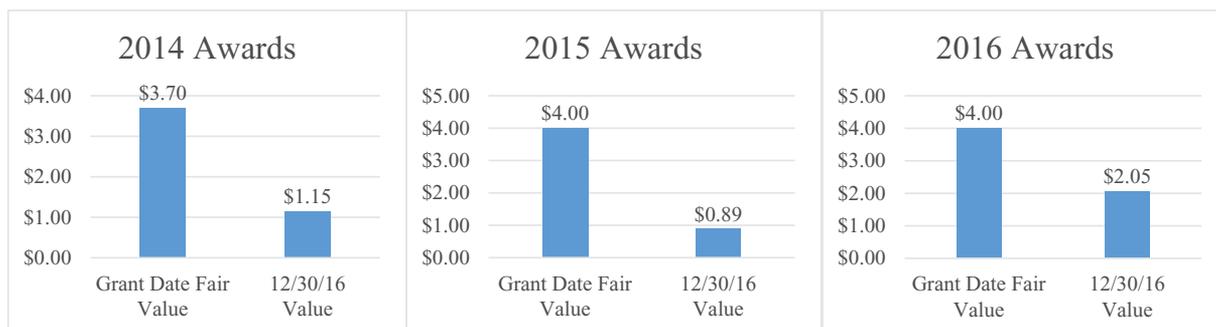
“Net Franchise Restaurant Development” for the Corporation is defined as the number of new restaurants opened during the fiscal year, less any restaurant closings.

We believe the Corporation’s 2016 compensation results were commensurate with the Corporation’s performance, reflecting the Corporation’s pay-for-performance philosophy.

- For the second consecutive year, no payouts were made under the Corporation’s long-term performance based cash plan (“cash LTIP”) covering fiscal years 2014 through 2016 based on the Corporation’s TSR of 4.6% ranking at the 20th percentile of the VLRI. Awards under the cash LTIP represent approximately one-third of the annual long-term incentive awards granted to NEOs. We believe this demonstrates the alignment of a material portion of our executives’ compensation with the Corporation’s long-term performance and the interests of our stockholders.
- Base salary merit increases for the NEOs ranged from 0% to 3.5%, based on individual performance and external market competitiveness. For the fifth consecutive year, Ms. Stewart did not receive an increase in base salary, reflecting the Compensation Committee’s position that Ms. Stewart’s overall compensation structure should emphasize corporate performance, the achievement of corporate goals, alignment with long-term stockholder interests and the creation of stockholder value.
- Annual cash incentive compensation received by the Corporation’s NEOs under the 2016 Annual Incentive Plan was well below target and ranged from 54% to 74% of each individual’s target. Payout levels reflect the Corporation’s overall underperformance for 2016, including with respect to AEPS as well as the failure to meet threshold for traffic growth performance and Net Franchise Restaurant Development performance. See “Compensation Decisions Made in 2016” for additional detail regarding the 2016 Annual Incentive Plan.

The following charts further illustrate how our long-term incentive design effectively ties compensation to performance. These charts provide supplemental information and should not be viewed as a substitute for the 2016 Summary Compensation Table.

CEO Long-Term Incentive Award Value (2014 – 2016) (in millions)



The charts above compare the grant date fair value of the CEO’s annual long-term incentive awards for each of 2014, 2015 and 2016, as determined in accordance with ASC 718 with respect to equity-based awards, to each award’s value based on the Corporation’s stock price as of December 30, 2016 for stock options and RSAs and performance (measured by TSR) through December 30, 2016 for cash LTIP awards. The current values shown reflect the fact that: (i) stock options for each year were underwater as of December 30, 2016; (ii) the value of RSAs on December 30, 2016 was lower than the value on the grant date for each year; (iii) the 2014 cash LTIP award had a zero pay out; and (iv) the 2015 and 2016 cash LTIP awards are estimated to payout at 0% and 70.6% of target, respectively, as of December 30, 2016. The ultimate value realized, if any, cannot be determined until the applicable vesting, exercise and performance periods have occurred.

Additional information regarding 2016 NEO compensation can be found in the 2016 Summary Compensation Table below.

Compensation Policies, Practices and Corporate Risk Management

The Compensation Committee, along with the CEO and the Senior Vice President, Human Resources, continually assess the Corporation's compensation policies and practices to ensure they remain aligned with its pay-for-performance culture, the creation of long-term stockholder value, effective risk management and strong governance practices.

The Compensation Committee believes that, through a combination of risk-mitigating features and incentives guided by relevant market practices and Corporate-wide goals, our compensation policies and practices do not present risks that are reasonably likely to have a material adverse effect on the Corporation. The Compensation Committee believes that appropriate safeguards are in place with respect to compensation policies and practices that assist in mitigating excessive risk-taking that could harm the value of the Corporation or reward poor judgment by the Corporation's executives and other employees.

The Compensation Committee's independent compensation consultant, Exequity LLP ("Exequity"), conducted a risk assessment in 2016 of the Corporation's compensation policies and practices as they apply to all employees, including the NEOs. Exequity reviewed the design features and performance metrics of the Corporation's cash and stock-based incentive programs along with the approval mechanisms associated with each and determined that the Corporation's policies and practices were unlikely to create risks that are reasonably likely to have a material adverse effect on the Corporation.

The following actions, practices and policies are intended to provide for continued alignment with the Corporation's principles and/or reduce the likelihood of excessive risk-taking:

- The Compensation Committee reviews CEO pay-for-performance alignment by evaluating the CEO's compensation relative to the Corporation's TSR performance over the last five years.
- Directors and officers of the Corporation are subject to robust stock ownership guidelines.
- The Corporation's compensation mix is balanced among fixed components such as salary and benefits, annual cash incentive payments and long-term incentive awards including stock options, RSAs and the cash LTIP, which vest or are earned over three years.
- The Corporation's annual cash incentive and three-year cash LTIP both have capped payment opportunities and reward achievement of different performance metrics. Further, the cash LTIP is measured against an index of restaurant companies.
- The Compensation Committee has ultimate authority to determine, and increase or decrease, if appropriate, compensation provided to the Corporation's executive officers, including each of the NEOs.
- The Compensation Committee annually undertakes a "tally sheet" analysis of total annual compensation and the total potential payout under various termination scenarios for each of the NEOs.
- The Corporation maintains a Clawback Policy, which allows the Board of Directors to recoup incentive compensation in certain circumstances. See "Clawback Policy" for further details on the Corporation's policy.
- All directors and NEOs are subject to the Corporation's Insider Trading Policy which contains a prohibition on engaging in hedging and pledging transactions involving the Corporation's securities.
- The Compensation Committee has set the grant date for annual equity awards to be the close of business on the second full business day after our announcement of fiscal year-end earnings.

- The Compensation Committee utilizes the services of an independent compensation consultant who does not provide any other services to the Corporation and has the authority to retain any advisor it deems necessary to fulfill its obligations.
- The Corporation's equity compensation plans do not permit repricing of previously granted stock options without stockholder approval.
- The Corporation has not authorized any multi-year guaranteed bonuses.
- The Corporation does not provide tax "gross-ups" on severance payments or perquisites other than certain customary expenses related to relocation.

Overview of Executive Compensation Philosophy and Objectives

The Compensation Committee has structured the Corporation's executive compensation programs to align with a compensation philosophy that is based on several objectives, including:

- Instilling an ownership culture and linking the interests of the NEOs with those of the Corporation's stockholders;
- Paying for performance;
- Rewarding executives for achievement of both annual and longer-term financial and key operating goals of the Corporation; and
- Facilitating the attraction, motivation and retention of highly talented, entrepreneurial and creative executive leaders.

Elements of the Compensation Program

The Corporation's executive compensation program consists of the following components:

- *Base Salary.* Base salaries are designed to attract and retain talented executives and to provide a competitive and stable component of income.
- *Annual Cash Incentives under the Annual Incentive Plan.* Annual cash incentives provide a competitive incentive opportunity for achieving financial, operational and strategic performance objectives. No payouts are made under the Annual Incentive Plan unless these objectives are achieved.
- *Long-Term Incentive or LTI Awards.* LTI awards are composed of stock options, RSAs and the cash LTIP with each component representing approximately one-third of the total value awarded. Each of the components is vested or earned over a three-year period and provides ongoing alignment with stockholders' interests based on the Corporation's future stock price performance. Stock options provide value to the executive only if the Corporation's stock price increases above the grant date price. The value of RSAs increases or decreases with changes in the Corporation's stock price and the cash LTIP provides payment only if the Corporation's TSR performance is in the 33rd percentile or greater compared to an index of publicly traded restaurant companies over a three-year performance period.
- *Benefits and Other Compensation.* Benefits and other compensation programs, which make up a relatively modest portion of NEO compensation, are provided to protect executive health and safety and provide flexibility and efficiencies that facilitate executive productivity.

See the section entitled "Compensation Decisions Made in 2016" in this proxy statement for additional information regarding the elements of compensation for NEOs.

The Compensation Committee's compensation strategy is comprised of a total direct compensation opportunity ("TDCO") for each NEO which is defined as base salary, target annual cash incentive and the

grant date fair market value of LTI awards. The TDCO for each NEO is generally set to fall within the third quartile (i.e., between the 50th and 75th percentiles) of relevant benchmark data. Rather than striving for a single market reference point, the Compensation Committee believes that a broader, third quartile positioning provides appropriate flexibility in tailoring award opportunities based on a variety of factors such as performance, experience level, internal equity and external competitiveness.

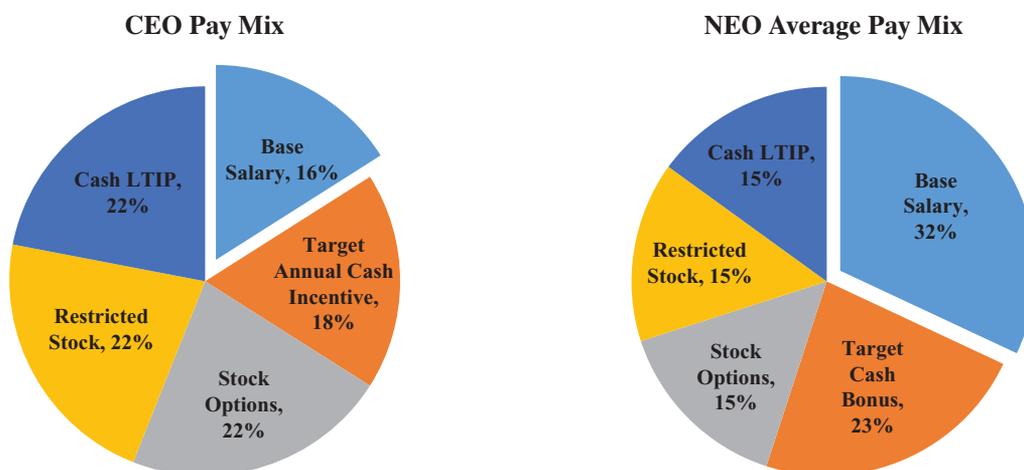
The TDCO for 2016 as reviewed and approved by the Compensation Committee for each of the NEOs is listed in the following table. TDCO differs from the total compensation amounts reported in the 2016 Summary Compensation Table in that it includes the target annual cash incentive opportunity while the 2016 Summary Compensation Table includes the amounts actually earned under the 2016 Annual Incentive Plan. Further, TDCO does not include amounts set forth in the “All Other Compensation” column of the 2016 Summary Compensation Table. In addition, TDCO includes the value of the target opportunity under the cash LTIP grant at the time it is awarded whereas the 2016 Summary Compensation Table includes the actual value earned, if any, based upon performance under the cash LTIP after the completion of the performance period.

Total Direct Compensation Opportunity

Name	2016 Base Salary (\$)	2016 Annual Cash Target Incentive (\$)	2016 Long-Term Incentive (\$)	2016 Total Direct Compensation Opportunity (\$)
Julia A. Stewart	\$1,000,000	\$1,100,000	\$4,000,064	\$6,100,064
Thomas W. Emrey	\$ 526,414	\$ 394,811	\$ 800,068	\$1,721,293
Darren M. Rebelez	\$ 586,506	\$ 439,880	\$ 825,098	\$1,851,484
John B. Jakubek	\$ 400,638	\$ 240,383	\$ 550,031	\$1,191,052
Daniel V. del Olmo	\$ 360,500	\$ 270,375	\$ 475,055	\$1,105,930

A significant portion of executive pay has been structured to be contingent on satisfying performance goals and increasing stockholder value. Accordingly, executives will not realize the incentive portion of their TDCO unless these objectives are satisfied. For the CEO, 84% of 2016 TDCO was linked to performance and/or increasing stockholder value. For the other NEOs, an average of 68% of 2016 TDCO was linked to performance and/or increasing stockholder value.

The following charts illustrate the 2016 pay mix for the CEO and for all other NEOs serving as of December 31, 2016:



The Role of the Compensation Committee

Under its charter, the Compensation Committee has the sole authority to determine and approve compensation for the Corporation's NEOs and the Corporation's other executive officers. In addition, the Compensation Committee, which is comprised solely of independent directors and reports regularly to the Board of Directors, reviews and approves compensation and benefits programs including grants made pursuant to the Corporation's equity compensation plans, oversees the Corporation's executive compensation philosophy and strategy, ensures that proper due diligence, deliberations, and reviews of executive compensation are conducted and oversees risks related to the Corporation's compensation practices. The Compensation Committee is also responsible for reviewing the compensation for the members of the Board of Directors and submits any recommended changes for approval by the Board of Directors.

The Compensation Committee reviews the Corporation's executive compensation plans throughout the fiscal year. Decisions concerning annual salary increases, the approval of annual cash incentives, the design and objectives of each year's incentive plan and the granting of LTI awards are typically made in the first quarter of each fiscal year after a series of meetings among the Compensation Committee, its compensation consultant, the CEO, the Senior Vice President, Human Resources and the Vice President, Human Resources. The Compensation Committee also performs a "tally sheet" analysis which provides the Compensation Committee with information related to total annual compensation of each NEO and the potential payout each NEO would receive upon separation from the Corporation. The Compensation Committee performs this analysis on an annual basis as part of its oversight function with respect to executive compensation.

The general practice of the Compensation Committee has been to evaluate annually the performance of the CEO and the other executive officers and approve compensation based on this evaluation. As it relates to the assessment of the CEO's performance, the Lead Director and the chairs of the Compensation Committee and the Nominating and Corporate Governance Committee discuss annual performance goals with the CEO and conduct an annual performance review.

In addition, the Compensation Committee annually determines the compensation of the other executive officers based on evaluations of their respective performance.

Generally, the CEO and the Senior Vice President, Human Resources provide input to the Compensation Committee in connection with its compensation deliberations:

- The CEO provides assessments of each NEO's performance against specific objectives and overall contributions, potential future contributions and retention risk;
- Based on the assessment described above, as well as the market data provided by the Compensation Committee's independent consultant, the CEO and the Senior Vice President, Human Resources make recommendations to the Compensation Committee regarding executive compensation for each of the NEOs (other than the CEO); and
- In instances where new executives are hired, the CEO and the Senior Vice President, Human Resources discuss the executive's compensation provided at his or her current or former employer, internal and external compensation benchmarking data, actual versus desired skill set and qualifications, and make recommendations for new executive pay packages to the Compensation Committee.

The Role of the Compensation Consultant

The Compensation Committee has the sole authority to retain or terminate a compensation consultant to assist in carrying out its responsibilities. Accordingly, during 2016, the Compensation Committee directly engaged Exequity as its independent compensation consultant to provide objective and expert analyses,

advice, and information with respect to executive compensation. In performing its services, Exequity interacted collaboratively with the Compensation Committee and with senior management at the direction of the Compensation Committee. In 2016, Exequity performed the following services:

- Provided executive compensation benchmarking data (as described below);
- Provided analysis and advice regarding annual incentive plan design;
- Provided analysis and advice regarding LTI plan design;
- Provided an analysis of non-employee director compensation; and
- Responded to other requests including conducting a CEO pay-for-performance analysis, a risk assessment and a peer group analysis and advising on various governance and regulatory developments.

Exequity did not provide any additional services to the Corporation during 2016 beyond those provided in the capacity of independent compensation consultant to the Compensation Committee. Exequity did not make any recommendations as to any amount to be paid to any NEO. The Compensation Committee has assessed the independence of Exequity pursuant to the rules of the SEC and concluded that Exequity's work for the Compensation Committee does not raise any conflicts of interest.

Compensation Benchmarking and Peer Group

The Corporation uses a restaurant peer group and compensation surveys for different benchmarking comparisons, including base salary, target annual cash incentive, LTI awards and TDCO. The Compensation Committee, with input from its independent compensation consultant and management, periodically reviews its peer group (the "NEO Peer Group") for the purpose of evaluating executive compensation.

The Corporation's 99% franchised business model is uncommon amongst its peer group, with only one peer company having a higher percentage of franchised restaurants. The majority of the peer companies have a larger number of company-owned restaurants. We believe our highly franchised business model requires less capital investment and general and administrative overhead, generates higher gross profit margins and reduces volatility of adjusted free cash flow performance as compared to owning a significant number of company-operated restaurants. In acknowledging the structural differences, the Compensation Committee considers a variety of metrics in evaluating the NEO Peer Group which includes but is not limited to sales, market capitalization and enterprise value and the ratio of these metrics per employee. In 2016 the Compensation Committee added Popeye's Louisiana Kitchen Inc. to the NEO Peer Group. The Corporation ranked in the first quartile in sales and in the second quartile in market capitalization and enterprise value. The Corporation ranked higher than all peer company's in sales per employee, and all but one peer company in market capitalization per employee and enterprise value per employee. The NEO Peer Group consists of companies in the Corporation's industry that the Compensation Committee believes to be similar in terms of size and that compete with the Corporation for executive talent.

The NEO Peer Group used for evaluating 2016 compensation decisions consisted of the following companies:

- BJ's Restaurants, Inc.
- Bob Evans Farms, Inc.
- Brinker International, Inc.
- Buffalo Wild Wings, Inc.
- The Cheesecake Factory Incorporated
- Cracker Barrel Old Country Store, Inc.
- Denny's Corporation
- Domino's Pizza, Inc.
- Dunkin' Brands Group, Inc.
- Jack in the Box Inc.
- Panera Bread Company
- Papa Johns International, Inc.
- Popeye's Louisiana Kitchen Inc.
- Red Robin Gourmet Burgers, Inc.
- Rudy Tuesday, Inc.
- Sonic Corp.
- Texas Roadhouse, Inc.
- The Wendy's Company

The NEO Peer Group was the primary data source considered by the Compensation Committee when reviewing total pay levels of the NEOs.

The Compensation Committee also considered broader compensation data from the 2016 AON Hewitt US Total Compensation by Industry Survey and the 2016 Chain Restaurant Total Rewards Association Executive and Management Compensation Survey which provided general industry and restaurant industry pay data on executive positions for companies with comparable sales.

The Role of the Stockholder Say on Pay Votes

The Corporation provides its stockholders with the opportunity to cast an annual advisory vote on executive compensation (a “say on pay proposal”). At the Corporation’s annual meeting of stockholders held in May 2016, approximately 73% of the votes present and entitled to vote at the meeting on the say on pay proposal were voted in favor of the proposal approving the compensation of the NEOs, as disclosed in the 2016 proxy statement. The Compensation Committee believes the 2016 say on pay vote reflects stockholders’ support of the Corporation’s approach to executive compensation. The Compensation Committee will continue to consider the outcome of the Corporation’s say on pay votes when making future compensation decisions for the NEOs.

Compensation Decisions Made in 2016

Annual Base Salaries

In setting annual base salaries, the Compensation Committee generally considers benchmarking data derived from a review of the proxy statement disclosures of the NEO Peer Group, the AON Hewitt and Chain Restaurant surveys and, in the case of the NEOs other than Ms. Stewart, CEO recommendations and assessments of the performance of the individual NEOs. The Compensation Committee uses the market data to ensure that it establishes reliable points of reference to determine whether and to what extent it is establishing competitive levels of compensation for the NEOs.

Effective February 22, 2016, the Compensation Committee set annual base salaries as follows:

<u>Name</u>	<u>Former Base Salary</u>	<u>New Base Salary</u>	<u>Percentage Increase</u>
Julia A. Stewart	\$1,000,000	\$1,000,000	0%
Thomas W. Emrey	\$ 512,325	\$ 526,414	2.8%
Darren M. Rebelez	\$ 575,000	\$ 586,506	2.0%
John B. Jakubek	\$ 387,090	\$ 400,638	3.5%
Daniel V. del Olmo	\$ 350,000	\$ 360,500	3.0%

This was the fifth consecutive year that the Compensation Committee elected not to increase Ms. Stewart’s base salary. In making this decision, the Compensation Committee considered Ms. Stewart’s base salary compared to the base salaries of other chief executive officers within the NEO Peer Group and the implications of Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”). The Compensation Committee’s decision also reflects its position that Ms. Stewart’s overall compensation structure should emphasize corporate performance, the achievement of corporate goals, alignment with long-term stockholder interests and the creation of stockholder value. 84% of Ms. Stewart’s 2016 TDCO was linked to performance and/or increasing stockholder value.

Base salary increases for the other NEOs were based on individual performance and external market competitiveness.

Performance- and Stock-Based Compensation

Annual Cash Incentives

In early 2016, the Compensation Committee approved the 2016 Annual Incentive Plan to reward executive officers whose performance meets or exceeds the Corporation’s expectations, to provide incentives for excellent future performance that contributes to the Corporation’s success and profitability and to serve as

a means by which eligible participants may share in the Corporation's financial success. The 2016 Annual Incentive Plan operates under the Corporation's stockholder-approved plan under Section 162(m) of the Code which funds an incentive pool based on 20% of cash flow from operations and which limits the CEO's maximum incentive payout to 30% of the incentive pool and all other NEOs' maximum incentive payouts to 17.5% of the incentive pool. The Compensation Committee uses negative discretion to reduce the maximum incentive payout for each NEO based on performance against our pre-established metrics as outlined below.

Pursuant to the 2016 Annual Incentive Plan, the target annual cash incentive amount for each of the NEOs is established as a percentage of base salary based on the participant's level in the management structure. The 2016 threshold, target, and maximum payout amounts for each NEO are provided in the Grants of Plan-Based Awards in 2016 table. The 2016 threshold, target and maximum percentages for each of the NEOs under the Corporation's 2016 Annual Incentive Plan were as follows:

<u>Name</u>	<u>Threshold as Percentage of Base Salary</u>	<u>Target as Percentage of Base Salary</u>	<u>Maximum as Percentage of Base Salary</u>
Julia A. Stewart	55%	110%	220%
Thomas W. Emrey	37.5%	75%	150%
Darren M. Rebelez	37.5%	75%	150%
John B. Jakubek	30%	60%	120%
Daniel V. del Olmo	37.5%	75%	150%

Decisions regarding the threshold, target and maximum incentive percentages were made in consultation with Exequity and after consideration of the NEO Peer Group and survey data mentioned above and the desired TDCO pay mix. The target annual cash incentives have not changed since 2010, and the Compensation Committee believes them to be generally consistent with incentive opportunities at the NEO Peer Group companies for similarly situated executives.

The annual cash incentive for the CEO is earned based on the AEPS performance for the Corporation, traffic growth performance for the Applebee's and IHOP Business Units and Net Franchise Restaurant Development for the Corporation. The annual cash incentive for the other NEOs is based on a combination of the Corporation's AEPS, IHOP and International Unit Operating Profit, traffic growth and Net Franchise Restaurant Development. The annual cash incentive for each of the NEOs other than the CEO may then be decreased or increased based on the individual performance of each executive.

The Compensation Committee uses AEPS as a primary incentive metric, a broad and commonly used measure of financial performance for the Corporation. The Compensation Committee includes Business Unit Operating Profit as a performance measure because it believes operating profit appropriately incentivizes the business units on items specifically within their control. Traffic, a growth performance indicator used by the Corporation, provides a measure of the change in number of guests visiting restaurants. Net Franchise Restaurant Development is another growth performance indicator measuring the number of new restaurants opened during the fiscal year, less any restaurant closings.

The table below outlines the annual cash incentive metrics and weighting for each of the NEOs for 2016:

<u>Name</u>	<u>DineEquity AEPS</u>	<u>IHOP / International Business Unit Operating Profit</u>	<u>Applebee's / IHOP Business Unit Traffic Growth(1)</u>	<u>Net Franchise Development</u>
Julia A. Stewart	80%	N/A	10%	10%
Thomas W. Emrey	60%	N/A	20%	20%
Darren M. Rebelez	40%	20%	20%	20%
John B. Jakubek	60%	N/A	20%	20%
Daniel V. del Olmo	40%	20%	N/A	40%

(1) Traffic growth for each of Ms. Stewart, Mr. Emrey and Mr. Jakubek was based 50% on Applebee's Business Unit performance and 50% on IHOP Business Unit performance. Traffic growth for Mr. Rebelez was based 100% on IHOP Business Unit performance.

The 2016 Annual Incentive Plan was structured such that no annual cash incentive award would be paid if AEPS fell below \$5.50. For each of the other performance metrics, amounts were not paid unless the threshold performance level for that metric was achieved. The threshold, target and maximum payout levels for certain of the performance metrics are illustrated in the table below. Payouts increase incrementally for performance up to a maximum of 200% of an executive's target annual cash incentive opportunity.

<u>Metric</u>	<u>Threshold</u>	<u>Target</u>	<u>Maximum</u>	<u>Actual Result</u>	<u>Percentage of Metric Achieved</u>	<u>Payout Percentage of Target for Metric</u>
AEPS	\$ 5.50	\$ 6.11	\$ 6.85	\$ 6.01	98.4%	90%
IHOP Business Unit Operating Profit	\$159.0	\$ 172.8	\$ 188.3	\$175.2	101.4%	111%
International Business Unit Operating Profit	\$ 9.7	\$ 11.0	\$ 12.7	\$ 11.1	100.9%	100%
Payout as a Percentage of an Executive's Target ...	50%	100%	200%	N/A	N/A	N/A

Traffic growth for the domestic Applebee's and IHOP Business Units and Net Restaurant Development fell below the required thresholds. As a result, no payouts were made for these performance metrics. Traffic growth and Net Restaurant Development accounted for 20% of the 2016 Annual Cash Incentive mix for the CEO and 40% for the other NEOs. The traffic growth and Net Restaurant Development metrics were set at challenging levels such that attainment of the targeted amounts was not assured at the time they were set and would require a high level of effort and execution in order to obtain them.

The final annual cash incentive amounts under the 2016 Annual Incentive Plan were determined by multiplying the results of the performance metrics that each NEO was measured against by an individual performance modifier for the NEOs other than the CEO. The final annual cash incentive payout amount may be modified upward or downward. All NEOs, with the exception of the CEO, are assessed based on their individual performance against specific goals, demonstration of executive leadership, as well as their overall contribution to the Corporation's strategy and results. Specific goals include the following items:

- Mr. Emrey's goals included improvement to the Corporation's budget and forecasting process, evolving the Corporation's business strategy, implementing the Corporation's information technology strategy and organization structure and providing leadership, coaching and development for team members.
- Mr. Rebelez's goals included the establishment of the IHOP brand strategy, the completion of IHOP restaurant remodels, launching a non-traditional restaurant development strategy, improvement to restaurant operations and improving team member development and succession depth.
- Mr. Jakubek's goals included the strategic realignment of the human resources organization to optimize effectiveness and support business strategy, improving the effectiveness of the Brand

Learning and Development and Talent Acquisition functions, successful execution of the restaurant support center consolidation and improvement of the depth of succession and diversity of candidates within the organization.

- Mr. del Olmo’s goals included developing a guest relations management strategy, building the restaurant development pipeline, the launch of IHOP Fresh ‘N Go and new market openings.

At the end of 2016, Ms. Stewart assessed the performance of each of the NEOs against their goals and overall contribution to the Corporation and assigned a performance modifier as set forth in the table below:

<u>Name</u>	<u>Performance Modifier</u>
Thomas W. Emrey	1.0
Darren M. Rebelez	1.0
John B. Jakubek	1.0
Daniel V. del Olmo	1.32

Mr. del Olmo’s performance modifier of 1.32 reflected his performance against the goals above, including the above target performance for the operating profit and Net Franchise Restaurant Development metrics for the International Business Unit.

The amounts in the table below represent the annual cash incentive paid to each of the NEOs pursuant to the 2016 Annual Incentive Plan and are calculated by multiplying the NEO’s base salary by the target percentage and by the achievement level.

<u>Name</u>	<u>Base Salary</u>	<u>Target as Percentage of Base Salary</u>	<u>Percentage of Incentive Target Achieved</u>	<u>Annual Cash Incentive Paid</u>
Julia A. Stewart	\$1,000,000	110%	72.0%	\$792,000
Thomas W. Emrey	\$ 526,414	75%	54.0%	\$213,198
Darren M. Rebelez	\$ 586,506	75%	58.2%	\$256,010
John B. Jakubek	\$ 400,638	60%	54.0%	\$129,807
Daniel V. del Olmo	\$ 360,500	75%	73.97%	\$200,000

The amounts earned by the NEOs under the 2016 Annual Incentive Plan are reflected in the column entitled “Non-Equity Incentive Plan Compensation” of the 2016 Summary Compensation Table.

Annual Long-Term Incentive or LTI Awards

The Compensation Committee grants each of the NEOs a blend of nonqualified stock options (“NQSOs”), RSAs and cash LTIP awards. The NQSOs vest in equal installments over a three-year period and are exercisable for up to a maximum of ten years. The RSAs typically cliff vest after three years and the cash LTIP payout is based on cumulative TSR against the VLRI over a three-year performance period. NQSOs have value to the executive only if the Corporation’s stock price increases over the price on the date of grant. The value of RSAs increases or decreases with the changes in the Corporation’s stock price and the cash LTIP provides payment between zero and 200% of the target award depending on TSR performance as depicted in the table below:

	<u>Relative TSR Ranking at End of Performance Period</u>	<u>Payout as a Percentage of Target Cash LTIP</u>
No Payout	< 33 rd Percentile of the VLRI	0%
Threshold	33 rd Percentile of the VLRI	50%
Target	50 th Percentile of the VLRI	100%
Maximum	≥ 80 th Percentile of the VLRI	200%

The Compensation Committee believes that this mix of long-term incentives appropriately balances an emphasis on absolute and relative stock performance and aligns the compensation of our NEOs with the

long-term interests of stockholders. The LTI awards are comprised of 34% of the grant date value in NQSOs, 33% of the grant date value in RSAs and 33% of the grant date value in the cash LTIP. The Compensation Committee believes this weighting provides a balanced strategy towards stockholder alignment, executive retention, risk and performance.

The Compensation Committee considered a range of factors in setting the value to be awarded to the NEOs, including assessments of individual performance, the potential contributions that each NEO could be expected to make in the future, each NEO's TDCO, LTI awards previously granted to certain NEOs, the size of awards provided to other individuals holding similar positions in the market data considered by the Compensation Committee, the number of shares which remained available for issuance under the 2011 Stock Incentive Plan and overall accounting expense associated with the awards.

As discussed above in "Annual Base Salaries," the Compensation Committee had not increased Ms. Stewart's base salary for five consecutive years. In that regard, increases in TDCO for Ms. Stewart had generally been in the form of increased LTI award opportunities which were scheduled to vest over time and were linked to the performance of the Corporation. The 2016 LTI award for Ms. Stewart reflected the Compensation Committee's review of her overall performance as Chairman and Chief Executive Officer of the Corporation as well as her leadership of the Applebee's Business Unit as Interim President.

The table below summarizes the grant date value of the annual long-term incentive awards made in 2016 (additional detail regarding long-term incentive awards granted in 2016 can be found in the Grants of Plan-Based Awards in 2016 table in this proxy statement):

<u>Name</u>	<u>Stock Options</u>	<u>Restricted Stock</u>	<u>Cash LTIP at Target</u>	<u>Total Long-Term Incentive Opportunity</u>
Julia A. Stewart	\$1,360,014	\$1,320,050	\$1,320,000	\$4,000,064
Thomas W. Emrey	\$ 272,003	\$ 264,065	\$ 264,000	\$ 800,068
Darren M. Rebelez	\$ 280,512	\$ 272,336	\$ 272,250	\$ 825,098
John B. Jakubek	\$ 187,004	\$ 181,527	\$ 181,500	\$ 550,031
Daniel V. del Olmo	\$ 161,502	\$ 156,803	\$ 156,750	\$ 475,055

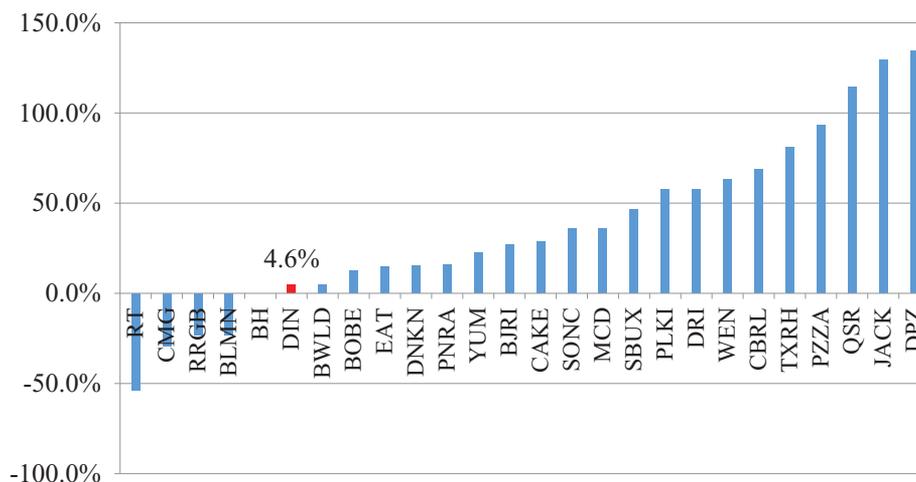
2014 - 2016 Cash LTIP Payout

Demonstrating the Corporation's pay-for-performance philosophy and the direct link between pay and the Corporation's stock price performance, no payouts were made under the cash LTIP for the 2014-2016 performance cycle based on the Corporation's TSR relative to the VLRI. Performance and payouts under prior performance periods were as follows:

<u>Performance Period</u>	<u>DineEquity TSR</u>	<u>Value Line Restaurant Index Percentile Rank</u>	<u>Payout as a percentage of target award</u>
2011 - 2013	75.3%	45.9%	87.9%
2012 - 2014	160%	64.1%	135.3%
2013 - 2015	40.8%	27.0%	0%
2014 - 2016	4.6%	20.5%	0%

The table below illustrates the Corporation's TSR performance relative to companies that were included in the VLRI during the fiscal years 2014, 2015 and 2016.

TSR (2014 - 2016)



Source: Standard and Poor's Research Insights.

The amounts in the table below represent the target cash LTIP incentive and actual amounts paid to the NEOs pursuant to the 2014-2016 cash LTIP. Based on the Corporation's 2014-2016 TSR performance, no amounts were earned by the NEOs under the 2014-2016 cash LTIP.

Name	2014 - 2016 Target Award	2014 - 2016 Payout (0% of Target)
Julia A. Stewart	\$1,221,000	\$0
Thomas W. Emrey	\$ 288,750	\$0
Darren M. Rebelez	\$ 300,000	\$0
John B. Jakubek	\$ 181,500	\$0
Daniel del Olmo	\$ 115,500	\$0

Stock Ownership Guidelines

The Corporation maintains robust stock ownership guidelines that are intended to further the Compensation Committee's objectives of aligning the financial interests of its executives with those of the Corporation's stockholders. The stock ownership guidelines call for each NEO to accumulate a minimum number of shares equal in value to a multiple of their base salary.

For purposes of the guidelines, stock ownership includes Common Stock owned directly, in-the-money value of exercisable NQSOs, RSAs, stock-settled RSUs and vested shares of Common Stock held in the Corporation's 401(k) Plan. The types and amounts of stock-based awards are intended, in part, to facilitate the accumulation of sufficient shares by the Corporation's executives to allow them to meet the stock ownership guidelines.

The Compensation Committee annually reviews each NEO's progress towards meeting the stock ownership guidelines. The Compensation Committee has informed management that it may reduce or choose not to grant future stock-based compensation to any executives who fail to make reasonable progress towards meeting the stock ownership goals within five years from becoming subject to the guidelines. Based upon its October 2016 review of each NEO's equity holdings in the Corporation, the

Compensation Committee determined that each of the NEOs meets, exceeds or is on schedule to meet his or her guideline as outlined in the following table:

<u>Name</u>	<u>Guideline as a Multiple of Base Salary</u>	<u>Holdings as a Multiple of Base Salary(1)</u>	<u>Guideline Status</u>
Julia A. Stewart	6	12.6	Exceeds Guideline
Thomas W. Emrey	4	6.2	Exceeds Guideline
Darren M. Rebelez	4	4.0	Meets Guideline
John B. Jakubek	2	5.3	Exceeds Guideline
Daniel del Olmo(2)	4	2.0	On schedule

- (1) Based upon holdings in the shares of common stock of the Corporation and one-year average daily price per share of the Corporation's common stock from September 24, 2015 to September 23, 2016.
- (2) Mr. del Olmo was promoted to President, International on February 23, 2015 and has until February 23, 2020 to meet his ownership guideline.

Clawback Policy

To the extent permitted by governing law, in the event that (i) the Corporation is required to make a material restatement of its financial statements as a result of fraudulent behavior or material intentional misconduct on the part of the Corporation's current or former (a) Chief Executive Officer, (b) executive officers subject to Section 16 of the Exchange Act or (c) other executive officers who report directly to the Chief Executive Officer and (ii) any incentive compensation was paid to any of these individuals based upon achievement of certain financial results and in reliance upon the financial statements to be restated, then the Board of Directors of the Corporation may, in its sole discretion and upon making a determination that it would be in the best interest of the Corporation to do so, direct the Corporation to make reasonable efforts to seek reimbursement of any such incentive compensation paid within the past three years from the date of the restatement to the extent it exceeds the amounts that would have been earned under the restated financial statements. This policy shall apply in addition to any right of recoupment against the Chief Executive Officer and Chief Financial Officer pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 or other applicable law or regulation. The Compensation Committee expects that it will review and modify the policy as may be required to comply with NYSE listing standards based on SEC rules once finalized.

Hedging and Pledging Restrictions

The Corporation's Insider Trading Policy prohibits pledging the Corporation's securities as collateral and entering into transactions to hedge the value of the Corporation's securities owned by individuals subject to the policy.

Employment Agreements and Change in Control Provisions

Employment Agreements

The Corporation enters into employment agreements with certain executives when it determines that an employment agreement is desirable for the Corporation to obtain a measure of assurance as to the executive's continued employment in light of prevailing market competition for the particular position held by the executive officer, or where the Compensation Committee determines that an employment agreement is necessary and appropriate to attract an executive in light of market conditions, the prior experience of the executive or practices at the Corporation with respect to other similarly situated employees.

Mr. Rebelez is party to an employment agreement with the Corporation. Mr. Rebelez's employment agreement calls for an initial employment term of three years and provides for automatic successive one-year extensions unless the Corporation or Mr. Rebelez gives notice to the contrary more than 90 days

prior to the expiration of the then-current term of the agreement. The Corporation may terminate any of the agreements, at any time, with or without cause upon written notice to the executive. Mr. Rebelez's employment agreement provides for a base salary, a target annual cash incentive opportunity of 75% of base salary and certain other perquisites and benefit programs. Mr. Rebelez's employment agreement does not contain multi-year incentive guarantees or tax gross-ups. Mr. Rebelez's employment agreement also contains confidentiality, trade secrets, discoveries and non-solicitation provisions.

Mr. del Olmo and Mr. Jakubek are each party to an employment offer letter with the Corporation, effective as of December 16, 2013 and March 31, 2008, respectively.

Ms. Stewart and Mr. Emrey were each party to an employment agreement with the Corporation prior to their departures in March 2017 on substantially similar terms as those described for Mr. Rebelez above, except for the target annual cash incentive opportunity for Ms. Stewart which was 110%. Upon Ms. Stewart's departure from the Corporation, she received severance payments and benefits consistent with her Employment Agreement, an additional \$500,000 less applicable taxes, withholdings and deductions required by law, an additional 12 months (in addition to the 24 months provided for in her Employment Agreement) to exercise any stock options or stock appreciation rights held by Ms. Stewart and reimbursement for reasonable attorney's fees incurred by Ms. Stewart in connection with discussions regarding her separation agreement, up to a maximum of \$50,000. In connection with the receipt of the above, Ms. Stewart executed a general release of all claims and liabilities against the Corporation. Mr. Emrey did not receive any severance payments or benefits in connection with his departure from the Corporation.

Under certain termination scenarios, the employment agreements may provide for severance payments, benefits continuation and vesting of outstanding equity-based awards. See "Potential Payments Upon Termination or Change in Control" in this proxy statement for additional information about severance arrangements, including projected severance payment amounts, pursuant to the employment agreements.

Amended and Restated Executive Severance and Change in Control Policy

Mr. del Olmo and Mr. Jakubek participate in the Corporation's Amended and Restated Executive Severance and Change in Control Policy. This policy is intended to increase the retention of the senior leadership team and to provide severance benefits under specified circumstances to certain individuals who are in a position to contribute materially to the success of the Corporation. These arrangements also are intended to facilitate changes in the leadership team by setting terms for the termination of an executive officer in advance, thereby allowing a smooth transition of responsibilities when it is in the best interests of the Corporation. Under certain termination scenarios, the policy may provide for severance payments, benefits continuation and vesting of certain outstanding equity-based awards. The policy does not provide for tax gross-ups. See "Potential Payments Upon Termination or Change in Control" in this proxy statement for additional information about severance arrangements, including projected severance payment amounts, pursuant to the Amended and Restated Executive Severance and Change in Control Policy.

Nonqualified Deferred Compensation Plan

Pursuant to the Deferred Compensation Plan, NEOs are eligible to defer their base salaries, annual cash incentives, and long-term incentive plan cash distributions. Deferrals are always 100% vested. This plan provides the NEOs with a long-term capital accumulation opportunity. The Deferred Compensation Plan provides a range of investment opportunities and is designed to comply with Section 409A of the Code. See "Nonqualified Deferred Compensation" in this proxy statement for additional information regarding aggregate contributions made by each of the NEOs participating in the Deferred Compensation Plan during 2016, aggregate interest or other earnings accrued during 2016, the aggregate dollar amount of withdrawals and the 2016 fiscal year end balance.

Perquisites

The Corporation provides NEOs with limited perquisites as part of a competitive total compensation package. The Compensation Committee annually reviews the perquisites provided to the NEOs and approves those personal benefits or perquisites that it deems to be in the Corporation's best interest in order to induce executives to maintain employment with us. The Corporation does not provide tax gross-ups on any perquisites provided to executives other than certain customary expenses related to relocation.

Annual Physicals. Each NEO is entitled and expected to have an annual physical provided at the Corporation's cost.

Automobile Allowances. The Corporation pays each of the NEOs an automobile allowance and other automobile-related expense reimbursements.

Airline Clubs. The Corporation will reimburse the CEO for the cost of up to three airline club memberships and each of the other NEOs for the cost of one airline club membership for their use when traveling for business.

Supplemental Life Insurance. The Corporation provides supplemental life insurance for each of the NEOs in addition to paying for life insurance for all eligible employees. Prior to her departure, Ms. Stewart was provided total insurance of \$1.4 million under the Corporation's group policy while the other NEOs are provided \$900,000 in life insurance under the Corporation's group policy.

Supplemental Disability Insurance. The Corporation provides supplemental disability insurance for each of the NEOs in addition to paying for disability insurance for all eligible employees. The coverage for each NEO generally provides for a benefit equal to 60% of pre-disability earnings subject to a maximum of \$25,000 per month.

Tax Preparation Reimbursement. The Corporation may provide tax preparation reimbursement for certain NEOs who are required to file tax returns in multiple states as a result of their employment with the Corporation. The benefit is taxable to the NEO and is intended to encourage the NEO to engage knowledgeable experts to assist with tax preparation.

Deductibility of Certain Executive Compensation

Under Section 162(m) of the Code, certain income tax deductions may be limited to the extent total compensation for certain executives exceeds \$1 million in any one year, except for compensation payments that qualify as "performance-based." To qualify as "performance-based," compensation payments must be based solely upon the achievement of objective performance goals and made under a plan that is administered by the Compensation Committee. In addition, the material terms of the plan must be approved by the stockholders and the Compensation Committee must certify that the performance goals were achieved before payments can be made. Certain of the Corporation's compensation programs have been designed to conform with Section 162(m) of the Code and related regulations. While the Compensation Committee recognizes the desirability of preserving the deductibility of payments made to NEOs under Section 162(m) of the Code, the Compensation Committee believes that it must maintain flexibility in its approach to executive compensation in order to structure a program that it considers to be the most effective in attracting, motivating and retaining the Corporation's key executives and reserves the right to forego deductibility of compensation if determined to be in the best interests of the Corporation.

COMPENSATION TABLES

2016 Summary Compensation Table

The following 2016 Summary Compensation Table and accompanying notes set forth information concerning compensation earned by each of the Corporation's NEOs for the fiscal year ended December 31, 2016, and, to the extent required under applicable SEC disclosure rules, the fiscal years ended December 31, 2015 and 2014. Richard J. Dahl commenced service as the Corporation's Chairman and Interim Chief Executive Officer on March 1, 2017 and Gregory H. Kalvin commenced service as the Corporation's Interim Chief Financial Officer on March 15, 2017. As such, Mr. Dahl and Mr. Kalvin are not considered NEOs for 2016. Mr. Dahl's compensation for 2016 is set forth in the Director Compensation section of this proxy statement.

Name & Principal Position	Year	Salary (\$)(1)	Bonus (\$)	Stock Awards (\$)(2)	Option Awards (\$)(3)	Non-Equity Incentive Plan Compensation (\$)(4)	All Other Compensation (\$)(5)	Total (\$)
Julia A. Stewart	2016	1,000,000	—	1,320,050	1,360,014	792,000	50,951	4,523,015
Former Chairman and Chief Executive Officer and Interim President, Applebee's Business Unit	2015	1,038,462	—	1,320,062	1,360,007	2,016,850	54,610	5,789,991
	2014	1,000,000	—	1,221,021	1,258,016	3,081,650	46,701	6,607,388
Thomas W. Emrey	2016	524,246	—	264,065	272,003	213,198	27,872	1,301,384
Former Chief Financial Officer	2015	528,698	—	272,359	280,513	563,701	27,570	1,672,841
	2014	491,733	—	288,758	297,517	831,435	31,293	1,940,736
Darren M. Rebelez	2016	584,736	—	272,336	280,512	256,110	32,396	1,426,090
President, IHOP Business Unit(6)	2015	375,962	475,000(7)	2,597,026(8)	306,007	661,538	70,737	4,486,270
John B. Jakubek	2016	398,554	—	181,527	187,004	129,807	32,257	929,149
Senior Vice President, Human Resources	2015	399,461	—	181,611	187,028	340,726	34,082	1,142,908
	2014	371,509	—	181,575	187,015	514,996	33,455	1,288,550
Daniel V. del Olmo(9)	2016	358,885	—	156,803	161,502	200,000	48,078	925,304
President, International and Senior Vice President, Development	2015	358,654	—	148,518	153,018	327,873	34,515	1,022,578
	2014	325,000	125,000(10)	565,504(11)	119,012	233,594	57,226	1,425,336

- (1) Represents 26, 27 and 26 bi-weekly pay periods during the fiscal years ended December 31, 2014, 2015 and 2016, respectively.
- (2) The amounts reported in this column for 2016 represent the aggregate grant date fair value related to the RSAs that were granted as part of the 2016 LTI award computed in accordance with FASB ASC Topic 718. The amounts in the "Stock Awards" column for prior years include the aggregate grant date fair value related to stock awards granted in each of the years shown, computed in accordance with FASB ASC Topic 718. See Note 13 to Consolidated Financial Statements in the Corporation's annual report on Form 10-K for the year ended December 31, 2016, 2015 and 2014 for information regarding assumptions underlying the valuation of equity awards granted in 2016, 2015 and 2014.
- (3) The amounts in the "Option Awards" column include the aggregate grant date fair value related to option awards granted in each of the years shown, computed in accordance with FASB ASC Topic 718. See Note 13 to Consolidated Financial Statements in the Corporation's annual report on Form 10-K for the year ended December 31, 2016, 2015 and 2014 for information regarding assumptions underlying the valuation of option awards granted in 2016, 2015 and 2014.
- (4) The amounts in the "Non-Equity Incentive Plan Compensation" column for 2016 include payouts under the 2016 Annual Incentive Plan. These payout amounts were based on the Corporation's and, if applicable, the individual's attainment of certain pre-determined performance targets. No payouts were made under the cash LTIP for the fiscal 2014-2016 performance period. For additional information on the amounts earned for 2016, see the section entitled "Performance- and Stock-Based Compensation" in the Compensation Discussion and Analysis section of this proxy statement.

- (5) The amounts in “All Other Compensation” for 2016 include amounts paid or reimbursed for the following:

<u>Name</u>	<u>Auto Allowance and Expenses (\$)</u>	<u>401(k) Plan Contributions (\$)</u>	<u>Relocation Expenses (\$)</u>	<u>Life and Disability Insurance Premiums (\$)</u>	<u>Annual Physical Exam (\$)</u>	<u>Tax Preparation (\$)</u>	<u>Airline Club (\$)</u>	<u>Total (\$)</u>
Julia A. Stewart	19,147	13,250	—	3,945	2,600	10,559	1,450	50,951
Thomas W. Emrey	11,187	13,250	—	3,435	—	—	—	27,872
Darren M. Rebelez	12,411	13,250	—	3,435	2,900	—	400	32,396
John B. Jakubek	13,307	13,250	—	3,435	2,265	—	—	32,257
Daniel V. del Olmo	17,671	13,250	10,822	3,435	2,900	—	—	48,078

- (6) Mr. Rebelez commenced employment with the Corporation as President, IHOP Business Unit on May 4, 2015.
- (7) Represents Mr. Rebelez’s 2015 sign-on bonus.
- (8) Includes sign-on RSAs awarded to Mr. Rebelez in 2015 valued at \$2,300,015.
- (9) Mr. del Olmo was not an NEO in 2015.
- (10) Represents Mr. del Olmo’s 2014 sign-on bonus.
- (11) Includes sign-on RSAs awarded to Mr. del Olmo in 2014 valued at \$450,000.

Grants of Plan-Based Awards in 2016

The following table provides information with respect to the plan-based awards granted by the Compensation Committee to the NEOs in 2016. Plan-based awards include annual incentive plan awards under the Corporation's 2016 Annual Incentive Plan ("AIP"), RSAs and NQSOs and cash LTIP awards under the 2011 Stock Incentive Plan. For additional information on the performance objectives and determination of threshold, target and maximum payouts for these awards, see the section entitled "Performance- and Stock-Based Compensation" in the Compensation Discussion and Analysis section of this proxy statement. For the actual amounts earned under the AIP awards, see the 2016 Summary Compensation Table in this proxy statement.

Name / Type of Award	Grant Date	Approval Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			All Other Stock Awards: Number of Shares or Stock Units (#)(2)	All Other Option Awards: Number of Securities Underlying Options (#)(3)	Exercise or Base Price of Option Awards (\$/Share)	Grant Date Fair Value of Stock and Option Awards \$(4)
			Threshold (\$)	Target (\$)	Maximum (\$)				
Julia A. Stewart									
AIP	—	—	550,000	1,100,000	2,200,000	—	—	—	—
LTIP	—	—	660,000	1,320,000	2,640,000	—	—	—	—
RSA	2/26/2016	2/22/2016	—	—	—	14,522	—	—	1,320,050
NQSO	2/26/2016	2/22/2016	—	—	—	—	100,370	90.90	1,360,014
Thomas W. Emrey									
AIP	—	—	197,405	394,810	789,620	—	—	—	—
LTIP	—	—	132,000	264,000	528,000	—	—	—	—
RSA	2/26/2016	2/22/2016	—	—	—	2,905	—	—	264,065
NQO	2/26/2016	2/22/2016	—	—	—	—	20,074	90.90	272,003
Darren M. Rebelez									
AIP	—	—	219,940	439,879	879,758	—	—	—	—
LTIP	—	—	136,125	272,250	544,500	—	—	—	—
RSA	2/26/2016	2/22/2016	—	—	—	2,996	—	—	272,336
NQSO	2/26/2016	2/22/2016	—	—	—	—	20,702	90.90	280,512
John B. Jakubek									
AIP	—	—	120,191	240,383	480,766	—	—	—	—
LTIP	—	—	90,750	181,500	363,000	—	—	—	—
RSA	2/26/2016	2/22/2016	—	—	—	1,997	—	—	181,527
NQSO	2/26/2016	2/22/2016	—	—	—	—	13,801	90.90	187,004
Daniel V. del Olmo									
AIP	—	—	135,188	270,375	540,750	—	—	—	—
LTIP	—	—	78,375	156,750	313,500	—	—	—	—
RSA	2/26/2016	2/22/2016	—	—	—	1,725	—	—	156,803
NQSO	2/26/2016	2/22/2016	—	—	—	—	11,919	90.90	161,502

- (1) Please see the section entitled "Performance- and Stock-Based Compensation" in the Compensation Discussion and Analysis section of this proxy statement for additional information regarding the AIP and cash LTIP.
- (2) RSAs reflected in this table cliff vest in full on the third anniversary of the date of grant.
- (3) NQSOs reflected in this table vest and become exercisable as to one-third of the shares subject to the NQSO on each of the first, second and third anniversaries of the date of grant.
- (4) The amounts in this column represent the aggregate grant date fair value related to RSAs and NQSO awards granted in 2016 computed in accordance with FASB ASC Topic 718. See Note 13 to Consolidated Financial Statements in the Corporation's annual report on Form 10-K for the year ended December 31, 2016 for information regarding assumptions underlying the valuation of equity awards.

Outstanding Equity Awards at 2016 Fiscal Year-End

The following table provides summary information regarding the outstanding equity awards for the Corporation's NEOs at December 31, 2016.

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options		Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)(1)
	Exercisable (#)	Unexercisable (#)				
Julia A. Stewart	59,081	—	56.42	3/01/2021	14,969(2)	1,152,613
	44,146	—	52.37	2/28/2022	11,608(3)	893,816
	30,224	—	72.28	2/26/2023	14,522(4)	1,118,194
	31,042	15,521(5)	81.57	2/25/2024		
	15,436	30,870(6)	113.72	2/24/2025		
	—	100,370(7)	90.90	2/26/2026		
Thomas W. Emrey	30,000	—	38.70	9/12/2021	3,540(2)	272,580
	10,669	—	52.37	2/28/2022	2,395(3)	184,415
	7,792	—	72.28	2/26/2023	2,905(4)	223,685
	7,342	3,670(5)	81.57	2/25/2024		
	3,184	6,367(6)	113.72	2/24/2025		
	—	20,074(7)	90.90	2/26/2026		
Darren M. Rebelez	5,435	10,868(8)	95.81	5/15/2025	18,005(9)	1,386,385
	—	20,702(7)	90.90	2/26/2026	3,100(10)	238,700
					2,996(4)	230,692
John B. Jakubek	16,838	—	28.21	2/22/2020	2,226(2)	171,402
	10,488	—	57.21	2/28/2021	1,597(3)	122,969
	6,990	—	52.37	2/28/2022	1,997(4)	153,769
	4,959	—	72.28	2/26/2023		
	4,615	2,307(5)	81.57	2/25/2024		
	2,123	4,245(6)	113.72	2/24/2025		
	—	13,801(7)	90.90	2/26/2026		
Daniel V. del Olmo	2,937	1,468(5)	81.57	2/25/2024	1,792(11)	137,984
	1,737	3,473(6)	113.72	2/24/2025	1,416(2)	109,032
	—	11,919(7)	90.90	2/26/2026	1,306(3)	100,562
				1,725(4)	132,825	

- (1) Per share value of stock awards is \$77.00 based on the closing price of the Common Stock on the NYSE on December 30, 2016.
- (2) These RSAs vested in full on February 22, 2017 for Ms. Stewart and on February 25, 2017 for the other NEOs.
- (3) These RSAs (a) vested on February 22, 2017 for Ms. Stewart; (b) were forfeited by Mr. Emrey upon his departure; and (c) will vest in full on February 24, 2018 for the other NEOs.
- (4) These RSAs (a) vested on February 22, 2017 for Ms. Stewart; (b) were forfeited by Mr. Emrey upon his departure; and (c) will vest in full on February 26, 2019 for the other NEOs.
- (5) These options became exercisable on February 22, 2017 for Ms. Stewart and became exercisable on February 25, 2017 for the other NEOs.

- (6) These options (a) became exercisable on February 22, 2017 for Ms. Stewart; (b) became exercisable as to one-half on February 24, 2017 for the NEOs, excluding Ms. Stewart; (c) were forfeited as to one-half by Mr. Emrey upon his departure; and (d) will become exercisable as to one-half on February 24, 2018 for the NEOs excluding Ms. Stewart and Mr. Emrey.
- (7) These options (a) became exercisable on February 22, 2017 for Ms. Stewart; (b) became exercisable as to one-third on February 26, 2017 for the NEOs, excluding Ms. Stewart; (c) were forfeited as to two-thirds by Mr. Emrey upon his departure; and (d) will become exercisable as to one-third on each of February 26, 2018 and 2019 for the NEOs excluding Ms. Stewart and Mr. Emrey.
- (8) These options will become exercisable as to one-half on each of May 15, 2017 and 2018.
- (9) These RSAs vest in full as to one third on each of May 15, 2017, 2018 and 2019.
- (10) These RSAs vest in full on May 15, 2018.
- (11) These RSAs vested in full on January 15, 2017.

2016 Option Exercises and Stock Vested

The following table provides information on stock option exercises and vesting of stock awards by the NEOs during the fiscal year ended December 31, 2016.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)(1)	Number of Shares Acquired on Vesting (#)(2)	Value Realized on Vesting (\$)(3)
Julia A. Stewart	—	—	14,610	1,328,049(4)
Thomas W. Emrey	—	—	3,767	342,420(4)
Darren M. Rebelez	—	—	6,001	491,542(5)
John B. Jakubek	33,500	1,979,525	2,397	217,887(4)
Daniel V. del Olmo	—	—	1,792	147,392(6)

- (1) Represents the difference between the market value of the stock on the exercise date and the exercise price times the number of NQSOs exercised.
- (2) Represents the lapsing of restrictions on and the release of RSAs granted to the NEO.
- (3) Represents the product of the number of shares vested and the closing price of the Corporation's Common Stock on the NYSE on the vesting date.
- (4) Value realized is based on a closing price of \$90.90 per share on the February 26, 2016 vesting date.
- (5) Value realized is based on a closing price of \$81.91 per share on the May 13, 2016 vesting date.
- (6) Value realized is based on a closing price of \$82.25 per share on the January 15, 2016 vesting date.

2016 Nonqualified Deferred Compensation

Pursuant to the Deferred Compensation Plan, certain highly compensated employees can elect to defer up to 80% of their base salary, 100% of annual cash incentive and 100% of long-term incentive plan distributions instead of receiving these amounts as payments taxable in the year of receipt.

Under the Deferred Compensation Plan, participants may designate select investment options approved by the Compensation Committee administering the Deferred Compensation Plan in which the deferred compensation payments are deemed to be invested. These investment options are not publicly traded and are only available through variable insurance products. Participants have no ownership interest in the investment options they select, as the investment options are used principally to measure gains or losses. Amounts are credited or debited to participant's account balance in accordance with deferral elections made by the participant. There is no guaranteed investment return on any deferred payment amounts.

The unfunded, nonqualified plan structure of the Deferred Compensation Plan is required in order to preserve the beneficial tax deferral treatment for the participants. Amounts in a participant’s deferral account represent unsecured claims against the Corporation’s assets.

Deferred amounts together with any credited investment returns are paid out to participants in accordance with their advance written election either in a lump sum or annual installment payments commencing on the applicable benefit distribution date selected by the participant.

Contributions to or withdrawals from the Deferred Compensation Plan by NEOs during 2016 are shown below. The following table provides information regarding aggregate interest or other earnings accrued during 2016 and the aggregate account balance at 2016 fiscal year end.

<u>Name</u>	<u>Executive Contributions in FY 2016 (\$)</u>	<u>Aggregate Earnings (loss) in FY 2016 (\$)</u>	<u>Aggregate Withdrawals/ Distributions in FY 2016 (\$)</u>	<u>Aggregate Balance at FYE 2016 (\$)</u>
Julia A. Stewart	—	(2,416)	—	280,770
Thomas W. Emrey	—	—	—	—
Darren M. Rebelez	—	—	—	—
John B. Jakubek	325,843	33,728	—	500,313
Daniel V. del Olmo	—	104	—	225,744

Employment Agreements

The employment agreement for Mr. Rebelez and the employment offer letters and Amended and Restated Executive Severance and Change in Control Policy for Mr. del Olmo and Mr. Jakubek provide for severance benefits in the event of termination by the Corporation without “cause,” termination by the executive for “good reason” either prior to or following a “change in control,” termination upon a change in control only, termination due to death and termination due to disability. Ms. Stewart’s and Mr. Emrey’s employment agreements contained the same terms.

Employment Agreement with Darren M. Rebelez

The employment agreement between the Corporation and Mr. Rebelez provides that, in the event of termination by the Corporation without “cause” or by Mr. Rebelez for “good reason” prior to a “change in control,” upon executing a release of claims in favor of the Corporation, Mr. Rebelez will be entitled to the following benefits:

- any accrued base salary through the date of termination;
- a lump sum payment equal to the sum of his annual base salary, plus the average of his actual bonus attributable to the prior one, two or three years, depending on Mr. Rebelez’s length of service;
- continued insurance coverage for a maximum of 12 months;
- full vesting of any unvested time- or service-based stock options, SARs, and other equity-based awards that would have vested during the 12-month period following the date of his termination so long as such awards are not considered by the Corporation to be granted in connection with the commencement of Mr. Rebelez’s employment;
- full vesting of any unvested time- or service-based stock options, SARs, and other equity-based awards that would have vested during the 12-month period following the date of his termination for awards that are considered by the Corporation to be granted in connection with the commencement of Mr. Rebelez’s employment so long as termination occurs following the second anniversary of Mr. Rebelez’s start date;

- pro rata vesting of any unvested equity-based or long-term cash-based awards subject to performance-based vesting conditions that would have vested at the end of the performance period, based on actual performance during such performance period;
- the right to exercise any vested stock options or SARs for up to 24 months; and
- up to \$10,000 in outplacement assistance.

The employment agreement with Mr. Rebelez also provides that, in the event of termination by the Corporation without “cause” or by Mr. Rebelez for “good reason” within 3 months prior or 24 months following a “change in control,” upon executing a release of claims in favor of the Corporation, Mr. Rebelez will be entitled to the following benefits:

- a lump sum payment equal to two times the sum of his base salary, plus the average of his actual bonus attributable to the prior one, two or three years depending on Mr. Rebelez’s length of service;
- a lump sum payment equal to his prorated bonus for the year of termination based on actual performance through the date of termination;
- continued insurance coverage for a maximum of 24 months;
- full vesting of any unvested stock options, SARs, and other equity-based awards;
- full vesting of any unvested equity-based or long-term cash-based awards subject to performance-based vesting conditions, based on actual performance; and
- the right to exercise any vested stock options or SARs for up to 24 months.

Amended and Restated Executive Severance and Change in Control Policy

Pursuant to the terms of the employment offer letters for Mr. del Olmo and Mr. Jakubek and the Amended and Restated Executive Severance and Change in Control Policy, if the executive’s employment is involuntarily terminated by the Corporation without “cause” prior to a “change in control,” upon executing a release of claims in favor of the Corporation, the executive will be entitled to the following benefits:

- an amount equal to 12 months’ base salary, plus pro rata bonus; and
- up to \$5,000 in outplacement assistance.

The Amended and Restated Executive Severance and Change in Control Policy also provides that in the event the executive’s employment is involuntarily terminated by the Corporation without “cause” within 24 months following a “change in control” or the executive’s employment is voluntarily terminated for “good reason” within 24 months following a “change in control,” upon executing a release of claims in favor of the Corporation, the executive will be entitled to the following benefits:

- an amount equal to 24 months’ base salary, plus the greater of the target bonus for the year in which the termination occurs or the average of the executive’s actual bonus attributable to the prior three years;
- full vesting of any unvested stock options, restricted stock, other unvested equity awards or grants, and unvested long-term cash-based awards subject to performance-based vesting conditions, based on actual performance;
- up to \$5,000 in outplacement assistance; and
- continued insurance coverage for a maximum of 24 months.

Employment Agreement with Julia A. Stewart

The employment agreement between Ms. Stewart and the Corporation provided that, in the event of termination by the Corporation without “cause” or by Ms. Stewart for “good reason” prior to a “change in control,” she would be entitled to the following benefits:

- a lump sum payment equal to two times the sum of her annual base salary, plus the average of her actual bonus attributable to the prior three years;
- continued insurance coverage for a maximum of 24 months;
- reimbursement of reasonable business expenses incurred through the date of termination;
- full vesting of any unvested time- or service-based stock options, SARs, and any other equity-based awards as of the day immediately preceding the effective date of termination;
- full vesting of any unvested equity-based awards that are subject to performance-based vesting conditions, based on actual performance during the applicable performance period through the date of termination; and
- the right to exercise any vested stock options or SARs for up to 24 months.

In the event of termination by the Corporation without “cause” or by Ms. Stewart for “good reason” within 24 months following a “change in control,” she would have been entitled to the following benefits:

- a lump sum payment equal to three times the sum of her annual base salary, plus the average of her actual bonus attributable to the prior three years;
- a lump sum payment equal to her prorated bonus for the year of termination based on actual performance through the date of termination;
- continued insurance coverage for a maximum of 36 months;
- full vesting of any unvested stock options, SARs, and other equity-based awards;
- full vesting of any unvested equity-based or long-term cash-based awards that are subject to any performance-based vesting conditions, based on actual performance; and
- the right to exercise any vested stock options or SARs for up to 24 months.

Upon Ms. Stewart’s departure from the Corporation, she received severance payments and benefits consistent with her Employment Agreement dated as of November 1, 2008 (“Employment Agreement”), discussed above, an additional \$500,000 less applicable taxes, withholdings and deductions required by law, an additional 12 months (in addition to the 24 months provided for in her Employment Agreement) to exercise any stock options or stock appreciation rights held by Ms. Stewart and reimbursement for reasonable attorney’s fees incurred by Ms. Stewart in connection with discussions regarding her separation agreement, up to a maximum of \$50,000. In connection with the receipt of the above, Ms. Stewart executed a general release of all claims and liabilities against the Corporation.

Employment Agreement with Thomas W. Emrey

The employment agreement between the Corporation and Mr. Emrey provided that, in the event of termination by the Corporation without “cause” or by Mr. Emrey for “good reason” prior to a “change in control,” upon executing a release of claims in favor of the Corporation, Mr. Emrey would be entitled to the following benefits:

- any accrued base salary through the date of termination;
- a lump sum payment equal to the sum of his annual base salary, plus the average of his actual bonus attributable to the prior three years;

- continued insurance coverage for a maximum of 12 months;
- full vesting of any unvested time- or service-based stock options, SARs, and other equity-based awards that would have vested during the 12-month period following the date of his termination;
- pro rata vesting of any unvested equity-based or long-term cash-based awards subject to performance-based vesting conditions that would have vested at the end of the performance period, based on actual performance during such performance period;
- the right to exercise any vested stock options or SARs for up to 24 months; and
- up to \$10,000 in outplacement assistance.

The employment agreement with Mr. Emrey also provided that, in the event of termination by the Corporation without “cause” or by Mr. Emrey for “good reason” within 24 months following a “change in control,” upon executing a release of claims in favor of the Corporation, Mr. Emrey would have been entitled to the following benefits:

- a lump sum payment equal to two times the sum of his base salary, plus the average of his actual bonus attributable to the prior three years;
- a lump sum payment equal to his prorated bonus for the year of termination based on actual performance through the date of termination;
- continued insurance coverage for a maximum of 24 months;
- full vesting of any unvested stock options, SARs, and other equity-based awards;
- full vesting of any unvested equity-based or long-term cash-based awards subject to performance-based vesting conditions, based on actual performance; and
- the right to exercise any vested stock options or SARs for up to 24 months.

Mr. Emrey did not receive any severance payments or benefits in connection with his departure from the Corporation in March 2017.

The employment agreement for Mr. Rebelez as well as the Amended and Restated Executive Severance and Change in Control Policy applicable to Mr. del Olmo and Mr. Jakubek, also provide that if any payment or benefit received by the executive would not be deductible by reason of Section 280G of the Code, then the payment or benefits will be reduced until no portion of such payment or benefits is not deductible by reason of Section 280G of the Code, provided, that no such reduction will be made unless the net after-tax benefit received by the executive after such reduction would exceed the net after-tax benefit received by the executive if no such reduction was made. Ms. Stewart’s and Mr. Emrey’s employment agreements contained the same terms.

Potential Payments Upon Termination or Change in Control

The information below describes and estimates certain compensation that would become payable under existing plans and arrangements assuming the NEO’s employment had terminated or a “change in control” had occurred on December 31, 2016, based on the Corporation’s closing stock price on December 30, 2016. These benefits are in addition to benefits available generally to salaried employees.

Due to the number of factors that affect the nature and amount of any benefits provided upon the events discussed below, any actual amounts paid or distributed may be different. Factors that could affect these amounts include the timing during the year of any such event and the Corporation’s stock price. The value of the payments made to Ms. Stewart upon her departure from the Corporation in March 2017 differed from the amounts disclosed in the following tables for a number of reasons, including the timing of her departure and the stock price on such date.

There can be no assurance that a termination or “change in control” would produce the same or similar results as those described if occurring on another date or at another price, or if any assumption used to

prepare this information is not correct in fact. Please see “Employment Agreements and Change in Control Provisions” in the Compensation Discussion and Analysis section of this proxy statement for additional information.

The following table presents payments for involuntary termination by the Corporation for reasons other than “cause” or, in the case of Ms. Stewart, Mr. Emrey and Mr. Rebelez, voluntary termination by the participant for “good reason” prior to a “change in control.”

<u>Payments</u>	<u>Stewart</u>	<u>Emrey</u>	<u>Rebelez</u>	<u>Jakubek</u>	<u>del Olmo</u>
Cash Severance	\$6,094,933	\$1,097,515	\$1,248,043	\$400,638	\$360,500
Pro-Rata Bonus Payment	—	—	—	129,807	200,000
Time-Vested NQSO Spread Value	—	—	—	—	—
Time-Vested RSA Value	3,164,623	272,580	462,116	—	—
Cash LTIP Value	—	62,128	64,070	—	—
Welfare Benefit Value	42,889	17,809	18,143	—	—
Outplacement	—	10,000	10,000	5,000	5,000
Aggregate Payments	\$9,302,445	\$1,460,032	\$1,802,372	\$535,445	\$565,500

The following table presents payments for involuntary termination by the Corporation for reasons other than “cause” or, in the case of Ms. Stewart, Mr. Emrey and Mr. Rebelez, voluntary termination by the participant for “good reason” following a “change in control” (“CIC”):

<u>Payments</u>	<u>Stewart</u>	<u>Emrey</u>	<u>Rebelez</u>	<u>Jakubek</u>	<u>del Olmo</u>
Cash Severance	\$ 9,142,400	\$2,195,030	\$2,496,087	\$1,146,438	\$1,001,733
Pro-Rata Bonus Payment	792,000	213,198	256,110	129,807	200,000
Time-Vested NQSO Spread Value Due to CIC	—	—	—	—	—
Time-Vested RSA Value Due to CIC ...	3,164,623	680,680	1,855,739	448,140	480,429
Cash LTIP Value Due to CIC	931,920	186,384	192,209	128,139	110,666
Welfare Benefit Value	64,334	35,617	36,285	26,611	14,960
Outplacement	—	—	—	5,000	5,000
Severance Reduction (Due to Alternative Cap)	—	—	—	—	—
Aggregate Payments	\$14,095,277	\$3,310,909	\$4,836,430	\$1,884,135	\$1,812,788

The following table presents payments upon a “change in control” only and no termination of employment.

<u>Payments</u>	<u>Stewart</u>	<u>Emrey</u>	<u>Rebelez</u>	<u>Jakubek</u>	<u>del Olmo</u>
Time-Vested NQSO Spread Value Due to CIC	—	—	—	—	—
Time-Vested RSA Value Due to CIC	\$3,164,623	\$680,680	\$1,855,739	\$448,140	\$480,429
Cash LTIP Value Due to CIC	931,920	186,384	192,209	128,139	110,666
Aggregate Payments	\$4,096,543	\$867,064	\$2,047,948	\$576,279	\$591,095

The following table presents payments upon termination of employment due to disability or death.

<u>Payments</u>	<u>Stewart</u>	<u>Emrey</u>	<u>Rebelez</u>	<u>Jakubek</u>	<u>del Olmo</u>
Pro-Rata Bonus Payment	\$ 792,000	\$213,198	\$ 256,110	\$129,807	\$200,000
Time-Vested NQSO Spread Value Due to Death or Disability	—	—	—	—	—
Time-Vested RSA Value Due to Death or Disability	3,164,623	680,680	1,855,739	448,140	480,429
Cash LTIP Value Due Death or Disability	310,640	62,128	64,070	42,713	36,889
Aggregate Payments	\$4,267,263	\$956,006	\$2,175,919	\$620,660	\$717,318

Securities Authorized for Issuance Under Equity Compensation Plans

During 2016, the Corporation issued equity securities pursuant to the 2011 Stock Incentive Plan and the 2016 Stock Incentive Plan. The 2016 Stock Incentive Plan was approved by stockholders at the Corporation's 2016 annual meeting of stockholders and replaced the 2011 Stock Incentive Plan.

Equity Compensation Plan Information

The following table provides information as of December 31, 2016 about Common Stock that may be issued under the 2016 Stock Incentive Plan.

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Options, Warrants and Rights (#)	(b) Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (\$)/Share	(c) Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (#)
Equity Compensation Plans approved by security holders	701,134	80.04	3,726,832
Equity Compensation Plans not approved by security holders	—	—	—
Total	701,134	80.04	3,726,832

Equity Compensation Plan Information

The number of securities remaining available for future issuance represents shares under the 2016 Stock Incentive Plan.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

As of December 31, 2016, the members of the Compensation Committee of the Board of Directors were Patrick W. Rose (Chairman), Daniel J. Brestle, Caroline W. Nahas and Stephen P. Joyce. None of the Corporation's executive officers or directors served on the board of directors of any entities whose directors or officers served on the Compensation Committee of the Board of Directors. No current or past executive officers or employees of the Corporation serve on the Compensation Committee and no Compensation Committee member had a relationship during 2016 that would require disclosure pursuant to Item 404 of Regulation S-K.

EXECUTIVE OFFICERS OF THE CORPORATION

General. The following table sets forth certain information with respect to each person who is currently an executive officer of the Corporation:

Name	Age	Position and Offices with the Corporation
Richard J. Dahl	65	Chairman of the Board and Interim Chief Executive Officer
Darren M. Rebelez	51	President, IHOP Business Unit
John C. Cywinski	54	President, Applebee's Business Unit
Daniel V. del Olmo	42	President, International and Senior Vice President, Development
Bryan R. Adel	54	Senior Vice President, Legal, General Counsel and Secretary
John B. Jakubek	64	Senior Vice President, Human Resources
Greggory H. Kalvin	57	Interim Chief Financial Officer and Senior Vice President, Corporate Controller

Executive officers of the Corporation are appointed by, and serve at the discretion of, the Board of Directors.

Biographical information for Mr. Dahl is provided in the section entitled “Proposal One: Election of Two Class II Directors—Continuing Directors.” Certain biographical information for the other executive officers is set forth below.

Mr. Rebelez was appointed to the position of President, IHOP Business Unit in May 2015. Mr. Rebelez served as executive vice president and chief operating officer for 7-Eleven, Inc., a convenience store chain, from July 2007 to October 2014. Previously, Mr. Rebelez held executive level positions with ExxonMobil’s Fuels Marketing Company. Mr. Rebelez has served as a director of Torchmark Corporation since 2010.

Mr. Cywinski was appointed to the position of President, Applebee’s Business Unit in March 2017. Mr. Cywinski served as Executive Vice President of Strategic Innovation and Marketing at Brinker International, Inc. from March 2016 to March 2017. Mr. Cywinski was previously with Yum! Brands, Inc. in several roles from August 2010 to April 2014, including as President, KFC Corporation U.S. from November 2011 to April 2014.

Mr. del Olmo was appointed to the position of President, International of the Corporation in February 2015 and Senior Vice President, Development in January 2017. Mr. del Olmo served as Senior Vice President, International of the Corporation from December 2013 to February 2015. Previously, Mr. del Olmo served as senior vice president and managing director at Wyndham Hotel Group for Wyndham Worldwide, a hotel company, from May 2011 to December 2013. Mr. del Olmo served in various other senior management positions while at Wyndham from December 2002 to December 2013.

Mr. Adel was appointed to the position of Senior Vice President, Legal, General Counsel and Secretary of the Corporation in August 2010. Mr. Adel served as senior vice president, general counsel and corporate secretary for Viant Holdings, Inc., a provider of healthcare payment solutions, from 2007 to 2010. Mr. Adel also spent over ten years at McDonald’s Corporation in various legal and business roles. Mr. Adel served on the board of directors of Chipotle Mexican Grill, Inc. from 2001 to 2003.

Mr. Jakubek was appointed to the position of Senior Vice President, Human Resources of the Corporation in March 2008. Prior to joining the Corporation, Mr. Jakubek served as senior vice president of human resources for Oakwood Worldwide, Inc. from 2006 to 2008. Mr. Jakubek also held the position of vice president human resources for several divisions of ConAgra Foods, Inc. from 2001 to 2006.

Mr. Kalvin was appointed to the position of Interim Chief Financial Officer in March 2017 and Senior Vice President, Corporate Controller of the Corporation in November 2009. Mr. Kalvin served as Vice President, Corporate Controller of the Corporation from 2007 to 2009 and Acting Chief Financial Officer of the Corporation from September 2008 to February 2009. Previously, Mr. Kalvin served as Chief Accounting Officer of j2 Global Communications, Inc. from 2003 to 2007.

AUDIT-RELATED MATTERS
REPORT OF THE AUDIT AND FINANCE COMMITTEE

The Board of Directors has determined that:

- each Audit and Finance Committee member is “independent” under the corporate governance listing standards of the NYSE and is or will become “financially literate,” as defined by the NYSE, within a reasonable period of time after appointment to the Audit and Finance Committee;
- the Audit and Finance Committee satisfies the “financial management expertise” standard, as required by the NYSE; and
- Douglas M. Pasquale, Chairman of the Audit and Finance Committee, is an “audit committee financial expert,” as defined by the SEC.

Management is responsible for the preparation of financial statements and the financial reporting process, including the system of internal controls over financial reporting. Ernst & Young LLP (“Ernst & Young”), the Corporation’s independent auditor, is responsible for performing an independent audit of the Corporation’s consolidated financial statements in accordance with auditing standards generally accepted in the United States of America and for issuing a report thereon. The Audit and Finance Committee is responsible for assisting the Board of Directors in monitoring:

- the integrity of the Corporation’s financial statements;
- the Corporation’s compliance with legal and regulatory requirements;
- the Corporation’s independent auditor’s qualifications and independence; and
- the performance of the Corporation’s independent auditor and the Corporation’s internal audit function.

It is the Audit and Finance Committee’s policy to review and approve in advance all proposed audit and non-audit services to be provided by the Corporation’s independent auditor.

During 2016, the Audit and Finance Committee met nine times and held separate discussions with management, the Corporation’s internal auditors and Ernst & Young. The Audit and Finance Committee reviewed and discussed the Corporation’s interim financial information contained in each quarterly earnings announcement with the Corporation’s Chief Executive Officer, Chief Financial Officer, General Counsel, Corporate Controller and Ernst & Young prior to public release. The Audit and Finance Committee reviewed the Corporation’s quarterly financial statements with management and Ernst & Young.

Management has represented to the Audit and Finance Committee that the Corporation’s consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America. The Audit and Finance Committee reviewed and discussed with management and Ernst & Young the Corporation’s fiscal year ending December 31, 2016 annual consolidated financial statements. The Audit and Finance Committee has also discussed the following with Ernst & Young:

- the matters required to be discussed under Auditing Standard No. 1301, “Communications with Audit Committees,” issued by the Public Company Accounting Oversight Board (United States) which include, among other items, matters related to the conduct of the audit of the Corporation’s annual consolidated financial statements;
- the critical accounting policies and practices used in the preparation of the Corporation’s annual consolidated financial statements, alternative treatments of financial information within generally accepted accounting principles that Ernst & Young discussed with management, the ramifications of using such alternative treatments, and the treatment preferred by Ernst & Young; and
- other written communications between Ernst & Young and management.

In addition, the Audit and Finance Committee has received and reviewed the written disclosures and the letter from Ernst & Young required by applicable requirements of the Public Company Accounting Oversight Board regarding Ernst & Young's communications with the Audit and Finance Committee concerning independence, and has discussed with Ernst & Young the firm's independence from the Corporation and management, including all relationships between Ernst & Young and the Corporation.

The Audit and Finance Committee has considered whether the provision of non-audit services by Ernst & Young in the fiscal year ending December 31, 2016 is compatible with maintaining the auditors' independence and determined that the provision of non-audit services by Ernst & Young is compatible with maintaining the auditors' independence. The Audit and Finance Committee discussed with the Corporation's internal auditors, Ernst & Young and management the overall scope and plans for their respective audits. The Audit and Finance Committee met with the internal auditors and Ernst & Young, with and without management present, to discuss the results of their respective audits, the evaluations of the Corporation's internal controls over financial reporting, and the overall quality of the Corporation's financial reporting. The Audit and Finance Committee also discussed with Ernst & Young whether there were any audit problems or difficulties, and management's response. In addition, the Audit and Finance Committee monitored the Corporation's compliance activities relating to the Sarbanes-Oxley Act of 2002.

Based on the reviews and discussions described above, the Audit and Finance Committee recommended to the Board of Directors that the audited consolidated financial statements be included in the Corporation's Annual Report on Form 10-K for the fiscal year ending December 31, 2016, for filing with the SEC.

The Audit and Finance Committee also selected Ernst & Young as the Corporation's independent auditor for the fiscal year ending December 31, 2017. The Board of Directors is recommending that stockholders ratify this appointment at the Annual Meeting.

**THIS REPORT IS SUBMITTED BY THE
AUDIT AND FINANCE COMMITTEE OF THE BOARD OF DIRECTORS**

Douglas M. Pasquale (Chairman)
Howard M. Berk
Larry A. Kay
Lilian Tomovich

Independent Auditor Fees

The following table sets forth information concerning Ernst & Young's fees for the fiscal years ended December 31, 2016 and 2015. All of the fees shown in the table were approved by the Audit and Finance Committee in conformity with its pre-approval process.

<u>Type of Fee</u>	<u>2016</u>	<u>2015</u>
Audit Fees	\$1,386,729	\$1,423,033
Audit-Related Fees	21,000	—
Tax Fees	160,489	140,460
All Other Fees	1,995	1,995
Total	<u>\$1,570,213</u>	<u>\$1,565,488</u>

Audit Fees comprise fees for professional services necessary to perform an audit or review in accordance with the standards of the Public Company Accounting Oversight Board, including services rendered for the audit of the Corporation's annual financial statements (including services incurred in rendering an opinion under Section 404 of the Sarbanes-Oxley Act of 2002) and review of quarterly financial statements. Audit fees also include fees for services that are normally incurred in connection with statutory and regulatory filings or engagements, such as comfort letters, statutory audits, attest services, consents, and review of documents filed with the SEC.

Audit-Related Fees comprise fees for services that are reasonably related to the performance of the audit or review of the Corporation's financial statements, including the support of business acquisition and divestiture activities, independent assessment of controls related to outsourcing services, and review of retirement and other benefit-related programs.

Tax Fees comprise fees for tax compliance, tax planning, and tax advice, including the provision of such services in connection with business acquisition and divestiture activities.

All Other Fees consists of fees relating to other non-audit and non-tax services.

Pre-Approval of Audit and Permissible Non-Audit Services of the Independent Auditor

The Audit and Finance Committee reviews and, as appropriate, approves in advance the independent auditor's annual engagement letter, including the proposed fees contained therein. The Audit and Finance Committee also reviews all audit and permitted non-audit engagements and relationships between the Corporation and its independent auditor, and approves in advance all of the fees related thereto. These services may include audit services, audit-related services, tax services, and other specifically designated non-audit services.

MATTERS TO BE VOTED UPON AT THE ANNUAL MEETING

PROPOSAL ONE: ELECTION OF TWO CLASS II DIRECTORS

Based on the recommendation of the Nominating and Corporate Governance Committee, the Board of Directors has designated the two nominees listed below for election as Class II directors of the Corporation to serve for a term of three years that will expire at the Corporation's 2020 annual meeting of stockholders. The Board of Directors has also designated Richard J. Dahl to serve as the Chairman of the Board of Directors and Caroline W. Nahas to serve as the independent Lead Director.

No stockholder recommended any candidates to stand for election to the Board of Directors at the Annual Meeting. Your proxy will be voted as specified thereon or, if no instructions are given, for the Board of Directors 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 of Directors 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 of Directors has no reason to believe that any of the nominees, each of whom currently serves on the Board of Directors, will be unavailable or unable to serve if elected.

The Board of Directors believes that each of the director nominees and continuing directors is well qualified to serve on the Board of Directors, and each of the nominees brings his or her particular business, industry and financial experience and expertise to the Board of Directors. The Board of Directors 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 the nominee should serve as a director of the Corporation.

Class II Directors—Terms to Expire in 2017

Larry A. Kay (age 69). Mr. Kay has served on the Corporation's Board of Directors since 1987, before the Corporation went public. Mr. Kay served as the Lead Director of the Board of Directors of the Corporation from 2006 to 2009. He served as Chairman of the Board of Directors of the Corporation from 2003 to 2006. From 1978 to 1993, Mr. Kay was employed by the Corporation in a variety of capacities, including general counsel and executive vice president, administration. Mr. Kay served as chief executive officer and managing member of BSG Technologies, LLC, a sound technology licensing company, from 2008 to 2016. Mr. Kay was a private consultant and investor from 1994 to 2008. He serves as a director of Design Center Solutions, Inc. dba Bridgeway Media Group and is an honorary member of the board of directors of the New Century Chamber Orchestra. Mr. Kay's qualifications to sit on the Corporation's Board of Directors include his prior experience as the Corporation's Chairman and Lead Director, his experience as a consultant and private investor, his prior experience in senior management of the Corporation and his service on the boards of directors of private companies and non-profit organizations.

Douglas M. Pasquale (age 62). Mr. Pasquale has served on the Corporation's Board of Directors since March 2013. He has served as chief executive officer of Capstone Enterprises Corporation, an investment and consulting firm, since January 2012. Mr. Pasquale served as Nationwide Health Properties' chairman of the board of directors from 2009 to 2011, president and chief executive officer from 2004 to 2011 and executive vice president and chief operating officer from 2003 to 2004. He also served as a director of Nationwide Health Properties from 2003 to 2011. He has served on the board of directors of Ventas since 2011, Alexander & Baldwin, Inc. since 2005, Terreno Realty Corporation since 2010 and Sunstone Hotel Investors, Inc. since 2011. Mr. Pasquale's qualifications to sit on the Corporation's Board of Directors include his prior experience in senior executive positions at public and private companies, his experience in management, accounting, finance, mergers, acquisitions and strategic planning, and his service on the boards of directors of public and private companies.

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

Continuing Directors

Class I Directors—Terms to Expire in 2019

Howard M. Berk (age 52). Mr. Berk has served on the Corporation's Board of Directors since 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 the Corporation's Board of Directors 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 71). Mr. Brestle has served on the Corporation's Board of Directors since 2009. Mr. Brestle has served as a Senior Advisor to GF Capital Management & Advisors, LLC, a private equity and real estate investment company, since 2009. Previously, Mr. Brestle served as vice chairman and president of Estee Lauder Companies Inc. North America, a manufacturer and marketer of cosmetics products. Mr. Brestle held this position until he retired in 2009 after spending more than 30 years in leadership positions within the Estee Lauder organization and its family of brands. During his tenure, he held numerous positions including chief operating officer and group president of Estee 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 served on the board of directors of Abercrombie & Fitch from 2005 to 2007. Mr. Brestle's qualifications to sit on the Corporation's Board of Directors 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 68). Ms. Nahas has served on the Corporation's Board of Directors since 1992. She has served as Vice Chair of Korn/Ferry International, an organizational and people advisory firm, since January 2015. From 1998 to 2015, she held the position of managing director, Southern California or similar positions, at Korn/Ferry International. She also served as a member of the executive committee of Korn/Ferry International from 1995 until 1998. Ms. Nahas is the former chairman of the board of directors and currently serves on the executive committee of the United Way of Greater Los Angeles. Ms. Nahas is also an executive committee member of the UCLA Anderson School of 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 the Corporation's Board of Directors include her experience in a senior executive position with a professional services firm, her expertise in executive recruiting, human resources and compensation matters, and her experience on for-profit and not-for-profit boards of directors.

Gilbert T. Ray (age 72). Mr. Ray has served on the Corporation's Board of Directors since 2004. He retired as a partner of the law firm of O'Melveny & Myers LLP in 2000. Mr. Ray practiced corporate law and has extensive experience with conventional corporate and tax exempt transactions, as well as international finance. He served as counsel in connection with numerous securities offerings, acquisitions, dispositions and mergers. In addition, Mr. Ray has been a member of the board of directors of DiamondRock Hospitality Company since 2004. He formerly served on the board of directors of three other publicly-traded companies. Mr. Ray is also a trustee of the Seasons Series Trust, the SunAmerica SeriesTrust and The John Randolph Haynes and Dora Haynes Foundation. Mr. Ray's qualifications to sit on the Corporation's Board of Directors include his years of extensive experience in the legal industry as an advisor, his valuable insights with respect to compensation and corporate governance matters and his perspective in board deliberations drawing from lessons learned from his service on the boards of directors of public and private companies and non-profit organizations.

Class III Directors—Terms to Expire in 2018

Richard J. Dahl (age 65). Mr. Dahl serves as Chairman and Interim Chief Executive Officer of the Corporation, a position he has held since March 2017. He also served briefly as Interim President,

Applebee's Business Unit in March 2017 prior to Mr. Cywinski's appointment to that role. He has served on the Corporation's Board of Directors since 2004. Mr. Dahl served as the Corporation's Lead Director from January 2010 to March 2017. Mr. Dahl has served as the chairman of the board of directors of the James Campbell Company LLC, a nationally diversified real estate company, since 2010 and previously served as the president and chief executive officer of James Campbell Company LLC from August 2010 to December 2016. He has been a member of the boards of directors of Hawaiian Electric Industries, Inc. and its subsidiary, Hawaiian Electric Company, Inc., since January 2017. He has been a member of the boards of directors of IDACORP, Inc. and its principal subsidiary, Idaho Power Company, since 2008. He served as a member of the board of directors of International Rectifier Corporation from February 2008 to January 2015 and as chairman of the board from May 2008 to January 2015. Mr. Dahl also served on the board of directors and as president and chief operating officer of Dole Food Company, Inc. from 2004 to 2007. Mr. Dahl's qualifications to sit on the Corporation's Board of Directors 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 boards of directors of public companies, including service as the former chairman of the Audit and Finance Committee of the Corporation and on the audit committees of other public companies and his experience as a certified public accountant.

Stephen P. Joyce (age 57). Mr. Joyce has served on the Corporation's Board of Directors since February 2012. He has served as president and chief executive officer of Choice Hotels International, Inc., a publicly-traded lodging franchisor, since 2008, where he has also been a director since 2008. From 1982 to 2008, Mr. Joyce was with Marriott International, Inc., where he attained the role of executive vice president, global development/owner and franchise services, in addition to holding other leadership positions. Mr. Joyce's qualifications to sit on the Corporation's Board of Directors include his experience in senior management of public companies, including service as president, chief executive officer and chief operating officer, and his experience on the boards of directors of public and private companies and not-for-profit organizations.

Patrick W. Rose (age 74). Mr. Rose has served on the Corporation's Board of Directors since 1992. He is a private investor. Mr. Rose served as chairman of the board of directors, president and chief executive officer of Bumble Bee Seafoods, Inc. from 1985 to 1988. He served as chairman of the board of directors, president and chief executive officer of Van Camp Seafood, Inc., from 1992 to 1997. He served on the board of directors of Birds Eye Foods, Inc. from 2003 to 2009 and chairman of the board of directors of Chart House Enterprises, Inc. from 1996 to 1997. Mr. Rose served as United States commissioner to the Inter-American Tropical Tuna Commission from 2003 to 2008. Mr. Rose's qualifications to sit on the Corporation's Board of Directors 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 public companies.

Lilian Tomovich (age 49). Ms. Tomovich has served on the Corporation's Board of Directors since January 2017. She has served as the Chief Experience Officer and Chief Marketing Officer for MGM Resorts International, a global hospitality company, since July 2014. Ms. Tomovich served as the Senior Vice President, US Consumer Marketing for MasterCard Worldwide, a global payments solutions company, from 2013 to 2014 and was the country head of Marketing for Canada from 2010 to 2013. Ms. Tomovich's qualifications to sit on the Corporation's Board of Directors include her 24 years of marketing experience across all channels in the hospitality, retail, financial services and telecom industries.

PROPOSAL TWO: RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS THE CORPORATION'S INDEPENDENT AUDITOR FOR THE 2017 FISCAL YEAR

Ernst & Young LLP served as the Corporation's independent auditor for the fiscal year ended December 31, 2016 and the Audit and Finance Committee has unanimously selected Ernst & Young LLP to serve as the Corporation's independent auditor for the fiscal year ending December 31, 2017.

Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting and will have an opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions. Unless otherwise indicated thereon, the persons named in the proxy card will vote all proxies in favor of ratifying the appointment of Ernst & Young LLP as the Corporation's independent auditors. If stockholders do not approve this proposal, the Audit and Finance Committee will reconsider the appointment of Ernst & Young LLP as the Corporation's independent auditor.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS THE CORPORATION'S INDEPENDENT AUDITOR FOR THE 2017 FISCAL YEAR.

PROPOSAL THREE: APPROVAL, ON AN ADVISORY BASIS, OF THE COMPENSATION OF THE CORPORATION'S NAMED EXECUTIVE OFFICERS

Pursuant to Section 14A of the Exchange Act, the Board of Directors provides stockholders with the opportunity to cast an advisory vote on the Corporation's executive compensation. Pursuant to an advisory vote at our 2011 annual meeting, our stockholders elected to hold such advisory votes on an annual basis until the next vote regarding the frequency of future advisory votes, which will also occur at the Annual Meeting.

The core of the Corporation's executive compensation policies and practices continues to be to pay-for-performance. Our executive officers are compensated in a manner consistent with our strategy, competitive practice, sound corporate governance principles, and stockholder interests and concerns. The Board of Directors believes the Corporation's compensation programs and policies are strongly aligned with the long-term interests of the stockholders of the Corporation.

Stockholders are urged to read the "Compensation Discussion and Analysis" section of this proxy statement for additional details on executive compensation, including the Corporation's compensation philosophy and objectives and the 2016 compensation of the Corporation's NEOs.

The Board of Directors recommends that stockholders indicate their support for the compensation of the Corporation's NEOs and the Corporation's compensation philosophy as described in this proxy statement by approving the following resolution:

"RESOLVED, that the stockholders hereby approve, on an advisory basis, the compensation paid to the named executive officers, as disclosed in the Corporation's proxy statement for the 2017 Annual Meeting of Stockholders pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, the 2016 Summary Compensation Table, other compensation tables, narrative discussion and related disclosure."

Although this vote is advisory and therefore non-binding on the Corporation, the Board of Directors and the Compensation Committee value the opinions of our stockholders and will consider the outcome of the vote when making future compensation decisions for our NEOs.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE APPROVAL, ON AN ADVISORY BASIS, OF THE COMPENSATION OF THE CORPORATION'S NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THIS PROXY STATEMENT.

PROPOSAL FOUR: APPROVAL, ON AN ADVISORY BASIS, OF WHETHER THE ADVISORY VOTE TO APPROVE THE COMPENSATION OF THE CORPORATION'S NAMED EXECUTIVE OFFICERS SHOULD BE HELD EVERY ONE, TWO OR THREE YEARS

In connection with the advisory vote on our executive compensation, Proposal 3, stockholders are also being asked to vote on the frequency of future stockholder advisory votes on executive compensation—whether an advisory vote on our executive compensation should be held every one, two or three years. Stockholders also may abstain from voting on this proposal.

We believe that it is important to give our stockholders the opportunity to provide input on our executive compensation in a consistent and meaningful manner. As such, the Board of Directors believes that our stockholders should have the opportunity to voice their approval or disapproval of our executive compensation each year. The Board of Directors believes that annual votes will facilitate the highest level of accountability to and communication with our stockholders.

Although this vote is advisory and therefore non-binding on the Corporation, the Board of Directors and the Compensation Committee value the opinions of our stockholders and will consider the outcome of the vote when determining the frequency with which advisory votes on executive compensation should be held.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR “ONE YEAR” FOR THE APPROVAL, ON AN ADVISORY BASIS, OF WHETHER THE ADVISORY VOTE ON THE COMPENSATION OF THE CORPORATION’S NAMED EXECUTIVE OFFICERS SHOULD BE HELD EVERY ONE, TWO OR THREE YEARS.

PROPOSALS OF STOCKHOLDERS

No proposals of stockholders were received by the Corporation to be presented at the Annual Meeting. The Board of Directors will make provision for presentation of proposals of stockholders at the 2018 annual meeting of stockholders provided such proposals are submitted by eligible stockholders who have complied with the Bylaws of the Corporation and/or the relevant regulations of the SEC. In order for any such proposals to be considered for inclusion in the proxy materials for the 2018 annual meeting of stockholders, the proposal should be mailed to DineEquity, Inc., Attn: Office of the Secretary, 450 North Brand Boulevard, Glendale, California 91203, and must be received no later than December 4, 2017.

Stockholders who intend to present a proposal at the 2018 annual meeting of stockholders without inclusion of such proposal in the Corporation’s proxy materials or to nominate a director to stand for election at the 2018 annual meeting of stockholders are required to provide notice of such proposal or nomination to the Corporation no earlier than February 15, 2018 and no later than March 17, 2018. The Corporation reserves the right to reject, rule out of order, or take other appropriate action with respect to any proposal or nomination that does not comply with these and other applicable requirements.

HOUSEHOLDING OF PROXY MATERIALS

The SEC permits us to deliver a single copy of the notice, proxy statement and annual report to stockholders who have the same address and last name, unless we have received contrary instructions from such stockholders. Each stockholder will continue to receive a separate proxy card. This procedure, called “householding,” will reduce the volume of duplicate information you receive and reduce our printing and postage costs. We will promptly deliver a separate copy of the notice, proxy statement and annual report to any such stockholder upon written or oral request. A stockholder wishing to receive a separate notice, proxy statement or annual report can notify us at DineEquity, Inc., Investor Relations, 450 North Brand Boulevard, 7th Floor, Glendale, CA 91203, telephone: (866) 995-DINE. Similarly, stockholders currently receiving multiple copies of these documents can request the elimination of duplicate documents by contacting us as described above.

OTHER BUSINESS

As of the date of this proxy statement, the management of the Corporation is not aware of any other matters to be brought before the Annual Meeting. However, if any other matters are properly brought before the Annual Meeting, the persons named in the enclosed form of Proxy will have discretionary authority to vote all proxies with respect to such matters in accordance with their best judgment.

By Order of the Board of Directors,

A handwritten signature in black ink, appearing to read 'Bryan R. Adel', written in a cursive style.

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

April 3, 2017
Glendale, California

Appendix A

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(In thousands, except per share amounts)

This proxy statement includes references to the Corporation's non-GAAP financial measures "adjusted net income available to common stockholders (AEPS or adjusted EPS)" and "adjusted free cash flow." "Adjusted EPS" is computed for a given period by deducting from net income or loss available to common stockholders for such period the effect of any closure and impairment charges, any gain or loss related to debt extinguishment, any intangible asset amortization, any non-cash interest expense, any gain or loss related to the disposition of assets, and other items deemed not reflective of current operations. This is presented on an aggregate basis and a per share (diluted) basis. "Adjusted free cash flow" for a given period is defined as cash provided by operating activities, plus receipts from notes and equipment contracts receivable, less capital expenditures. Management uses adjusted free cash flow in its periodic assessments of, among other things, the amount of cash dividends per share of common stock and repurchases of common stock and we believe it is important for investors to have the same measure used by management for that purpose. Adjusted free cash flow does not represent residual cash flow available for discretionary purposes. Management may use certain of these non-GAAP financial measures along with the corresponding U.S. GAAP measures to evaluate the performance of the business and to make certain business decisions. Additionally, adjusted EPS is one of the metrics used in determining payouts under the Company's annual cash incentive plan. Management believes that these non-GAAP financial measures provide additional meaningful information that should be considered when assessing the business and the Company's performance compared to prior periods and the marketplace. Adjusted EPS and adjusted free cash flow are supplemental non-GAAP financial measures and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with U.S. GAAP.

Reconciliation of the Corporation's cash provided by operating activities to "adjusted free cash flow:"

	Twelve Months Ended December 31,	
	2016	2015
Cash flows provided by operating activities	\$118,110	\$135,509
Net receipts from notes and equipment contract receivables . . .	10,036	13,403
Additions to property and equipment	(5,637)	(6,642)
Adjusted free cash flow	122,509	142,270
Dividends paid on common stock	(67,429)	(66,164)
Repurchase of DineEquity common stock	(55,343)	(70,014)
	<u>\$ (263)</u>	<u>\$ 6,092</u>

Reconciliation of net income available to common stockholders to net income available to common stockholders, as adjusted for the following items: Kansas City Support Center consolidation costs; amortization of intangible assets; closure and impairment charges; non-cash interest expense; gain or loss on disposition of assets; the combined tax effect of the preceding adjustments, and income tax adjustments considered unrelated to the respective current period operations, as well as related per share data.

	Twelve Months Ended December 31,	
	2016	2015
Net income available to common stockholders, as reported	\$ 96,605	\$103,523
Kansas City Support Center consolidation costs(1)	6,173	5,861
Amortization of intangible assets	9,981	10,000
Closure and impairment charges	2,223	2,576
Non-cash interest expense	3,218	3,074
Loss (gain) on disposition of assets	809	(901)
Net income tax provision for above adjustments	(8,289)	(7,832)
Income tax adjustments(2)	(1,686)	—
Net income allocated to unvested participating restricted stock	(177)	(171)
Net income available to common stockholders, as adjusted	<u>\$108,857</u>	<u>\$116,130</u>
Diluted net income available to common stockholders per share:		
Net income available to common stockholders, as reported	\$ 5.33	\$ 5.52
Kansas City Support Center consolidation costs(1)	0.21	0.19
Amortization of intangible assets	0.34	0.33
Closure and impairment charges	0.08	0.09
Non-cash interest expense	0.11	0.10
Loss (gain) on disposition of assets	0.03	(0.03)
Income tax adjustments(2)	(0.09)	—
Net income allocated to unvested participating restricted stock	(0.01)	(0.01)
Rounding	0.01	—
Diluted net income available to common stockholders per share, as adjusted	<u>\$ 6.01</u>	<u>\$ 6.19</u>
Numerator for basic EPS-income available to common stockholders, as adjusted ...	\$108,857	\$116,130
Effect of unvested participating restricted stock using the two-class method	2	6
Numerator for diluted EPS-income available to common stockholders after assumed conversions, as adjusted	<u>\$108,859</u>	<u>\$116,136</u>
Denominator for basic EPS-weighted-average shares	18,030	18,637
Effect of dilutive securities:		
Stock options	95	131
Denominator for diluted EPS-weighted-average shares and assumed conversions ...	<u>18,125</u>	<u>18,768</u>

(1) Includes \$2,869 of lease termination costs for the twelve months ended December 31, 2016, reported in “closure and impairment charges” in the Consolidated Statements of Comprehensive Income.

(2) Adjustments to deferred tax balances primarily due to changes in effective state tax rate because of Support Center consolidation.

