TRIARC COMPANIES INC
Form DEF 14A
April 30, 2007

Information required in proxy statement.
Schedule 14A Information
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934
(Amendment No.   )

Filed by the Registrant [X]
Filed by a party other than the Registrant [   ]
Check the appropriate box:
[   ] Preliminary Proxy Statement
[   ] **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
[X] Definitive Proxy Statement
[   ] Definitive Additional Materials
[   ] Soliciting Material Pursuant to Section 240.14a-11c or Section 240.14a-12

Triarc Companies, Inc.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.
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(1) Title of each class of securities to which transaction applies:

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

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.

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(3) Filing Party:

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(4) Date Filed:

TRIARC COMPANIES, INC.

Notice of Annual Meeting of Stockholders
and
Proxy Statement

PLEASE COMPLETE, SIGN, DATE AND RETURN
YOUR PROXY PROMPTLY

Tuesday, June 5, 2007
at 12:00 Noon
at the offices of Bear, Stearns & Co., Inc.
383 Madison Avenue, 2nd Floor
New York, New York

TRIARC COMPANIES, INC.
280 Park Avenue
New York, New York 10017
(212) 451-3000

April 30, 2007

Dear Stockholders:

It is our pleasure to invite you to join us at the 2007 Annual Meeting of Stockholders of Triarc Companies, Inc., which will be held at 12:00 noon, local time, on Tuesday, June 5, 2007, in Auditorium D, at the offices of Bear, Stearns & Co., Inc., 383 Madison Avenue, 2nd Floor, New York, New York 10167. The Board of Directors and management hope that many of you will be able to attend in person.

At the meeting, you will be asked to consider and vote on the election of twelve (12) directors, a proposal to approve an amendment to the Company s Amended and Restated 2002 Equity Participation Plan and to re-approve the performance based provisions of that plan, a proposal to approve an amendment to the Company s 1999 Executive Bonus Plan and a proposal to ratify the appointment of Deloitte & Touche LLP as the Company s independent registered public accountants. The Board of Directors has unanimously approved these proposals and recommends that you vote **FOR** each of them.

The Notice of Annual Meeting and the Proxy Statement follow. It is important that your shares be represented and voted, regardless of the size of your holdings. Accordingly, whether or not you plan to attend the meeting in person, please complete, sign, date and return the enclosed proxy. If you attend the meeting and wish to vote your shares personally, you may revoke your proxy.

Sincerely,

NELSON PELTZ	PETER W. MAY
Chairman and Chief	*President and Chief*
Executive Officer	*Operating Officer*

TRIARC COMPANIES, INC.
NOTICE OF 2007 ANNUAL MEETING OF STOCKHOLDERS
To be Held on Tuesday, June 5, 2007
12:00 Noon, Local Time

The 2007 Annual Meeting of Stockholders of Triarc Companies, Inc. will be held on Tuesday, June 5, 2007, at 12:00 noon, local time, in Auditorium D, at the offices of Bear, Stearns & Co., Inc., 383 Madison Avenue, 2nd Floor, New York, New York 10167, for the following purposes:

(1) to elect twelve (12) directors to hold office as specified in the accompanying Proxy Statement;

(2) to approve an amendment to the Company s Amended and Restated 2002 Equity Participation Plan and to reapprove the performance based provisions of that plan;

(3) to approve an amendment to the Company s 1999 Executive Bonus Plan;

(4) to ratify the appointment of Deloitte & Touche LLP as the Company s independent registered public accountants; and

(5) to transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Stockholders entitled to vote at the meeting or any adjournment or postponement thereof are holders of record of the Company s Class A Common Stock and holders of record of the Company s Class B Common Stock, Series 1, in each case at the close of business on April 12, 2007. All such stockholders of record are invited to attend the Meeting. Admission to the Meeting will be by ticket only and packages and bags may be inspected and required to be checked in at the registration desk. You also will be required to present identification containing a photograph. If you are a registered stockholder (your shares are held in your name) and plan to attend the Meeting, please check the appropriate box on the proxy card and retain the top portion of your proxy card, which serves as your admission ticket. If you are a beneficial owner (your shares are held by a bank, broker or other holder of record) and you plan to attend the Meeting, the left side of your voting information form is your admission ticket. The Proxy Statement also includes information on how to obtain a ticket from the Company. Stockholders who do not obtain tickets in advance may obtain them upon verification of ownership at the registration desk on the day of the Meeting.

By Order of the Board of Directors

STUART I. ROSEN
Secretary

April 30, 2007

Your vote is important! Stockholders are cordially invited to attend the meeting. Whether or not you plan to attend, please complete, sign and date the enclosed proxy and return it promptly in the enclosed envelope. You may nevertheless vote in person if you attend the meeting.

TRIARC COMPANIES, INC.
280 Park Avenue
New York, New York 10017
(212) 451-3000

PROXY STATEMENT

INTRODUCTION

General

The accompanying proxy is solicited by the Board of Directors (the Board of Directors or the Board) of Triarc Companies, Inc. (the Company or Triarc) in connection with the 2007 Annual Meeting of Stockholders of the Company (the Meeting), to be held on Tuesday, June 5, 2007, at 12:00 noon, local time, in Auditorium D, at the offices of Bear, Stearns & Co., Inc., 383 Madison Avenue, 2nd Floor, New York, New York and at any adjournment or postponement of the Meeting. This Proxy Statement and a proxy are first being mailed to stockholders on April 30, 2007. The mailing address of the Company s principal executive office is 280 Park Avenue, New York, New York 10017.

When a proxy is returned properly dated and signed, the shares represented thereby will be voted by the persons named as proxies in accordance with each stockholder s directions. Stockholders may specify their choices by marking the appropriate boxes on the enclosed proxy. If a proxy is dated, signed and returned without specifying choices, the shares will be voted as recommended by the Board of Directors **FOR** the election of each of the twelve (12) nominees for directors named below and **FOR** Proposals (2), (3) and (4). The Company does not have cumulative voting. Under the Company s By-Laws (the By-Laws), business transacted at the Meeting is confined to the purposes stated in the Notice of the Meeting. The proxy being solicited does, however, convey discretionary authority to the persons named therein as proxies to vote on matters incident to the conduct of the Meeting. The proxy may be revoked by the stockholder at any time prior to the time it is voted by giving notice of such revocation either personally or in writing to the Secretary of the Company at the address provided above.

Only holders of the Company s Class A Common Stock, par value $.10 per share (the Class A Common Stock), and holders of the Company s Class B Common Stock, Series 1, par value $.10 per share (the Class B Common Stock), at the close of business on April 12, 2007, their authorized representatives and guests of the Company will be able to attend the Meeting. For your comfort and security, admission to the Meeting will be by ticket only. If you are a registered stockholder (your shares are held in your name) and plan to attend the Meeting, please check the appropriate box on the enclosed proxy card. Your admission ticket can be detached from the bottom portion of the proxy card. If you are a beneficial owner (your shares are held in the name of a bank, broker or other holder of record) and plan to attend the Meeting, your admission ticket is the left side of your voting information form. In addition, you can obtain an admission ticket in advance by writing to Investor Relations, Triarc Companies, Inc., 280 Park Avenue, New York, New York 10017. Please be sure to enclose proof of ownership, such as a bank or brokerage account statement or a letter from the bank or broker verifying such ownership. Stockholders who do not obtain tickets in advance may obtain them upon verification of ownership at the registration desk on the day of the Meeting.

Tickets may be issued to others at the discretion of the Company.

Voting Securities

All holders of record of the Company s Class A Common Stock and/or Class B Common Stock at the close of business on April 12, 2007 are entitled to vote on all business transacted at the Meeting. At the close of business on April 12, 2007, the Company had 28,857,341 shares of Class A Common Stock and 63,755,575 shares of Class B Common Stock outstanding and entitled to vote at the Meeting. Each share of Class A Common Stock entitles the holder to one vote per share. Each share of Class B Common Stock entitles the holder to one-tenth of a vote per share. Accordingly, a total of 35,232,898.5 votes may be cast at the Meeting. The presence, in person or by proxy, of stockholders entitled to cast at least a majority of the votes that all stockholders are entitled to cast will constitute a quorum. Broker non-votes and the shares as to which a stockholder abstains are included for purposes of determining whether a quorum of shares is present at the Meeting. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that proposal and has not received instructions from the beneficial owner.

Under the General Corporation Law of the State of Delaware (the Delaware Law), the state in which the Company is incorporated, the Company s Certificate of Incorporation and the By-Laws, if a quorum is present at the Meeting, (i) directors are elected by a plurality vote, and (ii) the affirmative vote of a majority of the voting power present (in person or by proxy) and entitled to vote at the Meeting is required for approval of Proposal (4). With respect to Proposal (2), applicable New York Stock Exchange rules require the affirmative vote of a majority of the votes cast on the proposal to approve the proposed amendment to the Amended and Restated 2002 Equity Participation Plan, provided that the total votes cast on the proposal represent over 50% in interest of all securities entitled to vote on the proposal, and the Treasury Regulations under Section 162(m) (Section 162(m)) of the Internal Revenue Code, as amended (the Code), require the affirmative vote of a majority of the votes cast on the proposal to reapprove the performance based provisions of the plan. With respect to Proposal (3), the Treasury Regulations under Section 162(m) require the affirmative vote of a majority of the votes cast on the issue to approve such proposal. Under the Delaware Law, an abstention is not deemed to be a vote cast. As a result, abstentions and broker non-votes are not included in the tabulation of the voting results on the election of directors (Proposal (1)) or issues requiring approval of a majority of the votes cast (Proposals (2) and (3)) and, therefore, do not have the effect of votes in opposition in such tabulations. Abstentions are included in the tabulation of the voting results on Proposal (4) and have the effect of votes in opposition in such tabulations, while broker non-votes are not included in the tabulation of the voting results on such proposal and therefore do not have the effect of votes against in such tabulation.

The Company has been informed that the 10,736,315 shares of Class A Common Stock and the 13,988,053 shares of Class B Common Stock owned as of the record date by Nelson Peltz, Peter W. May, the Peltz Family Limited Partnership, the Leni and Peter May Family Foundation and two minor children of Mr. Peltz representing, in the aggregate, approximately 34.4% of votes entitled to be cast by the holders of Class A Common Stock and/or Class B Common Stock at the Meeting, will be voted in accordance with the recommendation of the Board of Directors **FOR** the election of each of the twelve (12) nominees for director named below and **FOR** Proposals (2), (3) and (4).

PROPOSAL 1.
ELECTION OF DIRECTORS

Nominees For Election

It is recommended that the twelve (12) nominees named below be elected as directors of the Company, with each director to hold office until the next annual meeting of the Company s stockholders and until his successor is elected and qualified or until his prior death, resignation or removal. Eleven (11) of the twelve (12) nominees are presently serving as directors of the Company and were elected directors at the Company s annual meeting of stockholders held on June 7, 2006 to serve until the next annual meeting of the Company s stockholders and until such director s successor is duly chosen and qualified or until his prior death, resignation or removal. Mr. Gregory H. Sachs, who was also elected as a director of the Company at such annual meeting of stockholders, has determined not to stand for reelection, but will continue to serve as a director of the Company until his successor is elected at the Meeting and qualified. The twelfth nominee, Mr. Smith, is currently the Chief Executive Officer of our subsidiary, Arby s Restaurant Group, Inc. (ARG). Mr. Smith was recommended by our Chairman and Chief Executive Officer and other senior officers of the Company to fill the vacancy resulting from Mr. Sachs decision not to stand for reelection. The Company is unaware of any reason why any of the nominees named herein would be unwilling or unable to serve as a director. Should, however, any nominee for director be unwilling or unable to serve at the time of the Meeting or any adjournment or postponement thereof, the persons named in the proxy will vote for the election of such other person for such directorship as the Board of Directors may recommend.

Certain information regarding each person nominated by the Board of Directors, including his principal occupation during the past five years and current directorships, is set forth below. Unless otherwise indicated, all nominees have had the indicated principal occupations for the past five years.

Name of Director	**Business Experience During Past Five Years, Age and Other Information**
Nelson Peltz	Mr. Peltz has been a director and the Chairman and Chief Executive Officer of the Company since April 1993. Since then, he has also been a director or manager and officer of certain of the Company s subsidiaries. Additionally, Mr. Peltz has been Chief Executive Officer and a founding partner of Trian Fund Management, L.P. (Trian Fund Management), a management company for various investment funds and accounts, since November 2005. From its formation in January 1989 to April 1993, Mr. Peltz was Chairman and Chief Executive Officer of Trian Group, Limited Partnership (Trian Group), which provided investment banking and management services for entities controlled by Mr. Peltz and Mr. May. From 1983 to December 1988, he was Chairman and Chief Executive Officer and a director of Triangle Industries, Inc. (Triangle), which, through wholly-owned subsidiaries, was, at that time, a manufacturer of packaging products, copper electrical wire and cable and steel conduit and currency and coin handling products. Mr. Peltz has also served as a director of H.J. Heinz Company since September 2006 and as a director of Deerfield Triarc Capital Corp. (Deerfield Triarc) since November 2004. Mr.

Name of Director	Business Experience During Past Five Years, Age and Other Information
	Peltz is the father-in-law of Edward P. Garden, a director and Vice Chairman of the Company. Mr. Peltz is 64 years of age.
Peter W. May	Mr. May has been a director and the President and Chief Operating Officer of the Company since April 1993. Since then, he has also been a director or manager and officer of certain of the Company s subsidiaries. Additionally, Mr. May has been President and a founding partner of Trian Fund Management since November 2005. From its formation in January 1989 to April 1993, Mr. May was President and Chief Operating Officer of Trian Group. He was President and Chief Operating Officer and a director of Triangle from 1983 until December 1988. Mr. May has also served as a director of Encore Capital Group, Inc. since February 1998. Mr. May has served as a member of the Investment Committee of Deerfield Triarc since December 2004. Mr. May is 64 years of age.
Hugh L. Carey	Mr. Carey has been a director of the Company since June 1994. He was an Executive Vice President of W.R. Grace & Co. (Grace) from 1987 through December 1995. From 1993 to December 1995, he served Grace as director of its Government Relations Division, and from 1987 until 1993, he ran Grace s office of environmental policy. Mr. Carey was the Governor of the State of New York from 1975 until 1983 and a member of Congress from 1960 until 1975. From 1991 until 1993, he was Chairman of the National Institute of Former Governors. Mr. Carey is also a director of China Trust Bank, and a partner of Harris Beach LLP, a law firm. Mr. Carey is 87 years of age.
Clive Chajet	Mr. Chajet has been a director of the Company since June 1994. He has been Chairman of Chajet Consultancy, L.L.C., a consulting firm specializing in identity and image management, since January 1997. Prior to that time, Mr. Chajet was Chairman of Lippincott & Margulies Inc., also a consulting firm specializing in identity and image management, from 1983 to January 1997. Mr. Chajet is 70 years of age.
Edward P. Garden	Mr. Garden has been a director and Vice Chairman of the Company since December 2004. Additionally, Mr. Garden has been Portfolio Manager and a founding partner of Trian Fund Management since November 2005. Prior to December 2004, Mr. Garden served as an Executive Vice President of Triarc since August 2003. From 1999 to 2003, Mr. Garden was a managing director of Credit Suisse First Boston, where he served as a senior investment banker in the Financial Sponsors Group. From 1994 to 1999, he was a managing director at BT Alex Brown where he was a senior member of the Financial Sponsors Group and, prior

Name of Director	Business Experience During Past Five Years, Age and Other Information
	to that, Co-Head of Equity Capital Markets. Mr. Garden has served as a director of Chemtura Corporation since January 2007 and as a member of the Investment Committee of Deerfield Triarc since December 2004. Mr. Garden is the son-in-law of Nelson Peltz. Mr. Garden is 45 years of age.
Joseph A. Levato	Mr. Levato has been a director of the Company since June 1996. Mr. Levato served as Executive Vice President and Chief Financial Officer of Triarc and certain of its subsidiaries from April 1993 to August 1996. Prior to April 1993, he was Senior Vice President and Chief Financial Officer of Trian from January 1992 to April 1993. From 1984 to December 1988, he served as Senior Vice President and Chief Financial Officer of Triangle. Mr. Levato is 66 years of age.
David E. Schwab II	Mr. Schwab has been a director of the Company since October 1994. Mr. Schwab has been a Senior Counsel of Cowan, Liebowitz & Latman, P.C., a law firm, since January 1998. Prior to that time, he was a partner of Schwab Goldberg Price & Dannay, a law firm, for more than five years. Mr. Schwab also serves as Chair Emeritus of the Board of Trustees and Chair of the Executive Committee of Bard College. Mr. Schwab is 75 years of age.
Roland C. Smith	Mr. Smith has been the Chief Executive Officer of ARG since June 2006. Mr. Smith served as President and Chief Executive Officer of ARG from April 2006 to June 2006. Mr. Smith served as President and Chief Executive Officer of American Golf Corporation and National Golf Properties from February 2003 to November 2005. Prior thereto, Mr. Smith served as President and Chief Executive Officer of AMF Bowling Worldwide, Inc. from April 1999 to January 2003. Mr. Smith served as President and Chief Executive Officer of ARG s predecessor, Arby s, Inc., from February 1997 to April 1999. Mr. Smith is 52 years of age.
Raymond S. Troubh	Mr. Troubh has been a director of the Company since June 1994. He has been a financial consultant since prior to 1989. Mr. Troubh is a director of Diamond Offshore Drilling, Inc., General American Investors Company, Gentiva Health Services, Inc. and Sun Times Media Group, Inc. Mr. Troubh is 80 years of age.
Gerald Tsai, Jr.	Mr. Tsai has been a director of the Company since October 1993. Mr. Tsai is a private investor. From February 1993 to October 1997, he was Chairman of the Board, President and Chief Executive Officer of Delta Life Corporation, a life insurance and annuity company with which Mr. Tsai became associated in 1992. Mr. Tsai also serves as Chairman of the Board of Sequa Corporation, and as a director of Zenith National Insurance

Name of Director	Business Experience During Past Five Years, Age and Other Information
	Corporation, United Rentals, Inc. and Apollo Investment Corporation. He is an honorary trustee of Boston University, a trustee of NYU Hospitals Center and the New York University School of Medicine Foundation. Mr. Tsai is 78 years of age.
Russell V. Umphenour, Jr.	Mr. Umphenour has been a director of the Company since August 2005. Mr. Umphenour is a private investor. Mr. Umphenour served as Chief Executive Officer of the RTM Restaurant Group (RTM), which he founded in 1973, until RTM was acquired by the Company in July 2005. Mr. Umphenour is 62 years of age.
Jack G. Wasserman	Mr. Wasserman has been a director of the Company since March 2004. Mr. Wasserman has practiced law as a solo practitioner since September 2001. Prior to that time, he was a senior partner of Wasserman, Schneider, Babb & Reed (and its predecessors) from 1966 until September 2001. Mr. Wasserman serves as a director of American Property Investors, Inc., the general partner of American Real Estate Partners, L.P., National Energy Group, Inc. and Cadus Corporation. Mr. Wasserman is 70 years of age.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF THE TWELVE (12) NOMINEES NAMED ABOVE.

EXECUTIVE OFFICERS

The following table sets forth certain information regarding the executive officers of Triarc, all of whom are U.S. citizens.

Name	Age	Positions
Nelson Peltz	64	Director; Chairman and Chief Executive Officer
Peter W. May	64	Director; President and Chief Operating Officer
Edward P. Garden	45	Director; Vice Chairman
Gregory H. Sachs	41	Director; Chairman and Chief Executive Officer of Deerfield & Company LLC and Deerfield Capital Management LLC
Roland C. Smith	52	Chief Executive Officer of ARG
Brian L. Schorr	48	Executive Vice President and General Counsel and Assistant Secretary
Francis T. McCarron	50	Executive Vice President and Chief Financial Officer
Greg Essner	45	Senior Vice President and Treasurer
Stuart I. Rosen	47	Senior Vice President and Associate General Counsel, and Secretary
Fred H. Schaefer	62	Senior Vice President and Chief Accounting Officer
Anne A. Tarbell	48	Senior Vice President Corporate Communications and Investor Relations

Set forth below is certain additional information concerning the persons listed above (other than Messrs. Peltz, May, Garden and Smith, for whom such information has been provided under Nominees for Election, above).

Gregory H. Sachs has been a director of the Company since August 2004 and has served for more than five years as Chairman and Chief Executive Officer of each of Deerfield & Company LLC (D&C) and Deerfield Capital Management LLC (Deerfield and together with D&C, the Deerfield Companies), subsidiaries of the Company, which he founded in 1993. Prior to founding Deerfield, Mr. Sachs served as Vice President and Trading Manager of Harris Trust and Savings Bank s Global Fixed Income Trading Division, the bank s proprietary trading group. Before joining Harris Trust and Savings Bank, Mr. Sachs worked as a fixed income portfolio manager at Lotsoff Capital Management, a registered investment advisor in Chicago. Mr. Sachs has served as a director of Deerfield Triarc since November 2004. He also serves on the board of Chicago s John G. Shedd Aquarium and the Children s Memorial Foundation.

Brian L. Schorr has been Executive Vice President and General Counsel of Triarc and certain of its subsidiaries since June 1994. Since November 2005, Mr. Schorr has also served as a member of the investment team of Trian Fund Management. Prior to joining Triarc, Mr. Schorr was a partner of Paul, Weiss, Rifkind, Wharton & Garrison LLP, a law firm which he joined in 1982. That firm provides legal services to Triarc and its subsidiaries.

Francis T. McCarron has been Executive Vice President and Chief Financial Officer of Triarc since March 2005. Mr. McCarron has also served as a member of the investment team of Trian Fund Management since November 2005. Prior to March 2005, he was Senior Vice President and Chief Financial Officer of Triarc since June 30, 2001. From April 1993 to June 2001, he was Senior Vice President Taxes of Triarc and certain of its subsidiaries. Mr. McCarron served as Vice President Taxes of Trian from its formation in January 1989 to April 1993.

Greg Essner has been Senior Vice President and Treasurer of Triarc and certain of its subsidiaries since June 1, 2005. Mr. Essner has also served as Chief Financial Officer of Trian Fund Management since November 2005. From July 2001 to June 2005, Mr. Essner served as Vice President, Treasury Services and Financial Planning of Triarc. Prior thereto, Mr. Essner was Corporate Controller of Frontline Capital Group from January 2001 to June 2001.

Stuart I. Rosen has been Senior Vice President and Associate General Counsel, and Secretary of Triarc and certain of its subsidiaries since November 16, 2000. Mr. Rosen has also served as General Counsel of Trian Fund Management since November 2005. From August 1994 to November 2000 he served as Vice President and Associate General Counsel, and Secretary of Triarc and certain of its subsidiaries. Prior thereto, he was an associate with Paul, Weiss, Rifkind, Wharton & Garrison LLP since 1985.

Fred H. Schaefer has been Senior Vice President and Chief Accounting Officer of Triarc and certain of its subsidiaries since November 16, 2000. From April 1993 to November 2000 he served as Vice President and Chief Accounting Officer of Triarc and certain of its subsidiaries. Prior thereto, he was Vice President and Chief Accounting Officer of Trian from its formation in January 1989 to April 1993.

Anne A. Tarbell has been Senior Vice President Corporate Communications and Investor Relations of Triarc, and Senior Vice President of certain of its subsidiaries, since May 1998. Ms. Tarbell has also served as part of the investor relations team of Trian Fund Management since November 2005. From June 1995 to April 1998, Ms. Tarbell was Vice President and Director Investor Relations of ITT

Corporation and served as Assistant Director Investor Relations of ITT Corporation from August 1991 to May 1995.

The term of office of each executive officer is until the organizational meeting of the Board following the next annual meeting of the Company s stockholders and until his or her successor is elected and qualified or until his or her prior death, resignation or removal.

CORPORATE GOVERNANCE

Independence of Directors

Under the New York Stock Exchange s listing requirements, the Board of Directors must have a majority of directors who meet the criteria for independence required by the New York Stock Exchange. Pursuant to the Company s Corporate Governance Guidelines (the Guidelines), the Board is to determine whether each director satisfies the criteria for independence based on all of the relevant facts and circumstances. No director qualifies as independent unless the Board of Directors affirmatively determines that such director has no material relationship with the Company. In accordance with the Guidelines, the Board of Directors has adopted categorical standards (Independence Standards) to assist it in determining the independence of the Company s directors. Pursuant to the Independence Standards, any relationship described below will be deemed to be material if:

- the director is, or has been within the last three years, an employee of the Company, or an immediate family member of the director is, or has been within the last three years, an executive officer of the Company;

- the director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than $100,000 in direct compensation from the Company as an executive officer, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided that such compensation is not contingent in any way on continued service);

the director or an immediate family member of the director is a current partner of a firm that is the Company s internal or external auditor; (ii) the director is a current employee of such a firm; (iii) the director has an immediate family member who is a current employee of such a firm and who participates in the firm s audit, assurance or tax compliance (but not tax planning) practice; or (iv) the director or an immediate family member of the director was within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Company s audit within that time;

the director or an immediate family member of the director is, or has been within the last three years, employed as an executive officer of another company where any of the Company s present executive officers at the same times serves or served on the compensation committee of that company s board of directors;

the director is a current employee, or an immediate family member of the director is a current executive officer, of another company that has made payments to, or received payments from, the Company for property or services in an amount that, in any of the last three fiscal years, exceeds the greater of $1.0 million or 2% of such other company s consolidated gross revenues. Both the payments and the consolidated gross revenues to be measured will be those of such other company s last completed fiscal year. Also, the three year look-back period referred to

above applies only to the financial relationship between the Company and the director s or immediate family member s current employer (i.e., former employment of the director or immediate family member need not be considered); or

the director, or an immediate family member of the director, is employed as an executive officer of a non-profit organization, foundation or university to which, within the last three years, the Company has made discretionary contributions (excluding for this purpose matching funds paid by the Company as a result of contributions by the Company directors and employees) that, in any fiscal year of such non-profit organization, foundation or university, exceeded the greater of $1.0 million or 2% of such entity s consolidated gross revenues.

The foregoing clauses are to be interpreted by the Board of Directors taking into account any commentary or other guidance provided by the New York Stock Exchange with respect to Section 303A of the New York Stock Exchange Listed Company Manual.

The Independence Standards further provide that the relationship between the Company and an entity for which a director serves solely as a non-management director is not material. The Independence Standards also provide that employment as an interim Chairman or CEO or other executive officer will not disqualify a director from being considered independent following that employment. In addition, any other relationship not described above will not be deemed material unless (i) the director would have thereby a direct or indirect material interest within the meaning of Item 404(a) of Regulation S-K and the material terms of the relationship were materially more favorable than those that would be offered at the time and in comparable circumstances to persons unaffiliated with the Company or (ii) the Board of Directors, in exercising its judgment in light of all the facts and circumstances, determines that the relationship should be considered to be material and to affect the independence of the director in question. For purposes of the Independence Standards, the term Company includes any subsidiary in Triarc s consolidated group.

In April 2007, the Nominating and Corporate Governance Committee and the Board of Directors considered and reviewed the various commercial and charitable transactions and relationships identified through directors responses to annual questionnaires that they are required to complete, as well as data collected by management and presented to the Nominating and Corporate Governance Committee and to the Board of Directors related to transactions during the last three years between the Company and a director, immediate family member of a director or business or charitable affiliation of a director. As a result of this review, the Board of Directors determined that none of the identified transactions or relationships with Messrs. Carey, Chajet, Levato, Schwab, Troubh, Tsai and Wasserman was material and that each of such nominees is independent of the Company and its management. In making its independence determinations, the Board considered the following transactions that occurred during the last three years, each of which, as noted above, was deemed not to be material: for Mr. Chajet, contributions to two charities for which he or his spouse serves as a director; for Mr. Troubh, contributions to a charity for which his spouse serves as a director; for Mr. Tsai, payments to two entities affiliated with a university of which he serves as a trustee for health related services and training for Company employees, and the reimbursement of the Company by an affiliate of a company for which Mr. Tsai serves as a director for legal and other expenses incurred by the Company in connection with an unsuccessful joint bid for a potential acquisition; and for Mr. Wasserman, contributions to a charity for which he serves as a director.

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Board Meetings and Certain Committees of the Board

Nine meetings of the full Board of Directors were held during the fiscal year ended December 31, 2006. Each incumbent director who served on the Board of Directors in 2006 and is a nominee for re- election, attended at least 75% or more of the meetings of the Board of Directors and its committees that he was eligible to attend in 2006. While we do not have a formal policy requiring them to do so, directors are expected to attend the Company s annual meeting of stockholders. All persons then serving as directors, other than Mr. Sachs, attended the 2006 Annual Meeting of Stockholders.

The Company has standing audit, nominating and corporate governance and compensation committees whose current functions and members are described below. As noted above, the Board of Directors has determined that each of the current members of such committees is independent as required by the New York Stock Exchange listing requirements. It is anticipated that at its first meeting following the Meeting, the Board will designate the directors to serve on each of these committees until the next annual meeting of stockholders.

Audit Committee. The Audit Committee is composed of Messrs. Joseph A. Levato (Chairman), David E. Schwab II, Raymond S. Troubh and Jack G. Wasserman. The primary purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibility relating to: (i) the integrity of the Company s financial statements and financial reporting process, the Company s systems of internal accounting and financial controls and other financial information provided by the Company; (ii) the performance of the internal audit services function; (iii) the annual independent audit of the Company s financial statements, the engagement of the independent auditors and the evaluation of the independent auditors qualifications, independence and performance; (iv) the compliance by the Company with legal and regulatory requirements, including the Company s disclosure controls and procedures; (v) the evaluation of risk assessment and risk management policies; and (vi) the fulfillment of the other responsibilities set out in its charter. The Board of Directors has determined that each of the committee members are financially literate and at least one member, Mr. Levato, qualifies as an audit committee financial expert within the meaning of the regulations of the Securities and Exchange Commission. The Audit Committee met eleven times during 2006. The formal report of the Audit Committee with respect to fiscal year 2006 begins on page 51 herein.

Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee is composed of Messrs. Raymond S. Troubh (Chairman), Hugh L. Carey, David E. Schwab II and Gerald Tsai, Jr. This committee is charged with the responsibility of: (i) identifying individuals qualified to become members of the Board of Directors, consistent with any guidelines and criteria approved by the Board of Directors; (ii) considering and recommending director nominees for the Board to select in connection with each annual meeting of stockholders; (iii) considering and recommending nominees for election to fill any vacancies on the Board of Directors and to address related matters; (iv) developing and recommending to the Board of Directors corporate governance principles applicable to the Company; and (v) overseeing an annual evaluation of the Board of Directors and management s performance.

The Nominating and Corporate Governance Committee reviews possible candidates for the Board of Directors and recommends the nominees for directors to the Board of Directors for approval. The Board of Directors has adopted general criteria for nomination to the Board of Directors, which, as part of the Guidelines, can be found on the Company s website at www.triarc.com. The Board of Directors seeks members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. The Board s assessment of potential candidates includes consideration of diversity, age, educational background, other board experience and commitments, business and professional achievements, skills and experience in the context of the needs of the Board. The Nominating and Corporate Governance Committee considers suggestions from any source, including stockholders, regarding possible candidates for directors. Possible candidates who have been suggested by stockholders are evaluated by the Nominating and Corporate Governance Committee in the same manner as are other possible candidates.

The Nominating and Corporate Governance Committee has adopted the following rules with respect to considering nominations by stockholders: (i) the nominating stockholder must have owned, for at least six months prior to the date the nomination is submitted, shares of (x) Class A Common Stock, (y) Class B Common Stock or (z) other classes of common stock or preferred stock, if any, entitled to vote for directors; (ii) the nomination must be received by the Nominating and Corporate Governance Committee at least 120 days before the mailing date for proxy material applicable to the annual meeting for which such nomination is proposed for submission; and (iii) a detailed statement setting forth the qualifications, as well as the written consent, of each party nominated must accompany each nomination submitted. The Nominating and Corporate Governance Committee met once during 2006.

Compensation Committee and Performance Compensation Subcommittee. The Compensation Committee is composed of Messrs. David E. Schwab II (Chairman), Clive Chajet, Joseph A. Levato and Jack G. Wasserman. The Compensation Committee is charged with discharging the responsibility of the Board of Directors relating to compensation of the Company s directors and executive officers, administering the Triarc Companies, Inc. Amended and Restated 1997 Equity Participation Plan (the 1997 Plan), the Deferral Plan for Senior Executive Officers of Triarc Companies, Inc. (the Deferral Plan) and such other salary, compensation or incentive plans as the Compensation Committee is designated to administer, and related matters. The Compensation Committee met eleven times during 2006.

The Performance Compensation Subcommittee (the Subcommittee or the Performance Committee) is composed of Messrs. David E. Schwab II (Chairman), Clive Chajet and Jack G. Wasserman. The Subcommittee was established in August 1997 to assume certain functions that were previously the responsibility of the Compensation Committee. The purpose of the Subcommittee is limited to administering the Company s compensation plans that are intended to meet the requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), including the Triarc Companies, Inc. Amended and Restated 1993 Equity Participation Plan (the 1993 Plan), the Amended and Restated 1998 Equity Participation Plan (the 1998 Plan), the Amended and Restated 2002 Equity Participation Plan, as amended (the 2002 Plan), the 1999 Executive Bonus Plan (the 1999 Executive Bonus Plan or the 1999 Plan), and such other salary, compensation or incentive plans as the Subcommittee is designated to administer, and related matters. The Subcommittee met ten times in 2006.

The processes and procedures that are employed in connection with the consideration and determination of the compensation of our executives are discussed in the section below entitled, Corporate Governance Matters Activities of the Compensation Committee.

Charters for the Audit Committee and the Nominating and Corporate Governance Committee, the joint charter for the Compensation Committee and Performance Committee, as well as the Guidelines and the Company s Code of Business Conduct and Ethics (including code of ethics provisions that apply to the Company s principal executive, financial and accounting officers) may be found under the

Investor Relations section of the Company s website at www.triarc.com and are also available in print, free of charge, to any stockholder who requests them.

Special Committee. In May 2005, the Company announced that it was evaluating a potential corporate restructuring of the Company. In June 2005, the Board formed a Special Committee to evaluate potential related party matters that may arise in connection with the potential corporate restructuring. The Special Committee is composed of David E. Schwab II (Chairman), Clive Chajet, Joseph A. Levato and Raymond S. Troubh. The Special Committee met six times during 2006. See the Compensation Discussion and Analysis below for a description of the contractual settlements and other related agreements that have been reached with Messrs. Peltz and May in connection with the corporate restructuring of the Company.

Executive Sessions of the Board of Directors

The Board of Directors holds executive sessions whereby non-management directors meet in regularly scheduled sessions. The chairpersons of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee rotate presiding over these sessions.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act), requires the Company s directors, executive officers, and persons who own more than 10% of the Company s common stock, to file reports of ownership and changes in ownership on Forms 3, 4 and 5 with the Securities and Exchange Commission (the SEC) and the New York Stock Exchange. Directors, executive officers and greater than 10% stockholders are required by SEC regulations to furnish the Company with copies of all Forms 3, 4 and 5 they file.

Based solely on the Company s review of the copies of such forms it has received, including amendments thereto, or written representations from certain reporting persons that no Form 5s were required for these persons, the Company believes that all its directors, executive officers and greater than 10% beneficial owners complied with all filing requirements applicable to them with respect to 2006. However, during 2006 it was determined that Mr. Chajet had inadvertently failed to file on a timely basis with respect to a sale of stock by Mr. Chajet in 2005.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The following table sets forth the beneficial ownership as of April 12, 2007 by each person known by the Company to be the beneficial owner of more than 5% of the outstanding shares of Class A Common Stock and/or Class B Common Stock (constituting the only classes of voting capital stock of the Company), each director of the Company and nominee for director of the Company who has such ownership, each of the Named Officers (as defined in the Introduction to Summary Compensation Table below) and all directors and executive officers as a group. Except as otherwise indicated, each person has sole voting and dispositive power with respect to such shares.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership Class A	Amount and Nature of Beneficial Ownership Class B	Percentage of Class Beneficially Owned Class A	Percentage of Class Beneficially Owned Class B	Percentage of Total Voting Power of Outstanding Class A and Class B Common Stock(1)
Nelson Peltz	10,608,515	13,912,503	36.8 %	21.8 %	34.1 %
280 Park Avenue	(2)(3)(4)	(2)(3)(4)			
New York, NY 10017					
Peter W. May	10,736,315	13,726,308	37.2 %	21.5 %	34.4 %
280 Park Avenue	(2)(3)(4)	(2)(3)(4)			
New York, NY 10017					
RS Investment Management, L.P.	(5)	8,290,470 (5)	(5)	13.0 %	2.4 %
388 Market Street, Suite 200					
San Francisco, CA 94111					
Wachovia Corporation	(6)	5,282,898 (6)	(6)	8.3 %	1.5 %
One Wachovia Center					
Charlotte, NC 28288-0137					
Advisory Research, Inc.	4,538,216 (7)	(7)	15.7 %	(7)	12.9 %
180 North Stetson Street					
Suite 5500					
Chicago, IL 60601					
Cardinal Capital	2,010,718 (8)	(8)	7.0 %	(8)	5.7 %

Management, LLC.					
One Greenwich Office Park					
Greenwich, CT 06831					
Keeley Asset Management Corp.	2,624,772 (9)	(9)	9.1 %	(9)	7.4 %
401 South LaSalle Street					
Chicago, IL 60605					
Hugh L. Carey	42,469	84,938	*	*	*
Clive Chajet	38,825 (10)	79,600 (10)	*	*	*
Edward P. Garden		224,047 (11)	*	*	*
Joseph A. Levato	61,000	62,000	*	*	*
Gregory H. Sachs			*	*	*
David E. Schwab II	59,365	98,344	*	*	*
Raymond S. Troubh	51,000	102,000	*	*	*
Gerald Tsai, Jr.	29,018	58,036	*	*	*
Russell V. Umphenour, Jr.	9,563	3,631,418	*	5.7 %	1.1 %
Jack G. Wasserman	21,000	42,000	*	*	*
Roland C. Smith		140,000 (12)	*	*	*
Brian L. Schorr	207,955 (13)	673,925 (13)	*	1.1 %	*
Francis T. McCarron	39,135	331,485 (14)	*	*	*
Directors and Executive Officers as a group (19 persons)	11,382,448	20,021,789	39.4 %	31.4 %	38.0 %

* Less than 1%

(1) Based on total votes that may be cast at the meeting. Excludes vested stock options that are included in the reported beneficial ownership numbers. (See the table on page 16 below).

(2) The Company is informed that: (i) Mr. Peltz has pledged 5,684,249 shares of Class A Common Stock and 6,234,889 shares of Class B Common Stock to a financial institution to secure loans made to him; and (ii) Mr. May has pledged 2,987,560 shares of Class A Common Stock and 2,965,213 shares of Class B Common Stock owned by him to a financial institution to secure loans made to him.

(3) Includes (x) in the case of both Messrs. Peltz and May, (i) 23,550 shares of Class A Common Stock and 47,100 shares of Class B Common Stock owned by a family limited partnership of which Mr.

Peltz is a general partner and (ii) 200 shares of Class A Common Stock and 400 shares of Class B Common Stock owned by two minor children of Mr. Peltz, (y) in the case of Mr. Peltz, 261,745 shares of Class B Common Stock owned by the Peltz Family Foundation and (z) in the case of Mr. May, 127,800 shares of Class A Common Stock and 75,550 shares of Class B Common Stock owned by the Leni and Peter May Family Foundation. Messrs. Peltz and May disclaim beneficial ownership of these shares. Also includes 49,719 restricted shares of Class A Common Stock and 66,666 restricted shares of Class B Common Stock that may be voted by Mr. Peltz, and 59,642 restricted shares of Class B Common Stock that may be voted by Mr. May. See the table entitled Outstanding Equity Awards at Fiscal Year-End below.

(4) Prior to July 2004, certain shares of Class A Common Stock and Class B Common Stock were owned by DWG Acquisition Group, L.P. (DWG Acquisition), of which Messrs. Peltz and May were the sole partners. In July 2004, for personal estate planning purposes, DWG Acquisition was dissolved and the shares owned by DWG Acquisition were distributed to Messrs. Peltz and May. In

connection with the dissolution of DWG Acquisition, Messrs. Peltz and May entered into a voting agreement, pursuant to which Messrs. Peltz and May agreed not to vote certain shares of Class A Common Stock or Class B Common stock held by them or their affiliates without the prior approval of both parties. Accordingly, the information set forth in the table above with respect to Messrs. Peltz and May aggregates their respective ownership interests.

(5) The information set forth herein with respect to RS Investment Management Co. LLC (RS Investment Management), RS Partners Fund (RS Partners), The Guardian Life

Insurance Company of America (Guardian Life) and Guardian Investor Services (Guardian Investor, and, together with RS Investment Management, RS Partners, and Guardian Life, RS) is based solely on information contained in a Schedule 13G/A filed with the Securities and Exchange Commission on February 9, 2007. According to the Schedule 13G/A, RS Investment Management is a registered investment adviser whose clients have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Class B Common Stock. No individual client s holdings other than the holdings of RS Partners, exceeds more than 5% of the outstanding Class B Common Stock. According to the Schedule 13G/A, Guardian Life is an insurance company and the parent company of Guardian Investor, a registered investment advisor, a registered broker-dealer and the parent of RS Investment Management. The Schedule 13G/A did not contain any information regarding beneficial ownership by RS of shares of Class A Common Stock.

(6) The information set forth herein with respect to Wachovia Corporation (Wachovia) is based solely on information contained in a Schedule 13G/A filed

with the Securities and Exchange Commission on February 6, 2007. According to the Schedule 13G/A, Wachovia filed the Schedule 13G/A on behalf of its subsidiaries, Evergreen Investment Management Company, an investment advisor for mutual funds and/or clients that beneficially own the shares of Class B Common Stock, and Wachovia Bank, N.A., which hold shares of Class B Common Stock in a fiduciary capacity for their clients. The Schedule 13G/A did not contain any information regarding beneficial ownership by Wachovia or its subsidiaries of shares of Class A Common Stock.

(7) The information set forth herein with respect to Advisory Research, Inc. (Advisory Research) is based solely on information contained in a Schedule 13G filed with the Securities and Exchange Commission on February 20, 2007. According to the Schedule 13G, Advisory Research, a registered investment advisor, has sole voting and dispositive power over 4,538,216 shares of Class A Common Stock. The Schedule 13G did not contain any information

regarding beneficial ownership by Advisory Research of shares of Class B Common Stock.

(8) The information set forth herein with respect to Cardinal Capital Management, LLC (Cardinal Capital) is based solely on information contained in a Schedule 13G/A filed with the Securities and Exchange Commission on February 8, 2007. According to the Schedule 13G/A, Cardinal Capital, a registered investment adviser, has sole voting power over 1,195,900 shares of Class A Common Stock and sole disposative power over 2,010,718 shares of Class A Common Stock. The Schedule 13G did not contain

any information regarding beneficial ownership by Cardinal Capital of shares of Class B Common Stock.

(9) The information set forth herein with respect to Keeley Asset Management Corp. (Keeley Asset Management), Kamco Performance Limited Partnership and Kamco Limited Partnership No. 1 (collectively, Keeley) is based solely on information contained in a Schedule 13G/A filed with the Securities and Exchange Commission on February 13, 2007. According to the Schedule 13G/A, Keeley Asset Management has the sole voting power over 2,441,432 shares of Class A Common

Stock and the sole dispositive power over 2,624,772 shares of Class A Common Stock. The Schedule 13G/A did not contain any information regarding beneficial ownership by Keeley of shares of Class B Common Stock.

(10) Includes 1,300 shares of Class A Common Stock and 2,600 shares of Class B Common Stock owned by Mr. Chajet s wife, as to which shares Mr. Chajet disclaims beneficial ownership.

(11) Includes 39,762 restricted shares of Class B Common Stock that may be voted by Mr. Garden. See the table entitled Outstanding Equity Awards at Fiscal Year-End below.

(12) Includes 66,667 restricted shares of Class B Common Stock that may be voted by Mr. Smith.

(13) Includes 100 shares of Class A Common Stock and 400 shares of Class B Common Stock owned by minor children of Mr. Schorr, as to which shares Mr. Schorr disclaims beneficial ownership. Also includes 14,910 restricted shares of Class B Common Stock that may be voted by Mr. Schorr. See the table entitled Outstanding Equity Awards at Fiscal Year-End below.

(14) Includes 14,248 restricted shares of Class B Common Stock that may be voted by Mr. McCarron. See the table entitled

Outstanding Equity Awards at Fiscal Year-End below.

Except for the arrangements relating to the shares in footnote (2) to the beneficial ownership table, there are no arrangements known to the Company the operation of which may at a subsequent date result in a change in control of the Company.

The above beneficial ownership table includes options to purchase shares of Class A Common Stock and Class B Common Stock that have vested or will vest within 60 days of April 12, 2007 by the following persons:

Name of Beneficial Owner	Number of Class A Common Shares Represented by Options	Number of Class B Common Shares Represented by Options
Nelson Peltz	0	0
Peter W. May	0	0
Hugh L. Carey	31,000	62,000
Clive Chajet	31,000	62,000
Edward P. Garden	0	0
Joseph A. Levato	31,000	62,000
Gregory H. Sachs	0	0
David E. Schwab II	31,000	62,000
Raymond S. Troubh	28,000	56,000
Gerald Tsai, Jr.	23,000	46,000
Russell V. Umphenour, Jr.	7,500	15,000
Jack G. Wasserman	21,000	42,000
Roland C. Smith	0	73,333
Brian L. Schorr	155,040	535,082
Francis T. McCarron	0	184,654
Directors and Executive Officers as a group (19 persons)	358,540	1,436,736

Corporate Governance Matters Activities of the Compensation Committee

Scope of Authority of the Compensation Committee

The Compensation Committee discharges the responsibility of the Board of Directors on compensation matters relating to the Company s directors and executive officers.

It has responsibility for reviewing and approving the goals and objectives for compensating our Chief Executive Officer (our CEO) and for evaluating the performance of our CEO and determining and approving the compensation level of the CEO based on such evaluation. The Compensation Committee also has the authority to review and approve the overall compensation policy for the Company s other executive officers, including the use of employment agreements, severance plans and arrangements, deferred compensation plans and other executive benefits and perquisites, incentive programs and equity based plans. The Compensation Committee also has the authority to review the Compensation Discussion and Analysis (which we will refer to as the CD&A) prepared by management and to determine whether to recommend to the Board that it be included in the Company s annual report and proxy statement.

As noted above, a current copy of the Compensation Committee s charter is available to stockholders at the Company s website (www.triarc.com).

The Compensation Committee also reviews and makes recommendations to our Board of Directors with respect to directors compensation and perquisites.

The Compensation Committee as a whole consists of four directors (Messrs. Schwab (Chairman), Chajet, Levato and Wasserman), all of whom the Board has determined are independent for purposes of the New York Stock Exchange rules.

The Compensation Committee has a subcommittee (the Performance Committee) that was established in August 1997 to assume certain functions that were previously the responsibility of the Compensation Committee, and whose purpose is to administer those Company compensation plans that are intended to meet the requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended (which we will refer to as the Code). The members of the Performance Committee are Messrs. Schwab (Chairman), Chajet and Wasserman. Apart from matters within the responsibility of the Performance Committee, the Compensation Committee may not delegate its authority to any other persons.

The Compensation Committee and Performance Committee meet as needed. The meetings are chaired by the Chairman, and the Compensation Committee and Performance Committee, often in consultation with management, set their own meeting agendas. The Compensation Committee met 11 times in 2006, and the Performance Committee met 10 times in 2006.

Each year, with respect to its administration and implementation of the 1999 Executive Bonus Plan, as discussed further in the CD&A below, the Performance Committee determines those employees that are eligible to receive performance goal bonus awards under Part II of the plan, evaluates the achievement of the goals and objectives under such plan for the previously completed fiscal year and also establishes the financial goals and objectives for the current year. In addition, the Compensation Committee also considers recommendations from senior management as to discretionary bonuses for certain other Company executives who have not been designated as eligible to receive awards under the 1999 Executive Bonus Plan. This activity takes place in the first quarter of each year.

Throughout the year the Compensation Committee or Performance Committee (as the case may be) also takes under consideration various compensation related proposals from senior management and takes action with respect to its own initiatives and its responsibilities under various compensation and benefit plans. For example, in 2006 this included approving adjustments to outstanding options as a result of the Special Dividend (which is discussed below), recommending to the Board the approval of an amendment to the Amended and Restated 2002 Equity Participation Plan (involving the reduction of the number of shares of Class A Common Stock and a corresponding increase in the number of shares of Class B Common Stock available for grant), the review and approval of a severance agreement for Mr. McCarron, modifications relating to the exercise and tax withholding features of options and year-end tax planning to mitigate possible change of control payments to Messrs. Schorr and McCarron. The Compensation Committee also makes recommendations to the Board with respect to director compensation, works with senior management to formulate succession plans, and annually reviews and reassesses the adequacy of its charter, proposing changes as necessary to the Board for approval.

In connection with consideration by the Company of a possible corporate restructuring, the Compensation Committee (along with the Special Committee of the Board) has over time reviewed the existing employment arrangements of Messrs. Peltz and May. In April 2007, as it appeared that corporate restructuring efforts would lead to a definitive agreement for the sale by the Company of its asset management subsidiary (D&C) and the transition of the Company into a pure play restaurant company, the Compensation Committee (along with the Special Committee) undertook a further review of the options available to the Company regarding these employment arrangements in light of the advantages to the Company of ultimately consolidating its corporate and headquarters operations with its Arby s operations in Atlanta. The Compensation Committee and Special Committee met together on numerous occasions regarding these matters and ultimately the Compensation Committee recommended and the Special Committee approved contractual settlements with Messrs. Peltz and May (which included negotiated contract settlement payments) providing for the termination of their employment agreements and their resignations as executive officers of the Company as of June 29, 2007. (See the CD&A below for a description of the arrangements reached with Messrs. Peltz and May).*

In the course of its activities, and where appropriate for purposes under Section 162(m) of the Code, the Performance Committee may act with respect to other particular tasks relating to performance based compensation for the Company s executives.

Compensation Consultants and Outside Counsel

To help it fulfill its mission, the Compensation Committee periodically evaluates the competitiveness of our executive compensation programs, using information drawn from a variety of sources, including information supplied by consultants and its own experience in recruiting and retaining executives. The Compensation Committee has the authority to retain outside advisors and consultants in connection with its activities, and has the sole authority to approve any such advisors and consultants fees. Funding for such fees is provided by the Company at a level determined by the Compensation Committee.

In 2006 and 2007 the Compensation Committee continued to use the services of independent compensation consultants retained by it (Johnson Associates, Inc.) as needed and continued to retain

* As noted above, the Special Committee is comprised of Messrs. Schwab, Levato, Chajet and Troubh.

independent legal counsel. These outside service providers were considered to be independent by the Compensation Committee because the Compensation Committee was solely responsible for their hiring and firing and because in 2006 and 2007 they performed no other work for the Company.

Role of Executives in Compensation Decisions

The Company s executives play a variety of roles in assisting the Compensation Committee on compensation matters. At the commencement of each fiscal year, the President and the Chief Financial Officer (our CFO) provide the Performance Committee with proposed goals and objectives for Part II of the 1999 Executive Bonus Plan and proposed participants eligible to receive performance goal bonus awards under Part II and, following the completion of the fiscal year, provide the Performance Committee with proposed bonuses calculated under the terms of the 1999 Executive Bonus Plan. Under the terms of Part II of the 1999 Executive Bonus Plan, the Compensation Committee may exercise negative discretion and determine to reduce any award made under Part II, notwithstanding the fulfillment of any or all of the performance goals. The Company s CFO provides the Performance Committee with a certificate attesting to the satisfaction of various financial performance elements under the 1999 Executive Bonus Plan with respect to the recently completed fiscal year and the proposed compensation attributable to such performance. The Company s senior management also proposes discretionary performance bonuses for other executives of the Company who do not participate in the 1999 Executive Bonus Plan.

The Compensation Committee may also take under consideration proposed forms of employment, severance or other compensatory arrangements with the Company s executives. Upon invitation of the Compensation Committee, certain members of senior management and outside counsel to the Company attend portions of Compensation Committee and Performance Committee meetings which are not conducted in executive session. In 2006 and 2007, these members included the President, CFO, General Counsel, and Associate General Counsel. These officers and outside personnel assist the Compensation Committee and Performance Committee by presenting information regarding the Company s financial and operating goals and actual performance, legal developments affecting the Compensation Committee s duties and the Company s compensation plans, and information and proposals regarding employee compensation and benefits.

As part of their review of the employment arrangements with Messrs. Peltz and May, the Special Committee and Compensation Committee, and their respective outside counsel, met with Messrs. Peltz and May and their outside counsel.

Compensation Committee Interlocks and Insider Participation

The Compensation Committee consists of four non-management directors (Messrs. Schwab, Chajet, Levato and Wasserman). From 1993 to 1996 Mr. Levato served as an officer of the Company. During fiscal 2006, directors Peltz and Sachs served on the Board of Directors of Deerfield Triarc Capital Corp. and directors Peltz, May and Garden are principals and founding partners of Trian Fund Management, L.P. (the Management Company).

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee has reviewed and discussed the following Compensation Discussion and Analysis with our management, and has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the Company s annual report on Form 10-K and this proxy statement.

The Compensation Committee

David E. Schwab II, Chairman
Clive Chajet
Joseph A. Levato
Jack G. Wasserman

COMPENSATION DISCUSSION & ANALYSIS

Overview

2006 was a year of growth and opportunity for the Company as it continued to consolidate and grow the Arby s® restaurant system. In connection with the Company s corporate restructuring, and in addition to the Company s regular quarterly cash dividends, the Company in 2006 also declared special extraordinary cash dividends on our outstanding common stock, totaling $0.45 per share (which we will refer to collectively as the Special Dividend).

In April 2007 the Company restructuring efforts culminated in a definitive agreement to sell its controlling interest in D&C. In conjunction with the D&C disposition, and in connection with the transition of the Company to a pure play restaurant business, the Company also entered into contractual settlements with Messrs. Peltz and May providing for the termination of their employment agreements and their resignations as executive officers of the Company (effective June 29, 2007), which the Company believes is consistent with the objective of ultimately consolidating the Company s corporate operations and headquarters in Atlanta with its Arby s operations and transferring senior executive responsibilities to the ARG team in Atlanta.

There were a number of compensation-related developments affecting the Company and its executives in 2006:

As a result of the achievement of financial performance targets for fiscal 2006 under the shareholder approved 1999 Executive Bonus Plan (i) higher cash bonuses were paid to the two eligible named executive officers (Messrs. Peltz and May) under the bonus pool formulas provided for in Part I of such plan (which we will refer to as Formula Bonus Awards) and (ii) with respect to Performance Goal Awards under Part II of such plan, Messrs. Schorr and McCarron received higher cash bonuses. In the case of Messrs. Schorr and McCarron, the Company only paid a portion of the Part II bonus determination with the balance borne by the Management Company (either by reimbursement to the Company or by payment to the executives). As a result of the exercise by the Performance Committee of its negative discretion under Part II of the plan, and based on its review of time allocated by

Messrs. Peltz, May and Garden between the Company and Management Company, these executives received lower bonus payments under Part II of the plan than in the previous year.

In connection with its review of compensation levels and existing compensation components for senior management with respect to 2006, and after taking into account the contemplated corporate restructuring, the Performance Committee determined not to make any annual grant of equity awards (options or restricted stock) to the named executive officers.

As a result of the Special Dividend, the Compensation Committee and Performance Committee, under the terms of the Company s equity plans, approved a reduction in the exercise price of outstanding options.

The Compensation Committee approved a severance/retention agreement with the Company s CFO, Mr. McCarron.

The Compensation Committee and Performance Committee modified the terms of the Company s equity plans (and outstanding options issued under such plans) to provide for net exercise and tax withholding features, which allow for the payment of the exercise price and withholding taxes (at the statutory minimum rate) through the net reduction of shares issuable upon the exercise of options.

In connection with the Company s outstanding equity participation plans with respect to D&C and Jurlique, the Compensation Committee implemented certain technical corrective amendments so that the interests held by plan participants would not be adversely impacted by unintended accounting charges.

In order to increase the availability of equity incentive grants (and to reduce dilution to existing stockholders) the Performance Committee recommended to the Board that the Amended and Restated 2002 Equity Participation Plan (which we will refer to as the 2002 Plan) be amended to reduce the number of shares of Class A Common Stock available for grant by 3,000,000 and to increase the number of shares of Class B Common Stock available for grant by the same amount, a proposal that was subsequently approved by the Company s stockholders at the 2006 Annual Meeting.

In connection with year-end tax planning measures, the Company entered into agreements with Messrs. Schorr and McCarron that were designed to mitigate the Company s exposure to indemnification (gross-up) payments associated with a restructuring and its potential loss of tax deductions with respect to certain payments and benefits that could become due to these executives upon a change in control of the Company.

In connection with the provision by certain executives of the Company of services to the Management Company, which provides investment management services to a series of equity investment funds (which we will refer to as the Funds), the

Management Company reimbursed the Company or paid an allocable percentage of such executives base salaries. Also, in the case of the Part II bonus payable to Messrs. Schorr and McCarron, the Management Company bore a portion of such bonus, either through reimbursement to the Company or by payment to the executive, based on the time allocation of each executives between time spent on Company matters and time spent during the year on matters relating to the Management Company.

At the end of 2006, the Compensation Committee approved the payment of cash bonuses of up to $15,400 to each of those senior executives (and other employees) considered highly compensated employees as defined under the Employee Retirement Income Security Act of 1974, as amended (ERISA), to reflect the equivalent of matching and profit sharing payments made by the Company to participants under the Company s qualified 401(k) plan (in which, as of January 1, 2006, such senior executives and other employees were no longer eligible to participate).

In April, 2007, as corporate restructuring efforts led to a definitive agreement for the sale by the Company of D&C and in furtherance of the Company s corporate restructuring and the transition of the Company into a pure play restaurant company, the Company entered into contractual settlements with Messrs. Peltz and May providing for the termination of their employment agreements and their resignations as executive officers of the Company, effective June 29, 2007, which services would have otherwise extended until April 30, 2012 (without any further extension), and also entered into a transition services agreement with the Management Company to provide strategic transition services through Messrs. Peltz, May and other employees who will work for the Management Company. These arrangements resulted from the desirability of ultimately consolidating the Company s corporate and headquarters in Atlanta with its Arby s operations and transferring senior executive responsibilities to the ARG executive team in Atlanta, which will, in turn, eliminate the need for maintaining a New York City headquarters. The terms of the contract settlement agreements with Messrs Peltz and May, and the services agreement with the Management Company are discussed below.

A discussion regarding the Company s compensation programs, as well as compensation activity undertaken in 2006 and the compensation paid to the Company s executive officers in and with respect to 2006, follows.

Objectives of Compensation Philosophy

Throughout 2006, the Company s overall compensation programs for its executives (which we will refer to as the Executive Compensation Program) were designed to achieve the Company s business objectives, such as attracting and retaining experienced and talented senior executives in a highly competitive market and rewarding the Company s senior executives for achieving financial and business objectives with a particular emphasis on building the value of the Company. The Company provides its executive officers with a total compensation package that at expected levels of performance and consistent with an executive s area of responsibility is generally intended to be highly competitive with compensation opportunities that might otherwise be available to executives of similar experience and standing in the financial community and sufficient to continue to motivate its executives consistent with prior compensation opportunities and performance.

These general objectives are implemented in the context of the Company s unique operations and history. For more than a decade, the Company has consistently undergone change, beginning as a diverse group of consumer, manufacturing and distribution businesses to its position as a leading specialty beverage group to its current status as a leading quick service restaurant company (as the owner and franchisor of Arby s) and the controlling owner of D&C, a leading alternative asset manager. Its senior executive team of Messrs. Peltz and May have a long history of successful collaboration and acquiring and growing businesses and over the years have acquired a significant equity ownership interest in the Company. For purposes of developing and implementing its Executive Compensation Program, the Company has historically functioned both in the manner of an acquisition vehicle/private equity firm involved in the acquisition and growth of undervalued businesses, and as a manager of companies in diverse business sectors (such as the Arby s restaurant operations and D&C s asset management operations). For example, as of December 31, 2006, D&C had $13.2 billion of assets under management and the Company (and its subsidiaries) had cash, cash equivalents, restricted cash equivalents, receivables from sales of investments other than investments held in deferred compensation trusts and investments, net of liabilities related to investments of $327 million, in addition to the revenue and operating income generated by the Arby s restaurant operations and D&C. As a result, there is no pre-established group of comparable companies that provide useful comparisons for benchmarking or assessing compensation awards or programs.

(With respect to compensation objectives in 2007 and future years, given the announced sale of D&C in April 2007, and the transformation of the Company to a pure play restaurant company, we anticipate that we will be reviewing our compensation strategy and objectives and, to the extent deemed advisable by the Compensation Committee, modifying them accordingly).

Elements of the Company s Executive Compensation Program

The Company has established three primary components of executive compensation to satisfy its compensation objectives: base salary, annual performance-based bonus awards, including cash bonuses under the 1999 Executive Bonus Plan, and long-term equity compensation under the Company s equity plans. The Compensation Committee and Performance Committee have been provided with information from their outside compensation consultant regarding market practices and relied on their own compensation philosophies in allocating compensation among these three key components. The Company s policies with respect to these components are discussed below.

Base Salary

The Company s base salary program is intended to provide base salary levels that are not subject to performance related risk and that are competitive, in the judgment of management, to the external market for executive talent and reflect an executive s ongoing performance. Base salaries are periodically adjusted based on the executive s performance, the Company s overall financial performance and expected salary increases in the market for executive talent. Base salaries for each of the executive officers named in the Summary Compensation Table (other than Messrs. Garden and McCarron) are provided for in their respective employment agreements and have continued without change in 2006, except that Mr. May waived his right to receive $250,000 of his annual base salary in 2006 and Mr. McCarron s base salary was increased to $575,000 in 2006 to bring his base salary to a level commensurate with other members of the senior executive team holding comparable positions.

Annual Performance-Based Bonus Awards

Annual incentive cash bonuses under the stockholder approved 1999 Executive Bonus Plan are designed to reward and motivate our senior executives over a one-year time frame based on the achievement of financial and business objectives that increase the value and prospects of the Company. While the expected value of an executive s total compensation package is set at a highly competitive level, each executive officer s pay package places a significant portion of total compensation at risk, and the actual value of the package may exceed or fall below such competitive compensation levels, both annually and over time. For example, annual incentive cash bonuses earned with respect to the Company s 2006 fiscal year (without giving effect to any allocation to or payments by the Management Company) ranged from approximately 76% to 89% of the direct cash compensation paid to the named executive officers.

For fiscal 2006, the Company s Chairman and Chief Executive Officer and President and Chief Operating Officer (Messrs. Peltz and May) participated in Part I of the Bonus Plan, and these two executives, plus four other senior executives (Messrs. Garden, McCarron, Schorr and another senior executive) participated in Part II of the 1999 Executive Bonus Plan.

Under Part I of the 1999 Executive Bonus Plan, Messrs. Peltz and May have been designated as eligible to receive formulaic bonuses which have remained in effect since the adoption of the Plan in

1999, consisting of an Applicable Percentage (66.667% in the case of Mr. Peltz and 33.333% in the case of Mr. May) of an Annual Bonus component and an Improvement Bonus component. The Annual Bonus component is a fixed percentage of an annual bonus pool the size of which is based on the Company s consolidated adjusted cash flow (Adjusted EBITDA) and capital charges for the designated year under the terms of the Plan, (the result of combining Adjusted EBITDA and capital charges is designated Economic Profit). The Improvement Bonus is a fixed percentage of an additional bonus pool based on the improvement in Economic Profit from the last year in which an Improvement Bonus was paid (effectively establishing an improvement threshold based on historical performance before additional Improvement Bonuses can be paid). EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Amounts earned under Part I are not subject to negative discretion or reduction on the part of the Performance Committee. Additionally, Messrs. Peltz and May are entitled, under their employment agreements, to receive an annual bonus at least equal to the Part I Formula Bonus Award for which they are eligible.

Under Part II of the 1999 Executive Bonus Plan, eligible executives are designated each year by the Performance Committee to receive an annual Performance Goal Bonus Award that is tied to the achievement of various Performance Goals (i.e., objective quantifiable measures for the Company or its operating units). Under the terms of the 1999 Executive Bonus Plan, individual performance and individual contributions are not recognized as separate compensable elements, and participants are eligible for bonus compensation based only on Company results. Each year, the Performance Committee is responsible for establishing the Performance Goals in a timely manner and may exercise negative discretion with respect to the payment of all or a portion of any Performance Goal Bonus Award even if all Performance Goals have been achieved. Such negative discretion was exercised with respect to the Part II bonuses payable with respect to 2006 and the two preceding fiscal years (2005 and 2004) for all named executive officers receiving such bonuses. Under the terms of the 1999 Executive Bonus Plan no payment under Part II of the Plan to any participant may exceed $5 million.

Performance Goals for 2006 included the following target criteria:

Adjusted EBITDA margin for ARG and D&C operations

Adjusted earnings per share

Increase in the Company s common stock price

The successful completion of acquisitions, dispositions, financings and other significant corporate transactions

Total return on the Company s investment portfolio

Net investment income

Net realized capital gains

These goals were chosen for a variety of reasons: goals tied to operations and earnings per share (e.g., adjusted EBITDA margin and adjusted earnings per share) were selected to encourage senior management to focus on profitability and operational efficiencies in connection with the consolidation of Arby s existing company owned stores with those acquired from RTM in 2005 and the expansion of the asset management operations of D&C; investment related goals (e.g., total return, net investment income and net realized gains) were selected to maximize senior management s stewardship of the considerable liquid assets and investments maintained by the Company; stock price appreciation was selected to help align management s incentive opportunities with increase in direct shareholder value; and transactional goals (e.g. dispositions, acquisitions, etc.) were selected to reward and motivate management in connection with strategic and financial challenges and opportunities that might arise during the fiscal year.

Performance Goal Bonus Awards may result in payment if actual results satisfy or exceed designated performance goals. The size of the payment is expressed as a percentage of the participants average base salary, with payments generally ranging from between 50% of base salary per target criteria (if minimum performance goals are achieved) to 100% of base salary per target criteria (if target levels are achieved) to 125% of base salary per target criteria (if target levels are exceeded), though in some cases the percentage of base salary tied to a specific criteria may be higher depending on the executive and the target criteria in question.

At the time that the Performance Goals are established for any fiscal year the compensation that would be payable if the goals were to be achieved is intended to be qualified performance based compensation under Section 162(m) of the Code, in that the goals that are selected are substantially uncertain of being achieved at the time they are established and there can be no guaranty that all or any one of the performance goals will be satisfied based on actual fiscal year results.

With respect to Part II payments under the 1999 Executive Bonus Plan, the Company has in the past met minimum or target levels for certain performance goals, such as Adjusted EBITDA margin for ARG and D&C operations, has met or exceeded target levels for other target criteria, such as total return on the Company s investments, increase in common stock price and net investment income, and, during years in which there has been transactional activity, satisfied goals relating to criteria such as acquisitions or dispositions.

With respect to Part I payments under the 1999 Executive Bonus Plan, while the actual amount of the Annual Bonus Pool will vary each year depending on operating results, in the past there have been Part I bonuses of varying sizes paid to Messrs. Peltz and May based on the Annual Bonus Pool component. The portion of the Part I bonuses tied to the Improvement Bonus Pool, however, has only been paid to Messrs. Peltz and May with respect to 1999, 2001, 2005 and 2006 results. (As a result of the contractual settlements reached with Messrs. Peltz and May there are no active participants in Part I of the 1999 Executive Bonus Plan for 2007; and it cannot now be determined whether in future years there will be any additional participants in Part I of the plan).

In connection with the administration of the 1999 Executive Bonus Plan, our CFO provides the Performance Committee with a certificate regarding the computation of the various components of the Part I and Part II bonus awards and the Company s outside accountants confirm the amount of the bonus awards to the underlying financial statement detail and assess the reasonableness of any adjustments made in accordance with the 1999 Executive Bonus Plan.

The Compensation Committee reviews annual bonus payments to executives who do not participate in the 1999 Executive Bonus Plan. These bonuses are based on the recommendations of senior management and are intended to recognize individual efforts that have contributed to the success and growth of the business. Historically the Compensation Committee has generally followed the recommendation of senior management with respect to these discretionary bonuses.

Long-term Incentive Compensation

2002 Plan

The Company provides officers and key employees of the Company and its principal business units with incentives linked to longer-term business unit and corporate performance through the 2002 Plan, which provides for the grant of options to purchase shares of Company stock and the award of restricted stock, restricted stock units and/or stock appreciation rights of the Company. The Compensation Committee believes equity ownership among executives aligns management s interests with those of stockholders and provides long-term incentives for the Company s officers. Given the significant equity interests held by the Chairman and Chief Executive Officer and the President and Chief Operating Officer in the Company, and the equity interests held by other named executive officers and senior executive officers of the Company, the Company has not deemed it necessary to date to adopt equity ownership guidelines.

Apart from limited option grants made to Messrs. Schorr and McCarron in 2006 in connection with year-end tax planning matters, and the grant of options in connection with the hiring of the new Chief Executive Officer of ARG, there were no grants in 2006 of any options, restricted stock, restricted stock units or stock appreciation rights to any executive officer of the Company. In 2006, Messrs. Peltz and May exercised all of their outstanding options, which has increased their direct ownership interest of the Company through their holding of Class A and Class B Common Stock.

As to the timing of equity grants generally, newly hired executives are granted options or equity effective as of the later of their first date of employment and the date of approval by the Compensation Committee. In past years when there have been annual grants, they have generally been made either near the end of the fourth quarter or during the first quarter of the fiscal year. Since there were no annual option or equity grants made with respect to fiscal 2006 performance to the named executive officers of the Company, and there has not been any determination made with respect to such grants to named executive officers for 2007 performance, the timing of future equity and/or option grants cannot now be determined. It is anticipated that option grants will be made to designated ARG officers and employees in 2007.

As authorized by the Board of Directors, in November 2002, the Performance Committee, in the case of the 1993 Plan, the 1998 Plan and the 2002 Plan, and the Compensation Committee, in the case of the 1997 Plan, adopted procedures to implement a deferral arrangement which permits the senior officers of the Company to defer receipt of shares issuable upon the exercise of their stock options. There are no executive officers of the Company currently participating in this deferral plan.

D&C and Jurlique Equity Participation Plans.

In 2005, the Compensation Committee unanimously approved certain equity arrangements pursuant to which the Company s management was authorized to subscribe for Class B Units representing equity interests in Triarc Deerfield Holdings, LLC (which we will refer to as Triarc Deerfield Holdco), the Company s subsidiary that holds its interest in D&C, and Jurl Holdings, LLC (which we will refer to as Jurl Holdco), the Company s subsidiary that holds its interest in Jurlique International Pty Ltd. (which we will refer to as Jurlique). Consistent with its Executive Compensation Program, these plans were implemented to provide certain members of senior management with a private equity type participation with respect to the profits and appreciation of the underlying businesses, with the objective of motivating and rewarding management for identifying, acquiring and managing new business opportunities and retaining management by subjecting the interests to a vesting schedule and repurchase obligation should the executive terminate employment.

The Class B units entitle such holder to participate in the appreciation of the Company s ownership interests in D&C and Jurlique, respectively. Under these arrangements, members of the Company s senior management have acquired interests representing up to an aggregate 15% profits interest, subject to an 8% preferred return in favor of the Company, three year vesting and a holdback of certain amounts otherwise due participants in the event that there are any losses with respect to the investment and, under certain circumstances, a repayment (or clawback) obligation that requires the participant to pay back to the Company distributions made in previous years, and that, due to investment results, may ultimately be determined to be in excess of the distributions allocable to the participant s interest. There are also various buyback and redemption obligations (puts and calls) on the interest in the event that a participant s employment ceases. The Compensation Committee believes that these plans are consistent with the aspects of the Company s operations that are comparable to private equity or investment banking operations, which would customarily include similar forms of compensation. In March, 2007, pro rata distributions by Triarc Deerfield Holdco were made to holders of the Class B units. As part of the contractual settlements with Messrs. Peltz and May, the unvested portion of the Class B Units subscribed for by Messrs. Peltz and May will vest on June 29, 2007.

Other Benefits and Perquisites

Consistent with our Executive Compensation Program, and to enable the Company to attract and retain superior executives for key positions, our executives are provided with certain benefits and perquisites. For example, our executive officers are entitled to participate in the various benefits made available to our employees, such as our 401(k) plan (although highly compensated employees (for IRS purposes) have not been eligible to participate in the 401(k) plan since January 1, 2006), group health plans, vacation and sick leave, life insurance and short-term and long-term disability benefits, and all of the officers are covered by our directors and officers liability insurance and indemnification agreements. Senior executive officers (as well as certain employees at various levels) are also provided with cellular phones, PDAs, and laptops that are intended primarily for business use.

During 2006, under their employment agreements, Messrs. Peltz and May were entitled to use of the corporate aircraft and under the Company s security program they are required to use, and members of their respective families are encouraged to use, corporate aircraft for personal and business travel. Each of Mr. Peltz and Mr. May have waived a portion of their 2006 bonuses equal to the Company s incremental cost of their personal non-commuting use of the aircraft in 2006. Mr. Garden has also been provided with use of Company aircraft.

During 2006, under their employment agreements, Messrs. Peltz and May were also entitled to certain other security measures under the Company s security program to better protect them and enable them to devote their time and attention to the affairs of the Company. Their employment agreements also provide for a driver and automobile provided at the Company s cost (and reimbursement for expenses incurred in operating and maintaining such vehicle) and reimbursement for tax and financial planning expenses (up to an annual cap of $40,000 for each of Messrs. Peltz and May).

Mr. Garden, Mr. Schorr and Mr. McCarron are also reimbursed up to $25,000, $7,500 and $7,500, respectively, for tax and financial planning expenses. During 2006, the Company continued to maintain accommodations at a New York City hotel for the use of members of the senior executive team of the Company and its subsidiaries in connection with business matters (including executives from ARG and D&C traveling to New York City for business). The Compensation Committee believes that maintenance of the accommodations has been appropriate and addressed the legitimate business needs of its senior executives. The cost of all personal overnight use of such accommodations by the named executive officers who used the accommodations in 2006 was reimbursed by such officers. As a result of the sale of D&C and the consolidation of its corporate operations and headquarters in Atlanta, the Company expects to enter into an agreement with the Management Company to have the Management Company assume the lease obligations relating to the accommodations commencing as of June 29, 2007. For purposes of disclosure, personal use of the corporate aircraft is considered to be a perquisite and the incremental cost of any covered executive s use of the corporate aircraft has been included in reported compensation to the extent that the executive has not reimbursed the Company for such use (i.e., incremental cost associated with commuting use of Company aircraft for Messrs. Peltz, May and non-commuting use by Mr. Garden, is included in reported compensation).

Allocation of Compensation Costs to the Management Company

During fiscal 2006, Messrs Peltz, May and Garden (the Principals) and certain other senior officers of the Company (including Messrs. Schorr and McCarron) provided services to the Management Company, and, in the course of doing so, estimated time spent on Company and Management Company matters in order to permit an allocation of the Company s cost of compensation based on relative time spent on the Company and Management Company matters. In the case of the allocation of base salaries, the time was allocated monthly and each quarter the Management Company paid the Company for its proportionate share of the requisite base salary that had been paid by the Company to its executives for the preceding three-month period. In the case of incentive compensation (other than the Part I bonus awards payable to Messrs. Peltz and May), the actual percentage of time spent on Management Company matters by the Principals (and others) was determined at year-end, based on a year-end review of time allocation. In the case of the Principals, the Performance Committee exercised its negative discretion under the terms of Part II of the 1999 Executive Bonus Plan, after taking into account time spent by the executive on matters involving the Management Company, and the amount of the Part II bonuses paid by the Company to Messrs. Peltz, May and Garden was $650,000, $172,500, $1,445,000, respectively. In the cases of Messrs. Schorr and McCarron, their Part II bonus determination under the 1999 Executive Bonus Plan was paid to them on a pro rata basis by the Management Company and the Company, based on the amount of time they had spent on Company and Management Company matters. After taking into account the payments made by the Management Company to these two executives, the remaining portion of the bonus paid by the Company to Messrs. Schorr and McCarron was $1,188,000 and $1,674,000, respectively.

The Company believes that the allocation of compensation expenses to the Management Company, based on the proportion of overall time spent on matters involving the Funds, has represented a reasonable approach. The Special Committee has reviewed and considered these arrangements and allocations, with the Compensation Committee and the Performance Committee, as applicable, approving the amounts of the incentive compensation paid by the Company to other senior officers.

The Company has benefited from the activities of the Management Company, both as a result of its investment of $ 75,000,000 in an account managed by the Management Company and the return to date on such investment, and, through the end of 2007, the absence of management fee and incentive fee charges on such investment. Commencing January 1, 2008 the Company has agreed to pay to the Management Company the standard management fee and incentive fee charges paid by any unaffiliated third party investors with a similarly sized investment.

2006 and 2007 Activities and Compensation Developments

Material compensation related activities in 2006 and 2007 to date have included the following:

Action With Respect to 2006 Fiscal Performance

In March 2007, the Performance Committee approved the payment to Messrs. Peltz and May of bonus amounts payable under Part I of the 1999 Executive Bonus Plan in respect of 2006 performance in the amount of $10,070,000 and $5,036,000, respectively. Of that amount $4,989,000 and $2,495,000 constituted payments of the Annual Bonus component to Messrs. Peltz and May, respectively. An additional $5,081,000 and $2,541,000 constituted payments of the Improvement Bonus component to Messrs. Peltz and May, respectively.

In March 2007, the Compensation Committee also approved payments in respect of 2006 performance to Messrs. Peltz, May, Garden, Schorr, McCarron, and another executive under Part II of the 1999 Executive Bonus Plan. In that regard, the Committee exercised negative discretion and reduced amounts payable to Messrs. Peltz, May, Garden, Schorr and McCarron from $5,000,000, $5,000,000, $3,162,500, $3,162,500 and $2,990,625 to $650,000, $172,500, $1,445,000, $1,800,000 and $1,800,000, respectively. As discussed above, after accounting for a portion of the Part II bonus amounts payable to Messrs. Schorr and McCarron and borne by the Management Company, the Company paid them $1,188,000 and $1,674,000, respectively

Acting upon the recommendation of management, the Compensation Committee approved the payment of approximately $3.9 million in discretionary bonuses to nine officers of the Company not covered under the 1999 Executive Bonus Plan. Of that amount, approximately $1.8 was paid by Triarc and approximately $2.1 million was paid by the Management Company.

Allocation of Compensation Costs to the Management Company

For fiscal 2006, approximately 36% of the aggregate base salaries for senior officers of the Company (other than Messrs. Peltz, May and Garden) providing services to the Management Company were allocated to and reimbursed to the Company from the Management Company. In the case of Messrs. Peltz, May and Garden, 35%, 31% and 65% of their respective base salaries was allocated to and reimbursed to the Company by the Management Company. In the case of bonus compensation payable to senior executives (other than Messrs. Peltz, May and Garden) approximately 37% of the aggregate bonus compensation was allocated to and borne by the Management Company. No portion of the Part I bonus payable to Messrs. Peltz and May under the 1999 Executive Bonus Plan by the Company (as provided for under their employment agreements with the Company) was paid for or reimbursed by the Management Company, as the calculation was formulaic. A portion of the Part II bonus payments payable to Messrs. Schorr and McCarron was borne by the Management Company (as described above).

McCarron Severance Agreement

In fiscal 2006, the Compensation Committee approved a severance agreement for Mr. McCarron, the terms of which are described in Certain Employment Arrangements with Executive Officers Francis T. McCarron below.

Year-end Tax Planning Measures Involving Messrs. Schorr and McCarron

In fiscal 2006, Messrs Schorr and McCarron agreed to exercise certain vested options as part of tax planning measures undertaken by the Company to mitigate against existing tax gross up obligations to them that could be triggered in the event that a future transaction resulted in excess parachute payments under Sections 280G and 4999 of the Code. In that event, the Company would have an obligation under the employment agreement with Mr. Schorr to provide him with a gross-up for his excise tax exposure and have an obligation under its severance agreement with Mr. McCarron to provide him with a gross up for his excise tax exposure up to $1.0 million of excise tax.

In connection with reaching an agreement with Messrs. Schorr and McCarron, the Performance Committee granted them additional stock options to cover the exercise price and tax withholding associated with their voluntary option exercise and Messrs Schorr and McCarron agreed that if the grant of these additional stock options would cause them to be subject to golden parachute excise taxes Mr. Schorr would agree to forfeit up to $187,500 and Mr. McCarron would agree to forfeit up to $250,000, to the extent such forfeiture would prevent the imposition of golden parachute taxes (and provided that in any case the amount that could be forfeited would be limited to the amount of the parachute payment attributable to the grant of the additional options). The additional options granted to Messrs. Schorr and McCarron will expire on the same dates and under the same circumstances as the corresponding exercised options. In consideration of Mr. McCarron s agreement to the foregoing, the Committee agreed to consider (and in January 2007 subsequently approved) increasing the reimbursement provisions of his severance agreement to cover up to $1.5 million of excise tax.

Action With Respect to 2007 Performance Goals

In March 2007, the Performance Committee also established the Performance Goals for fiscal 2007 under Part II of the Plan for certain of our senior officers, including Messrs. Peltz, May, Garden, Schorr and McCarron. Performance Goals for 2007 generally covered the same categories as in Fiscal 2006 (adjusted earnings per share, adjusted EBITDA margin for ARG and D&C, successful completion of acquisitions, dispositions and financings, possible sale or deconsolidation of D&C, increases in our stock price, net realized capital gains, total return on investment and net investment income). Bonus opportunities with respect to each criterion range from 50% of average base salary to 100% of average base salary at target to up to 125% of average base salary for above target performance and in the case of acquisition and disposition activity (including the sale or deconsolidation of D&C) higher bonus opportunities for Messrs. Garden, Schorr and McCarron The recommendations of management with respect to the establishment and weighting of the Performance Goals were accepted by the Performance Committee. As a result of the contractual settlements entered into with Messrs. Peltz and May, the provisions of the 1999 Executive Bonus Plan are not applicable to Messrs. Peltz and May for 2007 and future years.

In March 2007, the Performance Committee approved an amendment to the Plan (as well as the Company s 2002 Equity Participation Plan), which is being submitted to stockholders for approval at the 2007 Annual Meeting (Proposals (2) and (3) in this Proxy Statement), to provide for an additional performance goal based on the achievement of Modified EBITDA. It is anticipated that this new performance goal would apply to the bonus opportunity of the Chief Executive Officer of ARG, who was hired in April 2006. As proposed, Modified EBITDA is defined as consolidated net earnings before interest, tax, depreciation and amortization expenses, and further adjusted to exclude the impact of financing costs associated with capital leases (as opposed to operating leases) entered into in connection with new stores opened under ARG s annual operating plan.

Action With Respect to Termination of Messrs. Peltz and May s Employment Agreements

In connection with consideration by the Company of a possible corporate restructuring, the Compensation Committee and Special Committee have over time reviewed the existing employment arrangements of Messrs. Peltz and May. In April 2007, as it appeared that corporate restructuring efforts would lead to a definitive agreement for the sale by the Company of D&C and the transition of the Company into a pure play restaurant company, the Compensation Committee and Special Committee undertook a further review of the options available to the Company regarding these employment arrangements and the advantages to the Company of ultimately consolidating its corporate and headquarters operations with its Arby s operations in Atlanta. The Compensation Committee and Special Committee met together on numerous occasions regarding these matters and ultimately the Compensation Committee recommended and the Special Committee approved contractual settlements with Messrs. Peltz and May (which included negotiated contractual settlement payments) providing for the termination of their employment agreements and their resignations as executive officers of the Company as of June 29, 2007. Their employment agreements would otherwise have expired on April 30, 2012 (had they not otherwise been extended). After June 29, 2007, they will continue as directors of the Company, with it being anticipated that Mr. Peltz will serve as non-executive Chairman and Mr. May will serve as non-executive Vice-Chairman, respectively. The Company decided to enter into contractual settlements with Messrs. Peltz and May due to the desirability of ultimately consolidating the Company s corporate operations and headquarters in Atlanta with its Arby s operations and relying upon the skills and experience of the senior executive team of Atlanta based ARG.

The steps taken by the Company in connection with the contractual settlements with Messrs. Peltz and May included the following:

A joint review by the Special Committee and Compensation Committee (with the assistance of the independent compensation consultant to the Compensation Committee and outside counsel to each of the Special Committee and Compensation Committee) of (i) the compensation and other expenses that would be incurred in connection with continued operations of the

New York City headquarters through the end of the current term of the Peltz and May agreements (April, 2012)(assuming no further extension) and (ii) the rights and obligations of the Company and the executives under their existing employment agreements for the remainder of the current term. Specifically, the independent compensation consultant projected that the contractual settlement of the obligations of the Company under these employment agreements, in conjunction with the consolidation of the Company s corporate and headquarters operations with its Arby s operations in Atlanta, would result in significant annual corporate savings and concluded that the contractual settlement represented a reasonable alternative, based on the economics, that was fair to the Company.

Entering into contractual settlement agreements with Messrs. Peltz and May, which were recommended by the Compensation Committee and approved by the Special Committee, providing for the termination of their employment agreements and their resignations as executive officers as of June 29, 2007, in return for payments of $50,213,753 and $25,106,877 to Messrs. Peltz and May, respectively, subject to applicable taxes and withholding. These payments are 25% less than the cash payments estimated to be owed to each of these executives under their employment agreements if their employment had been terminated as of June 29, 2007 by the Company. The Company has agreed to fund these payment obligations in separate rabbi trusts for the benefit of Messrs. Peltz and May and the payment of amounts in the trust will be made to the executives after six months following their June 29, 2007 separation of employment from the

Company. At the time of the termination of their employment, and in connection with their contractual settlements, their outstanding unvested restricted stock in the Company and their unvested Class B Units of Triarc Deerfield Holdco and Jurl Holdco will also vest in full. Under the terms of these contractual settlement agreements, Mr. Peltz and May are not entitled to receive any further compensation, bonus, perquisites or other payments (other than payment of accrued and vested amounts in an existing deferred bonus account).

Entering into a transition services agreement with the Management Company, which was approved by the Special Committee, which provides that the

Management Company and its employees and affiliates (including Messrs. Peltz and May and others) will provide the Company and ARG with a range of consultation and advice in connection with mergers and acquisitions, capital markets transactions, investment banking, accounting, legal, tax, finance, investor relations and corporate communications, corporate development and other professional and strategic services, in each case as needed by the Company or ARG. Under the terms of the agreement, the Company will pay a quarterly service fee of $3 million per quarter for the first year of services and $1.75 million per quarter for the second year of services. At the end of the second year, a review will be conducted to determine if any further services are required.

Agreeing to pay to the Management Company, effective January 1, 2008, the standard management fee and incentive fee charges paid by any unaffiliated third party investors with a similarly sized investment and not to withdraw the funds in its managed account prior to December 31, 2010.

The Compensation Committee has recommended, and the Special Committee approved, these arrangements based on their belief that the business prospects and future of the Company as a pure play restaurant operation are best served by ultimately consolidating the Company s operations and headquarters in Atlanta with its Arby s operations and relying upon the ARG senior exec