

DYNEGY INC.
Form PRE 14A
April 11, 2011

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

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

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Pursuant to Rule 14a-12

Dynegy Inc.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

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

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Fee paid previously with preliminary materials.

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(1)

Amount Previously Paid:

(2)

Form, Schedule or Registration Statement No.:

(3)

Filing Party:

(4)

Date Filed:

[], 2011

To our stockholders:

It is my pleasure to invite you to attend the 2011 Annual Meeting of stockholders of Dynegy Inc., which will be held on Wednesday, June 15, 2011 at 10:00 a.m., local time, at Dynegy's headquarters, Wells Fargo Plaza, 1000 Louisiana Street, Houston, Texas 77002.

We intend to take advantage of the Securities and Exchange Commission rules that allow issuers to furnish proxy materials to their stockholders over the internet. We believe that these rules allow us to provide our stockholders with the information they desire, while lowering costs of delivery and reducing the environmental impact of our Annual Meeting.

As Dynegy stockholders, your vote is important. Whether or not you will attend the Annual Meeting in person, it is important that your shares be represented. Please vote as soon as possible.

Because of limited seating, only stockholders, their proxy holders and our guests may attend the Annual Meeting. If you plan to attend the Annual Meeting, you must be a stockholder of record as of April 19, 2011 or, if you have beneficial ownership of shares of our common stock held by a bank, brokerage firm or other nominee, you must bring a brokerage statement or other proper evidence of your beneficial ownership of common stock as of April 19, 2011 in order to be admitted to the Annual Meeting.

I look forward to seeing you in Houston on Wednesday, June 15, 2011.

Sincerely,

E. Hunter Harrison

Director, Interim President and Chief Executive Officer

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD WEDNESDAY, JUNE 15, 2011

To our stockholders:

NOTICE IS HEREBY GIVEN, that the 2011 Annual Meeting of Stockholders of Dynegy Inc., a Delaware corporation, will be held on Wednesday, June 15, 2011 at 10:00 a.m., local time, at Dynegy's headquarters, Wells Fargo Plaza, 1000 Louisiana Street, Houston, Texas 77002 for the following purposes:

1. To elect seven directors to serve until the 2012 Annual Meeting of Stockholders;
2. To approve, on an advisory basis, the compensation of Dynegy's named executive officers as described in this proxy statement;
3. To act upon a resolution, on an advisory basis, regarding whether the stockholder vote on the compensation of Dynegy's named executive officers should occur every one, two or three years;
4. To approve the Stockholder Protection Rights Agreement, as amended;
5. To act upon a proposal to ratify the appointment of Ernst & Young LLP as Dynegy's independent registered public accountants for the fiscal year ending December 31, 2011; and
6. To act upon a stockholder proposal regarding greenhouse gas emissions, if properly presented at the Annual Meeting.

Additionally, if needed, the stockholders may act upon any other matters that may properly come before the meeting (including a proposal to adjourn the meeting to solicit additional proxies) or any reconvened meeting after an adjournment or postponement of the meeting.

The close of business on April 19, 2011 has been fixed as the record date for the determination of stockholders entitled to receive notice of and to vote at the Annual Meeting and any reconvened meeting after an adjournment or postponement of the meeting.

You are cordially invited to attend the meeting. **WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE VOTE AS SOON AS POSSIBLE.**

By Order of the Board of Directors,

Kimberly M. O'Brien
Corporate Secretary

[], 2011

DYNEGY INC.
1000 Louisiana Street, Suite 5800
Houston, Texas 77002
(713) 507-6400

PROXY STATEMENT

GENERAL INFORMATION

Why am I receiving these materials?

The Board of Directors of Dynegy Inc., or the Board, has made these materials available to you over the internet, or has delivered printed versions of these materials to you by mail, in connection with the Board's solicitation of proxies for use at the 2011 Annual Meeting of Stockholders, or the Annual Meeting. The Annual Meeting is scheduled to be held on Wednesday, June 15, 2011 at 10:00 a.m., local time, at Dynegy's headquarters, Wells Fargo Plaza, 1000 Louisiana Street, Houston, Texas 77002. This solicitation is for proxies for use at the Annual Meeting or at any reconvened meeting after an adjournment or postponement of the Annual Meeting.

What is included in these materials?

These materials include our proxy statement for the Annual Meeting and our 2010 Annual Report to Stockholders, or Annual Report, which includes our audited consolidated financial statements. If you received printed versions of these materials, a proxy card for the Annual Meeting is also included.

What items will be voted on at the Annual Meeting?

There are six items that will be voted on at the Annual Meeting:

1. The election of seven directors to serve until the 2012 Annual Meeting of Stockholders;
2. A proposal to approve, on an advisory basis, the compensation of Dynegy's named executive officers as described in this proxy statement;
3. An advisory resolution regarding whether the stockholder vote on the compensation of Dynegy's named executive officers should occur every one, two or three years;
4. A proposal to approve the Stockholder Protection Rights Agreement, as amended;
5. A proposal to ratify the appointment of Ernst & Young LLP as Dynegy's independent registered public accountants for the fiscal year ending December 31, 2011; and
6. A stockholder proposal regarding greenhouse gas emissions, if properly presented at the Annual Meeting.

Additionally, if needed, the stockholders may act upon any other matters that may properly come before the meeting (including a proposal to adjourn the meeting to solicit additional proxies) or any reconvened meeting after an adjournment or postponement of the meeting.

What are the Board's voting recommendations?

The persons named as proxies were designated by the Board. Any proxy given pursuant to this solicitation and received prior to the Annual Meeting will be voted as specified in the proxy card. If you return a properly executed proxy card but do not mark any voting selections, then your proxy will be voted as follows in accordance with the recommendations of the Board:

- Proposal 1—FOR the election of the seven director nominees to the Board;

Proposal 2—FOR approval of the compensation of Dynegy's named executive officers described in this proxy statement;

Proposal 3—FOR the stockholder vote regarding the compensation of Dynegy's named executive officers to occur ANNUALLY;

Proposal 5—FOR ratification of the appointment of Ernst & Young LLP as our independent registered public accountants;

- Proposal 6—AGAINST the stockholder proposal regarding greenhouse gas emissions; and

In accordance with the judgment of the persons named as proxies on such other matters as may properly come before the Annual Meeting or any adjournment or postponement of the Annual Meeting.

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

Pursuant to the rules adopted by the Securities and Exchange Commission, or SEC, we are providing electronic access to our proxy materials over the internet. Accordingly, we sent a Notice of Internet Availability of Proxy Materials, or Notice, to our stockholders of record and beneficial owners, which was first mailed on or about [], 2011. Instructions on how to access the proxy materials over the internet are included in the Notice.

Stockholders may also request via the internet to receive a printed set of the proxy materials at www.proxyvote.com, by sending an email to sendmaterial@proxyvote.com, or calling 1-800-579-1639. In addition, stockholders may request via the internet, telephone or by email to receive proxy materials in printed form on an ongoing basis.

Current and prospective investors can also access or order free copies of our Annual Report, proxy statement, Notice and other financial information through the Investor Relations section of our web site at www.dynegy.com, by calling 713-507-6400 or by writing to Investor Relations Department, Dynegy Inc., 1000 Louisiana Street, Suite 5800, Houston, Texas 77002.

How can I get electronic access to the proxy materials?

The Notice provides you with instructions regarding how to:

- View proxy materials for the Annual Meeting on the internet; and
- Instruct us to send our future proxy materials to you electronically by email.

Choosing to receive your future proxy materials by email will save us the cost of printing and mailing documents to you and will reduce the impact of our Annual Meetings on the environment. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it. Internet/Telephone voting for the Annual Meeting will close at 11:59 p.m., Eastern Time, on June 14, 2011.

Why did I only receive one set of materials when there is more than one stockholder at my address?

If two or more stockholders share one address, each such stockholder may not receive a separate copy of our Annual Report, proxy statement or Notice. Stockholders who do not receive a separate copy of our Annual Report, proxy statement or Notice and want to receive a separate copy may request to receive a separate copy of, or additional copies of, our Annual Report, proxy statement or Notice via the internet, email or telephone as outlined above. Stockholders who share an address and receive multiple copies of our Annual Report, proxy statement or Notice may also request to receive a single copy following the instructions above.

What is the quorum requirement for the Annual Meeting?

With respect to each matter to be considered at the Annual Meeting, a majority of the outstanding shares of our common stock entitled to vote on each such matter, represented in person or by proxy, shall constitute a quorum for consideration of each such matter. Abstentions and broker non-votes shall be counted in determining the number of outstanding shares represented in person or by proxy for each matter.

Who may vote at and attend the Annual Meeting?

Because of limited seating, only stockholders, their proxy holders and our guests may attend the Annual Meeting. If you owned shares of our common stock at the close of business on April 19, 2011, the record date, then you may attend and vote at the Annual Meeting or any adjournment or postponement of the Annual Meeting. If you have beneficial ownership of shares of our common stock held by a bank, brokerage firm or other nominee, you must bring a brokerage statement or other proper evidence of your beneficial ownership of common stock as of April 19, 2011 in order to be admitted to the Annual Meeting.

As of the record date, there were outstanding [] shares of common stock.

What is the difference between holding shares as a stockholder of record and as a beneficial owner of shares held in street name?

Stockholder of Record. If your shares are registered in your name with our transfer agent, Mellon Investor Services LLC (operating under the service name BNY Mellon Shareowner Services), you are considered the stockholder of record with respect to those shares, and the Notice was sent directly to you by us.

Beneficial Owner of Shares Held in Street Name. If your shares are held in an account at a brokerage firm, bank, broker-dealer or other similar organization, then you are the beneficial owner of shares held in “street name”, and the Notice was forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares held in your account.

If I am a stockholder of record of Dynegy's shares, how do I vote?

If you are a stockholder of record, you may vote in person at the Annual Meeting. We will provide a ballot when you arrive. If you do not wish to vote in person or if you will not be attending the Annual Meeting, you may vote by proxy. You may vote by proxy over the internet by following the instructions provided in the Notice, by telephone, or, if you received printed copies of the proxy materials, you may also vote by mail. Please vote as soon as possible.

If I am a beneficial owner of shares held in street name, how do I vote?

If you are a beneficial owner of shares held in street name and you wish to vote in person at the Annual Meeting, you must obtain a valid proxy from the organization that holds your shares. If you do not wish to vote in person or you will not be attending the Annual Meeting, you may vote by proxy. You may vote by proxy over the internet by following the instructions provided in the Notice, by telephone, or, if you received printed copies of the proxy materials, you may also vote by mail. Please vote as soon as possible.

What happens if I do not give specific voting instructions?

Stockholder of Record. If you are a stockholder of record and you:

- indicate when voting on the internet or by telephone that you wish to vote as recommended by our Board; or
- if you sign and return a proxy card without giving specific voting instructions,

then the proxy holders will vote your shares in the manner recommended by our Board on Proposals 1-3, 5 and 6 in this proxy statement and as the proxy holders may determine in their discretion with respect to any other matters properly presented for a vote at the Annual Meeting.

Beneficial Owner of Shares Held in Street Name; "Broker Non-Votes". If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, under the rules of the New York Stock Exchange, or NYSE, in effect at the time this proxy statement was printed, the organization that holds your shares may generally vote on routine matters but cannot vote on non-routine matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, the organization that holds your shares will inform our Inspector of Election that it does not have the authority to vote on this matter with respect to your shares. This is generally referred to as a "broker non-vote." When our Inspector of Election tabulates the votes for any particular matter, broker non-votes will be counted for purposes of determining whether a quorum is present for that matter, but will not otherwise be counted. Please note that starting last year the rules that determine how your broker can vote your shares have changed. Brokers may no longer vote your shares on the election of directors in the absence of your specific instructions as to how to vote. In addition, brokers may not vote your shares on the proposals regarding named executive officer compensation and the frequency of the stockholder vote on named executive compensation in the absence of your specific instructions as to how to vote. Please provide your broker with voting instructions as soon as possible so that your vote can be counted. We encourage you to provide voting instructions to the organization that holds your shares by carefully following the instructions provided in the Notice.

Which ballot measures are considered "routine" or "non-routine"?

Proposal 5 (Ratification of Independent Registered Public Accountants) involves a matter that we believe will be considered routine.

Proposal 1 (Election of Directors), Proposal 2 (Approval of Named Executive Officer Compensation), Proposal 3 (Frequency of the Stockholder Vote on Named Executive Officer Compensation), Proposal 4 (Approval of the Stockholder Protection Rights Agreement) and Proposal 6 (Stockholder Proposal Regarding Greenhouse Gas Emissions) involve matters that we believe will be considered non-routine.

How are abstentions and broker non-votes treated?

For the purpose of determining whether a quorum is present, abstentions and broker non-votes shall be counted in determining the number of outstanding shares represented in person or by proxy for each matter.

For each “non-routine” proposal, including whether the stockholders have elected the seven director nominees, broker non-votes are not counted. Please note that starting last year the rules that determine how your broker can vote your shares have changed. Brokers may no longer vote your shares on the election of directors in the absence of your specific instructions as to how to vote. In addition, brokers may not vote your shares on the proposals regarding named executive officer compensation and the frequency of the stockholder vote on named executive compensation in the absence of your specific instructions as to how to vote. Please provide your broker with voting instructions as soon as possible so that your vote can be counted. You cannot abstain in the election of directors—you can only vote FOR the director nominees or WITHHOLD VOTES for such nominees.

For each proposal other than the election of directors and the frequency of the stockholder vote on named executive officer compensation, an abstention will have the same effect as a vote AGAINST such proposal.

What is the voting requirement to approve each of the proposals?

The following table sets forth the voting requirement with respect to each of the proposals:

Proposal 1—Election of seven directors to serve until the 2011 Annual Meeting of Stockholders	Seven persons have been nominated by the Board for election to serve as directors for one-year terms.
	The holders of our common stock are entitled to vote on the election of the directors. The directors are elected by a plurality of the shares of common stock represented in person or by proxy and entitled to vote on the election of directors, subject to our majority voting policy discussed below. This means that the seven individuals nominated for election to the Board who receive the most FOR votes among votes properly cast in person or by proxy will be elected. Each holder of our common stock is entitled to one vote for each share held and does not have cumulative voting rights.
	Only FOR or WITHHELD votes are counted in determining whether a plurality has been cast in favor of a director nominee. You cannot abstain in the election of directors and broker non-votes are not counted. A WITHHELD vote will have the same effect as a vote AGAINST the election of a director nominee under our majority voting policy, which is described below.
	Majority voting policy: In April 2007, we adopted a majority voting policy for our director elections. This policy states that in an uncontested election, any

director nominee who receives a greater number of votes WITHHELD for his or her election than votes FOR such election must offer his or her resignation to the Board promptly following certification of the stockholder vote. The Corporate Governance and Nominating Committee, or Nominating Committee, is required to recommend to the Board whether such offered resignation should be accepted or rejected. The Board will determine whether to accept or reject the resignation offer and will promptly disclose its decision-making process and decision regarding an offered resignation in a document furnished to or filed with the SEC. Please read our Corporate Governance Guidelines posted in the “Corporate Governance” section of our web site at www.dynegy.com for more information regarding our majority voting policy.

Proposal 2—Act upon a proposal to approve, on an advisory basis, the compensation of Dynegy’s named executive officers as described in this proxy statement

The affirmative vote of a majority of the shares of common stock represented in person or by proxy at the meeting and entitled to vote is required to approve, on an advisory basis, the compensation of Dynegy’s named executive officers. Each holder of our common stock is entitled to one vote for each share held. Abstentions will have the same effect as a vote AGAINST this proposal. Broker non-votes are not counted.

Proposal 3—Act upon a proposal, on an advisory basis, regarding the frequency of the stockholder vote on the compensation of Dynegy’s named executive officers

The form of proxy allows stockholders to vote to recommend, on an advisory basis, a stockholder vote on the compensation of Dynegy’s named executive officers every one, two or three years or to abstain from voting. The frequency (every one, two or three years) that receives the highest number of votes from the holders of shares of common stock represented in person or by proxy at the meeting and entitled to vote will be deemed to be the choice of the stockholders. Each holder of our common stock is entitled to one vote for each share held. Abstentions and broker non-votes are not counted.

Proposal 4—Approval of the Stockholder Protection Rights Plan

The affirmative vote of a majority of the shares of common stock represented in person or by proxy at the meeting and entitled to vote is required to approve the Stockholder Rights Protection Plan. Each holder of our common stock is entitled to one vote for each share held. Abstentions will have the same effect as a vote AGAINST this proposal. Broker non-votes are not counted.

Proposal 5—Ratification of the appointment of Ernst & Young LLP as Dynegy’s independent registered public accountants for the fiscal year ending December 31, 2011

The affirmative vote of a majority of the shares of common stock represented in person or by proxy at the meeting and entitled to vote is required to ratify the choice of independent registered public accountants. Each holder of our common stock is entitled to one vote for each share held. Abstentions will have the same effect as a vote AGAINST this proposal.

Proposal 6—Act upon a stockholder proposal regarding greenhouse gas emissions

The affirmative vote of a majority of the shares of common stock represented in person or by proxy at the meeting and entitled to vote is required to approve the stockholder proposal. Each holder of our common stock is entitled to one vote for each share held. Abstentions will have the same effect as a vote AGAINST this proposal. Broker non-votes are not counted.

May I change my vote after I have voted?

You may revoke your proxy and change your vote at any time before the final vote at the Annual Meeting by:

- Executing and submitting a revised proxy (including a telephone or internet vote, which must be received by 11:59 p.m., Eastern Time, on June 14, 2011);

• Sending written notice of revocation to our Corporate Secretary at the address provided below (which must be received by 11:59 p.m., Eastern Time, on June 14, 2011); or

- Voting in person at the Annual Meeting.

In the absence of a revocation, shares represented by proxies will be voted at the Annual Meeting.

Is my vote confidential?

Proxy instructions, ballots and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within Dynegy or to third parties, except:

- As necessary to meet applicable legal requirements;
- To allow for the tabulation and certification of votes; and
- To facilitate a successful proxy solicitation.

With respect to shares of our common stock held by our and our affiliates' 401(k) plans, Fiduciary Counselors Inc. has been appointed to act as the independent fiduciary responsible for ensuring that procedures are in place to safeguard the confidentiality of your proxy directions to the trustee and that those procedures are being followed.

Who is paying the cost of this proxy solicitation?

We will bear the cost of soliciting proxies. Proxies may be solicited by mail or facsimile, or by our directors, officers or employees, without extra compensation, in person or by telephone. We have retained D.F. King & Co., Inc. to assist in the solicitation of proxies for a fee of approximately \$7,000 plus out-of-pocket expenses. We will reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for forwarding solicitation material to the beneficial owners of our common stock.

What if I have questions about the proposals?

Questions concerning the proposals to be acted upon at the Annual Meeting should be directed to:

Dynegy Inc.
Attention: Investor Relations Department
1000 Louisiana Street, Suite 5800
Houston, Texas 77002
(713) 507-6400

OR

D.F. King & Co., Inc.
48 Wall Street
New York, New York 10005
1-800-697-6975

How can I find out if I am a stockholder of record entitled to vote?

For a period of at least ten days before the Annual Meeting, a complete list of stockholders of record entitled to vote at the Annual Meeting will be available during ordinary business hours at our principal executive office for inspection by stockholders of record for proper purposes. The list of stockholders will also be available at the Annual Meeting and may be inspected by any stockholder who is present.

REFERENCES TO DYNEGY AND COMMON STOCK

Unless otherwise indicated, references to “Dynegy,” the “Company,” “we,” “our,” and “us” in the biographical and compensation information for directors and executive officers below refers to Board membership, employment and compensation with respect to Dynegy Inc.

Incorporation by Reference

To the extent that this proxy statement is incorporated by reference into any other filing by us under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or the Exchange Act, the sections of this proxy statement entitled “Compensation and Human Resources Committee Report” and “Audit and Compliance Committee Report” will not be deemed incorporated unless specifically provided otherwise in such filing, to the extent permitted by the rules of the SEC. Information contained on or connected to our web site is not incorporated by reference into this proxy statement and should not be considered part of this proxy statement or any other filing that we make with the SEC.

CORPORATE GOVERNANCE

Recent Events

The following is a chronological summary of recent events impacting the composition of our executive team and our Board. For additional information regarding these recent events, see our Currents Reports on Form 8-K (or 8-K/A) filed with the SEC on February 8, 2011, February 23, 2011, March 1, 2011, March 10, 2011 and April 11, 2011.

J. Kevin Blodgett left his position as General Counsel and Executive Vice President, Administration, effective February 4, 2011. We appointed Kent R. Stephenson, who previously served as our Senior Vice President and Deputy General Counsel, as Executive Vice President and General Counsel. Lynn A. Lednicky, our Executive Vice President, Operations, assumed responsibility for the remaining functions previously reporting to Mr. Blodgett, including Governmental & Regulatory Affairs, Human Resources, and Information Technology.

Bruce A. Williamson resigned as a director and Chairman effective February 21, 2011, and left his position as President and Chief Executive Officer, effective March 11, 2011. Patricia A. Hammick, who served as our lead director until Mr. Williamson's resignation from the Board, was appointed Chairman. David W. Biegler, one of our current directors, was appointed interim President and Chief Executive Officer.

Holli C. Nichols resigned as Executive Vice President and Chief Financial Officer effective March 11, 2011. We appointed Charles C. Cook, our Executive Vice President, Commercial Operations and Market Analytics, as interim Chief Financial Officer.

On February 21, 2011, concurrent with the announcements regarding Mr. Williamson and Ms. Nichols, each of our then current independent directors, Mr. Biegler, Victor E. Grijalva, Ms. Hammick, Howard B. Sheppard and William L. Trubeck, informed us that he or she did not intend to stand for reelection as a director at the 2011 Annual Meeting.

On March 9, 2011, the Board elected Thomas W. Elward, E. Hunter Harrison, Vincent J. Intrieri and Samuel Merksamer as directors. These four new directors were named the sole members of the Board's Nominating Committee, which has been tasked with responsibility of searching for a President and Chief Executive Officer and additional qualified director nominees. In addition, these four new directors serve on the Board's Special Committee for Finance and Restructuring.

Currently, the Nominating Committee is continuing its search for a future President and Chief Executive Officer. Until such an individual is selected, Mr. Harrison has assumed the role of interim President and Chief Executive Officer, effective April 9, 2011. He replaced Mr. Biegler. As of April 9, 2011, Mr. Harrison no longer serves on any Board committees except for the Board's Special Committee for Finance and Restructuring.

Governance Documents

On March 7, 2011, the Board unanimously adopted amended and restated Corporate Governance Guidelines. The Corporate Governance Guidelines, which were developed and recommended by the Nominating Committee, are posted in the "Corporate Governance" section of our web site at www.dynegy.com and are available upon request to our Corporate Secretary, together with the following documents:

- Second Amended and Restated Certificate of Incorporation;
- Second Amended and Restated Bylaws;

- Code of Business Conduct and Ethics;
- Code of Ethics for Senior Financial Professionals;
- Related Party Transactions Policy;
- Complaint and Reporting Procedures for Accounting and Auditing Matters (Whistleblower Policy);
 - Policy for Communications with Directors;
 - Audit and Compliance Committee Charter;
- Compensation and Human Resources Committee Charter; and
- Corporate Governance and Nominating Committee Charter.

Corporate Governance Guidelines

Our Corporate Governance Guidelines govern the qualifications and conduct of the Board. The Corporate Governance Guidelines address, among other things:

- The independence and other qualifications of our Board members, with respect to which we require that at least 75% of our Board members be independent of Dynegy and our management;
- The requirement that any director nominee in an uncontested election who receives a greater number of votes “withheld” for his or her election than votes “for” such election must offer his or her resignation to the Board;
- The regular meetings of our non-employee and independent directors and the roles and duties of the Lead Director;
 - The nomination of persons for election to the Board;
 - The evaluation of performance of the Board and its committees;
 - Our expectation that our Board members will attend all annual stockholder meetings;
 - Compensation of the Board and stock ownership guidelines for non-employee directors;
 - The Chairman of the Board, or Chairman, and Chief Executive Officer positions;
 - The approval of the compensation of the Chief Executive Officer; and
- The review of performance-based compensation of our senior executives following a restatement that impacts the achievement of performance targets relating to that compensation.

Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics applies to all of our directors, officers and employees. The key principles of this code include acting legally and ethically, notifying appropriate persons upon becoming aware of issues, obtaining confidential advice and dealing fairly with our stakeholders.

Code of Ethics for Senior Financial Professionals

Our Code of Ethics for Senior Financial Professionals applies to our Chief Executive Officer, Chief Financial Officer, Controller and other designated senior financial professionals. The key principles of this code include acting legally and ethically, promoting honest business conduct and providing timely and meaningful financial disclosures to our stockholders.

Complaint and Reporting Procedures for Accounting and Auditing Matters

Our Complaint and Reporting Procedures for Accounting and Auditing Matters provide for (1) the receipt, retention and treatment of complaints, reports and concerns regarding accounting, internal accounting controls or auditing matters, and (2) the confidential, anonymous submission of complaints, reports and concerns by employees regarding questionable accounting or auditing matters, in each case relating to Dynegy. Complaints may be made through a toll-free “Integrity Helpline” telephone number, operated by an independent third-party, and a dedicated email address. Complaints received are logged by the Ethics and Compliance Office, communicated to the chairman of our Audit and

Compliance Committee and investigated, under the supervision of our Audit and Compliance Committee, by our Internal Audit department or Ethics and Compliance Office. In accordance with Section 806 of the Sarbanes-Oxley Act of 2002, or SOX, these procedures prohibit us from taking adverse action against any person submitting a good faith complaint, report or concern.

Policy for Communications with Directors

Our Policy for Communications with Directors provides a means for stockholders and other interested parties to communicate with the Board. Under this policy stockholders and other interested parties may communicate with the Board or specific members of the Board by sending a letter to Dynegy Inc., Communications with Directors, Attn: Corporate Secretary, 1000 Louisiana Street, Suite 5800, Houston, Texas 77002.

Director Attendance at Annual Meeting

As detailed in our Corporate Governance Guidelines, Board members are requested and encouraged to attend the Annual Meeting. All of the members of the Board then in office attended last year's Annual Meeting held on May 21, 2010.

Board Risk Oversight

The Board has ultimate responsibility for protecting stockholder value. Among other things, the Board is responsible for understanding the risks to which we are exposed, approving management's strategy to manage these risks, establishing policies that monitor and manage defined risks and measuring management's performance against the strategy. The Board's oversight responsibility for managing risk is detailed in our Risk Policy Statement.

The Risk Policy Statement provides a structure around risk and defines the risks that we accept in the normal course of business. The Risk Policy Statement, in some instances, requires that separate policy documentation be in place including Interest Rate Risk and Investment Policy, Disclosure Controls and Procedures Policy, Insurance Operational Risk Policy, Credit Risk Policy, Investment Policy (Employee Benefit Plans), and Commodity Risk Policy. Although not mandated by the Risk Policy Statement, our Delegation of Authority policy and the Code of Business Conduct and Ethics are complementary and critical to the risk management process. Our Executive Management Team is responsible for managing the above risks and reports on such matters to the applicable Board committees. Further, our Ethics and Compliance Office reports directly to the General Counsel and indirectly to the Chairman, Chief Executive Officer and the Audit and Compliance Committee Chairman. The Ethics and Compliance Office meets regularly with the Audit and Compliance Committee.

The Risk Policy Statement can be amended with the approval of our Audit and Compliance Committee on behalf of the Board. The Audit and Compliance Committee oversees the risks associated with the integrity of our financial statements and our compliance with legal and regulatory requirements. In addition, the Audit and Compliance Committee discusses policies with respect to risk assessment and risk management, including major financial risk exposure and the steps management has taken to monitor and control such exposures. The Audit and Compliance Committee reviews with management, internal auditors, and external auditors the accounting policies, the system of internal controls and the quality and appropriateness of disclosure and content in the financial statements or other external financial communications. The Audit and Compliance Committee also performs oversight of the business ethics and compliance program, reviews the programs and policies designed to assure compliance with our Code of Business Conduct and Ethics and applicable laws and regulations and monitors the results of the compliance efforts. Further, as part of their risk assessment responsibility, the Audit and Compliance Committee oversees our commodity risk monitored by our commodity risk control group.

The Compensation and Human Resources Committee, or Human Resources Committee, oversees risks primarily associated with our ability to attract, motivate and retain quality talent, particularly executive talent, and disclosure of our executive compensation philosophies, strategies and activities. The Human Resources Committee conducted a risk assessment in 2011 to reaffirm that our short-term incentive program, and lack of separate plans or incentives for individual functions, discourages excessive risk taking. This involved a review of a set of risk assessment considerations related to our short-term and long-term incentive programs. The goal of this effort was to establish a formal process for assessing and monitoring risk related to our compensation programs and for reviewing certain policies to ensure that appropriate controls exist to mitigate any identified risk. Following this review, the Human Resources Committee concluded that our incentive programs, including our common approach to the short-term incentive plan, collectively foster cooperation, discourage excessive risk taking and risk-taking behaviors, and focus award opportunities on measures that are aligned with our business strategy and the interests of our stockholders.

The Nominating Committee oversees risks primarily associated with our ability to attract, motivate and retain quality directors and our corporate governance programs and practices and our compliance therewith. The full Board oversees risks primarily associated with our commercial and operating performance and our environmental, health and safety performance.

Board Leadership Structure; Lead Director; Separation of Positions of Chairman and Chief Executive Officer

As discussed in our Corporate Governance Guidelines, the Board's policy with respect to the separation of the Chairman and Chief Executive Officer positions is that the interests of our stockholders are best served by a policy that enables the Board to make a determination regarding its Chairman based on our needs and the particular skill sets that are available at the time.

During 2010, Bruce A. Williamson served as our Chairman, President and Chief Executive Officer, and Patricia A. Hammick served as our Lead Director. Ms. Hammick presided over the regular sessions of our non-management directors and had the other powers and duties described in our Amended and Restated Bylaws, or Bylaws, and Corporate Governance Guidelines, including representing the interests of the non-management directors when conferring with senior management between Board meetings and in consulting with the Chairman regarding Board meeting agendas. The Board concluded that the combined role of Chairman and Chief Executive Officer, together with an independent Lead Director having the duties described above, was in the best interest of stockholders because it provided an appropriate balance between our Chairman's ability to specifically manage strategic development and our Lead Director's independent objective oversight of our management.

As discussed above, Mr. Williamson resigned as a director and Chairman effective February 21, 2011, and Mr. Williamson left his position as President and Chief Executive Officer effective March 11, 2011. Ms. Hammick was appointed Chairman and Mr. Biegler, one of our current directors, was appointed interim President and Chief Executive Officer. On April 9, 2011, Mr. Harrison replaced Mr. Biegler as interim President and Chief Executive Officer. Certain of our current directors, including Ms. Hammick and Mr. Biegler, are not standing for reelection as directors. Following the Annual Meeting, our new directors will evaluate our board leadership structure and determine whether or not to separate the roles of Chairman and Chief Executive Officer.

Stock Ownership Guidelines

We have stock ownership guidelines for directors, members of the executive management team and other officers. We believe that a significant ownership stake by directors and officers leads to a stronger alignment of interests between directors, officers and stockholders. These guidelines, which were developed with the assistance of an independent compensation consultant, support our corporate governance focus and provide further alignment of interests among our directors and executive officers and stockholders.

Directors. Each non-employee director is expected to own a meaningful amount of Dynegy common stock; specifically, our director stock ownership guidelines (effective November 2008) reflect an expectation that within three years of joining the Board, each non-employee director shall own at least the number of shares equivalent to three times their annual cash retainer. The shares counted for purposes of directors' stock ownership guidelines include shares owned outright, annual phantom stock grants awarded under our Deferred Compensation Plan for Certain Directors, as amended and restated, or Directors Deferred Compensation Plan, and other share-based equivalents that we may use from time to time.

Officers. The shares counted for purposes of our officers' common stock ownership guidelines include shares owned outright, unvested restricted shares, in-the-money vested stock options, shares held pursuant to our employee benefits plans and other share-based equivalents that we may use from time to time. The guidelines are expressed as a multiple of base salary and vary by level, as follows:

Chief Executive Officer	5 x annual base salary
Executive Vice President	3 x annual base salary
Senior Vice President	2.25 x annual base salary
Vice President	1 x annual base salary

There is a mandatory five-year compliance period, and executives are encouraged to accumulate one-fifth of their holding requirement during each year of the five-year period. The Nominating Committee will monitor each executive's progress toward the required ownership level on an annual basis. As part of the Nominating Committee's annual review, current market conditions will be taken into consideration, as appropriate. During the five-year ramp-up period, and as effective as of March 2010, each covered officer, as determined from time to time by the Board, is expected to retain any shares of stock acquired with the exercise of options or the lapse of restrictions on restricted stock, net of funds necessary to pay the exercise price of stock options and for payment of applicable taxes, sufficient to allow for accumulation of at least one-fifth of the officer's holding requirements during each year of such period. No such holding requirement shall apply to shares of stock acquired with the exercise of options or lapse of restrictions on restricted stock to the extent such shares would exceed the number of shares required under the immediately preceding sentence. At the end of the five-year period, if any executive fails to attain the required level of common stock ownership, action may be taken, in the discretion of the Nominating Committee considering all factors it deems relevant, including awarding annual incentive cash bonuses in the form of restricted shares or requiring an executive to refrain from disposing of any vested shares and shares realized from any option exercise.

Affirmative Determinations Regarding Director Independence and Other Matters

The Board previously determined that each of the following directors who served in 2010, as well as the following nominees proposed to be elected at the Annual Meeting, were or are, as the case may be, "independent" as such term is defined in the NYSE Listed Company Standards:

Directors who Served in 2010

David W. Biegler
Thomas D. Clark, Jr.
Victor E. Grijalva
Patricia A. Hammick
George L. Mazanec
Howard B. Sheppard
William L. Trubeck

Nominees to be Elected at the Annual Meeting¹

Thomas W. Elward
Michael J. Embler
Robert C. Flexon
Vincent J. Intrieri
Samuel Merksamer
Felix Pardo

¹ On April 9, 2011, E. Hunter Harrison assumed the position of interim President and Chief Executive Officer. As interim President and Chief Executive Officer, Mr. Harrison is not independent for NYSE purposes; however, employment as an interim Chief Executive Officer or other executive officer does not disqualify a director from being considered independent following that employment.

The Board has also determined that each member of the Audit and Compliance Committee, the Human Resources Committee and the Nominating Committee meets the independence requirements applicable to those committees prescribed by the NYSE and the SEC. The Board has further determined that more than one of the members of the Audit and Compliance Committee, including its current Chairman, William L. Trubeck, are “audit committee financial experts” as such term is defined in Item 407(d) of the SEC’s Regulation S-K.

The Nominating Committee reviewed the answers to annual questionnaires completed by the directors and nominees as well as the above-described legal standards for Board and committee member independence and the criteria applied to determine “audit committee financial expert” status. On the basis of this review, the Nominating Committee made its recommendation to the full Board and the Board made its independence and “audit committee financial expert” determinations after consideration of the Nominating Committee’s recommendation and a review of the materials made available to the Nominating Committee.

Director Nomination Process and Qualification Review of Director Nominees

Process. Our director nominees are approved by the Board after considering the recommendation of the Nominating Committee. A copy of the Nominating Committee’s charter is available in the “Corporate Governance” section of our web site at www.dynegy.com.

Our Second Amended and Restated Certificate of Incorporation provides that the number of our directors shall be fixed from time to time exclusively by our Board. The Board has fixed the number of our directors currently at nine, subject to adjustment by the Board in accordance with our Amended and Restated Certificate of Incorporation.

The Nominating Committee reviews annually the composition of the Board as a whole and recommends, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole and contains at least the minimum number of independent directors required by applicable laws and regulations. The Nominating Committee is responsible for ensuring that the composition of the Board accurately reflects the needs of our business and, in furtherance of this goal, proposing the nomination of directors for purposes of obtaining the appropriate members and skills. The Nominating Committee identifies nominees in various ways. The committee considers the current directors that have expressed an interest in and that continue to satisfy the criteria for serving on the Board as set forth in our Corporate Governance Guidelines. Other nominees that may be proposed by current directors, members of management or by stockholders are also considered. From time to time, the committee engages a professional firm to identify and evaluate potential director nominees.

Qualifications. All director nominees, whether proposed by a stockholder or otherwise, are evaluated in accordance with the qualifications set forth in our Corporate Governance Guidelines. These guidelines require that directors possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of our stockholders at large. They must also have an inquisitive and objective perspective, practical wisdom, mature judgment and sufficient personal resources such that any director compensation to be received from Dynegy would not be sufficiently meaningful to impact their judgment in reviewing matters coming before the Board. Finally, they must be able to work compatibly with the other members of the Board and otherwise have the experience and skills necessary to enable them to serve as productive members of the Board. Directors also must be willing to devote sufficient time to carrying out their fiduciary duties and other responsibilities effectively and should be committed to serve on the Board for an extended period of time. Under our Corporate Governance Guidelines, directors generally will not be nominated for election after their 72nd birthday unless the Board determines circumstances make it in the best interest of stockholders to do so. The Nominating Committee determined that although Mr. Pardo is over 72 years of age, he will bring special skills and experience to the Board at a time when the Board is being newly-constituted and, as a result of such skills and experience, stockholders could derive tangible and

intangible benefits. Upon the advice of the Nominating Committee, the Board, after considering Mr. Pardo's qualifications, willingness to serve and the specific circumstances described above, nominated Mr. Pardo to be elected at the Annual Meeting. For additional information, please read our Corporate Governance Guidelines.

In connection with the director nominations for the 2011 Annual Meeting, the Nominating Committee also considered the nominees' (1) experience in the energy industry and understanding of the energy markets, (2) experience in finance and restructuring, (3) publicly traded company and board experience, (4) knowledge in the areas of laws and regulations related to environmental, health, safety and other key industry issues, (5) strategic planning skills, (6) knowledge of corporate governance issues coupled with an appreciation of their practical application, and (7) accounting expertise, including audit, internal controls and risk management.

Each nominee brings a strong and unique background and set of skills to the Board, giving the Board as a whole competence and experience in a wide variety of areas, including energy, strategic planning, corporate governance and board service, executive management, engineering, academia, accounting and finance, operations, manufacturing, government, economics and international business. Set forth below are the various qualifications, attributes, skills and experience of our director nominees considered important by the Board in determining that such nominee should serve as a director. For information concerning each director nominee's principal occupation, directorships and additional biographical information, please see "Proposal 1—Election Of Directors—Information on Director Nominees."

Thomas W. Elward. Mr. Elward brings a strong technical background to our Board, with a masters degree in nuclear engineering, and has significant executive management experience in non-utility power businesses, including power and gas marketing, gas transmission and storage, independent power production development, construction and asset management. In addition to his extensive technical knowledge, he has received numerous awards for excellence in safety and environmental stewardship and has served on wholly-owned boards of various independent power producers, including serving as a member of CMS Energy's risk committee. He serves as our Nominating Committee chair and leads the Board's search for a qualified chief executive officer.

Michael J. Embler. Mr. Embler brings extensive experience in finance, asset management and restructurings, and expertise in capital markets and capital management. His experience as Chief Investment Officer of a major asset management firm provides the Board with a unique analytical view from the perspective of an investor. Further, Mr. Embler's significant experience with respect to finance, investing and general business matters, are important to the Board's ability to review our financial statements and our investor communications, assess potential financings and strategies and otherwise supervise and evaluate our business decisions. In addition to his finance experience, he qualifies as an "audit committee financial expert" under SEC guidelines due to his service as a member of audit committees of other publicly traded companies.

Robert C. Flexon. Mr. Flexon, a certified public accountant, has a broad background in accounting and finance. His significant corporate financial management experience and financial expertise as a result of his service as a Chief Financial Officer and other senior financial leadership positions qualify him as an "audit committee financial expert" under SEC guidelines. Mr. Flexon also brings executive management and operating experience in many areas of the energy business, including wholesale power generation.

E. Hunter Harrison. Mr. Harrison is currently serving as our interim President and Chief Executive Officer. Mr. Harrison brings extensive executive management experience to our Board. His more than 20 years of experience in executive positions, including President and Chief Executive Officer and Chief Operating Officer with a large public company, has given him broad based industry knowledge, including expertise in coal transportation, and extensive business leadership skills. Mr. Harrison has particular experience in leading value creation and cost cutting efforts at public companies with a focus on generating returns to stockholders.

Vincent J. Intrieri. Mr. Intrieri brings a broad background of experience in executive management, finance and accounting from his career with various Icahn affiliates. Mr. Intrieri was a certified public accountant and has broad industry experience, including investment management. He currently serves as the chair of our Special Committee for Finance and Restructuring and, as chair, he contributes significantly to the review and evaluation of the Company's restructuring alternatives. Mr. Intrieri also currently serves on the boards of numerous companies that Carl C. Icahn directly or indirectly controls or has an interest in.

Samuel Merksamer. Mr. Merksamer has gained finance experience from his career as an investment analyst at Icahn Capital LP and at Airlie Opportunity Capital Management. He has experience in high yield and distressed investments, and employs his finance skills by identifying, analyzing and monitoring investment opportunities and portfolio companies for Icahn Capital. Mr. Merksamer also currently serves on the boards of numerous companies that Carl C. Icahn directly or indirectly controls or has an interest in.

Felix Pardo. Mr. Pardo brings extensive executive management experience to our Board. His diversified experience in executive positions, including President and Chief Executive Officer with large public companies, has given him broad based industry knowledge, including expertise in the negotiations of energy contracts, bank debt agreements, risk and balance sheet management, and extensive business leadership skills. In addition to his executive management experience, he qualifies as an "audit committee financial expert" under SEC guidelines due to his many years of experience as an executive and his service as a director on other boards.

Retirement. As discussed above under “Corporate Governance – Recent Events”, in February 2011, each of our then independent directors informed us that they were not standing for reelection as directors at the Annual Meeting. We thank each of our retiring directors for his or her service, contributions and leadership throughout his or her tenure as director.

Passing. Our director Thomas D. Clark, Jr. passed away on October 9, 2010. We are grateful for his many contributions throughout his tenure as director.

Diversity. The Board does not have a formal policy with respect to Board nominee diversity. In recommending proposed nominees to the full Board, the Nominating Committee is charged with building and maintaining a board that has an ideal mix of talent and experience to achieve our business objectives in the current environment. In particular, the Nominating Committee is focused on relevant subject matter expertise, depth of knowledge in key areas that are important to us, and diversity of thought, background, perspective and experience so as to facilitate robust debate and broad thinking on strategies and tactics pursued by us.

Future director nominations. For purposes of the 2012 Annual Meeting, the Nominating Committee will consider any director nominations from a stockholder received by the Corporate Secretary by the close of business on March 16, 2012, but not before the close of business on February 15, 2012. See “Future Stockholder Proposals” below for more information. Any such nomination must be accompanied in writing by all information relating to such person that is required under the federal securities laws, including such person’s written consent to be named in the proxy statement as a nominee and to serve as a director if elected. The nominating stockholder must also submit its name and address, as well as that of the beneficial owner if applicable, and the number of shares of our common stock that are owned beneficially and of record by such stockholder and such beneficial owner. Finally, the nominating stockholder must discuss the nominee’s qualifications to serve as a director as described in our Corporate Governance Guidelines.

PROPOSAL 1 ELECTION OF DIRECTORS

Directors

Seven directors are to be elected at the Annual Meeting by the holders of common stock to each serve a one-year term. The directors are elected by a plurality of the shares of common stock represented in person or by proxy and entitled to vote on the election of common stock directors, subject to our majority voting policy discussed below. This means that the seven individuals nominated for election to the Board as directors who receive the most FOR votes among votes properly cast in person or by proxy will be elected. Only FOR or WITHHELD votes are counted in determining whether a plurality has been cast in favor of a director nominee. Under our Second Amended and Restated Certificate of Incorporation, stockholders do not have cumulative voting rights. If you withhold authority to vote with respect to the election of some or all of the director nominees, your shares will not be voted with respect to those nominees indicated. Under our majority voting policy, in an uncontested election, any director nominee who receives a greater number of votes WITHHELD for his or her election than votes FOR such election must offer his or her resignation to the Board promptly following certification of the stockholder vote. Broker non-votes are not counted for purposes of election of directors. You cannot abstain in the election of directors.

Unless you withhold authority to vote or instruct otherwise, a properly executed proxy will be voted FOR the election of the nominees listed below as the proxies may determine. Although the Board does not contemplate that any of the nominees will be unable to serve, if such a situation arises prior to the Annual Meeting, the persons appointed as proxies will vote for the election of such other persons that may be nominated by the Board.

Information on Director Nominees

All of the nominees for director are currently directors of Dynegy, except for Michael J. Embler, Robert C. Flexon and Felix Pardo. The following table sets forth information regarding the names, ages and principal occupations of the director nominees, other directorships held by them and the length of their service as a director of Dynegy.

Director Nominees	Principal Occupation and Current and Former Directorships	Age as of April 11, 2011	Director Since
Thomas W. Elward	President and Chief Operating Officer of CMS Enterprises (2003-2008).	62	2011
Michael J. Embler	Former Chief Investment Officer of Franklin Mutual Advisers LLC (2005-2009); Director of AboveNet, Inc. (2003 – Present); CIT Group, Inc. (2009 – Present); Kindred Healthcare, Inc. (2001 – 2008); Corlears School (2007 – Present); and Grand Union Co. (1999-2000).	45	NA
Robert C. Flexon	Chief Financial Officer of UGI Corporation (Feb. 2011-Present); Director of Foster Wheeler AG (2006-2009, May 2010 – Oct. 2010).	52	NA
E. Hunter Harrison	Interim President and Chief Executive Officer of Dynegy (April 9, 2011 – present); President and Chief Executive Officer of Canadian National Railway Company (2003-2009). Director of Canadian National Railway Company (1999-2009); The American Association of Railroads; The Belt Railway of Chicago, Terminal Railway; Wabash National Corporation; Illinois Central Railroad and TTX Company.	66	2011
Vincent J. Intrieri	Senior Managing Director of Icahn Capital LP (2004-Present). Director of Icahn Enterprises G.P. Inc. (2005-Present); PSC Metals Inc. (2007-Present); American Railcar Industries, Inc. (2005-Present); Lear Corporation (2006-2008); WCI Communities, Inc. (2008-2009); WestPoint International Inc. (2005–2011); National Energy Group, Inc.; XO Holdings, Inc.; and Federal-Mogul Corporation.	54	2011
Samuel Merksamer	Investment Analyst at Icahn Capital LP (2008-Present). Director of Federal-Mogul Corporation; Viskase Companies, Inc.; and PSC Metals Inc.	30	2011
Felix Pardo	Former Chairman and Chief Executive Officer of Dyckerhoff, Inc. (1998-2002), former Chairman of Lonestar Industries, Inc. and Glens Falls Cement Co., Inc. (1998-2002); former Chairman of Newalta Corporation (1991-1998). Director of Synthes, Inc. (2005-Present); Philip Services, Inc. (1994-2003); and Newalta Corporation (1991-2003).	73	NA

Additional Biographical Information on Director Nominees.

Thomas W. Elward was elected to the Board in March 2011. He served as President and Chief Operating Officer of CMS Enterprises from March 2003 to July 2008. Mr. Elward previously served in various roles with CMS Generation, a subsidiary of CMS Enterprises, including President and Chief Operating Officer from March 2003 to July 2008, President and Chief Executive Officer from January 2002 to February 2003, Senior Vice President – Operations and Asset Management from July 1998 to December 2001 and Vice President – Operations from March 1990 to June 1998. Prior to CMS Enterprises he held roles of increasing responsibility at Consumers Power, advancing to Plant Manager.

Michael J. Embler is a director nominee standing for election at the Annual Meeting. Mr. Embler formerly served as the Chief Investment Officer of Franklin Mutual Advisers LLC, an asset management subsidiary of Franklin Resources, Inc. from 2005 to 2009. Mr. Embler joined Franklin Mutual Advisers in 2001 and, prior to becoming Chief Investment Officer in 2005, served as head of its Distressed Investment Group. From 1992 until 2001, he worked at Nomura Holdings America, where he served as Managing Director managing a team investing in a proprietary fund focused on distressed and other event-driven corporate investments. Mr. Embler currently serves on the Board of Directors of CIT Group, Inc., AboveNet, Inc., Corlears School and Kindred Healthcare Inc.

Robert C. Flexon is a director nominee standing for election at the Annual Meeting. Mr. Flexon has served as the Chief Financial Officer of UGI Corporation a distributor and marketer of energy products and related services since February 2011. Mr. Flexon was the Chief Executive Officer of Foster Wheeler AG from June 2010 until October 2010 and the President and Chief Executive Officer of Foster Wheeler USA from November 2009 until May 2010. Prior to joining Foster Wheeler, Mr. Flexon was Executive Vice President and Chief Financial Officer of NRG Energy, Inc. from February 2009 until November 2009. Mr. Flexon previously served as Executive Vice President and Chief Operating Officer of NRG Energy from March 2008 until February 2009 and as its Executive Vice President and Chief Financial Officer from 2004 to 2008. Prior to joining NRG Energy, Mr. Flexon held executive positions with Hercules, Inc. and various key positions, including General Auditor, with Atlantic Richfield Company. Mr. Flexon served on the board of directors of Foster Wheeler from 2006 until 2009 and from May 2010 until October 2010.

E. Hunter Harrison was elected to the Board in March 2011. He is currently serving as Dynegy's interim President and Chief Executive Officer since April 9, 2011. He served as the President and Chief Executive Officer of Canadian National Railway Company from January 2003 until December 2009 and as its Chief Operating Officer from 1998 until 2003. Prior to joining Canadian National Railway Company, Mr. Harrison was the President and Chief Executive Officer of Illinois Central Railroad from 1993 until February 1998 and its Chief Operating Officer from 1989 to 1993. Mr. Harrison served on the board of directors of Canadian National Railway from December 1999 until December 2009. Mr. Harrison also served on the boards of directors of each of The American Association of Railroads, and prior to 2006, The Belt Railway of Chicago, Terminal Railway, Wabash National Corporation, Illinois Central Railroad and TTX Company.

Vincent J. Intrieri was elected to the Board in March 2011. He has served as Senior Managing Director of Icahn Capital LP since November 2004. Since January 2005, Mr. Intrieri has been Senior Managing Director of Icahn Associates Corp. and High River Limited Partnership. Mr. Intrieri has been a director since July 2006 of Icahn Enterprises G.P. Inc., the general partner of Icahn Enterprises L.P. From April 2005 through September 2008, Mr. Intrieri was the President and Chief Executive Officer of Philip Services Corporation. Since December 2007, Mr. Intrieri has been the Chairman of the Board and a director of PSC Metals Inc. Since August 2005, Mr. Intrieri has served as a director of American Railcar Industries, Inc., or ARI. From March 2005 to December 2005, Mr. Intrieri was a Senior Vice President, Treasurer and Secretary of ARI. Since April 2003, Mr. Intrieri has been Chairman of the Board and a director of Viskase Companies, Inc. From November 2006 to November 2008, Mr. Intrieri served on the Board of Lear Corporation. From November 2005 to March 2011, Mr. Intrieri served as a director of WestPoint International Inc. From August 2008 to September 2009, Mr. Intrieri was a director of WCI Communities, Inc. Mr. Intrieri also serves on the boards of the following companies: National Energy Group, Inc., XO Holdings, Inc., and Federal-Mogul Corporation. With respect to each company mentioned above, Carl C. Icahn, directly or indirectly, either (i) controls such company or (ii) has an interest in such company through the ownership of securities.

Samuel Merksamer was elected to the Board in March 2011. He has served as an investment analyst at Icahn Capital LP, a subsidiary of Icahn Enterprises L.P. since May 2008. Prior to joining Icahn Capital LP, Mr. Merksamer worked as an analyst with Airlie Opportunity Capital Management from 2003 to 2008. He currently serves as a director for Federal-Mogul Corporation, Viskase Companies, Inc., and PSC Metals Inc. With respect to each company mentioned above, Carl C. Icahn, directly or indirectly, either (i) controls such company or (ii) has an interest in such company through the ownership of securities.

Felix Pardo is a director nominee standing for election at the Annual Meeting. He served as the Chairman and Chief Executive Officer of Dyckerhoff, Inc., a major U.S. producer of cement, and as the Chairman of its subsidiaries, Lonestar Industries, Inc. and Glens Falls Cement Co., Inc., from July 1998 until his retirement in December 2002. Prior to joining Dyckerhoff, Mr. Pardo was President and Chief Executive Officer of Ruhr American Coal Corporation from 1992 to 1998, Chairman of Newalta Corporation, a leading Canadian industrial waste management

and environmental services company, from 1991 to 1998, and Chief Executive Officer of Newalta during its restructuring in 1991. Mr. Pardo also served as Executive Vice President of Quorum Funding, a Canadian venture capital firm, during 1991 and 1992. He was President and Chief Executive Officer of Philip Services, Inc., a waste management, scrap metals and industrial services company, from April 1998 to November 1998. Mr. Pardo currently serves on the Board of Directors of Synthes, Inc. He also served as a Director of Philip Services, Inc. from 1994 to 2003, Newalta Corporation from 1991 to 2003, and other public companies, including Western Prospector Group Ltd, Exchange National Bank, Chicago, Invatec (valve distribution), ISG Technologies (medical imaging) and Panaco, Inc. (oil and gas exploration and production).

The Board unanimously recommends that stockholders vote FOR the election of these director nominees to the Board.

Directors' Meetings and Committees of the Board

During 2010, our Board held twenty meetings. Each director attended at least 75% of the aggregate of the total number of meetings of the Board and the total number of meetings held by all committees on which he or she served during the period for which he or she has been a director. Under our Corporate Governance Guidelines, directors who are not members of a particular committee are entitled to attend meetings of each such committee.

The following table reflects the members of each of the committees of the Board and the number of meetings held from January 1, 2010 through December 31, 2010.

	Audit & Compliance	Compensation & Human Resources	Corporate Governance & Nominating	Special Committee
Bruce A. Williamson (1)				
David W. Biegler(1)		CHAIR	X	X
Thomas D. Clark, Jr.(2)		X	CHAIR	X
Victor E. Grijalva(1)	X		X	X
Patricia A. Hammick(1)(3)				CHAIR
George L. Mazanec(4)	X	X	X	
Howard Sheppard(1)	X		X	X
William L. Trubeck(1)(5)	CHAIR	X		X
Number of Meetings	7	4	2	7

(1)In February 2011, Mr. Williamson resigned as our Chairman and our then current directors informed Dynegy that they did not intend to stand for reelection at the Annual Meeting. See “Corporate Governance – Recent Events”.

(2)Mr. Clark passed away on October 9, 2010.

(3)As Lead Director, Ms. Hammick is an ex officio member of the Audit and Compliance, Human Resources and Nominating committees. She has a standing invitation to attend all such committee meetings and thus attends all committee meetings. Ms. Hammick currently serves as our interim Chairman. See “Corporate Governance – Recent Events”.

(4)Mr. Mazanec retired immediately following our 2010 Annual Meeting.

(5)Designated Audit Committee Financial Expert.

Committees

Recent Changes to Committee Composition. As discussed above under “Corporate Governance – Recent Events”, in February 2011, each of our then independent directors informed us that they were not standing for reelection as directors at the Annual Meeting. On March 9, 2011, Messrs. Elward, Harrison, Intrieri and Merksamer were elected by the Board as directors. These four new directors were named as the sole members of the Board’s Nominating Committee, as well as the sole members of the Board’s Special Committee for Finance and Restructuring. Currently, Mr. Elward serves as Chairman of the Nominating Committee as well as serves on the Audit and Compliance, Human Resources and Special Finance and Restructuring committees of the Board. Mr. Intrieri serves as the Chairman of the Special Finance and Restructuring Committee and also serves on the Human Resources and Nominating committees of the Board. Mr. Merksamer serves on the Nominating and Special Finance and Restructuring committees of the Board. On April 9, 2011, Mr. Harrison replaced Mr. Biegler as interim President and Chief Executive Officer and as such, he no longer serves on any Board committees except for the Board’s Finance and Restructuring Committee.

Audit and Compliance Committee. The Audit and Compliance Committee, which currently is comprised of Messrs. Trubeck (Chairman), Elward, Grijalva, and Sheppard, met a total of seven times during 2010. Each member of the Audit and Compliance Committee is independent as defined in the NYSE Listed Company Standards. The Audit and Compliance Committee assists the Board in its oversight of the integrity of our financial statements, our compliance with legal and regulatory requirements and our Code of Business Conduct and Ethics, our independent auditors’ qualifications and independence, the performance of our internal audit function and the independent auditors and the performance of our risk assessment and risk management policies.

Compensation and Human Resources Committee. The Human Resources Committee, which currently is comprised of Messrs. Sheppard (Chairman), Elward, Grijalva, Intrieri and Trubeck, met a total of four times during 2010. Each member of the Human Resources Committee is independent as defined in the NYSE Listed Company Standards. The purpose of the Human Resources Committee is to assist our Board in fulfilling the Board's oversight responsibilities on matters relating to executive compensation, oversee our overall compensation strategy and our equity-based compensation plans, prepare the annual Compensation and Human Resources Committee report required by the rules of the SEC and review and discuss with our management the Compensation Discussion and Analysis to be included in our annual proxy statement to stockholders. The Human Resources Committee does not assist the Board with respect to director compensation, which is the responsibility of the Nominating Committee. For more information regarding the role and scope of authority of the Human Resources Committee in determining executive compensation, please read "Compensation Discussion and Analysis" below.

The Human Resources Committee may delegate specific responsibilities to one or more subcommittees to the extent permitted by law, NYSE listing standards and our governing documents. The Human Resources Committee is responsible for pre-approving all services performed by any independent compensation consultant in order to assure that the provision of such services does not impair the consultant's independence. As a result, the Human Resources Committee has established a policy requiring its pre-approval of the annual executive compensation services, engagement terms and fees. The policy requires that requests to provide services requiring pre-approval by the Human Resources Committee or Chair will be submitted to the Committee or Chair by both the independent compensation consultant and our Vice President of Human Resources and must include a joint statement as to whether, in their view, the request or application is consistent with maintaining the consultant's independence. Further, under the policy the Human Resources Committee delegates to its Chair the authority to pre-approve any services (other than annual engagement services) if necessary or appropriate between scheduled meetings; provided, however, that the Chair will cause any such pre-approvals to be reported to the Human Resources Committee at the next regularly scheduled meeting. For a discussion of the role of the independent compensation consultant retained by the Human Resources Committee in recommending executive compensation and the participation of our Chief Executive Officer in the review of the compensation of other executives that report to the Chief Executive Officer, please read "Compensation Discussion and Analysis" below.

Corporate Governance and Nominating Committee. The Nominating Committee, which currently is comprised of Messrs. Elward (Chairman), Merksamer and Intrieri, met a total of two times during 2010. Each member of the Nominating Committee is independent as defined in the NYSE Listed Company Standards. The Nominating Committee is responsible for identifying director nominees, assisting the Board with respect to director compensation, developing and reviewing our Corporate Governance Guidelines and overseeing the evaluation of the Board and management.

Special Committee. The Special Committee, which was comprised of all the independent and non-management directors of Dynegy, was established on November 22, 2010 and dissolved effective February 25, 2011, and met seven times in 2010. The purpose of the Special Committee was to direct the Board's comprehensive review of Dynegy's various strategic alternatives, including, if appropriate, reviewing, evaluating and negotiating potential transactions in connection with (i) a possible restructuring of the operations of Dynegy and its subsidiaries, (ii) possible changes to the capital structure of Dynegy, including the issuance, repurchase and/or prepayment of indebtedness or equity securities, (iii) a possible sale of a material amount of the assets of Dynegy, (iv) a possible sale of Dynegy, or (v) any corporate governance matters relating to the foregoing clauses (i) through (iv) or the compensation of the Board.

Special Committee for Finance and Restructuring. The Special Committee for Finance and Restructuring, which is comprised of Messrs. Intrieri (Chairman), Elward, Harrison and Merksamer, was established on March 7, 2011. The purpose of the Special Committee for Financing and Restructuring is to undertake a comprehensive review of Dynegy's various restructuring alternatives, including, without limitation, if appropriate, reviewing and evaluating (i) possible changes to the capital structure of Dynegy, including the issuance, repurchase and/or prepayment of indebtedness or equity securities and (ii) a possible sale of a material amount of Dynegy's assets.

DIRECTOR COMPENSATION

Director Compensation for 2010

The following table sets forth certain information regarding the compensation earned by or awarded to each non-employee director who served on our Board in 2010. Directors who were also employees of Dynegy were not compensated for their services as directors.

Name	Fees Earned or Paid in Cash	Stock Awards(1)	Option Awards(2)	Non-Equity Incentive Plan Compensation(2)	Change in	All Other Compensation(4)	Total
					Pension Value and Nonqualified Deferred Compensation(3)		
David W. Biegler	\$90,400	\$70,000	\$—	\$ —	\$ —	\$ 22,600	\$183,000
Thomas D. Clark, Jr.(5)	\$1,359	\$70,000	\$—	\$ —	\$ —	\$ 74,875	\$146,234
Victor E. Grijalva	\$113,000	\$70,000	\$—	\$ —	\$ —	\$ —	\$183,000
Patricia A. Hammick(6)	\$114,300	\$70,000	\$—	\$ —	\$ —	\$ 12,700	\$197,000
George L. Mazanec(5)	\$43,750	\$35,000	\$—	\$ —	\$ —	\$ —	\$78,750
Howard B. Sheppard	\$112,000	\$70,000	\$—	\$ —	\$ —	\$ —	\$182,000
William L. Trubeck	\$64,250	\$70,000	\$—	\$ —	\$ —	\$ 64,250	\$198,500

(1) Directors receive annual phantom stock grants pursuant to the Directors Deferred Compensation Plan. Upon termination of service as a director, the shares become payable, based on the director's one-time election, in cash or common stock. The values shown under "Stock Awards" reflect the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. As of December 31, 2010, each director had the following aggregate number of shares of phantom stock outstanding: Messrs. Biegler and Trubeck and Ms. Hammick—35,125; Mr. Grijalva—27,681 and Mr. Sheppard—24,751.

(2) No annual stock option awards or non-equity incentive plan compensation payments were made as compensation for director services in 2010 or are contemplated under our current compensation structure.

(3) The "Change in Pension Value and Nonqualified Deferred Compensation Earnings" column represents dividends/capital gains/losses or unrealized gains/losses on deferrals of fees and stock awards under the Directors Deferred Compensation Plan, which includes investments in common stock and various investment funds. As of December 31, 2010, each of the directors, had cumulative losses on all prior deferrals of fees in the following amounts: Mr. Biegler—\$(53,060); Mr. Grijalva—\$(38,243); Ms. Hammick—\$(75,121); Mr. Sheppard—\$(28,192); Mr. Trubeck \$(44,400).

(4) The amounts shown as "All Other Compensation" for Messrs. Biegler, Clark and Trubeck and Ms. Hammick represent a voluntary cash deferral of fees earned at each director's election into common stock or various investment funds under the Directors Deferred Compensation Plan that are payable upon termination in cash.

(5) Messrs. Clark and Mazanec are no longer Directors of Dynegy.

(6) Lead Director.

Periodically, our Nominating Committee reviews the competitiveness of the compensation of our non-employee directors. The results of such review were presented to the Board with regard to the compensation of our non-employee directors for 2010. The Board determined that, based on an assessment of competitiveness and the then-current economic environment, no compensation changes were appropriate at that time.

Under the Directors Deferred Compensation Plan, non-employee directors receive annual phantom stock grants with an aggregate value of \$70,000, awarded quarterly in arrears based on the closing price of our common stock on the last trading day of the quarter. Since the amounts of phantom stock granted are unfunded, directors do not actually receive shares of our common stock. We established a trust to provide an informal funding vehicle for the obligations under the plan to our directors. The assets of the trust, commonly referred to as a rabbi trust, are subject to the claims of our creditors in the event of insolvency, so the plan is considered unfunded for tax purposes. We contribute cash in amounts equal to the compensation that is deferred by us for the directors, which is then invested generally by the administrator of the trust in a fund of our common stock. Upon termination of service as a director, the shares of phantom stock become payable, based on an election previously made by the director, in a lump sum payment or in monthly, quarterly or annual installment payments following such termination. The shares of phantom stock are payable in cash or in shares of common stock, based upon a one-time election of the director.

In addition to the phantom stock grants, the non-employee directors receive the following compensation, which is payable in cash and may be deferred under the Directors Deferred Compensation Plan, in whole or in part, and invested in one or more investment options, including a hypothetical Dynegy common stock fund, at a particular director's election:

- An annual retainer of \$50,000 per year;
 - A fee of \$2,000 for each Board meeting attended;
 - A fee of \$1,000 for each committee meeting attended;
 - An additional annual retainer of \$30,000 for the Lead Director;
- Fees for each committee chairperson per year: Audit and Compliance Committee—\$20,000 per year; Human Resources Committee—\$10,000 per year; Nominating Committee—\$10,000;
 - An annual retainer of \$5,000 and \$2,500 per year for members of the Audit and Compliance Committee and the Human Resources Committee, respectively;
 - Reimbursement for reasonable out-of-pocket expenses incurred in connection with travel to and from, and attendance at, meetings of the Board or its committees and related activities, including director education courses and materials;
 - From March 12, 2011 to April 8, 2011 Mr. Biegler, in his role as interim President and Chief Executive Officer, received a daily fee of \$4,150 per day, plus expenses, for each day that he primarily devoted service to Dynegy, and such payment was in lieu of any director meeting fees that would otherwise be payable to Mr. Biegler as a result of meetings of the Board or its committees that are held on such days of service. Mr. Biegler was not eligible to participate in any employee benefit plans or programs of Dynegy or any of its affiliates, with the exception of his continued participation in the Directors Deferred Compensation Plan (see “Corporate Governance – Recent Events”);
 - Effective February 25, 2011, in her role as interim Chairman of the Board, Ms. Hammick receives a daily fee of \$4,150 per day, plus expenses, for each day that she primarily devotes to providing service to Dynegy (see “Corporate Governance – Recent Events”);
 - Effective February 25, 2011, a payment of \$4,150 per day, plus expenses, is paid to each director who, at the specific request of the Chairman of the Board, provides assistance to Dynegy that is in addition to the level of service to Dynegy that would ordinarily be performed in the capacity as a member of the Board or any committee thereof, and such payments are in lieu of any meeting fees that would otherwise be payable as a result of meetings of the Board or its committees that are held on such days of service (see “Corporate Governance – Recent Events”); and
 - Effective April 8, 2011, Mr. Harrison, will receive an annual salary of \$1,000,000 for his service as Interim President and Chief Executive Officer, and he will also receive phantom stock unit awards in an amount equivalent to the amount of phantom stock he otherwise would have been eligible to receive as a non-employee director under the Directors Deferred Compensation Plan (see “Corporate Governance – Recent Events”).

Certain Transactions and Other Matters

For a description of certain transactions with management and others, certain business relationships and compliance with Section 16(a) of the Exchange Act, see “Executive Compensation—Potential Payments Upon Termination or Change in Control,” “Transactions with Related Persons, Promoters and Certain Control Persons” and “Section 16(a) Beneficial Ownership Reporting Compliance.”

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the number of shares of Dynegy's common stock beneficially owned as of April 6, 2011, except as otherwise noted, by: (i) each of our current directors; (ii) each of our current executive officers; (iii) all of our current directors and executive officers as a group; and (iv) each person or entity we know to beneficially own more than 5% of the outstanding shares of Dynegy's common stock:

	Number of Shares Beneficially Owned(1)	Percent of Total Outstanding Common Stock(1)(2)	
Directors**			
David W. Biegler (4)	38,195	*	
Thomas W. Elward(4)	8,070	*	
Victor E. Grijalva(4)	33,751	*	
Patricia A. Hammick(3)(4)	43,195	*	
E. Hunter Harrison(3)(4)	503,070	*	
Vincent J. Intrieri(4)	3,070	*	
Samuel Merksamer(4)	3,070	*	
Howard B. Sheppard(4)	27,821	*	
William L. Trubeck(4)	40,395	*	
Executive Officers**			
Charles C. Cook(5)	109,384	*	
Lynn A. Lednicky(6)	187,883	*	
Kent R. Stephenson(7)	50,754	*	
All Directors and Officers as a group (11 persons)	1,048,658	*	
Other			
Seneca Capital Investments, L.P.(8) 590 Madison Avenue, 28th Floor New York, NY 10022	11,226,500	9.2	%
Icahn Capital LP(9) 767 Fifth Avenue, 47th Floor, New York, NY 10153	18,042,212	14.8	%
BlackRock, Inc.(10) 40 East 52nd Street New York, NY 10022	5,700,457	4.7	%
Habrok Capital Management LLP(11) 16 New Burlington Place 2nd Floor London W1S 2HX, United Kingdom	6,795,000	5.6	%

* Percentage ownership of less than one percent.

**The address of all our directors, named executive officers, and other officers is Dynegy's headquarters at 1000 Louisiana Street, Suite 5800, Houston, TX 77002.

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- (1) The number of shares are those beneficially owned, as determined under the rules of the SEC, and such information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which a person has sole or shared voting power or investment power and any shares which the person has the right to acquire within 60 days of April 19, 2011 through the exercise of any option, warrant or right, regardless of whether such arrangement is currently in the money, through conversion of any security or pursuant to the automatic termination of a power of attorney or revocation of a trust, discretionary account or similar arrangement. Except as otherwise indicated, each person and entity has the sole voting and investment power with respect to the shares set forth in the table.
- (2) Based upon 121,711,264 shares of common stock issued and outstanding at April 6, 2011.
- (3) Mr. Harrison is serving as a director and interim President and Chief Executive officer of Dynegy and Ms. Hammick is currently serving as Chairman of the Board.
- (4) Amounts shown include the following number of shares of our common stock payable upon termination of service as a director, at the election of the director, with respect to certain phantom stock units awarded under the Directors Deferred Compensation Plan: 38,195 shares payable to Messrs. Biegler and Trubeck and Ms. Hammick; 3,070 shares payable to Messrs. Elward, Harrison, Intrieri, and Merksamer; 27,821 shares payable to Mr. Sheppard and 30,751 shares payable to Mr. Grijalva. The amounts shown do not include certain phantom stock units held by Ms. Hammick through our Directors Deferred Compensation Plan which are payable, upon retirement, exclusively in cash and not in shares of common stock.
- (5) Amount shown includes 87,485 shares of common stock issuable upon the exercise of employee stock options held by Mr. Cook and 21,146 shares of restricted common stock which vest on March 3, 2013. Amount shown also includes approximately 753 shares of common stock held by the Trustee of the Dynegy Inc. 401(k) Savings Plan, or the Dynegy 401(k) Plan, for the account of Mr. Cook, based on the market value of units held by Mr. Cook in the Dynegy 401(k) Plan's Dynegy stock fund divided by the closing price of our common stock as of April 6, 2011. The amount shown does not include 55,752 phantom stock units held by Mr. Cook through the Dynegy Inc. 2009 Phantom Stock Plan, or Phantom Stock Plan, that are payable exclusively in cash and not in shares of common stock.
- (6) Amount shown includes 145,634 shares of common stock issuable upon the exercise of employee stock options held by Mr. Lednický and 21,146 shares of restricted common stock which vest on March 3, 2013. Amount shown also includes approximately 6,810 shares of common stock held by the Trustee of the Dynegy 401(k) Plan for the account of Mr. Lednický, based on the market value of units held by Mr. Lednický in the Dynegy 401(k) Plan's Dynegy stock fund divided by the closing price of our common stock as of April 6, 2011. The amount shown does not include 59,236 phantom stock units held by Mr. Lednický through our Phantom Stock Plan that are payable exclusively in cash and not in shares of common stock.
- (7) Amount shown includes 34,959 shares of common stock issuable upon the exercise of employee stock options held by Mr. Stephenson and 7,583 shares of restricted common stock which vest on March 3, 2013. Amount shown also includes approximately 5,243 shares of common stock held by the Trustee of the Dynegy 401(k) Plan for the account of Mr. Stephenson, based on the market value of units held by Mr. Stephenson in the Dynegy 401(k) Plan's Dynegy stock fund divided by the closing price of our common stock as of April 6, 2011. The amount shown does not include 22,302 phantom stock units held by Mr. Stephenson through our Phantom Stock Plan that are payable exclusively in cash and not in shares of common stock.
- (8)

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Based on Schedule 13D (the “Seneca 13D”) filed with the SEC on November 8, 2010, and Schedule 13D/A (the “Seneca 13D/A”) filed with the SEC on February 11, 2011, each on behalf of (i) Seneca Capital International Master Fund, L.P., a Cayman Islands exempted limited partnership (“International Fund”), (ii) Seneca Capital, L.P., a Delaware limited partnership (“U.S. Fund”), (iii) Seneca Capital Investments, L.P., a Delaware limited partnership (“Seneca LP”), (iv) Seneca Capital Investments, LLC, a Delaware limited liability company (“Seneca LLC”), (v) Seneca Capital International GP, LLC, a Delaware limited liability company (“Seneca International GP”), (vi) Seneca Capital Advisors, LLC, a Delaware limited liability company (“Seneca Advisors”), and (vii) Douglas A. Hirsch (together with each of the foregoing, the “Seneca Reporting Persons”). Such filing indicated that (1) International Fund had shared voting and dispos