

KRISPY KREME DOUGHNUTS, INC. GOVERNANCE COMMITTEE CHARTER

Purpose

The purpose of the Governance Committee of the Board of Directors (“Board”) of Krispy Kreme Doughnuts, Inc. (“Company”) is to coordinate the Board member nominating process and direct sound corporate governance through: identifying individuals qualified to become members of the Board consistent with criteria approved by the Board; recommending to the Board director nominees for the next annual meeting of shareholders; overseeing the evaluation of the Board and the Company’s executive management; and developing and recommending to the Board the corporate governance guidelines applicable to the Company.

Membership Requirements and Procedure

The Governance Committee shall be comprised of three or more directors as determined by the Board. Each member of the Governance Committee shall qualify as an “independent director” under the applicable corporate governance rules of the New York Stock Exchange.

Governance Committee members will be appointed by the Board in accordance with the Bylaws of the Company and will serve at the pleasure of the Board for such term or terms as the Board may determine or until their earlier resignations, death or removal by the Board. The Board shall designate the Chairperson of the Governance Committee. Except as expressly provided in this Charter or the Bylaws of the Company, the Governance Committee shall fix its own rules of procedure.

Structure and Meetings

The Governance Committee shall meet at least four times annually at such times as the Chairperson shall determine. Special meetings may be convened by the Chairperson as deemed necessary or desirable. The Chairperson will report to the Board the results of each meeting of the Governance Committee at the next following Board meeting. The Governance Committee may invite to its meetings other directors, members of the Company’s management and such other persons as the Governance Committee deems appropriate to enable it to carry out its responsibilities. The Chairperson of the Governance Committee shall preside at each meeting of the Governance Committee and, in consultation with the other members of the Governance Committee, shall set the length of each meeting and the agenda of items to be addressed at each meeting.

Authority and Responsibilities

The Governance Committee shall have the following responsibilities and the power and authority of the Board to fulfill these responsibilities:

Nominating

- Serving as the nominating committee of the Board and recommending to the Board persons to be nominated for election as Directors, including the receiving and considering of director candidates proposed by shareholders in accordance with the procedures set forth in the Company's Bylaws; determining the criteria for selection of prospective directors, the Board Chairperson, members of Board committees and Chairpersons of Board committees; planning for continuity on the Board as directors retire from the Board.
- Reviewing the composition and size of the Board and its committees to ensure proper expertise and diversity among its members.
- Evaluating, with input from the Company's Chief Executive Officer, the performance and contributions of directors eligible for re-election (except that members of the Governance Committee will not participate in deliberations regarding their own performance and contributions).
- Determining desired qualifications for individual directors and desired skills and characteristics for the Board, identifying persons who provide needed skills and characteristics, screening possible candidates for Board membership, reviewing any potential conflicts of interests between such candidates and the Company's interests, sharing information concerning the candidates with the Board, and soliciting input from other Directors.

Oversight

- Overseeing the periodic evaluation of executive management and the full Board and its committees, including an annual self-evaluation of the Governance Committee.
- Conducting a periodic review of the charter and composition of each Board committee and recommending to the Board that it create additional Board committees, change the mandates of existing committees, or disband Board committees.
- Evaluating, with input from the relevant committee Chairpersons, whether each Board committee is comprised of members suitable for the tasks of the committee and recommending to the Board directors to serve on each Board committee and a committee member to serve as Chairperson of each committee.
- Conducting a regular review of the Company's Bylaws and recommending changes to the Board.

- Identifying and reporting to the Board any relationship between any director and the Company, its affiliates, or any other entity or person that may affect the independence of the director or present a conflict of interest, monitoring such relationship and addressing any action to be taken with respect to such relationship.
- Conducting an annual review of succession planning for the Company's Chief Executive Officer and other key executives, reporting its findings and recommendations to the Board; and working with the Board to establish policies for use in evaluating potential successors to the Company's Chief Executive Officer.
- In conjunction with the Company's Chief Executive Officer and General Counsel, developing and providing an orientation program for new directors, and periodically providing materials or briefing sessions for all directors on subjects intended to assist them in discharging their duties.
- Developing and recommending to the Board a set of corporate governance principles applicable to the Company; periodically reviewing such principles; and, if appropriate, recommending to the Board any changes to the principles which the Governance Committee believes to be desirable.

The Governance Committee shall reassess the adequacy of this Charter annually, recommending any proposed changes to the Board for approval, and shall fulfill such other duties and responsibilities with respect to matters of corporate governance as may be delegated to the Governance Committee by the Board from time to time.

Resources and Authority

The Governance Committee shall have the resources and authority to discharge its duties and responsibilities including the authority to select, terminate, and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management. With respect to consultants or search firms used to identify director candidates, this authority shall be vested solely in the Governance Committee.

April 26, 2004