

DENNY'S CORPORATION

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

CHARTER

Authority

The Board of Directors (the "Board") of Denny's Corporation (the "Company") has established the "Corporate Governance and Nominating Committee," (the "Committee"), and has delegated to the Committee the authority, responsibility, and specific duties as described herein.

Purpose

The Committee's primary purposes shall be to develop and recommend to the Board a set of Corporate governance standards in the form of a corporate governance policy for the Company, to maintain and monitor such policy for compliance, to monitor the process of assessing the effectiveness of the board and its committees, to identify individuals qualified to become board members and to recommend to the Board for selection the director nominees for the annual meeting of shareholders, or those necessary to fill existing vacancies on the Board.

Committee Composition and Member Qualification

The Committee shall be comprised of not less than three members of the Board. Each member of the Committee shall be "independent" and shall satisfy the standard of The Nasdaq Stock Market for an "independent director".

Member Appointment and Removal

Members of the Committee, as well as the Committee's Chairman, will be appointed by the Board. The Board may fill vacancies on the Committee and may remove a Committee member from membership of the Committee at any time with or without cause.

Committee Duties and Responsibilities

The primary duties and responsibilities of the Committee shall be as follows:

- to be responsible for developing and recommending to the Board a set of corporate governance standards in the form of a corporate governance policy in addition to subsequently monitoring such policy for compliance. The committee shall see that the policy is subsequently communicated to the Company's shareholders and that it will be made available to prospective investors and other interested persons;
- to review the corporate governance policy on an annual basis, or more frequently if appropriate to ensure at a minimum compliance with all applicable regulatory guidance, and recommend changes as necessary;

- to perform the core function of recommending nominees to the Board as well as recommending directors for appointment to committees of the Board. These responsibilities include establishing criteria for Board and committee membership, considering rotation of committee members, reviewing candidates' qualifications and any potential conflicts with the Company's interests, assessing the contributions of current directors in connection with their renomination, establishing a policy and process for identifying and evaluating nominees, and making recommendations to the full Board. The Committee shall also process and consider stockholder suggestions for Board nominees, however, the final responsibility for approving director nominees recommended by the Committee rests with the Board;
- to monitor and safeguard the independence of the Board. It shall be the responsibility of the Committee to ensure that a majority of the directors of the Board are, in both fact and appearance, independent of management;
- to monitor and oversee the planning for Chief Executive Officer and senior management succession;
- to oversee and review the Company's processes for providing information to the Board. The Committee should assess the reporting channels through which the Board receives information, and the quality and timeliness of information received, so that the Board obtains appropriately detailed information in a timely fashion;
- to oversee the process of evaluation of the Board, its committees, and management; and
- to conduct an annual performance evaluation of the Committee's work.

Committee Structure, Operations and Reporting

The Committee will meet at least four (4) times per year and at other times as may be requested by its Chairman. Before each scheduled meeting, the Committee Secretary (who will be the Corporate Secretary or designee) will prepare an agenda in consultation with the Committee Chairman, and the Secretary will keep minutes of all Committee meetings. A majority of the Committee members will be a quorum for the transaction of business and any action of a majority of those present at a meeting at which a quorum is present will be the act of the Committee. The Committee shall have the power to delegate its authority to a subcommittee of the Committee.

In lieu of a meeting the Committee may also take action by written consent if all Committee members execute, either before or after the action is taken, the consent and the consent is filed with the Corporate Secretary. The Chairman will report after each meeting to the Board on all Committee actions and on the fulfillment of the Committee's duties under its Charter.

Professional Consultation

The Committee shall have authority to retain and terminate any search firm to be used to identify director candidates, and to retain outside counsel and any other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve the related fees and other retention terms.

Charter Adoption/Periodic Review

This Corporate Governance and Nominating Committee Charter was adopted by the Committee on December 19, 2002 and by the Board on January 30, 2003. The Committee shall review, six (6) months from the date of its initial adoption and thereafter at least annually, the adequacy of this charter and recommend any proposed changes to the Board for approval.