



New Employee Enrollment Guide

Hourly Enrollment 2010

Your 2010 Benefits Program

Denny's is pleased to announce that The American Worker® will continue to offer affordable health benefit plans to all eligible employees for 2010. Please review the enclosed information to decide which plan best meets your needs.

How to Enroll

You have **60 days from your hire date to enroll**. If you do not enroll, you will not be able to enroll in benefits coverage until the next benefits enrollment period **unless** you have a qualified status change, such as marriage, birth of a child, change from part-time to full-time status, etc.

The American Worker Call Center
Call Center representatives will answer benefit questions, enroll you or make changes to your plan. The Call Center is available Monday through Friday 8:00 AM to 8:00 PM EST at 1-866-866-3424.

Los representantes del centro de llamadas del American Worker le contestarán sus preguntas sobre sus beneficios y lo inscribirán inmediatamente o le ayudarán a realizar cambios a su plan actual. Si usted necesita la información de la inscripción en Español, favor llamar al 1-866-866-3424 o comuníquese con su encargado. Los representantes del centro de llamadas del American Worker están disponibles para tomar sus llamadas de lunes a viernes de 8:00 AM a 8:00 PM, hora del Este del país.

Dear Denny's Team Member,

Annual benefits enrollment is a great opportunity to think again about your benefit needs — and the healthy choices you should make for your and/or your family's long-term health. There are several important things you should know about your plan options. This newsletter includes details about your medical, dental, vision and disability insurance plan options for 2010.

Medical Coverage Options

Denny's offers four plans that provide coverage for basic healthcare services from which you can choose:

- Basic Plan — provides doctor's visits, preventive care, lab and X-ray benefits.
- Value Plan — provides additional doctor's visits, lab and X-ray benefits and a surgical benefit.
- Elite Plan — provides additional doctor's visits and enhanced coverage for preventive care.
- Signature Plan — provides the most coverage and features among the four plans — and includes hospital benefits and critical illness coverage.

Your medical plan options provide guaranteed and immediate coverage. In addition, other key features include:

- Pre-tax medical deductions
- No pre-existing condition limitations, deductibles, coinsurance, waiting periods or coordination of benefits
- Discounts when you use in-network providers

Additional Benefits

Denny's offers optional dental, vision and disability benefits that may be purchased on a Stand-Alone basis or as a Buy-Up option when you participate in a Denny's Hourly Medical Plan.

Enrolling

You must enroll within 60 days of your hire date to elect benefits or make changes to your current coverage after you enroll. If you choose not to enroll or make changes within 60 days, you will have to wait until the next annual enrollment period unless you have a qualified status change.

If you have any questions about your benefits or the 2010 enrollment, call The American Worker Call Center at 1-866-866-3424 Monday through Friday from 8:00 AM to 8:00 PM EST.

In good health,

Nelson Marchioli, Chief Executive Officer

2010 Medical Plan Choices

	BASIC	VALUE
Bi-Weekly Rates	Part-Time Rates Apply To All Employees With Less Than Six Months Employment	
Employee	\$18.28	\$39.77
Employee + 1	\$36.61	\$87.33
Family	\$40.04	\$97.29
Bi-Weekly Rates	Full-Time Rates Apply To All Employees Who Have Worked At Least 6 Months And Average 30 Hours Per Week	
Employee	\$7.62	\$16.05
Employee + 1	\$22.67	\$53.61
Family	\$25.42	\$61.39
Covered Services		
Pharmaceutical Benefits*	Included	Included
The PHCS Network*	Included	Included
Doctor's Office Visits • Calendar Year Maximum	Pays \$50 per Visit, \$300 Maximum per Person	Pays \$60 per Visit, \$360 Maximum per Person
Diagnostic Lab Benefit • Calendar Year Maximum	Pays \$20 per Lab Test, \$60 Maximum per Person	Pays \$35 per Lab Test, \$105 Maximum per Person
X-Ray Benefit • Calendar Year Maximum	Pays \$70 per X-Ray, \$140 Maximum per Person	Pays \$100 per X-Ray, \$200 Maximum per Person
Advanced Studies	Pays up to \$1,000 per Year (According to Schedule C)**	Pays up to \$1,000 per Year (According to Schedule B)**
Preventive Care • Calendar Year Maximum	Pays \$75 per Visit, \$150 Maximum per Person	Pays \$75 per Visit, \$150 Maximum per Person
Accident Benefit	\$300 per Occurrence	\$500 per Occurrence
Emergency Room Sickness • Calendar Year Maximum	Pays \$75 per Visit, \$300 Maximum per Person	Pays \$75 per Visit, \$300 Maximum per Person
Ambulance Transport • Calendar Year Maximum	Not Available	Not Available
Surgical Benefit	Not Available	Pays \$1,000 per Year (According to a Schedule)**
Anesthesia Benefit	Not Available	Pays 25% of Surgical Benefit
Outpatient Surgery Facility Benefit	Not Available	Pays 25% of Surgical Benefit
Hospital Indemnity • Lifetime Maximum	Pays \$100 per Day, 500 Days Lifetime Maximum	Pays \$300 per Day, 500 Days Lifetime Maximum
Hospital Admission • Calendar Year Maximum	Not Available	Not Available
Inpatient Miscellaneous Expense Benefit • Calendar Year Maximum	Not Available	Not Available
Intensive Care Benefits	Pays \$200 per Day, First 30 Days, \$100 per Day Thereafter	Pays \$600 per Day, First 30 Days, \$300 per Day Thereafter
Substance Abuse • Calendar Year Maximum	Pays \$50 per Day, 30 Days per Year Maximum	Pays \$150 per Day, 30 Days per Year Maximum
Skilled Nursing Benefits • Calendar Year Maximum	Pays \$50 per Day, 60 Days Maximum per Stay	Pays \$150 per Day, 60 Days Maximum per Stay
Mental Health (Inpatient) • Calendar Year Maximum	Pays \$50 per Day, 60 Days per Year Maximum	Pays \$150 per Day, 60 Days per Year Maximum
AIG Critical Illness Coverage • Employee • Spouse • Child	Not Available	Not Available
Life and AD&D Insurance • Employee • Spouse (Life Only) • Child (Life Only)	\$5,000 \$2,500 \$1,250	\$5,000 \$2,500 \$1,250
New Benefits Discounts*	Included	Included

*See page 4 for additional information on the New Benefits Pharmaceutical Program, The PHCS Network and New Benefits Discount Program.

**Schedules for the Advanced Studies and Surgical Benefits will be provided, when you call 1-866-866-3424.

2010 Medical Plan Choices

ELITE	SIGNATURE
Part-Time Rates Apply To All Employees With Less Than Six Months Employment	
\$69.13	\$111.63
\$155.24	\$249.15
\$173.47	\$277.95
Full-Time Rates Apply To All Employees Who Have Worked At Least 6 Months And Average 30 Hours Per Week	
\$27.78	\$62.33
\$96.11	\$171.27
\$110.54	\$193.96
Included	Included
Included	Included
Pays \$90 per Visit, \$540 Maximum per Person	Pays \$90 per Visit, \$540 Maximum per Person
Pays \$35 per Lab Test, \$105 Maximum per Person	Pays \$50 per Lab Test, \$300 Maximum per Person
Pays \$100 per X-Ray, \$200 Maximum per Person	Pays \$150 per X-Ray, \$600 Maximum per Person
Pays up to \$1,000 per Year (According to Schedule B)**	Pays up to \$2,000 per Year (According to Schedule A)**
Pays \$150 per Visit, \$150 Maximum per Person	Pays \$150 per Visit, \$450 Maximum per Person
\$1,000 per Occurrence	\$2,500 per Occurrence
Pays \$75 per Visit, \$300 Maximum per Person	Pays \$75 per Visit, \$300 Maximum per Person
Not Available	Pays \$250 per Service, \$500 Maximum per Person
Pays \$1,500 per Year (According to a Schedule)**	Pays \$1,500 per Year (According to a Schedule)**
Pays 25% of Surgical Benefit	Pays 25% of Surgical Benefit
Pays 25% of Surgical Benefit	Pays 25% of Surgical Benefit
Pays \$800 per Day, 500 Days Lifetime Maximum	Pays \$1,000 per Day, 500 Days Lifetime Maximum
Not Available	Pays \$1,000 per Hospital Stay, 1 Hospital Stay per Year
Not Available	Pays \$500 per Day, 60 Days per Year Maximum
Pays \$1,600 per Day, First 30 Days, \$800 per Day Thereafter	Pays \$2,000 per Day, First 30 Days, \$1,000 per Day Thereafter
Pays \$400 per Day, 30 Days per Year Maximum	Pays \$500 per Day, 30 Days per Year Maximum
Pays \$400 per Day, 60 Days Maximum per Stay	Pays \$500 per Day, 60 Days Maximum per Stay
Pays \$400 per Day, 60 Days per Year Maximum	Pays \$500 per Day, 60 Days per Year Maximum
Not Available	\$10,000 \$5,000 \$1,000
\$5,000 \$2,500 \$1,250	\$5,000 \$2,500 \$1,250
Included	Included

Critical Illness Plan*

American International Group (AIG) Critical Illness Plan

This benefit is underwritten by American International Group, Inc (AIG) and provides a lump sum benefit equal to \$10,000, if you are diagnosed with one of the following illnesses:

- Heart Attack
- Stroke
- Life Threatening Cancer
- Kidney Failure
- Major Organ Transplant
- Paralysis
- Coma
- Severe Burn
- Coronary Artery Bypass Graft
- Loss of Sight, Speech or Hearing

If you are first diagnosed at least 30 days after the effective date of the policy, all of your benefits will pay. If you are diagnosed with life-threatening cancer, you will receive the full benefit after 90 days from the effective date. The life-threatening cancer benefit is limited to 10% after 30 days and before 90 days from the effective date.

Benefits are not payable in connection with a pre-existing condition within 12 months of the effective date. A critical illness resulting from a pre-existing condition, which occurs after 12 months will be covered unless otherwise excluded by the policy. See the Certificate of Coverage for details. The Certificate of Coverage will be provided to you upon enrollment in the Signature Plan and is also available upon request. **This benefit is available to employees under 65 years of age.**

* Available only with the Signature Plan.

Pharmacy, In-Network and General Discount Programs

The following non-insurance programs have been designed to save you money on pharmaceuticals, hospital stays, physician visits and health service benefits. To use the benefits through the New Benefits Pharmaceutical Program, PHCS Network and New Benefits Discount Program, you must use in-network providers. The New Benefits Pharmaceutical Program, PHCS Network and New Benefits Discount Program are automatically included in all plans.

<p>Pharmaceutical Program</p>	<p><u>New Benefits Pharmaceutical Program</u></p> <p>Preferred Brand and Generic Drugs</p> <ul style="list-style-type: none"> • Tier I: Members pay \$10 or less for a typical 30-day supply. • Tier II: Members pay \$20 or less for a typical 30-day supply. • Tier III: Members pay \$40 or less for a typical 30-day supply. • Tier IV: Members pay \$60 or less for a typical 30-day supply. • Tier V: Members pay \$80 or less for a typical 30-day supply. • Tier VI: Members pay \$100 or less for a typical 30-day supply. <p>Non-Preferred Brand and Generic Drugs</p> <ul style="list-style-type: none"> • Members receive discounts ranging from 10% to 60% depending on the pharmacy and the type and quantity of drugs purchased. • No maximum annual benefit, no deductibles and no claim forms to file. • Accepted at over 45,000 network pharmacies nationwide — K-Mart, Target, Walgreen’s and many more large chains and independent pharmacies.
<p>Provider Network</p>	<p><u>The PHCS Network</u></p> <p>Members have access to The PHCS Discount Network, which provides discounts on Hospital and Physician services. Using The PHCS Discount Network may help lower out-of-pocket medical expenses.</p> <ul style="list-style-type: none"> • The PHCS Discount Network is comprised of nearly 550,000 healthcare professionals, over 4,000 hospitals and more than 95,000 additional care facilities. • Visit www.multiplan.com to find network providers in your area.
<p>Health Discount Programs</p>	<p><u>New Benefits Discount Program</u></p> <p>New Benefits provides discounts to nearly 10 million members. The New Benefits program saves members hundreds of dollars a year on health service benefits. The New Benefits Discount Program includes:</p> <ul style="list-style-type: none"> • Nurse Hotline — Toll-free telephone access to experienced Registered Nurses, 24 hours a day, 365 days a year. • Chiropractic Discounts — Free initial consultation and up to 50% savings on services performed by over 3,000 providers nationwide. • Personal Counseling Services — Confidential problem-solving services by experienced counselors. • Vision Discounts — Save 20% to 60% on prescription eyeglasses, 10% to 20% on contact lenses and 10% to 30% on eye exams and surgical procedures. • Hearing Discounts — Free hearing screening at over 1,300 Beltone locations and 15% savings on hearing aids. • Vitamin and Personal Care Discounts — Save 10% on over 6,000 vitamins and other nutritional supplements — and a discount of 15% below retail prices on most diabetic monitoring supplies.

Optional Benefits

We also are pleased to offer the following additional benefit plans. These optional coverages may be purchased on a **Stand-Alone** basis or as a **Buy-Up** option when you participate in one of the Denny's Hourly Medical Plans.

Optional Dental and Vision Benefits

Bi-Weekly Rates	Buy-Up	Stand-Alone*
Employee	\$13.32	\$16.49
Employee + 1	\$30.83	\$41.13
Family	\$34.60	\$42.99
Dental Coverage Summary	Coverage Amount	
Annual Maximum Benefit	\$1,000 per Covered Member	
Annual Deductible	\$100 per Covered Member	
Covered Services	Waiting Period**	Coinsurance
Preventive and Diagnostic Exams, Cleanings, X-Rays, Fluoride Treatments, etc.	None	Covered at 80% (Reasonable and Customary)
Basic Treatment Sealants, Fillings, Extractions, Root Canals, Oral Surgery, Periodontics, etc.	None	Covered at 80% (Reasonable and Customary)
Major Treatment Crowns, Dentures, Inlays, Onlays, Bridge Work, etc.	12 Months	Covered at 50% (Reasonable and Customary)
Orthodontia Services Orthodontia Lifetime Maximum Braces for children to age 19	12 Months	Covered at 50% \$500 (Reasonable and Customary)
Vision Coverage Summary	Coverage Amount	
Annual Maximum Benefit	\$300 per Covered Member	
Coinsurance Percentage	80%	
Covered Services	Frequency	
Routine Eye Exam	Once Every 12 Months	
Lenses, Frames and Contacts	Once Every 24 Months	

Optional Disability Benefit — Employee Only

Bi-Weekly Rates	Buy-Up	Stand-Alone*
Employee	\$7.52	\$8.63
Weekly Maximum Benefit	\$300 per Employee	\$300 per Employee
Maximum Benefit Period	26 Weeks	13 Weeks
Waiting Period	8 Days (Accidents or Illness)	15 Days (Accidents or Illness)
Percent of Weekly Salary Paid	66 $\frac{2}{3}$ % (Excluding Bonuses and Overtime)	66 $\frac{2}{3}$ % (Excluding Bonuses and Overtime)
Coverage Includes Disability Due to Pregnancy or Childbirth		

*Stand-Alone Dental/Vision and/or Disability benefits include \$5,000 of Life Insurance and \$100 per day for the Hospital Indemnity portion.

**Waiting periods apply to new members — not current participants.

You have 60 days from your hire date to enroll

To enroll, call 1-866-866-3424 Monday through Friday 8:00 AM to 8:00 PM EST. The Call Center representatives will ask you for the following information.

Employee Questions	Your Name
	Employer Name
	Social Security Number
	Date of Birth
	Street Address
	City, State, ZIP Code
Dependent Questions	Dependent Name
	Social Security Number
	Date of Birth
Coverage Questions	Do you want coverage?
	What medical plan?
	What level of coverage?
Optional Benefits Questions	Do you want the Dental/Vision coverage?
	Stand-Alone or Buy-Up?
	Do you want the Disability plan?
	Stand-Alone or Buy-Up?

Important Plan Information

Acknowledgement of Coverage

By electing to participate in The American Worker plan for benefits made available under the Internal Revenue Code Section 79, 105, 106, 125, and these sections as amended, I understand that the Plan automatically will convert any eligible payroll deductions to pre-tax status, which are provided through the Plan.

I understand that by participating in this Plan my Social Security benefits may be reduced since these premiums will be deducted before my salary is taxed. This election will remain in effect for the entire Plan Year. My election CANNOT be changed during the Plan Year in accordance with the Internal Revenue Service Guidelines unless I have a qualifying status event such as a marriage, divorce, legal separation, death of spouse, birth or legal adoption of a child, death of a child, spousal change of employment affecting insurance coverage or a change in my employment status.

By enrolling, I have accepted the terms detailed above.

Provider Contact Information

Member Services	1-866-668-6299 Available Monday through Friday from 8:00 AM to 8:00 PM EST. Spanish speaking representatives are available.
Submitting Claims	1-866-668-6299 Pan-American Life Insurance Company P.O. Box 781, Park Ridge, IL 60068
PHCS Network Information	1-800-672-2140 Visit www.multiplan.com to locate a provider.

This newsletter gives an overview of some of the benefit plans you are eligible for as an hourly employee of Denny's. If there is any discrepancy between this newsletter and the official plan documents, the plan documents will govern. Denny's reserves the right to amend, modify or terminate these plans at any time. This newsletter in no way is intended to constitute a contract of employment.

Flexible Spending Accounts

Flexible Spending Accounts (FSAs) are a great way to save on your out-of-pocket health and/or dependent daycare expenses. FSAs let you set aside tax-free dollars from your paycheck (money that is exempt from federal and most state and local taxes) to pay for certain health and/or dependent daycare expenses during the year.

Use the Healthcare FSA to reimburse yourself tax-free for out-of-pocket expenses like copayments, deductibles and other expenses not covered by your health plans, but considered medically necessary. This includes over-the-counter drugs and medical supplies. Use the Dependent Care FSA for eligible dependent daycare expenses, like child care, that allow you and your spouse, if you are married, to work. You can participate in one or both types of FSAs. Generally, you can set aside up to \$5,000 in each.

Healthcare FSA

Even with your Denny's medical, dental and vision coverage, you'll probably have to pay some healthcare expenses out of your pocket. With the Healthcare FSA, you don't have to pay taxes on any of the money you use to pay for healthcare expenses for you and your family such as:

- Most over-the-counter medications
- Deductibles, coinsurance and copayments from your medical, vision and dental plans
- Prescription drug copayments
- LASIK eye surgery
- Contacts, eyeglasses and eye exams
- Braces
- Hearing aids

Aetna VISA FSA Debit Card — For the Healthcare FSA

When you participate in the Healthcare FSA, you have the added convenience of using the Aetna VISA FSA Debit Card — so, there are no claim forms to submit, unless additional proof of purchase is required. Use the card to pay for eligible expenses at any eligible service provider who accepts VISA, such as the doctor's office or retail pharmacy.

The debit card is similar to a debit card you'd use with your normal checking account — except the funds are withdrawn from your FSA. The card has an expiration date, so if you plan to continue participating in an FSA from year to year, **keep your card until you receive a new one**. And, remember to keep your receipts, for those instances where you may need to prove that your debit card was used for an eligible healthcare expense. The debit card is not available for Dependent Care expenses.

Using the Aetna VISA FSA Debit Card in 2010

Due to the IRS rules you will be limited to where you can use your Aetna VISA FSA Debit Card. The IRS is requiring "non-medical" merchants (such as grocery stores, drug stores, etc.) to agree to certain inventory management guidelines in order to accept FSA debit cards, like the Aetna VISA FSA Debit Card.

Before you use your Aetna VISA FSA Debit Card at a grocery store, drug store, etc., check to see if you can use the card there during 2010. Merchants that use the required inventory system will display an Inventory Information Approval System — or IIAS — logo. You can continue to use your card at your doctor's office, the hospital and all medical providers. Check www.aetnafsa.com regularly for the most up to date list of compliant non-medical merchants like Sam's Club, Walgreen's and Wal-Mart. Remember, your FSA Debit Card will be accepted at any medical provider — like your doctor or the hospital.

Dependent Care FSA

The Dependent Care FSA helps you afford daycare for your children under age 13 or a disabled dependent so that you can work. You can use tax-free dollars to pay for:

- Licensed nursery school and daycare centers for children or disabled dependents
- Family or adult daycare centers
- Services from a care provider
(must be over age 19 and not claimed as a dependent on your tax return)

Use It or Lose It

Remember, if you are considering an FSA for 2010, plan for it. You must use all the money in your FSAs for expenses incurred in the calendar year in which you set the money aside — or if a Healthcare FSA, for the first two and a half months of the following year. IRS rules require that if you have money left over in your account at the end of the allowed timeframe, you forfeit that money.

You have until April 15, 2011, to submit any FSA claims for expenses incurred in 2010. But, if you have money remaining in your Healthcare FSA at the end of 2010, you can use the 2010 Healthcare FSA balance remaining for 2011 healthcare expenses incurred before March 15, 2011.

How to Enroll

To enroll in a Healthcare FSA or Dependent Care FSA, call The American Worker Call Center at 1-866-866-3424 to request an FSA form. The Call Center representative will fax or email you an FSA enrollment form.

You can also request an FSA enrollment form from Denny's Total Rewards Department — call 1-800-859-2244 Monday through Friday 8:00 AM to 5:00 PM or email totalrewards@dennys.com.

Filing a Claim

FSA claim forms are available through the Denny's Total Rewards Department — call 1-800-859-2244 Monday through Friday 8:00 AM to 5:00 PM EST or email totalrewards@dennys.com. FSA claim forms are also available at www.aetna.com.

Did you know ...

When you participate in an FSA, you have the added convenience of using the Aetna VISA FSA Debit Card ... so there are no claim forms to submit. Use the card to pay for expenses at any eligible service provider who accepts VISA, such as the doctor's office or hospital. Keep your receipts because you may need to submit them to Aetna for verification of your expenses.

Get the Facts

For more information on FSAs and a list of eligible expenses, go to the Aetna FSA web site at www.aetnafsa.com.

- For healthcare expenses: Publication 502 — Medical and Dental Expenses
- For dependent daycare expenses: Publication 503 — Child and Dependent Care Expenses

You also can call 1-800-TAXFORM to request a printed copy of either publication. For a final determination on eligible expenses, contact Aetna at 1-888-238-6226.

Important to Note: You have until April 15, 2011, to submit all FSA claims for expenses incurred in 2010. But, if you have money left over in your Healthcare FSA at the end of 2010, you can use the 2010 balance remaining for 2011 healthcare expenses incurred before March 15, 2011.



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Spartanburg, SC 29319

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Important Employee Benefit Information — Time-Sensitive Material



2010 Hourly Employee Enrollment

**Call The American Worker Call Center
to Enroll — 1-866-866-3424**

**2010 Enrollment
Enroll Within 60 Days of Your Hire Date**

2010 Enrollment Guide — Do Not Discard