

DENNYS CORP  
Form 8-K  
October 31, 2017

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) October 26, 2017

DENNY'S CORPORATION  
(Exact name of registrant as specified in its charter)

Delaware	0-18051	13-3487402
(State or other jurisdiction of Incorporation or organization)	Commission File No.	(I.R.S. Employer Identification No.)

203 East Main Street  
Spartanburg, South Carolina 29319-0001  
(Address of principal executive offices)  
(Zip Code)

(864) 597-8000  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company “

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the

Exchange Act. "

---

Item 1.01. Entry into a Material Definitive Agreement.

On October 26, 2017, Denny's Corporation (the "Company") entered into a Third Amended and Restated Credit Agreement among Denny's, Inc., as the Borrower, the Company, Denny's Realty, LLC ("Denny's Realty") and DFO, LLC ("DFO"), as Guarantors, Wells Fargo Bank, National Association, as Administrative Agent and L/C Issuer, Regions Bank and Citizens Bank, National Association, as Co-Syndication Agents, Cadence Bank N.A. and Fifth Third Bank, as Co-Documentation Agents, and the other lenders party thereto (the "New Credit Facility"). The New Credit Facility provides for a five-year \$400 million senior secured revolver (with a \$30 million letter of credit sublimit). Borrowings will bear a tiered interest rate, which is based on the Company's consolidated leverage ratio and is initially set at LIBOR plus 200 basis points. The New Credit Facility includes an accordion feature that would allow the Borrower to increase the size of the facility to \$450 million. The maturity date for the New Credit Facility is October 26, 2022.

The New Credit Facility is being used to refinance the Company's Old Credit Facility (as defined in Item 1.02 below) and will also be available for working capital, capital expenditures and other general corporate purposes. The New Credit Facility is guaranteed by the Company, Denny's Realty and DFO and is secured by assets of the Company and its subsidiaries, including the stock of the Company's subsidiaries.

The New Credit Facility includes negative covenants that are usual for facilities and transactions of this type. The New Credit Facility also includes certain financial covenants with respect to a maximum consolidated leverage ratio and a minimum consolidated fixed charged coverage ratio.

The Borrowers will have the option to make certain prepayments under the New Credit Facility. The New Credit Facility includes events of default (and related remedies, including acceleration and increased interest rates following an event of default) that are usual for facilities and transactions of this type.

For additional information, see the Third Amended and Restated Credit Agreement (attached hereto as Exhibit 99.1), Third Amended and Restated Guarantee and Collateral Agreement (attached hereto as Exhibit 99.2) and the press release (attached hereto as Exhibit 99.3, which is hereby incorporated by reference).

Item 1.02. Termination of a Material Definitive Agreement.

On October 26, 2017, the Company terminated its Second Amended and Restated Credit Agreement dated as of March 30, 2015, among Denny's, Inc., as the Borrower, the Company, Denny's Realty and DFO, as Guarantors, Wells Fargo Bank, National Association, as Administrative Agent and L/C Issuer, Regions Bank and Citizens Bank, National Association, as Co-Syndication Agents, Cadence Bank N.A. and Fifth Third Bank, as Co-Documentation Agents, and the other lenders party thereto, which established a credit facility in the original amount of \$250 million (the "Old Credit Facility"). The Old Credit Facility was terminated in connection with the entry into the New Credit Facility described in Item 1.01 above.

Item 2.03. Creation of Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The discussion in Item 1.01 of this Form 8-K regarding the New Credit Facility is hereby incorporated by reference.

Item 8.01 Other Events.

Edgar Filing: DENNYS CORP - Form 8-K

On October 27, 2017, the Board of Directors of Denny's Corporation approved a new share repurchase program authorizing the Company to repurchase an additional \$200 million of its common stock, in addition to repurchases previously authorized. A copy of the press release is attached hereto as Exhibit 99.1, which is hereby incorporated by reference.

---

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	<u>Third Amended and Restated Credit Agreement dated as of October 26, 2017 among Denny's, Inc., as the Borrower, Denny's Corporation, as Parent, and Certain Subsidiaries of Parent, as Guarantors, Wells Fargo Bank, National Association, as Administrative Agent and L/C Issuer, Regions Bank and Citizens Bank, National Association, as Co-Syndication Agents, Cadence Bank, N.A. and Fifth Third Bank, as Co-Documentation Agents, and The Other Lenders Party Hereto, Wells Fargo Securities, LLC, Regions Capital Markets, a Division of Regions Bank and Citizens Bank, National Association, as Joint Lead Arrangers and Joint Bookrunners.</u>
99.2	<u>Third Amended and Restated Guarantee and Collateral Agreement dated as of October 26, 2017 among Denny's, Inc., Denny's Realty, LLC, Denny's Corporation, DFO, LLC, the other Subsidiaries of Parent from time to time party hereto, and Wells Fargo Bank, National Association, as Administrative Agent.</u>
99.1	<u>Press release issued by Denny's Corporation on October 31, 2017.</u>

---

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Denny's Corporation

Date: October 31, 2017 /s/ F. Mark Wolfinger  
F. Mark Wolfinger  
Executive Vice President,  
Chief Administrative Officer and  
Chief Financial Officer

---

Exhibit Index

Exhibit Number	Description
99.1	<u>Third Amended and Restated Credit Agreement dated as of October 26, 2017 among Denny's, Inc., as the Borrower, Denny's Corporation, as Parent, and Certain Subsidiaries of Parent, as Guarantors, Wells Fargo Bank, National Association, as Administrative Agent and L/C Issuer, Regions Bank and Citizens Bank, National Association, as Co-Syndication Agents, Cadence Bank, N.A. and Fifth Third Bank, as Co-Documentation Agents, and The Other Lenders Party Hereto, Wells Fargo Securities, LLC, Regions Capital Markets, a Division of Regions Bank and Citizens Bank, National Association, as Joint Lead Arrangers and Joint Bookrunners.</u>
99.2	<u>Third Amended and Restated Guarantee and Collateral Agreement dated as of October 26, 2017 among Denny's, Inc., Denny's Realty, LLC, Denny's Corporation, DFO, LLC, the other Subsidiaries of Parent from time to time party hereto, and Wells Fargo Bank, National Association, as Administrative Agent.</u>
99.1	<u>Press release issued by Denny's Corporation on October 31, 2017.</u>