



FRANCHISE DISCLOSURE DOCUMENT

DINO'S GYROS FRANCHISE CORPORATION

2195 128th Avenue

Coon Rapids, Minnesota 55448

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The franchise offered is for the operation of a Dino's The Greek Place restaurant which will feature gyros sandwiches, other sandwiches, other Greek food items and other foods and beverages.

The total investment necessary to begin operation of a Dino's The Greek Place restaurant is from \$482,000 to \$613,000. This includes the initial franchisee fee of \$30,000. If you sign an Area Development, you pay a lump sum non-refundable Development fee equal to ½ of the Initial Fee for each Restaurant to be opened under the Area Development Agreement.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, us or an affiliate in connection with the proposed franchise sale. **Note, however that no government agency has verified the information contained in this document.**

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this Disclosure Document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 10, 2012

STATE COVER PAGE

Your state may have a franchise law that requires a franchise to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit D for information about the franchisor, about other franchisors, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following **RISK FACTORS** before you buy this franchise:

THE FRANCHISE AGREEMENT REQUIRES THAT ALL DISAGREEMENTS BE MEDIATED IN MINNESOTA. ANY LITIGATION MUST ALSO TAKE PLACE IN MINNESOTA. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. THESE PROVISIONS MAY BE SUPERSEDED BY CERTAIN STATE LAWS. IT ALSO MAY COST MORE TO MEDIATE OR LITIGATE WITH US IN MINNESOTA THAN IN YOUR HOME STATE.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Issuance Date: October 20, 2011

Effective Date: See the following page for registration state effective dates.

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

Minnesota: April 19, 2012

DINO'S THE GREEK PLACE
FRANCHISE DISCLOSURE DOCUMENT

TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
ITEM 2. BUSINESS EXPERIENCE	2
ITEM 3. LITIGATION	2
ITEM 4. BANKRUPTCY	2
ITEM 5. INITIAL FEES	3
ITEM 6. OTHER FEES	3
ITEM 7. ESTIMATED INITIAL INVESTMENT	4
ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	7
ITEM 9. FRANCHISEE'S OBLIGATIONS	8
ITEM 10. FINANCING.....	9
ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEM AND TRAINING	10
ITEM 12. TERRITORY.....	13
ITEM 13. TRADEMARKS	14
ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	16
ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	17
ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	17
ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	18
ITEM 18. PUBLIC FIGURES	19
ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS	19
ITEM 20. OUTLETS AND FRANCHISEE INFORMATION	21
ITEM 21. FINANCIAL STATEMENTS	22
ITEM 22. CONTRACTS	22
ITEM 23. RECEIPTS	23

EXHIBITS

- A. Financial Statements
- B. Franchise Agreement (including Owner Agreement, Lease Addendum and Authorization for Direct Debit)
- C. Area Development Agreement
- D. List of Franchised and Company-Owned Restaurants
- E. List of State Administrators and Agents for Service of Process
- F. State Specific Addendum
- G. Industry Specific Laws
- H. Receipts

DINO'S THE GREEK PLACE
FRANCHISE DISCLOSURE DOCUMENT

ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

To simplify the language in this Disclosure Document, "Dino's," "we" or "us" means the franchisor. "You" means the person or entity who buys the franchise. If a corporation, partnership or limited liability company buys the franchise, "you" includes the shareholders of the corporation, partners of the partnership or the members of the limited liability company. Our corporate name is Dino's Gyros Franchise Corporation. We are a Minnesota corporation that was incorporated in December 2000. Our principal place of business is at 2195 128th Avenue, Coon Rapids, Minnesota 55448 and our business telephone number is (651) 645-8800. We do business under the names "Dino's Gyros" and "Dino's The Greek Place." We have no predecessors. We have one affiliate, DiVoJaC, Inc. ("DVJ") which developed the concept for the franchise being offered, owns the marks and has operated the Dino's The Greek Place Restaurant in St. Paul, Minnesota since 1986. Other related companies operate Dino's The Greek Place Restaurants in Coon Rapids, Edina and Woodbury, Minnesota. Another related company, Dino's Festivals, Inc., operates a kiosk/booth at fairs and festivals which offers our gyros sandwiches. Addi Holdings Company is the parent company for us and the other related companies. The principal place of business for our parent company and other related companies is the same as ours.

Our agent for service of process is listed in Exhibit E.

Our Business Experience

Our affiliate, DiVona, Inc. offered franchises from October 1999 until December 2000. We began offering franchises in March of 2001. We have not offered franchises in other lines of business in this state or elsewhere. We have never operated a business similar to the business being franchised. However, our officers, DVJ and other related companies have owned and operated restaurants similar to those being franchised since 1986. No other related company has offered franchises of any type in any state.

The Franchise

You receive the right to operate a Dino's The Greek Place Restaurant ("Franchised Restaurant"). Each Franchised Restaurant offers on-premises dining, carry out and optional delivery services and offers for sale gyros sandwiches, other Greek food items and other products and beverages ("Menu Items"). You must prepare the Menu Items according to our recipes and specifications and serve according to our specified standards. Franchised Restaurants will operate under the name "Dino's The Greek Place" and other marks as we may designate ("Marks").

You must operate the Franchised Restaurant under the distinctive Dino's The Greek Place system ("System"). The System is characterized by distinctive layout, design, signs, decor, menu items, recipes, procedures and techniques, all of which we may change. A typical Franchised Restaurant will have approximately 2,400 to 3,000 square feet with seating capacity for 50 to 75 people. Franchised Restaurants are located in strip centers, storefronts and other venues.

We also offer to qualified entities the right to develop multiple Dino's The Greek Place Restaurants within a protected territory ("Development Territory") under the terms of an Area Development Agreement. If you sign an Area Development Agreement, you will sign a separate Franchise Agreement for each Restaurant developed.

Market and Competition

Your Franchised Restaurant will offer its food products to the general public. Competition in the quick-serve and fast casual restaurant industry is intense. You will compete with other quick-serve and fast casual restaurants, including those offering non-Greek food items. We believe that the fast casual restaurant market is well developed and very competitive. Your competition for market share will include chains as well as local independent restaurants.

Regulations Affecting the Restaurant

There are many laws and regulations which will affect the establishment and operation of your Restaurant. Most states and local governments have industry-specific health and other regulations that apply to businesses offering food and beverages to the public. (See Exhibit G). You are solely responsible for determining what local, city, county, or state regulations, permits, and licenses apply and you must comply with all applicable local, state and federal health and sanitation laws and regulations relating to food handling and the sale of food. You should also familiarize yourself with other federal, state or local laws of a more general nature which affect the operation of your Restaurant. You must comply with employment, worker's compensation, insurance, corporate, taxing, licensing and similar laws and regulations.

ITEM 2. BUSINESS EXPERIENCE

Constantin ("Dino") Adamidis – President and Chairman of the Board

Mr. Adamidis has been President of DVJ since 1986. He was our President from December 2000 until February 2003 and since May 2004. He has been Chairman of the Board since February 2003.

Vona Adamidis – Vice President, Chief Financial Officer and Director

Ms. Adamidis has been Secretary-Treasurer of DVJ since 1986 and has been our Vice President and Chief Financial Officer since December 2000.

Jason Adamidis – Vice President and Director of Research & Development

Mr. Adamidis has been Manager of a Dino's Restaurant since 1994. He has been our Vice President since December 2000 and our Director of Research and Development since February 2003.

Alysia Adamidis – Secretary and Director of Operations

Ms. Adamidis has been our Secretary since December 2000 and has worked in the Coon Rapids Dino's The Greek Place Restaurant since its opening in March 2000.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this Disclosure Document.

ITEM 4. BANKRUPTCY

No bankruptcy information is required to be disclosed in this Disclosure Document.

ITEM 5. INITIAL FEES

Initial Franchise Fee

You must pay an initial franchise fee of \$30,000 when you sign a Franchise Agreement. The initial franchise fee is uniform in all cases. During the fiscal year ended October 31, 2010, we sold no franchises and thus no initial franchise fees were collected. The initial franchise fee is fully earned upon receipt and is not refundable.

Fees Payable Under Area Development Agreement

If you sign an Area Development Agreement, the Initial Franchise Fee is \$30,000 for each Restaurant. Upon signing the Area Development Agreement, you pay a lump sum, non-refundable Development Fee equal to \$15,000 (½ of the Initial Franchise Fee) for each Restaurant to be opened under the Area Development Agreement. \$15,000 of the Development Fee is credited against the Initial Franchise Fee for each Restaurant upon the signing of the Franchise Agreement.

The above payments are the only payments you must make to us or our affiliates for services or goods provided before your Franchised Restaurant opens.

ITEM 6. OTHER FEES

TYPE OF FEE ¹	AMOUNT	DUE DATE	REMARKS
Royalty	4% of Gross Sales ² (6% of Gross Sales if Restaurant is operated only on seasonal basis)	Wednesday of each week for the preceding week ³	Paid by electronic fund transfer
Advertising Fee ⁴	2% of Gross Sales	Wednesday of each week for the preceding week ³	We will contribute the same amount for each company-owned restaurant (except "Special Site" Restaurants). We have the right to increase the Advertising Fee to 3% of Gross Sales.
Local Advertising ⁵	2% of Gross Sales	Periodically	
Grand Opening Advertising/Marketing ⁶	\$3,000 - \$6,500	During the initial 30 days of operation	Generally, you pay these expenses directly to suppliers
Audits	Cost of audit plus interest at the maximum rate allowable by law not to exceed 1.5% per month	Immediately upon receipt of bill	You pay for cost of audit only if it shows an understatement of at least 2%
Transfer Fee	\$10,000	Before consummation of transfer	Payable when you sell your franchise
Renewal Fee	\$5,000	Upon renewal	

TYPE OF FEE ¹	AMOUNT	DUE DATE	REMARKS
Late Fee ³	\$25	Per week	In addition to interest accrued
Additional Training ⁷	Variable	At time of training	

NOTES:

1. You pay all fees to us unless otherwise noted. All fees are non-refundable.
2. Gross sales include the total amount of revenue from the sale of services, products and merchandise and all income of every kind and nature related to the Franchised Restaurant, whether or not sold or performed at the Franchised Restaurant. Gross sales does not include any sales tax collected and paid to the appropriate taxing authority.
3. If you do not pay the fee when due, the amount due will bear interest at the highest applicable legal rate up to a maximum of 1.5% per month from the date due, plus you will be charged a \$25 per week late fee.
4. The Advertising Fee is paid to us for deposit in an advertising fund. We have the right to increase the Advertising Fee up to 3% of gross sales.
5. The amount of the local advertising expenditures can be increased to 4% if a majority of the Restaurants in your designated advertising area approve the increase.
6. The estimated cost for Grand Opening advertising and marketing includes the costs associated with your VIP Grand Opening party(ies).
7. If we determine that the Principal Operator requires training in excess of the regular training program or if you would like us to train more than two people, you must pay us a per diem fee and pay for our out-of-pocket expenses. As of the date of this Disclosure Document our per diem fee is \$200 per day per person providing the training.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Hard Costs Related to Construction:				
Leasehold Improvements ^{1,2}	\$200,000 - \$250,000	As Arranged	As Arranged	Approved Contractors
Furniture, Fixtures and Equipment ²	\$177,000 - \$213,000	As Arranged	As Arranged	Approved Suppliers
Signage ³	\$10,000 - \$15,000	As Incurred	As Incurred	Approved Suppliers
Computer POS System	\$12,000 - \$20,000	As Incurred	As Incurred	Approved Suppliers
Subtotal of Hard Costs Related to Construction	\$399,000 - \$498,000			

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee	\$30,000	Lump Sum	Upon Signing of Franchise Agreement	Us
Rent ⁴	\$5,500 - \$8,500	As Arranged	As Arranged	Lessor
Lease & Utility Security Deposits ⁵	\$6,000 - \$7,000	As Arranged	Before Opening	Lessor and Utility Companies
Initial Inventory ⁶	\$6,000 - \$8,000	Lump Sum	Upon Delivery of Inventory	Approved Suppliers
Insurance ⁷	\$4,500 - \$5,000	As Arranged	As Arranged	Insurance Company
Training Expenses ⁸	\$5,000 - \$15,000	As Incurred	As Incurred	Transportation Lines, Hotels, Restaurants and us
Grand Opening Advertising/Marketing ⁹	\$3,000 - \$6,500	As Incurred	As Incurred	Media, Printers, Other Suppliers, Employees
Office Equipment ¹⁰	\$1,500 - \$3,000	As Incurred	As Incurred	Approved Suppliers
Additional Funds ¹¹ (3 month period)	\$20,000 - \$30,000	As Incurred	As Incurred In First Six Months	Employees, Suppliers
Legal and Accounting Fees	\$1,500 - \$2,000	As Arranged	As Arranged	Your Attorneys and Accountants
Subtotal of Other	\$83,000 - \$115,000			
TOTAL ¹²	\$482,000- \$613,000			

NOTES

1. Leasehold Improvements. The costs of construction and leasehold improvements can vary dramatically depending upon the size and condition of the premises, the nature and extent of leasehold improvements required, the local cost of contract work and the location of the Franchised Restaurant. The estimate includes your architectural drawings. The cost of leasehold improvements will be significantly higher if you build a stand-alone restaurant. The out-of-pocket cost may be less if you can negotiate tenant improvement allowances with your landlord.
2. Furniture, Fixtures and Equipment. The Manual lists the furniture, fixtures and equipment necessary for the operation of a Franchised Restaurant and include refrigerators, freezers, ovens, tables, chairs, televisions, sound system, and other equipment, furniture and fixtures. You must purchase or lease certain approved brands and models from approved suppliers. The initial investment required will depend on financing terms available and other factors.
3. Signage. The cost of signage will be higher if you elect to have a drive-through service window.
4. Real Estate/Rent. You must rent premises suitable for the operation of a Franchised Restaurant. The typical facility will require approximately 2,400 to 3,000 square feet. The rental expense may vary widely based on geographic location, size of the facility, local rental rates, amount of tenant

improvement funds, and other factors. If you choose to build and own the restaurant premises, the cost will be significantly higher. The estimate in the chart is for your first month's rent.

5. Lease & Utility Security Deposits. Landlords may require a security deposit, and utility companies may require that you place a deposit prior to installing telephone, gas, electricity and related utility services. A typical utility security deposit is one month's expense. A typical lease deposit will be an amount equal to one month's rent. These deposits may be refundable in accordance with the agreements made with the utility companies and landlord.
6. Initial Inventory. Your initial inventory must be purchased from approved suppliers or in accordance with our specifications as is further described in Items 8 and 9 of this Disclosure Document. Initial inventory consists of various food products, beverages, paper products, cleaning supplies, and other supplies utilized in the operation of the Franchised Restaurant. The initial inventory expenditure will vary according to anticipated sales volume and current market prices for supplies.
7. Insurance. You must procure and maintain throughout the term of the Franchise Agreement insurance in such amounts as prescribed by us as set forth in Item 8 of this Disclosure Document. The estimate in the chart is for approximately 25% of an annual premium. The balance of the annual premium is generally payable over a nine-month period. The cost of insurance will vary based on policy limits, type of policies procured, nature and value of physical assets, number of employees, square footage, contents of the business, geographical location and other factors bearing on risk exposure. If you desire to sell beer and wine and we approve, your insurance cost will be higher and you will also have the additional cost of the license, neither of which are included in this estimate.
8. Training. You must make arrangements and pay the expenses for you, your manager and other employees to attend the training program including, without limitation, transportation, lodging, meals and wages. The amount expended will depend, in part, on the distance they must travel and the type of accommodation you choose. You will pay the hourly wage of all of your hourly employees who attend training. In addition, we reserve the right to charge you a training fee if more than two management people are trained.
9. Grand Opening. We require you to conduct grand opening advertising during your first 30 days of operation of the Franchised Restaurant. The "grand opening" advertising and promotion shall be conducted according to our recommendations and will include one or more VIP Grand Opening parties.
10. Office Equipment and Supplies. Before beginning operations, you must purchase an assortment of office equipment and supplies as prescribed in the Manual. These items include telephones and facsimile machine.
11. Additional Funds. This amount of working capital is projected as sufficient to cover initial operating expenses, including employees' salaries, for a period of three months. These figures are estimates and we cannot guarantee you will not have additional expenses starting the business. Your costs will depend on factors such as: how closely you follow our recommended methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our product; the prevailing wage rate; competition; and the sales level reached during the initial period. At the time of opening you must have enough immediately accessible working capital funds to defray the costs of operating the Restaurant for the initial several months.
12. Total. We have used DVJ's more than 20 years of experience and the other related companies' experience in operating Dino's The Greek Place Restaurants to compile these estimates. You should

review these figures carefully with a business advisor before making any decision to purchase the franchise.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to insure a uniform image and uniform quality of products and services throughout the Dino's The Greek Place System, you must maintain and comply with our quality standards. Although you are not required to purchase or lease real estate from us or our affiliates, we must consent to the location of your Restaurant (see Item 11). Your lease must contain the Addendum to Lease attached as Schedule C to the Franchise Agreement. You must construct and equip your Restaurant in accordance with our then current approved design, specifications and standards and you must use the services of an architect whom we approve. In addition to meeting our design specifications and standards, it is your responsibility to insure that your building plans comply with the Americans With Disabilities Act and all other federal, state and local laws. You also must use equipment (including hardware and software for a Restaurant point-of-sale system), signage, fixtures, furnishings, products, ingredients, supplies and advertising materials that meet our specifications and standards. As of the date of this Disclosure Document, you are not required to purchase or lease any other goods or services for the operation of the Restaurant from us or our affiliates. However, you are required to purchase a variety of proprietary or "spec" items from designated sources or approved suppliers. These items include salad dressing, sauces, spices, gyros meat, and logo items.

We provide you with a list of approved manufacturers, suppliers and distributors ("Approved Suppliers List") and approved inventory products, fixtures, furniture, equipment, signs, stationery, supplies and other items or services necessary to operate the Restaurant ("Approved Supplies List"). The Approved Suppliers List may specify the specific manufacturer of a specific product or piece of equipment and you may purchase the item from any source that carries the specific approved item. From time to time we, an affiliate or a third party vendor or supplier may be the only approved supplier for certain products. For example, as of the date of this Disclosure Document, there is only one approved supplier for salad dressings, spices, sauces, gyros meat and logo items. The lists also may include other specific products without reference to a particular manufacturer, or they may set forth the specifications and/or standards for other approved products. We may revise the Approved Suppliers List and Approved Supplies List. We give you the approved lists as we deem advisable. You must notify us in writing if you want to offer for sale at the Restaurant any brand of product, or to use in the operation of the Restaurant any brand of food ingredient or other material, item or supply that is not then approved by us, or to purchase any product from a supplier that is not then designated by us as an approved supplier. If requested by us, you must submit samples and other information as we require for testing or to otherwise determine whether the product, material or supply, or the proposed supplier meets our specifications and quality standards. We generally will notify you of supplier approval or disapproval within 45-60 days of our receipt of all the information and samples we request. You must pay the reasonable cost of the inspection and evaluation and the actual cost of the test. The supplier also may be required to sign a supplier agreement. We may re-inspect the facilities and products of any supplier of an approved supplier or item and revoke our approval of any supplier or item that fails to continue to meet any of our criteria. We will send written notice of any revocation of an approved supplier or item.

Pepsi soft drinks are on the Approved Supplies list. You must buy the Pepsi soft drinks from an authorized Pepsi distributor.

We apply the following general criteria, among others, in approving a proposed supplier: 1) ability to make product in conformity with our specifications; 2) willingness to protect the secrets behind the uniqueness of a product without dissemination to others; 3) production and delivery capability for the System; 4) reputation and integrity of supplier; and 5) financial condition and insurance coverage of the supplier. These are only examples and the criteria may change at any time.

Dino's 2012 FDD

Neither we nor our affiliates are currently approved suppliers for any products. However, we have the right to designate sole sources of products and services and we or one of our affiliates may be the sole approval supplier. We and our affiliates reserve the right to receive rebates or other consideration from suppliers in connection with your purchase of goods, products and services as described in this Item 8. As of the date of this Disclosure document, we and/or our affiliates receive rebates from the sale of soft drinks, meat, Greek food items, french fries and salad dressings. These payments are calculated on an amount based on products sold to you. We will retain and use such payments as we deem appropriate or as required by the vendor. We also will derive revenue on any products that we sell directly to you by selling these products to you at more than our cost.

During our last fiscal year, we derived revenues of \$12,626 as a result of purchases (by both franchised and company-owned Restaurants) from approved suppliers, which was 43% of our total revenues of \$29,290 based upon our audited financial statement for the fiscal year ended October 31, 2011.

We negotiate prices for numerous products for the benefit of the System but not on behalf of individual franchisees. There is no purchasing or distribution cooperative. We will try to receive volume discounts for the System on certain products. We do not provide material benefits to you because of your use of approved suppliers.

You must purchase and maintain in full force and effect, at your expense and from a company we accept insurance that insures both you and us and any other persons we designate by name. You must provide us with proof of coverage annually. The insurance policies must include, at a minimum: (i) public liability coverage; (ii) personal injury coverage; (iii) automobile/van coverage for any vehicle used in the franchised business, including any state requirements for underinsured or uninsured coverage; (iv) property damage coverage; (v) specialty coverage provisions to protect against product liability, and for any and all damages that could result from injury or death to any person as a result of eating or ingesting any items sold at your location; (vi) us as a named additional insured on all liability policies required by this subparagraph; and (vii) any other such insurance coverages or amounts as required by law or other agreement related to the Restaurant. Details of specific coverage and limits of insurance will be contained in the manuals we provide to you.

You can expect items purchased or leased in accordance with our specifications will represent approximately 60-80% of total purchases you will make to begin operations of the business and over 50% of the ongoing costs to operate the business.

ITEM 9. FRANCHISEE’S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this Disclosure Document.

OBLIGATION	SECTION IN FRANCHISE AGREEMENT (“FA”) AND AREA DEVELOPMENT AGREEMENT (“ADA”)	DISCLOSURE DOCUMENT ITEM
A. SITE SELECTION AND ACQUISITION/LEASE	Sections 7 and 9 of Franchise Agreement Section 2 of ADA	Item 11
B. PRE-OPENING PURCHASES/LEASES	Section 9 of Franchise Agreement	Items 7 and 8
C. SITE DEVELOPMENT AND OTHER PRE-OPENING REQUIREMENTS	Sections 7 and 8 of Franchise Agreement	Items 6, 7 and 11

OBLIGATION	SECTION IN FRANCHISE AGREEMENT (“FA”) AND AREA DEVELOPMENT AGREEMENT (“ADA”)	DISCLOSURE DOCUMENT ITEM
	Section 2 of ADA	
D. INITIAL AND ONGOING TRAINING	Section 8 of Franchise Agreement	Item 11
E. OPENING	Section 6A of Franchise Agreement Section 3 of ADA	Items 5, 7 and 11
F. FEES	Sections 2, 4, 5, 6 and 13 of Franchise Agreement; Section 2 of ADA	Items 5 and 6
G. COMPLIANCE WITH STANDARDS AND POLICIES/OPERATING MANUAL	Section 9 of Franchise Agreement	Item 11
H. TRADEMARKS AND PROPRIETARY INFORMATION	Sections 3 and 10 of Franchise Agreement; Section 6 ADA	Items 13 and 14
I. RESTRICTIONS ON PRODUCTS/SERVICES OFFERED	Section 9 of Franchise Agreement	Item 16
J. WARRANTY AND CUSTOMER SERVICE REQUIREMENTS	None	Item 11
K. TERRITORIAL DEVELOPMENT AND SALES QUOTA	Section 1 of Franchise Agreement; Section 3 of ADA	Item 12
L. ONGOING PRODUCT/SERVICE PURCHASES	Section 9 of Franchise Agreement	Item 8
M. MAINTENANCE, APPEARANCE AND REMODELING REQUIREMENTS	Sections 9 of Franchise Agreement	Item 11
N. INSURANCE	Section 11 of Franchise Agreement	Items 6 and 8
O. ADVERTISING	Section 6 of Franchise Agreement	Items 6 and 11
P. INDEMNIFICATION	Section 11 of Franchise Agreement; Section 10 of ADA	Item 6
Q. OWNER’S PARTICIPATION/ MANAGEMENT/STAFFING	Sections 9 of Franchise Agreement	Items 11 and 15
R. RECORDS/REPORTS	Section 12 of Franchise Agreement	Item 6
S. INSPECTIONS/AUDITS	Section 12 of Franchise Agreement	Items 6 and 11
T. TRANSFER	Section 13 of Franchise Agreement; Section 9 of ADA	Item 17
U. RENEWAL	Section 2 of Franchise Agreement	Item 17
V. POST-TERMINATION OBLIGATIONS	Section 17 and 18 of Franchise Agreement; Section 8 of ADA	Item 17
W. NON-COMPETITION COVENANTS	Section 18 of Franchise Agreement	Item 17
X. DISPUTE RESOLUTION	Sections 19 and 20 of Franchise Agreement; Section 12 of ADA	Item 17

ITEM 10. FINANCING

We do not offer, either directly or indirectly, any financing to you. We are unable to estimate whether you will be able to obtain financing for any or all of your investment and, if so, the terms of such financing. We do not receive payment for the placing of financing. We do not have any present practice or intent to assign to a third party any instrument executed by you. No contracts or investments contain a waiver of defenses or similar provisions. We do not guarantee your notes, leases or other obligations.

ITEM 11. FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEM AND TRAINING

Except as listed below, we do not provide any assistance to you:

A. Pre-Opening Assistance. Before you open your business, we will:

1. Evaluate the location chosen by you and designate a protected territory for your Franchised Restaurant (Franchise Agreement, Sections 1 and 8. The factors considered by us in approving the location may include, but are not limited to the following: (a) rent expense; (b) demographics; (c) traffic patterns, visibility and business mix of neighborhood; (d) equipment and services located at the site; (e) leasehold improvement costs; and (f) adequacy of parking and signage.

2. Provide you with a Manual which details the specifications, procedures and rules incidental to the operation of Franchised Restaurant (Franchise Agreement, Section 8).

3. Approve all promotional materials and advertising to be used by you (Franchise Agreement, Section 6).

4. Before the opening of your business we will provide an initial training course to train two people from your management team as follows:

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Overview	--	5	Minnesota
Menu	--	10	Minnesota
Food Preparation	--	80	Minnesota
Customer Service Policies and Procedures	--	50	Minnesota
Bookkeeping/accounting	--	40	Minnesota
Point-of-Sale System	--	40	Minnesota
Advertising & Promotion	--	35	Minnesota
Personnel	--	40	Minnesota
TOTALS	--	300	Minnesota

Your principal operator must complete to our satisfaction this training program which lasts at least four weeks (for a new franchisee). If you have already operated a Dino’s The Greek Place Restaurant, the training period will be shorter. We do not charge for this training for up to two individuals. We will charge for training (currently \$200 per day per person plus expenses) for additional people being trained. You must also pay any travel and living expenses for you and your employees. Training generally occurs at one of our affiliate-owned Dino’s The Greek Place Restaurants in Minnesota.

Alysia Adamidis currently serves as our training administrator. Jason Adamidis also assists in the training. Their employment histories are described in Item 2. Additional employees who have experience in some facet of the operation of a Dino's The Greek Place Restaurant may assist in training.

We may require you to attend refresher training programs. We will not charge for these programs but you will pay for your expenses in attending. Refresher training will not be required more than twice a year.

B. Post-Opening Obligations. During the operation of your Franchised Restaurant, we will:

1. Assist you in opening your Franchised Restaurant by sending one or more of our representatives to your Franchised Restaurant to help train employees in the operation of the Franchised Restaurant. This assistance is for at least ten days around the time of your opening. (Franchise Agreement, Section 8).

2. Maintain the Advertising Fund. We must approve the use of all promotional materials and advertising before your use. (Franchise Agreement, Section 6).

3. Give you a list of established sources of equipment, food, supplies and containers necessary for the operation of your Franchised Restaurant and provide specifications for all products. We will also regulate quality standards throughout the network of Franchised Restaurants. (Franchise Agreement, Section 9).

4. Make periodic visits to your Franchised Restaurant as we reasonably determine to be necessary to provide consultation and guidance. Our representatives who visit your Franchised Restaurant will prepare a report outlining any suggested changes or improvements in the operation of your restaurant or detailing any defaults which become evident. (Franchise Agreement, Section 8).

5. Undertake (before your proposed use) the review or testing of any previously unapproved items or suppliers. (Franchise Agreement, Section 9).

Point-of-Sale System

You must purchase a restaurant point-of-sale system designated by us. You are responsible for the cost of periodic upgrades and maintenance.

The designated computer system performs for the following functions: 1) cashier sign-on and sign-off, 2) time display, 3) PLU/item entry, 4) promotional tracking, 5) discount tracking, manager operations, 6) various reports, 7) balancing function, and 8) processing of credit cards and gift cards. As of this date, we do not have independent access to this information. You must provide the sales information to us on a weekly basis. However, we reserve the right to have independent access.

We have the right to require you to purchase, license and use in the operation of the Franchised Restaurant only the designated software and information system we periodically specify. The approved information system means those specific models of communications and computer systems or hardware which we require you to use in the Restaurant. You must also maintain a dedicated phone line and modem so that our computers can interface and communicate with your computer. You must obtain software designated by us to enable this to occur. In addition to the cost of the equipment and accessories, you may pay fees to third parties in connection with the installation, use, support, maintenance and periodic enhancements of the approved information system. You must also have and utilize an Internet e-mail account.

Advertising

As of the date of this Disclosure Document, you pay an Advertising Fee of 2% of your Gross Sales to an advertising and development fund (the "Fund") established by us. We have the right to increase the amount of the Advertising Fee up to a maximum of 3% of gross sales. During the fiscal year ended October 31, 2011, the Fund spent 9% on production, 25% on media placement, and 66% on administrative (including payments to independent advertising consulting firms).

We will administer the Fund. We may use the Fund for (1) broadcast or print advertising; (2) the creation, development and production of advertising and promotional materials, including, but not limited to, ad slicks, commercials, videotapes, direct mail pieces, and other print advertising; (3) any marketing or related research and development; and (4) advertising and marketing expenses, including product and food research and development, services provided by advertising agencies, public relations firms or other marketing, research or consulting firms or agencies, menu designs, customer incentive programs, sponsorships, marketing meetings and sales incentives, development of our Internet web site, Internet access provider costs, subscriptions to industry newsletters or magazines, and administrative costs and salaries for marketing support personnel. We determine the use of the monies in the Fund. We are not required to spend any particular amount on marketing, advertising or promotion in the area in which your Franchised Restaurant is located.

We have the sole right to oversee the advertising program and to use the Fund to conduct national, regional or local advertising. We will contribute to the Fund amounts equal to your required percentage for each company-owned restaurant, except those located at "Special Sites" (see Item 12). We will prepare an annual accounting of the Fund and will make it available for your review upon your request. We may be paid for reasonable administrative costs and overhead incurred in administering the Fund. You may only use your own advertising material if we have approved it before its use.

You must also spend at least 2% of your Gross Sales on local advertising and promotion.

We may establish local advertising groups or cooperatives to which you may be required to contribute your local advertising expenditures.

If a majority of the Restaurants in your designated advertising market vote to spend more than 2% of Gross Sales on advertising and promotion, you will participate but you will not be required to spend more than 4% of your Gross Sales on local advertising and promotion.

We do not use any of the advertising funds for the solicitation of franchise sales. We have our own in-house advertising production capabilities, but may also use an outside agency. You must maintain a business phone and advertise continuously in the yellow pages or classified section of a local telephone directory. You must obtain our approval of all promotional and advertising materials before use.

You may not independently advertise or market on the Internet, or use any domain name, address, locator, link, metatag, or search technique, with words or symbols similar to the Marks. We retain the sole right to market on the Internet, including all use of Web sites, domain names, URL's, linking, advertising and co-branding arrangements. Upon request, you will provide us content for our Internet marketing, and sign our Internet and Intranet usage agreements. We also retain the sole right to use the Marks on the Internet, including on Web sites, as domain names, directory addresses, metatags, and in connection with linking, advertising, co-branding and other arrangements. We retain the right to approve any linking or other use of our Web site. You may not establish a presence on or market using the Internet except as we may specify, and only with our prior written consent. We intend that any franchisee Web site be accessed only through our home page. All Internet marketing must be coordinated through us and approved by us.

Methods Used to Select Location

You select the site for the Franchised Restaurant within the area designated in the Franchise Agreement. We must approve the site. If we do not agree with the site you select, you may not develop a Franchised Restaurant on the site. We provide you with written notice of approval or disapproval within thirty business days after we receive your written proposal. (Franchise Agreement, Section 7.) The factors considered by us in approving the location for the proposed site may include the following: (a) rent expense; (b) demographics; (c) traffic patterns, visibility, business mix and neighborhood; (d) equipment and services located at the site; (e) leasehold improvement costs; and (f) adequacy of parking and signage.

Typical Length of Time Before Operation

The typical length of time between the signing of the Franchise Agreement, or the first payment of any consideration for the franchise, and the opening of your business is approximately four months from the execution of the Franchise Agreement. Factors that may delay this length of time may include the ability to obtain a site, prepare a site survey and modifications to our basic architectural plan for our approval, arrange leasing and financing, make leasehold improvements, install fixtures, equipment, and signs, decorate the Franchised Restaurant, meet local requirements, obtain inventory, and similar factors.

You must begin operation within six months after signing the Franchise Agreement or as otherwise required or approved in writing by us. If you fail to begin operations within the stated time, we may terminate the Franchise Agreement. (Franchise Agreement, Section 15.)

Manual

Before purchasing the franchise, we permit you to view the confidential Manual in our office, the contents of which you must keep confidential.

ITEM 12. TERRITORY

You receive the right to operate a Dino's The Greek Place Restaurant at a specific location described in the Franchise Agreement. We will not during the term of your franchise operate or grant others the right to operate a Dino's The Greek Place Restaurant within a specified geographic area ("Designated Area") except as described in this Item 12. Although you receive a designated area, you do not receive an exclusive territory. You may face competition from other franchisees, from Restaurants that we own, and from other channels of distribution such as grocery stores, other retail locations, catalogs and Internet sales.

We reserve the right to develop by direct ownership or franchising Dino's The Greek Place Restaurants within the Designated Area at the following locations: (1) public transportation facilities, including airports, train stations and bus stations; (2) military bases; (3) sports stadiums and arenas; (4) amusement and/or theme parks; (5) fairs and festivals; (6) college campuses; and (7) enclosed shopping centers ("Special Sites").

The criteria used for determining the boundaries of the Designated Area include: the population base; density of population; growth trends of population; apparent degree of affluence of population; the density of residential and business entities; and major topographical features which clearly define contiguous areas, like rivers, mountains, major freeways, and underdeveloped land areas. As a result of these considerations, a Designated Area may vary in size from a population base of approximately 30,000 or a one mile radius, whichever is more appropriate considering the nature of the trading area. In more densely populated areas, the Designated Area may be significantly less than 30,000 in population or a

one-mile radius. We determine the Designated Area. A written description attached to the Franchise Agreement describes the Designated Area. If you desire to offer catering services, you may do so only within the Designated Territory and only with our prior written consent.

We may grant franchises anywhere outside the Designated Area. We also have the right, both within and outside of the Designated Area, to sell at special events (at our option, if you elect not to participate in the events) or at wholesale, through channels of distribution distinct from those of a Franchised Restaurant, products and services which comprise a part of the System, which products may be resold at retail to the general public. We reserve the right both within and outside the Designated Area to sell at both wholesale and retail all products and services which do not comprise a part of the System. We also have the exclusive right to market and sell menu items and proprietary products on the Internet/World Wide Web.

We and other franchisees may not engage in catering and delivery services within the Designated Area. You must not solicit prospective clientele for catering and delivery services outside the Designated Area. We have no obligation to enforce these prohibitions against any System franchisee; however, other System franchisees are third-party beneficiaries of the Franchise Agreement for purposes of these prohibitions.

We have not and may not establish other franchises or company-owned outlets selling similar products or services under a different trade name or trademark within the Designated Area except as described in this Item. You must not offer catering or delivery services except according to our catering and delivery policies. We have the right to require you to participate in catering and delivery programs we establish from time to time.

Continuation of your territory does not depend on the achievement of a certain sales volume, market penetration or other contingency. You do not receive the right to acquire additional franchises within or outside of your area unless you sign another franchise agreement with us.

Area Development Agreement

If you enter into an Area Development Agreement with us, we will not establish or franchise anyone else to establish any Dino's The Greek Place Restaurant in the Development Territory up to the earlier of: (i) the expiration or termination of the Area Development Agreement; or (ii) the date on which you must execute the Franchise Agreement for your last Restaurant under the Development Schedule (except for Special Sites as noted above). We determine the Development Territory in an Area Development Agreement using the same criteria that is used in deciding a Designated Area for one Restaurant. However, the Development Territory must be able to support the number of restaurants you intend to establish in that area. As a result, the Development Territory generally consists of a city or a portion of a city.

We may not alter the Development Territory without your written agreement. However, we may terminate the Area Development if you: (i) fail to exercise to enter into Franchise Agreements with us as required by the Development Schedule; (ii) fail to comply with any other terms and conditions of the Area Development Agreement; (iii) make or attempt to make a transfer or assignment in violation of the Area Development Agreement; or (iv) fail to comply with the terms and conditions of any individual Franchise Agreement.

ITEM 13. TRADEMARKS

You have the right, to use the mark "DINO'S THE GREEK PLACE" and other marks we designate (the "Marks") in the operation of the Franchised Restaurant. The following is a list of the Dino's 2012 FDD

service mark registrations, all of which are on the Principal Register of the U.S. Patent and Trademark Office (“USPTO”):

Mark	Registration No.	Registration Date
DINO’S and Design	2,344,506	April 25, 2000
“WHO LOVES YA BABY”	2,361,917	June 27, 2000
DINO’S GYRO’S THE GREEK PLACE and Design	2,537,062	February 5, 2002
DINO’S THE GREEK PLACE	3,120,012	July 25, 2006
DINO’S THE GREEK PLACE	3,276,984	August 7, 2007

DVJ has filed all required affidavits. DVJ licensed DiVona, Inc., Inc. the right to use the Marks and to sublicense the use of the Marks in connection with the franchising of Restaurants under a license agreement dated October 5, 1999. This Agreement has been assigned to us. DVJ licensed us the right to use the Mark “Dino’s” and to sublicense the use of that Mark in connection with the franchising of Restaurants under a separate license agreement. DVJ may terminate the license agreement if either we or any franchisee misuse the Marks in a way as to materially impair the goodwill associated with the Marks or if we become insolvent or (except for our right to sublicense the Marks to franchisees) assigns its rights under the license agreement without DVJ’s consent. The license agreement contains no other limitations.

Other than the license agreement described above, there are no agreements currently in effect which significantly limit our rights to use or license the use of the Marks in any manner material to the franchise.

No presently effective determinations exist of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court. No interference, opposition or cancellation proceeding, or material litigation involving the trademarks is pending.

We have no knowledge of any infringing uses that could materially affect your use of the Marks in this state or any other state in which the Franchised Restaurant is to be located.

All your rights regarding the Marks are derived solely from the Franchise Agreement, and any unauthorized use of the Marks constitutes a breach of the Franchise Agreement. You may not during or after the term of the Franchise Agreement contest the validity or ownership of the Marks and/or assist another in contesting the validity or ownership of the Marks.

You must promptly notify us of any claim by any other entity to use the Marks or any colorable imitation of the Marks. You must notify us of any claim against you involving the Marks within ten days after receiving the notice of the claim, and we and Parent shall have the sole right to defend the action. We and DVJ shall have the exclusive right to bring action against any third party regarding the third party’s use of any of the Marks and shall exercise this right in their sole discretion. In any defense or prosecution of any litigation involving the Marks, you must cooperate with us and DVJ and take all actions as may be desirable in the opinion of our counsel, to carry out the defense or prosecution. Both parties will make every effort to protect and promote the Marks as identifying the System and only the System.

Dino’s 2012 FDD

We are not obligated to indemnify you for damages or expenses incurred as a result of any proceedings involving the Marks.

We may change the System presently identified by the Marks including the adoption of new Marks, new Menu Items, new products, new equipment or new techniques and Franchisee must adopt the changes in the System, as if they were part of the Franchise Agreement at the time of its execution.

You must comply within a reasonable time if we notify you that the use of any Mark be discontinued or modified. We will have no liability or obligation as to your modification or discontinuance of any Mark.

All usage of the Marks by you and any resulting goodwill will be to the exclusive benefit of us and Parent.

You may not use any Mark or portion of any Mark as part of any corporate or trade name, or in any modified form or in the sale of any unauthorized product or service, or in any unauthorized manner. You must give trademark and service mark registration notices, and obtain fictitious or assumed name registration where required by law.

You must not use in advertising or promotion, any of the Marks without the appropriate ® registration mark, or the designations TM or SM where applicable.

For the purpose of preserving the integrity of the Marks and copyrighted materials, and assuring proper usage of same, we and our agents may at all reasonable times, inspect your premises without prior notice. Inspections shall include observation of your operation, conference with your employees and customers, and testing your Menu Items (at no cost to us), supplies and products for quality.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

No patents or copyrights are material to the franchise.

We claim common law rights and copyright protection for our Manual, promotional materials, training materials and other documents used in the sale and operation of Dino's The Greek Place Restaurants.

Proprietary Information

Your entire knowledge of the operation of the Franchised Restaurant is derived from information disclosed to you by us and certain of the information is proprietary and a trade secret of ours. You must maintain the absolute confidentiality of all proprietary information during and after the term of the franchise and shall not use any of the information in any other business or in any manner not specifically authorized or approved in writing by us.

You may only divulge confidential information to your employees as necessary to operate the Franchised Restaurant. All information which we designate as confidential shall be deemed confidential for purposes of the Franchise Agreement, except information which you can demonstrate that lawfully came to your attention before disclosure by us or which, at the time of or after disclosure by us or you, as applicable, was a part of the public domain, through publication or communication by others.

All information contained in the Manual is proprietary, and you must keep it confidential during and after the term of the franchise.

We must perform any authorized duplication of any of the Manual at your expense. You must not at any time, without our prior written consent, reproduce any part of the Manual or otherwise make the same available to any person.

We are not obligated to protect any rights that you have to use proprietary information.

We know of no infringing use which would materially affect your use of the proprietary materials.

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

During the term of the Franchise Agreement, except as we have otherwise approved in writing, you (if Franchisee is an individual), a shareholder of a beneficial interest of 10% or more of the securities of Franchisee (if Franchisee is a corporation), a general partner of Franchisee (if Franchisee is a partnership) or a member (if Franchisee is a limited liability company) must devote full time and best efforts to the management of the Franchised Restaurant.

You must at all times provide direct on-premises supervision to the Franchised Restaurant. We must approve any general manager. The designated general manager must complete our training course. If the designated manager fails to satisfactorily complete the training program, you may designate a different manager. You pay all costs for the attendance of the designated general manager at our training course. We approve the initial general manager and any replacement general manager(s). We have the right at any time to revoke our approval of a designated manager. The use of a general manager in no way relieves you of your obligations to comply with the Agreement and to insure that the Franchised Restaurant is properly operated.

All shareholders, officers, directors, partners, members and all managers and other employees having access to our proprietary information execute non-disclosure agreements in a form acceptable to us. If we so require, you must require your managers and supervisory personnel and other employees receiving training from us, to execute covenants not to compete in a form acceptable to us.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale at the Franchised Restaurant all of the Menu Items and food and beverage products that we periodically require and you may not offer at the Franchised Restaurant any unapproved products or menu items or use the premises for any purpose other than the operation of a Franchised Restaurant. We have the unlimited right to change the types of authorized goods and services offered by Franchised Restaurants.

You must not install or maintain on the premises of the Franchised Restaurant any newspaper racks, video games, jukeboxes, gaming machines, gum machines, games, rides, vending machines, pool tables, automated teller machines or other similar devices without our prior written approval.

You may not engage in catering and delivery services inside or outside the Designated Area except according to our catering and delivery policies and programs. You also may not offer for sale any Menu Items or Proprietary Products by means of Internet/World Wide Web programming or advertising. You are not otherwise limited in the customers to whom you may sell products or services.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements pertaining to renewal, termination, transfer and dispute resolution. You should read these provisions in the agreements attached to this Disclosure Document.

THE FRANCHISE RELATIONSHIP

Provision	Section in Agreement	Summary
a. Term of the franchise	Section 2.A.	Term is 10 years
b. Renewal or extension of the term	Section 2.B.	If in good standing, you can add 2 additional terms of 5 years.
c. Requirements for you to renew or extend	Section 2.B.	Sign new then-current agreement, pay renewal fee, sign a general release, provide written notice of renewal, and comply with new standards, except as set forth in a state specific Addendum. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from these in your previous franchise agreement, such as different fee requirements and territorial rights.
d. Termination by you	Section 16.A.	If we materially breach the agreement and fail to cure the breach after notice.
e. Termination by us without cause	None	Not applicable.
f. Termination by us with cause	Section 15.	If you default under the agreement.
g. "Cause" defined-defaults which can be cured	Section 15.B.	You have 30 days to cure your failure to comply with the agreement or the standards in Manual.
h. "Cause" defined-defaults which cannot be cured	Section 15.A.	Non-curable defaults: felony conviction, repeated defaults even if cured, misuse of Marks, abandonment, unapproved transfers, insolvency, or liquidation.
i. Your obligations on termination/nonrenewal	Section 17.	Cannot operate restaurant or hold self out to public as franchisee, must cease to use trademarks, pay all amounts due, change interior design and return Manual, files, etc. to us. (See also r, below.)
j. Assignment of contract by us	Section 13.A.	No restriction on our right to assign.
k. "Transfer" by you - definition	Section 13.B.	Includes transfer of contract or assets or ownership change.
l. Our approval of transfer by franchisee	Section 13.B.	We must give prior written consent to all transfers but shall not unreasonably withhold our consent.
m. Conditions for our approval of transfer	Section 13.B.	No existing defaults, new franchisee qualifies, successfully completes the training course, assumes your obligations, term must be for unexpired term of your agreement, release signed by you, and transfer fee paid. (Also see r. below and state specific Addendum).
n. Our right of first refusal to acquire your business	Section 14.	We may match any offer for the franchisee's business.

Provision	Section in Agreement	Summary
o. Our option to purchase your business	Section 17.B.	After termination or expiration, we may purchase any or all assets of the Franchised Restaurant.
p. Your death or disability	Section 13.B.	Treated as any other transfer.
q. Non-competition covenants during the term of the franchise	Section 18.A.	No interest in any other restaurant or business which sells Gyros sandwiches or other Greek food
r. Non-competition covenants after the franchise is terminated or expires	Section 18.B.	No involvement in competing business for 1 year within 5 miles of your former Franchised Restaurant or any other Franchised Restaurant in the System, except as set forth in a state specific Addendum.
s. Modification of the agreement	Section 20.E.	Any modification to the Franchise Agreement must be in writing and signed by both parties. We may modify the Manual but the modification will not alter your fundamental rights under the Franchise Agreement.
t. Integration/merger clause	Section 20.L.	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable.
u. Dispute resolution by mediation	Section 19.	Except for certain claims, all disputes must be mediated unless otherwise provided in a state specific Addendum.
v. Choice of forum	Section 20.G.	Litigation must be in the United States District Court for the District of Minnesota or the District Court for Hennepin County, Minnesota, unless in a state specific Addendum.
w. Choice of law	Section 20.F.	Law of state where Franchised Restaurant is located, except as provided in a state specific Addendum.

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote the franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 maybe given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

During the calendar year ended December 31, 2010, there were four company-owned Restaurants and two franchised restaurants in operation during the entire year. The company-owned Restaurants have been in business for 24 years, 10 years, 5 years and 4 years respectively. The two franchised Restaurants have been in business from 6 years to 10 years. The actual average annual gross sales of these 6 restaurants was \$772,418. One out of four (25%) of the company-owned restaurants and none (0%) of franchised restaurants attained or surpassed this average during 2010. The average gross annual sales of the 6 restaurants ranged from a low of \$375,038 to a high of \$1,454,347. These Restaurants offer the same products and services as will be offered from Franchised Restaurants.

Dino's 2012 FDD

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We have made no material assumptions in producing the gross sales figures described above.

WARNINGS:

A. YOU ARE LIKELY TO ACHIEVE RESULTS THAT ARE DIFFERENT, POSSIBLY SIGNIFICANTLY AND ADVERSELY, FROM THE RESULTS SHOWN ABOVE. MANY FACTORS, INCLUDING LOCATION OF THE BUSINESS, MANAGEMENT CAPABILITIES, LOCAL MARKET CONDITIONS, COMPETITION AND OTHER FACTORS, ARE UNIQUE TO EACH BUSINESS AND MAY SIGNIFICANTLY IMPACT THE FINANCIAL PERFORMANCE OF THE BUSINESS.

B. THE ACTUAL RESULTS INCLUDED IN THIS STATEMENT RELATE TO RESULTS FOR THE SIX DINO'S THE GREEK PLACE RESTAURANTS, AND SHOULD NOT BE CONSIDERED AS THE ACTUAL OR PROBABLE PERFORMANCE RESULTS THAT YOU SHOULD EXPECT THROUGH THE OPERATION OF YOUR BUSINESS. WE DO NOT MAKE ANY PROMISES OR REPRESENTATIONS OF ANY KIND THAT YOU WILL ACHIEVE ANY PARTICULAR RESULTS OR LEVEL OF SALES OR PROFITABILITY.

C. YOU ARE RESPONSIBLE FOR DEVELOPING YOUR OWN BUSINESS PLAN FOR YOUR BUSINESS. WE ENCOURAGE YOU TO CONSULT WITH YOUR OWN ACCOUNTING, BUSINESS, AND LEGAL ADVISORS IN DOING SO. IN DEVELOPING THE BUSINESS PLAN, YOU ARE CAUTIONED TO MAKE NECESSARY ALLOWANCE FOR CHANGES IN FINANCIAL RESULTS TO INCOME, EXPENSES, OR BOTH, THAT MAY RESULT FROM OPERATION OF YOUR BUSINESS IN DIFFERENT GEOGRAPHIC AREAS OR NEW MARKET AREAS, OR DURING PERIODS OF, OR IN AREAS SUFFERING FROM, ECONOMIC DOWNTURNS, INFLATION, UNEMPLOYMENT, OR OTHER NEGATIVE ECONOMIC INFLUENCES.

D. PROSPECTIVE FRANCHISEES MUST BEAR IN MIND THAT A NEWLY OPENED BUSINESS CANNOT BE EXPECTED TO ACHIEVE SALES VOLUMES OR MAINTAIN EXPENSES SIMILAR TO THOSE OF AN ESTABLISHED BUSINESS.

WE HAVE BASED THE CLAIMS UPON OUR RECORDS AND HAVE COMPILED THE CLAIMS TO THE EXTENT POSSIBLE IN A MANNER CONSISTENT WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

GROSS SALES DO NOT REPRESENT ACTUAL OR POTENTIAL INCOME OF A FRANCHISED RESTAURANT AND YOU SHOULD NOT RELY ON THEM IN CALCULATING PROSPECTIVE PROFITABILITY. THE PROFITABILITY OF INDIVIDUAL RESTAURANTS DEPENDS ON A NUMBER OF FACTORS WHICH MAY VARY DUE TO INDIVIDUAL CHARACTERISTICS OF THE FRANCHISED BUSINESS. FACTORS AFFECTING NET PROFITS MAY INCLUDE BUT ARE NOT LIMITED TO COSTS OF LABOR AND RENTAL, COMPLIANCE AND SUPPLIES. IN ADDITION, NET PROFITABILITY WILL BE AFFECTED BY REQUIRED CONTRIBUTIONS FOR ADVERTISING AND PROMOTION AS WELL AS ROYALTIES PAID TO US.

SUBSTANTIATION OF THE ACTUAL SALES DATA WILL BE MADE AVAILABLE TO YOU UPON REASONABLE REQUEST.

Except as described in this Item 19, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally

Dino's 2012 FDD

or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projects of your future income, you should report it to the franchisor's management by contacting our Director of Operations, Alysia Adamidis, c/o Dino's Gyros Franchise Corporation, 2195 128th Avenue, Coon Rapids, MN 55448, telephone (651) 645-8800, the Federal Trade Commission and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table No.1
Systemwide Outlet Summary For Years 2009 to 2011

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2009	3	2	-1
	2010	2	2	0
	2011	2	2	0
Company-Owned	2009	4	4	0
	2010	4	4	0
	2011	4	4	0
Total Outlets	2009	7	6	-1
	2010	6	6	0
	2011	6	6	0

Table No. 2
Transfers of Outlets From Franchisees to New Owners
(Other than the Franchisor)
For Years 2009 – 2011

Column 1 State	Column 2 Year	Column 3 Number of Transfers
State Total	2009	0
	2010	0
	2011	0

Table No. 3
Status of Franchised
Outlets For Years 2009 to 2011

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations Other Reasons	Column 9 Outlets at the End of the Year
Minnesota	2009	3	0	0	0	0	1	2
	2010	2	0	0	0	0	0	2
	2011	2	0	0	0	0	0	2
Total	2009	3	0	0	0	0	1	2
	2010	2	0	0	0	0	0	2
	2011	2	0	0	0	0	0	2

**Table No. 4
Status of Company-Owned
Outlets For Years 2009 to 2011**

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired from Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at the End of the Year
Minnesota	2009	4	0	0	0	0	4
	2010	4	0	0	0	0	4
	2011	4	0	0	0	0	4
Total	2009	4	0	0	0	0	4
	2010	4	0	0	0	0	4
	2011	4	0	0	0	0	4

**Table No. 5
Projected Openings for Upcoming Fiscal Year
As of October 31, 2011**

Column 1 State	Column 2 Franchised Agreements Signed But Not Opened	Column 3 Projected New Franchised Outlets in the next Fiscal Year	Column 4 Projected New Company-Owned Outlets in Current Fiscal
Minnesota	0	1	0
Total	0	1	0

Exhibit D contains a list of our affiliate-owned and franchised Restaurants. It also contains the names, city, state and telephone number of every franchisees who had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed issuance year or has not communicated with us within ten weeks of the date of this Disclosure Document. If you buy this franchise, your contract information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, we have not signed confidentially clauses with current or former franchisees which would not restrict them from speaking openly with you about their experience with us. We do not have any franchisee association or advisory council.

ITEM 21. FINANCIAL STATEMENTS

Attached as Exhibit A is a copy of our audited financial statements for our fiscal years ended October 31, 2009, 2010 and 2011.

ITEM 22. CONTRACTS

Exhibits B and C to this Disclosure Document contain the Franchise Agreement and the Area Development Agreement. Schedules to the Franchise Agreement include the Owner Agreement, Lease Addendum and Authorization for Direct Debit.

You do not sign any other contracts or agreements provided by us.

ITEM 23. RECEIPTS

Exhibit H to this Disclosure Document contains three receipt pages by which you acknowledge your receipt of this Disclosure Document. One of the copies is for your records. The other two must be signed, dated and returned to us.

EXHIBIT A
FINANCIAL STATEMENTS

DINO'S GYROS FRANCHISE CORPORATION
FINANCIAL STATEMENTS
WITH ACCOMPANYING INFORMATION
FOR THE YEARS ENDED OCTOBER 31, 2011 ,2010 AND 2009

AND

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

KBP & CO., LTD.

Certified Public Accountants

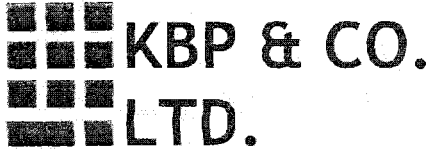
**DINO'S GYROS FRANCHISE CORPORATION
FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
FOR THE YEARS ENDED OCTOBER 31, 2011 ,2010 AND 2009**

TABLE OF CONTENTS

	Page
Accountants' Report on Financial Statements.....	1
Financial Statements	
Balance Sheets.....	2
Statements of Income and changes in Retained Earnings.....	3
Statements of Cash Flows.....	4
Notes to Financial Statements.....	5-6

KBP & CO., LTD.

Certified Public Accountants



Certified Public Accountants

47 Lakeview Terrace Boulevard □ Waconia, Minnesota 55387 □ 952-933-0433 □ Fax 952-442-5578

To the Board of Directors
Dino's Gyros Franchise Corporation
Coon Rapids, Minnesota

We have audited the accompanying balance sheets of Dino's Gyros Franchise Corporation (Company) as of October 31, 2011, 2010 and 2009 and the related statements of income, retained earnings, and cash flows for the years ending October 31, 2011, 2010 and 2009. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of October 31, 2011, 2010 and 2009 and the results of its operations and its cash flows for the years ending October 31, 2011, 2010 and 2009 in conformity with accounting principles generally accepted in the United States of America.

KBP & Co. Ltd.

Waconia, Minnesota
February 18, 2012

DINO'S GYROS FRANCHISE CORPORATION
BALANCE SHEET
FOR THE YEARS ENDED OCTOBER 31, 2011, 2010 AND 2009

ASSETS

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Current assets			
Cash	\$ 613	\$ 1,108	\$ 11,939
Cash held for specific purpose	1,703	7,362	34,625
Prepaid expenses	1,450		
Total current assets	<u>3,766</u>	<u>8,470</u>	<u>46,564</u>
Other assets			
Due from affiliated companies	32,368	43,780	20,338
	<u>32,368</u>	<u>43,780</u>	<u>20,338</u>
 Total assets	 <u>\$ 36,134</u>	 <u>\$ 52,250</u>	 <u>\$ 66,902</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities			
Accounts payable	3,530	5,827	15,310
Funds held for franchisees			6,781
Accrued income taxes		450	1,604
Deferred income	2,089	1,319	1,319
Total current liabilities	<u>5,619</u>	<u>7,596</u>	<u>25,014</u>
 Non-current portion of deferred income	 770	 2,858	 4,177
Stockholder's equity			
Common stock, par value \$.01; authorized 100,000 shares; issued and outstanding 10,000 shares.	100	100	100
Paid in capital	24,200	24,200	24,200
Retained earnings(deficit)	5,445	17,496	13,411
	<u>\$ 36,134</u>	<u>\$ 52,250</u>	<u>\$ 66,902</u>

KBP & CO., LTD. See accountants' report and notes to financial statements

DINO'S GYROS FRANCHISE CORPORATION
STATEMENTS OF INCOME AND RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 2011, 2010 AND 2009

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Revenue	\$ 29,290	\$ 64,628	\$ 123,913
Operating expenses:			
Administrative expense	24,582	22,067	51,311
Advertising and promotion	450	12,491	7,798
Bank fees	487	274	1,330
Consultants		12,000	16,500
Web site	680	3,463	2,705
Food reimbursement	409		
Dues and subscriptions	785	785	183
Uniforms		884	
Insurance			1,427
Office expense		1,012	186
Professional fees	12,043	2,867	11,802
Marketing expense	1,805	2,159	9,295
Supplies		1,765	4,617
Travel and entertainment			271
Miscellaneous	100	326	1,091
Amortization and depreciation			400
Total operating expenses	<u>41,341</u>	<u>60,093</u>	<u>108,916</u>
Net income (loss) from operations and taxes on income	<u>(12,051)</u>	<u>4,535</u>	<u>14,997</u>
Provision for taxes on income		(450)	(1,604)
Net income (loss)	<u>(12,051)</u>	<u>4,085</u>	<u>13,393</u>
Retained earnings (deficit)			
Balance, beginning of the period	17,496	13,411	18
Balance, end of the period	<u>\$ 5,445</u>	<u>\$ 17,496</u>	<u>\$ 13,411</u>

KBP & CO., LTD. See accountants' report and notes to financial statements

DINO'S GYROS FRANCHISE CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011, 2010 AND 2009

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Operating activities			
Net income	\$ (12,051)	\$ 4,085	\$ 13,393
Adjustments to reconcile net income to net cash provided by (used for) operating activities			
Amortization and depreciation			400
Decrease(increase) in cash held for specific purpose	5,659	27,263	(16,848)
Increase (decrease) in accounts payable	(2,297)	(9,483)	(17,024)
(Decrease)increase in funds held for franchisees		(6,781)	(11,432)
Decrease (increase) in prepaid expenses	(1,450)		
(Decrease) increase in deferred income	(1,318)	(1,319)	5,496
Increase (decrease) accrued liabilities	(450)	(1,154)	1,604
Net cash provided by (used for) operating activities	<u>(11,907)</u>	<u>12,611</u>	<u>(24,411)</u>
Financing activities			
(Increase) decrease in Due from affiliates	<u>11,412</u>	<u>(23,442)</u>	<u>26,312</u>
Net cash provided by (used for) financing activities	<u>11,412</u>	<u>(23,442)</u>	<u>26,312</u>
Increase (decrease) in cash	(495)	(10,831)	1,901
Cash at beginning of year	<u>1,108</u>	<u>11,939</u>	<u>10,038</u>
Cash at end of year	<u>\$ 613</u>	<u>\$ 1,108</u>	<u>\$ 11,939</u>
Supplementary information:			
Income taxes paid	<u>\$ 1,500</u>	<u>\$ 1,930</u>	

KBP & CO., LTD. See accountants' report and notes to financial statements

**DYNO'S GYROS FRANCHISE CORPORATION
NOTES TO FINANCIAL STATEMENTS**

ORGANIZATION AND BUSINESS DESCRIPTION

Dyno's Gyros Franchise Corporation, was organized on December 6, 2000. It is a franchisor engaged in franchising businesses commonly known as Dyno's Gyros or The Greek Place. The Company is a wholly owned subsidiary of Addi Holding Company

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Amortization: The cost of the Organizational costs was amortized over seven years.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes: The Company, is a member of an affiliated group of companies but files a separate income tax return from the group. .

Advertising: The Company,expenses its costs of advertising as incurred. Advertising costs were \$450 , \$10,102 and \$5,271 for 2011,2010 and 2009 respectfully.

Deferred income- The Company entered into a five year contract to purchase goods from one of its vendors and was paid an up front consideration for marketing those products. It is recognizing the income over the life of the contract.

RELATED PARTY TRANSACTIONS

	<u>2011</u>	<u>2010</u>	<u>2009</u>
The amounts due from or due to affiliated companies were compised of the following at October 31,			
Dino's of Woodbury Inc.	\$ 79,045	\$ 76,870	\$ 62,245
Addi Holding Company	\$ (150)	\$ 21,861	35,322
Dino's Gyros of Edina Inc.	\$ 36,693	\$ 35,489	31,375
Divojac, Inc.	\$ (78,281)	\$ (79,730)	(87,039)
Divona, Inc.	\$ (3,839)	\$ (7,210)	(21,565)
Dino's Festivals Inc.	(1,100)	(3,500)	
	<u>\$ 32,368</u>	<u>\$ 43,780</u>	<u>\$ 20,338</u>

DINO'S GYROS FRANCHISE CORPORATION
NOTES TO FINANCIAL STATEMENTS

INCOME TAXES

The provision for income taxes at October 31 was:

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Federal		\$ 450	\$ 1,604
State	-	-	-
Total	<u> </u>	<u>\$ 450</u>	<u>\$ 1,604</u>

In the year ended 2009, the Federal taxable income was reduced by \$4,437 of operating loss carryforward and the State taxable income was offset by \$15,132 in operating loss. In the year ended 2010, the State taxable income was offset by \$8,143 in net operating loss. There is a State operating loss carryforward of \$5,145.

EXHIBIT B

FRANCHISE AGREEMENT

(including Owner Agreement, Lease Addendum and Authorization for Direct Debt)

FRANCHISE AGREEMENT

BETWEEN

DINO'S GYROS FRANCHISE CORPORATION

2195 128th Avenue

Coon Rapids, Minnesota 55448

and

Name

Street Address

City State Zip

RESTAURANT LOCATION:

DINO'S THE GREEK PLACE
FRANCHISE AGREEMENT

INDEX

SECTION	PAGE
1. DEFINITIONS.....	1
2. GRANT OF FRANCHISE; FRANCHISED LOCATION.....	3
3. TERM; RENEWAL RIGHTS	4
4. MARKS AND COPYRIGHTS.....	5
5. FEES	7
6. ADVERTISING AND PROMOTION	7
7. RESTAURANT PREMISES	10
8. OUR OBLIGATIONS	10
9. APPEARANCE AND OPERATION OF YOUR RESTAURANT	11
10. CONFIDENTIAL INFORMATION	15
11. INSURANCE; INDEMNIFICATION.....	16
12. SALES REPORTS, FINANCIAL STATEMENTS AND AUDIT RIGHTS.....	17
13. TRANSFERS	18
14. OUR RIGHT OF FIRST REFUSAL TO PURCHASE.....	19
15. OUR TERMINATION RIGHTS.....	20
16. YOUR TERMINATION RIGHTS; NOTICE REQUIRED	22
17. YOUR OBLIGATIONS UPON TERMINATION OR EXPIRATION	22
18. RESTRICTIVE COVENANTS.....	24
19. MEDIATION.....	25
20. ENFORCEMENT	26
21. NOTICES.....	28
22. ACKNOWLEDGEMENTS.....	28

SCHEDULES:

SCHEDULE A.	PROTECTED TERRITORY
SCHEDULE B.	OWNER AGREEMENT
SCHEDULE C.	LEASE ADDENDUM
SCHEDULE D.	AUTHORIZATION FOR DIRECT DEBIT
SCHEDULE E.	ACKNOWLEDGEMENT ADDENDUM

DINO'S THE GREEK PLACE
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Agreement") is made this ____ day of _____, 200_, between DINO'S GYROS FRANCHISE CORPORATION, a Minnesota corporation ("we" or "us"), and _____ ("you"). If you are a business entity, certain provisions of the Agreement also apply to your owners and will be noted.

BACKGROUND:

A. We have developed a high quality Greek fast casual restaurant concept. We grant franchises to qualified candidates for the operation of a Greek fast casual restaurant using our concept. We license certain trademarks including "Dino's The Greek Place" and may in the future adopt, use and license additional or substitute trademarks, service marks, logos and commercial symbols in connection with the operation of Dino's The Greek Place Restaurants (collectively the "Marks"). Dino's The Greek Place Restaurants use our methods, procedures, standards, specifications and the Marks (all of which are collectively referred to as the "System") which we may improve, further develop or otherwise modify from time to time.

B. You have had an adequate opportunity to be thoroughly advised of the provisions of the Agreement and our Offering Circular and have had sufficient time and opportunity to evaluate and investigate the System and the procedures and financial requirements associated with the System as well as the competitive market in which it operates;

C. You desire to operate a Dino's The Greek Place Restaurant which will conform to our uniform requirements and quality standards as established from time to time by us;

D. You acknowledge the benefits to be derived from being identified with the Dino's The Greek Place System, and also recognize the value of the Marks and the uniformity of image to you, us and our other franchisees; and

E. You recognize that in order to enhance the value of the System and goodwill associated with it, this Agreement places detailed obligations on you, including strict adherence to our present and future requirements regarding the types of products sold, services offered, advertising used, operational techniques, marketing and sales strategies and related matters.

AGREEMENTS:

In consideration of the mutual promises in this Agreement, the parties agree as follows:

1. DEFINITIONS

For the purposes of this Agreement, the following terms are defined:

A. "**Agreement**" means this agreement and all instruments amending this Agreement.

B. **“Business,” “Franchised Business” or “Restaurant”** means the business operations conducted or to be conducted by you consisting of the operation of a Greek fast casual restaurant and sale of Products, using our System and in association with the Marks.

C. **“Confidential Information”** means all knowledge, know-how, standards, methods and procedures related to the establishment and operation of a Dino’s The Greek Place Restaurant and includes all recipes, operating procedures, records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, your Business including, without limitation, all databases (whether in print, electronic or other form), all names, addresses, phone numbers, e-mail addresses, manuals, promotional and marketing materials, marketing strategies and any other data which we designate as confidential.

D. **“Gross Sales”** means the gross amount, whether in money or other form of consideration, earned or received by you from any source in connection with the operation of the Franchised Business or with any similar or related activity, whether on or off your Premises, arising directly or indirectly from whatever source including assumed Gross Sales for purposes of any loss of profits insurance claims. “Gross Sales” shall exclude only: (i) the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided that the amount of any such tax is shown separately and in fact paid by you to the appropriate governmental authority; (ii) the amount of any customer refunds which are paid to the customer; and (iii) the cost of any free offers or discounts made or given by you as part of any special promotion initiated by us.

Gross Sales shall be deemed received by you at the time the services or Products from which they were derived are delivered or rendered or at the time the relevant sale takes place, whichever occurs first, regardless of whether final payment (e.g., collection on a customer’s personal check) actually has been received by you. Gross Sales consisting of property or services shall be valued at the retail prices applicable and in effect at the time that they are received.

E. **“Incapacity”** means your inability to perform any of your obligations under this Agreement for whatever reason including physical or mental illness or disability.

F. **“Internet”** means any of one or more local or global interactive communications media, that is now available, or that may become available, and includes Web sites and domain names. Unless the context otherwise indicates, Internet includes methods of accessing limited access electronic networks, such as Intranets, Extranets, and WANs.

G. **“Manual”** means our confidential: (i) manual or manuals, and (ii) any Intranet or password protected portion of an Internet site, and (iii) any amendments, supplements, derivative works, and replacements, whether embodied in electronic or other media.

H. **“Marks”** means the service marks “Dino’s The Greek Place” and “Dino’s Gyros” together with such other trade names, trademarks, symbols, logos, distinctive names, service marks, logos, designs or insignia which may be designated by us from time to time as part of the System for use by our franchisees, and not thereafter withdrawn.

I. “**Premises**” means the location within the Territory which has been approved by us for you to establish and operate your Dino’s The Greek Place Restaurant.

J. “**Principal Operator**” means the individual who will devote full time and attention to the operation of the Franchised Business. All communication with you shall be through the Principal Operator.

K. “**Products**” means any items which we designate as approved Products for use or re-sale in your Business such as salad dressing, seasoning, clothing and other items as we may approve from time to time.

L. “**System**” means, collectively, our valuable know-how, information, trade secrets, methods, Manual, standards, designs, usage of the Marks, copyrightable works, products and service sources and specifications, proprietary software, confidential electronic and other communications, methods of Internet usage, marketing programs, and research and development connected with the operation and promotion of the Franchised Business, as modified by us at any time. All such modifications and improvements become our property.

M. “**Transfer**” means to voluntarily or involuntarily transfer, assign, sell, or encumber any interest in or ownership or control of, the Franchised Business, substantial assets of the Franchised Business, of this Agreement or any interest in the legal entity which owns the Franchised Business.

2. GRANT OF FRANCHISE; FRANCHISED LOCATION

A. Grant of Franchise. Subject to the other provisions of this Agreement, we license to you a personal franchise to operate a Dino’s The Greek Place Restaurant in conformity with our System at the following location: _____ (the “Franchised Location”). You accept the license and undertake the obligation to operate a Dino’s The Greek Place Restaurant using the System and in compliance with our standards. Unless otherwise agreed in writing by us, you shall commence operating the Restaurant within six months after the signing of this Agreement and must diligently operate such business in accordance with this Agreement for the term of this Agreement.

B. Protected Territory. You must locate and operate the Restaurant at a location within the area described in Schedule A (the “Protected Territory”). We and our affiliates will not locate and operate or grant to anyone else a franchise to locate and operate a Dino’s The Greek Place restaurant within the Protected Territory so long as this Agreement is in effect, except for the Captive Locations defined in Section 2C. You do not have any right to sublicense or subfranchise within or outside of the Protected Territory and do not have the right to operate more than one restaurant within the Protected Territory.

C. Nonexclusivity; Our Reservation of Rights. The license is limited to the right to develop and operate one Restaurant at the Franchised Location, and does not include (i) any right to sell products and menu items identified by the Marks at any location other than the Franchised Location, except for authorized catering and delivery services as noted in Section 2D, or through any other channels or methods of distribution, including the Internet (or any other existing or future form of electronic commerce), (ii) any right to sell products and menu items identified by

the Marks to any person or entity for resale or further distribution, or (iii) any right to exclude, control or impose conditions on our development of future franchised, company or affiliate owned restaurants at any time or at any location.

You acknowledge and agree that (i) we and our affiliates have the right outside of the Protected Territory to grant other franchises or develop and operate company or affiliate owned Dino's the Greek Place restaurants and offer, sell or distribute any products or services associated with the System (now or in the future) under the Marks or any other trademarks, service marks or trade names or through any distribution channel or method, all without compensation to any franchisee; and (ii) we and our affiliates have the right to operate and franchise others to operate restaurants or any other business within and outside the Protected Territory under trademarks other than the Marks, without compensation to any franchisee.

Although we and our affiliates will not develop, operate or franchise a Dino's The Greek Place restaurant within the Protected Territory, we and our affiliates have the right to offer, sell or distribute within the Protected Territory, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any franchisee. The distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, wholesale or the Internet (or any other existing or future form of electronic commerce).

Further, you acknowledge that certain locations within the Protected Territory are by their nature unique and separate in character from sites generally developed as Dino's The Greek Place restaurants. As a result, you agree that the following locations ("Captive Locations") are excluded from the Protected Territory and we have the right to develop or franchise such locations: (i) public transportation facilities including airports, train stations and bus stations; (ii) military bases; (iii) sports stadiums and arenas; (iv) amusement parks; (v) fairs and festivals; and (vi) enclosed shopping centers.

D. Catering and Delivery. You may not engage in catering or delivery services and activities within or outside of the Protected Territory except in accordance with our catering and delivery policies. We reserve the right to require you to participate in catering and delivery programs we establish from time-to-time.

3. TERM; RENEWAL RIGHTS

A. Initial Term. The term of this Agreement is for ten years commencing on the date of this Agreement, unless terminated earlier as provided in this Agreement.

B. Renewal. You have the right to renew your Dino's The Greek Place franchise for the Franchised Location for two additional five year terms provided you meet all of the following conditions:

- i) You have given us written notice at least four months prior to the end of the term of this Agreement of your desire to renew;

- ii) You are in full compliance with this Agreement. There is no uncured default by you under this Agreement.
- iii) You have substantially observed and performed the terms and conditions of this Agreement throughout the term.
- iv) You shall make, or provide for in a manner satisfactory to us, such renovation and re-equipping of the Restaurant as we deem appropriate to reflect the then-current standards and image of the System, including, without limitation, renovation or replacement of signs, equipment, furnishings, fixtures and decor;
- v) You pay us a Renewal Fee at least thirty days prior to the expiration of the initial term of this Agreement in an amount equal to \$5,000;
- vi) You execute the standard Franchise Agreement then being used by us, provided that you pay the Renewal Fee in lieu of the Initial Franchise Fee set forth in the then-current Franchise Agreement;
- vii) You present satisfactory evidence that you have the right to remain in the possession of the Franchised Location for the duration of the renewal term;
- viii) Your management staff successfully completes any refresher training prescribed by us; and
- ix) You execute and deliver to us a general release, in the form we prescribe, releasing, to the fullest extent permitted under the laws of the state where the Restaurant is located, all claims that you may have against us and our affiliates and their respective officers, directors, shareholders and employees in both their corporate and individual capacities.

4. MARKS AND COPYRIGHTS

A. Ownership of Marks. You agree that we own the Marks and the System. Any and all improvements by you relating to the Marks and System will become our sole property and we have the exclusive right to register and protect all such improvements in our name.

B. Use. Your right to use and identify with the Marks and System applies only to the Franchised Location, and exists concurrently with the term of this Agreement and only so long as you are in complete compliance with our quality standards. You will have the right to use the Marks and System only in the manner prescribed, directed and approved by us in writing. You will not have or acquire any rights in any of the Marks or System other than the right of use as governed by this Agreement. If, in our judgment, your conduct infringes upon or demeans the goodwill, standards of uniformity or quality, or business standing associated with the Marks or System, you will immediately, upon written notice from us, modify your use of the Marks and System in the manner prescribed by us in writing. You will not during or after the term of this Agreement do anything directly or indirectly which would infringe upon, harm, or contest our rights in the Marks or System.

C. Promotion. You will operate your Dino's The Greek Place Restaurant so that it is clearly identified and advertised as a Dino's The Greek Place Restaurant. The style, form and use of the words "Dino's The Greek Place," "Dino's" or other Marks in any advertising, written materials, products or supplies must, however, have our prior written approval. You will use the name "Dino's The Greek Place" and the other Marks which now or hereafter may form a part of the System, on all signs, paper supplies, menus, business cards, uniforms, advertising materials, signs and other articles in the identical combination and manner as we may prescribe in writing. You will comply with all trademark, trade name, service mark and copyright notice marking requirements. You will not use the words "Dino's" in your corporate, partnership or limited liability company name.

D. Internet. You may not independently market on the Internet, or use any domain name, address, locator, link, metatag, or search technique, with words or symbols similar to the Marks. We retain the sole right to market on the Internet, including all use of Web sites, domain names, URL's, linking, advertising, and co-branding arrangements. Upon request, you will provide us content for our Internet marketing, and sign our Internet and Intranet usage agreements. We also retain the sole right to use the Marks on the Internet, including on Web sites, as domain names, directory addresses, metatags, and in connection with linking, advertising, co-branding, and other arrangements. We retain the right to approve any linking or other use of our Web site. You may not establish a presence on or market using the Internet except as we may specify, and only with our prior written consent. We intend that any franchisee Web site be accessed only through our home page. All Internet marketing must be coordinated through us and approved by us.

E. Substitutions. If it becomes advisable at any time, in our sole determination, to modify or discontinue use of any Mark, or use one or more additional or substitute trade names, trademarks, service marks, or other commercial symbols, either systemwide or with respect to use by any selected franchisee, you shall comply with our directions within a reasonable time after notice to you, we shall have no liability or obligation whatsoever with respect to your modification or discontinuance of any Mark. You will not make any changes or amendments in or to the use of the Marks or System unless directed by us in writing.

F. Litigation. You will have no obligation to and will not, without our prior written consent, defend or enforce any of the Marks in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. You will, however, immediately notify us of any claims or complaints made against you with respect to the Marks and will, at your expense, cooperate in all respects with us in any court or other proceedings involving the Marks. We will pay the cost and expense of all litigation incurred by us including attorneys' fees, specifically relating to the Marks. We will have the right to control and conduct any litigation relating to the Marks.

G. Copyrighted Materials. You acknowledge and agree that (1) we may authorize you to use certain copyrighted or copyrightable works (the "Copyrighted Materials"), including the Manual; (2) the Copyrighted Materials are our valuable property; and (3) your rights to use the Copyrighted Materials are granted to you solely on the condition that you comply with the terms of this Agreement. Your use of the Copyrighted Materials does not vest you with any interest other than the non-exclusive license to use the Copyrighted Materials granted in this Agreement.

H. Protection. You shall execute any documents that we or our counsel deem necessary for the protection of the Copyrighted Materials or the Marks or to maintain their validity or enforceability, or to aid us in acquiring rights in or in registering any of the Marks or any trademarks, trade names, service marks, slogans, logos or emblems that we subsequently adopt.

5. FEES

A. Initial Franchise Fee. You pay us a nonrefundable Initial Franchise Fee of \$30,000 which is payable in full on the date of this Agreement. The Initial Franchise Fee has been fully earned upon receipt and is nonrefundable in consideration of the expenses incurred by us in granting this franchise and for the lost or deferred opportunity to franchise others.

B. Royalty. You will pay us, without offset, credit or deduction of any nature, a Royalty equal to 4% of your Gross Sales which are received by or from your Restaurant business. Your obligation to pay us the Royalty under the terms of this Agreement will remain in full force and effect until this Agreement has expired or is terminated in accordance with its provisions. The Royalty will be paid weekly in a manner specified in this Section or as otherwise prescribed by us. Prior to the opening of your Restaurant (and as subsequently requested by us), you will execute and deliver to us, our bank(s) and your bank, as necessary, all forms and documents that we request to permit us to debit your bank account by means of electronic funds transfer. We will use electronic funds transfer to collect the amount of Royalty and Advertising Fee and any other amounts due to us under this Agreement or otherwise. You must report your Gross Sales to us on Wednesday each week for the preceding week. The Royalty and Advertising Fee shall be withdrawn from your designated bank account by electronic fund transfer on Wednesday of every week for the preceding week.

C. Application of Payments. Notwithstanding any designation by you, we have the sole discretion to apply any payments made by you to any of your indebtedness for Royalty, advertising contributions, purchases from us or our affiliates, interest, collection costs or any other indebtedness.

D. Late Payments. If you do not pay the Royalty on time, you must pay a late fee of \$25 per week plus interest as provided in Section 20A.

6. ADVERTISING AND PROMOTION

A. Grand Opening Advertising. You agree to conduct a grand opening advertising and promotional program for your Dino's The Greek Place Restaurant during the first 30 days from the opening of the Restaurant. Your Grand Opening plan must be approved in advance by us.

B. Advertising Fee. You pay an Advertising Fee equal to 2% of Gross Sales to be deposited in the Dino's The Greek Place Advertising and Marketing Fund ("Fund") (which may be one of several regional Funds, if we elect to establish separate Funds to serve various regions in which multiple franchisees are located). As of the date of this Agreement, the amount of the Advertising Fee is 2% of your gross sales. We reserve the right to increase the Advertising Fee up to 3% of gross sales by giving you 30 days' written notice of an increase in the Advertising Fee. Your required payments to the Fund will be made at the same time and in the same manner as the Royalty. Such payments shall be made in addition to and exclusive of any sums that you

may be required to spend on grand opening advertising and promotion and local advertising. The Fund shall be maintained and administered by us or our designee, as follows:

1. We will oversee all advertising programs and have sole determination over creative concepts, materials and media used in such programs including the placement and allocation. We will use the Fund to conduct system-wide advertising, or, if regional Funds are developed, to conduct regional or local advertising on your behalf. However, we cannot and do not ensure that any particular franchisee will benefit directly or pro rata from the placement of advertising.

2. For each of our company-owned and affiliate-owned Restaurants (except Special Sites defined above) offering products and services similar to the Franchised Restaurant we will make contributions to the Fund or to regional Funds equivalent to the contributions required of Franchised Restaurants.

3. We will administer and control the Fund and we will have the absolute and unilateral right to determine how, when and where the monies in the Fund will be spent. This includes the right to use Fund monies for (1) broadcast or print advertising, (2) the creation, development and production of advertising and promotional materials, including, but not limited to, ad slicks, radio, film and television commercials, videotapes, direct mail pieces, and other print advertising; (3) any marketing or related research and development; and (4) advertising and marketing expenses, including payment for product and food research and development, services provided by advertising agencies, public relations firms or other marketing, research or consulting firms or agencies, menu design, customer incentive programs, sponsorships, marketing meetings and sales incentives, development and enhancement of web pages, Internet access provider costs, subscriptions to industry newsletters or magazines, and administrative costs. All sums paid by you to the Fund will be maintained in a separate account from our other funds and shall not be used to defray any of our general operating expenses, except for such reasonable administrative costs and overhead, if any, as we may incur in activities reasonably related to the administration or direction of the Fund and advertising programs including, without limitation, costs incurred in collecting and accounting for assessments for the Fund and salaries for marketing support personnel.

4. It is our intent that all contributions to the Fund will be expended for advertising and promotional purposes during our fiscal year within which contributions are made. Any monies not expended in the fiscal year in which they were contributed will be applied and used for Fund expenses in the following year.

5. Although we intend the Fund to be of perpetual duration, we have the right to terminate the Fund. We will not terminate the Fund, however, until all monies in the Fund have been expended for advertising and promotional purposes.

6. An unaudited accounting of Fund contributions and expenditures will be prepared annually and will be made available to you upon request. At our option, any such annual accounting may include an audit of the contributions and expenditures of the Fund prepared by an independent certified public accountant selected by us and prepared at the expense of the Fund.

7. If you do not pay the Advertising Fee on time, you will pay a late fee of \$25 per week plus interest as provided in Section 20A.

C. Local Expenditures. In addition to the Advertising Fee, you are required to spend a minimum of 2% of your Gross Sales on approved local advertising. We may direct that your local advertising expenditures be made either individually or to a local advertising group as described below.

1. Before using any promotional and advertising materials, you will submit to us or our designated agency, for our prior approval, all information pertaining to promotional materials and advertising initiated by you, including, but not limited to, ads, radio and television scripts, Internet or any promotional creative materials. In the event written disapproval of any such advertising and promotional material has not been given by us to you within 20 days from the date such information has been received by us, the materials will be deemed approved. You may only use gift certificates which have been approved by us.

2. We shall have the right to designate local advertising markets and you will participate in cooperative advertising and marketing programs in your designated local advertising market as described in this Section. Each Dino's The Greek Place Restaurant (except Captive Location identified above) within the designated local advertising area shall be a member of the local advertising group and each member shall have one vote on all matters requiring a vote. We reserve the right to designate the Bylaws which will govern the operation of local advertising groups.

3. If we direct you to spend your advertising funds locally, all such expenditures will be made directly by you or the local advertising group, subject to approval and direction by us or our designated advertising agency. You shall furnish to us an accurate accounting of all expenditures on local advertising and promotion.

4. If a majority of the Restaurants in your designated advertising market votes to spend more than 2% of Gross Sales on advertising and promotion within the area, you will be required to participate, but you will not be required to spend more than 4% of Gross Sales for local advertising.

5. You will submit documentation of your advertising expenditures at such times and in such form as we designate. If you fail to make any required advertising expenditures, we have the right to require you to contribute the amount of any deficiency to the Fund to be used by us for general advertising and promotion.

D. Telephone Listings Page. You shall, at your own expense, obtain (or contribute to the cost of obtaining) a listing for the Restaurant in the yellow pages and the business white pages serving your area and each such listing shall be of the style, format and size, and in such form, as we may specify from time to time. Payments for yellow page advertising will be credited toward your local advertising requirements.

7. RESTAURANT PREMISES

If you have not selected a site for the Restaurant which has been approved by us prior to the date of this Agreement, the site shall be selected in accordance with the following provisions:

A. Site Evaluation. Prior to the acquisition by lease or purchase of a site for the Dino's The Greek Place Restaurant, you shall submit to us, in the form we prescribe such information and materials as we may require together with a letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site. We have thirty days in which to approve or disapprove your proposed site. No site shall be deemed approved unless it has been expressly approved in writing by us by notice of site approval sent to you. Our examination and approval of the location of your Restaurant does not constitute a representation, guaranty or warranty, express or implied, of the successful operation or profitability of the Restaurant operated at such location.

B. Leased Premises. If you will occupy the Premises under a lease, you shall furnish us with a copy of the executed lease within five days after its execution, and, prior to such execution, shall submit such lease to us for our written approval. All leases pertaining to the premises shall also include an Addendum in the form of Schedule C attached hereto, or shall contain terms and conditions substantially similar to those contained in Schedule C that we approve. A copy of the executed Addendum must also be submitted to us.

C. Owned Premises. If you intend to own the Premises, you shall furnish to us proof of ownership prior to the date you begin any construction, build-out or remodeling of the premises. In the event you decide to sell the premises at any time prior to the expiration or termination of the Franchise Agreement, you must notify us of your intention.

8. OUR OBLIGATIONS

A. Location. We will provide you with services and assistance with respect to site location and evaluation for your Dino's The Greek Place Restaurant as described above. However, the ultimate responsibility for finding and selecting a location is yours.

B. Lay-Out and Design. We will designate the standard design, lay-out and motif for your premises and will furnish prototype specifications for the premises that will require site adaptation.

C. Equipment, Supplies and Inventory. We will designate the standard fixtures, equipment, supplies, signs and initial inventory for use in your Dino's The Greek Place Restaurant.

D. Initial Training. We will, at our expense, provide an initial training program to educate and acquaint your Principal Operator with the business of operating a Dino's The Greek Place Restaurant. The training program will include instruction on basic operating skills and other topics selected by us. The Principal Operator of your Restaurant must successfully complete the training program. The period of the training program will be at our discretion but generally will be for not less than four weeks (for new franchisees) and will be scheduled by us in our discretion. You will be responsible for travel costs, room and board, the salaries, fringe

benefits, and other expenses incurred by you and your employees in attending the training program. If we determine, in our sole discretion, that the Principal Operator requires additional training to be qualified to manage the Restaurant, you will be required to pay us our per diem fee for additional services plus our out-of-pocket expenses. Also, if you want more than two people to attend training, you will pay us our per diem fee for additional services plus our out-of-pocket expenses.

E. Additional Training. We may, from time to time, make available additional training which we deem advisable to familiarize you and your Principal Operator on changes and updates in the System.

F. Opening Assistance. We will assist in scheduling the opening of your Dino's Gyros Restaurant. You will not open or commence business operations until we have approved the opening.

G. Manual. We will loan you one copy of the Manual in which we describe the System operational policies, standards, requirements and practices. You will comply with all provisions of the Manual. We have the right to revise the Manual at any time or add additional manuals. We have the right to provide you with an electronic version of the Manual instead of a paper version.

H. Ongoing Assistance. During the operation of your business, we will: (1) visit the Restaurant as often as we deem necessary and render written reports to you; (2) make available to you from time to time all changes, improvements and additions to the System to the same extent as are made available to other franchisees; and (3) provide you with all supplements and modifications to the Manual.

9. APPEARANCE AND OPERATION OF YOUR RESTAURANT

The Marks and System licensed to you represent valuable goodwill distinctive of our business and reputation. We will promulgate, from time to time, uniform standards of quality and service regarding the business operations of Dino's The Greek Place Restaurants so as to protect the distinction, valuable goodwill and uniformity represented and symbolized by the Marks and System. To insure that all franchisees will maintain the uniform requirements and quality standards for goods and services associated with Dino's The Greek Place Restaurants and the System, you will abide by the following provisions:

A. Construction. You agree that you will construct or remodel the Restaurant premises at the Franchised Location in accordance with our construction or remodeling plans and design, layout and decor specifications. You shall purchase or lease the equipment, displays, fixtures, and furnishings that we designate. You shall make no changes to any building plan, design, layout or decor, or any equipment or signage without our prior written consent, and shall maintain the interior and exterior decor in such manner as we may prescribe from time to time.

B. Signs. You shall prominently display, at your expense, both on the interior and exterior of the Restaurant premises, advertising signs in such form, color, number, location and size, and containing such Marks as we designate. Such signs shall be obtained from a source designated or approved by us. You shall obtain all permits and licenses required for such signs

and shall also be responsible for ensuring that all signs comply with all laws and ordinances. You shall not display in or upon the Restaurant premises any sign or advertising of any kind to which we object.

C. Products. You will sell only those menu items, products and services approved by us in writing and will offer for sale all menu items, products and services prescribed by us. You agree that you will not sell or carry on your menu any food or beverage items or other products we have not specified or approved. You will conform to all quality and customer service standards prescribed by us in writing. You will purchase only such types, models or brands of fixtures, furniture, equipment, inventory and supplies that we approve for Dino's The Greek Place Restaurants as meeting our standards for quality, design, warranties, appearance, function and performance. You shall not install or maintain at the Restaurant any newspaper racks, video games, jukeboxes, gaming machines, gum machines, vending machines, video or similar devices or buffets without prior written approval. You shall purchase all food items, ingredients, supplies, materials and other products used or offered for sale at the Restaurant from suppliers who have been approved by us. For some proprietary products, there may be only one designated supplier. You shall maintain an adequate inventory of ingredients and products to efficiently serve your customers. We will provide you with a list of approved suppliers. You are free to purchase from any approved supplier. If you desire to purchase any products from an unapproved supplier, you shall submit to us a written request for such approval, or shall request the supplier itself to do so. You shall not purchase from any supplier until and unless such supplier has been approved in writing by us. We shall have the right to require that our representatives be permitted to inspect the proposed supplier's facilities, and that samples from the supplier be delivered, either to us or to an independent laboratory designated by us for testing. A charge not to exceed the reasonable cost of the inspection and the actual cost of the test shall be paid by supplier. Notwithstanding the foregoing, you may be required to purchase from us or from a single designated source products that involve trade secrets, have been specially prepared by us or at our direction, or that we consider integral to the System.

D. Maintenance of Premises; Updates. You will paint and keep in an attractive, clean and sanitary condition the interior and exterior of your Dino's The Greek Place Premises. All equipment will be kept in good working order and will meet our quality standards. You agree at all times to maintain the Restaurant in accordance with our standards, and that you will, within ninety days from the date of written notice from us, submit a written plan to remodel, re-equip or perform such maintenance at the Restaurant in accordance with the specifications we provide. You must complete the required renovations within ninety days of our approval of your plan. Such maintenance, remodeling and re-equipping may include, without limitation, replacing worn out, obsolete, or dated equipment, fixtures, furnishings and signs; structural modifications; painting and redecorating; or purchasing more efficient or improved equipment. We may require you to perform maintenance and remodeling and to purchase equipment at such times as we determine; provided, that we may not require any significant remodeling of the Restaurant during the first two years of operation nor may we require any significant remodeling more than once every five years.

E. Approved Information System. We will designate the information system used in your Dino's The Greek Place Restaurant including the cash register and/or computer hardware,

software, other equipment and enhancements. In connection with the approved information system, you agree to the following:

1. You understand that you will be required to acquire the right to use the information system, obtain peripheral equipment and accessories and arrange for required maintenance and support services, all at your cost.
2. We shall have the right at all times to access the information system and to retrieve, analyze, download and use all software, data and files stored or used on the information system. We may access the information system in the Restaurant or from other locations. You shall store all data and information on the information system that we designate from time to time.
3. You acknowledge and agree that there may be fees payable by you in connection with the installation, use, support, maintenance, and periodic enhancements of the approved information system. These fees will include but are not necessarily limited to an on-site installation and support fee, software support fees and software maintenance fees. These fees will be payable to us or a vendor designated by us and may be increased from time to time.
4. You will be responsible for the cost of all required upgrades.
5. You must have and utilize e-mail at the Franchised Location.

F. Compliance with Our Standards. You shall have full responsibility for the conduct and terms of employment for your employees and the day-to-day operation of your business. However, you shall operate the Restaurant through strict adherence to the standards, specifications and policies of the System as they now exist, and as they may from time to time be modified, in order to ensure compliance with the quality standards of the System. Such standards and policies include, without limitation: (1) specifications and preparation methods for food and beverages; (2) hours of operation; (3) menu items and services offered; (4) employee uniform requirements and specifications; (5) use of specified emblems and Marks on containers, bags, boxes, napkins, and other products; and (6) approved coupons and gift cards. You shall not implement any change to the System without our prior written consent. However, because complete and detailed uniformity under varying conditions may not be practical, we reserve the right, in our sole discretion, to vary the System, including specific standards or procedures, within the Restaurant or any other Dino's The Greek Place Restaurant(s) based upon peculiarities of a particular location or circumstances. You acknowledge that because of such factors, there may be variations from standard specifications and practices among Dino's The Greek Place Restaurants and that you shall not be entitled to require us to grant like or similar variations or privileges to you.

G. Compliance with Laws. You will, at your expense, comply with all applicable local, state, federal and municipal laws, ordinances, rules and regulations pertaining to the operation of the Dino's The Greek Place Restaurant, including any and all licensing requirements and all health and safety regulations.

H. Payment of Liabilities. You will timely pay all of your obligations and liabilities due and payable to us and our affiliates, and to your suppliers, lessors and creditors.

I. Taxes. You will promptly pay all federal, state and local taxes arising out of the operation of your business. We will not be liable for these or any other taxes and you will indemnify us for any such taxes that may be assessed or levied against us which arise or result from your business.

J. Machines. You will not have on the premises of the Restaurant any newspaper racks, video games, jukeboxes, gaming machines, gum machines, games, rides, vending machines, pool tables, automated teller machines, televisions or other similar devices without our prior written approval.

K. Personnel. You shall designate an individual to serve as the “Principal Operator” of the Franchised Business. The Principal Operator must have at least a 10% equity interest in the Franchised Business. The Principal Operator must be approved by us as meeting all of our then-current standards for principal operators prior to assuming the duties of Principal Operator. The Principal Operator shall devote full time and best efforts to the supervision and conduct of the development and operation of the Franchised Business and, as required in this Agreement, shall agree to be bound by confidentiality and non-competition provisions of this Agreement. The Principal Operator shall be a person approved by us who shall complete our initial training requirements and who shall participate in and successfully complete all additional training as we may reasonably designate. There can be no change in the Principal Operator without our prior written approval. If, at any time for any reason, the Principal Operator no longer qualifies to act as such, you shall promptly designate another Principal Operator subject to the required qualifications. You will employ and maintain a sufficient number of adequately trained and competent employees to provide efficient service to your customers. Should any employee or prospective employee (including a new Principal Operator) of yours perform work that in our judgment requires additional training, skills or knowledge, such employee shall take part in such additional training and instruction, and we reserve the right to charge you for such training. You shall be solely responsible for all wages, travel and living expenses, and all other costs incurred by you and your employees in connection with any training or instruction that we provide. You shall also, at your own expense, conduct at the Franchised Business such training and instruction, using such materials, equipment and supplies, as we may require from time to time.

L. Photographs. We will have the right to photograph your Premises and your employees at all reasonable times.

M. Manual. You will operate your Dino’s The Greek Place Restaurant in accordance with our Manual. You will treat the Manual as confidential, and will use all reasonable efforts to maintain the Manual as secret and confidential. The Manual will remain our sole property. We may from time to time revise the contents of the Manual. You agree to comply with each new or changed standard. You will insure that your copy of the Manual is kept current. In the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained by us will be controlling.

N. Visits. A representative of ours may make visits of the Restaurant to ensure compliance with all required standards, specifications and procedures. Our representative shall be allowed to inspect the condition and operation of the Restaurant and all areas of the Restaurant at any time during normal business hours. Such inspections may include, without limitation, (1) reviewing sales and order forms, (2) observing the Principal Operator, all managers and your other employees, (3) interviewing any such persons, (4) interviewing customers of the Restaurant in order to evaluate your performance and to ensure that the Restaurant is being operated in accordance with the requirements of this Agreement and the Manual, and (5) conducting any type of audit or review necessary to evaluate your compliance with all required standards, specifications or procedures. We may, from time to time, make suggestions and give mandatory instructions with respect to your operation of the Restaurant, as we consider necessary or appropriate to ensure compliance with the then-current quality standards of the System and to protect the goodwill and image of the System.

O. Delivery Service. We reserve the right to require you to offer delivery service to customers located within a reasonable radius of your Restaurant. As of the date of this Agreement, such delivery service is at your option. If you offer delivery service to customers located within your area, in order to maintain the quality of all food products, you will only offer delivery service to customers whose order can be delivered within a reasonable time from when such order is placed, in accordance with our standards. You will charge the same price for products offered by the Dino's The Greek Place Restaurant whether delivered or sold over the counter in the Restaurant, provided, however, that you may also collect a reasonable charge for delivery service.

P. Owner Agreement. All of your owners will be required to sign an Owner Agreement in the form attached as Schedule B.

10. CONFIDENTIAL INFORMATION

A. Non-Disclosure of Confidential Information. You, your owners and the Principal Operator will not, at any time, during or after the term of this Agreement, communicate, disclose or use for the benefit of any other person or entity any confidential information, knowledge or know-how concerning the System. You will disclose such confidential information only to such of your employees as must have access to it in order to operate the Restaurant. Any and all information, knowledge and know-how, including the Manual, recipes, methods, supplier lists, procedures, specifications, techniques, information systems, computer programs and other data which we copyright or designate as confidential will be deemed confidential for purposes of this Agreement.

B. Confidentiality Agreements. All of your employees who have managerial duties with respect to the Restaurant and who have access to confidential information of ours as well as all corporate officers, directors and shareholders if you are a corporation (all general partners and the shareholders of a corporate general partner if you are a partnership or all members if you are a limited liability company), must sign agreements in a form satisfactory to us, agreeing to maintain the confidentiality of all information copyrighted or designated by us as confidential and proprietary. Copies of the executed agreements will be submitted to us upon request.

11. INSURANCE; INDEMNIFICATION

A. Insurance. You alone will be responsible for all loss or damage arising out of or relating to the operation of your Restaurant or arising out of your acts or omissions or the acts or omissions of any of your agents, employees or contractors in connection with the preparation and sale of products and for all claims for damage to property or for injury or death of any persons directly or indirectly resulting therefrom. You agree to indemnify and hold us and our affiliates and our respective officers and directors harmless against and from any and all such claims, loss, and damage, including costs and reasonable attorneys' fees. You will obtain and maintain in force (under policies of insurance issued by carriers rated "A" or better by A.M. Best Company) and pay the premiums for general liability insurance with complete operations coverage, broad form contractual liability coverage, property damage all with minimum limits of \$1,000,000 per person and \$1,000,000 per occurrence, and other insurance in such types and amounts as we may require from time to time. Such insurance policies will expressly protect both you and us and will require the insurer to defend both you and us in any action. You will furnish to us a certificate of insurance as set forth above, naming us as an additional insured, and providing that such policy will not be canceled, amended or modified except upon thirty days' prior written notice to us. You shall also secure and maintain: 1) workers' compensation insurance as prescribed by applicable law; 2) employer's liability with limits of not less than \$1,000,000 per occurrence; and 3) fire insurance with extended coverage. You shall mail to us original certificates of insurance and evidence of policy renewals at least fifteen days before expiration. You shall have all policies of insurance provide that the insurance company will have no right of subrogation against either party hereto or their respective agents or employees. Maintenance of the insurance requirement will not relieve you of the obligations of indemnification set forth in Section 11B below. If you fail to obtain or maintain in force any insurance as required by this Section or to furnish any certificate of insurance required hereunder, we may, in addition to all other available remedies, obtain such insurance or certificates, and you will promptly reimburse us for all insurance premiums and other costs incurred in obtaining such insurance. You assume all risks in connection with the adequacy of any insurance or self-insurance program and waive any claim against us for any liability costs or expenses arising out of any uninsured claim, in full or in part, of any nature whatsoever.

B. Relationship; Your Indemnification. We and you are independent contractors. Neither we nor you will make any agreements, representations, or warranties in the name of or on behalf of the other or that their relationship is other than franchisor and franchisee. Neither we nor you will be obligated by or have any liability under any agreements, representations or warranties made by the other nor will we be obligated for any damages to any person or property directly or indirectly arising out of the operation of your business whether caused by your negligent or willful action or failure to act. You assume sole and complete responsibility for and will defend at your own cost and indemnify, reimburse and hold harmless us, our affiliates and our respective officers and directors from and against for all loss, costs, expenses, obligations and damages and liabilities arising directly or indirectly out of the development or operation of the business including the sale of any food or beverage, service or merchandise and including claims relating to your employment practices. You will have the right to defend any such claim against you. We, using our own counsel, by notice to you, may control any matter in which we are named or directly affected. The indemnities and assumptions of liabilities and obligations set

forth in this Agreement will continue in full force and effect subsequent to the expiration or termination of this Agreement.

C. Our Indemnification. We will indemnify you against and reimburse you for any obligations or liability for damages attributable to agreements, representations or warranties made by us, or caused by our active negligence or willful action (so long as such obligations or liabilities are not asserted on the basis of theories such as agency, apparent agency or vicarious liability or claim of negligent failure to compel your compliance with the provisions of this Agreement, the Manual or any other agreement between you and us), and for costs reasonably incurred by you in the defense of any such claim brought against you or in any action in which you are named as a party, provided that we will have the right to participate in and, to the extent we deem necessary, to control any litigation or proceeding which might result in liability of or expense to you subject to such indemnification.

D. Enforcement. You will pay all costs and expenses, including reasonable attorneys' fees, incurred by us in enforcing any provision of this Agreement or in seeking to enjoin any violation of this Agreement. We will pay all costs and expenses, including reasonable attorneys' fees, incurred by you in enforcing any provision of this Agreement or in seeking to enjoin any violation of this Agreement.

12. SALES REPORTS, FINANCIAL STATEMENTS AND AUDIT RIGHTS

A. Sales Reports. You will maintain an accurate written record of daily Gross Sales and will remit a signed and verified statement of the weekly Gross Sales generated by, at, or from your business using such forms as we prescribe in writing. The weekly statement of Gross Sales will be provided to us on or before Wednesday of each week for the preceding week. We reserve the right to modify or substitute the prescribed forms and impose additional recordkeeping procedures, including our direct computer access to your records.

B. Financial Statements. You will, at your expense, provide us with monthly profit and loss statements, quarterly financial statements, an annual business plan and such other financial reports as we specify using the forms and chart of accounts prescribed by us. All financial information provided to us under this Section must be presented in the form prescribed from time to time by us in writing. The monthly profit and loss statements must be provided to us by the 15th day of each month for the previous month. Within 120 days following your fiscal year end, you shall provide us with copies of your financial statements (reviewed by your accountant), including an income statement for the fiscal year just ended and a balance sheet as of the end of such fiscal year, which financial statements shall have been prepared in accordance with generally accepted accounting principles applied on a consistent basis. You shall also furnish us with copies of all of your federal and state income tax returns and all state sales tax returns as we request from time to time. You shall promptly notify us if any such return is not timely filed, or if any extension is filed, and the reasons therefor.

C. Audit Rights. You will make all of your financial books and records available to us and our designated representatives at all reasonable times for review and audit. Your financial books and records for each fiscal and calendar year will be kept in a secure place and will be available for audit by us for at least five years. In the event an audit by us results in a

determination that the Royalties paid to us are deficient (underpaid) by more than 2%, you will pay us (in addition to the amount unpaid plus interest) the costs and expenses that we have incurred as a result of the audit. The foregoing shall be in addition to any other rights or remedies we may have, including the right to terminate this Agreement.

13. TRANSFERS

A. By Us. You acknowledge that our obligations under this Agreement are not personal, and we can unconditionally in our own discretion, assign this Agreement to another entity, be acquired by another entity or merge with another entity.

i) We reserve the right to assign the franchise system to anyone including the operator of a competing system. We shall have the absolute right to transfer or assign this Agreement or any of our rights or obligation under this Agreement to any person or entity.

ii) You acknowledge and agree that we may sell our assets, the Marks or the System to any third party of our choice; may offer our securities privately or publicly; may merge with or acquire other corporations or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring; or may terminate or cease to exist or dissolve, in any such case without your consent and, provided the transferee expressly assumes and undertakes to perform our obligations in all material respects, free of any responsibility or liability whatsoever to you after the transaction occurs.

iii) With regard to any of the above sales, assignment and dispositions, you expressly and specifically waive any claims, demands, or damages against us arising from or related to the transfer of the Marks or the System from us to any other party.

B. By You. This Agreement, and your rights and obligations under it, are and shall remain personal to you. You (and your owners) will not directly or indirectly make a Transfer without our prior written consent. We will not withhold our consent to a Transfer, subject to all of the following conditions being satisfied:

1. You are in full compliance with this Agreement, you have no uncured defaults, and all your debts and financial obligations to us and our affiliates are current;

2. You execute a written agreement in a form satisfactory to us in which you and your owners covenant to observe all applicable post-term obligations and covenants contained in this Agreement;

3. The proposed transferee enters into a written agreement in a form satisfactory to us assuming and agreeing to discharge all of your obligations and covenants under this Agreement for the remainder of its term or, at our option, execute our then-current standard form of franchise agreement (which may provide for different

fees, advertising and marketing contributions, duration, and other rights and obligations from those provided in this Agreement);

4. The proposed transferee agrees in writing to perform such maintenance, remodeling and re-equipping of the Premises that we determine necessary to bring the restaurant in compliance with our then-current standards;

5. Prior to the date of the proposed Transfer, the proposed transferee's Principal Operator successfully complete such training and instruction as we deem necessary;

6. We are satisfied that the proposed transferee (and if the proposed transferee is an entity, all holders of any interest in such entity) meets all of the requirements for our new franchisees applicable on the date we receive notice of the proposed transfer and including, but not limited to, good reputation and character, business experience, restaurant management experience, and financial strength and liquidity;

7. You and all holders of an interest in you execute a general release, in the form prescribed by us, releasing, to the fullest extent permitted by law, all claims that you or any of your investors may have against us or our affiliates, including our and their respective shareholders, officers, directors and employees, in both their individual and corporate capacities;

8. You pay us a transfer fee equal to \$10,000; and

9. We waive our right of first refusal under Section 14 of this Agreement.

C. Transfer Upon Death or Disability. Upon the death, mental incapacity or disability of the Principal Operator, we shall consent to the transfer of the interest in the franchise, the Franchised Business and this Agreement to your spouse, heirs or relative by blood or by marriage whether such transfer is made by will or by operation of law if, in our sole discretion and judgment, such person or persons meet our educational, managerial and business standards; successfully completes our training at the earliest opportunity; possess a good moral character, business reputation and credit rating; have the aptitude and ability to conduct the Franchised Business; have at least the same managerial and financial criteria required by new franchisees; and shall have sufficient equity capital to operate the Franchised Business. If said transfer is not approved by us, then the executor, administrator or personal representative of such person shall transfer his interest to a third party approved by us within six months after such death, mental incapacity or disability. Such transfer shall be subject to our right of first refusal and to the same conditions as any other transfer.

14. OUR RIGHT OF FIRST REFUSAL TO PURCHASE

A. Restrictions. You will not make a Transfer without first offering the same to us in writing, at a stated price and on stated terms. Your written offer to us must contain all material terms and conditions of the proposed sale or transfer. Upon our receipt of written notice specifying the proposed price and terms of proposed sale or transfer of your business, we will

give you written notice within ten business days thereafter which will either waive its right of first refusal to purchase, or will state an interest in negotiating to purchase the business according to the proposed terms. If we commence negotiations to purchase your business as set forth herein, you may not sell the business to a third party for at least thirty days or until we and you agree in writing that the negotiations have terminated, or whichever comes first. If we waive our right to purchase, you will have the right to complete the sale or transfer of the business according to the terms set forth in the written notice to us but not upon more favorable terms to the proposed buyer. Any such sale, transfer or assignment to a third party is expressly subject to the provisions set forth in Section 13 of this Agreement. Your obligations under this Agreement will not be affected or changed because of our nonacceptance of your written offer.

B. Structure of Entity. If you are a corporation, partnership, limited liability company or other entity, a controlling interest in your entity may not be sold, pledged, assigned, traded, transferred or otherwise disposed of until the interest has been first offered to us in writing under the same terms and conditions offered to any third party. Notwithstanding the terms of this Section, one of your investors may bequeath, sell, assign, trade or transfer his/her interest to your other investors without first offering it to us; however, you must provide us with written notice of all such transactions. Nothing in this Section will be construed as prohibiting your interests from being pledged as security to an institutional lender who has provided financing to or for the Restaurant, provided the institutional lender accepts such security interest subject to our conditions.

15. OUR TERMINATION RIGHTS

A. Without Opportunity to Cure. You shall be in default and we may, at our option, terminate this Agreement, without affording you any opportunity to cure the default, effective upon the earlier of receipt of notice of termination by you, or five days after mailing of such notice by us, upon the occurrence of any of the following events:

1. You are insolvent, liquidated or dissolved;
2. You cease to operate or otherwise abandon the Restaurant or forfeit the right to do or transact business in the jurisdiction where the Restaurant is located or lose the right to possession of the Premises;
3. You or any of your owners make or attempt to make an unauthorized Transfer under this Agreement;
4. You or any of your owners is proven to have engaged in fraudulent conduct, or is convicted of, or pleads guilty or no contest to a felony or a crime involving moral turpitude, or any other crime or offense that is reasonably likely to have an adverse effect on the System, the Marks or the goodwill associated therewith;
5. You are given three or more notices of being in material violation of any of the terms or requirements of this Agreement within any twelve-month period, whether or not such defaults are timely cured after notice;

6. You knowingly or intentionally maintain false books or records or submit any false record, statement or report to us; or

7. You, by act or omission, materially impair the value of, or the goodwill associated with, any of the Marks or the System.

B. With Notice and Failure to Cure. Except for those defaults provided for under Section 15.A. above, you shall be in default hereunder for any failure to maintain or comply with any of the terms, covenants, specifications, standards, procedures or requirements imposed by this Agreement or in any Manual, policy or procedure statement or other written document provided by us, or to carry out the terms of this Agreement in good faith. For such defaults, we will provide you with thirty days written notice of your default and of our intent to terminate the Agreement, or if a default cannot reasonably be cured within thirty days, to begin within that time substantial and continuing action to cure such default and to provide us with evidence of such actions. If the defaults specified in such notice are not cured within the thirty-day period, or if substantial and continuing action to cure has not been initiated, this Agreement shall automatically terminate upon the expiration of the thirty day period without further notice. Such defaults shall include, without limitation, the occurrence of any of the following events:

1. You fail to construct, remodel, or commence operating the Restaurant within six months of the date of this Agreement;

2. You fail, refuse, or neglect to promptly pay any monies owing to us, our Affiliates or the Advertising Fund or to an advertising cooperative when due, or to submit the financial or other information required under this Agreement;

3. A threat or danger to public health or safety results from the construction, maintenance, or operation of the Restaurant;

4. You misuse or make any unauthorized use of the Marks;

5. You use or sell non-approved products or make purchases from non-approved suppliers; or

6. You, by act or omission in connection with the operation of the Restaurant, permit a continuing violation of any applicable law, ordinance, rule, or regulation of a governmental body.

C. Materiality of Breaches. You acknowledge and agree that a breach or violation of any term, covenant, condition, warranty, representation or other obligation by you (other than a breach or violation that may be cured under Section 15B and is in fact cured within thirty days after notice) shall constitute a material breach and default under this Agreement. Any breach or violation that may be cured under Section 15B and that is not in fact cured within the thirty-day cure period shall also constitute a material breach and default under this Agreement.

D. Applicable Law. In the event the provisions of this Section 15 are inconsistent with applicable law, the applicable law will apply.

16. YOUR TERMINATION RIGHTS; NOTICE REQUIRED

A. Termination. You may terminate this Agreement if we violate any material obligation to you and fail to cure such violation within thirty days after our receipt of written notice from you; provided, however, that you are in compliance with the Agreement at the time of giving such notice of termination. Your written notice must identify the violation and demand that it be cured.

B. Required Notice. A party must give the other party written notice of an alleged default under or violation of this Agreement after it has knowledge of, determines, or is of the opinion that there has been an alleged default under or violation of this Agreement. If there is failure to give written notice of an alleged default under this Agreement within one year from the date that the nonbreaching party has knowledge of, determines or is of the opinion that there has been an alleged default, the alleged default will be deemed to be approved and waived, and the alleged default or violation will not be deemed to be a default under or violation of this Agreement.

17. YOUR OBLIGATIONS UPON TERMINATION OR EXPIRATION

A. Post-Term Obligations. Upon termination or expiration of this Agreement, all rights granted to you under this Agreement shall terminate, the franchise shall revert to us, and you shall have the following obligations with respect to the Restaurant franchised under this Agreement:

1. You shall immediately cease to operate the business franchised under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as a Dino's The Greek Place franchisee with respect to such business.

2. You shall immediately and permanently cease to use, in any manner whatsoever, all confidential information, approved information system and related software, methods, procedures and techniques used by or associated with the System, and the Marks and distinctive forms, slogans, signs, symbols, logos and devices associated with the System.

3. You shall immediately return to us all Manual and any property held or used by you that is owned by us and shall cease to use, and either destroy or convey to us, all signs, advertising materials, displays, stationery, forms and any other materials that bear or display the Marks.

4. You shall take such actions as may be necessary to cancel any assumed name or similar registration that contains the Mark "Dino's" or any other Mark, and you shall furnish us with evidence satisfactory to us of compliance with this obligation within thirty days after termination or expiration.

5. You shall, if we elect to purchase the assets of the Restaurant pursuant to Section 17B below, assign to us any interest that you have in any lease for the premises. The assignment of the lease shall be made at the same time as we purchase the assets of the Restaurant. If we do not elect to purchase the assets of the Restaurant, you

shall, within ten days after termination or expiration of this Agreement, make such modifications and alterations to the Restaurant premises as may be necessary to distinguish the appearance of the premises from that of other Dino's The Greek Place Restaurants and shall make such specific additional changes thereto as we may request. You agree that at a minimum such modifications shall include: a) removal of all signage; b) alteration of the color scheme and decor; and c) discontinuation of the use of recipes, menus, uniforms and any item containing any of the Marks.

6. You shall promptly pay all sums owed to us, and if this Agreement is terminated for any reason other than as a result of a material breach of this Agreement by us that is not cured within thirty days or such longer period as may be necessary after written notice thereof from you, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us as a result of the default and the termination. You agree that until such obligation is paid in full, you will grant us a lien against any and all of the personal property, furnishings, equipment, signs, fixtures and inventory owned by you and located on the Restaurant premises on the date this Agreement terminates or expires.

7. You shall pay to us all damages, costs and expenses, including reasonable attorneys' fees, incurred by us subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any term, covenant or provision of this Agreement.

8. If requested by us, you shall take all further action and execute all documents necessary to convey and assign to us all telephone numbers that have been used in the operation of the Restaurant or if we do not so request, you shall cease all use of such telephone numbers.

9. You shall comply with the covenants contained in this Agreement, including, but not limited to, the covenants not to compete and the covenants not to disclose trade secrets or confidential information contained in Section 18.

B. Asset Purchase Option. Upon termination of this Agreement by us, upon termination of this Agreement by you except in accordance with Section 16, or upon expiration of this Agreement, we shall have the option, exercisable by giving written notice thereof within fifteen days from the date of such expiration or termination, to purchase from you all the assets used in the Restaurant. Assets shall include, without limitation, leasehold improvements, equipment (including the information system), furniture, fixtures, signs and inventory for the Restaurant. We shall have the unrestricted right to assign this option to purchase. We or our assignee shall be entitled to all customary warranties and representations given by the seller of a business including, without limitation, representations and warranties as to (1) ownership, condition and title to assets; (2) liens and encumbrances relating to the assets; and (3) validity of contracts and liabilities, inuring to us or affecting the assets, contingent or otherwise. The purchase price for the assets of the Restaurant shall be the fair market value thereof, determined as of the date of termination or expiration of this Agreement in a manner consistent with reasonable depreciation of leasehold improvements owned by you and the equipment, furniture, fixtures, signs and inventory of the Restaurant, provided that the purchase price shall not contain

any factor or increment for any trademark, service mark or other commercial symbol used in connection with the operation of the Restaurant, or any goodwill or “going concern” value for the Restaurant and further provided that we may exclude from the assets purchased hereunder any equipment, furniture, fixtures, signs and inventory that do not, as determined by us in our sole discretion, meet quality standards for Dino’s The Greek Place Restaurants. If you and we are unable to agree on the fair market value of the assets, the fair market value shall be determined by an independent appraiser selected by us and you. If you and we are unable to agree on a single appraiser, each party shall each select one appraiser, who shall select a third appraiser, and the fair market value shall be deemed to be the average of the three (3) independent appraisals. The fees and costs of such appraiser or appraisers shall be borne equally by you and us. Except as provided above, nothing contained herein shall restrict the manner in which the appraisers so selected value the leasehold improvements, equipment, furniture, fixtures, signs and inventory. The purchase price shall be paid in cash, a cash equivalent, or marketable securities of equal value at the closing of the purchase, which shall take place no later than ninety (90) days after receipt by you of notice of exercise of this option to purchase, at which time you shall deliver instruments transferring to us or our assignee: (1) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us or our assignee), with all sales and other transfer taxes paid by you; and (2) all licenses and permits of the Restaurant that may be assigned or transferred. If you cannot deliver clear title to all of the purchased assets as aforesaid, or in the event there shall be other unresolved issues, the closing of the sale shall be accomplished through an escrow. Further, you and we shall, prior to closing, comply with all applicable legal requirements, including the bulk sales provisions of the Uniform Commercial Code of the state in which the Restaurant is located. We shall have the right to set off against and reduce the purchase price by any and all amounts owed by you to us, and the amount of any encumbrances or liens against the assets or any obligations assumed by us. You and each holder of an interest in you shall indemnify us against all liabilities not so assumed. You shall maintain in force all insurance policies required pursuant to this Agreement, until the closing on the sale.

18. RESTRICTIVE COVENANTS

A. In-Term Non-Compete. You and your investors will not, directly or indirectly, during the term of this Agreement, on your own account or as an employee, consultant, partner, officer, director, shareholder or member of any other person, firm, entity, partnership, corporation or company, own, operate, lease, franchise, engage in, be connected with, have any interest in, or assist any person or entity engaged in any other restaurant or business selling gyros sandwiches or other Greek food.

B. Post-Term Non-Compete. You and your investors will not, directly or indirectly for a period of one year after the expiration or termination of this Agreement (except for a termination as a result of our breach under Section 16.A.), on your own account or as an employee, consultant, partner, officer, director, or shareholder of any other person, firm, entity, partnership, corporation or company, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any restaurant or business selling gyros sandwiches or other Greek food, which is located within the Protected Territory or within a five mile radius of any Dino’s The Greek Place Restaurant. You agree that

the time period and the scope of the prohibition are the reasonable and necessary time and distance needed to protect us if this Agreement expires or is terminated for any reason.

C. Exception. The purchase of a publicly traded security of a corporation engaged in a competitive business or service shall not in itself be deemed violative of this Section so long as you do not own, directly or indirectly, more than 1% of the securities of such corporation.

D. Solicitation of Employees. During the term of this Agreement and for a period of one year thereafter, you shall not attempt to solicit for employment any person who is, at the time of such solicitation, employed by us or any of our affiliates or any of our franchisees, nor shall you directly or indirectly induce or attempt to induce any such person to leave his or her employment.

E. Injunctive Relief. You agree that damages alone cannot adequately compensate us if there is a violation of these noncompetitive covenants and that injunctive relief is essential for our protection. You therefore agree that in case of any alleged breach or violation of this Section by it, we may seek injunctive relief, in addition to all other remedies that may be available to us at equity or law.

19. MEDIATION

A. Good Faith. The parties have entered into this Agreement in good faith and in the belief that it is mutually advantageous to them. It is with that same spirit of cooperation that they pledge to attempt to resolve any dispute amicably without the necessity of litigation. Accordingly, they agree that, except as set forth below, if any dispute arises between them relating to this Agreement, prior to the commencement of any legal action, they will first use the procedures specified in this Section.

B. Notice. The party seeking to initiate the procedure shall give written notice to the other party, describing in general terms the nature of the dispute, the claim for relief and identifying one or more individuals with authority to settle the dispute on such party's behalf. The party receiving such notice shall have ten business days within which to designate by written notice one or more individuals with authority to settle the dispute on such party's behalf.

C. Investigation. The authorized individuals shall be entitled to make such investigation of the dispute as they deem appropriate, but agree to meet promptly, and in no event later than thirty days from the date of the initial written notice, to discuss resolution of the dispute. The authorized individuals shall meet at such times and places and with such frequency as they may agree. Mediation will be conducted by a mediator or mediation program designated by us in writing.

D. Mediator. The mediator shall determine the format for the meetings, designed to assure that both the mediator and the authorized individuals have an opportunity to hear an oral presentation of each party's views on the matter in dispute, and that the authorized parties attempt to negotiate a resolution of the matter in dispute, with or without the assistance of counsel or others, but with the assistance of the mediator. To this end, the mediator is authorized to conduct both joint meetings and separate private caucuses with the parties. The mediation session shall be private. The mediator will keep confidential all information learned in private

caucus with any party unless specifically authorized by such party to make disclosure of the information to the other party. The parties agree to sign a document agreeing that the mediator shall be governed by the provisions of the local Rules of Civil Procedure and such other rules as the mediator shall prescribe. The parties commit to participate in the proceedings in good faith with the intention of resolving the dispute, if at all possible.

E. Conclusion. The parties agree to participate in the mediation procedure to its conclusion. The mediation shall be terminated (i) by the execution of a settlement agreement by the parties, (ii) by a declaration of the mediator that the mediation is terminated, or (iii) by a written declaration of a party to the effect that the mediation process is terminated at the conclusion of one full day's mediation session. Even if the mediation is terminated without a resolution of the dispute, the parties agree not to terminate negotiations and not to commence any legal action or seek other remedies prior to the expiration of five days following the mediation. The fees and expenses of the mediator shall be shared equally by the parties. The mediator shall be disqualified as a witness, consultant, expert or counsel for any party with respect to the dispute and any related matters.

F. Evidence. Mediation is a compromise negotiation for purposes of the Federal and State Rules of Evidence and constitutes privileged communication. The entire mediation process is confidential, and no stenographic, visual or audio record shall be made. All conduct, statements, promises, offers, views and opinions, whether oral or written, made in the course of the mediation by any party, by their agents, employees, representatives or other invitees and by the mediator are confidential and shall, in addition and where appropriate, be deemed to be privileged. Such conduct, statements, promises, offers, views and opinions shall not be discoverable or admissible for any purposes, including impeachment, in any litigation or other proceeding involving the parties, and shall not be disclosed to anyone not an agent, employee, expert, witness, or representative of any of the parties; provided however, that evidence otherwise discoverable or admissible is not excluded from discovery or admission as a result of its use in the mediation.

G. Marks. Nothing herein contained shall bar our right to seek and obtain temporary injunctive relief from a court of competent jurisdiction in accordance with applicable law against any conduct or threatened conduct by you which could impair the goodwill associated with the Marks.

20. ENFORCEMENT

A. Unpaid Amounts. Any unpaid amounts owed by you to us or any of our affiliates including Royalties, advertising fees and product purchases will bear interest at the rate of 18% or the maximum rate permitted by law, whichever is less. You must reimburse us and our affiliates for all costs incurred in the collection of unpaid amounts, including attorneys' fees.

B. Severability. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to renew this Agreement than is required

hereunder or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by us is invalid or unenforceable, the prior notice or other action required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision, specification, standard or operating procedure will be modified to the extent required to be valid and enforceable. Such modifications to this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

C. Waiver. We and you may by written instrument unilaterally waive any obligation of or restriction upon the other under this Agreement. No acceptance by us of any payment by you and no failure, refusal or neglect of us or you to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations hereunder, including any mandatory specification, standard or operating procedure, will constitute a waiver of any provision of this Agreement.

D. Cumulative Rights. Our and your respective rights under this Agreement are cumulative and no exercise or enforcement by us or you of any right or remedy hereunder will preclude the exercise or enforcement by us or you of any other right or remedy hereunder or which we or you are entitled by law to enforce.

E. Modifications. No modification to this Agreement will be valid or enforceable unless it is in a writing signed by both parties.

F. Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 et seq.), this Agreement and the franchise relationship will be governed by the laws of the state of Minnesota, excluding its choice of law rules. Nothing in this Agreement (including the designation of Minnesota as the choice of law) will be considered to extend the scope of application of the Minnesota Franchises Act or similar law to anyone who would not otherwise be covered.

G. Venue. Any action sought to be brought by either party shall be brought in the United States District Court for the District of Minnesota or the Hennepin County District Court, Minnesota and the parties do hereby waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision.

H. Damages. We and you (and our respective officers, directors, owners and guarantors) agree to waive, to the fullest extent permitted by law the right to claim punitive or exemplary damages against the other and agree that in the event of a dispute, each will be limited to the recovery of actual damages sustained.

I. Attorneys' Fees. In the event either party brings an action to enforce the terms of this Agreement or to enjoin the violation of any of its terms and prevails, such party shall be entitled to recover all litigation costs including attorneys' fees.

J. Binding Effect. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest.

K. Consents. Whenever a party's consent or approval is required under this Agreement, such consent or approval will not be unreasonably withheld or delayed.

L. Entire Agreement. The preambles are a party of this Agreement which, together with schedules, constitutes the entire agreement of the parties. Except for those permitted to be made unilaterally by us, no supplement, amendment or variation of the terms of this Agreement, shall be valid unless in writing signed by the parties. This Agreement supersedes and terminates any prior oral or written understandings or agreements between us and you relating to the subject matter of this Agreement. The headings of the Sections hereof are for convenience only and do not define, limit or construe the contents of such Sections. The term "you" as used herein is applicable to one or more persons, a corporation, a partnership or limited liability company, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine.

21. NOTICES

Except as otherwise provided in this Agreement, any notice, demand or communication provided for herein must be in writing and signed by the party serving the same and either delivered personally or by a reputable overnight service or deposited in the United States mail, service or postage prepaid, and if such notice is a notice of default or of termination, by registered or certified mail, and addressed as follows:

A. If intended for us, addressed to President, Dino's Gyros Franchise Corporation, 2195 128th Avenue, Coon Rapids, MN 55448, with a copy to Mary Beth Brody, Faegre and Benson, 90 South Sixth Street, Minneapolis, MN 55402.

B. If intended for you, addressed to you at _____
_____ or at the Franchised Location; or

in either case, to such other address as may have been designated by notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this subparagraph.

22. ACKNOWLEDGEMENTS

A. Independent Investigation. You acknowledge that you have conducted an independent investigation of the business franchised hereunder, and recognize that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon your ability as an independent business person. We expressly disclaim the making of, and you acknowledge that you have not received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

B. Franchise Agreement. You acknowledge that you have received, read, and understood this Agreement and that we have fully and adequately explained the provisions of it to your satisfaction and that we have accorded you time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement.

C. Other Franchises. You acknowledge that other Dino's The Greek Place franchisees have or will be granted franchises at different times and in different situations, and further acknowledge that the provisions of such franchises may vary substantially from those contained in this Agreement.

IN WITNESS WHEREOF, we and you have signed this Agreement as of the day and year first above written.

WE DISCLAIM ANY WARRANTY OR REPRESENTATION AS TO THE POTENTIAL SUCCESS OF YOUR BUSINESS OPERATIONS UNDER THIS AGREEMENT.

This is a legal document which grants specific rights to and imposes certain obligations upon us and you. Consult legal counsel to be sure that you understand your rights and duties. Please insert the name and address of your attorney: _____

_____.

DINO'S GYRO FRANCHISE CORPORATION

WITNESS:

By: _____
Its: _____

FRANCHISEE:

WITNESS:

By: _____
Its: _____

and

WITNESS:

By: _____
Its: _____

SCHEDULE A
DESCRIPTION OF PROTECTED TERRITORY

SCHEDULE B

DINO'S GYROS OWNER AGREEMENT

As a condition to the granting by Dino's Gyros Franchise Corporation ("we" or "us") of a Franchise Agreement (the "Franchise Agreement") granting the right to develop a Dino's The Greek Place Restaurant (the "Restaurant") to _____ ("Franchisee"), each of the undersigned individuals ("you"), who constitute each beneficial holder of an interest in the Franchisee, agrees to be bound by the terms and restrictions of this Agreement ("Agreement"):

1. **Acknowledgments.** Each of you, jointly and severally, represents and warrants to us:

A. That you are the holders of all equity, voting and other interests in Franchisee and/or all options, warrants and rights to acquire an interest in Franchisee and that the address and telephone number set forth next to your name below are accurate and complete and you will immediately advise us of any change in the information and we may use or distribute the same as required by law, including in our Uniform Franchise Offering Circular;

B. That Franchisee is a corporation, limited liability company or partnership, duly organized, validly existing and in good standing under the laws of the State of _____, and that Franchisee is qualified to do business in the state where the Restaurant is to be located;

C. Your Principal Operator is _____. All communication between us and you shall be through the Principal Operator. You agree not to change Principal Operators without our prior written consent.

D. It is a condition to the granting of the franchise to Franchisee that you enter into this Agreement and we have entered into the Agreements in reliance upon your agreement to do so, and will continue to do so;

E. That, as Franchisee's owners, you have received adequate consideration to support your execution of this Agreement.

2. **Confidentiality and Non-Competition Agreements.**

A. **In Term Covenant Not-to-Compete.** Each of you agrees that during the period Franchisee operates any Dino's The Greek Place Restaurant, or has any beneficial interest therein, or holds any rights to develop one or more such Restaurants (including all renewal periods) you shall not directly or indirectly on your own account or as an employee, consultant, partner, officer, director, shareholder or member of any person, firm, entity, partnership, corporation or company, own, operate, lease franchise, engage in, be connected with, have any interest in, or assist any person or entity engaged in any restaurant, prepared food business, or other business which sells gyros or other Greek food products.

B. **Post Term Covenant Not-to-Compete.** Each of you agrees that for a one-year period after Franchisee ceases to have any interest in any Restaurant or any rights to develop

Restaurants, regardless of the reasons such interest ceases or terminates, you will not directly or indirectly on your own account or as an employee, consultant, partner, officer, director, shareholder or member of any person, firm, entity, partnership, corporation or company, own operate, lease franchise, engage in, be connected with, have any interest in, or assist any person or entity engaged in any restaurant, prepared food business, or other business which sells gyros or other Greek food products which is located at or within a five mile radius of your former Franchised Restaurant or any Dino's The Greek Place Restaurant.

C. Appropriation and Disclosure of Information. Except as permitted under the Agreements, you will not at any time use, copy or duplicate the System or any aspect thereof, or any of our trade secrets, recipes, methods of operation, processes, formulas, advertising, marketing, designs, plans, software, programs, know-how or other proprietary ideas or information, nor will you convey, divulge, make available or communicate such information to any third party or assist others in using, copying or duplicating any of the foregoing.

D. Infringement; Validity of Marks and Copyrights; Registrations. You will not at any time commit any act that would infringe upon or impair the value of the System or the Marks, nor will you engage in any business or market any product or service under a name, mark, or design that is confusingly or deceptively similar to any of the Marks. You agree that you will not, at any time directly or indirectly challenge or contest the validity of, or take any action to jeopardize our rights in or ownership of, any of the Marks or any registration of a Mark or any copyrighted work. If you violate this provision, we shall be entitled to all equitable, monetary, punitive and any other relief that may be available under applicable law, as well as the recovery of all costs, expenses and attorneys' fees incurred by us as a result of such violation.

E. Solicitation of Employees. You agree that from and after the date hereof, you will not solicit, entice, induce to leave employment or hire directly or indirectly, any person who has been employed by us or by our affiliates or franchisees within the previous twelve month period.

F. Trade Secrets and Confidential Information. You understand and agree that we have disclosed or may disclose to you certain confidential or proprietary information and trade secrets. Except as necessary in connection with the operation of the Restaurant and as approved by us, you shall not, at any time (during or after term), regardless of the cause of termination, directly or indirectly, use for your own benefit or communicate or divulge to, or use for the benefit of any other person or entity, any trade secrets, confidential information, knowledge or know-how concerning the recipes, food products, advertising, marketing, designs, plans, software, programs or methods of operation of the Restaurant or the System. You shall disclose to your employees only such confidential, proprietary or trade secret information as is necessary to operate your business hereunder and then only while this Agreement is in effect. Any and all information, knowledge, or know-how, including without limitation, drawings, materials, equipment, marketing, recipes and other data, that we designate under the Agreements as secret or confidential shall be deemed secret and confidential for purposes of this Agreement.

G. Reasonableness of Scope and Duration. You agree that the covenants and agreements contained in Section 2 are, taken as a whole, reasonable with respect to the activities covered and their geographic scope and duration, and no party shall raise any issue of the reasonableness of the areas, activities or duration of any such covenants in any proceeding to enforce any such covenants. Each of you acknowledge and agree that you have other skills and resources

and that the restrictions contained in this Section will not hinder your activities or ability to make a living either under the Agreement or in general.

H. Enforceability. Each of you agree that we may not be adequately compensated by damages for a breach of any of the covenants and agreements contained herein, and that we shall, in addition to all other remedies, be entitled to injunctive relief and specific performance. The covenants and agreements contained in this Section 2 shall be construed as separate covenants and agreements, and if any court shall finally determine that the restraints provided for in any such covenants and agreements are too broad as to the area, activity or time covered, said area, activity or time covered may be reduced to whatever extent the court deems reasonable, and such covenants and agreements shall be enforced as to such reduced area, activity or time. To the extent required by the laws of the state in which the Restaurant is located, the duration or the geographic areas included within the foregoing covenants, or both, shall be deemed amended in accordance with Section 2.

3. Guaranty.

A. Guaranty. Each of you personally and unconditionally guaranty to us and to our affiliates, as well as any of their successors or assigns, the punctual payment when due of all sums, indebtedness and liabilities of every kind and nature that Franchisee may now or in the future owe to any of us (including interest, and all attorneys' fees, costs and expenses incurred by any of us in collection).

B. Covenants and Acknowledgments. Each of you covenant and agree that: (1) liability under this guaranty shall be joint and several; (2) that this is a guaranty of payment and not of collection and you shall render any payment required under the Agreements or this guaranty upon demand; (3) this guaranty shall extend to all amounts you may now or in the future owe to any of us, whether pursuant to the Agreements, another agreement with us or otherwise; (4) your liability under this guaranty shall not be contingent or conditioned upon pursuit by us of any remedies against Franchisee or any of you; (5) your liability hereunder shall not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence or waiver that we may from time to time grant to Franchisee or to any of you, including, without limitation, the acceptance of partial payment or performance, the compromise or release of any claims, the release of any other guarantor, or our consent to any transfer or assignment of the franchise or any interest therein and expressly reserve all rights that we may have against you.

C. Term of Guaranty. This guaranty and your obligations under it shall continue in effect so long as you operate any Dino's The Greek Place Restaurant or hold any beneficial interest therein and for a one (1) year period thereafter. Further, this guaranty shall be extended during any period in which (1) any of us is involved in any judicial or administrative process with Franchisee or any of you (i) to collect any amounts owed us by you, or (ii) to enforce the terms of this guaranty, or (2) any bankruptcy or similar proceeding involving Franchisee or any of you. Your obligations under this guaranty shall remain in full force and effect without regard to, and shall not be released, discharged or in any way modified or affected by, any circumstance or condition of Franchisee (whether or not you shall have any knowledge or notice thereof), including, without limitation, bankruptcy, insolvency, reorganization, composition, liquidation or similar proceeding or any action taken by any trustee or receiver or by any court in any such proceeding.

D. Waivers. Each of you waives notice of demand, notice of protest, nonpayment or default, and all other notices to which Franchisee or you may be entitled, and all suretyship and guarantor's defenses generally and any and all other notices and legal or equitable defenses to which you may be entitled. You waive all exemptions to which you may now or hereafter be entitled under the laws of this or any other state or of the United States. You waive any right that you may have to require that an action be brought against Franchisee or any other payments and claims for reimbursement or subrogation that you may have against Franchisee arising as a result of your execution and performance of this guaranty.

E. Assignment. This guaranty is personal to you and the obligations and duties imposed in it may not be delegated or assigned; provided, this guaranty shall be binding upon your successors, assigns, estates and personal representatives. This guaranty shall inure to our benefit, and the benefit of our affiliates, successors and assigns.

F. Enforcement. If any one or more provisions in this guaranty shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this guaranty shall be construed to bind you to the maximum extent permitted by law that is subsumed within the terms of such provision as though it were separately articulated herein.

4. Covenant Not to Transfer Interests. The Agreements, and your rights and obligations under them, are and shall remain personal to you. Any proposed transfer by you (regardless of the form of transfer) shall be subject to the same terms and conditions contained in the Franchise Agreement. As used herein, the term "Transfer" shall mean any sale, assignment, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by judicial order, merger, consolidation, share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of the Agreements or any interest in any of them or any rights or obligations arising under them, or of any material portion of the business assets, or of any interest in the Franchisee. Each of you agree and covenant that you will not at any time during which Franchisee is a Dino's The Greek Place franchisee, directly or indirectly, voluntarily or involuntarily, make any Transfer, unless you first obtain our written approval in compliance with the same provisions applicable to a transfer by you as set forth in the Agreements. You shall cause all stock certificates (or other documents evidencing an interest or right to acquire an interest) issued by Franchisee to bear a legend indicating that such stock (or other documents) is subject to the restrictions provided for in the applicable Agreement.

5. Miscellaneous.

A. Capitalized Terms. For purposes of this Agreement, all capitalized terms shall have the same meaning as those terms are defined in the Franchise Agreement.

B. Disputes. Disputes under this Agreement shall be resolved in the same manner as provided under the Franchise Agreement. You expressly acknowledge that the provisions of the Franchise Agreement pertaining to mediation, venue, applicable law, time periods and limitations govern any disputes between us and you.

IN WITNESS WHEREOF, each of you have signed this Agreement on the date set forth opposite your signature.

Signature: _____
Name: _____
Address: _____

Date: _____

Percentage Interest: _____

Signature: _____
Name: _____
Address: _____

Date: _____

Percentage Interest: _____

Signature: _____
Name: _____
Address: _____

Date: _____

Percentage Interest: _____

Signature: _____
Name: _____
Address: _____

Date: _____

Percentage Interest: _____

SCHEDULE C

ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE, dated _____, _____, is entered into by and between _____ (“Lessor”), and _____ (“Lessee”).

RECITALS:

A. The parties hereto have entered into a certain Lease Agreement, dated _____, _____, and pertaining to the premises located at _____ (the “Lease”).

B. Lessor acknowledges that Lessee intends to operate a Restaurant from the leased premises (the “Premises”) pursuant to a Franchise Agreement (the “Franchise Agreement”) with Dino’s Gyros Franchise Corporation (“Company”) under the name “Dino’s The Greek Place” or other name designated by Company (“Franchised Restaurant”).

C. The parties now desire to amend the Lease in accordance with the terms and conditions contained herein.

AGREEMENT

NOW, THEREFORE, it is hereby mutually covenanted and agreed between Lessor and Lessee as follows:

1. **Remodeling and Decor.** Lessor agrees that Lessee shall have the right to remodel, equip, paint and decorate the interior of the Premises and to display such proprietary marks and signs on the interior and exterior of the Premises as Lessee is reasonably required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Lessee may operate a Franchised Restaurant on the Premises. Lessee agrees that all exterior signage and marks will comply with applicable city codes.

2. **Assignment.** Lessee shall have the right to assign all of its right, title and interest in the Lease to Company or its affiliate, at any time during the term of the Lease, including any extensions or renewals thereof, without first obtaining Lessor’s consent. However, no assignment shall be effective until such time as Company or its designated affiliate gives Lessor written notice of its acceptance of such assignment, and nothing contained herein or in any other document shall constitute Company or its designated affiliate a party to the Lease, or guarantor thereof, and shall not create any liability or obligation of Company or its affiliate unless and until the Lease is assigned to, and accepted in writing by, Company or its affiliate. In the event of an assignment, Lessee shall remain liable under the terms of the Lease.

3. **Default and Notice.**

(a) In the event there is a default or violation by Lessee under the terms of the Lease, Lessor shall give Lessee and Company written notice of such default or violation within a

reasonable time after Lessor receives knowledge of its occurrence. If Lessor gives Lessee a default notice, Lessor must contemporaneously give Company a copy of such notice. Company will notify Lessor whether it intends to cure the default and take an automatic assignment of Lessee's interest as provided in Paragraph 4(a). Company will have an additional fifteen (15) days from the expiration of Lessee's cure period in which to cure the default or violation.

(b) All notices to Company shall be sent by registered or certified mail, postage prepaid, to the following address:

Dino's Gyros Franchise Corporation
2195 128th Street
Coon Rapids, MN 55448
Attention: Vona Adamidis

Company may change its address for receiving notices by giving Lessor written notice of such new address. Lessor agrees that it will notify both Lessee and Company of any change in Lessor's mailing address to which notices should be sent.

4. **Termination or Expiration.**

(a) Upon Lessee's default and failure to cure a default under either the Lease or the Franchise Agreement, Company will, at its option, have the right (but not the requirement) to take an automatic assignment of Lessee's interest. In order to exercise this right, Company must give Lessor written notice of its intent to take over the lease within five business days of the date of termination and must agree to cure all existing defaults within ten business days of the date of termination.

(b) Upon the expiration or termination of either the Lease or the Franchise Agreement, Landlord will cooperate with Company in gaining possession of premises within fifteen days of termination or expiration. If Company does not elect to take an assignment of the Lessee's interest, Lessor will, within fifteen days of termination, allow Company to enter the Premises, without being guilty of trespass and without incurring any liability to Lessor, to remove all signs and all other items identifying the Premises as a Franchised Restaurant and to make such other modifications (such as repainting) as are reasonably necessary to protect Dino's marks and system, and to distinguish the Premises from other Franchised Restaurants.

5. **Consideration; No Liability.**

(a) Lessor hereby acknowledges that the provisions of this Addendum to Lease are required pursuant to the Franchise Agreement under which Lessee plans to operate its business and the Lessee would not lease the Premises without this Addendum.

(b) Lessor further acknowledges that Lessee is not an agent or employee of Company and the Lessee has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Company or any affiliate of Company, and that Lessor has entered into this Addendum to Lease with full understanding that it creates no duties, obligations or liabilities of or against Company or any affiliate of Company.

6. **Amendments.** No amendment or variation of the terms of this Addendum to the Lease shall be valid unless made in writing and signed by the parties hereto.

7. **Reaffirmation of Lease.** Except as amended or modified herein, all of the terms, conditions and covenants of the Lease shall remain in full force and effect and are incorporated herein by reference and made a part hereof as though copied herein in full.

8. **Beneficiary.** Lessor and Lessee expressly agree that Company is a third party beneficiary of this Addendum.

IN TESTIMONY WHEREOF, witness the signatures of the parties hereto as of the day, month and year first written above.

By: _____
Title: _____

“Lessee”

By: _____
Title: _____

“Lessor”

SCHEDULE D

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS (DIRECT DEBITS)

The undersigned depositor (“**Depositor**”) hereby (1) authorizes Dino’s Gyros Franchise Corporation (“**Company**”) to initiate debit entries and/or credit correction entries to the undersigned’s checking and/or savings account indicated below, and (2) authorizes the depository designated below (“**Depository**”) to debit such account pursuant to Company’s instructions.

_____		_____
Depository		Branch
_____	_____	_____
City	State	Zip Code
_____		_____
Bank Transit/ABA Number		Account Number

This authority is to remain in full force and effect until Depository has received joint written notification from Company and Depositor of the Depositor’s termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity to act on it. Notwithstanding the foregoing, Depository shall provide Company and Depositor within 30 days’ prior written notice of the termination of this authority. If an erroneous debit entry is initiated to Depositor’s account, Depositor shall have the right to have the amount of such entry credited to such account by Depository, if (a) within 15 calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry, or (b) 45 days after posting, whichever occurs first, Depositor shall have sent to Depository a written notice identifying such entry, stating that such entry was in error, and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws.

_____	_____
DEPOSITOR (Print Name)	DEPOSITORY (Print Name)
By _____	By _____
Its _____	Its _____

SCHEDULE E

**ACKNOWLEDGMENT ADDENDUM TO
DINO'S THE GREEK PLACE AGREEMENT**

As you know, you and we are entering into a Franchise Agreement for the operation of a Dino's The Greek Place franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgments and Representations.

1. Did you receive a copy of our Offering Circular at least ten business days before signing the Franchise Agreement? No Yes. If no, please comment: _____

2. Have you received, studied and reviewed carefully our Offering Circular and Franchise Agreement? Check one: Yes No. If no, please comment: _____

3. Did you receive a copy of the Franchise Agreement at least five days before the date on which the Franchise Agreement was executed? Check one: No Yes. If no, please comment: _____

4. Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the Offering Circular? Check one: No Yes. If yes, please state in detail the oral, written or visual claim or representation: _____

5. Except as stated in Item 19 of our Offering Circular, was any oral, written or visual claim or representation made to you which stated, suggested, predicted or projected your sales, expenses, income or profit levels. Check one: No Yes. If yes, please state in detail the oral, written or visual claim or representation: _____

6. Did any employee or other person speaking on behalf of Dino's Gyros Franchise Corporation make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Offering Circular or that is contrary to, or different from, the information contained in the Offering Circular. Check one: No Yes. If yes, please comment: _____

7. Do you understand that the Franchise Agreement contains the entire agreement between you and us concerning the Franchise Business, meaning that any prior oral or written statements not set out in the Franchise Agreement will not be binding? Check one: No Yes. If no, please comment: _____

8. Do you understand that the success or failure of your Restaurant will depend in large part upon your skills and experience, your business acumen, your location, the local market for Dino's The Greek Place products, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factor: Further, do you understand that the economic and business factors that exist at the time you open your Restaurant may change: Check one: Yes No. If no, please comment: _____

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.

Signed _____
 Print Name: _____
 Date: _____

Signed _____
 Print Name: _____
 Date: _____

Accepted on behalf of
 Dino's Gyros Franchise Corporation

By: _____

Title: _____

Date: _____

EXHIBIT C

DINO'S GYROS FRANCHISE CORPORATION

AREA DEVELOPMENT AGREEMENT

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
1. GRANT OF DEVELOPMENT RIGHTS.....	1
2. DEVELOPMENT FEE.....	2
3. DEVELOPMENT SCHEDULE AND MANNER OF EXERCISING OPTIONS	2
4. TERM	3
5. YOUR DUTIES.....	3
6. MARKS/CONFIDENTIALITY	3
7. DEFAULT AND TERMINATION	4
8. RIGHTS AND DUTIES OF PARTIES UPON TERMINATION OR EXPIRATION.....	4
9. TRANSFER	5
10. INDEPENDENT CONTRACTOR AND INDEMNIFICATION.....	5
11. MISCELLANEOUS	6
12. APPLICABLE LAW	6
13. ACKNOWLEDGEMENTS.....	7

EXHIBITS

- A. DEVELOPMENT TERRITORY
- B. DEVELOPMENT SCHEDULE

**DINO’S GYROS FRANCHISE CORPORATION
AREA DEVELOPMENT AGREEMENT**

This Area Development Agreement (this “Agreement”) is entered into this _____ day of _____, 200__ between DINO’S GYROS FRANCHISE CORPORATION, a Minnesota corporation which has its principal place of business at 2195 – 128th Avenue, Coon Rapids, Minnesota 55448 (“we” or “us”) and _____, a _____ which has its principal place of business at _____ (“you”). If you are a corporation, partnership or limited liability company, certain provisions of the Agreement also apply to your owners and will be noted.

BACKGROUND:

A. We have developed a high quality Greek fast casual restaurant concept. We grant franchises to qualified candidates for the operation of a Greek fast casual restaurant using our concept. We license certain trademarks including “Dino’s The Greek Place” and may in the future adopt, use and license additional or substitute trademarks, service marks, logos and commercial symbols in connection with the operation of Dino’s The Greek Place Restaurants (collectively the “Marks”). Dino’s The Greek Place Restaurants use our methods, procedures, standards, specifications and the Marks (all of which are collectively referred to as the “System”) which we may improve, further develop or otherwise modify from time to time.

B. You have had an adequate opportunity to be thoroughly advised of the provisions of this Agreement, the Franchise Agreement and our Disclosure Document and have had sufficient time and opportunity to evaluate and investigate the System and the procedures and financial requirements associated with the System as well as the competitive market in which it operates.

C. You desire to develop and operate several DINO’S THE GREEK PLACE Restaurants and we, in reliance on your representations, have approved your franchise application to do so according to this Agreement.

AGREEMENTS:

We and you agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

A. We grant to you, under the terms and conditions of this Agreement, the right to develop and operate ___ DINO’S THE GREEK PLACE restaurants, (the “Restaurants”) within the territory described on Exhibit A (“Development Territory”).

B. You shall be bound by the development schedule (“Development Schedule”) set forth in Exhibit B. Time is of the essence for the development of each Restaurant in accordance with the Development Schedule. Each Franchised Restaurant shall be established and operated under a separate Franchise Agreement to be entered into by you and us pursuant to Section 3.B.

C. If you are in compliance with the Development Schedule set forth on Exhibit B, we will not operate or grant anyone else a franchise to operate a DINO’S THE GREEK PLACE Restaurant business in the Development Territory prior to the earlier of: i) the expiration or termination of this Agreement; or ii) the date on which you must execute the Franchise Agreement for your last Restaurant according to the Development Schedule.

D. You acknowledge and agree that we have the right, in our sole discretion, to grant other franchises outside of the Development Territory as we deem appropriate. Although we will not operate a DINO'S THE GREEK PLACE Restaurant within the Development Territory, we reserve the right, both within and outside of the Development Territory, to offer and sell at special events (at our option, if you elect not to participate in such events) or at wholesale, through channels of distribution distinct from those of a DINO'S THE GREEK PLACE Restaurant, products and services which comprise, or may in the future comprise a part of the System, which products may be resold at retail to the general public. Further, you acknowledge that certain locations within the Development Territory are by their nature unique and separate in character from sites generally developed as Franchised Restaurants. As a result, you agree that the following locations ("Special Sites") are excluded from the Development Territory and we shall have the right to develop (by direct ownership or franchising) such locations: 1) public transportation facilities, including airports, train stations and bus stations; 2) military bases; 3) sports facilities; 4) amusement parks/theme parks; 5) fairs and festivals; 6) college campuses; and 7) major indoor malls.

E. This Agreement is not a Franchise Agreement and you shall have no right to use in any manner the Marks by virtue of this Agreement. You shall have no right under this Agreement to subfranchise or sublicense others to operate a business or use the System or the Marks.

2. DEVELOPMENT FEE

A. As consideration for the rights granted in this Agreement, you pay us a "Development Fee" of \$_____, representing one-half of the Initial Franchise Fee for each Restaurant to be developed under this Agreement. The Development Fee is consideration for this Agreement and not consideration for any Franchise Agreement, is fully earned by us upon execution of this Agreement and is non-refundable. The part of the Initial Franchise Fee that is included in the Development Fee is credited against the Initial Franchise Fee payable upon the signing of each individual Franchise Agreement. The balance of the Initial Franchise Fee for each of the Franchised Restaurants is due upon signing the individual Franchise Agreement. The balance of the Initial Franchise Fee for the first Restaurant shall be paid at the time of execution of this Agreement, together with the execution by you of the Franchise Agreement for the first Restaurant. The total amount to be paid by you at the time of execution of this Agreement under this Section, including both the Development Fee and the balance of the Initial Franchise Fee for your first Restaurant is \$_____.

B. You shall submit a separate application for each Restaurant to be established by you within the Development Territory as further described in Section 4. Upon our approval of the site of your Restaurant, a separate Franchise Agreement shall be executed for each such Restaurant, at which time the balance of the Initial Franchise Fee is due and owing. Such payment represents the balance of the appropriate Initial Franchise Fee, as described above in Section 2.A. Upon the execution of each Franchise Agreement, the terms and conditions of such Franchise Agreement shall control the establishment and operation of such Restaurant.

3. DEVELOPMENT SCHEDULE AND MANNER OF EXERCISING OPTIONS

A. You will be bound by and strictly follow the Development Schedule. By the dates set forth under the Development Schedule you must enter into Franchise Agreements with us pursuant to this Agreement for the number of Restaurants described under the Development Schedule. You must also comply with the Development Schedule requirements regarding i) the opening date for each Restaurant, and ii) the cumulative number of Restaurants to be open and continuously operating.

B. You may not develop a Restaurant unless you have notified us of your intention to develop the Restaurant at least 30 days prior to the date set forth in the Development Schedule by which

you must execute a Franchise Agreement for the particular Franchised Restaurant and all of the following conditions have been met:

(i) You must find a proposed site for the Restaurant which you reasonably believe to conform to our site selection criteria and submit site information which we reasonably require for such site. You must receive our written consent to your proposed site.

(ii) You must furnish to us a franchise application for the proposed Restaurant, financial statements and other information as we may reasonably require. You must receive written confirmation from us that you meet our then-current standards for franchisees, including financial capability criteria, for development of a new Restaurant.

(iii) You must not be in default of this Agreement or any Franchise Agreement with us.

(iv) You and we must enter into our then-current form of Franchise Agreement for the proposed Restaurant.

4. TERM

Unless sooner terminated in accordance with Section 7 of this Agreement, the term of this Agreement and all rights granted to you shall expire on the date that your last DINO'S THE GREEK PLACE Restaurant is scheduled to be opened under the Development Schedule.

5. YOUR DUTIES

You must perform the following obligations:

A. You must comply with all of the terms and conditions of each Franchise Agreement, including without limitation the operating requirements specified in each Franchise Agreement.

B. You must at all times comply with the confidentiality provisions set forth in Section 6.

C. You shall comply with all requirements of federal, state and local laws, rules and regulations.

6. MARKS/CONFIDENTIALITY

A. Notwithstanding any provision to the contrary under this Agreement, it is understood and agreed that this Agreement does not grant you any right to use the Marks or to use any of our trade secret and/or Confidential Information, as defined below. Your license to use the Marks, trade secrets and Confidential Information, or copyrights is granted only under the individual Franchise Agreements.

b. You and your owners, officers, directors, partners, members and managers (if any), acknowledge and agree that your entire knowledge of the operation of a DINO'S THE GREEK PLACE Restaurant including the knowledge or know-how regarding the specifications, standards and operating procedures of the services and activities, is derived from information disclosed to you by us and that certain of such information is proprietary, confidential and constitute our trade secrets. The term "trade secrets" refers to the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures and/or improvements regarding the business that is valuable and secret in the sense that it is not generally known to our competitors and any proprietary information contained in the manual or otherwise communicated to you in writing, verbally or through the Internet or other online or computer communications and any other knowledge or know-how concerning the methods of operations of

DINO'S THE GREEK PLACE Restaurants. You and your owners, officers, directors, shareholders, partners, members and managers (if any), jointly and severally, agree that at all times during and after the term of the franchise, you will maintain the absolute confidentiality of all such proprietary information and will not disclose, copy, reproduce, sell or use any such information in any other business or in any manner not specifically authorized or approved in advance in writing by us. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from the individuals identified in the first sentence of this paragraph and other key employees.

7. DEFAULT AND TERMINATION

A. The rights and territorial protection granted to you in this Agreement have been granted in reliance on your representations and warranties, and strictly on the conditions set forth in Sections 1, 3 and 5 of this Agreement, including, without limitation, the condition that you comply strictly with the Development Schedule.

B. You will be deemed in default under this Agreement if you breach any of the terms of this Agreement, including the failure to meet the Development Schedule, or the terms of any Franchise Agreement or any other agreement between you or your affiliate and us. All rights granted in this Agreement shall immediately terminate upon written notice without opportunity to cure if: (i) you become insolvent, commit any affirmative action of insolvency or file any action or petition of insolvency, (ii) a receiver of your property is appointed by a court of competent authority, (iii) you make a general assignment for the benefit of your creditors, (iv) a final judgment remains unsatisfied of record for 30 days or longer (unless supersedeas bond is filed), (v) execution is levied against your business or property, or (vi) suit to foreclose any lien or mortgage against his premises or equipment is instituted against you and not dismissed within 30 days, or is not in the process of being dismissed, (vii) you fail to meet your development obligations set forth in the Development Schedule; (viii) you fail to comply with any other provision of this Agreement and do not correct the failure within 30 days after written notice of the failure is delivered to you, or (ix) we have delivered to you a notice of termination of a Franchise Agreement in accordance with its terms and conditions.

8. RIGHTS AND DUTIES OF PARTIES UPON TERMINATION OR EXPIRATION

Upon termination or expiration, this Agreement and all rights granted to you under this Agreement shall automatically terminate, and:

A. All remaining rights granted you to establish Restaurants under this Agreement will automatically be revoked and will be null and void. You will not be entitled to any refund of any fees. You will have no right to develop or operate any Restaurant for which a Franchise Agreement has not been executed by us. We will be entitled to develop or to franchise others to develop DINO'S THE GREEK PLACE Restaurants in the Development Territory, except as may be otherwise provided under any Franchise Agreement which has been executed between us and you and which has not been terminated.

B. You must immediately cease to operate your business under this Agreement, and must not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former developer of ours.

C. You must take such action as may be necessary to cancel or assign to us or our designee, at our option, any assumed name or equivalent registration which contains any of the words which are contained in the Marks and you will furnish us with evidence satisfactory to us of compliance with this obligation within 30 days after termination or expiration of this Agreement.

D. You must within 30 days of termination or expiration pay all sums owing to us and our affiliates. In the event of termination for any default by you, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us as a result of the default. Unpaid amounts will bear interest at the rate of 18% per annum or the maximum contract rate of interest permitted by governing law, whichever is less, from and after the date of accrual.

E. Upon termination or expiration of this Agreement, you will assign to us or our designee, all your right, title, and interest in and to your telephone numbers and shall notify the telephone company and all listing agencies of the termination or expiration of your right to use any telephone number in any regular, classified or other telephone directory listing associated with the Marks and to authorize transfer of same at our direction.

F. You shall comply with the covenants contained in Sections 6 and 10 of this Agreement.

G. All of our and your obligations which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied or by their nature expire.

9. TRANSFER

A. We have the right to transfer all or any part of our rights or obligations under this Agreement to any person or legal entity.

B. This Agreement is entered into by us with specific reliance upon your personal experience, skills and managerial and financial qualifications. Consequently, this Agreement, and your rights and obligations under it, are and will remain personal to you. You may only Transfer your rights and obligations under this Agreement if you obtain our prior written consent and only if you transfer all of your rights and interests under all Franchise Agreements for Restaurants in the Development Territory. Accordingly, the assignment terms and conditions of the Franchise Agreements shall apply to any Transfer of your rights and interests under this Agreement. As used in this Agreement, the term "Transfer" means any sale, assignment, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by judicial order, merger, consolidation, share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of this Agreement or any interest in it, or any rights or obligations arising under it, or of any material portion of your assets or of any interest in you.

10. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

A. It is understood and agreed by the parties that this Agreement does not create a fiduciary relationship between them, that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever. Each party to this Agreement is an independent contractor, and neither shall be responsible for the debts or liabilities incurred by the other. You shall hold yourself out to the public as an independent contractor operating pursuant to this Agreement. You agree to take such actions as shall be necessary to that end.

B. You understand and agree that nothing in this Agreement authorizes you to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we assume no liability for, and shall not be deemed liable by reason of, any act or omission of yours in your conduct of the business under this Agreement, or any claim or judgment arising therefrom. You agree to indemnify, defend, and hold us, our affiliates, our officers, directors, shareholders and employees harmless from and against any and all claims, losses, damages and liabilities,

however caused, arising directly or indirectly from, as a result of, or in connection with, the development, use and operation of your Restaurants, as well as the costs, including attorneys' fees, of defending against them ("Franchise Claims"). Franchise Claims include, but are not limited to, those arising from any death, personal injury or property damage (whether caused wholly or in part through our active or passive negligence), latent or other defects in any Restaurant, or your employment practices. In the event a Franchise Claim is made against us, we reserve the right in our sole discretion to select our own legal counsel to represent our interests, at your cost.

11. MISCELLANEOUS

A. Any and all notices, demand or communication provided for under this Agreement must be in writing and signed by the party serving the same and either delivered personally or by a reputable overnight service or deposited in the United States mail, service or postage prepaid, and if such notice is a notice of default or of termination, by registered or certified mail, and addressed as follows unless and until a different address has been designated by written notice to the other party:

Notices to us: Dino's Gyros Franchise Corporation
 2195 – 128th Avenue
 Coon Rapids, MN 55448

Copy to Mary Beth Brody, Esq.
 Faegre & Benson LLP
 Wells Fargo Center
 90 South Seventh Street
 Minneapolis, Minnesota 55402

Notices to you: To your first Restaurant opened under this Agreement; or, if your first Restaurant is not open, to address on page 1 of this Agreement.

Copy to: _____

Notices for purpose of this Agreement will be deemed to have been received if mailed or delivered as provided in this Section.

B. We make no warranties or guarantees upon which you may rely and we assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advice, consent or services to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

C. No waiver by us of any breach by you, nor delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach. This Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with the application form executed by you requesting us to enter into this Agreement constitute the sale agreement between the parties with respect to the entire subject matter of this Agreement and embody all prior agreements and negotiations with respect to the business.

12. APPLICABLE LAW

A. This agreement takes effect upon its acceptance and execution by us and shall be interpreted and construed under the laws of the state in which your first Restaurant is located.

B. Any action sought to be brought by either party shall be brought in the United States District Court for the District of Minnesota, or the District Court for Hennepin County, State of Minnesota, and the parties do hereby waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision.

C. No right or remedy conferred upon or reserved to Us or You by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

D. Nothing herein contained shall bar our right to obtain injunctive relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

13. ACKNOWLEDGEMENTS

A. You acknowledge and agree that the success of the business venture contemplated to be undertaken by you by virtue of this Agreement is speculative and depends, to a large extent, upon your ability as an independent business person, and your active participation in the daily affairs of the business as well as other factors.

B. You represent and acknowledge that you have received, read and understood this Agreement and our Uniform Franchise Disclosure Document, that we have fully and adequately explained the provisions of each to your satisfaction, and that we have accorded you ample time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement.

The parties have duly executed, sealed, and delivered this Agreement in triplicate on the day and year first above written. Your owners, directors and officers executing this Agreement below specifically agree, jointly and severally, to be bound by their respective representations, warranties and obligations hereunder.

DINO'S GYROS FRANCHISE
CORPORATION

ATTEST:

By: _____
Its: _____

DEVELOPER:

ATTEST:

By:

Its: _____

and

ATTEST:

By:

Its: _____

and

ATTEST:

By:

Its: _____

EXHIBIT A

DESCRIPTION OF DESIGNATED TERRITORY

DINO'S FRANCHISE CORPORATION

DEVELOPER:

By: _____
Its: _____

By: _____
Its: _____

EXHIBIT B

DEVELOPMENT SCHEDULE

You acknowledge and agree that a material provision of the Area Development Agreement is that the following number of DINO'S THE GREEK PLACE Restaurants must be opened and continuously operating in the Designated Territory in accordance with the following Development Schedule:

Restaurant Number	Date by Which Franchise Agreement Must be Signed and Site Approval Request Must be Submitted to us	Date by Which the Restaurant Must be Opened and Continuously Operating	Cumulative Number of Franchised Restaurants Required to be Open and Continuously Operating in the Designated Territory as of the Date in Preceding Column
1	Date of this Agreement		1
2			2

For purposes of determining compliance with the above Development Schedule, only the Restaurants actually open and continuously operating for business in the Designated Territory as of a given date will be counted toward the number of Restaurants required to be open and continuously operating for business.

DINO'S FRANCHISE CORPORATION

DEVELOPER:

By: _____

Its: _____

By: _____

Its: _____

EXHIBIT D

LIST OF FRANCHISEES

EXHIBIT D

LIST OF FRANCHISEES

As of December 31, 2010

Franchisees

CANGO
Dino's of Plymouth
3355 Plymouth Blvd.
Plymouth, Minnesota 55447
(763) 553-2040

H & N Enterprises
dba Dino's of Lakeville
17701 Cedar Avenue
Lakeville, MN 55044
(952) 431-3466

Company-Owned

Dino's The Greek Place
1670 Snelling Avenue North
St. Paul, Minnesota 55108
(651) 645-8800

Dino's The Greek Place
3179 Northdale Blvd. NW
Coon Rapids, MN 55448
(763) 422-2003

Dino's The Greek Place
10060 Woodbury Drive
Woodbury, Minnesota 55129
(651) 738-9757

Dino's The Greek Place
6539 York Avenue South
Edina, MN 55435
(612) 866-6363

EXHIBIT E

**DINO'S GYROS FRANCHISE CORPORATION
LIST OF STATE ADMINISTRATORS
AND
AGENTS FOR SERVICE OF PROCESS**

EXHIBIT E

**DINO'S GYROS FRANCHISE CORPORATION
LIST OF STATE ADMINISTRATORS
AND
AGENTS FOR SERVICE OF PROCESS**

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101 (651) 296-4026	Any officer of Dino's Gyros Franchise Corporation 2195 128 th Avenue Coon Rapids, MN 55448

EXHIBIT F

**Dino's Gyros Franchise Corporation
Specific Disclosures Required by Various States**

EXHIBIT F

Dino's Gyros Franchise Corporation Specific Disclosures Required by Various States

The Dino's Gyros Franchise Corporation Uniform Franchise Disclosure Document ("FDD"), Franchise Agreement ("FA") and Area Development Agreement ("ADA") are modified and/or clarified as follows for franchisees and prospective franchisees in the following states:

MINNESOTA

Disclosure Document

The following is added to the Cover Page and Items 17v and 17w of this Disclosure Document:

ADDITIONAL RISK FACTOR:

MINN. STAT. § 80C.21 AND MINN. RULE 2860.4400J PROHIBIT US FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE DISCLOSURE DOCUMENT OR FRANCHISE AGREEMENT CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION.

The following is added to Items 5 and 7 of this Disclosure Document:

We will defer collection of the Initial Franchise Fee until such time as we have performed our initial obligations to you and your are open for business.

The following is added to Item 13 of this Disclosure Document:

We will protect your right to use the Marks or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding your use of the Marks.

Minnesota considers it unfair for us not to protect your right to use the Marks. See Minn. Stat. Sec. 12. Subd. 1(g).

The following is added to Items 17b and 17g of this Disclosure Document:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. § Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days for notice for non-renewal of the Franchise Agreement.

The following is added to Items 17c and 17m of this Disclosure Document:

Minn. Rule 2860.4400D prohibit us from requiring you to consent to a general release.

Franchise Agreement

Section 2B.(8) and 13B.(7) of the Franchise Agreement are deleted.

Section 3 of the Franchise Agreement is revised to provide that under Minnesota law, we must give you 180 days' notice of non-renewal.

Section 4 of the Franchise Agreement is revised to include the following language:

The Minnesota Department of Commerce requires that we indemnify you against liability to third parties resulting from claims by third parties that your use of the Marks infringe trademark rights of the third party. We do not indemnify against the consequences of your use of the Marks except in accordance with the requirements of the franchise. As a condition to indemnification, you must provide notice to us of any claim within ten days and tender the defense of the claim to us. If we accept the tender of defense, we have the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

Section 5.A of the Franchise Agreement is revised to provide that we will defer collection of the Initial Franchise Fee until such time as we have performed our initial obligations to you and you are open for business.

Section 15 of the Franchise Agreement is revised to include the following language:

We will comply with Minn. Stat. Sec. 80C.14 which requires, except in certain specified cases, that we give you 90 days' notice of termination with 60 days to cure.

Minn. State § 80C.21 and Minn. Rule 28060.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Area Development Agreement

1. Section 7 of the Area Development Agreement is revised to provide that we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure)

DINO'S GYROS FRANCHISE CORPORATION

By: _____
Its: _____
Date: _____

FRANCHISEE:

By: _____
Its: _____
Date: _____

EXHIBIT G
DINO' GYROS FRANCHISE CORPORATION
SUMMARY OF INDUSTRY SPECIFIC LAWS

EXHIBIT G
DINO' GYROS FRANCHISE CORPORATION
SUMMARY OF INDUSTRY SPECIFIC LAWS

The business of operating a Dino's The Greek Place Restaurant is subject to all of the laws, codes and regulations (referred to below generally as "laws") normally applicable to restaurants. These include federal, state, and local laws.

1. General Laws Regulating the Food Industry

The United States Department of Agriculture and the Food and Drug Administration regulate the manufacture, labeling and distribution of food products.

State regulations may govern the storage, handling and serving of food.

Many local or state jurisdictions require food service permits for those preparing, handling and serving food to the public. You and your employees may be required to pass a test or other certification process to obtain such a permit. There may also be local ordinances and regulations governing food storage, preparation and serving.

Your Dino's The Greek Place Restaurant is subject to local food and health permits and inspection laws. Health laws are intended in part to reduce food borne illnesses and may cover such issues as: requiring employees to take a test and obtain a license as a food service worker, having accessible sinks, bathrooms for certain size establishments, inspections for cleanliness and compliance, equipment cleaning, storage and packaging, size of facilities, allowed foods, refrigeration, etc.

2. General Laws Regulating Sale of Alcoholic Beverages. The sale of alcoholic beverages is regulated by state and municipal law. If you serve beer and wine at your Restaurant, you must comply with all such regulations. Some cities require that you provide alcohol awareness training to your employees.

3. Federal. Examples of other federal laws affecting many small businesses are wage and hour, occupational health and safety, equal employment opportunity, taxes, hazardous materials communication to employees, hazardous waste and environmental, and the Americans With Disabilities Act.

4. State. State laws may cover the same topics as federal laws. Examples of other state laws affecting many small businesses include environmental, occupational health and safety, fire, taxes, health, and building and construction laws.

5. Local. Local laws may cover the same topics as federal and state laws. Examples of other local laws affecting many small businesses include health and sanitation, building codes, fire codes, permits, and waste disposal.

The above are examples of some, but not all of the laws that may be applicable to the franchised business described in the Disclosure Document. The Franchise Agreement places the responsibility for complying with all applicable laws and regulations upon you, the franchisee. You should research these requirements before you invest.

EXHIBIT H
RECEIPTS

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Dino's Gyros Franchise Corporation offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale.

If Dino's Gyros Franchise Corporation does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The name, principal business address and telephone number of each franchise seller offering this franchise is: Jason Adamidis and Alyssia Adamidis, 2195 128th Avenue, Coon Rapids, MN 55448, telephone (651) 645-8800.

Issuance Date: April 10, 2012

Any officer of ours can receive service of process for us.

I have received a Disclosure Document dated April 10, 2012 that included the following Exhibits:

- A. Financial Statements
- B. Franchise Agreement (including Owner Agreement, Lease Addendum and Authorization for Direct Debit)
- C. Area Development Agreement
- D. List of Franchised and Company-Owned Restaurants
- E. List of State Administrators and Agents for Service of Process
- F. State Specific Addendum
- G. Industry Specific Laws
- H. Receipts

<hr/>	<hr/>	<hr/>
Date	Signature	Printed Name
 <hr/>	 <hr/>	 <hr/>
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and return it to Alyssia Adamidis, 2195 128th Avenue, Coon Rapids, MN 55448.

Copy for Franchisee

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Dino’s Gyros Franchise Corporation offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale.

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- G. Industry Specific Laws
- H. Receipts

Date

Signature

Printed Name

Date

Signature

Printed Name

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