

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 1, 2010

COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

DREAM DINNERS, INC.,

Defendant

CASE NO. SEC-2010-00032

CLERK'S OFFICE

2010 JUN -1 P 4: 28

STATEMENT CONFIRMED

100610061

SETTLEMENT ORDER

Based on an investigation conducted by the Division of Securities and Retail Franchising ("Division"), it is alleged that Dream Dinners, Inc. ("Defendant") violated § 13.1-563 (2) of the Virginia Retail Franchising Act ("Act"), § 13.1-557 *et seq.* of the Code of Virginia, by making untrue statements of a material fact or omitting to state a material fact necessary in order to avoid misleading the offeree in connection with the sale or offer to sell a franchise.

The State Corporation Commission ("Commission") is authorized by § 13.1-562 of the Act to revoke the Defendant's registration, by § 13.1-568 of the Act to issue temporary or permanent injunctions, by § 13.1-570 of the Act to impose certain monetary penalties and to make rescission and restitution, and by § 12.1-15 of the Code of Virginia to settle matters within its jurisdiction.

The Defendant cooperated with the Division's investigation. The Defendant neither admits nor denies these allegations but admits to the Commission's jurisdiction and authority to enter this Settlement Order.

As a proposal to settle all matters arising from these allegations, the Defendant has made an offer of settlement to the Commission wherein the Defendant will abide by and comply with the following terms and undertakings:

(1) The Defendant will pay to the Treasurer of the Commonwealth of Virginia, no later than thirty (30) days from the date of entry of this Settlement Order, the amount of Five Thousand Four Hundred Dollars (\$5,400) to defray the cost of investigation.

(2) The Defendant will make a rescission offer to certain Virginia franchisees.

(a) Within thirty (30) days of the date of this Settlement Order, the Defendant will make a written offer of rescission sent by certified mail to each franchisee, which will include an offer to repay the initial franchise fee, and a provision that gives each franchisee thirty (30) days from the date of receipt of the rescission offer to provide the Defendant with written notification of his decision to accept or reject the offer.

(b) The Defendant will provide to the Division a copy of the rescission offer for its review and comment at least ten (10) days before sending it to the franchisees.

(c) The Defendant will include with the written offer of rescission a copy of this Settlement Order.

(d) If the rescission offer is accepted, the Defendant will forward the payment to each franchisee in no more than thirty-five (35) equal consecutive monthly installments with the first monthly installment due the month following the acceptance of the rescission offer.

(e) Within thirty (30) days from the date of the last monthly installment payment, the Defendant will submit to the Division proof of certified mailings of the rescission offer and an affidavit, executed by the Defendant, which contains the date on which each franchisee received the offer of rescission, each franchisee's response, and, if applicable, the amount and the date that payment was sent to each franchisee.

(3) The Defendant will not violate the Act in the future.

The Division has recommended that the Commission accept the offer of settlement of the Defendant.

The Commission, having considered the record herein, the offer of settlement of the Defendant, and the recommendation of the Division, is of the opinion that the Defendant's offer should be accepted.

Accordingly, IT IS ORDERED THAT:

- (1) The offer of the Defendant in settlement of the matter set forth herein is hereby accepted;
- (2) The Defendant fully comply with the aforesaid terms and undertakings of this settlement; and
- (3) The Commission shall retain jurisdiction in this matter for all purposes, including the institution of a show cause proceeding, or taking such other action it deems appropriate, on account of the Defendant's failure to comply with the terms and undertakings of the settlement.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:  
Stephanie Allen, President, Dream Dinners, Inc., 1118 First Avenue, Snohomish, Washington 98290; Kim I. McCullough, Esquire, Ballard Spahr LLP, 1225 17th Street, Suite 2300, Denver, Colorado 80202-5596; and a copy shall be delivered to the Commission's Office of General Counsel and Division of Securities and Retail Franchising.

100610061

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

v.

CASE NO. SEC-2010-00032

DREAM DINNERS, INC.,  
Defendant

ADMISSION AND CONSENT

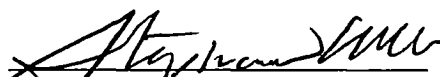
The Defendant, Dream Dinners, Inc., admits to the jurisdiction of the State Corporation Commission ("Commission") as to the party and subject matter hereof and, neither admitting nor denying the allegations made herein by the Division of Securities and Retail Franchising, hereby consents to the form, substance and entry of the foregoing Settlement Order.

The Defendant further states that no offer, tender, threat or promise of any kind whatsoever has been made by the Commission or any member, subordinate, employee, agent or representative thereof in consideration of the foregoing Settlement Order.

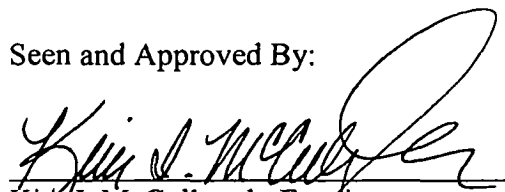
Dream Dinners, Inc.

Date: 5-18-10

By:

  
Stephanie Allen, President

Seen and Approved By:

  
Kim I. McCullough, Esquire  
Ballard Spahr LLP