

FLANIGAN'S ENTERPRISES INC.

Corporate Governance Guidelines

The following governance guidelines have been established by the Board of Directors of Flanigan's Enterprises, Inc., ("Flanigan's"). These guidelines, together with Flanigan's Articles of Incorporation, By-Laws and charters governing the activities of the committees of the Board, provide the framework for Flanigan's corporate governance. The Board will, not less frequently than annually, review these guidelines and the Board Committee charters.

BOARD OF DIRECTORS

Role of Board and Management

Flanigan's business is conducted by its employees, managers and officers, under the direction of the Chief Executive Officer and subject to the oversight of the Board of Directors, with the goal of enhancing the long-term value of Flanigan's for its shareholders. The Board is elected by the shareholders to oversee management and to assure that the long term interests of the shareholders are being served responsibly, addressing the concerns of other stakeholders and interested parties including employees, customers, Flanigan's communities, government officials and the public at large.

Functions of Board of Directors

The Board of Directors has four regularly scheduled meetings each year at which it reviews and discusses reports by management on Flanigan's financial and operational performance, approves and monitors Flanigan's strategic objectives and plans and addresses policy issues facing Flanigan's. Directors are expected to attend all scheduled Board and Committee meetings. In addition to its general oversight of management, the Board and its committees also perform a number of specific functions, including:

- a. selecting, evaluating and compensating the Chief Executive Officer and overseeing Chief Executive Officer succession planning;
- b. providing counsel and oversight on the selection, evaluation, development, compensation and succession planning of other senior management;
- c. reviewing, approving and monitoring Flanigan's principal financial, operational and business strategies and major corporate activities;
- d. identifying and assessing major risks facing Flanigan's and reviewing options for their mitigation; and
- e. ensuring processes are in place for maintaining the accuracy and integrity of Flanigan's financial statements, its compliance with law and ethics, and the relationships with customers, suppliers and Flanigan's other stakeholders.

Director Qualifications

Directors should possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of the shareholders.

Directors must also have an inquisitive and objective perspective, practical wisdom and mature judgment. Flanigan's endeavors to have a Board of Directors exhibiting diversity and representing experience at policy-making levels in business, government, education, finance and technology, and in other areas that are relevant to Flanigan's businesses.

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively.

Directors who also serve as chief executive officers or in equivalent positions at other companies should not serve on more than two (2) boards of unaffiliated public companies, in addition to the Flanigan's Board and their own board; and other Directors should not serve on more than four other boards or unaffiliated public companies, in addition to the Flanigan's Board. Directors who serve on the Audit Committee should not serve simultaneously on the audit committees of more than three (3) unaffiliated public companies.

The Nominating Committee, supported by the Chief Executive Officer, shall be responsible for determining the criteria for and qualifications of Director candidates .

Controlled Company

As of the date hereof, Flanigan's is a "controlled company" under the rules of the American Stock Exchange, ("AMEX"), and the Sarbanes-Oxley Act of 2002 and the regulations promulgated thereunder .

Independence of Directors

As a "controlled company", a majority of the Directors are not independent Directors pursuant to the rules of the AMEX and the

Sarbanes-Oxley Act of 2002 and the regulations promulgated thereunder. Notwithstanding, at all times, no less than three (3) Directors shall be independent Directors under the rules of the AMEX and the Sarbanes-Oxley Act of 2002 and the regulations promulgated thereunder. The following guidelines are established to assist the Board in determining Director independence:

a. A Director will not be considered independent if, within the preceding three (3) years: (i) the Director was employed by Flanigan's or one of its subsidiaries, joint ventures or franchises; (ii) an immediate family member of the Director was employed by Flanigan's as an officer; (iii) the Director was employed by or affiliated with Flanigan's independent auditor; (iv) an immediate family member of a Director was employed by Flanigan's independent auditor as a partner, principal or manager; (v) the Director received more than \$100,000 in direct compensation from Flanigan's or its subsidiaries, joint ventures or franchisees, other than for Board service or pension or deferred compensation; (vi) an immediate family member of the Director received more than \$100,000 in direct compensation from Flanigan's, its subsidiaries, joint ventures or franchisees, other than for Board services or pension or deferred compensation; (vii) the Director was employed as an executive officer of another company where any of Flanigan's officers serve on that company's compensation committee; or (viii) an immediate family member of the Director was employed as an executive officer of another company where any of Flanigan's officers serve on that company's compensation committee;

b. The following commercial or charitable relationships will not be considered to be material relationships that would impair a Director's independence: (i) if a Flanigan's Director or an immediate family member of the Director is an executive officer of another company that does business with Flanigan's and the annual sales to, or purchases from Flanigan's, its subsidiaries, joint ventures and franchisees, are less than the greater of \$1 million or two percent of the annual revenues of the company he or she serves as an executive officer; (ii) if a Flanigan's Director is an executive officer of another company which is indebted to Flanigan's, or to which Flanigan's is indebted, and the total amount of either company's indebtedness to the other is less than one percent of the total consolidated assets of the company he or she serves as an executive officer; and (iii) if a Flanigan's Director serves as an officer, director or trustee of a charitable organization, and Flanigan's' discretionary charitable contributions to the organization are less than the greater of \$1 million or two percent of that organization's total annual charitable receipts. (Flanigan's discretionary matching of employee charitable contributions will not be included in the amount of Flanigan's' contributions for this purpose.) The Board will annually review all commercial and charitable relationships of Directors.

c. For relationships not covered by the guidelines in subsection (b) above, the determination of whether the relationship is material or not, and therefore whether the Director would be independent or not, shall be made by the Directors who satisfy the independence guidelines set forth in subsections (a) and (b) above. For example, if a Director is the chief executive officer of a company that purchases products and services from Flanigan's that are more than two percent of that company's annual revenues, the independent Directors could determine, after considering all of the relevant circumstances, whether such a relationship was material or immaterial, and whether the Director would therefore be considered independent.

Flanigan's will disclose its determinations of Director independence in its annual proxy statements.

Flanigan's will not make any personal loans or extensions of credit to Directors or executive officers.

The Directors shall complete and submit an Annual Director Questionnaire to identify and assess relationships so that the Board can determine independence under these standards. The Directors shall also complete and submit an annual statement on Ethical Business Conduct to identify and assess relationships they may have with third parties (including vendors, service providers, competitors, etc.) that may impact Flanigan's and could be construed as compromising the Director's independence.

Size and Selection of the Board of Directors

The Board shall consist of a number of Directors such that Flanigan's is effectively managed, given the size and breadth of Flanigan's activities and the need for diversity of Board views. The number of Directors shall be fixed from time to time by the Board and recorded in the minutes of Flanigan's. The Board currently exists of nine (9) Directors, three (3) of which are elected each year for terms of three (3) years each.

The Board, upon the recommendation of the Nominating Committee will propose candidates for election or re-election at each annual meeting of shareholders. A review of each Director's service on the Board will be conducted prior to such nomination. Shareholders may propose nominees for consideration by the Nominating Committee as set forth in Article ___ of Flanigan's By-Laws.

It shall be the responsibility of the Nominating Committee, supported by the Chief Executive Officer, to recommend to the Board of Directors nominees to Board vacancies and to replace retiring Board members.

Board Membership of Former Executive Officers

The Board of Directors shall not, as a general rule, have former executive employees serving on the Board. It is assumed that retiring executives will tender their resignations as officers and directors, if applicable, simultaneously. The Board may, however, at its discretion, invite a retiring executive to serve or continue to serve as a Director.

Board Performance Evaluation

The Nominating Committee shall annually oversee the evaluation of the performance of the Board with the participation of the full Board of Directors. As part of this review, the independent directors may meet separately to assess the Board's performance.

Director's Change in Present Job Responsibilities

Individual Directors who experience changes in their employment, careers, affiliations with organizations or other matters, which may affect Flanigan's or such Director's ability to serve effectively, have a duty to advise the Chairman of the Board of such changes. The specific circumstances will be assessed to determine if the Director's resignation from the Board should be requested.

Retirement Age

There is no mandatory retirement age for Directors.

Term Limits

There shall be no term limits for Directors .

Director's Contact with Flanigan's' Constituencies

Communications with parties external to Flanigan's, (including but not limited to shareholders, accountants, the media, attorneys, vendors, service providers, etc.), shall be the responsibility of the Chief Executive Officer or delegated by the Chief Executive Officer to the appropriate area of Flanigan's. The Directors will be consulted from time to time for their advice, as the Chief Executive Officer so determines.

Attendance at Annual Meeting of Shareholders

Directors are encouraged to attend the annual meeting of Flanigan's shareholders .

MEETINGS OF THE BOARD OF DIRECTORS

Selection of Meeting Agenda Items

Any Director may request inclusion of any item on the agenda. Future regular meetings of the Board of Directors will be scheduled by the Directors at regular meetings.

Advance Distribution of Board Meeting Materials

The Corporate Secretary shall distribute to the Directors all materials necessary to conduct an effective meeting of the Board of Directors prior to the start of the meeting.

Regular Attendance of Non-Directors at Board Meetings

At the invitation and approval of the Chairman or the Chief Executive Officer, non-directors, whether or not officers of Flanigan's, may attend or give presentations before the Board.

Strategy Sessions

At least one meeting of the Board of Directors each year shall be devoted to a review with executive management of Flanigan's' strategic plan and its long range goals and direction.

COMMITTEES OF THE BOARD OF DIRECTORS

Number of Committees

The Board of Directors shall designate one or more Board committees, as is necessary. There are two (2) standing committees: the Audit Committee and the Nominating Committee. All members of the Audit Committee are required to be independent, as determined in accordance with these guidelines. At least one (1) member of the Nominating Committee is required to be independent, as determined in accordance with these guidelines. The current charters of each Committee shall be published on the Flanigan's website. The Committee chairs shall report on their meetings to the full Board following each meeting of the respective Committee. Any Committee may, at its discretion, hold a meeting in conjunction with the full Board.

Committee Meeting Frequency and Length

The Committee chairman, in consultation with Committee members, shall determine the frequency and length of Committee meetings. There will be at least one (1) Nominating Committee meeting and at least four (4) Audit Committee meetings held annually.

Audit Committee Meeting Agendas

The Chairman of the Board, Chief Executive Officer or any Committee member may schedule suggested agenda items.

Committee Member Assignments and Rotation

Committee chairmen and Committee members shall rotate from time to time, as determined by the Board of Directors. Committee appointments shall be made at a meeting of the Board of Directors as soon as practicable following the annual meeting of shareholders.

Reporting of Concerns to the Audit Committee

Anyone, including a Flanigan's employee, who has a concern about Flanigan's, or its accounting, internal controls or auditing matters, may communicate that concern directly to the Audit Committee. Such communication may be confidential or anonymous, and may be e-mailed, submitted in writing, or reported by telephone to Flanigan's as indicated on Flanigan's website. All such concerns will be forwarded to the Chairman of the Audit Committee. The status of all outstanding concerns, if any, addressed to the Audit Committee will be reported to the Directors on a quarterly basis. The Audit Committee may direct special treatment, including the retention of outside advisors or counsel, for any concern addressed to them. Flanigan's policies prohibit retaliation or taking any adverse action against any employee for raising or helping to raise an integrity concern.

Access to Independent Advisors

The Board and its Committees shall have the right at any time to retain independent outside financial, legal or other advisors. In that connection, in the event the Board or any Committee retains any such advisor, the Board or the Committee shall have the sole authority to approve such advisor's fees and other retention terms.

Director Orientation

The Corporate Secretary shall be responsible for providing an orientation for new Directors, and for periodically providing materials or briefing sessions for all Directors on subjects that would assist them in discharging their duties.

OFFICERS

Chairman, Chief Executive Officer, and Other Officers

The Board of Directors shall select an individual or individuals to hold the positions of Chairman, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Secretary and such other officers as deemed necessary and as stated in the By-Laws of Flanigan's. The same individual may hold more than one (1) position.

Officer Evaluation, Management Development and Succession Planning

The Board of Directors shall annually review the performance of all officers. Based upon this review, the Board of Directors shall determine the Officers' compensation levels for the ensuing year. This review shall also include a discussion of the officers' future potential with the Board of Directors as part of Flanigan's management development and succession planning.

Board Access to Senior Management

The Directors shall have access to Flanigan's management. For non-routine contact on Board agenda items, the Board members will inform the Chief Executive Officer of their need for contact with management on special matters.

The foregoing Corporate Governance Guidelines have been reviewed and approved by the Board of Directors on December 9, 2004.

/s/ Jeffrey D. Kastner

Jeffrey D. Kastner, General Counsel and Secretary