



UNITED STATES PATENT AND TRADEMARK OFFICE

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

10-17-00

To the Honorable Commissioner of Patents and Trademarks:

Please record the attached original document or copy thereof.

1. Name and address of conveying party:

The Restaurant Company of Minnesota
4917 Eden Avenue
Edina, Minnesota 55424-1341

A Delaware limited partnership

2. Name and address of receiving party:

Fleet National Bank, as Agent
100 Federal Street
Boston, MA 02110

A national banking association.

3. Nature of conveyance: Trademark Collateral Security and Pledge Agreement dated as of September 30, 2000

4. Execution Date: September 28, 2000

5. Registration numbers:

See Attached Schedule A

6. Name and address of party to whom correspondence concerning document should be mailed:

Richard Denhup, Esq.
Bingham Dana LLP
150 Federal Street
Boston, MA 02110

7. Total number of applications and registrations involved: 33

11/07/2000 DBYRNE 00000147 718354

01 FC:481 40.00 DP
02 FC:482 800.00 DP

BUSDOCS:910067.4

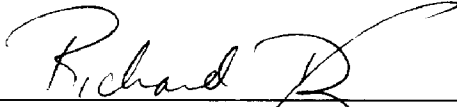
TRADEMARK
REEL: 002179 FRAME: 0034

8. Total fee enclosed: \$840

9. Deposit account number: **[Not applicable]**

10. Statement and signature:

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.



Name: Richard Denhup, Esq.
Date: October 16, 2000

Total number of pages submitted (including cover sheet and any attached Schedules, and conveyance document and any attached Schedules): ~~29~~ 30

SCHEDULE A
Trademarks and Trademark Registrations

<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Smitty's Pancake House	718,354	7/11/00
Perkins	809,680	6/7/66
None (design only)	820,475	12/13/66
Perkins in oval	1,203,149	7/27/82
Perkins in script	1,231,484	3/15/83
Perkins restaurants & design	1,237,817	5/10/83
Bottomless Cup of Coffee	1,243,032	6/21/83
Incredible Croissant Sundaes	1,253,127	10/4/83
Melon Sunburst	1,265,168	1/24/84
Perkins Family Restaurant and Design	1,403,558	7/29/86
Perkins Family Restaurant- Bakery in oval	1,403,560	7/29/86
Perkins Family Restaurant- Bakery in double oval	1,464,960	11/10/87
Bottomless Cup of Coffee	1,465,719	11/17/87
Perkins Family Restaurant in double oval	1,475,417	2/2/88
Magnificent Seven	1,663,533	11/5/91
Perkins Promise	1,679,722	3/17/92
Mammoth Muffin	1,751,454	2/9/93
Foxtail Foods and design	1,843,806	7/5/94
Tremendous Twelve	1,897,634	6/6/95
Perkins Take Home Bakery in oval design	1,939,671	12/5/95
Ole' All Day	1,943,838	12/26/95
Perkins Pickin's	1,968,261	4/16/96
Perkins Express & Bakery and design	1,985,494	7/9/96
Perkins Bakery and Design	1,996,746	8/27/96
Lunch in a Flash and design	2,003,228	9/24/96
Grilled Sub Supreme	2,056,503	4/22/97
Morning Sunrise	2,187,924	9/8/98
Kid Perks	2,286,891	10/19/99

Perkins Cafe and Bakery and design	2,121,878	12/16/97
Perkins Cafe and Bakery and design	2,311,102	1/25/00
Perkins Cafe and Bakery	2,313,658	2/1/00
Perkins Restaurant & Bakery		pending-application mailed 5/2/00
Perkins Restaurant & Bakery in double oval		pending-application mailed 5/2/00

TRADEMARK COLLATERAL
SECURITY AND PLEDGE AGREEMENT

This **TRADEMARK COLLATERAL SECURITY AND PLEDGE AGREEMENT**, dated as of September 30, 2000 (this "Trademark Agreement"), is by and between **THE RESTAURANT COMPANY OF MINNESOTA**, a Delaware limited partnership having its principal place of business at 4917 Eden Avenue, Edina, Minnesota 55424-1341 (the "Assignor"), and **FLEET NATIONAL BANK** (f/k/a BankBoston, N.A.), a national banking association having an office at 100 Federal Street, Boston, MA 02110, as agent and administrative agent (hereinafter, in such capacity, the "Agent") for itself and other lending institutions (hereinafter, collectively, the "Banks") which are, or may in the future become, parties to a Revolving Credit Agreement dated as of December 22, 1997 (as amended and in effect from time to time, the "Credit Agreement"), among Perkins Family Restaurants, L.P., a Delaware limited partnership ("Perkins"), The Restaurant Company, a Delaware corporation ("TRC"), Perkins Restaurants, Inc., a Minnesota corporation ("PRI"), Perkins Management Company, Inc., a Delaware corporation ("PMC"), Perkins Finance Corp., a Delaware corporation ("PFC"), and collectively with TRC, PRI and PMC, the "Original Guarantors"), the Banks, the Agent and Bank of America, N.A. (f/k/a Nationsbank, N.A.), as syndication agent (the "Syndication Agent").

WHEREAS, Perkins and the Agent are party to that certain Trademark Collateral Security and Pledge Agreement, dated as of December 22, 1997 (as amended and in effect from time to time, the "Existing Trademark Agreement"), pursuant to which Perkins granted to the Agent, for the benefit of the Agent and the Banks, a security interest in and first priority lien on the Pledged Trademarks (as hereinafter defined);

WHEREAS, pursuant to the Joinder and Amendment No. 2, dated as of December 20, 1999 (the "Joinder Agreement"), by and among Perkins, the Original Guarantors, the Banks, the Agent and the Syndication Agent, *inter alia*, (a) TRC joined the Credit Agreement and the Loan Documents and agreed to become a Borrower under the Credit Agreement and to comply with and be bound by all of the terms, conditions and covenants of the Credit Agreement and Loan Documents applicable to it as a Borrower and (b) TRC agreed to be bound by and to comply with all terms and conditions of the Security Agreement, dated as of December 22, 1997, between Perkins and the Agent, as fully as if it were the "Company" referred to therein, and specifically granted to the Agent, for the benefit of the Banks and the Agent, a security interest in and lien on the Collateral (as defined in the Joinder Agreement), including without limitation the Pledged Trademarks (as hereinafter defined);

WHEREAS, as of the Merger Date, Perkins, PRI and PMC merged with and into TRC such that TRC became the sole Borrower under the Credit Agreement (the "Merger") (TRC is hereinafter referred to as "TRC" or the "Borrower");

WHEREAS, on or about February 11, 2000, TRC filed a certified copy of the certificate of merger with the PTO (as hereinafter defined) to record the Merger and evidence the transfer of the Pledged Trademarks (as hereinafter defined) from Perkins to TRC, such transfer having been made subject to the Agent's continuing security interest in the Pledged Trademarks (as hereinafter defined);

WHEREAS, such certificate of merger was recorded by the PTO (as hereinafter defined) on or about February 14, 2000;

WHEREAS, the Borrower has transferred the Pledged Trademarks (as hereinafter defined) to The Restaurant Company of Minnesota, a Delaware corporation ("TRCM"), a wholly owned subsidiary of the Borrower, such transfer having been made subject to the Agent's continuing security interest in and first priority lien on the Pledged Trademarks (as hereinafter defined);

WHEREAS, pursuant to a Guaranty of even date herewith (the "Guaranty"), the Assignor has guaranteed the payment and performance of the Borrower's Obligations to the Banks and the Agent under or in respect of the Credit Agreement and the other Loan Documents;

WHEREAS, the Assignor has executed and delivered to the Agent, for the benefit of the Banks and the Agent, a Security Agreement, dated as of the date hereof (the "Security Agreement"), pursuant to which the Assignor has granted to the Agent, for the benefit of the Banks and the Agent, a security interest in certain of the Assignor's personal property and fixture assets, including without limitation the trademarks, service marks, trademark and service mark registrations, and trademark and service mark registration applications listed on Schedule A attached hereto, all to secure the payment and performance of the Obligations of the Assignor under and as defined in the Guaranty; and

WHEREAS, this Trademark Agreement is supplemental to the provisions contained in the Security Agreement;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Credit Agreement and the Security Agreement. In addition, the following terms shall have the meanings set forth in this §1 or elsewhere in this Trademark Agreement referred to below:

- Assignment of Marks. See §2.1.

Associated Goodwill. All goodwill of the Assignor and its business, products and services appurtenant to, associated with or symbolized by the Trademarks and the use thereof.

Pledged Trademarks. All of the Assignor's right, title and interest in and to all of the Trademarks, the Trademark Registrations, the Trademark License Rights, the Trademark Rights, the Associated Goodwill, the Related Assets, and all accessions to, substitutions for, replacements of, and all products and proceeds of any and all of the foregoing.

PTO. The United States Patent and Trademark Office.

Related Assets. All assets, rights and interests of the Assignor that uniquely reflect or embody the Associated Goodwill, including the following:

(a) all patents, inventions, copyrights, trade secrets, confidential information, formulae, methods or processes, compounds, recipes, know-how, methods and operating systems, drawings, descriptions, formulations, manufacturing and production and delivery procedures, quality control procedures, product and service specifications, catalogs, price lists, and advertising materials, relating to the manufacture, production, delivery, provision and sale of goods or services under or in association with any of the Trademarks; and

(b) the following documents and things in the possession or under the control of the Assignor, or subject to its demand for possession or control, related to the production, delivery, provision and sale by the Assignor, or any affiliate, franchisee, licensee or contractor, of products or services sold by or under the authority of the Assignor in connection with the Trademarks or Trademark Rights, whether prior to, on or subsequent to the date hereof:

(i) all lists, contracts, ancillary documents and other information that identify, describe or provide information with respect to any customers, dealers or distributors of the Assignor, its affiliates or franchisees or licensees or contractors, for products or services sold under or in connection with the Trademarks or Trademark Rights, including all lists and documents containing information regarding each customer's, dealer's or distributor's name and address, credit, payment, discount, delivery and other sale terms,

and history, pattern and total of purchases by brand, product, style, size and quantity;

(ii) all agreements (including franchise agreements), product and service specification documents and operating, production and quality control manuals relating to or used in the design, manufacture, production, delivery, provision and sale of products or services under or in connection with the Trademarks or Trademark Rights;

(iii) all documents and agreements relating to the identity and locations of all sources of supply, all terms of purchase and delivery, for all materials, components, raw materials and other supplies and services used in the manufacture, production, provision, delivery and sale of products or services under or in connection with the Trademarks or Trademark Rights; and

(iv) all agreements and documents constituting or concerning the present or future, current or proposed advertising and promotion by the Assignor (or any of its affiliates, franchisees, licensees or contractors) of products or services sold under or in connection with the Trademarks or Trademark Rights.

Trademark Agreement. This Trademark Collateral Security and Pledge Agreement, as amended and in effect from time to time.

Trademark License Rights. Any and all past, present or future rights and interests of the Assignor pursuant to any and all past, present and future franchising or licensing agreements in favor of the Assignor, or to which the Assignor is a party, pertaining to any Trademarks, Trademark Registrations, or Trademark Rights owned or used by third parties in the past, present or future, including the right (but not the obligation) in the name of the Assignor or the Agent to enforce, and sue and recover for, any breach or violation of any such agreement to which the Assignor is a party.

Trademark Registrations. All past, present or future federal, state, and foreign registrations of the Trademarks, all past, present and future applications for any such registrations (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of the Assignor or the Agent, and to take any and all actions necessary or appropriate to maintain such registrations in effect and renew and extend such registrations.

Trademark Rights. Any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state,

federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Assignor or the Agent for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, or the Associated Goodwill, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury; and the Trademark License Rights.

Trademarks. All of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and other source and product or service identifiers, used or associated with or appurtenant to the products, services and businesses of the Assignor, that (i) are set forth on Schedule A hereto, or (ii) have been adopted, acquired, owned, held or used by the Assignor or are now owned, held or used by the Assignor which are material to the Assignor's business or the Assignor's products and services, or (iii) are in the future adopted, acquired, owned, held and used by the Assignor and which may be material to the Assignor's business or the Assignor's products and services.

use. With respect to any Trademark, all uses of such Trademark by, for or in connection with the Assignor or its business or for the direct or indirect benefit of the Assignor or its business, including all such uses by the Assignor itself, by any of the affiliates of the Assignor, or by any franchisee, licensee or contractor of the Assignor.

Unless otherwise provided herein, the rules of interpretation set forth in §1.2 of the Credit Agreement shall be applicable to this Trademark Agreement.

2. GRANT OF SECURITY INTEREST.

2.1. Security Interest; Collateral Assignment of Trademarks. As collateral security for the payment and performance in full of all of the Obligations, the Assignor hereby confirms its grant of a security interest and first priority lien on the Pledged Trademarks made pursuant to the Existing Trademark Agreement and hereby unconditionally and expressly grants to the Agent, for the benefit of the Banks and the Agent, a continuing security interest in and first priority lien on the Pledged Trademarks, and pledges and mortgages (but does not transfer title to) the Pledged Trademarks to the Agent for the benefit of the Banks and the Agent. In addition, the Assignor has executed in blank and delivered to the Agent an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "Assignment of Marks"); provided that such Assignment of Marks shall be and become of force and effect only as set forth in Section 2.2 hereof. The Assignor hereby authorizes the Agent to complete as assignee and record with the PTO the Assignment of Marks upon the occurrence and during the continuance of an Event of Default and the proper exercise of the Agent's remedies under this Trademark Agreement and the Security Agreement.

2.2. Conditional Assignment. In addition to, and not by way of limitation of, the grant, pledge and mortgage of the Pledged Trademarks provided in §2.1, the Assignor grants, assigns, transfers, conveys and sets over to the Agent, for the benefit of the Banks and the Agent, the Assignor's entire right, title and interest in and to the Pledged Trademarks; provided that such grant, assignment, transfer and conveyance shall be and become of force and effect only (i) upon or after the occurrence and during the continuance of an Event of Default and (ii) either (A) upon the written demand of the Agent at any time during such continuance or (B) immediately and automatically (without notice or action of any kind by the Agent) upon an Event of Default for which acceleration of the Loans is automatic under the Credit Agreement or upon the sale or other disposition of or foreclosure upon the Collateral pursuant to the Security Agreement and applicable law (including the transfer or other disposition of the Collateral by the Assignor to the Agent or its nominee in lieu of foreclosure).

2.3. Supplemental to Security Agreement. Pursuant to the Security Agreement the Assignor has granted to the Agent, for the benefit of the Banks and the Agent, a continuing security interest in and lien on the Collateral (including the Pledged Trademarks). The Security Agreement, and all rights and interests of the Agent in and to the Collateral (including the Pledged Trademarks) thereunder, are hereby ratified and confirmed in all respects. In no event shall this Trademark Agreement, the grant, assignment, transfer and conveyance of the Pledged Trademarks hereunder, or the recordation of this Trademark Agreement (or any document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Security Agreement, the security interest of the Agent in the Collateral (including the Pledged Trademarks) pursuant to the Security Agreement and this Trademark Agreement, the attachment and perfection of such security interest under the Uniform Commercial Code (including the security interest in the Pledged Marks), or any present or future rights and interests of the Agent in and to the Collateral under or in connection with the Security Agreement, this Trademark Agreement or the Uniform Commercial Code. Any and all rights and interests of the Agent in and to the Pledged Trademarks (and any and all obligations of the Assignor with respect to the Pledged Trademarks) provided herein, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Agent (and the obligations of the Assignor) in, to or with respect to the Collateral (including the Pledged Trademarks) provided in or arising under or in connection with the Security Agreement and shall not be in derogation thereof.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

The Assignor represents, warrants and covenants that: (i) Schedule A sets forth a true and complete list of all Trademark Registrations presently owned, licensed, controlled or used by the Assignor; (ii) the Trademarks and Trademark Registrations are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the Trademarks or Trademark Registrations; (iii) to the best of the Assignor's knowledge, each of the Trademarks and Trademark

Registrations is valid and enforceable; (iv) to the best of the Assignor's knowledge, there is no infringement by others of the Trademarks, Trademark Registrations or Trademark Rights; (v) no claim has been made that the use of any of the Trademarks violates the rights of any third person, and to the best of the Assignor's knowledge, there is no infringement by the Assignor of the trademark rights of others; (vi) the Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks (other than ownership and other rights reserved by third party owners with respect to Trademarks that the Assignor is licensed to use), free and clear of any liens, charges, encumbrances and adverse claims, including pledges, assignments, licenses, registered user agreements and covenants by the Assignor not to sue third persons, other than the security interest and assignment created by the Security Agreement and this Trademark Agreement; (vii) the Assignor has the unqualified right to enter into this Trademark Agreement and to perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents, consultants, licensors and licensees that will enable them to comply with the covenants herein contained; (viii) the Assignor has used, and will continue to use, proper statutory notice in connection with its use of the Trademarks in the United States of America and in each applicable foreign jurisdiction; (ix) the Assignor has used, and will continue to use for the duration of this Trademark Agreement, standards of quality in its manufacture and provision of products and services sold or provided under the Trademarks consistent with the quality currently provided in Assignor's business; (x) this Trademark Agreement, together with the Security Agreement, will create in favor of the Agent a valid and perfected first priority security interest in the Pledged United States Trademarks upon making the filings referred to in clause (xi) of this §3, subject only to such liens as may be permitted pursuant to the Credit Agreement; and (xi) except for the filing of financing statements under the Uniform Commercial Code and the recording of this Trademark Agreement with the PTO, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required either (A) for the grant by the Assignor or the effectiveness of the security interest and assignment granted hereby or for the execution, delivery and performance of this Trademark Agreement by the Assignor, or (B) for the perfection of or the exercise by the Agent of any of its rights and remedies hereunder.

4. INSPECTION RIGHTS.

The Assignor hereby grants to each of the Agent and the Banks and its employees and agents the right upon reasonable notice to visit the Assignor's plants and facilities that manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

5. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Agent's prior written consent, the Assignor will not (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate

any of the Pledged Trademarks, or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with the Assignor's obligations under this Trademark Agreement or the Security Agreement.

6. AFTER-ACQUIRED TRADEMARKS, ETC.

6.1. After-acquired Trademarks. If, before the Obligations shall have been finally paid and satisfied in full, the Assignor shall obtain any right, title or interest in or to any other or new Trademarks, Trademark Registrations or Trademark Rights, the provisions of this Trademark Agreement shall automatically apply thereto and the Assignor shall promptly provide to the Agent notice thereof in writing and, as soon as practicable, execute and deliver to the Agent such documents or instruments as the Agent may reasonably request further to implement, preserve or evidence the Agent's interest therein.

6.2. Amendment to Schedule. The Assignor authorizes the Agent to modify this Trademark Agreement and the Assignment of Marks, without the necessity of the Assignor's further approval or signature, by amending Exhibit A hereto and the Annex to the Assignment of Marks to include any future or other Trademarks, Trademark Registrations or Trademark Rights under §2 or §6.

7. TRADEMARK PROSECUTION.

7.1. Assignor Responsible. The Assignor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with the Pledged Trademarks, except with respect to any Pledged Trademark that the Assignor shall reasonably determine is no longer used or useful in its business, and shall hold each of the Agent and the Banks harmless from any and all costs, damages, liabilities and expenses that may be incurred by the Agent or any Bank in connection with the Agent's interest in the Pledged Trademarks or any other action or failure to act in connection with this Trademark Agreement or the transactions contemplated hereby.

7.2. Assignor's Duties, etc. The Assignor shall have the right and the duty to prosecute diligently any trademark registration applications of the Trademarks pending as of the date of this Trademark Agreement or thereafter, to preserve and maintain all rights in the Trademarks and Trademark Registrations, including the filing of appropriate renewal applications and other instruments to maintain in effect the Trademark Registrations and the payment when due of all registration renewal fees and other fees, taxes and other expenses that shall be incurred or that shall accrue with respect to any of the Trademarks or Trademark Registrations, except with respect to any Pledged Trademark that the Assignor shall reasonably determine is no longer used or useful in its business. Any expenses incurred in connection with such applications and actions shall be borne by the Assignor. The Assignor shall not abandon any filed trademark registration application, or any Trademark Registration or Trademarks, except with respect to any Pledged Trademark that the Assignor shall reasonably determine is no longer used or useful in its business.

7.3. Assignor's Enforcement Rights. The Assignor shall have the right and the duty to bring suit or other action in the Assignor's own name to maintain and enforce the Trademarks, the Trademark Registrations and the Trademark Rights, except with respect to any Pledged Trademark that the Assignor shall reasonably determine is no longer used or useful in its business. The Assignor may require the Agent to join in such suit or action as necessary to assure the Assignor's ability to bring and maintain any such suit or action in any proper forum if (but only if) the Agent is completely satisfied that such joinder will not subject the Agent or any Bank to any risk of liability. The Assignor shall promptly, upon demand, reimburse and indemnify the Agent for all damages, costs and expenses, including reasonable legal fees, incurred by the Agent pursuant to this §7.3.

7.4. Protection of Trademarks, etc. In general, the Assignor shall take any and all such actions (including institution and maintenance of suits, proceedings or actions) as may be necessary or appropriate to properly maintain, protect, preserve, care for and enforce the Pledged Trademarks, except with respect to any Pledged Trademark that the Assignor shall reasonably determine is no longer used or useful in its business. The Assignor shall not take or fail to take any action, nor permit any action to be taken or not taken by others under its control, that would adversely affect the validity, grant or enforcement of the Pledged Trademarks, except with respect to any Pledged Trademark that the Assignor shall reasonably determine is no longer used or useful in its business.

7.5. Notification by Assignor. Promptly upon obtaining actual knowledge thereof, the Assignor will notify the Agent in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of the Trademarks or Trademark Registrations or the Assignor's rights, title or interests in and to the Pledged Trademarks, and of any event that does or reasonably could materially adversely affect the value of any of the Pledged Trademarks, the ability of the Assignor or the Agent to dispose of any of the Pledged Trademarks or the rights and remedies of the Agent in relation thereto (including but not limited to the levy of any legal process against any of the Pledged Trademarks).

8. REMEDIES.

Upon the occurrence and during the continuance of an Event of Default, the Agent shall have, in addition to all other rights and remedies given it by this Trademark Agreement (including, without limitation, those set forth in §2.2, the Credit Agreement, the Security Agreement and the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the Commonwealth of Massachusetts, and, without limiting the generality of the foregoing, the Agent may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Assignor, all of which are hereby expressly waived, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Pledged Trademarks, or any interest that the Assignor may

have therein, and after deducting from the proceeds of sale or other disposition of the Pledged Trademarks all expenses incurred by the Agent in attempting to enforce this Trademark Agreement (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations as set forth in or by reference in the Security Agreement. Notice of any sale, license or other disposition of the Pledged Trademarks shall be given to the Assignor at least five (5) Business Days before the time that any intended public sale or other public disposition of the Pledged Trademarks is to be made or after which any private sale or other private disposition of the Pledged Trademarks may be made, which the Assignor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Agent may, to the extent permitted under applicable law, purchase or license the whole or any part of the Pledged Trademarks or interests therein sold, licensed or otherwise disposed of.

9. COLLATERAL PROTECTION.

If the Assignor shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of the Assignor shall be breached, the Agent, in its own name or that of the Assignor (in the sole discretion of the Agent), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and the Assignor agrees promptly to reimburse the Agent for any cost or expense incurred by the Agent in so doing.

10. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, the Assignor does hereby make, constitute and appoint the Agent (and any officer or agent of the Agent as the Agent may select in its exclusive discretion) as the Assignor's true and lawful attorney-in-fact, with full power of substitution and with the power to endorse the Assignor's name on all applications, documents, papers and instruments necessary for the Agent to use the Pledged Trademarks, or to grant or issue any exclusive or nonexclusive license of any of the Pledged Trademarks to any third person, or to take any and all actions necessary for the Agent to assign, pledge, convey or otherwise transfer title in or dispose of any of the Pledged Trademarks or any interest of the Assignor therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts that the Assignor is obligated to execute and do hereunder. The Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and releases each of the Agent and the Banks from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Agent under this power of attorney (except for the Agent's gross negligence or willful misconduct). This power of attorney is coupled with an interest and shall be irrevocable for the duration of this Trademark Agreement.

11. FURTHER ASSURANCES.

The Assignor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Agent may request or as may be necessary or appropriate in order to implement and effect fully the intentions, purposes and provisions of this Trademark Agreement, or to assure and confirm to the Agent the grant, perfection and priority of the Agent's security interest in the Pledged Trademarks.

12. TERMINATION.

At such time as all of the Obligations have been finally paid and satisfied in full, this Trademark Agreement shall terminate and the Agent shall, upon the written request and at the expense of the Assignor, execute and deliver to the Assignor all deeds, assignments and other instruments as may be necessary or proper to reassign and reconvey to and re-vest in the Assignor the entire right, title and interest to the Pledged Trademarks previously granted, assigned, transferred and conveyed to the Agent by the Assignor pursuant to this Trademark Agreement, as fully as if this Trademark Agreement had not been made, subject to any disposition of all or any part thereof that may have been made by the Agent pursuant hereto or the Security Agreement.

13. COURSE OF DEALING.

No course of dealing between the Assignor and the Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Agent, any right, power or privilege hereunder or under the Security Agreement or any other agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and expenses incurred by the Agent in connection with the preparation of this Trademark Agreement and all other documents relating hereto, the consummation of the transactions contemplated hereby or the enforcement hereof, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance or renewal fees, encumbrances, or otherwise protecting, maintaining or preserving the Pledged Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Pledged Trademarks, shall be borne and paid by the Assignor.

15. OVERDUE AMOUNTS.

Until paid, all amounts due and payable by the Assignor hereunder shall be a debt secured by the Pledged Trademarks and other Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Credit Agreement.

16. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NEITHER THE AGENT NOR ANY BANK ASSUMES ANY LIABILITIES OF THE ASSIGNOR WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING THE ASSIGNOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PLEDGED TRADEMARKS OR ANY USE, LICENSE OR SUBLICENSE THEREOF, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE. ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY THE RESPONSIBILITY OF THE ASSIGNOR, AND THE ASSIGNOR SHALL INDEMNIFY THE AGENT AND THE BANKS FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING REASONABLE LEGAL FEES, INCURRED BY THE AGENT OR ANY BANK WITH RESPECT TO SUCH LIABILITIES; EXCEPT TO THE EXTENT SUCH COSTS, EXPENSES, DAMAGES OR CLAIMS MAY ARISE OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE AGENT OR THE BANKS.

17. NOTICES.

All notices and other communications made or required to be given pursuant to this Trademark Agreement shall be in writing and shall be delivered in hand, mailed by United States registered or certified first-class mail, postage prepaid, sent by overnight courier, or sent by telegraph, telecopy or telex and confirmed by delivery via courier or postal service, addressed as follows:

(a) if to the Assignor, at 6075 Poplar Avenue, 8th Floor, Memphis, Tennessee 38119 Attention: Chief Financial Officer, with a copy to Donald Wiseman, General Counsel, or at such other address for notice as the Assignor shall last have furnished in writing to the person giving the notice;

(b) if to the Agent, at 100 Federal Street, Boston, Massachusetts 02110, Attention: Alexandra Burke, Vice President, or such other address for notice as the Agent shall last have furnished in writing to the person giving the notice; and

Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand, overnight courier or facsimile to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer or the sending of such facsimile, and (ii) if sent by registered or certified first-class mail, postage prepaid, on the third Business Day following the mailing thereof.

18. AMENDMENT AND WAIVER.

This Trademark Agreement is subject to modification only by a writing signed by the Agent (with the consent of the Majority Banks) and the Assignor, except as provided in §6.2. The Agent shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Agent and the Majority Banks. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

19. GOVERNING LAW; CONSENT TO JURISDICTION.

THIS TRADEMARK AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS. The Assignor agrees that any suit for the enforcement of this Trademark Agreement may be brought in the courts of the Commonwealth of Massachusetts or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon the Assignor by mail at the address specified in §17. The Assignor hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

20. WAIVER OF JURY TRIAL.

THE ASSIGNOR WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS TRADEMARK AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS. Except as prohibited by law, the Assignor waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Assignor (i) certifies that neither the Agent or any Bank nor any representative, agent or attorney of the Agent or any Bank has represented, expressly or otherwise, that the Agent or any Bank would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the Credit Agreement and the other Loan Documents to which the Agent or any Bank is a party, the Agent and the Banks are relying upon, among other things, the waivers and certifications contained in this §20.

21. MISCELLANEOUS.

The headings of each section of this Trademark Agreement are for convenience only and shall not define or limit the provisions thereof. This Trademark Agreement and all rights and obligations hereunder shall be binding upon the Assignor and its respective successors and assigns, and shall inure to the benefit of the Agent, the Banks and their respective successors and assigns. In the

event of any irreconcilable conflict between the provisions of this Trademark Agreement and the Credit Agreement, or between this Trademark Agreement and the Security Agreement, the provisions of the Credit Agreement or the Security Agreement, as the case may be, shall control. If any term of this Trademark Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Trademark Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. This Trademark Agreement shall constitute a Security Document. The Assignor acknowledges receipt of a copy of this Trademark Agreement.

IN WITNESS WHEREOF, this Trademark Agreement has been executed as of the day and year first above written.

THE RESTAURANT COMPANY OF
MINNESOTA

By: Steven R. McClellan
Name: Steven R. McClellan
Title: S. Vice President & Treasurer

FLEET NATIONAL BANK (f/k/a
BankBoston, N.A.), as Agent

By: _____
Name:
Title:

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF Tennessee)
COUNTY OF Shelby) ss.

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this 28 day of September, 2000, personally appeared Steven R. McClellan known personally, and who, being by me duly sworn, deposes and says that he is the S. Vice President & Treasurer of THE RESTAURANT COMPANY OF MINNESOTA, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said S. Vice President & Treasurer acknowledged said instrument to be the free act and deed of said corporation.

Catherine M. Ross
Notary Public

My commission expires:

MY COMMISSION EXPIRES
JUNE 13, 2004

IN WITNESS WHEREOF, this Trademark Agreement has been executed as of the day and year first above written.

**THE RESTAURANT COMPANY OF
MINNESOTA**

By: _____
Name:
Title:

FLEET NATIONAL BANK (f/k/a
BankBoston, N.A.), as Agent

By: Robert W. MacElhinney
Name: Robert W. MacElhinney
Title: Vice President

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF _____)
) ss.
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this ____ day of September, 2000, personally appeared _____ to me known personally, and who, being by me duly sworn, deposes and says that he is the _____ of THE RESTAURANT COMPANY OF MINNESOTA, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

Notary Public
My commission expires:

SCHEDULE A**Trademarks and Trademark Registrations (U.S.)**

<u>Trademark or Service Mark</u>	<u>Registrations -- United States Patent and Trademark Office Registration No.</u>	<u>Registration Date</u>
Smitty's Pancake House	718,354	7/11/61
Perkins	809,680	6/7/66
None (design only)	820,475	12/13/66
Perkins in oval	1,203,149	7/27/82
Perkins in script	1,231,484	3/15/83
Perkins Restaurants & design	1,237,817	5/10/83
Bottomless Pot of Coffee	1,243,032	6/21/83
Incredible Croissant Sundaes	1,253,127	10/4/83
Melon Sunburst	1,265,168	1/24/84
Perkins Family Restaurant and design	1,403,558	7/29/86
Perkins Family Restaurant & Bakery in oval	1,403,560	7/29/86
Perkins Family Restaurant - Bakery in double oval	1,464,960	11/10/87
Bottomless Cup of Coffee	1,465,719	11/17/87
Perkins Family Restaurant in double oval	1,475,417	2/2/88
Magnificent Seven	1,663,533	11/5/91

Perkins Promise	1,679,722	3/17/92
Mammoth Muffin	1,751,454	2/9/93
Foxtail Foods and design	1,843,806	7/5/94
Tremendous Twelve	1,897,634	6/6/95
Perkins Take Home Bakery in oval design	1,939,671	12/5/95
Ole' All Day	1,943,838	12/26/95
Perkins Pickin's	1,968,261	4/16/96
Perkins Express & Bakery and design	1,985,494	7/9/96
Perkins Bakery and design	1,996,746	8/27/96
Lunch In a Flash and design	2,003,228	9/24/96
Grilled Sub Supreme	2,056,503	4/22/97
Morning Sunrise	2,187,924	9/8/98
Kid Perks	2,286,891	10/19/99
Perkins Café and Bakery and design	2,121,878	12/16/97
Perkins Cafe Bakery and design	2,311,102	1/25/00
Perkins Cafe Bakery	2,313,658	2/1/00

**Trademark
or
Service Mark**

**Pending Applications --
United States Patent and Trademark Office
Serial No. Filing Date**

Perkins Restaurant &
Bakery

- -

Application mailed
5/2/00

Perkins Restaurant &
Bakery in double oval

--

Application mailed
5/2/00

Foreign Trademarks and Trademark Registrations (Canada)

<u>Trademark or Service Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Perkins	307738	10/25/85
Bottomless Pot of Coffee	350332	1/20/89
Perkins in oval design	352362	2/24/89
Perkins Restaurants & design	353211	3/17/89
Garden Omelette	354012	3/31/89
Fiesta Omelette	354013	3/31/89
Incredible Croissant Sundaes	358825	7/28/89
Bottomless Cup of Coffee	358979	7/28/89
Perkins Family Restaurant and oval design	366687	3/16/90
Melon Sunburst	381420	3/15/91
Perkins Family Restaurant and maple leaf design	443470	6/2/95

<u>Trademark or Service Mark</u>	<u>Pending Applications -- Serial No.</u>	<u>Filing Date</u>
Perkins Restaurant & Bakery	1,058,177	5/9/00

Perkins Restaurant & Bakery in double oval	1,058,176	5/9/00
Perkins Restaurant & Bakery & maple leaf design	1,058,175	5/9/00

EXHIBIT 1

ASSIGNMENT OF TRADEMARKS AND SERVICE MARKS (U.S.)

WHEREAS, THE RESTAURANT COMPANY OF MINNESOTA, a corporation organized and existing under the laws of the State of Delaware, having a place of business at 4917 Eden Avenue, Edina, Minnesota 55424-1341 (the "Assignor"), has adopted and used and is using the trademarks and service marks (the "Marks") identified on the Annex hereto, and is the owner of the registrations of and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Annex; and

WHEREAS, _____, a _____ organized and existing under the laws of the State of _____, having a place of business at _____ (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign, sell and transfer unto the Assignee all right, title and interest in and to the Marks, together with (i) the registrations of and registration applications for the Marks, (ii) the goodwill of the business symbolized by and associated with the Marks and the registrations thereof, and (iii) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with, any and all past, present or future infringements or dilution of or damage or injury to the Marks or the registrations thereof or such associated goodwill.

This Assignment of Trademarks and Service Marks (U.S.) is intended to and shall take effect as a sealed instrument at such time as the Assignee shall complete this instrument by inserting its name in the second paragraph above and signing its acceptance of this Assignment of Trademarks and Service Marks (U.S.) below.

IN WITNESS WHEREOF, the Assignor, by its duly authorized officer, has executed this assignment, as an instrument under seal, on this ____ day of September, 2000.

**THE RESTAURANT COMPANY OF
MINNESOTA**

By: _____
Title:

The foregoing assignment of the Marks and the registrations thereof and registration applications therefor by the Assignor to the Assignee is hereby accepted as of the ____ day of _____, ____.

By: _____
Title:

C CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF _____)
) ss.
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this ____ day of September, 2000, personally appeared _____ to me known personally, and who, being by me duly sworn, deposes and says that he is the _____ of THE RESTAURANT COMPANY OF MINNESOTA, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

Notary Public
My commission expires:

ANNEX

Trademarks and Trademark Registrations (U.S.)

<u>Trademark or Service Mark</u>	<u>Registrations -- United States Patent and Trademark Office Registration No.</u>	<u>Registration Date</u>
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Incredible Croissant Sundaes	1,253,127	10/4/83
Melon Sunburst	1,265,168	1/24/84
Perkins Family Restaurant and design	1,403,558	7/29/86
Perkins Family Restaurant & Bakery in oval	1,403,560	7/29/86
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Bottomless Cup of Coffee	1,465,719	11/17/87
Perkins Family Restaurant in double oval	1,475,417	2/2/88
Magnificent Seven	1,663,533	11/5/91
Perkins Promise	1,679,722	3/17/92

Mammoth Muffin	1,751,454	2/9/93
Foxtail Foods and design	1,843,806	7/5/94
Tremendous Twelve	1,897,634	6/6/95
Perkins Take Home Bakery in oval design	1,939,671	12/5/95
Ole' All Day	1,943,838	12/26/95
Perkins Pickin's	1,968,261	4/16/96
Perkins Express & Bakery and design	1,985,494	7/9/96
Perkins Bakery and design	1,996,746	8/27/96
Lunch In a Flash and design	2,003,228	9/24/96
Grilled Sub Supreme	2,056,503	4/22/97
Morning Sunrise	2,187,924	9/8/98
Kid Perks	2,286,891	10/19/99
Perkins Café and Bakery and design	2,121,878	12/16/97
Perkins Cafe Bakery and design	2,311,102	1/25/00
Perkins Cafe Bakery	2,313,658	2/1/00

Trademark or Service Mark	Pending Applications – United States Patent and Trademark Office Serial No.	Filing Date
Perkins Restaurant & Bakery	- -	Application mailed 5/2/00
Perkins Restaurant & Bakery in double oval	- -	Application mailed 5/2/00

Trademark or Service Mark	Registrations -- United States Patent and Trademark Office Registration No.	Registration Date
Perkins	809,680	6/7/66
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