



01-14-2002



101944539

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (excl. 5/31/2002)

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof

20.01-1

1. Name of conveying party(ies): Friendly Ice Cream Corporation¹ Friendly's Realty I, LLC²

Individual(s) Association General Partnership Limited Partnership

1 Corporation-State Massachusetts
2 Other Limited Liability Company-Delaware

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)

Name: GE Capital Franchise Finance Corporation

Internal Address: _____
Address: _____

Street Address: 17207 N. Perimeter Drive

City: Scottsdale State: AZ Zip: 85255

Individual(s) citizenship _____

Association _____

General Partnership _____

Limited Partnership _____

Corporation-State Delaware

Other _____

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other Collateral Assignment of License

Execution Date: December 19, 2001

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1704309; 1597640; 1595593

Additional number(s) attached Yes No

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

Name: GE Capital Franchise Finance Corporation

Internal Address: _____

Street Address: 17207 N. Perimeter Drive

City: Scottsdale State: AZ Zip: 85255

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41).....\$ 90.00

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: _____

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. 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.

Mark R. Nethers
Name of Person Signing

Mark R. Nethers
Signature

1/3/02
Date

Total number of pages including cover sheet, attachments, and document: 11

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

01/14/2002 DBYRNE 00000319 1704309

01 FC:481 40.00 OP
02 FC:482 50.00 OP

TRADEMARK REEL: 002422 FRAME: 0221



COLLATERAL ASSIGNMENT OF LICENSE AGREEMENT

THIS COLLATERAL ASSIGNMENT OF LICENSE AGREEMENT (this "Assignment") is executed effective as of December 19, 2001, by FRIENDLY'S REALTY I, LLC, a Delaware limited liability company ("Assignor"), to and for the benefit of GE CAPITAL FRANCHISE FINANCE CORPORATION, a Delaware corporation ("Assignee").

FOR VALUE RECEIVED, Assignor does hereby collaterally assign, transfer, and set over to Assignee all of Assignor's right, title and interest in and to that certain License Agreement dated as of the date hereof, between Friendly Ice Cream Corporation, a Massachusetts corporation ("Lessee"), and Assignor, and all amendments, modifications and supplements thereto (collectively, the "License Agreement"), relating to the restaurant properties described on Exhibit A thereto (the "Properties").

A. THIS COLLATERAL ASSIGNMENT IS MADE FOR THE PURPOSE OF SECURING Assignor's performance of and compliance with all of the terms, covenants and conditions set forth herein, in that certain Loan Agreement dated as of the date hereof executed by Assignee and Assignor with respect to the Properties (the "Loan Agreement") and all other documents, agreements and instruments executed or to be executed in connection therewith, including, without limitation, the Loan Documents (as defined in the Loan Agreement) (collectively, the "Documents"). Capitalized terms used but not defined herein shall have the meaning set forth in the Loan Agreement.

B. ASSIGNOR HEREBY GRANTS TO ASSIGNEE A SECURITY INTEREST IN THE LICENSE AGREEMENT.

C. ASSIGNOR AGREES:

(1) To faithfully abide by, perform and discharge each and every obligation, covenant and agreement of the License Agreement to be performed by Assignor thereunder, at no cost or expense to Assignee, and: (a) to enforce or secure the performance of each and every material obligation, covenant, condition and agreement contained in the License Agreement to be performed by Lessee; and (b) not to modify, extend or in any way alter the terms of the License Agreement or accept a surrender of the License Agreement, or to waive, excuse, condone, or in any manner release or discharge Lessee of or from the obligations, covenants, conditions and agreements to be performed by Lessee in the manner and at the place and time specified therein. Assignor hereby expressly releases, relinquishes and surrenders unto Assignee all its right, power and authority to amend, modify, cancel, terminate or in any way alter the terms or provisions of the License Agreement without the prior written consent of Assignee.

(2) That, at no cost or expense to Assignee, Assignor shall appear in and defend any action or proceeding arising under, growing out of or in any manner connected with the License Agreement or the obligations, duties or liabilities of Assignor thereunder, and shall pay all costs and expenses of Assignee, including reasonable attorneys' fees and expenses, in any action or proceeding concerning the License Agreement in which Assignee may appear.

(3) That, if Assignor fails to make any payment or to do any act as herein provided or fails to do so promptly upon demand by Assignee, and does not promptly cure such failure within any applicable cure period provided in the Documents, then Assignee shall have the right, but without the obligation so to do, without releasing Assignor from any obligation hereof and without notice to or demand upon Assignor, to make such payment or to do such act in such manner and to such extent as Assignee may deem necessary to prevent the material impairment of the security hereof, including, without limiting the generality of the foregoing, the right to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Assignee and to perform and discharge each and every obligation, covenant and agreement of Assignor contained in the License Agreement, and in exercising any such rights or powers to employ counsel and pay such costs and expenses as Assignee shall incur, including, without limitation, reasonable attorneys' fees. Neither this Assignment nor any action or actions on the part of Assignee shall constitute an assumption by Assignee of any obligation of Assignor under the License Agreement and Assignor shall continue to be liable for all obligations thereunder, Assignor hereby agreeing to perform each and all of its obligations under the License Agreement.

(4) To pay immediately upon demand all sums expended by Assignee under the authority hereof, together with interest ("Default Interest") thereon at the rate of 14% per annum (the "Default Rate"); provided, however, if such advance does not relate to a default hereunder by Assignor or under any other Loan Document, then no Default Interest shall be due if Assignor repays such advance within ten (10) days of written demand by Assignee.

D. THE PARTIES HERETO MUTUALLY AGREE THAT:

(1) As long as no "Event of Default" has occurred and is continuing under any of the Documents, Assignor shall have the right to exercise all of its rights (other than its right to amend, modify, cancel, terminate or in any way alter the terms of the License Agreement without the prior written consent of Assignor) under the License Agreement.

(2) Assignor agrees that Assignee does not and will not assume any of Assignor's obligations or duties concerning the License Agreement until and unless Assignee expressly notifies Assignor and Lessee in writing of Assignor's intent to assume such obligations. Assignor further agrees that no amendment to the License Agreement shall be effective without Assignee's prior written consent.

(3) Upon the occurrence and during the continuance of an "Event of Default" under any of the Documents, Assignee may, at its option, exercise all of its rights granted under this Assignment. Assignor hereby irrevocably constitutes and appoints Assignee, upon the occurrence and during the continuance of an "Event of Default" under any of the Documents, as its attorney-in-fact to demand, receive and enforce Assignor's rights with respect to the License Agreement, to give appropriate receipts, releases and satisfactions for and on behalf of Assignor, and to do any and all acts in the name of Assignor or in the name of Assignee with the same force and effect as Assignor could do if this Assignment had not been made.

(4) Assignor shall and does hereby agree to indemnify, defend and hold Assignee harmless for, from and against any and all liability, loss or damage which it may or might incur under the License Agreement or under or by reason of this Assignment and for, from and against any and all claims and demands whatsoever which may be asserted against Assignee by reason of any alleged obligation or undertaking in its part to perform or discharge any of the terms, covenants or agreements contained in the License Agreement or under or by reason of this Assignment. Should Assignee incur any such liability, loss or damage under the License Agreement or under or by reason of this Assignment, or in the defense of any such claim or demand, the amount thereof, including costs, expenses and attorneys' fees, together with interest thereon at the Default Rate, shall be secured hereby, and Assignor shall reimburse Assignee therefor immediately upon demand.

(5) So long as this Assignment is in effect, and subject to the provisions of paragraph C(1) above, Assignor covenants and agrees to transfer and assign to Assignee any and all subsequent agreements which are entered into pursuant to, in replacement of or to serve substantially the same purpose as the License Agreement upon the same or substantially the same terms and conditions as herein contained, and to make, execute and deliver to Assignee, upon demand, any and all instruments that may be necessary therefor.

(6) Upon the satisfaction and discharge of all of Assignor's obligations under the Documents, this Assignment shall become and be void and of no effect, but any person may rely upon the affidavit of any officer of Assignee affirming the validity, effectiveness and continuing force of this Assignment. Upon such termination, all the estate, right, title, interest, claim and demand of Assignee under the License Agreement shall revert to Assignor, and Assignee shall, at the request of Assignor, deliver to Assignor an instrument canceling the Assignment and reassigning the License Agreement to Assignor, which instrument shall be prepared at Assignor's expense.

(7) Assignor warrants (i) that the License Agreement has not been amended or modified, (ii) that no default by Assignor exists thereunder, (iii) that no event has occurred or exists which, with notice or lapse of time or both, would constitute a default by Assignor thereunder, (iv) that no default by Lessee exists which, with the giving of notice or lapse of time, or both, would constitute a default by Lessee thereunder, and (v) that no previous assignment of its interest in the License Agreement has been made and, except for the collateral assignment to Assignee hereunder, Assignor will not assign, sell, pledge, transfer, hypothecate or otherwise encumber in any manner whatsoever its interest in the License Agreement so long as this Assignment is in effect.

(8) Assignor agrees that it shall provide to Assignee copies of any and all notices Assignor submits to Lessee in conjunction with the operation of or default by Lessee pursuant to the License Agreement. Said notices shall be given to Assignee contemporaneously with the giving of any such notice to Lessee. All notices, consents, approvals or other instruments required or permitted to be given by either party pursuant to this Assignment shall be given in accordance with the notice provisions of the Loan Agreement.

(9) Time is of the essence with respect to each and every provision of this Assignment in which time is a factor. Except as otherwise specifically provided herein, the terms, covenants and conditions contained in this Assignment shall bind and inure to the benefit of the respective heirs, successors, executors, administrators and assigns of each of the parties hereto.

(10) The taking of this Assignment by Assignee shall not effect the release of any other collateral now or hereafter held by Assignee as security for the obligations of Assignor under the Documents, nor shall the taking of additional security for the obligations hereafter effect a release or termination of this Assignment or any terms or provisions hereof.

(11) No failure or delay on the part of Assignee in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies hereunder are cumulative and may be exercised by Assignee either independently of or concurrently with any other right, power or remedy of Assignee contained herein or in any of the documents.

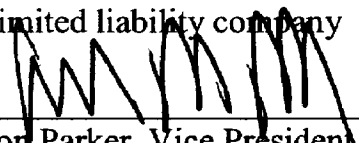
(12) This Assignment may be executed in one or more counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment to be executed as of the day and year first above written.

ASSIGNOR:

FRIENDLY'S REALTY I, LLC,
a Delaware limited liability company

By

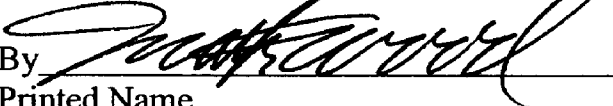


Aaron Parker, Vice President

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

ASSIGNEE:

GE CAPITAL FRANCHISE FINANCE
CORPORATION, a Delaware corporation

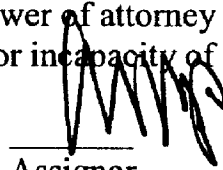
By 
Printed Name _____
Its _____

[END OF SIGNATURES]

POWER OF ATTORNEY

Assignee may act as attorney-in-fact or otherwise on behalf of Assignor pursuant to paragraph D(3) of this Assignment. This power of attorney is coupled with an interest, is durable and is not affected by subsequent disability or incapacity of the principal or lapse of time.


Witness


Assignor

WITNESS

In accordance with the requirements of Arizona Revised Statutes Section 14-5506 and other applicable law, the undersigned has executed this Assignment for the purpose of witnessing the grant of the powers of attorney by Assignor to Assignee.



STATE OF ARIZONA)
)
COUNTY OF MARICOPA)

SS.

The foregoing instrument was acknowledged before me on; November 29, 2001 by Aaron Parker, Vice President of Friendly's Realty I, LLC, a Delaware limited liability company, on behalf of the limited liability company.

Janice S. Bott
Notary Public

My Commission Expires:



STATE OF ARIZONA)
) SS.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me on November 29, 2001 by Mark E. Wood, Vice President of GE Capital Franchise Finance Corporation, a Delaware corporation, on behalf of the corporation.

Janice S. Bott
Notary Public

My Commission Expires:



EXHIBIT A
PROPERTIES
(See attached)

GECFFC No.	Store No.	Address	City	State
8001-3147	57	620 W. Main St.	Norwich	CT
8001-3149	228	105 W. Town St.	Norwich	CT
8001-3162	25	562 N. Main St.	East Longmeadow	MA
8001-3163	31	240 Stockbridge Rd.	Great Barrington	MA
8001-3170	105	368 Federal St.	Greenfield	MA
8001-3175	192	255 Broadway	Methuen	MA
8001-3182	315	580 Park Ave	Worcester	MA
8001-3183	369	630 Washington St.	Stoughton	MA
8001-3185	514	699 Hancock St.	Wollaston	MA
8001-3192	731	438 Route 28	West Yarmouth	MA
8001-3195	790	200 Mohawk Trail	Greenfield	MA
8001-3198	830	1160 Main St.	Haverhill	MA
8001-3216	175	1463 Raritan Rd.	Clark	NJ
8001-3221	379	232 W. Main St.	Moorestown	NJ
8001-3230	204	270 Delaware Ave.	Elsmere	NY
8001-3233	333	9 Troy Rd.	East Greenbush	NY
8001-3235	403	403-409 Washington Ave.	Kingston	NY
8001-3237	822	RT. #9W 1354 Ulster Ave.	Kingston	NY
8001-3241	868	815 Route 146	Clifton Park	NY
8001-3245	503	1027 N. Main St.	Bowling Green	OH
8001-3246	571	204 E. Broad St.	Elyria	OH
8001-3248	632	564 W. National Rd.	Vandalia	OH
8001-3249	642	6400 York Rd.	Parma Heights	OH
8001-3254	962	2934 S. Arlington Rd.	Akron	OH
8001-3259	641	9165 Ridge Pike	Philadelphia	PA
8001-3264	671	1803 Richmond Rd.	Williamsburg	VA
8001-3267	869	2520 W. Hundred Rd.	Chester	VA
8001-3268	1235	13800 Fribble Way	Midlothian	VA