

Green Kenneth D
Form 4
September 12, 2007

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Green Kenneth D

2. Issuer Name and Ticker or Trading Symbol
FRIENDLY ICE CREAM CORP
[frn]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

 Director 10% Owner
 Officer (give title below) Other (specify below)
Senior VP, Operations

(Last) (First) (Middle)
C/O FRIENDLY ICE CREAM CORPORATION, 1855 BOSTON ROAD

3. Date of Earliest Transaction (Month/Day/Year)
08/30/2007

(Street)
WILBRAHAM, MA 01095

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | | | |
| Common Stock | 08/30/2007 | | D | | 8,454 | D | (1) 0 | D | |
| Common Stock | 08/30/2007 | | A | | 6,329 | A | (2) 6,329 | D | |
| Common Stock | 08/30/2007 | | D | | 6,329 | D | (1) (2) 0 | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not

SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Options | \$ 8.86 | 08/30/2007 | | D | 6,420 | <u>(3)</u> 02/09/2010 | Common Stock | 6,420 |
| Stock Options | \$ 8.1 | 08/30/2007 | | D | 11,668 | <u>(4)</u> 03/21/2011 | Common Stock | 11,668 |
| Stock Options | \$ 14.5 | 08/30/2007 | | D | 7,482 | <u>(5)</u> 03/08/2012 | Common Stock | 7,482 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Green Kenneth D C/O FRIENDLY ICE CREAM CORPORATION 1855 BOSTON ROAD WILBRAHAM, MA 01095 | | | Senior VP, Operations | |

Signatures

/s/ Kenneth D.
Green

09/12/2007

**Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Disposed in connection with the merger of the issuer with Freeze Operations, Inc. pursuant to that certain agreement and plan of merger dated June 17, 2007, by and among the issuer, Freeze Operations Holding Corp. and Freeze Operations, Inc. (the "Merger"), in exchange for the right to receive a cash payment equal to \$15.50 per share.

In connection with the Merger, the 2007 Threshold EBITDA under the 2003 Incentive Plan (2007 Long-Term Incentive Plan) was deemed to have been achieved and the reporting person became entitled to receive 6,329 shares, which shares were canceled in the Merger in exchange for the right to receive a cash payment equal to \$15.50 per share.

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- These options, which provided for vesting in three equal annual installments commencing on February 9, 2006, were accelerated and
- (3) became fully vested, and were canceled in connection with the Merger in exchange for a cash payment of \$42,628.80, representing the difference between the exercise price of the options and \$15.50 per share.

- These options, which provided for vesting in three equal annual installments commencing on March 21, 2007, were accelerated and
- (4) became fully vested, and were canceled in connection with the Merger in exchange for a cash payment of \$86,343.20, representing the difference between the exercise price of the options and \$15.50 per share.

- These options, which provided for vesting in three equal annual installments commencing on March 8, 2008, were accelerated and
- (5) became fully vested, and were canceled in connection with the Merger in exchange for a cash payment of \$7,482.00, representing the difference between the exercise price of the options and \$15.50 per share.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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