

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Friedman's Management Corp.		12/09/2005	CORPORATION: GEORGIA
RECEIVING PARTY DATA			
Name:	The CIT Group/Business Credit, Inc., as Agent		
Street Address:	900 Ashwood Parkway, Suite 610		
City:	Atlanta		
State/Country:	GEORGIA		
Postal Code:	30338		
Entity Type:	CORPORATION: NEW YORK		
PROPERTY NUMBERS Total: 6			
Property Type	Number	Word Mark	
Serial Number:	74472580	FRIEDMAN'S JEWELERS	
Serial Number:	71556790	BLUE RIDGE	
Serial Number:	71556791	MELROSE	
Serial Number:	71556792	RUXTON	
Serial Number:	74472581	THE VALUE LEADER	
Serial Number:	76451227	THE VALUE LEADER SINCE 1920	
CORRESPONDENCE DATA			
Fax Number:	(404)602-9050		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	404-888-4284		
Email:	lvirts@hunton.com		
Correspondent Name:	Lorna J. Virts, Paralegal		
Address Line 1:	Suite 4100, 600 Peachtree St., N.E.		
Address Line 2:	Hunton & Williams LLP		
Address Line 4:	Atlanta, GEORGIA 30308		

CH \$165.00 74472580

ATTORNEY DOCKET NUMBER:	64536.9
NAME OF SUBMITTER:	Douglas Murphy, Esq.
Signature:	/s/Douglas Murphy
Date:	12/12/2005

Total Attachments: 11

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TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT**, dated as of December 9, 2005, by Friedman's Inc., a Delaware corporation, located at 171 Crossroads Parkway, Savannah, Georgia, 31422, and Friedman's Management Corp., a Delaware corporation, located at 171 Crossroads Parkway, Savannah, Georgia, 31422, (collectively, the "Grantors", and each, individually, a "Grantor") in favor of **THE CIT GROUP/BUSINESS CREDIT, INC.**, a New York corporation, in its capacity as Agent for Lenders.

W I T N E S S E T H :

WHEREAS, pursuant to that certain Loan and Security Agreement dated as of the date hereof by and among Grantors and the other Credit Parties party thereto, Agent and the Persons signatory thereto from time to time as Lenders (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Loan Agreement"), Lenders have agreed to make the Loans and to incur Letter of Credit Obligations for the benefit of Grantors and the other Credit Parties; and

WHEREAS, Agent and Lenders are willing to make Revolving Credit Loans and to incur Letter of Credit Obligations as provided for in the Loan Agreement, but only upon the condition, among others, that the Grantors shall have executed and delivered to Agent, for itself and the ratable benefit of Lenders, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. **DEFINED TERMS**. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Loan Agreement.

2. **GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL**. To secure the payment, observance and performance of the Secured Obligations, each Grantor hereby mortgages and pledges all of the following Collateral of such Grantor to the Agent, for the benefit of itself as Agent and the Lenders, and grants to the Agent, for the benefit of itself as Agent and the Lenders, a continuing security interest in, and a continuing Lien upon, and collateral assignment of the following Collateral (collectively, the "Trademark Collateral"):

(a) all of their respective trademarks (the "Trademarks") and trademark licenses (the "Trademark Licenses") to which each is a party, including those referred to on Schedule I hereto other than (i) trademark applications filed in the U.S. Patent and Trademark Office (the "PTO") pursuant to 15 U.S.C. §1501 Section 1(b) and for which a form evidencing use of the trademark in interstate commerce has not been filed with the PTO pursuant to 15 U.S.C. §1060(a) and (ii) Trademark Licenses for which the security interest shall constitute or result in a breach or termination pursuant to the terms of, or a default under, such Trademark License, each as referred to on Schedule II hereto;

(b) all goodwill of the business connected with the use of, and symbolized by,

each Trademark;

(c) all Proceeds of the foregoing, including, without limitation, (to the extent not covered in the defined term, "Proceeds") any claim by any Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License; and

(d) notwithstanding anything herein or in the Loan Agreement to the contrary, in no event shall the security interest granted herein or under Section 7.1 of the Loan Agreement attach to (a) any lease, license, contract, property rights or agreement to which any Grantor is a party or any of its rights or interests thereunder if and for so long as the grant of such security interest shall constitute or result in (i) the abandonment, invalidation or unenforceability of any material right, title or interest of any Grantor therein or (ii) the termination of any such lease, license, contract property rights or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law (including the Code) or principles of equity), provided however that such security interest shall attach immediately at such time as the condition causing such abandonment, invalidation, unenforceability or termination shall be remedied and to the extent severable, shall attach immediately to any portion of such lease, license, contract, property rights or agreement that does not result in any of the consequences specified in (i) or (ii) above.

3. RIGHTS AND REMEDIES.

(a) The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Agent, on behalf of itself and Lenders, pursuant to the Loan Agreement. Each Grantor hereby acknowledges that the Loan Agreement grants to the Agent a security interest in and Lien upon in the assets of each Grantor associated with the business conducted under the Trademarks. Each Grantor hereby acknowledges and affirms that the representations and warranties of Grantor and the rights and remedies of Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event of any conflict between this Trademark Security Agreement and the Loan Agreement, the terms of the Loan Agreement shall control;

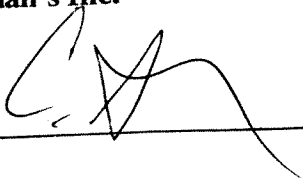
(b) Notwithstanding anything to the contrary herein or in any of the other Loan Documents, if any Event of Default under the Loan Agreement or any other Loan Document shall have occurred and be continuing and following written notice to the Grantors, in addition to any and all other rights and remedies that Agent may have in the Loan Agreement, in any other Loan Document or at law, each Grantor hereby constitutes and appoints Agent and any officer, agent or employee thereof, with full power of substitution, as its true and lawful attorney-in-fact, with full power and authority in the

place and stead of each Grantor and in the name of each Grantor or Agent's own name or the name of Agent's designee, all lawful acts of said attorney being hereby ratified and confirmed, except to the extent any of the same constitute gross negligence or willful misconduct, such power being coupled with an interest is irrevocable until the Termination Date, upon the occurrence of an Event of Default: (i) to complete, date, execute and file or cause to be filed the Assignment attached hereto as Exhibit A and incorporated hereby by reference (the "Assignment") in the United States Patent and Trademark Office and in all other applicable offices, and to execute and deliver any and all documents and instruments which may be necessary or desirable to accomplish the purpose of the Assignment; (ii) to collect proceeds from the Trademarks (including, by way of example, license royalties and proceeds of infringement suits); (iii) to convey in any transaction authorized by the Loan Agreement, any goods covered by the registrations listed on Schedule 1 to any purchaser thereof; (iv) to make payment or discharge taxes or liens levied or placed upon or threatened against any goods covered by the registrations listed on Schedule 1, the legality or validity thereof and the amounts necessary to discharge the same to be determined by Agent, in its sole discretion, and such payments made by Agent to become the obligations of each Grantor to Agent, due and payable immediately, without demand.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

Friedman's Inc.

By: 
Name: _____
Title: _____

ACKNOWLEDGMENT OF GRANTOR

STATE OF Georgia)
COUNTY OF Chatham) ss.

On this ____ day of _____, 2005 before me personally appeared C. Steven Moore proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Friedman's Inc., who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

CRISTINA L. TAMBORINE
Notary Public, Chatham County, Georgia
My Commission Expires April 18, 2007
{SEAL} Notary Public




Friedman's Management Corp.

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT OF GRANTOR

STATE OF Georgia)
COUNTY OF Chatham) ss.

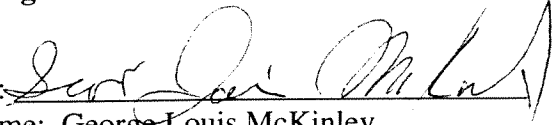
On this ____ day of _____, 2005 before me personally appeared Sam Cusano proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Friedman's Management Corp. who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.


{SEAL} Notary Public

CRISTINA L. TAMBOURINE
Notary Public, Chatham County, Georgia
My Commission Expires April 16, 2007

ACCEPTED AND ACKNOWLEDGED BY:

**THE CIT GROUP/BUSINESS CREDIT, INC.,
as Agent**

By: 

Name: George Louis McKinley

Title: Vice President

SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT

TRADEMARK REGISTRATIONS

Country (State)	Trademark	Reg. No. (Serial No.)	Reg. Date (Filing Date)	Owner/Liens	Status/Comments
US	1-800-JEWELRY	(78/728598)	(10/7/2005)	Friedman's Inc. (Delaware)	Pending
US	BLUE RIDGE (Stylized)	518738 (71/556790)	12/13/1949 (5/11/1948)	Friedman's Management Corp. (Georgia); (1); (2)	Registered
US	FRIEDMAN'S JEWELERS	2146914 (74/472580)	3/31/1998 (12/23/1993)	Friedman's Management Corp. (Georgia); (1); (2)	Registered
US	FRIEDMAN'S THE VALUE LEADER	(78-707,598)	(9/6/2005)	(Delaware Corporation)	Pending
US	MELROSE (Stylized)	518739 (71/556791)	12/13/1949 (5/11/1948)	Friedman's Management Corp. (Georgia); (1); (2)	Registered
US	RUXTON (Stylized)	517881 (71/556792)	11/22/1949 (5/11/1948)	Friedman's Management Corp. (Georgia); (2)	Registered
US	THE VALUE LEADER	1947932 (74/472581)	1/16/1996 (12/23/1993)	Friedman's Management Corp. (Georgia); (1); (2)	Registered
US	THE VALUE LEADER SINCE 1920	2845979 (76/451227)	5/25/2004 (9/11/2002)	Friedman's Management Corporation (Delaware)	Registered
(Florida)	FRIEDMAN'S JEWELERS (Stylized)	T94402	3/22/1994	Friedman's Management Corp. (Delaware)	Registered
(Georgia)	BLUE RIDGE	T312	12/3/1968	Friedman's Jewelers Inc. (Georgia)	Registered
(Georgia)	FRIEDMAN'S JEWELERS and design	S13468	3/29/1994	Friedman's Management Corp. (Delaware)	Registered
(Georgia)	REGENCY JEWELERS and design	S13469	3/29/1994	Friedman's Management Corp. (Delaware)	Registered
(Georgia)	RUXTON (Stylized)	T2361	12/3/1968	Friedman's Jewelers Inc. (Georgia)	Registered
(Kentucky)	FRIEDMAN'S JEWELERS (Stylized)	11128	3/30/1994	Friedman's Management Corp. (Delaware)	Registered
(South Carolina)	FRIEDMAN'S JEWELERS	None	3/23/1994	Friedman's Management Corp.	Registered
Canada	FRIEDMAN'S JEWELERS	535085 (0767,847)	10/19/2000 (11/3/1994)	Friedman's Inc.	Registered
Mexico	FRIEDMAN'S JEWELERS	491963 (217216)	5/22/1995 (11/9/1994)	Friedman's Inc.	Registered
Mexico	FRIEDMAN'S JEWELERS THE VALUE LEADER	491964 (217217)	5/22/1995 (11/9/1994)	Friedman's Inc.	Registered
Canada	THE VALUE LEADER	534918 (0767848)	10/18/2000 (11/3/1994)	Friedman's Inc.	Registered
Mexico	THE VALUE LEADER	494816 (217218)	6/16/1995 (11/9/1994)	Friedman's Inc.	Registered

- (1) Security interest granted to Bank of America, N.A. by Friedman's Management Corp. (Delaware) on 8/28/2002.
- (2) Gap in the chain of title between Friedman's Inc. (Delaware) and Friedman's Inc. (Georgia).

FRIEDMAN'S INC. DOMAIN NAMES

Domain Name	Registration Date	Expiration Date	Record Owner	Status/ Comments
friedmans.com	2/2/1996	2/3/2014	Friedmans Inc.	Registered
friedmansjewelers.com	2/2/1996	2/3/2014	FOCedmans Management Corp.	Registered
friedmans-jewelers.com	3/12/1996	3/13/2014	Friedman's Management Corp.	Registered

EXHIBIT A

COLLATERAL ASSIGNMENT OF TRADEMARKS AND GOODWILL

THIS ASSIGNMENT OF TRADEMARKS AND GOODWILL dated the 9th day of December, 2005 from Friedman's Inc., a Delaware corporation, located at 171 Crossroads Parkway, Savannah, Georgia, 31422, and Friedman's Management Corp., a Delaware corporation, located at 171 Crossroads Parkway, Savannah, Georgia, 31422, (together, the "Assignors"), to **THE CIT GROUP/BUSINESS CREDIT INC.**, a New York corporation (the "Assignee"), recites and provides:

WHEREAS, Assignors are [the owner] of certain U.S. trademarks and service marks and the registrations and applications to register therefor listed in Schedule 1 hereto ("Trademarks"); and

WHEREAS, Assignee desires to obtain for itself as agent and as agent for the Lenders all of each Assignor's right, title and interest in all such Trademarks.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, each Assignor hereby grants, assigns and conveys to Assignee, its successors and assigns, the entire right, title and interest of such Assignor in and to the Trademarks, including without limitation all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), and the right to sue for past, present and future infringements, together with the goodwill of the business symbolized by and connected with the use of the Trademarks. Each Assignor acknowledges that, pursuant to the Loan Agreement, dated as of December 9, 2005, between Assignor, among other grantors, and Assignee, Assignor granted to Assignee a security interest in and lien upon the assets of Assignor associated with the business conducted under the Trademarks.

Each Assignor further agrees to execute such further instruments and documents and perform such further acts as Assignee may deem necessary to secure to Assignee the rights herein conveyed.

[SIGNATURE PAGE FOLLOWS]

