

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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|------------------------------|-------------------|
| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | SECURITY INTEREST |

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|-------------------|----------|----------------|-------------------------|
| Friedman's Inc. | | 09/14/2007 | CORPORATION: DELAWARE |
| Crescent Jewelers | | 09/14/2007 | CORPORATION: CALIFORNIA |

RECEIVING PARTY DATA

| | |
|------------------------|--|
| Name: | Harbinger Capital Partners Master Fund I, Ltd. |
| Street Address: | 555 Madison Avenue, 16th Floor |
| City: | New York |
| State/Country: | NEW YORK |
| Postal Code: | 10022 |
| Entity Type: | COMPANY: |

PROPERTY NUMBERS Total: 13

| Property Type | Number | Word Mark |
|----------------------|----------|--------------------------------|
| Registration Number: | 3186734 | PREMIUM-FIT |
| Registration Number: | 3189282 | ADVANTAGE PLUS |
| Registration Number: | 3205536 | FRIEDMAN'S JEWELERS SINCE 1920 |
| Registration Number: | 2845979 | THE VALUE LEADER SINCE 1920 |
| Registration Number: | 2146914 | FRIEDMAN'S JEWELERS |
| Registration Number: | 1947932 | THE VALUE LEADER |
| Registration Number: | 0517881 | RUXTON |
| Registration Number: | 0518739 | MELROSE |
| Registration Number: | 0518738 | BLUE RIDGE |
| Registration Number: | 2123750 | FIVE STAR DIAMONDS |
| Registration Number: | 2125567 | FOUR-STAR |
| Registration Number: | 2123751 | THREE STAR DIAMONDS |
| Serial Number: | 78273709 | THE BELGIAN CROWN STAR |

OP \$340.00 3186734

CORRESPONDENCE DATA

Fax Number: (212)508-1450
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 212-705-7768
Email: brandi.sinkovich@bingham.com
Correspondent Name: Bingham McCutchen LLP
Address Line 1: 399 Park Avenue
Address Line 2: Brandi Sinkovich
Address Line 4: New, NEW YORK 10022

| | |
|--------------------|--------------------|
| NAME OF SUBMITTER: | Brandi Sinkovich |
| Signature: | /brandi sinkovich/ |
| Date: | 09/21/2007 |

Total Attachments: 11
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THE SECURITY INTEREST GRANTED BY THIS INSTRUMENT IS SUBORDINATED TO THE PRIOR PAYMENT IN FULL OF ALL SENIOR DEBT (AS DEFINED IN THE SUBORDINATION AGREEMENT DATED AS OF SEPTEMBER 14, 2007) PURSUANT TO, AND TO THE EXTENT PROVIDED IN, THE SUBORDINATION AGREEMENT BY AND AMONG THE GRANTORS (AS DEFINED BELOW), THE SENIOR AGENT AND THE SUBORDINATED LENDER (AS SUCH TERMS ARE DEFINED IN THE SUBORDINATION AGREEMENT).

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT, dated as of September 14, 2007 by FRIEDMAN'S INC., a Delaware corporation, and CRESCENT JEWELERS, a California corporation (collectively, the "Grantors", and each, individually, a "Grantor") in favor of HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD., in its capacity as Holder (as defined below).

W I T N E S S E T H :

WHEREAS, pursuant to that certain Subordinated Second Lien Promissory Note and Security Agreement (the "Note"), dated as of the date hereof by Grantors in favor of Harbinger Capital Partners Master Fund I, Ltd., as holder (including any permitted transferee thereunder, the "Holder"), the Holder has agreed to issue the Note for the benefit of Grantors; and

WHEREAS, the Holder is willing to issue the Note, but only upon the condition, among others, that the Grantors shall have executed and delivered to the Holder 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 Note.

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 Holder, and grants to the Holder, 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 Note to the contrary, in no event shall the security interest granted herein or under Section 7 of the Note 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 the Holder pursuant to the Note. Each Grantor hereby acknowledges that the Note grants to the Holder a security interest in and lien upon 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 such Grantor and the rights and remedies of the Holder with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Note, 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 Note, the terms of the Note shall control;

(b) Notwithstanding anything to the contrary herein, the Note or in any of the other documents executed in connection with the Note, if any Event of Default under the Note or any other document executed in connection with the Note shall have occurred and be continuing and following written notice to the Grantors, in addition to any and all other rights and remedies that the Holder may have in the Note, in any other document executed in connection with the Note or at law, each Grantor hereby constitutes and appoints the Holder and any officer, agent or employee thereof, with full power of substitution, as its true and lawful

attorney-in-fact, with full irrevocable power and authority in the place and stead of each Grantor and in the name of each Grantor or the Holder's own name or the name of Holder'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 Maturity Date, upon the occurrence of a Default or 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 Note, 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 the Holder, in its sole discretion, and such payments made by the Holder to become the obligations of each Grantor to the Holder, 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: CA
Name: C. STEVEN MOORE
Title:

ACKNOWLEDGMENT OF GRANTOR

STATE OF Texas)
COUNTY OF Dallas) ss.

On this 14 day of September, 2007 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.

{SEAL}

Notary Public

Lizbeth Marr



CRESCENT JEWELERS

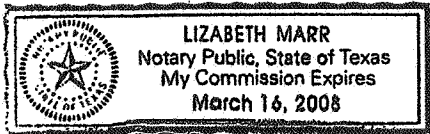
By: *C. A.*
 Name: **C. STEVEN MOORE**
 Title:

ACKNOWLEDGMENT OF GRANTOR

STATE OF *Texas*)
) ss.
 COUNTY OF *Dallas*)

On this *14* day of September, 2007 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 Crescent Jewelers, 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.

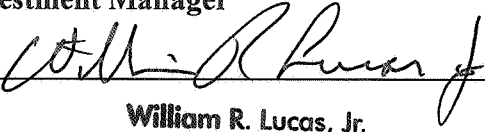
{SEAL} Notary Public *Lizabeth Marr*



ACCEPTED AND ACKNOWLEDGED BY:

**HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.,
as Agent**

**By Harbinger Capital Partners Offshore Manager L.L.C.,
as Investment Manager**

By: 
Name: _____
Title: **William R. Lucas, Jr.
Executive Vice President**

SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT

TRADEMARK REGISTRATIONS

| Name of Grantor | Registration Number | Mark | Date |
|-------------------|---------------------|--------------------------------|-------------------|
| Friedman's Inc. | 3186734 | Premium-Fit | December 19, 2006 |
| Friedman's Inc. | 3189282 | Advantage Plus | December 26, 2006 |
| Friedman's Inc. | 3205536 | Friedman's Jewelers since 1920 | February 6, 2007 |
| Friedman's Inc. | 2845979 | The Value Leader Since 1920 | May 25, 2004 |
| Friedman's Inc. | 2146914 | Friedman's Jewelers | March 31, 1998 |
| Friedman's Inc. | 1947932 | The Value Leader | January 16, 1996 |
| Friedman's Inc. | 0517881 | Ruxton | November 22, 1949 |
| Friedman's Inc. | 0518739 | Melrose | December 13, 1949 |
| Friedman's Inc. | 0518738 | Blue Ridge | December 13, 1949 |
| Crescent Jewelers | 2,123,750 | Five Star Diamonds | December 23, 1997 |
| Crescent Jewelers | 2,125,567 | Four Star Diamonds | December 30, 1997 |
| Crescent Jewelers | 2,123,751 | Three Star Diamonds | December 23, 1997 |
| Crescent Jewelers | 37338 | Crescent (stylized) | June 28, 1995 |
| Crescent Jewelers | 36546 | Crescent Jewelers | November 21, 1995 |
| Crescent Jewelers | 85593 | Crescent Jewelers | November 3, 1987 |
| Crescent Jewelers | 151028 | Crescent Jewelers (tradename) | |

SCHEDULE II
to
TRADEMARK SECURITY AGREEMENT

TRADEMARK APPLICATIONS

| Name of Grantor | Application Number | Mark | Date |
|-------------------|--------------------|------------------------------|------------------|
| Crescent Jewelers | 78/273,709 | The Belgian Crown Star | July 14, 2003 |
| Friedman's Inc. | 77/146297 | Putting Love in Every Moment | April 2, 2007 |
| Friedman's Inc. | 77/146281 | Inspiration For Your Moment | August 27, 2007 |
| Friedman's Inc. | 77/039772 | Say It With Diamonds | November 8, 2006 |
| Friedman's Inc. | 77/018967 | Making Moments Sparkle | October 11, 2006 |
| Friedman's Inc. | 77/018955 | Say something Beautiful | October 11, 2006 |

TRADEMARK LICENSES

None.

EXHIBIT A

COLLATERAL ASSIGNMENT OF TRADEMARKS AND GOODWILL

THIS COLLATERAL ASSIGNMENT OF TRADEMARKS AND GOODWILL dated the ____ day of _____, 20__ from _____, a _____ corporation and _____, a _____ corporation (the "Assignors"), to HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD., (the "Assignee"), recites and provides:

WHEREAS, Assignors are [either the owner or the licensee] 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 the Holder 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 the Trademarks. Each Assignor acknowledges that it has granted Assignee the right to secure the assets of such Assignor associated with the business symbolized by the Trademarks, under separate agreement.

Exh. A-1

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.

[_____]

By: _____

Name:

Title:

Attest: _____

Name:

Title:

Exh. A-2

[_____]

By: _____

Name:

Title:

Attest: _____

Name:

Title:

Exh. A-3

A/72200316.5/3005504-0000327922

RECORDED: 09/21/2007

**TRADEMARK
REEL: 003625 FRAME: 0818**