

FRIEDMANS INC
Form 4
April 18, 2005

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
HARBERT DISTRESSED
INVESTMENT MASTER FUND
LTD

(Last) (First) (Middle)

C/O INTERNATIONAL FUND
SERVICES, THIRD FL BISHOP
SQUARE REDMONDS HILL

(Street)

DUBLIN IRELAND, L2 00000

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
FRIEDMANS INC [FRDMQ]

3. Date of Earliest Transaction
(Month/Day/Year)
04/14/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director
____ Officer (give title below)
____ 10% Owner
____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

____ Form filed by One Reporting Person
__X__ Form filed by More than One Reporting Person

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 Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 04/14/2005 | | P | | 130,650 | A | \$ 1.24 |
| | | | | | 2,595,175 ⁽¹⁾ | D | |
| Common Stock | 04/14/2005 | | P | | 0 | A | \$ 0 |
| | | | | | 2,595,175 ⁽²⁾ | I | |
| Common Stock | 04/14/2005 | | P | | 3,350 | A | \$ 1.24 |
| | | | | | 65,425 ⁽³⁾ | I | |

By Harbert Distressed Investment Master Fund, Ltd.
By Alpha US Sub Fund VI,

| | | | | | | | LLC | |
|--------------|------------|--|---|--------|---|---------|----------------------------|---|
| Common Stock | 04/15/2005 | | P | 48,750 | A | \$ 1.19 | 2,643,925 ⁽¹⁾ D | |
| Common Stock | 04/15/2005 | | P | 0 | A | \$ 0 | 2,643,925 ⁽²⁾ I | By Harbert Distressed Investment Fund, Ltd. |
| Common Stock | 04/15/2005 | | P | 1,250 | A | \$ 1.19 | 66,675 ⁽³⁾ I | By Alpha US Sub Fund VI, LLC |

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

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SEC 1474
(9-02)

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. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| HARBERT DISTRESSED INVESTMENT MASTER FUND LTD C/O INTERNATIONAL FUND SERVICES THIRD FL BISHOP SQUARE REDMONDS HILL DUBLIN IRELAND, L2 00000 | | X | | |
| HMC DISTRESSED INVESTMENT OFFSHORE MANAGER LLC ONE RIVERCHASE PARKWAY SOUTH BIRMINGHAM, AL 35244 | | X | | |

| | |
|---|---|
| HMC INVESTORS LLC ONE RIVERCHASE PARKWAY SOUTH BIRMINGHAM, AL 35244 | X |
| FALCONE PHILIP 555 MADISON AVE 16TH FLOOR NEW YORK, NY 10022 | X |
| HARBERT RAYMOND J ONE RIVERCHASE PARKWAY SOUTH BIRMINGHAM, AL 35244 | X |
| LUCE MICHAEL D ONE RIVERCHASE PARKWAY SOUTH BIRMINGHAM, AL 35244 | X |

Signatures

| | |
|--|------------|
| Harbert Distressed Investment Master Fund, Ltd., HMC Distressed Investment Offshore Manager, LLC, By: HMC Investors, LLC, Managing Member By: /s/ Joel B. Piassick | 04/18/2005 |
| __Signature of Reporting Person | Date |
| HMC Distressed Investment Offshore Manager, LLC, By: HMC Investors, LLC, Managing Member By: /s/ Joel Piassick | 04/18/2005 |
| __Signature of Reporting Person | Date |
| HMC Investors, LLC By: /s/ Joel Piassick | 04/18/2005 |
| __Signature of Reporting Person | Date |
| By: /s/ Philip Falcone | 04/18/2005 |
| __Signature of Reporting Person | Date |
| By: /s/ Raymond J. Harbert | 04/18/2005 |
| __Signature of Reporting Person | Date |
| By: /s/ Michael D. Luce | 04/18/2005 |
| __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).
- (1) These securities are owned by Harbert Distressed Investment Master Fund, Ltd., which is a Reporting Person.
- These securities may be deemed to be beneficially owned by HMC Distressed Investment Offshore Manager, L.L.C. ("HMC Management"), the investment manager of Harbert Distressed Investment Master Fund, Ltd., HMC Investors, L.L.C., its managing member ("HMC Investors"), Philip Falcone, a member of HMC Management and the portfolio manager of Harbert Distressed Investment
- (2) Master Fund, Ltd., Raymond J. Harbert, a member of HMC Investors, and Michael D. Luce, a member of HMC Investors. Each such Reporting Person disclaims beneficial ownership of the reported securities except to the extent of his or its pecuniary interest therein, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.
- These securities may be deemed to be beneficially owned by HMC Investors, Philip Falcone, who is the portfolio manager of Alpha US Sub Fund VI, LLC, Raymond J. Harbert and Michael D. Luce. Each such Reporting Person disclaims beneficial ownership of the
- (3) reported securities except to the extent of his or its pecuniary interest therein, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.

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