

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
HOMELIFE CORPORATION., et al.,¹) Case No. 01-2412 (JWV)
)
Debtors.) (Jointly Administered)

DEBTORS' FOURTH OMNIBUS OBJECTION TO CLAIMS (NON-SUBSTANTIVE)

The above-captioned debtors and debtors in possession (the "Debtors"), by and through their undersigned counsel of record, file their Fourth Omnibus Objection to Claims (the "Fourth Omnibus Objection"), and in support thereof, state the following:

JURISDICTION

1. This Court has jurisdiction over this Motion under 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. §§ 157(b)(2)(A) and (O).
2. The statutory bases for relief requested herein are 11 U.S.C. §§ 105(a) and 506.

BACKGROUND

3. On July 16, 2001 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (as amended, the "Bankruptcy Code"). The Debtors' respective chapter 11 cases (the "Chapter 11 Cases") have been consolidated for procedural purposes only. The Debtors are continuing to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. There are five debtors in these cases: HL Holding Corporation ("HLHC"), HomeLife Corporation ("HomeLife Corp."), HomeLife de Puerto Rico, Inc. ("HL Puerto Rico"), Furniture Holding, LLC, and HLC 1 LLC (collectively, "HomeLife" or the "Debtors"). HLHC is the parent corporation of HomeLife Corp. and HL Puerto Rico. Furniture Holding, LLC is the wholly-owned subsidiary of HomeLife Corp., and HLC 1 LLC is the wholly-owned subsidiary of Furniture Holding, LLC. HLC 1 LLC owns parcels of real property that it leases to HomeLife Corp. HomeLife Corp. owns substantially all of the operating assets of the HomeLife entities.

5. No trustee or examiner has been appointed in these cases.
6. On July 27, 2001, the United States Trustee appointed an official committee of unsecured creditors.
7. On December 19, 2001, the Court entered an order fixing the bar date for filing proofs of claim (the "Bar Date Order"). Under the Bar Date Order, all entities other than governmental units were required to file pre-petition claims no later than January 28, 2002 (the "Bar Date") and all governmental units were required to file pre-petition claims no later than January 14, 2002 (the "Governmental Bar Date").

THE OBJECTION AND REQUEST FOR RELIEF

8. By this Fourth Omnibus Objection, the Debtors seek disallowance of the claims set forth in the Exhibits attached hereto for the reasons described herein and in such Exhibits:
 - (a) The Claims set forth in **Exhibit A** attached hereto as "Wrong Debtor" which on their face appear to be filed in the wrong case (the "Wrong Debtor Claims");
 - (b) The Claims set forth in **Exhibit B** attached hereto as "Amended" are claims which have been amended by later-filed claims (the "Amended Claims");

¹ The Debtors consist of the following entities: HomeLife Corporation, HL Holding Corporation, HomeLife de Puerto Rico, Inc., Furniture Holding LLC, and HLC 1 LLC.

- (c) The Claims set forth in **Exhibit C** attached hereto as “No Supporting Documentation” are claims for which the required documentation in support of such claims has not been filed (the “No Supporting Documentation Claims”).
- (d) The Claims set forth in **Exhibit D** attached hereto as “Duplicate Claims” are claims that duplicate claims previously filed (the “Duplicate Claims”);

The Wrong Debtor Claims

The Debtors object to the Wrong Debtor Claims listed on **Exhibit A** for the reason that said claims have been filed in the wrong case. Therefore, the Wrong Debtor Claims should be disallowed and expunged for all purposes.

The Amended or Superseded Claims

The Debtors object to the Amended or Superseded Claims listed on **Exhibit B** pursuant to section 502(b)(1) of the Bankruptcy Code because the Amended or Superseded Claims are claims that have been amended by later filed claims (the “Surviving Claims”). As such, the Amended or Superseded Claims are duplicate claims. The Debtors propose that the Surviving Claims noted on **Exhibit B** replace the Amended or Superseded Claims noted on **Exhibit B**. The Debtors propose to treat all supporting documentation that was filed in support of a claim that is expunged as an Amended or Superseded Claim as documentation filed in support of the Surviving Claim. Therefore, the Amended or Superseded Claims set forth in **Exhibit B** should be disallowed and expunged for all purposes.

The No Supporting Documentation Claims

The Debtors object to the No Supporting Documentation Claims listed on **Exhibit C** pursuant to section 502(b)(1) of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3001(c) (“Rule 3001(c”). Creditors filing such claims have failed to file the requisite documentation in support of such claims and thus have failed to comply with Rule 3001(c), which requires in pertinent part that “When a claim, or an interest in property of the debtor securing the claim, is based on a writing, the original or a duplicate shall be filed with the proof of claim.” Therefore, the No Supporting Documentation Claims listed on **Exhibit C** should be disallowed and expunged for all purposes.

The Duplicate Claims

The Debtors object to the Duplicate Claims listed on **Exhibit D** pursuant to section 502(b)(1) of the Bankruptcy Code because the claims duplicate other claims previously filed. Therefore, the Duplicate Claims set out in **Exhibit D** should be disallowed and expunged. The Debtors propose that the Surviving Claim noted on **Exhibit D** replace the Duplicate Claim noted on **Exhibit D**. Therefore, the Duplicate Claims set forth in **Exhibit D** should be disallowed and expunged for all purposes.

RESERVATION

The Debtors hereby reserve the right to object in the future to any of the claims listed in this Fourth Omnibus Objection or on the Exhibits attached hereto on any grounds, and to amend, modify and/or supplement this Fourth Omnibus Objection, including, without limitation, to object to amended claims and newly-filed claims. Separate notice and hearing will be scheduled for any such objection.

NOTICE

The Debtors will serve copies of this Fourth Omnibus Objection (with all exhibits) on: (i) counsel to the Official Committee of Unsecured Creditors, (ii) counsel to Congress Financial (Central), (iii) counsel to the Sears Entities, and (iv) the Office of the United States Trustee. The Debtors will serve copies of this Fourth Omnibus Objection (without exhibits) on all parties that have requested that they be served with all pleadings filed in these cases pursuant to Federal Rule of Bankruptcy Procedure 2002 (the “2002 List”). Any party that is on the 2002 List may obtain a copy of the Fourth Omnibus Objection with all Exhibits by requesting the same from Bankruptcy Management Corporation (“BMC”) at (888) 909-0100 or by going onto the BMC website at <http://www.bmccorp.net>.

The Debtors’ claims agent, BMC, has served a copy of the Fourth Omnibus Objection and customized notice summarizing claim specific detail exactly as reflected in the Exhibit on which such creditor is listed upon those creditors that have filed claims that are affected by the Fourth Omnibus Objection in lieu of serving all Exhibits. A sample custom notice is attached hereto as **Exhibit E**.

The Debtors submit that notice of this Fourth Omnibus Objection is sufficient under Federal Rule of Bankruptcy Procedure 3007 and that no further notice is necessary.

NO PREVIOUS REQUEST

No previous request for the relief set forth herein has been made to this or any other court.

COMPLIANCE WITH LOCAL RULE

The Debtors state that this Fourth Omnibus Objection to Claims (Non-Substantive) complies with Local Rule 3007-1.

WHEREFORE, the Debtors respectfully request that the Court enter an order disallowing and expunging each of the Claims more fully described in this Fourth Omnibus Objection and/or shown on the Exhibits attached hereto.

Dated: October 21, 2002

Respectfully submitted,

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