



UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK (MANHATTAN)		PROOF OF CLAIM	
In re: <i>Jennifer Convertibles</i>		Case Number: <i>10-13779</i>	
NOTE: See Reverse for List of Debtors/Case Numbers/ important details. This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.	
Name of Creditor and Address: the person or other entity to whom the debtor owes money or property		RECEIVED SEP 30 2010 BMC GROUP	
 25239791001003 NINA KRAUS 17339 TRAMONTO DR APT 302 PACIFIC PALISADES, CA 90272-3149			
Creditor Telephone Number ()		THIS SPACE IS FOR COURT USE ONLY	
Name and address where payment should be sent (if different from above):		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Claim Number (if known): _____ Filed on: _____	
Payment Telephone Number ()			
1. AMOUNT OF CLAIM AS OF DATE CASE FILED \$ _____			
If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. If all or part of your claim qualifies as an administrative expense under 11 U.S.C. § 503(b)(9), complete item 6. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.			
2. BASIS FOR CLAIM:		3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:	
(See instructions #2 and #3a on reverse side.)		3a. Debtor may have scheduled account as: _____	
4. SECURED CLAIM (See instruction #4 on reverse side.)			
Check the appropriate box if your claim is secured by a lien on property or a right of set off and provide the requested information Nature of property or right of setoff: Describe: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Property: \$ _____ Annual Interest Rate: _____ % if any: \$ _____ Basis for Perfection: _____		Secured Claim Amount: \$ _____ DO NOT include the priority portion of your claim here. Unsecured Claim Amount: \$ _____ Amount of arrearage and other charges as of time case filed included in secured claim, _____	
5. PRIORITY CLAIM			
<input type="checkbox"/> Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. You MUST specify the priority of the claim: <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5).		Unsecured Priority Claim Amount: \$ _____ Include ONLY the priority portion of your unsecured claim here. <input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a) (_____). <small>* Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>	
6. AMOUNT OF CLAIM THAT QUALIFIES AS AN ADMINISTRATIVE EXPENSE UNDER 11 U.S.C. § 503(b)(9): \$ _____ See instruction #6 on reverse side			
7. CREDITS: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.			
8. SUPPORTING DOCUMENTS: Attach redacted copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of evidence of perfection of a security interest. (See instruction 8 and definition of "redacted" on reverse side.) If the documents are not available, please explain. DATE-STAMPED COPY: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim. DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.			
The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is actually received on or before 5:00 pm, prevailing Eastern Time on October 25, 2010 for Non-Governmental Claimants OR on or before 5:00 pm, prevailing Eastern Time on January 18, 2011 for Governmental Units. BY MAIL TO: BMC Group, Inc Attn: Jennifer Convertibles Claims Processing PO Box 3020 Chanhassen, MN 55317-3020		THIS SPACE FOR COURT USE ONLY <div style="border: 1px solid black; padding: 5px; text-align: center;"> <i>Jennifer Convertibles</i>  00134 </div>	
BY HAND OR OVERNIGHT DELIVERY TO: BMC Group, Inc Attn: Jennifer Convertibles Claims Processing 18750 Lake Drive East Chanhassen, MN 55317			
DATE <i>9/27/2010</i>	SIGNATURE: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. <i>Nina Kraus</i>		

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

ITEMS TO BE COMPLETED IN PROOF OF CLAIM FORM (IF NOT ALREADY PROPERLY FILLED IN)

<p>Court, Name of Debtor, and Case Number: Fill in the name of the federal judicial district where the bankruptcy case was filed (for example Central District of California), the name of the debtor in the bankruptcy case, and the bankruptcy case number. If you received a notice of the case from the Claims Agent, BMC Group, some or all of this information may have been already completed.</p> <p>Debtor Name _____ Case No _____ See attached sheet</p> <p>Creditor's Name and Address: Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).</p> <p>1. Amount of Claim as of Date Case Filed: State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete item, 4, 5 and 6. Check the box if interest or other charges are included in the claim.</p> <p>2. Basis for Claim: State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card.</p> <p>3. Last Four Digits of Any Number by Which Creditor Identifies Debtor: State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.</p> <p>3a. Debtor May Have Scheduled Account As: Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.</p> <p>4. Secured Claim: Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.</p>	<p>5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a). If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.</p> <p>6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. §503(b)(9): State the value of any goods received by the debtor within 20 days before the date of commencement for which the goods have been sold to the debtor in the ordinary course of the debtor's business.</p> <p>7. Credits: An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.</p> <p>8. Supporting Documents: Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). Do not send original documents, as attachments may be destroyed after scanning.</p> <p>Date and Signature: The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.</p> <p>Date-Stamped Copy Return claim form and attachments, if any. If you wish to receive an acknowledgement of your claim, please enclose a self-addressed stamped envelope and a second copy of the proof of claim form with any attachments to the Claims Agent, BMC Group, at the address on the front of this form.</p> <p><i>Please read – important information: upon completion of this claim form, you are certifying that the statements herein are true.</i></p> <p>Be sure all items are answered on the claim form. If not applicable, insert "Not Applicable."</p>
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DEFINITIONS

INFORMATION

<p>DEBTOR A debtor is the person, corporation, or other entity that has filed a bankruptcy case.</p> <p>CREDITOR A creditor is any person, corporation, or other entity to whom the debtor owed a debt on the date that the bankruptcy case was filed.</p> <p>CLAIM A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.</p> <p>PROOF OF CLAIM A form telling the bankruptcy court how much the debtor owed a creditor at the time the bankruptcy case was filed (the amount of the creditor's claim). This form must be filed with the court-appointed Claims Agent, BMC Group, at the address listed on the reverse side of this page</p> <p>SECURED CLAIM Under 11 U.S.C. §506(a) A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors.</p>	<p>The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.</p> <p>A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).</p> <p>UNSECURED NONPRIORITY CLAIM If a claim is not a secured claim it is an unsecured claim. A claim may be partly secured and partly unsecured if the property on which a creditor has a lien is not worth enough to pay the creditor in full.</p> <p>UNSECURED PRIORITY CLAIM Under 11 U.S.C. §507(a) Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.</p> <p>Evidence of Perfection Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other</p>	<p>document showing that the lien has been filed or recorded.</p> <p>Redacted A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.</p> <p>Offers to Purchase a Claim Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 et seq.), and any applicable orders of the bankruptcy court.</p>
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ONCE YOUR CLAIM IS FILED YOU CAN OBTAIN OR VERIFY YOUR CLAIM NUMBER BY VISITING www.bmcgroup.com

FWR

FINANCIAL CONSULTANTS
SECURITY DETAIL

COB 09/25/10
FC:0000

ACCT: 840-81Y55 *NAME NOT AVAILABLE*

DESC: JENNIFER CONVERTIBLES

SYM: JENNO

QRQ:

SEC NO: 40711

CURR POS:

MKT VAL:

CURR PX: .0151

STRATEGY:

TECH:

DATE	TYPE	SOL	QTY	PRICE	NET AMOUNT	COMMENT
10/24/01	JE		100C	.0000	0	
03/15/00	TFD		100	.0000	0	
03/15/00	TFD		100C	.0000	0	
02/01/99	TFD		100	.0000	0	
12/21/92	BOT		100	13.1000	1,372	

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TOTAL BUYS	100	TOTAL DEBITS	200
TOTAL SELLS		TOTAL CREDITS	200

FOR INFORMATION PURPOSES ONLY - ACCOUNT STATEMENT IS OFFICIAL RECORD
THIS INFO MUST NOT BE USED IN PLACE OF THE MERRILL LYNCH TAX REPORTING
STATEMENT FOR TAX INFORMATION.

<END>

Priority Client **IRRA** Account

FBO NINA KRAUS

Date Transaction Quantity Monthly Activity Description Price Debit Credit

Security Transactions

10/23	Sale	-720	07.200% DEC 15 2031 CUM CALLABLE-MAY AFFECT YIELD PX LESS INT 25.445000 ACCRUED INT 270.00 INTEREST FROM 09/17/01 FIRST COUPON 12/15/01 PRICE 25.625000	26.840		19,319.45
10/23	Sale	-155	ML BASIC VALUE FD CL D PRICE 26.84 ML GLOBAL TECH FD CL D FRAG SHR QUANTITY .941 PRICE 7.38	7.380		1,145.49
10/23	Sale	-1,658	ML NATURAL RESOURCES TRUST B DEFERRED SALES CHARGE AP PRICE 17.41 FRANKLIN US GOVT SER CLASS A PRICE 6.940000	17.410		27,705.80
10/23	Sale	-5,041	JENNIFER CONVERTIBLES TRANSFER FROM ASOF102401 84081Y55 WELLS FARGO CAP TR IV TR PFD CAP SEC 7.00% SEP 01 2031 TRANSFER FROM ASOF102401 84081Y55 SELECT TEN PORT 2001 J DEFINED ASSET FUNDS TRANSFER FROM ASOF102401 84081Y55 MERC PAN EUROPE GR CL B	6.940		34,979.19
10/24	Journal Entry	100				
10/24	Journal Entry	150				
10/24	Journal Entry	3,692				
10/24	Journal Entry	131				

PLEASE SEE REVERSE SIDE

**UNITED STATES BANKRUPTCY COURT
THE SOUTHERN DISTRICT OF NEW YORK**

In re:

JENNIFER CONVERTIBLES, INC.,¹

Debtors.

Chapter 11

Case No. 10-13779 (ALG)

(Jointly Administered)

**NOTICE OF DEADLINES FOR FILING PROOFS OF CLAIM ON OR BEFORE
OCTOBER 25, 2010 AT 5:00 P.M. (PREVAILING EASTERN TIME)**

TO ALL PERSONS AND ENTITIES WITH CLAIMS AGAINST
ANY OF THE DEBTORS LISTED IN FOOTNOTE 1 BELOW:

PLEASE TAKE NOTICE THAT, on September 16, 2010, the United States Bankruptcy Court for the Southern District of New York (the "Court"), having jurisdiction over the chapter 11 cases of Jennifer Convertibles, Inc. and its affiliates, as debtors and debtors in possession in the above referenced chapter 11 cases (collectively, the "Debtors"), entered an order (the "Bar Date Order" See Docket No. 247) establishing:

- a. **October 25, 2010 at 5:00 PM (Prevailing Eastern Time)**, as the deadline (the "General Bar Date") for each person or entity (including, without limitation, each individual, partnership, joint venture, corporation, estate, or trust) that asserts a "claim" (as defined in section 101(5) of the Bankruptcy Code) against any Debtor (including, without limitation, claims entitled to priority under section 503(b)(9) of the Bankruptcy Code) to file proofs of claim (each, a "Proof of Claim" and collectively, "Proofs of Claim") against any of the Debtors; and
- b. **January 18, 2011 at 5:00 PM (Prevailing Eastern Time)**, as the deadline (the "Governmental Bar Date" and together with the General Bar Date, the "Bar Dates") for governmental units (as defined in Bankruptcy Code § 101(27)) that asserts a "claim" (as defined in section 101(5) of the Bankruptcy Code) to file Proofs of Claim against any of the Debtors.

The Bar Date Order, the Bar Dates, and the procedures set forth below for the filing of proof of claim apply to all claims against the Debtors that arose on or prior to July 18, 2010 (the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, if applicable, are: (i) Jennifer Convertibles, Inc. (4646); (ii) Jennifer Convertibles Boylston MA, Inc. (7904); (iii) Jennifer Chicago Ltd. (0505); (iv) Elegant Living Management, Ltd. (5049); (v) Hartsdale Convertibles, Inc. (1681); (vi) Jennifer Management III Corp. (3552); (vii) Jennifer Purchasing Corp. (7319); (viii) Jennifer Management II Corp. (9177); (ix) Jennifer Management V Ltd. (9876); (x) Jennifer Convertibles Natick, Inc. (2227); (xi) Nicole Convertibles, Inc. (5985); (xii) Washington Heights Convertibles, Inc. (0783).

"Petition Date"), the date on which the Debtors commenced cases under chapter 11 of title 11 of the United States Code except for those holders of claims listed in sections 2 or 3 below that are specifically excluded from the Bar Date filing requirements.

If you have any questions with respect to this Notice, please visit the website established in these Chapter 11 cases, <http://www.bmcgroup.com/jenniferconvertibles> or contact the Debtors' court-approved claims agent, BMC Group, Inc. ("BMC"), at (888) 909-0100. You should consult an attorney if you have any questions, including whether you should file a proof of claim.

1. WHO MUST FILE A PROOF OF CLAIM

You **MUST** file a **Proof of Claim** to share in distributions from the Debtors' estates if you have a claim that arose on or prior to the Petition Date, and it is not one of the other types of claims described in section 2 below as specifically excluded from the Bar Date filing requirements. Claims based on acts or omissions of the Debtors that arose on or before the Petition Date even if such claims are not now fixed, liquidated or certain or did not mature or become fixed, liquidated or certain prior to the Petition Date.

Under section 101(5) of the Bankruptcy Code and as used herein, the word "claim" means: (a) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) a right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured.

2. WHO NEED NOT FILE A PROOF OF CLAIM ON OR BEFORE THE BAR DATES

You need **not** file a Proof of Claim on or before the applicable Bar Date if you are:

- a. any person or entity who has already filed a proof of claim against the Debtors with BMC or the Clerk of the Bankruptcy Court for the Southern District of New York in a form which substantially conforms to the proof of claim Form or Official Bankruptcy Form No. 10;
- b. any person or entity whose claim is listed on the Schedules filed by the Debtors, provided that (i) the claim is **not** scheduled as "disputed," "contingent," or "unliquidated," **and** (ii) the claimant does not disagree with the amount, nature and priority of the claim for such person or entity as set forth in the Schedules;
- c. any holder of a claim that heretofore has been allowed by an order of this Court;
- d. any person or entity whose claim has been paid in full by any of the Debtors;

- e. any holder of a claim for which a specific deadline have previously been fixed by this Court;
- f. any holder of a claim allowable under section 503(b) (with the exception of a claim allowable under section 503(b)(9) of the Bankruptcy Code) and 507(a)(2) of the Bankruptcy Code as an expense of administration;
- g. any current employee of the Debtors solely with respect to any claim based on the payment of wages, salaries and vacation pay arising in the ordinary course of business and previously authorized to be paid by order of the Court, including the first day wage order approved by the Court on July 22, 2010 (Docket Entry No. 52), provided, however, that if the Debtors provide written notice to any current employee stating that the Debtors do not intend to exercise their authority to pay such claim, such employee shall have until the later of either (i) the General Bar Date; or (ii) the first business day that is thirty (30) calendar days from the date of service of such written notice, to file a proof of such claim;
- h. professionals whose retention in these chapter 11 cases has been approved by the Court, to the extent that such person's claim against the Debtors is for postpetition amounts due; and
- i. the United States Trustee for statutory fees required to be paid by the Debtors.

If your claim falls within any of the above categories, your rights as the holder of such claim will be preserved without you filing of a proof of claim. Any other person or entity (including, without limitation, each individual, partnership, joint venture, corporation, estate, or trust) must file a Proof of Claim, as described herein, before the applicable Bar Date.

If you are a holder of an equity interests in the Debtors, you need not file a proof of interest with respect to the ownership of such equity at this time. However, if you assert a claim against the Debtors, including a claim relating to such equity interest or the purchase or sale of such interest, a proof of such claim must be filed on or prior to the Bar Date pursuant to the procedures set forth in this Notice.

THIS NOTICE IS BEING SENT TO MANY PERSONS AND ENTITIES THAT HAVE HAD SOME RELATIONSHIP WITH OR HAVE DONE BUSINESS WITH THE DEBTORS BUT MAY NOT HAVE AN UNPAID CLAIM AGAINST THE DEBTORS. THE FACT THAT YOU HAVE RECEIVED THIS NOTICE DOES NOT MEAN THAT YOU HAVE A CLAIM AGAINST THE DEBTORS OR THAT THE DEBTORS OR THE COURT BELIEVE THAT YOU HAVE A CLAIM. YOU SHOULD NOT FILE A PROOF OF CLAIM IF YOU DO NOT HAVE A CLAIM AGAINST THE DEBTORS OR IF THE CLAIM YOU HELD ON THE PETITION DATE HAS BEEN PAID.

3. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

If you hold a claim that arises from the rejection of an executory contract or unexpired lease, as to which the order authorizing such rejection is dated on or before the date of entry of the Bar Order, you must file a proof of claim based on such rejection on or before the Bar Date, and any person or entity that holds a claim that arises from the rejection of an executory contract or unexpired lease, as to which the order authorizing such rejection is dated after the date of entry of the Bar Order, you must file a proof of claim on or before such date as the Court may fix in the applicable order authorizing such rejection.

4. CLAIMS UNDER SECTION 503(B)(9) OF THE BANKRUPTCY CODE

If you hold a claim arising under section 503(b)(9) of the Bankruptcy Code, you must file a proof of such claim on or before the General Bar Date to the extent that such claim has not been paid.

5. WHEN AND WHERE TO FILE

Except as provided herein, all Proofs of Claim must be filed so as to be actually received on or before October 25, 2010 at 5:00 p.m. (Prevailing Eastern Time) at the following address:

By overnight mail or by hand delivery, to:

BMC Group, Inc.
Attention: Jennifer Convertibles Claims Processing
18750 Lake Drive East
Chanhassen, MN 55317

-or-

By first-class mail, to:

BMC Group, Inc.
Attention: Jennifer Convertibles Claims Processing
PO Box 3020
Chanhassen, MN 55317-3020

-or-

By hand delivery to:

Clerk of the United States Bankruptcy Court
Attn: Jennifer Convertibles, Inc. Claims Processing
One Bowling Green
New York, New York 10004

Proofs of claim will be deemed timely filed only if **actually received** by BMC or the Clerk of the Court on or before the applicable Bar Date. **Proofs of claim may not be delivered by facsimile, telecopy, or electronic mail transmission.**

Governmental units may have until January 18, 2010 at 5:00 p.m. (Prevailing Eastern Time), the date that is 180 days after the order for relief, to file proofs of claim.

6. WHAT TO FILE

If you file a proof of claim, your filed proof of claim must: (i) be written in the English language; (ii) be denominated in lawful currency of the United States as of the Petition Date; (iii) conform substantially with the proof of claim form enclosed herewith or Official Form No. 10; (iv) state the Debtor against which you are asserting a claim; (v) include supporting documentation or an explanation as to why documentation is not available; and (vi) be signed by the claimant or by an authorized agent of the claimant. If you are asserting a claim against more than one Debtor or have claims against more than one Debtor, separate proofs of claim must be filed against each such Debtor. The names of the respective Debtors and their respective case numbers are identified in the attachment to the proof of claim form enclosed herewith. You should attach to your completed proof of claim form any documents on which your claim is based (if voluminous, attach a summary) or an explanation as to why the documents are not available.

Any proof of claim previously properly filed with BMC or the Clerk of the Court prior to the mailing of this notice shall be deemed to be and shall be treated as a properly filed claim subject to the right of the Debtors or any party in interest to object to the allowance thereof. No additional proof of claim is required with respect to such claim.

A copy of the proof of claim form tailored for these cases can be obtained on-line at at BMC's website, which is posted on the Internet at <http://www.bmcgroup.com/jenniferconvertibles>.

7. CONSEQUENCES OF FAILURE TO FILE A PROOF OF CLAIM BY THE APPLICABLE BAR DATE

IN ACCORDANCE WITH THE BAR DATE ORDER, EXCEPT WITH RESPECT TO CLAIMS OF THE TYPE IDENTIFIED IN SECTION 2 ABOVE THAT ARE EXPLICITLY EXCEPTED FROM THE REQUIREMENTS OF THE BAR DATE ORDER, ANY HOLDER OF A CLAIM WHO FAILS TO TIMELY FILE A PROOF OF CLAIM IN THE APPROPRIATE FORM ON OR BEFORE THE APPLICABLE BAR DATE FOR ANY CLAIM SUCH HOLDER HOLDS OR WISHES TO ASSERT AGAINST ANY OF THE DEBTORS, WILL BE FOREVER BARRED, ESTOPPED, AND ENJOINED FROM ASSERTING SUCH CLAIM (AND FROM FILING A PROOF OF CLAIM WITH RESPECT TO SUCH CLAIM) AGAINST THE DEBTORS AND THEIR ESTATES, AND THEIR PROPERTY WILL BE FOREVER DISCHARGED FROM ANY AND ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO SUCH CLAIM, AND THE HOLDER OF SUCH CLAIM SHALL NOT BE PERMITTED TO VOTE ON ANY

**CHAPTER 11 PLAN OR PARTICIPATE IN ANY DISTRIBUTION IN THE DEBTORS'
CHAPTER 11 CASES ON ACCOUNT OF SUCH CLAIM.**

8. THE DEBTORS' SCHEDULES AND ACCESS THERETO

You may be listed as the holder of a claim against the Debtors in the Schedules of Assets and Liabilities and Schedules of Executory Contracts and Unexpired Lease (collectively, as may be amended or supplemented, the "Schedules").

If you rely on the Debtors' Schedules, it is your responsibility to determine that the claim is accurately listed in the Schedules. If you agree with the nature, amount and status of your claim as listed in the Schedules, and if you do not dispute that claim is only against the Debtor specified by the Debtors, and if your claim is not described as "disputed", "contingent", or "unliquidated", you need not file a proof of such claim. Otherwise, or if you decide to file a proof of claim, you must do so on or before the applicable Bar Date in accordance with the procedures set forth in this notice.

You may access the Schedules on-line at BMC's website, which is posted on the Internet at <http://www.bmcgroup.com/jenniferconvertibles>. Copies of the Schedules are also available for inspection on the Court's Internet Website at <http://www.nysb.uscourts.gov>. A login and password to the Court's PACER login and password to the Court's Public Access to Electronic Court Records ("PACER") are required to access this information and can be obtained through the PACER Service Center at <http://www.pacer.psc.uscourts.gov>. Copies of the Schedules may also be examined by interested parties between the hours of 9:00 a.m. and 4:30 p.m. (Prevailing Eastern Time), Monday through Friday, at the office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Room 511, New York, New York 10004.

A holder of a possible claim against the Debtors should consult an attorney regarding any matters not covered by this notice, such as whether the holder should file a proof of claim.

DATED: September 16, 2010
New York, New York

BY ORDER OF THE COURT

OLSHAN GRUNDMAN FROME
ROSENZWEIG & WOLOSKY LLP
Park Avenue Tower
65 East 55th Street
New York, New York 10022
(212) 451-2300
Michael S. Fox, Esq.
Jordanna L. Nadritch, Esq.

ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION