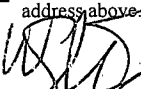



UNITED STATES BANKRUPTCY COURT Southern District of New York		PROOF OF CLAIM
Name of Debtor: Jennifer Convertibles <u>OTCBB: JENN</u>		Case Number: 2010-873645(NYS Attorney)
<i>NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.</i>		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Wade Settle		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ <i>(If known)</i> Filed on: _____
Name and address where notices should be sent: Wade Settle 105 Whipple Road #1 Kittery, Maine 03904 Telephone number: 917-513-6345		
Name and address where payment should be sent (if different from above): Telephone number:		
1. Amount of Claim as of Date Case Filed: \$ _____ <u>2019.97</u> 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. <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.		5. 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. 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). <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 checked="" type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. §507 (a)() _____ Amount entitled to priority: \$ _____
2. Basis for Claim: <u>Goods sold, faulty</u> (See instruction #2 on reverse side.)		
3. Last four digits of any number by which creditor identifies debtor: <u>JENN</u> 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		
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 setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate _____ % Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain: Jennifer Convertibles sold defective couch(see attached		
Date: 08/27/10 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. Wade Settle 		<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">Jennifer Convertibles</p>  <p style="text-align: center;">00167</p> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> <p style="text-align: center;">FOR COURT USE ONLY</p> <p style="text-align: center; font-size: 1.2em;">SEP 23 2010</p> <p style="text-align: center;">U.S. COURT, SDNY</p> </div>

COMPLAINT ACTIVITY REPORT Case # 16036666**BBB New Hampshire**

Consumer Info: Settle, Wade Alan
105 Whipple Road
KITTERY, ME 03904
917 513-6345 603 772-9500

Business Info: Jennifer Convertibles

800 371-6111

Location Involved: (Same as above)**Consumer's Original Complaint :**

We purchased a sofa bed from Jennifer Convertibles after being told it was 98% as comfortable as the floor model sofa we liked was. The day we had it delivered we noticed the slip cover was way too big, it overhung, the cushions squeaked when you sat on them, and you sank into the middle and there was barely any back pillow stuffing. We called the store and complained the day of delivery, as well as visited the store that week. The store manager and assistant wouldn't discuss a refund with us until a technician was sent to come out and see the couch. A week later a technician came and tried to tuck in the slip cover, and agreed with us that we probably saw a different model, that the squeaking noise was strange and it could be a manufacturer issue. He also agreed on the sinking and bad stuffing in the back pillows. He wrote up a report and had us sign it. I was told customer service would take his report and decide what to do. We told them we just wanted to return the couch, but Jennifer and co. kept delaying us from doing so. I spoke with the district Manager Mark Heller (1800-371-6111). He said the technician reported finding nothing wrong with the couch. Since when is it up to a company to send a technician out to determine a customer's satisfaction? My wife and I spent \$2000 on this couch, it was a big purchase for us, and we are not satisfied. I was informed by the store that since we were spending a lot of money, we should be happy. We aren't. I wrote a 3 page letter to the head of customer care, she called me after speaking with her boss telling me there's nothing they can do since the technician found nothing wrong. I have a dispute in now with my credit card company. being able to return the product. We showed interest in wanting to within the first 72 hours of purchase, but they wanted to prolong the issue and send out a technician.

DesiredSettlementID: Refund

Product_Or_Service: Db Chatham Sofa bed

Purchase_Price: 2149.00

Consumer's Desired Resolution:

refund and removal of couch

BBB Processing

06/16/2010	web	BBB	Complaint Received by BBB
06/25/2010	Mike	BBB	Complaint Validated by BBB Operator
06/25/2010	Otto	EMAIL	Send Acknowledgement to Consumer
06/25/2010	Otto	MAIL	Inform Business of Complaint
07/09/2010	Otto	BBB	No response to first notice to business
07/09/2010	Otto	EMAIL	Consumer - Have You Heard From the Company
07/09/2010	Otto	MAIL	Second Notice to Business
07/12/2010	BBB		MORE INFO RECEIVED FROM THE CONSUMER : I received a letter from Jennifer Convertibles about three

weeks ago stating that since the technician came out and found nothing wrong with the couch, that they hope I enjoy my couch.

This is the same technician whom visited and agreed with us that there were issues with the couch. He even used the word

"defective."

07/12/2010 WEB BBB RECEIVE BUSINESS RESPONSE : The furniture the consumer purchased is a "Shabby Chic" slipcover sofa bed model. A service technician was out to the consumer's home and provided photos of the furniture to us. Yes, the slipcover is loosely fitted. The styling was intentional to be that way. Review of the photos provided by the technician appear to be normal and up to factory specs for this model.

07/12/2010 Mike EMAIL Forward Business response to Consumer

07/13/2010 WEB BBB RECEIVED CONSUMER REBUTTAL : (The consumer indicated he/she DID NOT accept the response from the business.)

The photos taken by the technician were taken after the technician spent half an hour trying to fit the slip cover over the couch. He used the word "defective," also heard the squeaking, felt the sinking in, and said we probably got a model different than the floor model we liked.

07/13/2010 BBB MORE INFO RECEIVED FROM THE CONSUMER : I am not satisfied with the company's response.

Within 24 hours of our delivered couch, we found faulty issues with the mechanics, and fabric. The store directed us to the technician. The technician came out, found every issue we mentioned, told us we probably received a different model, also used the word "defective." Mentioned he could come back and do work on the couch. This was unacceptable to us. After his visit, it seems his notes changed that nothing was wrong with the couch.

07/13/2010 Mike MAIL Forward Consumer Rebuttal to Business

07/13/2010 BBB MORE INFO RECEIVED FROM THE CONSUMER : I would like to see a copy of the technician's notes, as for everything he said in the visit was in agreement with our issues.

07/15/2010 BBB MORE INFO RECEIVED FROM THE CONSUMER : I called customer service to obtain a copy of the technician's statement on his findings on the couch. Jennifer Convertibles says they can not release that information to me. This technician agreed with our findings of the faulty couch, and yet customer service says he found nothing wrong.

We complained about our issues within 48 hours of the sofa bed being delivered, and that is part of the "worry free guarantee"

07/26/2010 Otto BBB No Response from Business re: Consumer Rebuttal

07/28/2010 Mike BBB RECEIVED BUSINESS' REBUTTAL RESPONSE : Sales order #NPC 25680

Service technician offered to adjust / service the bed mechanism noise during his visit on 5/29/10. He noted that the customer refused the service. We stand by our previous response in regards to the loose fitting slipcover as normal and up to factory specs.

07/28/2010 Mike EMAIL Send Consumer Rebuttal - No New Offer - UNRESOLVED

07/28/2010 Otto MAIL Inform Business - Case Closed UNRESOLVED

07/28/2010 Otto BBB Case Closed UNRESOLVED

07/29/2010 BBB MORE INFO RECEIVED FROM THE CONSUMER : Technician did not offer to fix squeak, he mentioned to possibly have to come back to adjust the padding, squeak, but he first said he needed to put the info in to customer service. Funny how the previous response from Jennifer Convertibles states that the Technician found nothing wrong.



Jennifer Convertibles, Inc., 417 Crossways Park Drive, Woodbury, NY 11797 516/496-1900

FOR IMMEDIATE RELEASE

Contact:

Donald Radcliffe
Radcliffe & Associates
212-605-0201
<http://investors.jenniferfurniture.com>

Jennifer Convertibles Files Voluntary Petition for Chapter 11 Reorganization; Reaches Plan Support Agreement With Key Foreign Vendor For Continued Shipments, Sustained Viability and Quick Turnaround

Woodbury, New York ***July 19, 2010*** Jennifer Convertibles, Inc. (OTCBB: JENN) (the "Company"), a leading retailer in the field of home furnishings, announced today that the Company and its subsidiaries have filed a voluntary petition under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. The Company has reached an agreement with its largest creditor and key foreign supplier Haining Mengnu Co. Ltd. Group ("Mengnu"), under which Mengnu will continue to supply goods to the Company and will convert a large portion of its pre-petition debt into common equity of the Company. The agreement is in the form of a Plan Support Agreement which will be incorporated into a Plan of Reorganization and thereafter subject to approval of the bankruptcy court and any other regulatory approval (if any).

The decision to file for Chapter 11 protection was based primarily on lack of liquidity which resulted from the substantial losses the Company has incurred in recent periods. The Company was unsuccessful in its efforts to obtain alternative financing that would allow it to continue operating outside of bankruptcy, so the Board of Directors determined that a Chapter 11 reorganization was in the best interests of the Company, its customers, creditors, employees, and other interested parties.

The Company intends to continue its business operations throughout the administration of the bankruptcy case and emerge as a going concern post-petition. The Chapter 11 filing is not expected to negatively impact the fulfillment of existing or future customer orders. Subject to any required approvals, the Company will use the proposed financing plan from its supplier, along with cash generated from continuing operations, to meet its working capital needs during the reorganization process.

Harley Greenfield, CEO and Chairman of the Board, stated, "Despite all of the issues we have faced over the past several years, we continue to provide some of the industry's best home furnishings values. We have negotiated several key agreements with our suppliers and, in order to achieve profitability, are exiting markets in which we previously operated in order to properly realign our business during the reorganization. Due to the quality of our products and our people, I am confident that we will emerge as a stronger organization that will better satisfy our customers, suppliers and employees. By agreeing with Mengnu in advance of the filing, we will be in a great position to proceed with an expeditious

restructuring through bankruptcy which will provide us with a viable capital structure as well as additional financing. This agreement also assures that our obligations to our customers will continue to be met both now and in the future."

The Company has filed or will be filing a series of first-day motions in the bankruptcy court in the Southern District of New York, seeking to ensure that there will be limited disruption of its operations during the reorganization process. Although Chapter 11 law prohibits payments for any invoices that were outstanding at the time of the filing without prior court approval, it does provide greater protection to those suppliers who prospectively agree to continue working with the Company. Approval of the bankruptcy reorganization, and all principal steps related thereto, will be subject to numerous conditions, including, but not limited to, a definitive written plan of reorganization approved by the federal bankruptcy court located in New York City. The expected plan of reorganization does not contemplate that there will be any continuing value for the present stockholders of the Company.

The Company's general bankruptcy counsel is Olshan Grundman Frome Rosenzweig & Wolosky LLP and its financial advisor is TM Capital Corp.

Statements in this press release other than the statements of historical fact are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are subject to certain risks and uncertainties, including changes in retail demand, vendor performance and other risk factors identified from time to time in the Company's filings with the Securities and Exchange Commission that could cause actual results to differ materially from any forward-looking statements. These forward-looking statements represent the Company's judgment as of the date of the release. The Company disclaims, however, any interest or obligations to update these forward-looking statements.



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

ANDREW M. CUOMO
Attorney General

VALERIE SINGLETON
Assistant Attorney General in Charge
NASSAU REGIONAL OFFICE

August 6, 2010

Wade Settle
105 Whipple Road #1,
Kittery, ME 03904

Our File Number: **2010-873645**
Company: Jennifer Convertibles

Dear Wade Settle:

I enclose a copy of the response we have received from Jennifer Convertibles regarding your complaint.

I trust this information is helpful.

Very truly yours,

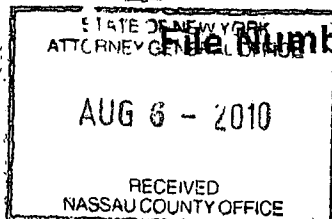
Ariuntuya Rentsen
Bureau of Consumer Frauds
And Protection

enclosure

JUL-22-2010 14:33



ATTORNEY GENERAL ANDREW M. CUOMO
 State of New York
 Office of the Attorney General
 Bureau of Consumer Frauds and Protection
 200 Old Country Road, Suite 240 • Mineola, N.Y. 11501



File Number 2010-873645

Staff: Ariuntuya Rentsen

Jennifer Convertibles

RESPONSE FORM

NPC 25680

Name of consumer: **Wade Settle**

Legal name of company:

Jennifer Convertibles

Executive office address:

417 Crossways Park Drive, Woodbury NY 11797

If a corporation, names of president and general manager:

Rami Abacha

If a partnership, names of partners:

If a sole proprietorship, name of owner:

Name, address and telephone number of person to contact for additional information:

Martin Ehrlich (516) 496-1900 X3276**RESPONSE TO COMPLAINT:**

(Enclose copies of documents in support of your position. Use additional pages if necessary.)

On 5/29/10, an independent service technician inspected the customer's furniture & found it to be up to standards.

* Please Note: On 7/18/10, Jennifer Convertibles Inc. filed Chapter 11 Bankruptcy. As result we have left several markets (New Hampshire is one) and all prepetition guarantees are void.

In order to resolve this matter, we offer to:

I understand that any false statements made on this form are punishable as a Class A Misdemeanor under §175.30 and/or §210.45 of the Penal Law.

Name:

Martin Ehrlich

Signature:

Martin Ehrlich

Title:

V.P. Customer Service & Quality Control

Date:

8/4/10

A COPY OF THIS REPLY WILL BE SENT TO THE CONSUMER

Settle, Wade

Subject: jennifer

Timeline of events

- Purchased sofa on April 30th from Portsmouth, NH showroom from salesperson Liz
- Delivered sofa on May 8th
- Called showroom on May, spoke to manager Deb to complain about comfort, slipcover oversized, squeaking noise, and what we could do about return as we were unsatisfied
- Visited Portsmouth store May 13th to complain again and see what we could do regarding returning, spoke with Liz (Liz said we should be happy spending that kind of money, and said to wait until a technician comes to look at it)
- Technician comes out on May 15th, agrees with all of our issues, uses term "defective" and submits report
- I write to customer service (as per Deb and Liz's advice), they supposedly wrote in as well.. I complain about the events and am unhappy about our comfort and purchase
- June 7th we call manager Deb at Portsmouth store, and she does not want to continue the conversation, told us to call customer service
- June 7th, we call customer service, and they report that the technician found nothing wrong
- June 7th I call district manager Mark Heller (1-800-371-6111) about the issue, comfort, squeaking, and want to return. He advises, "it's not like returning a shirt" Wants to send another technician out. However, I never hear from him or the technician after this phone call
- June 10th I send in a three page letter to Meryl Gair, Jennifer Convertibles, head of customer care, (mgair@jenniferfurniture.com) (1-800-595-1422 ext.5003)
- June 11th Meryl responds that her boss says there is nothing they can do since the technician found nothing wrong
- June 12th I open a dispute with Discover card, I provide documents, photos, and all correspondence info to Discover
- June 13th I write to the NH district attorney and a case is opened for my complaint
- June 11th the District Attorney writes me informing me that Jennifer Convertibles responded and that they see no need for a return since the technician said nothing was wrong. I wrote back saying I was not satisfied with the response, I want to see the technician's report as he told us there were issues.
- July 11th Discover card responds that they can't dispute due to Jennifer Convertibles technician finding nothing wrong.
- July 13th, I write Meryl Gair asking for a copy of the technician's report
- July 13th, I contact Mark Heller on how to get a copy of the technician's report
- July 14th I contact customer service on obtaining the technician's report, and they will not provide to customers.
- July 28th BBB got note from Jennifer stating the technician offered to fix issues and we refused, thus not aligning with what they told Discover

8/10/2010

PURCHASER'S SIGNATURE, I HAVE READ AND AGREED TO THE TERMS AND CONDITIONS ON THE FRONT AND BACK OF THIS CONTRACT.

DELIVER TO: 10846 Seville	DATE: 2/13/10	ORDER NUMBER NPC 25680
ADDRESS: 1056 Whipple Rd	SOURCE: 1	
CITY / STATE: Kalamazoo	ZIP: 49004 APT: 1	
DIRECTIONS: 1st Middlebrook	E-MAIL: 1	
PHONE: HOME: 269-751-3435	BUS: 1	
SALES ASSOCIATE # 25680		

DESCRIPTION	FABRIC / LEATHER	GRADE	AMOUNT	SALES ASSOCIATE
Chatham			1399.99	ORD 4/13/04 REC. 11/12
Bull	Bull Mustang			TYPE OF SALE <input type="checkbox"/> SPECIAL ORDER <input checked="" type="checkbox"/> TAGGED OUT (G.S.) <input type="checkbox"/> A.G.S. <input type="checkbox"/> LEAVEAWAY- <input type="checkbox"/> PRICE RESERVE <input type="checkbox"/> Upholstery SHIELD <input type="checkbox"/> FLOOR SAMPLE
Bull				
Bull				
Bull				
Bull	Bull Mustang		450	
Bull				

				<input type="checkbox"/> LEATHERBLEND
				<input type="checkbox"/> LEATHER / VINYL
				<input type="checkbox"/> ALL LEATHER
				<input type="checkbox"/> PURE ANILINE
LEATHERMAN® / Fabric / Leather Protection Plan the fabric / leather after delivery. X _____			16998	<input type="checkbox"/> FINANCING SALE

ALL FLOOR MODEL SALES ARE FINAL SALES - SOLD AS IS NO REFUNDS - NO RETURNS CUSTOMER HAS INSPECTED BED ____ YES ____ NO ANY DAMAGES _____		TEL# _____	
MIDSE. TOTAL	2019	98	AMOUNT FINANCED \$ _____ FINANCE APPROVAL # _____
TAX			
DELIVERY	129	99	

DEP CASH <input type="checkbox"/> CHARGE CARD <input type="checkbox"/> CHECK <input type="checkbox"/> APPLIED <input type="checkbox"/> # <u>2229</u>		TOTAL <u>10</u>	
2149		97	
2149		97	
5/8/10		DELIVERY DATE	

PROXIMATE MEASUREMENTS 8'4" D 22" H 5'1" 5'5" D H D H		WALK-UP CHARGE: \$5.00 PER PIECE PER FLIGHT, AFTER THE FIRST FLIGHT PAYABLE TO THE DRIVER CASH ONLY		ASSEMBLY CHARGE \$139.99 Responsibility for the size of merchandise in regard to home delivery remains with the buyer.	
BALANCE DEPOSIT <input type="checkbox"/> CHARGE CARD <input checked="" type="checkbox"/> CHECK <input type="checkbox"/> APPLIED <input type="checkbox"/>		BALANCE DEPOSIT <input type="checkbox"/> CHARGE CARD <input type="checkbox"/> CHECK <input type="checkbox"/> APPLIED <input type="checkbox"/>		BALANCE DEPOSIT <input type="checkbox"/> CHARGE CARD <input type="checkbox"/> CHECK <input type="checkbox"/> APPLIED <input type="checkbox"/>	
"ALL DAY DELIVERY" DELIVERY RESERVATION # 54653		C.O.D.		ALL CORDS PAYABLE BY OFFICER	

<i>Thank-You-For Your Patronage.</i>	
www.jennifurfurniture.com	
BALANCE	
FAILURE TO BE HOME FOR DELIVERY WILL RESULT IN A FULL REDELIVERY CHARGE.	
COD. TYPE	COD. DATE REC.
ALL COD'S PAYABLE BY CERTIFIED CHECK OR MONEY ORDER ONLY!	

JUL-08-2010 THU 05:49 PM

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P. 06.

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BSC

PAGE 03

NOTE: IN + TOAD OF
CAME WEEK THE
LETTERS IF KNOWS TO
W/ JOURNALS
TO POSITION PROBLEM FOR
TECHNICAL
DID NOT IN
CUTTING

DOES NOT FEEL LIKE THE SOFA
 — ~~WE SAID AT THE STORE, WE WERE~~
 — TOLD IT WOULD BE 98% SATISFACTION —
 DUE TO THE SOFA BED INSIDE —
 SOFA IS NOT 98% SATISFACTION —
 100% DIFFERENT FEELING IN COMFORT
 FROM FLOOR MODEL.
 BACK PILLOW'S CAVE IN — SEAT ~~POSITION~~ CUSHIONS
 ARE SO HARD THAT YOU FALL BACK!
 TO THE MIDDLE CRACK BETWEEN THE
 TWO SEAT CUSHIONS,
 WHEN UNCOMFORTABLE. VERY UNSATISFACTORY

① Slip covers are sized - it in all around wear then it then it back looks plenty the sloppy the

② Squeezing sit on it - (both sides) the structure or mechanics of the sofa not it

Written upon

structurally sound.

THE TECHNICIAN TOOKED

IT IN ALL AROUND WEAR THE
THEN IT PUCKER ALL
ALONGS THE BACK LOOKS
STOPPY. THE



Casenumber7780967802

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P. 07

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BSC

PAGE 04

THE JENNIFER WORRYFREE GUARANTEE

WORRY FREE GUARANTEE - Jennifer Convertibles guarantees to you, the original purchaser that the wood frame construction, upholstery fabric, seams, seat cushion cores and other padding materials, springs and webbing, bed and recliner mechanisms, the mattress and all tables will be free of defects, due to faulty materials or workmanship, under normal household use for a period of one (1) year from the original delivery date.

If you have purchased our UpholsterySHIELD Fabric or Leather Protection Plan, please refer to the UpholsterySHIELD guarantee certificate for the terms and conditions of our exclusive UpholsterySHIELD Fabric or Leather Protection Plan. Damages on seams are not covered by our leather protection plan. Staining of pure-aniline leathers is not covered by our leather protection plan. If you need a copy of this certificate, please call your showroom listed on the other side of this receipt.

We are proud of our leather and textile products. All our upholstered pieces are hand-crafted individually. As a result tailoring variations from the showroom model may exist and meet acceptable industry standards. Jennifer Convertibles does not guarantee fabrics or leathers against normal wear and tear which may include wrinkling, pilling, fading, shrinking or stretching. "Brushed Fabrics or Leathers" have natural hallmarks; lines, rubs and creases are part of the intrinsic character of the fabric / leather and not considered defects. Lines, rubs and creases are natural to the fabric and add to its casual elegance. Leather is a natural product. Inconsistencies of color should be expected in all dyed leather hides. Scars, stains, abrasions and shading of color is normal in all leather. Never use abrasive cleaners, saddle soaps or chemicals on the surface of your leather. With use, seat cushion cores and filling materials will soften, lose height and conform to the shape of the users. These changes are normal and expected and are not considered defects in materials or workmanship. Softening of springs and webbing over time is normal and expected and is not considered a defect in materials or workmanship.

It is the customers responsibility to inspect all merchandise at the time of pick-up and/or delivery. Jennifer Convertibles will not be responsible for damages that are not reported within two (2) days from the date of delivery / pickup. Jennifer Convertibles will not be responsible for handling damage to any merchandise that has been moved from the original delivery address or has been picked up from Jennifer Convertibles by the purchaser. Damages caused by the misuse or negligence of the purchaser are not covered under the guarantee. This guarantee is non-transferable. If the merchandise is moved beyond the service area*, the purchaser is responsible to bring the merchandise to an area designated by Jennifer Convertibles. In the event of a defect due to faulty materials or workmanship, Jennifer Convertibles will have the defective item serviced at no charge, providing it is within the guarantee period. In the event that a component, style, or fabric that is needed as replacement have been discontinued, Jennifer Convertibles reserves the right to replace such defective component, style or fabric / leather with a comparable alternative. Jennifer Convertibles will not assume responsibility for dye lot variances on any items serviced beyond the one year guarantee period for upholstery fabric / leather.

All floor models are sold as is, final sale, and no returns, refunds or exchanges are allowed. Floor models are not covered by the foregoing guarantees. Jennifer Convertibles liability shall not exceed the cost of repair or replacement. Jennifer Convertibles will not be responsible for consequential damages. To the extent that any provision or term of sale is unlawful or improper in any jurisdiction, then such provision or term shall not apply.

To qualify for this guarantee, the original purchaser must provide proof of purchase by supplying the order number from the sales receipt.

IMPORTANT INFORMATION

This sale is subject to the terms and conditions herein set and cannot be changed or otherwise modified verbally. Errors in arithmetic are subject to correction. All cancellations (including layaways), after 48 hours of your initial deposit date, will be subject to a cancellation fee equal to thirty percent (30%) of the merchandise total plus any applicable delivery fees. Jennifer Convertibles does not allow returns, refunds or exchanges of delivered merchandise. A total of one-half of the grand total must be deposited before merchandise can be reserved or special ordered. Delivery of all floor models must be accepted for delivery within 10 days from the date of purchase. All time quotes are approximate.

Anyone that you select to accept your merchandise on delivery acts as your agent. All signed acceptances are binding.

Responsibility for the size(s) of items selected, with respect to home delivery, remains with the buyer. If Jennifer Convertibles has to disassemble and reassemble your furniture in order to complete delivery, there will be an additional charge of \$199.99 per piece (within our Normal Delivery / Service Radius*). Our delivery service will do whatever is reasonably possible to prevent you from incurring this expense. If a disassembly is required, a professional technician will be dispatched to the delivery address on a later date to complete your delivery. Our delivery service cannot hoist furniture under any circumstances. Delivery personnel are responsible for the unpacking and assemblage of all furniture, unless they are requested not to perform these responsibilities. Our delivery service cannot move existing furniture. The room where the merchandise will be delivered must be cleared and prepared for delivery. If not, there will be delivery only and no set up. Materially damaged or non-conforming furniture can be refused solely at the time of delivery without penalty. If materially damaged furniture is accepted upon delivery, any repairs will be made up to manufacturers standards at the location of delivery or pickup. You may relinquish your rights for inspection, in home repair, replacement, or refund, if payment is stopped in any way. Jennifer Convertibles cannot be held responsible for non-delivery due to circumstances beyond our direct control. In the event that a refund is needed, all cash, check and credit card refunds are processed at our corporate office. A check or credit card refund slip will be mailed directly to you.

*Normal Delivery / Service Area Radius: 50 miles from nearest showroom.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK (MANHATTAN)**

**In re: Jennifer Convertibles, Inc.
Case No. 10-13779**

DOCUMENTS APPENDED TO CLAIM

On November 2, 2010, the document(s) identified below were appended to Claim No. 167 for the reason(s) indicated:

- ☐ Stipulation/Order: Docket No. _____.
- ☐ New Supporting Document(s).
- ☐ Letter dated _____ requesting of Withdrawal of Claim No. _____.
- ☐ Notice of Withdrawal of Claim filed _____, Docket No. _____, for Claim No. _____.
- ☒ Other: Creditor submitted additional documentation not sent in with original claim.

PLEASE ADD THE FOLLOWING TO
MY PREVIOUS PROOF OF CLAIM FORM.

COMPANY: JENNIFER CONVERTIBLES
CASE # 10-13779

PER
CREDITOR WADE SETTLE

RECEIVED
OCT 28 2010
BMC GROUP



restructuring & bankruptcy

m&a virtual data rooms

litigation & class action

medical records & clinical trials

10/18/2010

SETTLE, WADE
105 WHIPPLE RD #1
KITTERY, ME 3904

**Re: Chapter 11 cases – US Bankruptcy Court Southern District of New York
(Manhattan)
Jennifer Convertibles, Inc, Primary Case Number 10-13779**

Dear Claimant:

This letter is to inform you that as the Court appointed Claims Agent in the Chapter 11 cases of Jennifer Convertibles, Inc, et al., we have received your proof of claim. Below is a snapshot of your submitted claim form, which reflects a discrepancy between the case name and case number asserted:

Name of Debtor: Jennifer Convertibles	OTCBB: JENN	Case Number: 2010-873645(NYS Attorney)
NOTE: 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.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Wade Settle		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed

We have docketed your claim, which has been assigned claim number 167, in the following case:

Jennifer Convertibles, Inc., 10-13779

No further action is required. If you disagree, however, and feel that your claim should have been considered filed in a different case, please contact our Call Center toll-free at 1-888-909-0100 or by e-mail directed to CallCenter@bmcgroup.com

Thank you,

BMC Group Inc
www.bmcgroup.com/jenniferconvertibles

Enclosure: Related Debtors Summary

bmcgroup.com | 1.800.655.1129

Paul's Upholstery
47 Cinnamon Ridge Rd
Somersworth, NH 03878
(603) 692-2856
Paulsupholstery@comcast.net

To whom it may concern,

Mr. Wade Settle contacted me to look at his sofa he purchased at Jennifer Convertible regarding concerns that he had. On Saturday, October 9, 2010 I went to look at this sofa and to be honest it would be easier to address what is right with this sofa than what is wrong. My first impression looking at the sofa was that it appeared to be over 5 years old. Mr. Settle's concerns are valid as I found many problems with both the slipcover as well as the structure of this sofa.

Below is a list of the areas I found wrong with the slipcover

Front skirts varied 1 1/2 inches from middle to end
Both front panels the welt was stitched to tight which resulted in twisting
Front panels were to large
1 1/2 inches of extra fabric for inside arm
2 inches of extra fabric for the outside arm
1 inch extra fabric for Top of inside back
Outside back was extremely oversized
The back cushion and seat cushions were loose due to insufficient amount of filling

In general with all the components of the slipcover be to oversized made it look extremely sloppy.

In addition to the problems with the slipcover there were also other areas of concern. Below is a list of these areas.

Deck cover squeeks (this can not be fixed due to the way it was installed improperly at the factory)
Padding on top of front rail slipped forward causing the a hard edge of the wood being exposed resulting in damaging the cushion.
There is insufficient filling in the back cushion resulting in the sofa being extremely uncomfortable when sitting on as you feel the hardness of the wood frame.
The seat filling is breaking down on front edge
The seat cushion loft is 9 1/2 inches which by industrial standard it should be at least 12 inches.
The boxing for the cushion is 6 inches however the foam is only 4. The should be at least 5-6 inches.
There is a 2 1/2 inch drop from top of front rail to deck

If you need additional information, please feel free to contact me.

Paul D. Courtemanche



Paul D. Courtemanche

PAUL'S UPHOLSTERY

**Commercial • Residential • Antique Upholstering
Expert Workmanship • Over 28 Years Experience**

**Somersworth, NH 03878
(603) 692-2856**

**Free Estimates
Pick Up & Delivery**

NO.

34

QUANTITY		DESCRIPTION	PRICE	AMOUNT
1				
2				
3				
4				
5				
6				
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17				
18				
19				
20				

NAME: Wade Seville
 ADDRESS: 105 Whiffle Rd
 CITY, STATE, ZIP: Kittery Maine
 SOLD BY: [Signature]
 PAID OUT: [] WHEN SHIP: []

Looked At Sofa
 went over entire
 sofa to see what
 problems there were

PD
 10/9/10

33 years in business

PAUL'S UPHOLSTERY
 47 Ginnamon Ridge Rd.
 Somersworth NH 08878
 603-692-2856

TAX TOTAL: 75.06

ORIGINAL

DISCOVER
NETWORK**DISPUTE TICKET RETRIEVAL REQUEST**Failure to respond by 07/08/2010 will
result in a chargeback to your account.

Issue Date: 06/08/2010

DISCOVER NETWORK
NETWORK DISPUTES
P.O BOX 3011
NEW ALBANY, OH 43054-3011
(866)213-7072 FAX (614)283-477408 MSSTRA01 000080
JENNIFER CONVERTIBLES
417 CROSSWAYS PARK DR
WOODBURY, NY 11797-2061NPC
25680.
CDL 5/8/2010

Respond to the above address

CASE NUMBER: 7780967802

TRANSACTION INFORMATION

Cardmember Number: 6011 00XX XXXX 2493

Cardmember Name: WADE A SETTLE

Phone No.

Cardmember Address:

City

State

Zip Code

Merchant Number: 6011 0170 0558 545

Merchant Name: JENNIFER CONVERTIBLES

Tran Date 04/30/2010

Post Date 05/02/2010

Transaction ID 0031200010000010

Post Amount \$2019.97

Correct Amount \$0.00

Dispute Amount \$2019.97

Reference Number R 9882 33 0122 149 0031200010000010 0

Network Reference Identifier: 920103563444433

CHARGEBACK REASON

Cardholder Disputes Quality of Goods/Srv-REASON CODE:RM

Chargeback Explanation:

Issuer/Cardholder claims quality of goods or services not as expected. Requests Transaction Documentation supporting validity of Card Transaction.

Merchant Action:

Please respond by the date indicated above with an original or copy of Transaction Documentation. Please include applicable data elements on Transaction Documentation (See Section 3.0 of the Dispute Rules). You may also provide supplemental relevant information or documentation. If you do not respond by the deadline provided, this Card Transaction is subject to Chargeback to you to prove the quality of the service the Cardholder received was as advertised

Comments:

The Cardmember indicates the quality of merchandise received was not as advertised or promised. It is completely different then the "floor model". The slip cover was larger then the couch, cushions squeek, the cushions are so hard cardmember "falls into the crack". Service representative hired by your company came to inspect and agreed the quality wasn't normal. Cardmember would like to return and has been trying to since day one of taking it home.

DISCOVER NETWORK OFFICE USE ONLY

PAGE 11/13 * RCVD AT 10/11/2010 6:29:33 PM [Eastern Daylight Time]

Manager: ISS
Delivery: LOCSource: CMS
Handling Center: UT

* SVR:NAKFAX02/8 * DNIS:4774 * CSID: * DURATION (mm-ss):05-38

COMPLAINT ACTIVITY REPORT Case # 16036666 BBB New Hampshire

Consumer Info: Settle, Wade Alan
105 Whipple Road
KITTERY, ME 03904
917 513-6345 603 772-9500

Business Info: Jennifer Convertibles

800 371-6111

Location Involved: (Same as above)

Consumer's Original Complaint:

We purchased a sofa bed from Jennifer Convertibles after being told it was 98% as comfortable as the floor model sofa we liked was. The day we had it delivered we noticed the slip cover was way too big, it overhung, the cushions squeaked when you sat on them, and you sank into the middle and there was barely any back pillow stuffing. We called the store and complained the day of delivery, as well as visited the store that week. The store manager and assistant wouldn't discuss a refund with us until a technician was sent to come out and see the couch. A week later a technician came and tried to tuck in the slip cover, and agreed with us that we probably saw a different model, that the squeaking noise was strange and it could be a manufacturer issue. He also agreed on the sinking and bad stuffing in the back pillows. He wrote up a report and had us sign it. I was told customer service would take his report and decide what to do. We told them we just wanted to return the couch, but Jennifer and co. kept delaying us from doing so. I spoke with the district manager Mark Heller (1800-371-6111). He said the technician reported finding nothing wrong with the couch. Since when is it up to a company to send a technician out to determine a customer's satisfaction? My wife and I spent \$2000 on this couch, it was a big purchase for us, and we are not satisfied. I was informed by the store that since we were spending a lot of money, we should be happy. We aren't. I wrote a 3 page letter to the head of customer care, she called me after speaking with her boss telling me there's nothing they can do since the technician found nothing wrong. I have a dispute in now with my credit card company. Being able to return the product. We showed interest in wanting to within the first 72 hours of purchase, but they wanted to prolong the issue and send out a technician.

Desired Settlement ID: Refund

Product Or Service: Db Chatham Sofa bed

Purchase Price: 2149.00

Consumer's Desired Resolution:

refund and removal of couch

BBB Processing

06/16/2010	web	BBB	Complaint Received by BBB
06/25/2010	Mike	BBB	Complaint Validated by BBB Operator
06/25/2010	Otto	EMAIL	Send Acknowledgement to Consumer
06/25/2010	Otto	MAIL	Inform Business of Complaint
07/09/2010	Otto	BBB	No response to first notice to business
07/09/2010	Otto	EMAIL	Consumer - Have You Heard From the Company
07/09/2010	Otto	MAIL	Second Notice to Business
07/12/2010		BBB	MORE INFO RECEIVED FROM THE CONSUMER: I received a letter from Jennifer Convertibles about three weeks ago stating that since the technician came out and found nothing wrong with the couch, that they hope I enjoy my couch.

This is the same technician whom visited and agreed with us that there were issues with the couch. He even used the word

"defective."

07/12/2010 WEB BBB RECEIVE BUSINESS RESPONSE: The furniture the consumer purchased is a "Shabby Chic" slipcover sofa bed model. A service technician was out to the consumer's home and provided photos of the furniture to us. Yes, the slipcover is loosely fitted. The styling was intentional to be that way. Review of the photos provided by the technician appear to be normal and up to factory specs for this model.

07/12/2010 Mike EMAIL Forward Business response to Consumer

07/13/2010 WEB BBB RECEIVED CONSUMER REBUTTAL: (The consumer indicated he/she DID NOT accept the response from the business.)

The photos taken by the technician were taken after the technician spent half an hour trying to fit the slip cover over the couch. He used the word "defective," also heard the squeaking, felt the sinking in, and said we probably got a model different than the floor model we liked.

07/13/2010 BBB MORE INFO RECEIVED FROM THE CONSUMER: I am not satisfied with the company's response. Within 24 hours of our delivered couch, we found faulty issues with the mechanics, and fabric. The store directed us to the technician. The technician came out, found every issue we mentioned, told us we probably received a different model, also used the word "defective." Mentioned he could come back and do work on the couch. This was unacceptable to us. After his visit, we were told the couch was wrong with the couch.

07/13/2010 Mike MAIL Forward Consumer Rebuttal to Business

07/13/2010 BBB MORE INFO RECEIVED FROM THE CONSUMER: I would like everything he said in the visit was in agreement with our issues.

07/15/2010 BBB MORE INFO RECEIVED FROM THE CONSUMER: I called customer service and the technician's statement on his findings on the couch. Jennifer Convertibles says they can not release the

our findings of the faulty couch, and yet customer service says he found nothing wrong.

We complained about our issues within 48 hours of the sofa bed being delivered, and that is part of the "worry free guarantee"

07/26/2010 Otto BBB No Response from Business re: Consumer Rebuttal

07/28/2010 Mike BBB RECEIVED BUSINESS' REBUTTAL RESPONSE: Sales order #NPC 25680

Service technician offered to adjust / service the bed mechanism noise during his visit on 5/29/10. He noted that the customer refused the service. We stand by our previous response in regards to the loose fitting slipcover as normal and up to factory specs.

07/28/2010 Mike EMAIL Send Consumer Rebuttal - No New Offer - UNRESOLVED

07/28/2010 Otto MAIL Inform Business - Case Closed UNRESOLVED

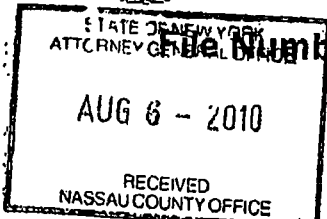
07/28/2010 Otto BBB Case Closed UNRESOLVED

07/29/2010 BBB MORE INFO RECEIVED FROM THE CONSUMER: Technician did not offer to fix squeak, he mentioned to possibly have to come back to adjust the padding, squeak, but he first said he needed to put the info in to customer service. Funny how the previous response from Jennifer Convertibles states that the Technician found nothing wrong.

Jennifer Convertibles responds to BBB of NH that the bed mechanism was faulty, however we declined service



ATTORNEY GENERAL ANDREW M. CUOMO
 State of New York
 Office of the Attorney General
 Bureau of Consumer Frauds and Protection
 200 Old Country Road, Suite 240 • Mineola, N.Y. 11501



File Number 2010-873645

Staff: Ariuntuya Rentsen

Jennifer Convertibles

RESPONSE FORM

NPC 25680

Name of consumer: Wade Settle

Legal name of company:

Jennifer Convertibles

Executive office address:

417 Crossways Park Drive, Woodbury NY 11797

If a corporation, names of president and general manager:

Rami Abacha

If a partnership, names of partners:

If a sole proprietorship, name of owner:

Name, address and telephone number of person to contact for additional information:

Martin Ehrlich (516) 496-1900 X3276

RESPONSE TO COMPLAINT:

(Enclose copies of documents in support of your position. Use)

Jennifer Convertibles tells Attorney General of NY that it's up to standards, and nothing mentioning the faulty mechanism that they told the BBB of NH

On 5/29/10, an independent service technician inspected the customer's furniture & found it to be up to standards.

* PLEASE NOTE: On 7/18/10, Jennifer Convertibles, Inc. filed Chapter 11 Bankruptcy. As result we have left several markets (New Hampshire is one) and all prepetition guarantees are void.

In order to resolve this matter, we offer to:

I understand that any false statements made on this form are punishable as a Class A Misdemeanor under §175.30 and/or §210.45 of the Penal Law.

Name: Martin Ehrlich

Signature: Martin Ehrlich

Title:

Date:

U.P. Customer Service & Quality Control

A COPY OF THIS REPLY WILL BE SENT TO THE CONSUMER

Page 6 (Store Policy, Terms & Conditions) NPC 25680.

THE JENNIFER WORRYFREE GUARANTEE

One Year Guarantee- Jennifer Convertibles guarantees to you, the original purchaser, that the upholstery fabric, seams, seat cushion cores and other padding materials, springs and webbing, bed and recliner mechanisms, the mattress, and all tables will be free of defects, due to faulty materials or workmanship, under normal household use for a period of one (1) year from the original delivery date.

Lifetime Guarantee- Jennifer Convertibles guarantees to you, the original purchaser, that the wood frame construction will be free from structural defects for as long as you own your furniture.

If you have purchased our UpholsterySHIELD Fabric or Leather Protection Plan, please refer to the UpholsterySHIELD guarantee certificate for the terms and conditions of our exclusive UpholsterySHIELD Fabric or Leather Protection Plan.

Damages on seat cushions. The sofa cushion comfort was one of the issues with why we wanted to return, there is no filling, already broken in

We are proud of our variations from standard fabrics or leathers against normal wear and tear which may include wrinkling, pilling, fading, shrinking or stretching. "Brushed Fabrics or Leathers" have natural hallmarks; lines, rubs and creases are part of the intrinsic character of the fabric / leather and not considered defects. Lines, rubs and creases are natural to the fabric and add to its casual elegance. Leather is a natural product. Inconsistencies of color should be expected in all dyed leather hides. Scars, stains, abrasions and shading of color is normal in all leather. Never use abrasive cleaners, saddle soaps or chemicals on the surface of your leather. With use, seat cushion cores and filling materials will soften, lose height and conform to the shape of the users. These changes are normal and expected and are not considered defects in materials or workmanship. Softening of springs and webbing over time is normal and expected and is not considered a defect in materials or workmanship.

It is the customers responsibility to inspect all merchandise at the time of pick-up and/or delivery. Jennifer Convertibles will not be responsible for damages that are not reported within two (2) days from the date of delivery / pickup. Jennifer Convertibles will not be responsible for handling damage to any merchandise that has been moved from the original delivery address or has been picked up from Jennifer Convertibles by the purchaser. Damages caused by the misuse or negligence of the purchaser are not covered under the guarantee. This guarantee is non-transferable. If the merchandise is moved beyond the service area*, the purchaser is responsible to bring the merchandise to an area designated by Jennifer Convertibles. In the event of a defect due to faulty materials or workmanship, Jennifer Convertibles will have the defective item serviced at no charge, providing it is within the guarantee period. In the event that a component, style, or fabric that is needed as replacement have been discontinued, Jennifer Convertibles reserves the right to replace such defective component, style or fabric / leather with a comparable alternative. Jennifer Convertibles will not assume responsibility for dye lot variances on any items serviced beyond the one year guarantee period for upholstery fabric / leather.

All floor models are sold as the foregoing guarantees. Jennifer Convertibles will not be responsible for color variations on any items serviced beyond the one year guarantee period for upholstery fabric / leather. what about defective merchandise?

Refunds or exchanges are allowed. Floor models are not covered by the guarantee. Damages caused by the misuse or negligence of the purchaser are not covered under the guarantee. The extent that any provision or term of sale is unlawful or improper in any jurisdiction, then such provision or term shall not apply.

To qualify for this guarantee, the original purchaser must provide proof of purchase by supplying the order number from the sales receipt.

★ IMPORTANT INFORMATION ★

This sale is subject to the terms and conditions herein set and cannot be changed or otherwise modified verbally. Errors in arithmetic are subject to correction. All cancellations (including layaways), after 48 hours of your initial deposit date, will be subject to a cancellation fee equal to thirty percent (30%) of the merchandise total plus any applicable delivery fees. Jennifer Convertibles does not allow returns, refunds or exchanges of delivered merchandise. A total of one-half of the grand total must be deposited before merchandise can be reserved or special ordered. Delivery of all floor models must be accepted for delivery within 10 days from the date of purchase. All time quotes are approximate.

Anyone that you select to accept your merchandise on delivery acts as your agent. All signed acceptances are binding.

Responsibility for the size(s) of items selected, with respect to home delivery, remains with the buyer. If Jennifer Convertibles has to disassemble and reassemble your furniture in order to complete delivery, there will be an additional charge of \$199.99 per piece (within our Normal Delivery / Service Radius*). Our delivery service will do whatever is reasonably possible to prevent you from incurring this expense. If a disassembly is required, a professional technician will be dispatched to the delivery address on a later date to complete your delivery. Our delivery service cannot hoist furniture under any circumstances. Delivery personnel are responsible for the unpacking and assemblage of all furniture, unless they are requested not to perform these responsibilities. Our delivery service cannot move existing furniture. The room where the merchandise will be delivered must be cleared and prepared for delivery. If not, there will be delivery only and no set up. Materially damaged or non-conforming furniture can be refused solely at the time of delivery without penalty. If materially damaged furniture is accepted upon delivery, any repairs will be made up to manufacturers standards at the location of delivery or pickup. You may relinquish your rights for inspection, in home repair, replacement, or refund, if payment is stopped in any way. Jennifer Convertibles cannot be held responsible for non-delivery due to circumstances beyond our direct control. In the event that a refund is needed, all cash, check and credit card refunds are processed at our corporate office. A check or credit card refund slip will be mailed directly to you.

*Normal Delivery / Service Area Radius: 50 miles from nearest showroom.

13J0K0

13 dried used in slippy With use

PG #6

Defective

Casenumber7780967802

STEVE*BRIG DELIGLE

14018251846

05/28/10 11:55pm P. 003

/voll/jfaxout/80ccpsr0

Wed May 12 20:48:46 2010

Jennifer Customer Service

SERVICE REPORT

DATE: 05/12/10
 TO: Ken's In Home Service
 Kenneth R. Delisle
 95 Riley Ave.
 Somerset MA 02726
 Phone 508 674 3590
 Fax 508 679 2119

Claim: 239841-00
 FROM: Jennifer Warehouse Claim Ctr.

RE: MADE SETTLE
 105 WHIPPLE RD
 KITTERY

Order #/Delivery NPC 025680 5/08/10
 APT: 1 Home Phone 917 513 6345
 MB 03904 Work Phone

INSTRUCTIONS: Please schedule the above customer for service and fax back the written report or any concerns to 206-309-0432
 Attn: Jennifer Claim Center. Please remember to include serial numbers with your report. MAKE NOTE OF THE NEW FAX NUMBER.

COMMENTS: I'M SURE I HAD PUT A SERV CALL IN FOR THIS ALREADY, THE SLIPCOVER DOES NOT FIT IT CORRECTLY, PLEASE EXPIDITE AN INCH TO TWO ALL OVER ON THE BODY OF THE SOFA

NATURE OF COMPLAINT: Warranty

technician writes
 "sofa seat and
 comfort issue" also
 "sofa seat makes
 noise, mechanism"

R-F BULL NA

SIZE AREA AFFECTED
 F ENTIRE PIECE

TYPE OF DEFECT
 TOO BIG

TECHNICIAN'S REPORT

Please have Customer Service
 Review Photos Ken!

AREA

TYPE

CODE

COMPONENTS

Cover

Loose

2nd

inspected-normal

Barkley BACK & KIDS

Seal & Comfort issue 2nd normal - up to Stan.
 Seal Seat Makes Noise Mechanism 2nd

ADDITIONAL COMMENTS: Customer Saw Floor Model at
 Mr. Tipton's Her One She Purchased
 I tucked in material around BACK But Possible

[] Turn Down

[] Follow-Up

[] Complete

SERVICE DATE: 5/29/10

x

VENDOR CODE: SCC

AMT: \$411.00

NH

ATTN Ken Please Review Photos taken (See pic) Cover
 is not too loose - I did tuck it in to make
 it tighter most complaints seats - make
 noise comfort are - 2nd issues.
 Only concern with the Cover I can
 → Fix Noise (but does not want). Repair
 at this time would could order a slipcover it
 will be padded & necessary Ken.

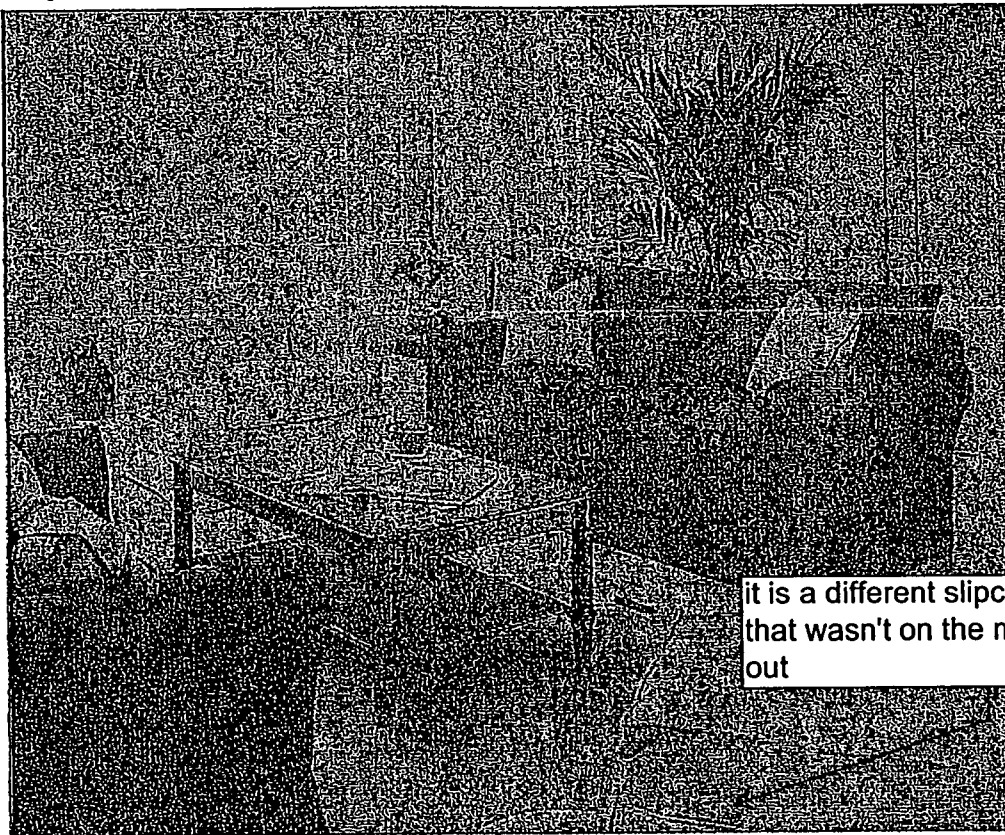
only thing he offered was to
 come back and fill our
 cushions, it was not a
 professional situation

we saw a different
 model on floor that
 we thought we
 were purchasing

Technician states
 that the biggest
 complaint is the
 seat cushions, and
 the noise/comfort
 are also issues

Casenumber7780967802

Subject: chatham



it is a different slipcover altogether
that wasn't on the model we picked
out

① - This selection is meant to have loose
Relaxed slipcovers - slipcovers are NOT oversized -

② - Creases and wrinkling are normal for
this selection due to the pieces consisting
of 100% cotton fabric meant to have
a shabby look.

③ - mechanism made slight noise could be
easily repaired however customer does
NOT want it.

④ - 9/17/2010 Comfort normal for new piece with use,
seat cushions cores and filling materials will
soften, lose height and conform to the
shape of user - up to mfr. standards

3rd reason we wanted to return, already
too soft, and not comfortable, not same
model as in store

These were issues with the couch written out with the store manager Deb before Technician visit

Casenumbr7780967802

P. 06

FAX NO.

PAGE 03

NOTE: IN + TOLD OF
DURING THE VISIT
W/ DEB. WE WERE
NO VISITORS
TO REPAIR
COUCH NOT IN
GOOD SHAPE.

② CONTACT -

DOES NOT FEEL LIKE THE SOFA
TOLD IT WOULD BE 98% SATISFIED
DUE TO THE BEST BED INSIDE -
SOFA IS NOT 98% SATISFIED IN COMFORT
100% DISCREPANT FEELING IN COMFORT
FROM FLOR MODEL.
BACK PILLOW'S CANE IN - SEAT CUSHIONS
ARE SO HARD THAT YOU FALL BACK!
TO THE MIDDLE CRACK BETWEEN THE
TWO SEAT CUSHIONS
WHEN UNCOMFORTABLE. VERY UNSATISFIED

① Slip cover AIN SIZED - THE TECHNICIAN TUCKED IT IN ALL AROUND WEAR TIGHT -
THEN IT TUCKED ALL AROUND THE CLOPPY THE SEAM
② SQUEAKING SIT AND IT - (BOTH SEATS) OF NEIGHBORS OF THE STRUCTURE
WHEN YOU SIT THE SOFA HAS A SQUEAKING SOUND.

Casenumber7780967802



Jennifer Convertibles, Inc., 417 Crossways Park Drive, Woodbury, NY 11797 516/496-1900

September 17, 2010

CHARGEBACK RESPONSE:

NPC 25680- Delivered 5/08/2010

Wade S Settle

CASE #: 7780967802

Chargeback Amount: (\$2019.97)

Reason Code: Quality

Cardholder #: 6011 00xxxxx2493

Attn: Resolution @Discover Network :

Enclosed please find copies of the signed sales order, charge slip, signed terms and conditions, completed service report, and a copy of customers blank check and signed purchase agreement. Please note customer initialed all our customer sales order terms and conditions. The customer received delivery of merchandise on May 08, 2010 and signed receiving it in satisfactory condition. See copy of provided signed document*

On 05/12/10- The customer called and reported that the slipcover did not fit. Ms. Settle was advised that the slipcovers were meant to be loose, soft and give it a shabby look not a fitted look at all. Creases & wrinkling are normal that consists of 100% cotton.

no mention to Discover about mechanism noise, or comfort, the main issues we called about and that they mentioned to BBB of NH

On 5/29/10- A service technician was sent to the customer's home to inspect and to determine the nature of this claim with regards to this selection and was found to be normal and up to manufacturer standards. Code 2N-Inspected & up to manufacturers standards.

Per our service report determination this was turned down for exchange since there is nothing wrong with the merchandise. (See pics) This selection is shabby look with loose slipcovers, relaxed look and every piece looks the same. Technician writes- "Cover is not too loose- as a courtesy tech tucked it in to make it tighter but most of complaint on seat cushions/seats normal, nothing wrong."

Please reinstate our payment on this account the cardmember continues with possession of all merchandise.

NOTE: In our Important Information detailed on the back side of signed purchase order which customer signed agreeing to both terms and conditions on front and back of purchase contract it states "Jennifer Convertibles does not allow returns, refunds or exchanges of delivered merchandise". See page # 6

Should the customer have any further questions the customer needs to contact the Customer Care department (516) 941-2665 9:30 AM to 4:30 PM ET.

Thank you,
Chargeback Coordinator/Ms.Chaz

America's Largest Sofabed Specialist

Settle, Wade

To: wade settle
Cc: Settle, Wade

Rebuttal to Jennifer's Response to Discover

1st document

"worry free guarantee," no returns" what about defective merchandise?
The fact that it's defective should negate this.

2nd document(to resolution Discover)

-not just the slipcover complaint, the manager at store knew it was more than the slipcover..told us not put it in the notes technician would look at it all
(upload 08/02/10)
-3rd paragraph states, "but most complaint on seat cushions/seats nothing wrong.. then later technician say's "needs repair," we refused?
-we signed and agreed with the order because we thought we were getting the floor model and a non-defective couch

3rd document(technicians notes)

-Technician states customer saw floor model ,saw slipcover was different, he put in that it was tucked more, yet the technician has nothing to compare to, he hasn't seen store floor model(we asked him).
-Technician told us we probably got a different version that the floor model, and he said or it was "defective"
-Slip cover isn't the same as the one in the store,(had velcro,not zippers fit couch)
-technician notes also states(sofa seat makes noise/mechanism") yes, the couch squeaks when sitting on it, something with the defective mechanism
-Technician's notes states cushion comfort over time will be better?... problem is since day of delivery it slopes down like it's been way overused, still not the same cushions as the model we chose, can't sit in the middle, Didn't spend \$2000 for something to be comfortable over time
-Technician notes, say "most complaints" seats make noise, and comfort are also issues(you can't even read)
say's fix noise(customer doesn't want)
-he told us there that he noticed the comfort wasn't good, said there were ways of fixing, or coming back and doing work to the cushions, stuffing, etc \$2000 to fix a brand new couch?

(from documentation technician provided we wouldn't sign the front, since he agreed he elaborated on backside, I previously had asked you guys to see if the technician notes could be provided and make sure to see the back side of the notes)

-This technician with teenage boy, not professional, didn't have tools, wasn't a professional situation,
-store told us that all issues would be addressed, closed, filed ch.11
-didn't want this guy doing working to our new \$2000 couch, for so much cost, because of it being defective should be able to return it

- we spoke with district manager Mark Heller district manager after customer service said nothing was wrong.
He said he would send another technician, never came.. wouldn't return our calls

Bottom line, return defective material, given runaround since May, blown off since store went out of business, employees didn't care not a \$500 couch, \$2000 purchase

NH store filed Ch. 11, doesn't it help dispute for credit card company if they filed Ch. 11 to fight for a longtime cardmember with Discover?

Wade Settle
Timberland PRO
Marketing Specialist
Call:603-772-9500, ext. 2031
Fax:603-773-1853
wsettle@timberland.com



do not settle
The Timberland Company
200 Dornain Drive
Stratham, NH 03885
timberlandpro.com

BMC GROUP INC
Ann: JENNIFER CONVERTIBLES CLAIMS
PROCESSING

PO BOX 3020

CHANHASSEN, MN.

55317-3020

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