

United States Bankruptcy Court, Southern District of New York (Manhattan)		PROOF OF CLAIM
Name of Debtor Jennifer Convertibles, Inc.		Case Number 10-13779 (ALG)
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" of 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) Hannington, LP		<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 box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.
Name and Addresses Where Notices Should be Sent Brown Rudnick LLP Seven Times Square New York, NY 10036 Attn: Danielle M. Bennett, Esq.		
Telephone No. (212) 209-4919		
Account or other number by which creditor identifies debtor:		Check here <input type="checkbox"/> replaces / <input type="checkbox"/> amends a previously filed claim dated

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RECEIVED

OCT 25 2010

BMC GROUP

1. Basis For Claim

Goods Sold

Services Performed

Money loaned

Personal injury/wrongful death

Taxes

Amounts due pursuant to the rejection of a nonresidential real property lease

Retiree benefits as defined in 11 U.S.C. § 1114(a)

Wages, salaries, and compensation (Fill out below)

Your SS#: _____

Unpaid compensation for services performed from _____ to _____ (date) (date)

2. Date debt was incurred: Rejection date - October 4, 2010

3. If court judgment, date obtained:

4. Total Amount of Claim at Time Case Filed: \$195,838.80, plus costs of collection including but not limited to attorneys' fees and expenses. Copies of the supporting documents are attached hereto and made a part hereof.

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.

Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.

5. Secured Claim.

Check this box if your claim is secured by collateral (including a right of setoff).

Brief Description of Collateral:

Real Estate

Motor Vehicle

Other:

Value of Collateral:

Amount of arrearage and other charges at time case filed included in secured claim, if any:

6. Unsecured Priority Claim

Check this box if you have an unsecured priority claim

Amount entitled to priority \$ _____

Specify the priority of the claim:

Wages, salaries, or commissions (up to \$10,000),* 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)

Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5)

Up to \$2,225* of deposits towards purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507(a)(7)

Taxes or penalties owed to governmental units - 11 U.S.C. §507(a)(8)

Other - Specify applicable paragraph of 11 U.S.C. §§507 (a)(_____).

*Amounts are subject to adjustment on 4/1/07 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.

9. 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.

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Jennifer Convertibles

 00292

Date: October 20, 2010

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any).

[Signature]

Lawrence S. Cohen

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

**ADDENDUM TO PROOF OF CLAIM OF
HANNINGTON, LP
AGAINST JENNIFER CONVERTIBLES, INC.**

Hannington, LP ("Hannington"), hereby submits this attachment to its Proof of Claim against Jennifer Convertibles, Inc. (the "Debtor").

Hannington's claim against the Debtor is based on certain obligations of the Debtor arising out of that certain Lease Extension and Modification Agreement dated as of December 8, 2008 (the "Lease") between Hannington and the Debtor.

This Proof of Claim is being filed pursuant to the Notice of Proposed Rejection of Unexpired Leases (the "Rejection Notice") and is being filed against Jennifer Convertibles, Inc., as obligor under the Lease.

Hannington reserves its right to supplement such claim to specify additional fees, costs, or other charges or claims incurred. Hannington specifically reserves its right to amend this claim to reflect any additional claims against the Debtor named on this Proof of Claim, or to specify additional costs, expenses or other charges or claims incurred by Hannington.

The document upon which this Proof of Claim is premised is attached hereto.

The filing of this Proof of Claim is not, nor shall it be deemed to be: (a) a waiver or release of Hannington's rights against any person, entity or property; (b) a consent by Hannington to the jurisdiction of this Court with respect to the subject matter of these claims or any objection or other proceeding commenced in this case against or otherwise involving Hannington; (c) a waiver of the right to withdraw the reference, or otherwise to challenge the jurisdiction of this Court; (d) a waiver of any right to a jury trial; (e) an election of a remedy; or (f) a waiver of any past, present, or future defaults or events of default.

LEASE EXTENSION AND MODIFICATION AGREEMENT

This agreement is made this 6th day of December, 2008, by and between Hannington, LP, 1901 Hansen Street, Sarasota, Florida 34231 (LANDLORD), and Jennifer Convertibles, Inc., 419 Crossways Park Drive, Woodbury, New York 11797 (TENANT).

WHEREAS, the LANDLORD is the successor-in-interest to Lawrence S. Cohen, Trustee of Samco Realty Trust, as LANDLORD under that certain Lease Agreement dated May 21, 1993, as amended, by and between Lawrence S. Cohen, Trustee of Samco Realty Trust and West Roxbury Convertibles, Inc., for certain premises located at 1524 VFW Parkway, West Roxbury, Massachusetts (Lease Agreement) as TENANT, and,

WHEREAS, the TENANT is the assignee of the interest of West Roxbury Convertibles, Inc., the TENANT under the Lease Agreement, and

WHEREAS, the lease term granted by the Lease Agreement expired on April 30, 2003 and

WHEREAS, said Lease Agreement was extended by the Lease Extension Agreement dated April 30, 2003, expiring on March 31, 2009, and

WHEREAS, the LANDLORD and the TENANT wish to extend and modify the lease terms, and

WHEREAS, the LANDLORD is the successor-in-interest to Lawrence S. Cohen, Trustee of Samco Realty Trust, as Landlord under that certain Lease Agreement dated March 14, 1994 by and between Lawrence S. Cohen, trustee of Samco Realty Trust and Jennifer Leather-West Roxbury, Inc. as Tenant, for certain premises located at 1524 VFW Parkway, West Roxbury, Massachusetts (Lease Agreement), and

WHEREAS, the Tenant is the tenant under the Lease Agreement, and

WHEREAS, the Lease Term granted by the Lease Agreement expired on March 31, 1999, and,

WHEREAS, said Lease Agreement was extended by Lease Extension Agreement dated March 31, 1999, expiring on March 31, 2009, and

WHEREAS, this Lease Extension and Modification Agreement supercedes both the Lease Extension Agreements for West Roxbury Convertibles, Inc. and Jennifer Leather-West Roxbury, Inc., and is a single lease covering the entire premises previously leased by said tenants

located at 1524 VFW Parkway, West Roxbury, Massachusetts, and

WHEREAS, the LANDLORD and TENANT wish to extend and modify the lease terms.

NOW THEREFORE, in consideration of the promises and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, LANDLORD and TENANT agree as follows:

1. LANDLORD and TENANT recognize and agree that TENANTS have accepted and assumed all of the obligations of West Roxbury Convertibles, Inc. and Jennifer Leather-West Roxbury, Inc. under the Lease Agreements and the Lease Extension Agreements, unless otherwise specifically modified by this Lease Extension and Modification Agreement.

2. Term.

(a) The term of each of the above identified lease extension agreements is changed to Five (5) years, commencing November 1, 2008 and expiring on October 31, 2013.

3. Rent. *The payment of rent shall not be considered late if received by the 20th day of each month if this extra time is needed by the Tenant.*

(a) Commencing retroactively as of November 1, 2008, and continuing through October 31, 2010, TENANT shall pay to LANDLORD, FIFTEEN THOUSAND SEVEN HUNDRED AND FIFTY (\$15,750.00) DOLLARS per month payable on the first day of each and every month. TENANT shall not be responsible for payment of C.O.M. expenses during the period November 1, 2008 to October 31, 2010. TENANT shall continue to be responsible for their share of snow removal expenses through the informal tenants' association.

(b) Commencing November 1, 2010, and continuing through October 31, 2013, TENANT shall pay to LANDLORD, FIFTEEN THOUSAND SEVEN HUNDRED AND FIFTY (\$15,750.00) DOLLARS per month payable on the first day of each and every month, plus TENANT shall pay forty (40%) percent, which is their share, of C.O.M. expenses, and such expenses shall not exceed EIGHT HUNDRED (\$800.00) DOLLARS per month. TENANT'S shall continue to be responsible for their share of snow removal expenses through the informal tenants' association.

4. There is no option to renew this lease contained in this Lease Extension and Modification Agreement.

5. TENANT under this Lease Extension and Modification Agreement shall be responsible for their proportionate share of the real estate tax increases for their tenancy of the real estate and building which is based on approximately 10,000 square feet over the base year of 2009 beginning November 1, 2010.

6. TENANT is leasing the combined space of approximately 10,000 square feet, or forty (40%) percent of the entire available rentable space at 1524 VFW Parkway, West Roxbury, Massachusetts.

7. TENANT understands and agrees that except as expressly provided for in this Lease Extension and Modification Agreement, nothing contained in this Lease Extension and Modification Agreement shall be deemed to waive, modify or amend any of the provisions of the Lease Agreement unless otherwise specified herein.

8. As a material inducement to LANDLORD entering into this Lease Extension and Modification Agreement, TENANT certifies to LANDLORD that as of the date hereof (i) the Lease Agreement as modified hereby contains the entire agreement between the parties hereto relating to the premises and that there are no other agreements between the parties relating to the premises or the lease which are not contained herein or in the lease; (ii) LANDLORD is not in default in any respect in any of the terms, covenants and conditions of the Lease Agreement, and (iii) TENANT has no existing set-offs, counter-claims or defenses against LANDLORD under the Lease Agreement.

9. TENANT, and its predecessors, successors, parent, subsidiaries, affiliates and any related entity or person, hereby release LANDLORD and its parent, subsidiaries, or affiliated entities, and their agents, partners, officers, directors, and employees, and the respective heirs, executors, administrators, successors and assigns of any of the foregoing, from any and all liability claims, damages, causes of action or any other form of relief, legal or equitable, that are, have been, could have been or in the future might be asserted in any way relating to the Lease Agreement, the LANDLORD'S performance thereunder, or the premises, from the beginning of time to the date of signature of this Lease Extension and Modification Agreement.

10. LANDLORD and TENANT each mutually covenants, represents and warrants to the other that it has had no dealings or communications with any broker or agent in connection with this Lease Extension and Modification Agreement and each covenants and agrees to pay, hold harmless and indemnify the other from and against any and all cost, expense (including reasonable attorney's fees) or liability for any compensation, commission or charges to any broker or agent claiming through the indemnifying party with respect hereto.

11. TENANT represents and warrants that it has taken all corporate, partnership or other action necessary to execute and deliver this Lease Extension and Modification Agreement, and that this Lease Extension and Modification Agreement constitutes the legally binding obligation of TENANT enforceable in accordance with its terms. TENANT shall save and hold LANDLORD harmless from any claims, or damages including reasonable attorney's fees arising from TENANT'S misrepresentation of its authority to enter into and execute this Agreement.

12. Capitalized terms not defined herein shall have the meanings given to such terms in

the Lease.

13. As modified and amended hereby, LANDLORD and TENANT each ratifies and affirms the terms of the Lease Agreements.

IN WITNESS WHEREOF, LANDLORD and TENANT have set their respective hands and seals as of the date first above written.

LANDLORD:

TENANT:

HANNINGTON, I.P.



Lawrence S. Cohen

WEST ROXBURY CONVERTIBLE, INC.
JENNIFER LEATHER-WEST ROXBURY, INC.
JENNIFER CONVERTIBLE, INC


Edward Seidner, Executive Vice President



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CAROL S. ENNIS
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http://www.brownrudnick.com

October 21, 2010

FEDERAL EXPRESS

BMC Group, Inc.
Attention Jennifer Convertibles, Inc., et al.
18750 Lake Drive East
Chanhassen, MN 55317

*In re: Jennifer Convertibles, Inc.
Chapter 11, Case No. 10-13779 (ALG)*

Dear Sir/Madam:

Enclosed please find for filing an original and one copy of the rejection damages
Proof of Claim of Hannington, LP.

Kindly acknowledge receipt of the enclosed by date stamping the copy and returning
it to me in the enclosed Federal Express package.

Thank you.

Very truly yours,

Brown Rudnick LLP

By: Carol S. Ennis
Carol S. Ennis *CSE*

CSE/dmv
Enclosures

178160
cc: BMC Group, Inc., Attention Jennifer Convertibles, Inc., et al., PO Box 3020,
Chanhassen, MN 55317-3020 (by first class mail)
Clerk of the United States Bankruptcy Court, Attn: Jennifer Convertibles, Inc. Claims
Processing, One Bowling Green, New York, NY 10004 (by hand delivery)