

UNITED STATES BANKRUPTCY COURT

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 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): JARA ENTERPRISES, INC.

Check this box to indicate that this claim amends a previously filed claim.

Name and address where notices should be sent: Jara Enterprises, Inc., c/o Jonathon D. Warner, Esq. Warner & Scheuerman, 6 West 18th Street, 10th Floor New York, New York 10011 Telephone number: 212.924.7111

Court Claim Number: (if known)

Filed on:

Name and address where payment should be sent (if different from above):

Same as above

Telephone number:

RECEIVED

MAR 10 2011

BMC GROUP

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

1. Amount of Claim as of Date Case Filed: \$ 110,000.00

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.

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.

2. Basis for Claim: Rejection of attached Inventory Purchase Agreement as (See instruction #2 on reverse side.) per attached Notice

Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).

3. Last four digits of any number by which creditor identifies debtor:

3a. Debtor may have scheduled account as: (See instruction #3a on reverse side.)

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).

4. Secured Claim (See instruction #4 on reverse side.)

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

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).

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)( ).

Amount entitled to priority:

\$

\*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.

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: Real Estate Motor Vehicle 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:

Date: March 9, 2011

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.

Jonathon D. Warner

Jennifer Convertibles



00384

Jonathon D. Warner, Esq. Attorney for Jara Enterprises, Inc.

## AGREEMENT

1. This Agreement (this "Agreement") is hereby entered into as of December 31, 2009 between Jara Enterprises Inc. ("Jara"), Jane Love and Jennifer Convertibles, Inc. ("Jennifer"). Jara has ceased operations of the 20 Jennifer stores controlled and operated by it or its subsidiaries, including a licensed store operated by Jara, the owner of which has consented to have its store treated as if such store was owned by Jara for the purposes of this Agreement (the "Stores") and Jennifer wishes to provide an orderly wind down of such operations to protect the brand and its customers.

2. The parties hereby agree that as of the January 1, 2010, Jennifer will, subject to Section 7, operate any or all of the Stores for the benefit of Jennifer and Jennifer will collect all customer payments from sales made at the Stores and after such date. Jennifer will offer to employ all Store location based employees currently employed by Jara, provided they sign an appropriate agreement to the effect that Jennifer is not responsible for any commissions, salary, health or other benefits or other compensation owed them prior to such date, and the parties hereby agree that Jennifer will not be, and is not, responsible for any such commissions, salary or compensation. Jennifer will be responsible for the costs of operating the Stores on and after January 1, 2010, except as provided in Section 7 with respect to Stores vacated by Jennifer.

3. Subject to receipt of a bill of sale or other appropriate evidence of conveyance of title, Jennifer will pay to Jara \$635,000 for the current inventory in each of the Stores. Jennifer shall make such payments in accordance with the schedule set forth on Annex A attached hereto. Jara shall also be entitled to receive, the remaining balance collected from customers on Old Sales, as defined below, which were delivered on December 23, 2009, December 24, 2009 and December 26, 2009. Except as set forth in the prior sentence, Jara is not entitled to any payments by customers with respect to amounts received by Jennifer for Old Sales or any other sales written at the Stores.

4. Jennifer hereby agrees to ship to customers, subject to customers' refusal or inability to accept delivery, the merchandise for sales written at the Stores ("Old Sales") on or prior to November 27, 2009 but not yet delivered. Jara shall not be required to make any further payment as to the merchandise to be delivered to fulfill Old Sales. Jara agrees to be responsible for and pay all sales taxes and commissions on Old Sales and Jennifer shall not be responsible for such taxes or commissions. In the event that an Old Sale is re-written with a date after November 27, 2009, Jara agrees to be responsible for payment of sales taxes, or reimburse Jennifer if Jennifer pays such taxes, and commissions on the rewritten Old Sale. Jennifer shall be entitled to any additional deposits or other payments received by Jara after December 21, 2009, for Old Sales. Jara shall not make any floor sales from inventory after December 26, 2009, with the exception of the Store located in Bedford-Stuyvesant, Brooklyn, New York (the "BED Store") that is being liquidated. Jara shall be responsible for all sales taxes and commissions on floor sales from inventory made prior to January 1, 2010 at any of the Stores. With respect to the BED Store, Jara is responsible for the sales tax, commissions, any other payments, including, delivery charges. Jennifer will not be responsible for delivery of any merchandise in the BED Store and Jara agrees to use its own services for delivery.

5. Jennifer acknowledges and agrees that amounts owed under the Interim Agreement estimated at \$301,000, and due to Jennifer pursuant to Interim Agreement (the "Balance"), are hereby deemed paid in full, except as otherwise provided herein, subject to the transfer by Jara to Jennifer of 93,579 shares of Jennifer common stock, par value \$0.01 per share, owned by Jara.

6. Except as provided in Section 3, Jara agrees to pay Jennifer all amounts collected by it which exceed 35% of the collected sales price (excluding delivery costs and applicable sales taxes) for all sales subsequent to December 21, 2009 and prior to January 1, 2010, whether as part of an initial deposit or Additional Payments as defined below. Any amounts in excess of the 35% which Jara does not pay to Jennifer shall be offset against amounts due to Jara pursuant to Section 3. For purposes of this Agreement, "Additional Payments" shall mean any payments received by Jara with respect to sales after an initial deposit.

7. Beginning on January 1, 2010, Jennifer agrees to negotiate as to the existing leases for the Stores with each landlord and will endeavor to cancel or defer the rent arrearages, which to Jara's knowledge aggregate approximately \$300,000 as of the date of this Agreement. Jennifer will pay no more than \$300,000 to settle the arrearages at all 20 Stores and if the arrearages exceed \$300,000 Jara will reimburse Jennifer for such excess or such excess will be used to offset the amount Jennifer owes Jara pursuant to Section 3. Jara agrees to cooperate with Jennifer with respect to Jennifer's attempts to negotiate such settlements and new leases if Jennifer wants to take over the store location. While it is the intent of Jennifer to take over all 20 Stores, the parties hereby acknowledge that Jennifer may not be able to successfully negotiate for a new lease or other arrangement on terms satisfactory to Jennifer, in its sole discretion, in which case Jennifer will vacate the leased property and Jara shall arrange for closure of the Store and Jennifer shall not be responsible for any amounts still owed to the landlord with respect to such Store location, except for the removal of the showroom inventory which Jennifer shall arrange. Nothing herein shall require Jennifer to enter into a new lease or to spend all or any part of the \$300,000 except that Jennifer shall be obligated to cure arrearages (not to exceed \$300,000 in the aggregate) with respect to the leases for Stores at locations where Jennifer elects to enter into, and does enter into, a new lease on Jennifer's behalf. The parties hereby acknowledge and agree that Jennifer will not take over the Ricky's store lease. To the extent that Jennifer enters into a new lease with the existing landlord, any security deposit will remain with the landlord with respect to the new lease executed by Jennifer and be applied for Jennifer's benefit.

8. Except as specifically set forth herein, the parties agree that Jennifer will not be responsible for any liabilities of Jara.

9. Jane Love agrees to indemnify, defend and hold harmless Jennifer, from and against any and all losses, liabilities, claims, actions, damages and expenses (including without limitation reasonable attorney's fees and disbursements) arising out of Jara's obligations for sales taxes, commissions, payroll and normal store operating expenses through December 31, 2009, but excluding rent and related landlord charges.

10. Jara agrees to provide such information as may be necessary under this Agreement with respect to former Jara employees, shipping, leases and other matters surrounding Old Sales.

11. Each party hereto shall execute and/or cause to be delivered to each other party hereto such instruments and other documents, and shall take such other actions as the other parties, or any of them, may reasonably request in order to consummate and make effective the transactions contemplated in this Agreement. The parties will cause any of their affiliates to execute and/or cause to be delivered to each other party hereto such instruments and other documents, and take such other actions as the other parties, or any of them, may reasonably request in order to consummate and make effective the transactions contemplated in this Agreement.

12. The parties hereby acknowledge and agree that all previous agreements or arrangements between the parties, including, but not limited to, the Purchasing Agreement, the Warehousing Agreement, Warehousing Transition Agreement, Management Agreement and License, Hardware Lease, Software License Agreement, Option Agreement, the Royalty Agreement, the Trademark Usage Agreement, the Interim Agreement among Jennifer and Jara and certain of their affiliates and the other related agreements (as each may have been amended from time to time) are terminated and shall be of no further force or effect, including, without limitation, any provisions that purport to extend beyond the termination of the agreements (including any which purport to extend obligations or liabilities beyond such termination), except that Jennifer shall retain all rights, title and interest in, to and under any trademarks, leases and other assets previously conveyed to Jennifer or its affiliates under such agreements. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior and current understandings and agreements, whether written or oral, with respect to the parties. The parties will cause any of their affiliates as were parties to such agreements to execute any additional evidence of termination as may be reasonably requested.

ANNEX A

Jennifer shall pay Jara \$635,000 in accordance with the schedule below:

- a. \$100,000 by January 1, 2010;
- b. \$100,000 by January 15, 2010;
- c. \$150,000 by February 10, 2010;
- d. \$100,000 by March 10, 2010;
- e. \$75,000 by April 10, 2010; and
- f. \$110,000 by May 10, 2010.

IN WITNESS WHEREOF, the parties have signed this Agreement as of this 31 day of December 2009.

Jara Enterprises, Inc.

By: Jane Love  
Jane Love, President

Jane Love  
Jane Love

Jennifer Convertibles, Inc.

By: Harley Greenfield  
Harley Greenfield, Chief Executive Officer

**OLSHAN GRUNDMAN FROME  
ROSENZWEIG & WOLOSKY LLP**

Park Avenue Tower  
65 East 55<sup>th</sup> Street  
New York, New York 10022  
(212) 451-2300  
Michael S. Fox, Esq.  
Jordanna L. Nadritch, Esq.  
Jayme M. Bethel, Esq.

*Attorneys for the Debtors and Debtors in  
Possession*

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

In re:	)	Chapter 11
JENNIFER CONVERTIBLES, INC., <i>et al.</i> ,	)	Case No. 10-13779 (ALG)
Debtors,	)	Jointly Administered
	)	

**NOTICE OF FILING OF SCHEDULE OF REJECTED CONTRACTS AND LEASES  
FOR ASSUMED EXECUTORY CONTRACTS AND UNEXPIRED LEASES RELATING  
TO THE AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF  
JENNIFER CONVERTIBLES, INC. AND ITS AFFILIATED DEBTORS**

PLEASE TAKE NOTICE that, pursuant to section 11.02 of the Amended Joint Chapter 11 Plan Of Reorganization Of Jennifer Convertibles, Inc. And Its Affiliated Debtors (as may be amended and/or modified, the "Plan"), proposed by the debtors and debtors in possession in the above captioned cases (collectively, the "Debtors"), annexed hereto as Exhibit A is the schedule of rejected contracts and leases in accordance with Section 11.01 of the Plan (the "Schedule of Rejected Contracts and Leases").

PLEASE TAKE FURTHER NOTICE that pursuant to Section 11.04 of the Plan, Claims<sup>1</sup> arising out of the rejection of an Executory Contract or unexpired lease pursuant to Section 11.01 of the Plan must be filed with the Bankruptcy Court or the Claims Agent and served upon the Debtors (or, on and after the Effective Date, Reorganized Debtors) ~~no~~ later than thirty (30) days after the later of (i) notice of entry of an order approving the rejection of such Executory Contract or unexpired lease, and (ii) notice of entry of the Confirmation Order. All such Claims not filed within such time will be forever barred from assertion against the Debtors and their estates or the Reorganized Debtors and their Property.

PLEASE TAKE FURTHER NOTICE that the Debtors hereby reserve all rights to amend, revise or supplement any documents relating to the Plan and/or to be executed, delivered, assumed and/or performed in connection with the consummation of the Plan on the Effective Date (as defined in the Plan).

Dated: New York, New York  
January 13, 2011

**OLSHAN GRUNDMAN FROME  
ROSENZWEIG & WOLOSKY LLP**

By: /s/ Michael S. Fox  
Michael S. Fox  
Jordanna L. Nadritch  
Jayme M. Bethel  
Park Avenue Tower  
65 East 55<sup>th</sup> Street  
New York, NY 10022  
*Counsel for the Debtors and  
Debtors in Possession*

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<sup>1</sup> All capitalized terms not defined herein shall have the meanings ascribed to them in the Plan.



**EXHIBIT A**

**Schedule of Rejected Contracts and Leases**

**Part I - Unexpired Leases**

In re: Jennifer Convertibles, Inc., et al., Case No. 10-13779 (ALG) (Jointly Administered)

Schedule of Rejected Contracts and Leases<sup>1</sup>

Contract Counterparty	Store Code	Counterparty Address	Debtor Party	Type of Agreement
181st Washington Heights Attention: Avi Monk	WH	1000 Pennsylvania Avenue Brooklyn, NY 11207	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
301 E 66th St Assoc. Ltd. Ptnshp.	JLS	c/o Ossa Properties Inc. 301 E 66th Street New York, NY 10021	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
376 Boylston St. Realty Trust Attention: Sam Hassan	JCB	400 Boylston Street Boston, MA 02116	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
4400 University Drive Ltd. Attention: Mark Dobbins	FL	2295 Corporate Blvd. NW #131 Boca Raton, FL 33431	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
8150 Leesburg Pike LLC Attention: Sheldon Brown	LVV	c/o ARC Management 8150 Leesburg Pike Suite 1100 Vienna, VA 22182	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
83rd St. Investors LLC	ALW	c/o The Bromley Companies 120 5th Avenue, 11th Floor New York, NY 10011	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Abill Realty Corp. Attention: Bill Spina	JLT	255 Route 46, Totowa, NJ 07512	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
AEK Associates	CU	c/o Ventana Property Services 695 Oak Grove, Suite 200 Menlo Park, CA 94025	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Athen's Land Company, LLC Attention: Dr William Athens	DTY	PO Box 218 Trenton, MI 48183	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Atlas Partners, LLC Attention: Howard Ellen	ID	55 East Monroe, Suite 1890 Chicago, IL 60603	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease

<sup>1</sup> The inclusion of any contract or agreement on this Schedule of Rejected Contracts and Leases shall not constitute an admission by the Debtors that any such contract is an executory contract or unexpired lease within the meaning of section 365 of title 11 of the United States Code, and the Debtors reserve all rights with respect thereto.

Benderson-Wainberg Associates (Developers Diversified)	JML	DEPT: 103126-20612-4027 PO Box 73612 Cleveland, OH 44193	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
BG Monmouth, LLC	LBC	3300 Enterprise Parkway Beachwood, OH 44122	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Boca Pier Associates Ltd.	FWB	7777 Glades Road, Suite 212 Boca Raton, FL 33434	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
CBL-TRS Joint Venture II, LLC Attention: Teresa Snyder	NDU	PO Box 74551 Cleveland, OH 44194	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Centro Watt Property Owner II, LLC Attention: Sheila Pocknett El Cerrito Plaza	CCI	Puente Hill Town Ctr Department 9190 Los Angeles, CA 90084-9190	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Chavin Family	CEL	c/o MCD-RC CA-El Cerrito, LLC P.O. Box 31001-0900 Pasadena, CA 91110-0900	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
City Centre Philadelphia, PA Attention: Patrick Franck	CMC	8939 Vernon Avenue, Suite A Montclair, CA 91763	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Crosspointe Plaza, LLC	PCL	PO Box 8000, Dept. 916 Buffalo, NY 14267	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
DDRTC Village Crossing LLC Attention: Bill Read	EB	1260b Stelton Road Piscataway, NJ 08854	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Equity Mgmt, LLC	IS	3300 Enterprise Parkway Beachwood, OH 44122	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Everest Partners LLC Attention: Nancy Butler	KP	1407 Broadway Suite #2100 New York, NY 10018	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Federal Realty Investment Trust	CAB	150 East 58th Street Suite 2000 New York, NY 10155	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Narinder Garg	LNJ	1626 East Jefferson Street Rockville, MD 20852	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Sam Goldszlager	PKP	P.O. Box 583 1674 High Point Lane Valley Forge, PA 19481	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Roberta Gwynn	FN	7440 Plantation Road Plantation, FL 33317	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
	DB	The Parliament House 405 N. Ocean Drive, #1908 Pompano Beach, FL 33062	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease

Hannington LP Attention: Larry Cohen	BWR	1901 Hansen Street Sarasota, FL 34321	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Inland American Retail Management LLC	GSM	4575 Paysphere Circle Chicago, IL 60674	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Inland Commercial Property Attention: Donna Osborne	IVH	4575 Paysphere Circle Chicago, IL 60674	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Investments Limited Attention: James Batmasian	FB	215 No. Federal Highway Suite 1 Boca Raton, FL 33431	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
JBG/Montgomery Village, LLC Attention: Emilia Izquierdo,	MCR	P.O. Box 791373 Baltimore, MD 21279-1373	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Jerome H. Meyer & Co. Attention: Howard Ellen	ILP	640 North LaSalle Street Suite 605 Chicago, IL 60610	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Kimco Realty Corp. Attention: Debbie Keating	VW	3333 New Hyde Park Rd Suite 100 PO Box 5020 New Hyde Park, NY 11042	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Kir Cary, L.P.	NCY	3333 New Hyde Park Road Suite 100 New Hyde Park, NY 11042	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Kir Torrance, L.P.	CT	C/O Kimco Realty Corp. 3333 New Hyde Pk Rd, PO Box 5020 New Hyde Park, NY 11042	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Laguna Hills Investment Co.	CLH	C/O Fritz Duda Co. P.O. Box 60848 Los Angeles, CA 90060	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
L.E. Barasch of Toms River, LLC Attention: R.J. Brunelli	TNJ	c/o R J Brunelli & Co., Inc. 400 Perrine Road, #405 Old Bridge, NJ 08857	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Lee Properties, Inc.	WNC	203 Manchester Place Greensboro, NC 27410	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Attention: Ronald T Hahn	DR	PO Box 712516 Cincinnati, OH 45271	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Macomb Mall, LLC Attention: Brian Gabbert	PEX	120 West Germantown Pike Suite 120 Plymouth Mtg., PA 19462	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Main Street At Exton, L.P. Attention: Tom Verrechia	PA	103 Lakeside Drive Southampton, PA 18966	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
MBarry Schultz & Co. Attention: Neil Barrasky				

McKinley Corona Attention: Kristy Stowell	CCO	280 Second Street, Suite 230 Los Altos, CA 94022	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Mico Archibald Partners, LLC	WCA	13191 Crossroads Parkway North City of Industry, CA 91746	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Oakland Square LLC Attention: Steve Hall	FFL	PO Box 7932 Fort Lauderdale, FL 33338	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Patchogue Associates	UPG	1500 Old Northern Boulevard Roslyn, NY 11576	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Pembroke Place Property, LLC Attention: Mauricio Dominguez	FPP	340 Royal Poinciana Way Suite 316 Palm Beach, FL 33480	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Penn Mar Associates	MFO	2691 Paysphere Circle Chicago, IL 60674	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Ramco/West Oaks 11-Spring Meadows, LLC Attention: Sandy Grysko	NMI	PO Box 643351 Pittsburgh, PA 15264	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
RJB-II Limited Partnership Attention: Sue Provenzale	IA	1731 North Marcey Street Suite 520 Chicago, IL 60614	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Sherwood 110 Corp.	FCL	2580 Hempstead Turnpike East Meadow, NY 11554	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
SCI Cobb Place Fund, LLC Attention: John Sebring	GK	1801 Century Park East Century City, CA 90067	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Shops on the Curve, LLC Attention: Stanhope Johnson	NG	PO Box 9905 Greensboro, NC 27429	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Sivan Properties Corp.	SIP	P.O. Box 278 Manhasset, NY 11030	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
South 17 Associates	PRS	123 Prospect Street PO Box 627 Ridgewood, NJ 07451	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
SSSG Realty Trust Attention: Roberta Sydney	JMN	1443 Beacon Street, Suite 102 Brookline, MA 02446	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Donna Stietligtz	BBC	14 Old Stagecoach Road Bedford, MA 01730	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Todd Garrett LLC Attention: Paul E. Bagoon	RT	12 Banyan Road Skillman, NJ 08558	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Urban Retail Properties Co. Attention: Tim or Margaret Hackett	KF	440 Barrett Parkway, Suite 70 Kennesaw, GA 30144	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease

Urstadt Biddle Properties Inc.	DAN	321 Railroad Avenue Greenwich, CT 06830	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Valencia Marketplace I LLC Attention: Kathleen Young	CSR	101 N. Westlake Boulevard Suite 201 Westlake Village, CA 91362	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Vicenti Asset LLC Attention: Farjad Yazidinia	CBW	11950 San Vicente Blvd Ste 200 Los Angeles, CA 90049	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Walnut Associates, LP Attention: Patricia Lavioe	BSC	355 Middlesex Avenue Suite 7 Wilmington, MA 01887	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Winfield Group	CSJ	10500 N.E. 8th Street Suite 850 Bellevue, WA 98004	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease
Zifkin Realty Management, LLC Attention: Yvonne Jones	ISH	PO Box 64925 Chicago, IL 60664	Jennifer Convertibles, Inc.	Non-Residential Real Estate Lease

## Part II - Executory Contracts

In re: Jennifer Convertibles, Inc., et al., Case No. 10-13779 (ALG) (Jointly Administered)

Schedule of Rejected Contracts and Leases

Contract Counterparty	Counterparty Address	Debtor Party	Type of Agreement
Ashley Furniture Homestore	2300 Broadway New York, New York 10024	Hartsdale Convertibles, Inc.	Contract: License Agreement
Jara Enterprises Inc.	C/o Warner & Scheuerman 6 West 18th St., 10th Floor New York, NY 10011	Jennifer Convertibles, Inc.	Contract: Inventory Purchase
IKON	P.O. Box 41564 Philadelphia, PA 19101-1564	Jennifer Convertibles, Inc.	Contract: Equipment Maintenance-North Carolina Warehouse Copier
Harley Greenfield	1725 York Avenue, Apt # 11 F New York, NY 10128	Jennifer Convertibles, Inc.	Employment Agreement



UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re:

JENNIFER CONVERTIBLES, INC., et. al.,

Chapter 11

Case No. 10-13779 (ALG)

Debtor.

**AFFIDAVIT OF SERVICE**

-----X  
STATE OF NEW YORK            )  
  :ss.:  
COUNTY OF NEW YORK        )

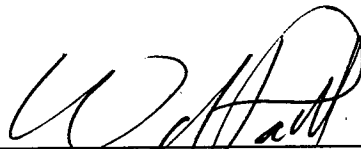
WILLIAM L. PAUL, being duly sworn and deposed says:

1. I am an employee of the firm of Warner & Scheuerman, attorneys for Creditor Jara Enterprises, Inc. ("Jara"),

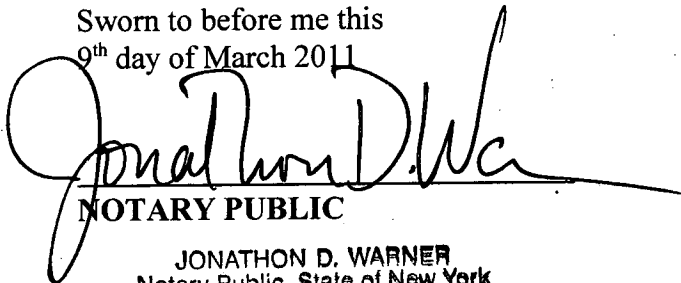
2. On March 9, 2011, I served Jara's **Proof of Claim**, upon the following:

:       Olshan Grundman Frome Rosenweig & Wolosky, LLP  
          Michael S. Fox, Esq.  
          Attorneys for Debtors  
          Park Avenue Tower  
          65 East 55<sup>th</sup> Street  
          New York, NY 10022

by depositing a true copy thereof, enclosed in a wrapper addressed as shown, into the custody of Federal Express for delivery the next day, prior to the latest time designated by that service for delivery.

  
\_\_\_\_\_  
WILLIAM L. PAUL

Sworn to before me this  
9<sup>th</sup> day of March 2011

  
NOTARY PUBLIC

JONATHON D. WARNER  
Notary Public, State of New York  
No. 02-4653995  
Qualified in Nassau County  
Commission Expires September 30, 2013

STATE OF NEW YORK, COUNTY OF

ss:

, being duly sworn, deposes and says, that:

Individual Verification  deponent is the

, in the within action; has read the foregoing

and knows the contents thereof;

Corporate Verification  deponent is the

of the corporation in the within action; has read the foregoing and knows the contents thereof;

Attorney's Affirmation

the undersigned is an attorney admitted to practice in the courts of New York; is the attorney of record for the in the within action; has read the foregoing

and knows the contents thereof; the same is true to affirmant's own knowledge, except as to those matters said to be upon information and belief and as to those matters, affirmant believes it to be true. This verification is made by affirmant because

The grounds of affirmant's belief as to matters not stated upon affirmant's own knowledge are as follows:

the same is true to deponent's own knowledge, except as to those matters said to be upon information and belief and as to those matters, deponent believes it to be true. The grounds of deponent's belief as to all matters not stated upon deponent's own knowledge are as follows:

Affirmed this day of , 20

(Print Name Beneath Signature)

Sworn to before me this day of , 20

(Print Name Beneath Signature)

Certification by Attorney

the undersigned is an attorney admitted to practice in the courts of New York and certifies that the within has been compared by the undersigned with the original and found to be a true and complete copy.

Dated day of , 20

(Print Name Beneath Signature)

STATE OF NEW YORK, COUNTY OF

ss:

, being duly sworn, deposes and says, that deponent is not a party to this action, is over 18 years of age and resides at ; that on the day of , 20 , deponent served the within

Affidavit of Personal Service

upon personally, by delivering a true copy thereof to h . Deponent knew the person served to be the person mentioned and described in said papers.

Affidavit of Service By Mail

upon attorney for in this action, at the address designated by said attorney(s) for that purpose by depositing a true copy of same enclosed in a post-paid, properly addressed wrapper, in a post-office/official depository under the exclusive care and custody of the United States Postal Service within the State of New York.

Service by Electronic Means

by transmitting the papers by electronic means to the telephone number listed below, which number was designated by the attorney for such purpose. I received a signal from the equipment of the attorney served indicating that the transmission was received. I also deposited a true copy of the papers, enclosed in a post-paid wrapper, in an official depository under the exclusive care and custody of the United States Postal Service, addressed to the attorney at the address set forth after the name.

Overnight Delivery Service

by depositing a true copy thereof, enclosed in a wrapper addressed as shown below, into the custody of for overnight delivery, prior to the latest time designated by that service for overnight delivery.

**NOTICE OF ENTRY**

Sir : PLEASE TAKE NOTICE that the within is a true-certified-copy of a

duly entered in the office of the clerk of the within named court on  
Dated:

Yours, etc.

**WARNER & SCHEUERMAN**

Attorney(s) for

Office and Post Office Address  
6 WEST 18TH STREET  
10TH FLOOR  
NEW YORK, NEW YORK 10011  
(212) 924-7111

To:

Attorney(s) for

**NOTICE OF SETTLEMENT**

SIR : PLEASE TAKE NOTICE that

of which the within is a true copy will be presented for settlement to the Hon.

one of the judges of the within named Court at  
on the day of  
at M.  
Dated:

Yours, etc.

**WARNER & SCHEUERMAN**

Attorney(s) for

Office and Post Office Address  
6 WEST 18TH STREET  
10TH FLOOR  
NEW YORK, NEW YORK 10011  
(212) 924-7111

To:

Attorney(s) for

Esq.

Index No.: .....

10-13779 (ALG)  
UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re:

JENNIFER CONVERTIBLES, INC., et. al.

Debtor.

**PROOF OF CLAIM**

**WARNER & SCHEUERMAN**

Attorney(s) for

Office and Post Office Address, Telephone  
6 WEST 18TH STREET  
10TH FLOOR  
NEW YORK, NEW YORK 10011  
(212) 924-7111

To:

Esq.

Attorney(s) for

Service of a copy of the within

is hereby admitted:

Dated, N.Y.,

Attorney(s) for