

B10 (Official Form 10) (04/13)

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK		PROOF OF CLAIM
Name of Debtor: JENNIFER CONVERTIBLES, INC.	Case Number: 10-13779	
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): UMA Enterprises, Inc.		
Name and address where notices should be sent: Megan M. Adeyemo, Esq. GORDON & REES LLP 555 17th Street, Suite 3400 Denver, CO 80202		RECEIVED FEB 23 2015 BMC GROUP
Telephone number: 303-534-5160	email: madeyemo@gordonrees.com	COURT USE ONLY <input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where payment should be sent (if different from above): Telephone number: _____ email: _____		

1. Amount of Claim as of Date Case Filed: \$ 10,000.00
 If all or part of the claim is secured, complete item 4.
 If all or part of the claim is entitled to priority, complete item 5.
 Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.

2. Basis for Claim: 11 U.S.C. 502(h) Settlement Payment
 (See instruction #2)

3. Last four digits of any number by which creditor identifies debtor: _____	3a. Debtor may have scheduled account as: _____ (See instruction #3a)	3b. Uniform Claim Identifier (optional): _____ (See instruction #3b)
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4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff. Attach required redacted documents, 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 _____% <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)	Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____
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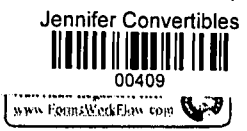
5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507 (a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.

<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 \$12,475*) earned within 180 days before the case was filed or the debtor's business ceased, 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 \$2,775* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507 (a)(7).	<input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507 (a)(8).	<input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507 (a)(____).

Amount entitled to priority: \$ _____

*Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of such

6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #



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7. Documents: Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. If the claim is secured by the debtor's principal residence, the Mortgage Proof of Claim Attachment is being filed with this claim. (See instruction #7 and the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

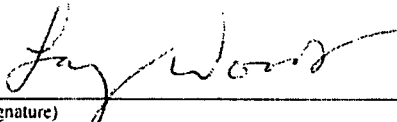
8. Signature: (See instruction #8)

Check the appropriate box.

- I am the creditor. I am the creditor's authorized agent I am the trustee, or the debtor, or their authorized agent. I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.)
(See Bankruptcy Rule 3004.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Larry Woods
Title: Chief Financial Officer
Company: UMA Enterprises, Inc.
Address and telephone number (if different from notice address above):

 09/16/2013
(Signature) (Date)

Telephone number: _____ email: _____

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.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

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

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:
Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:
Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:
State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:
State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:
State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:
Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:
If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:
Check whether the claim is fully or partially secured. Skip this section if the

claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a):
If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:
An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:
Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest and documents required by FRBP 3001(c) for claims based on an open-end or revolving consumer credit agreement or secured by a security interest in the debtor's principal residence. You may also attach a summary in addition to the documents themselves: FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature:
The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507 (a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

In Re Jennifer Convertibles, Inc., et al.
Bankruptcy Case No. 10-13779

ADV NO. 12-01254

KDW Restructuring & Liquidation Services, L.L.C., Litigation Trustee for the
Jennifer Convertibles Litigation Trust

vs.

UMA Enterprises, Inc., Defendant

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Settlement Agreement") by and between KDW Restructuring & Liquidation Services, L.L.C., Litigation Trustee for the Jennifer Convertibles Litigation Trust, ("Plaintiff") and UMA Enterprises, Inc. ("Defendant")¹ is made and entered into as of August 15, 2013.

WHEREAS, on July 18, 2010, Jennifer Convertibles, Inc., et al. (the "Debtors") filed a petition for relief under chapter 11, title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York, Manhattan Division ("Court"), Case No. 10-13779 ("this Case");

WHEREAS, Plaintiff has asserted that the Debtors made transfers totaling \$34,049.77 (the "Transfers") to Defendant that are avoidable under the provisions of 11 U.S.C. §§ 547-550, respectively;

WHEREAS, Plaintiff has filed an Adversary Proceeding against Defendant in Adversary Number 11-01254 (the "Adversary Proceeding");

WHEREAS, Plaintiff now believes that the net preference claim, i.e., after allowance for defenses raised under 11 U.S.C. § 547(c)(2) or (c)(4) may be substantially reduced;

WHEREAS, Defendant has denied liability for any alleged preferential transfers and has asserted new value and/or ordinary course of business defenses to the Transfers amounts, if any, credited by Plaintiff;

WHEREAS, following good faith negotiations, Plaintiff and Defendant desire to settle and compromise this matter on the terms set forth herein; and

WHEREAS, Defendant has agreed to pay the sum of \$10,000.00 U.S. Dollars ("Settlement Payment") in full and final settlement of its alleged liability for the avoidance and recovery of the Transfers,

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties hereby stipulate and agree as follows:

1. Defendant shall pay to Plaintiff on or before August 30, 2013, the sum of \$10,000.00 U.S. Dollars.
2. It is understood that this Settlement Agreement is a compromise of a disputed claim and that the Settlement Payment made hereunder is not to be construed as an admission of any liability for preferential transfers. This Settlement Agreement is intended to fully resolve and settle all claims for the avoidance and recovery of the Transfers.
3. This Settlement Agreement is binding upon the Parties, but is subject to Court approval by Bankruptcy Rule 9019(b). Plaintiff represents that it will obtain court approval of this compromise, or approval on an omnibus basis to effect compromises of this and other preference claims. Plaintiff will return all settlement funds if the Court does not approve this compromise.
4. Any claim by Plaintiff for the avoidance and recovery of the Transfers from Defendant under 11 U.S.C. §§ 544 - 550 in the Case shall be hereinafter barred upon clearance of the Settlement Payment.
5. The Parties hereby declare that the terms of this Settlement Agreement have been completely read and are fully understood and voluntarily accepted for the purpose of making a full and final compromise, settlement and release of any and all claims disputed or otherwise, that may arise to avoid or recover the Transfers under 11 U.S.C. §§ 544-550, on account of the matters, facts, and damages above mentioned.
6. Upon clearance of the Settlement Payment and Court approval of the Settlement Agreement, Plaintiff will file a dismissal with prejudice of the Adversary Proceeding; provided, however, that in the event the Court automatically closes the Adversary Proceeding within two weeks of Court approval, the Adversary Proceeding shall be deemed to have been dismissed with prejudice.
7. Defendant shall be entitled to file a claim for the Settlement Payment, provided that it does so within 45 days of August 30, 2013.

¹ Plaintiff and Defendant shall be referred to collectively as the "Parties."

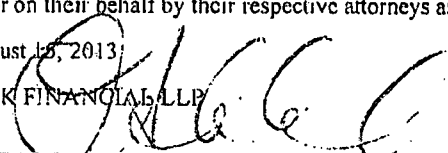
- 8. Defendant's existing Proof(s) of Claim, if any, shall be unaffected by this Settlement Agreement.
- 9. The Parties each warrant that they have made no assignment, and hereafter will make no assignment of any claim, chose in action, right of action, or any other right released pursuant to this Agreement.
- 10. The Parties shall each bear their respective attorneys' fees and costs relating to the costs associated with the Preference Claim settlement negotiations and implementation of this Agreement. However, if any action is commenced by any party hereto to enforce the provisions of this Agreement, the prevailing party shall be entitled to an award, in addition to any other claims or damages, of its costs and expenses including attorneys' fees, in connection with said action.
- 11. Except for the rights and obligations arising out of the Settlement Agreement, the Parties hereby relinquish all claims against each other with respect to the transfers, whether or not now known, and the Parties hereto expressly waive any and all rights and benefits conferred upon them.
- 12. The Parties hereto have read all of the foregoing and represent that this Agreement has been explained to them by their respective legal counsel, and that each understands all of the provisions hereto.
- 13. The Parties agree that facsimile and electronic signatures shall have the same force and effect as original signatures. This Agreement may be executed in counterparts and all counterparts so executed shall constitute one Agreement which shall be binding on the Parties hereto.

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be executed by themselves or on their behalf by their respective attorneys as of the date first above mentioned.

Dated: August 15, 2013

A-S-K FINANCIAL LLP

By:


Joseph L. Steinfeld, Jr., DC SBN 297101, MN SBN 0266292, VA SBN 18666
Gary D. Underdahl, Esq.
Attorneys for KDW Restructuring & Liquidation Services, LLC, Litigation Trustee for the Jennifer Convertibles Litigation Trust

Dated: AUGUST 16, 2013

UMA Enterprises, Inc.

By:


LARRY WOODS

Print Name:

Title:

CFO

RETURN WITH CHECK FOR
PAYABLE TO
PAYMENT DUE

\$10,000.00 U.S. Dollars
JCI Trust Account
August 30, 2013
C/O A-S-K Financial
2600 Egan Woods Drive, Suite 400
Eagan, MN 55121
Attn: Accounting Department