

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

In re:

JENNIFER CONVERTIBLES, INC.,¹

Debtors.

Chapter 11

Case No. 10-13779 (ALG)

(Jointly Administered)

**FINAL ORDER AUTHORIZING THE DEBTORS TO SATISFY
PREPETITION CLAIMS RELATING TO COMMON CARRIERS, WAREHOUSE
PROVIDERS AND THE CUSTOMS BROKER, PURSUANT TO
SECTION 105(a) OF THE BANKRUPTCY CODE**

Upon the motion, dated July 19, 2010 (the “Motion”)² of Jennifer Convertibles, Inc. and its affiliated debtors, as debtors in possession (collectively, the “Debtors”), for an order authorizing the Debtors to satisfy prepetition claims relating to Common Carriers and the Customs Broker, pursuant to Section 105(a) of the Bankruptcy Code and upon consideration of the Declaration of Rami Abada in Support of the Debtors’ Chapter 11 Petitions and Request for First Day Relief; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed therein, and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested

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

² All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

in the Motion on an interim basis (the “Interim Hearing”); and the Court having entered an order on July 22, 2010 granting the Motion on an interim basis; and the Final Hearing having been held on August 4, 2010 (together with the Interim Hearing, the “Hearings”); and the appearances of all interested parties having been noted in the record of the Hearings; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, and creditors; and upon all of the Hearings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. Pursuant to section 105(a) of the Bankruptcy Code, the Debtors are authorized, but not directed, to pay, in their sole discretion, any or all of the valid prepetition Common Carrier, Customs Duties, Broker's Fees, Custom Claims and related charges in the ordinary course of the Debtors' business, provided, however, that the Debtors are authorized to make those payments on prepetition claims up to a cap of \$125,000.
3. Nothing in this Order or the Motion shall be construed as prejudicing the Debtors' right to dispute or contest the amount of, or basis for, any claims against the Debtors relating to the Common Carrier, Customs Duties, Broker's Fees, Custom Claims and related charges.
4. Notwithstanding the relief granted herein and any actions taken hereunder, nothing contained herein shall constitute, nor is it intended to constitute, an assumption of any contract under section 365 of the Bankruptcy Code or the waiver by the Debtors or their nondebtor affiliates of any of their rights pursuant to any agreement by operation of law or otherwise.

5. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

6. Bankruptcy Rule 6003(b) has been satisfied.

7. The requirements of Bankruptcy Rule 6004(a) are waived, and notwithstanding any applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon entry of this Order.

8. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: August 4, 2010
New York, New York

/s/ Allan L. Gropper

UNITED STATES BANKRUPTCY JUDGE