

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

In re:

JENNIFER CONVERTIBLES, INC.,<sup>1</sup>

Debtors.

Chapter 11

Case No. 10-13779 (ALG)

(Jointly Administered)

**ORDER GRANTING THE APPLICATION OF THE DEBTORS PURSUANT TO  
SECTION 327(a) OF THE BANKRUPTCY CODE FOR AUTHORIZATION TO  
EMPLOY AND RETAIN OLSHAN GRUNDMAN FROME ROSENZWEIG &  
WOLOSKY LLP AS ATTORNEYS FOR THE DEBTORS  
NUNC PRO TUNC TO THE PETITION DATE**

Upon the application, dated July 19, 2010 (the “Application”)<sup>2</sup> of Jennifer Convertibles, Inc. and its affiliated debtors, as debtors in possession (collectively, the “Debtors”), pursuant to section 327(a) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for an order authorizing the employment and retention of Olshan Grundman Frome Rosenzweig & Wolosky LLP (“Olshan”), all as more fully set forth in the Application; and upon consideration of the Declaration of Michael S. Fox (the “Fox Declaration”) and the Supplemental Declaration of Michael S. Fox, dated August 9, 2010 (the “Supplemental Declaration”); and the Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern

<sup>1</sup> 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).

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

District of New York Any and All Proceedings Under Title 11, dated July 10, 1984; and consideration of the Application 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 Application having been provided to (i) the Office of the United States Trustee for the Southern District of New York; (ii) those creditors holding the thirty (30) largest unsecured claims against the Debtors' estate (on a consolidated basis); and (iii) counsel to Haining Mengnu Group Co. Ltd., and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Application (the "Hearing"); and the appearances of all interested parties having been noted in the record of the Hearing; and it appearing that the members and associates of Olshan who will be engaged in these chapter 11 cases are duly admitted to practice before this Court; and the Court being satisfied that Olshan holds no interest adverse to the Debtors or their estates and is disinterested under 101 (14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and it appearing that the relief requested in the Application is in the best interests of the Debtors, their estates and creditors, and all parties in interest; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. As set forth herein, the Application is approved nunc pro tunc to July 18, 2010, the date on which the Debtors commenced their chapter 11 cases.

2. Pursuant to section 327(a) of the Bankruptcy Code, the Debtors' retention of Olshan as their attorneys under a general retainer in accordance with Olshan's normal hourly rates and disbursement policies and as set forth in the Application, the Engagement Letter, the Fox Declaration and the Supplemental Declaration is approved, provided, however, that (i)

paragraph 5 of the Engagement Letter is of no force or effect; (ii) the following sentence is stricken from the Terms of Engagement, addendum page 7 (“Billing and Payment Procedures”): “All Statements paid more than 30 days after receipt will be subject to a late charge of one (1%) percent per month”; and (iii) the following sections are stricken in their entirety from the Terms of Engagement, addendum page 7: “New York Venue and Governing Law” and “Arbitration.”

3. Olshan shall apply for compensation and reimbursement in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, applicable provisions of the Bankruptcy Rules, the Local Rules of Civil Practice and Procedure of the United States District Court for the Southern District of New York, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Southern District of New York, the guidelines established by the Office of the United States Trustee, and such other procedures as may be fixed by order of this Court.

4. Any termination of Olshan’s representation of the Debtors, initiated by either the Debtors or by Olshan, shall be subject to Court approval, based on a properly noticed motion and opportunity for all interested parties to be heard.

5. If at any time Olshan increases the hourly rate for its services and/or expense rate, Olshan will file a supplemental affidavit with the court describing any such increases and provide notice of these increases to the Office of the United States Trustee.

6. This Court retains jurisdiction to interpret and enforce this Order.

Dated: August \_\_, 2010  
New York, New York

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UNITED STATES BANKRUPTCY JUDGE