

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

In re:

JENNIFER CONVERTIBLES, INC.,¹

Debtors.

Chapter 11

Case No. 10-13779 (ALG)

(Jointly Administered)

**SUPPLEMENTAL DECLARATION AND DISCLOSURE
STATEMENT OF ROBERT C. GRIEN ON BEHALF OF TM CAPITAL CORP.**

Robert C. Grien makes this declaration under 28 U.S.C. § 1746, and states:

1. I am a Managing Director of TM Capital Corp. (“TM Capital”), an independent investment and merchant banking firm which maintains offices located at 641 Lexington Avenue, 30th Floor, New York NY 10022.

2. This Declaration is being submitted in connection with the proposed retention of TM Capital as financial advisors to the Debtors, and supplements the application, dated July 19, 2010 (the “Application”), of the above-captioned debtors and debtors in possession (collectively, the “Debtors”), for authorization to employ TM Capital *nunc pro tunc* to July 18, 2010 (the “Petition Date”) (docket no. 18).

3. Pursuant to the terms of the engagement letter entered into by the Debtors and TM Capital on May 19, 2010 (the “Engagement Letter”), the Debtors agreed to pay TM Capital \$75,000 upon execution of the Engagement Letter (the “Deposit”). Any remaining Deposit

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).

amounts received by TM Capital will be applied against future fees and expenses, subject to the Court's approval of such fees and expenses.

4. Concurrently with the Application, the Debtors filed the Declaration of Robert C. Grien, dated July 19, 2010 (the "Grien Declaration"). Paragraph 3 of the Grien Declaration is hereby amended to state that "To the best of my knowledge and belief, insofar as I have been able to ascertain after due inquiry, **none** of the employees of TM Capital is related to Jennifer Convertibles, Inc. or any of its subsidiaries, debtors and debtors in possession (the "Debtors"), their creditors, other parties in interest herein, or the United States Trustee or anyone employed in the Office of the United States Trustee, or holds or represents any interest adverse to any such party, except that TM Capital is connected with the Debtors by virtue of this engagement, and TM Capital may represent or have represented certain of the Debtors' creditors or other parties in interest herein, or interests adverse to such creditors or other parties in interest herein, in matters unrelated to these cases."

5. In accordance with paragraph 16 of the Grien Declaration, TM Capital reserves the right to seek court approval for additional compensation in circumstances where extraordinary results may warrant such additional compensation, provided, however, that the United States Trustee retains all rights to respond or object to TM Capital's requests for additional compensation pursuant to the reasonableness standard of section 330 of the Bankruptcy Code.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: August 9, 2010

/s/ Robert C. Grien
Robert C. Grien