

**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)

**ORDER ESTABLISHING DEADLINE FOR FILING PROOFS OF CLAIM
AND APPROVING THE FORM AND MANNER OF NOTICE THEREOF**

Upon the motion, dated August 31, 2010 (the “Motion”)² of Jennifer Convertibles, Inc. and its affiliated debtors, as debtors in possession (collectively, the “Debtors”), for entry of an order pursuant to Federal Rule of Bankruptcy Procedure (“Bankruptcy Rule”) 3003(c)(3), fixing a deadline (the “Bar Date”) and establishing procedures for filing proofs of claim and approving the form and manner of service thereof; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); 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 District of New York Any and All Proceedings Under Title 11, dated July 10, 1984; 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 a hearing having been held to consider the relief requested in the Motion (the “Hearing”); and the appearances of all interested

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.

parties having been noted in the record of the Hearing; and it appearing that no other or further notice need be provided; 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 proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. Except as otherwise provided herein, all persons and entities, (including, without limitation, individuals, partnerships, corporations, joint ventures, and trusts) that assert a claim, as defined in § 101(5) of the Bankruptcy Code, against the Debtors which arose on or prior to the filing of the Chapter 11 petitions on July 18, 2010 (the "Petition Date"), including, without limitation, claims entitled to priority under § 503(b)(9) of the Bankruptcy Code, shall file a proof of such claim in writing so that it is received on or before **October 25, 2010** at 5:00 p.m (prevailing Eastern Time) (the "General Bar Date").

2. Notwithstanding any other provision hereof, proofs of claim filed by governmental units must be filed on or before **January 18, 2011**, at 5:00 p.m. (prevailing Eastern Time) (the "Governmental Bar Date" and, together with the General Bar Date, the "Bar Dates").

3. The following procedures for the filing of proofs of claim shall apply:

- a. proofs of claim must substantially conform to the Proof of Claim form attached to the Motion as Exhibit B, which form is hereby approved, or Official Bankruptcy Form No. 10;
- b. Proofs of claim must be filed either by U.S. Postal Service mail or overnight delivery to the following addresses:

By overnight mail, to:

BMC Group, Inc.
Attention: Jennifer Convertibles, Inc., et al.
18750 Lake Drive East
Chanhassen, MN 55317

By first-class mail, to:

BMC Group, Inc.
Attention: Jennifer Convertibles, Inc., et al.
PO Box 3020
Chanhassen, MN 55317-3020

By hand delivery to:

Clerk of the United States Bankruptcy Court
Attn: Jennifer Convertibles, Inc. Claims Processing
One Bowling Green
New York, New York 10004

- c. proofs of claim will be deemed filed only when received by BMC or the Clerk of the Bankruptcy Court for the Southern District of New York on or before the applicable Bar Date.
- d. Each proof of claim must: (i) be signed; (ii) include supporting documentation (if voluminous, attach a summary) or an explanation as to why documentation is not available; (iii) be in the English language; and (iv) be denominated in United States currency;
- e. Proofs of claim must specify by name and case number the Debtor against which the claim is filed; if the holder asserts a claim against more than one Debtor or has claims against different Debtors, a separate proof of claim form must be filed with respect to each Debtor.

4. The following persons or entities are not required to file proofs of claim on or before the applicable Bar Date:

- a. any person or entity who has already filed a proof of claim against the Debtors with BMC or the Clerk of the Bankruptcy Court for the Southern District of New York in a form which substantially conforms to the proof of claim Form or Official Bankruptcy Form No. 10;
- b. any person or entity whose claim is listed on the Schedules filed by the Debtors, provided that (i) the claim is **not** scheduled as “disputed,” “contingent,” or “unliquidated,” **and** (ii) the claimant does not disagree with the amount, nature and priority of the claim for such person or entity as set forth in the Schedules;

- c. any holder of a claim that heretofore has been allowed by an order of this Court;
- d. any person or entity whose claim has been paid in full by any of the Debtors;
- e. any holder of a claim for which a specific deadline have previously been fixed by this Court;
- f. any holder of a claim allowable under section 503(b) (with the exception of a claim allowable under section 503(b)(9) of the Bankruptcy Code) and 507(a)(2) of the Bankruptcy Code as an expense of administration;
- g. any current employee of the Debtors solely with respect to any claim based on the payment of wages, salaries and vacation pay arising in the ordinary course of business and previously authorized to be paid by order of the Court, including the first day wage order approved by the Court on July 22, 2010 (Docket Entry No. 52), provided, however, that if the Debtors provide written notice to any current employee stating that the Debtors do not intend to exercise their authority to pay such claim, such employee shall have until the later of either (i) the General Bar Date; or (ii) the first business day that is thirty (30) calendar days from the date of service of such written notice, to file a proof of such claim;
- h. professionals whose retention in these chapter 11 cases has been approved by the Court, to the extent that such person's claim against the Debtors is for postpetition amounts due; and
- i. the United States Trustee for statutory fees required to be paid by the Debtors.

5. Any person or entity that holds a claim that arises from the rejection of an executory contract or unexpired lease, as to which the order authorizing such rejection is dated on or before the date of entry of this Order, must file a proof of claim based on such rejection on or before the Bar Date, and any person or entity that holds a claim that arises from the rejection of an executory contract or unexpired lease, as to which an order authorizing such rejection is dated after the date of entry of this Order, must file a proof of claim on or before such date as the Court may fix in the applicable order authorizing such rejection.

6. Any person or entity that holds a claim that arises under section 503(b)(9) of the Bankruptcy Code (which, despite their priority status, are prepetition claims) must file a proof of such claim on or before the General Bar Date to the extent that such claim has not been paid.

7. Holders of equity security interests in the Debtors need not file proofs of interest with respect to the ownership of such equity interests, provided, however, that if any such holder asserts a claim against the Debtors (including a claim relating to an equity interest or the purchase or sale of such equity interest), a proof of such claim must be filed on or prior to the General Bar Date pursuant to the procedures set forth in this Order.

8. If the Debtors amend or supplement the Schedules subsequent to the date hereof, the Debtors shall give notice of any amendment or supplement to the holders of claims affected thereby, and such holders shall be afforded 30 days from the date of such notice to file proofs of claim in respect of their claims or be barred from doing so, and shall be given notice of such deadline.

9. Nothing in this Order shall prejudice the right of the Debtors or any other party-in-interest to dispute or assert offsets or defenses to any claim reflected in the Schedules.

10. Pursuant to Bankruptcy Rule 3003(c)(2), all holders of claims that fail to comply with this Order by timely filing a proof of claim in appropriate form shall not be treated as a creditor with respect to such claim for the purposes of voting and distribution.

11. A copy of the notice substantially in the form annexed to the Motion is approved and shall be deemed adequate and sufficient if served by first-class mail at least 35 days prior to the Bar Date on:

- a. the U.S. Trustee;
- b. Kelley Drye & Warren LLP, as counsel for the Creditors' Committee;

- c. all persons or entities that have requested notice of the proceedings in the Debtors' chapter 11 cases;
- d. all persons or entities that have filed a proof of claim;
- e. all creditors and other known holders of claims as of the date of this Order, including all persons or entities listed in the Schedules as holding claims;
- f. all parties to the executory contracts and unexpired leases of the Debtors;
- g. all parties to litigation with the Debtors;
- h. the Internal Revenue Service for the Southern District of New York and, if required by Bankruptcy Rule 2002(j), the Securities and Exchange Commission and any other required governmental units;
- i. all persons and entities listed on the Debtors' consolidated list of creditors as established by the Debtors pursuant to this Court's order authorizing the Debtors to prepare a consolidated list of creditors in lieu of mailing matrix, dated August 4, 2010 (Docket Entry No. 126) as of the date of the entry of the Bar Date Order; and
- j. such additional persons and entities as deemed appropriate by the Debtors.

12. With regard to those holders of claims listed on the Schedules, the Debtors shall mail one or more proof of claim forms (as appropriate) substantially similar to the Proof of Claim form annexed to the Motion as Exhibit B, indicating on the form how the Debtors have scheduled such creditor's claim in the Schedules (including the identity of the Debtor, the amount of the claim and whether the claim has been scheduled as contingent, unliquidated or disputed).

13. Pursuant to Bankruptcy Rule 2002(f), the Debtors shall publish notice of the Bar Date in substantially the form attached to the Motion once, in USA Today, at least 28 days prior to the Bar Date, which publication is hereby approved and shall be deemed good, adequate, and sufficient publication notice of the Bar Date.

14. Any person or entity who desires to rely on the Schedules will have the responsibility for determining that the claim is accurately listed in the Schedules.

15. The Debtors and BMC are authorized and empowered to take such steps and perform such acts as may be necessary to implement and effectuate the terms of this Order.

16. Entry of this Order is without prejudice to the right of the Debtors to seek a further order of this Court fixing a date by which holders of claims or interests not subject to the Bar Date established herein must file such proofs of claim or interest or be barred from doing so.

17. This Court shall retain jurisdiction over all matters arising from or related to the interpretation and implementation of this Order.

Dated: September 16, 2010
New York, New York

/s/ Allan L Gropper

UNITED STATES BANKRUPTCY JUDGE