

KELLEY DRYE & WARREN LLP

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Counsel for the Official Committee of
Unsecured Creditors of Jennifer Convertibles, Inc., *et al.*

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

In re:

JENNIFER CONVERTIBLES, INC., *et al.*¹

Debtors.

Chapter 11

Case No. 10-13779 (ALG)

(Jointly Administered)

NOTICE OF INCREASE OF RATES FOR KELLEY DRYE & WARREN LLP

PLEASE TAKE NOTICE that on August 18, 2010, the Official Committee of Unsecured Creditors of Jennifer Convertibles, Inc. (the "Committee") filed the *Application of the Official Committee of Unsecured Creditors of Jennifer Convertibles, Inc., et al., to Retain and Employ Kelley Drye & Warren LLP as Counsel, Nunc Pro Tunc to July 23, 2010.*

PLEASE TAKE FURTHER NOTICE that on September 14, 2010, the *Order Authorizing the Retention and Employment of Kelley Drye & Warren LLP as Counsel to the Official Committee of Unsecured Creditors of Jennifer Convertibles, Inc., et al., Nunc Pro Tunc to July 23, 2010* (the "Order") [Docket No. 239] was entered by the Honorable Allan L. Gropper, United States Bankruptcy Judge.

PLEASE TAKE FURTHER NOTICE that Kelley Drye & Warren LLP's ("Kelley Drye") rates are subject to periodic adjustments (typically in January of each year) to

¹ The Debtors in these chapter 11 cases are: (i) Jennifer Convertibles, Inc.; (ii) Jennifer Convertibles Boylston MA, Inc.; (iii) Jennifer Chicago Ltd.; (iv) Elegant Living Management, Ltd.; (v) Hartsdale Convertibles, Inc.; (vi) Jennifer Management III Corp.; (vii) Jennifer Purchasing Corp.; (viii) Jennifer Management II Corp.; (ix) Jennifer Management V Ltd.; (x) Jennifer Convertibles Natick, Inc.; (xi) Nicole Convertibles, Inc.; and (xii) Washington Heights Convertibles, Inc.

reflect economic and other conditions. In accordance with paragraph 4 of the Order, effective as of January 1, 2011, Kelley Drye will bill at the following standard hourly rates: \$510-\$675 for partners and special counsel; \$350-\$490 for associates; and \$190-\$220 for paraprofessionals. The hourly rates for the Kelley Drye attorneys with primary responsibilities for providing services to the Committee will increase as follows:

Name	Title	Law School Graduation Year	Year of Partnership	2010 Hourly Rate	2011 Hourly Rate
James S. Carr	Partner	1987	1998	\$645.00	\$675.00
Kevin J. Smith	Special Counsel	1997	N/A	\$565.00	\$585.00
Mark W. Page	Special Counsel	1991	N/A	\$495.00	\$510.00
Jason R. Adams	Associate	2000	N/A	\$485.00	\$520.00
Vikki Bollettino	Associate	2009	N/A	\$305.00	\$350.00
Marie Vicinanza	Resource Assistant	N/A	N/A	\$220.00	\$220.00

Dated: New York, New York
March 4, 2011

KELLEY DRYE & WARREN LLP

By: /s/ James S. Carr
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