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Hearing Date: April 27, 2011 at 10:00 a.m.

Objection Deadline: April 20, 2011 at 4:00 p.m.

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)

**FIRST AND FINAL APPLICATION OF KELLEY DRYE & WARREN LLP,
COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF
JENNIFER CONVERTIBLES, INC., ET AL. FOR FINAL ALLOWANCE OF
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND FOR
REIMBURSEMENT OF EXPENSES FOR THE PERIOD FROM
JULY 23, 2010 THROUGH FEBRUARY 22, 2011**

<u>Name of Applicant:</u>	Kelley Drye & Warren LLP
Authorized to Provide Professional Services to:	The Official Committee of Unsecured Creditors
Date of Retention:	Order entered on September 14, 2010, <i>nunc pro tunc</i> to July 23, 2010
Period for which Compensation and Reimbursement of Expenses is Sought	July 23, 2010, through February 22, 2011
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$620,222.50
Amount of Expense Reimbursement Sought As Actual, Reasonable and Necessary:	\$9,238.84

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.

This is an: interim X final application.

TOTAL COMPENSATION AND EXPENSES

Date Filed	Period Covered	Requested		Approved/Requested	
		Fees	Expenses	Fees	Expenses
09/15/2010	07/23/10-07/31/10	\$92,207.50	\$129.25	\$92,207.50 approved; \$73,766.00 paid (80%)	\$129.25
09/22/2010	08/01/10-08/30/10	\$101,916.00	\$340.31	\$101,916.00 approved; \$81,532.80 paid (80%)	\$340.31
10/15/2010	09/01/10-09/30/10	\$72,775.50	\$2,775.79	\$72,775.50 approved; \$58,220.40 paid (80%)	\$2,775.79
11/15/2010	10/01/10-10/31/10	\$76,458.00	\$488.81	\$76,458.00 approved; \$61,166.40 paid	\$488.81
12/21/2010	11/01/10-11/30/10	\$77,889.50	\$3,100.21	\$77,889.50 approved; \$62,311.60 paid (80%)	\$1,141.89
01/31/2011	12/01/10-12/31/10	\$66,681.00	\$239.23	\$66,681.00 approved; \$53,581.03 requested (80%); \$0.00 paid	\$236.23 requested; \$0.00 paid
03/11/2011	01/01/11-01/31/11	\$85,353.50	\$1,029.55	\$68,282.80 requested (80%); \$0.00 paid	\$1,029.55 requested; \$0.00 paid
N/A	02/01/11-02/22/11	\$46,941.50	\$1,138.69	N/A	N/A

TIMEKEEPER SUMMARY

Professional/ Paraprofessional	Law School Graduation Year	Total Hours	2010/2011 Hourly Rate ²	Fees Earned
<u>Partners</u>				
James S. Carr	1987	229.9	\$645.00/\$675.00	\$149,410.50
Eric R. Wilson	1997	55.6	\$585.00/N/A	\$32,526.00
Robert L. LeHane	1998	17.1	\$520.00/N/A	\$8,892.00
Richard D. Milone	1990	8.7	\$595.00/N/A	\$5,176.50
Michael C. Lynch	1996	8.4	\$570.00/N/A	\$4,788.00
<u>Special Counsel</u>				
Kevin J. Smith	1997	21.3	\$565.00/\$585.00	\$12,136.50
Mark W. Page	1991	44.1	\$495.00/\$510.00	\$22,045.50
<u>Associates</u>				
Jason R. Adams	2000	624.6	\$485.00/\$520.00	\$308,748.00
Stacia Neeley	2004	20.3	\$455.00/N/A	\$9,236.50
Mahmood Ahmad	2005	9.0	\$370.00/N/A	\$3,330.00
Jennifer Raviele	2008	18.8	\$340.00/N/A	\$6,392.00
Vikki Bollettino	2009	131.5	\$305.00/\$350.00	\$41,219.00
Risa M. Drexler	2009	39.3	\$305.00/N/A	\$11,986.50
Raxak Mahat	2009	3.4	N/A/\$350.00	\$1,190.00
<u>Resource Assistant</u>				
James Nastasi	N/A	0.9	\$235.00/N/A	\$211.50
<u>Legal Assistant</u>				
Marie Vicinanza	N/A	10.8	\$220.00/\$220.00	\$2,376.00
Peter Kosiek	N/A	3.1	\$180.00/N/A	\$558.00
TOTAL				
TOTAL		1246.8		\$620,222.50
Blended Hourly Rate – Professionals Only			\$503.39	

² Kelley Drye's rates are subject to periodic adjustments (typically in January of each year) to reflect economic and other conditions. Effective January 1, 2011, Kelley Drye's rates increased. Kelley Drye filed a notice of such increases on March 4, 2011 [Docket Entry No. 514].

EXHIBITS

The following exhibits are attached hereto and incorporated herein by reference:

- Exhibit A** By-Timekeeper Summary of Hours Devoted and Compensation Sought
- Exhibit B** Summary of Hours Devoted and Compensation Sought By Project Category
- Exhibit C** Time and Expense Detail
- Exhibit D** Summary of Expenses
- Exhibit E** Certification of James S. Carr, Esq.

APPLICATION

Kelley Drye & Warren LLP (“Kelley Drye”), counsel to the Official Committee of Unsecured Creditors (the “Committee”) of Jennifer Convertibles, Inc., *et al.* (the “Debtors”), hereby submits its first and final application (the “Application”), pursuant to (i) sections 330 and 331 of the Bankruptcy Code; (ii) Bankruptcy Rule 2016; (iii) Local Bankruptcy Rule 2016-1; (iv) General Order M-389, *Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases*, effective December 4, 2009 (the “Local Guidelines”); (v) the Court’s *Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures For Interim Monthly Compensation and Reimbursement of Expenses of Professionals*, dated August 10, 2010 (the “Interim Compensation Order”);³ and (vi) the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, effective January 30, 1996 (the “UST Guidelines”), for final allowance of compensation for professional services rendered to the Committee by Kelley Drye from July 23, 2010 through and including February 22, 2011 (the “Fee Period”), and for reimbursement of expenses incurred in connection with such services. In support of this Application, Kelley Drye respectfully represents as follows:

Jurisdiction and Venue

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

³ Docket Entry No. 155.

2. The bases for the relief requested herein are sections 330 and 331 of the Bankruptcy Code, Bankruptcy Rule 2016, Local Bankruptcy Rule 2016-1, the Local Guidelines, the UST Guidelines and the Interim Compensation Order. Pursuant to the Local Guidelines, a certification of compliance is attached hereto as Exhibit E.

Background

3. On July 18, 2010 (the "Petition Date"), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

4. On July 23, 2010, the United States Trustee for the Southern District of New York appointed the Committee.⁴

5. On August 18, 2010, the Committee engaged Kelley Drye as counsel in connection with these cases. Pursuant to order of this Court dated September 14, 2010 (the "Retention Order"), the Committee was authorized to retain Kelley Drye as counsel to the Committee to render legal services in connection with the Debtors' bankruptcy cases *nunc pro tunc* to July 23, 2010.⁵ The Retention Order authorizes the compensation and reimbursement of Kelley Drye in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, such Bankruptcy Rules and Local Bankruptcy Rules as may then be applicable from time to time, and such procedures as may be fixed by order of the Court.

⁴ Docket Entry No. 77.

⁵ Docket Entry No. 239.

6. On February 9, 2011, the Court entered an order (the “Confirmation Order”)⁶ confirming the Debtors’ *Amended Joint Chapter 11 Plan of Reorganization For Jennifer Convertibles, Inc. and its Affiliated Debtors* (the “Plan”). On February 22, 2011, the Plan went effective (the “Effective Date”).⁷

7. As disclosed in the *Declaration of James S. Carr Pursuant to 28 U.S.C. §1745 In Support of 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*⁸ and the *Supplemental Declaration of James S. Carr Pursuant to 28 U.S.C. §1745 In Support of 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*,⁹ Kelley Drye does not hold or represent any interest adverse to the Debtors or their estates.

8. Kelley Drye performed the services for which it is seeking compensation on behalf of or for the Committee and not on behalf of any other entity. Kelley Drye has received no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the Debtors’ chapter 11 cases. Pursuant to Bankruptcy Rule 2016(b), Kelley Drye has not shared, nor has Kelley Drye agreed to share (a) any compensation it has received or may receive with another party or person other than with the partners, counsel and associates of Kelley Drye; or (b) any compensation another person or party has received or may receive.

⁶ Docket Entry No. 491.

⁷ See Docket Entry No. 503.

⁸ Docket Entry No. 174 at Exhibit A.

⁹ Docket Entry No. 229.

Compensation and Expenses Requested

9. By this Application, Kelley Drye seeks allowance of compensation for professional services rendered to the Committee during the Fee Period in the aggregate amount of \$620,222.50 (which amount represents 100% of fees incurred) and reimbursement of actual, reasonable and necessary expenses incurred in connection with the rendition of such services, or of members of the Committee incurred in connection with the services on the Committee, in the aggregate amount of \$9,238.84 (which amount represents 100% of expenses incurred) for a total amount of \$629,461.34. Kelley Drye may request allowance of compensation and reimbursement of expenses for services rendered as Committee counsel after the Effective Date and reserves its right to supplement this Application to request such amount prior to the hearing on this Application.

10. On August 10, 2010, the Court entered the Interim Compensation Order, which approved, among other things, compensation procedures (the "Compensation Procedures"). Pursuant to the Compensation Procedures, professionals retained in these cases were authorized to submit monthly fee statements to the Notice Parties (as defined in the Compensation Procedures). Provided that no objection to a monthly fee statement was timely filed, the Debtors were authorized to pay such professional an amount equal to eighty percent (80%) of the fees and one-hundred percent (100%) of the expenses requested in such monthly fee statement. In accordance with the Compensation Procedures, Kelley Drye filed and served on the Notice Parties seven monthly fee statements (the "Monthly Fee Statements") covering the period from July 23, 2010 through January 31, 2011.

11. Pursuant to the Compensation Procedures, this Application seeks compensation and reimbursement of expenses for the period from July 23, 2010 through February 22, 2011.

12. The fees sought by this Application reflect an aggregate of 1246.8 hours of professional and paraprofessional time performing services for the Committee during the Fee Period, at a blended hourly rate for only professionals of \$503.39.

13. As of the date hereof, Kelley Drye has received \$336,997.20 from the Debtors for fees incurred by Kelley Drye during the Fee Period. This represents 80% of fees incurred for the July 2010 Monthly Fee Statement through the November 2010 Monthly Fee Statement. Kelley Drye has also received \$4,876.05 from the Debtors for expenses incurred by Kelley Drye or the members of the Committee for the July 2010 Monthly Fee Statement through the November 2010 Monthly Fee Statement.¹⁰ Kelley Drye has not yet received payment of any fees or expenses incurred for the December 2010 Monthly Fee Statement through the January 2011 Monthly Fee Statement or for any fees and expenses incurred by the Committee during February 2011 through the Effective Date. Inclusive of all work done by the Committee through the Effective Date, Kelley Drye seeks final approval and allowance of 100% of the fees (\$620,222.50) and expenses (\$9,238.84) incurred during the Fee Period.

14. Kelley Drye rendered to the Committee all services for which compensation is sought solely in connection with this case, in furtherance of the duties and functions of the Committee.

15. Kelley Drye, in the ordinary course of its practice, maintains computerized records of the time expended in rendering professional services on behalf of the Committee. For the convenience of the Court and all parties in interest, and in accordance with the Local Guidelines, billing summaries for the Fee Period attached hereto as **Exhibit A** and **Exhibit B**, set forth (i) the name of each Kelley Drye professional and paraprofessional whose work is included

¹⁰ No party objected to the Committee's Monthly Fee Statement for November 2010. However, Kelley Drye received only only \$63,453.49 of the \$65,411.81 requested (after the holdback).

in this First Application; (ii) the year of the professional's law school graduation; (iii) the aggregate of the time expended by each professional or paraprofessional; (iv) the hourly billing rate for each professional or paraprofessional at Kelley Drye's standard billing rates; (v) the amount of compensation requested per timekeeper; (vi) the hours devoted to distinct matters; and (vii) the amounts of compensation requested per matter. The compensation requested by Kelley Drye is based on the customary compensation charged by comparably skilled practitioners in cases other than cases under the Bankruptcy Code.

16. Time entry records broken down in tenths of an hour for each matter are attached hereto as **Exhibit C** and provide detailed descriptions of the services performed by each professional and paraprofessional on behalf of the Committee.¹¹

17. Kelley Drye also maintains computerized records of all expenses incurred in connection with the performance of professional services. A summary of the amounts and categories of expenses for which reimbursement is sought is attached hereto as **Exhibit D**.

Summary of Professional Services Rendered and Expenses Incurred

I. General Matters

18. During the Fee Period, Kelley Drye provided various professional services to the Committee in connection with the Debtors' chapter 11 cases. To provide a meaningful summary of Kelley Drye's services rendered on behalf of the Committee, Kelley Drye has established, in accordance with UST Guidelines and its internal billing procedures, certain subject matters in connection with the Debtors' chapter 11 cases, including: (A) general case administration; (B) retention matters; (C) fee matters; (D) financing and cash collateral; (E) asset

¹¹ Exhibit C includes the exact amount of time spent in tenths of the hour by each professional for work provided in connection with each particular sub-matter. At the end of each sub-matter is a schedule of each attorney who provided time on that particular sub-matter, the total amount of time expended and the attorney's billing rate.

disposition; (F) executory contracts and leases; (G) avoidance actions; (H) claims; (I) disclosure statement and plan issues; (J) committee communications; (K) business operations; and (L) court hearings.

II. Description of Services Rendered By Project Category

19. Set forth below is a brief description of the time devoted to each category and recorded contemporaneously to the corresponding subject matter.¹²

A. General Case Administration

20. During the Fee Period, Kelley Drye spent time on numerous general and administrative matters arising in the Debtors' chapter 11 cases. Kelley Drye prepared papers to establish information sharing procedures with creditors and worked with the Debtors to provide for the sharing of the Debtors' documents and information with the Committee, including the drafting of a confidentiality agreement.

21. Kelley Drye also monitored the Debtors' chapter 11 case, reviewed the pleadings filed by the Debtors and other parties in interest, and formulated strategies regarding the Debtors' chapter 11 cases. Kelley Drye also participated in numerous meetings and conferences with the Debtors, the United States Trustee and other parties in interest regarding the status and direction of the Debtors' cases. This category also includes time spent preparing a liquidation analysis of the Debtors for discussions with the Debtors and their primary supplier and plan sponsor, Haining Mengnu Group Co., Ltd. ("Mengnu"). Kelley Drye also participated in numerous conferences and meetings with the Debtors' professionals, advisors to Mengnu and the Committee's financial advisors regarding the Debtors' cash flows, the continued supply of merchandise to the Debtors and the overall status of the Debtors' cases. Time in this category

¹² Detailed descriptions are contained in the time entries recorded by Kelley Drye professionals and paraprofessionals, which are attached hereto as **Exhibit C** and incorporated herein by reference.

was also devoted to maintaining a current calendar of critical dates in the Debtors' cases, calendaring upcoming events. Time spent in this category totaled 148.1 hours, for total fees of \$69,358.50 during the Fee Period.

B. *Retention Matters*

22. During the Fee Period, Kelley Drye spent time preparing retention papers for the Committee's professionals and addressing certain issues raised by the United States Trustee in connection therewith. Kelley Drye also reviewed the Debtors' applications to retain several advisors, analyzed the Debtors' reporting requirements with the Securities and Exchange Commission in connection with the Debtors' request to retain Eisner LLP as auditors, and prepared an objection to the Debtors' request to retain Eisner LLP. Time spent in this category totaled 110.7 hours, for total fees of \$46,727.00 during the Fee Period.

C. *Fee Matters*

23. During the Fee Period, Kelley Drye prepared, reviewed and filed monthly fee statements for the Committee's professionals for July 2010 through January 2011 and began preparing this Application. Kelley Drye also reviewed the monthly fee statements of the Debtors' professionals. Time spent in this category totaled 66.7 hours, for total fees of \$26,311.50 during the Fee Period.

D. *Financing and Cash Collateral*

24. During the Fee Period, Kelley Drye negotiated the terms of the Debtors' proposed DIP financing from Mengnu. Time in this category was also spent conferring with the Debtors, Mengnu and the United States Trustee regarding the terms of the DIP Agreement, the interim and final DIP orders and the Debtors' budget. Time spent in this category totaled 21.9 hours, for total fees of \$11,757.50 during the Fee Period.

E. *Asset Disposition*

25. During the Fee Period, Kelley Drye reviewed and commented on the Debtors' motion to establish bid procedures, motion to liquidate assets and certain store locations and the underlying agency agreement, and spent time communicating with the Debtors regarding such motions and addressing creditor inquiries regarding the status of store closings and inventory liquidations. Kelley Drye also spent time communicating with entities which expressed interest in purchasing all or substantially all of the Debtors' assets as an alternative to a restructuring of the Debtors' businesses. Time spent in this category totaled 42.9 hours, for total fees of \$22,766.00 during the Fee Period.

F. *Executory Contracts and Leases*

26. During the Fee Period, Kelley Drye worked with the Debtors to establish lease rejection procedures and also analyzed, and discussed with the Debtors, various motions related to the Debtors' executory contracts and unexpired leases, including numerous motions to compel the Debtors' payment of post-petition rent to certain landlords. Kelley Drye reviewed and analyzed the Debtors' motion to assume certain trademark usage agreements with Ashley Homestores, Ltd. ("Ashley") and engaged in numerous meetings and conferences with advisors to the Debtors, Mengnu and Ashley regarding such assumption. Kelley Drye also reviewed Ashley's objection to the Debtors' motion to assume and prepared a statement in support of the Debtors' Motion. Kelley Drye also reviewed and analyzed the Debtors' motion to assume and modify lease agreements effective as of the Effective Date. Time spent in this category totaled 54.4 hours, for total fees of \$27,065.50 during the Fee Period.

G. *Avoidance Actions*

27. During the Fee Period, Kelley Drye began a preliminary review and analysis of potential avoidance actions, including potential claims against the Debtors' officers and directors for pre-petition transactions involving a related company. As part of this analysis, Kelley Drye reviewed and analyzed publicly available information regarding such claims as well as the Debtors' insurance policies to determine coverage. Kelley Drye also prepared a demand letter to the Debtors to request the Debtors commence litigation with regard to such claims against its officers and directors and prepared and served informal Bankruptcy Rule 2004 discovery relating to such claims. Time in this category was also dedicated to following up with the Debtors and Mengnu regarding the Debtors' failure to respond to the Committee's informal discovery request and preparing and filing a motion pursuant to Bankruptcy Rule 2004 to obtain such discovery. Time devoted to this category totaled 130.7 hours, for total fees of \$59,507.50 during the Fee Period.

H. *Claims*

28. During the Fee Period, Kelley Drye reviewed and analyzed the Debtors' motions to set a bar date for the filing of claims and to establish reclamation procedures and negotiated modifications with the Debtors to satisfy the Committee's concerns and responded to inquiries from creditors regarding the requirements for filing claims against the Debtors. Kelley Drye also worked with the Debtors on the terms of a settlement of a class action claim against the Debtors. Kelley Drye also (i) had numerous conferences with the Debtors and their advisors regarding claim objections and the total amount of claims filed prior to the bar date; (ii) reviewed and analyzed the Debtors' omnibus objections to claims; and (iii) began reviewing and reconciling the Debtors' claim register to account for settled and disallowed claims as well as claims relating to agreements that were assumed or rejected pursuant to the Debtors' multiple

assumption and rejection motions and the Plan. Time devoted to this category totaled 50.9 hours, for total fees of \$25,765.00 during the Fee Period.

I. *Disclosure Statement and Plan Issues*

29. During the Fee Period, Kelley Drye spent significant time negotiating and documenting the terms of a global settlement amongst the Committee, the Debtors and Mengnu that served as the foundation of the Debtors' plan of reorganization, ultimately leading to the Debtors' successful emergence from bankruptcy and providing for a meaningful return to general unsecured creditors. Initially, time spent in this category included (i) the review and analysis of the Debtors' proposed plan support agreement submitted with the Debtors' first day pleadings; (ii) extensive analysis of the Debtors' reorganization possibilities; and (iii) the negotiation and documentation of a term sheet outlining a global settlement with the Debtors and Mengnu.

30. Thereafter, time spent in this category included the negotiation, preparation and revision of the Debtors' Plan and disclosure statement, solicitation materials, disclosure statement order and confirmation order. During this time, Kelley Drye was engaged with the Debtors' professionals and Mengnu's advisors in routine meetings and discussions on the terms of the Plan and disclosure statement and addressed numerous issues raised by the United States Trustee regarding the terms of the Plan and the terms of the post-confirmation litigation trust established to pursue potential causes of action, resolve general unsecured claims and ultimately to make distributions to general unsecured creditors.

31. Finally, time spent in this category included the negotiation and documentation of the numerous plan support agreements, including the exit financing provided by Mengnu, the various notes issued for the benefit of general unsecured creditors and Mengnu, the security agreements related to such notes, the intercreditor agreement between the litigation trust and Mengnu and the litigation trust agreement. Kelley Drye also prepared a letter in

support of the plan to be included in the solicitation materials, dealt with issues raised in Ashley's objection to the Plan and assisted in resolving the outstanding issues stemming from the Court's decision regarding the substantive consolidation of the Debtors. Time devoted to this category totaled 308.4 hours, for total fees of \$162,156.50 during the Fee Period.

J. *Committee Communications*

32. During the Fee Period, Kelley Drye held frequent telephone conferences with the Committee to provide Committee members with updates on all aspect of the Debtors' cases, the Debtors' business operations, the potential exit strategies for the Debtors, the ultimate global settlement with the Debtors and Mengnu, the negotiation and preparation of the Plan and the plan supplements and the ultimate confirmation of the Plan and the Debtors' emergence from bankruptcy. Kelley Drye also sent periodic email updates to the Committee summarizing critical documents in the Debtors' cases and the status of negotiations with the Debtors, Mengnu and other critical parties.

33. This category also includes time spent with the Committee interviewing potential financial advisors, preparing bylaws for the Committee and negotiating the terms of a confidentiality agreement with the Debtors to provide for the disclosure of information to the Committee. Kelley Drye also spent time responding to individual Committee member inquiries regarding the Debtors' chapter 11 cases. Time devoted to this category totaled 162.2 hours, for total fees of \$89,433.50 during the Fee Period.

K. *Business Operations*

34. During the Fee Period, Kelley Drye spent time analyzing and working with the Debtors and Mengnu to finalize the terms of Mengnu's continued supply of inventory to the Debtors. Kelley Dry also devoted time to negotiating, analyzing and reviewing multiple stipulations between the Debtors and Merrick Bank regarding the Debtors' chargeback reserve

account. Kelley Drye also dedicated time to reviewing and analyzing the Debtors' periodic updated cash flows and business results with the Committee's financial advisors. This category also includes frequent conferences with the Debtors and Mengnu regarding the Debtors' ongoing business operations. Time devoted to this category totaled 86.9 hours, for total fees of \$46,443.50 during the Fee Period.

L. Court Hearings

35. This category represents time spent preparing for and attending court hearings. During the Fee Period, the Committee participated in hearings on various issues including, among others, the Debtors' first day motions, applications to retain various professionals, interim and final approval of the Debtors' DIP financing, approval of the disclosure statement, the Debtors' motion to assume the trademark license agreements with Ashley and confirmation of the Debtors' Plan. Time devoted to this category totaled 63.0 hours, for total fees of \$32,930.50 during the Fee Period.

III. Expenses

36. Kelley Drye and the Committee members have incurred a total of \$9,238.84 in expenses in connection with their services with respect to the Committee during the Fee Period. A detailed itemization of the expenses broken down by category of work are set forth in Exhibit C and a summary of expenses by category is annexed as Exhibit D. The expenses incurred by Kelley Drye and the Committee members are reasonable, economical, and, in the case of Kelley Drye, are customarily charged to non-bankruptcy clients of Kelley Drye.

37. Except as described below, Kelley Drye's expenses are reflected herein at actual cost. According to the Local Guidelines, outgoing facsimile transmission charges are limited to the lower of toll charges or, if such charges cannot be determined, \$1.25 per page to United States destinations and \$2.50 per page to international destinations. No charges are

reflected in the Application for incoming facsimile transmissions. Kelley Drye's charge for in-house duplications is not more than twenty (20) cents per page, in compliance with the limitation set forth in the Local Guidelines.

38. In accordance with the Local Guidelines, the Application includes the reasonable expenses of professionals and paraprofessionals required to work on this case after 8:00 p.m., including taxi fares and meals. Attorneys at Kelley Drye have not incurred expenses for luxury accommodations, deluxe meals, or air travel.

Kelley Drye's Requested Compensation and Reimbursement Should Be Allowed

39. Section 330(a)(1) of the Bankruptcy Code provides that a court may award a professional employed in the case under section 1103 of the Bankruptcy Code "reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses." Section 330(a)(3), in pertinent part, provides further guidelines for awarding such fees and expenses:

In determining the amount of reasonable compensation to be awarded..., the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; ... and
- (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3). Additional factors courts consider when awarding fees include the time and labor required, the novelty and difficulty of questions, the skill requisite to perform the legal services properly, the preclusion of other employment by the applicant due to acceptance of the current case, the customary fee, whether the fee is fixed or contingent, time limitations imposed by the client or other circumstances, the amount involved and results obtained, the experience, reputation and ability of the attorneys, the “undesirability” of the case, and the nature and length of the professional relationship. *See, e.g., In re First Colonial Corp. of America*, 544 F.2d 1291, 1298–99 (5th Cir. 1977); *In re Nine Assocs., Inc.*, 76 B.R. 943, 945 (S.D.N.Y. 1987).

40. Kelley Drye respectfully submits that the professional services rendered to the Committee during the Fee Period for which it seeks compensation were, at the time rendered, reasonable and necessary and expected to benefit, protect and preserve the Debtors’ estates and the unsecured creditors. These services required a high level of professional competence and expertise, and Kelley Drye believes that the services were performed efficiently and effectively. The hourly rates billed by Kelley Drye were customary for professional services rendered in other matters and were fair and reasonable.

41. Kelley Drye submits that the expenses incurred during the Fee Period were customary and necessary. Kelley Drye seeks reimbursement of only its actual costs.

Memorandum of Law

42. Because the Application presents no novel issues of law and the authorities relied upon are set forth herein, Kelley Drye respectfully requests that the Court waive the requirement of Local Bankruptcy Rule 9013-1(a) that parties file a separate memorandum of law.

Notice

43. Notice of this Application has been provided to (a) the Office of the United States Trustee for the Southern District of New York; (b) counsel to the Debtors; (c) counsel to Mengnu; and (d) the parties in interest who have formally requested notice by filing a written request for notice, pursuant to Bankruptcy Rule 2002 and the Local Bankruptcy Rules. In light of the nature of the relief requested, Kelley Drye respectfully submits that no further notice is necessary.

No Prior Request

44. No prior request for the relief sought in this Application has been made to this or any other court.

WHEREFORE, Kelley Drye respectfully requests that this Court enter an Order, substantially in the form attached hereto as Exhibit F: (i) approving this Application; (ii) allowing on a final basis and awarding compensation for professional services rendered during the Fee Period in the amount of \$620,222.50 and the sum of \$9,238.84 for reimbursement of actual and necessary costs and expenses incurred during the Fee Period, for a total of \$629,461.34; (iii) authorizing and directing the Debtors to pay Kelley Drye the outstanding amount of such sums, including, but not limited to, the 20% holdback amount under the Compensation Procedures; and (iv) granting such other relief as the Court deems proper and just.

Dated: New York, New York
March 25, 2011

KELLEY DRYE & WARREN LLP

By: /s/ James S. Carr

James S. Carr

Jason R. Adams

101 Park Avenue
New York, New York 10178
Tel: (212) 808-7800
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Counsel for the Official Committee of Unsecured
Creditors of Jennifer Convertibles, Inc.

EXHIBIT A

By-Timekeeper Summary of Hours Devoted and Compensation Sought

Professional/ Paraprofessional	Law School Graduation Year	Total Hours	2010/2011 Hourly Rate ¹	Fees Earned
Partners				
James S. Carr	1987	229.9	\$645.00/\$675.00	\$149,410.50
Eric R. Wilson	1997	55.6	\$585.00/N/A	\$32,526.00
Robert L. LeHane	1998	17.1	\$520.00/N/A	\$8,892.00
Richard D. Milone	1990	8.7	\$595.00/N/A	\$5,176.50
Michael C. Lynch	1996	8.4	\$570.00/N/A	\$4,788.00
Special Counsel				
Kevin J. Smith	1997	21.3	\$565.00/\$585.00	\$12,136.50
Mark W. Page	1991	44.1	\$495.00/\$510.00	\$22,045.50
Associates				
Jason R. Adams	2000	624.6	\$485.00/\$520.00	\$308,748.00
Stacia Neeley	2004	20.3	\$455.00/N/A	\$9,236.50
Mahmood Ahmad	2005	9.0	\$370.00/N/A	\$3,330.00
Jennifer Raviele	2008	18.8	\$340.00/N/A	\$6,392.00
Vikki Bollettino	2009	131.5	\$305.00/\$350.00	\$41,219.00
Risa M. Drexler	2009	39.3	\$305.00/N/A	\$11,986.50
Raxak Mahat	2009	3.4	N/A/\$350.00	\$1,190.00
Resource Assistant				
James Nastasi	N/A	0.9	\$235.00/N/A	\$211.50
Legal Assistant				
Marie Vicinanza	N/A	10.8	\$220.00/\$220.00	\$2,376.00
Peter Kosiek	N/A	3.1	\$180.00/N/A	\$558.00
TOTAL		1246.8		\$620,222.50
Blended Hourly Rate – Professionals Only			\$503.39	

¹ Kelley Drye's rates are subject to periodic adjustments (typically in January of each year) to reflect economic and other conditions. Effective January 1, 2011, Kelley Drye's rates increases. Kelley Drye filed a notice of such increases on March 4, 2011 [Docket Entry No. 514].

EXHIBIT B

By-Matter Summary of Hours Devoted and Compensation Sought

Matter	Hours	Fees Earned
1. General Case Administration	148.1	\$69,358.50
2. Retention Matters	110.7	\$46,727.00
3. Fee Matters	66.7	\$26,311.50
4. Financing and Cash Collateral	21.9	\$11,757.50
5. Asset Disposition	42.9	\$22,766.00
6. Executory Contracts and Leases	54.4	\$27,065.50
7. Avoidance Actions	130.7	\$59,507.50
8. Claims	50.9	\$25,765.00
9. Plan and Disclosure Statement	308.4	\$162,156.50
10. Committee Communications	162.2	\$89,433.50
11. Business Operations	86.9	\$46,443.50
12. Court Hearings	63.0	\$32,930.50
TOTAL FEES	1246.8	\$620,222.50

EXHIBIT C

Detailed Time Entries

KELLEY DRYE & WARREN LLP

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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399370

020649 Jennifer Convertibles, Inc. Creditors' Committee
0001 General Administration

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES:	\$18,820.50
OTHER CHARGES:	\$49.37

TOTAL AMOUNT DUE: **\$18,869.87**

TERMS: PAYMENT DUE UPON RECEIPT

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ACCOUNT #: 135-048110
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August 25, 2010
Invoice No. 2399370Client 020649
Matter 0001 General Administration

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/23/10	Multiple conferences with J. Carr and E. Wilson administrative steps to be taken and preparing for Monday's hearing (1.4); review and analysis of first day pleadings and company SEC filings (3.5).	JRA	4.90
07/23/10	Conference with J. Carr and J. Adams regarding new matter, manner of proceeding.	ERW	1.40
07/23/10	Correspondence with U.S. Trustee and debtors counsel regarding KDW representation and status of upcoming hearing; conference with V. Bollettino regarding preparing binders for the first day hearing (.9).	SAN	1.60
07/23/10	Review docket and orders entered on first day motions (.6); create binder with first day motions and proposed orders for J. Adams (1.4); conference with J. Carr and S. Neeley regarding hearing on first day motions (.9).	VTB	2.90
07/24/10	Conference with R. LeHane regarding information from first day hearing to assist in preparation of objections to various first day motions (.5); conference with J. Carr and E. Wilson regarding tasks to be completed and administrative matters (.6); conferences with S. Nelley and V. Bollettino regarding action list of items to complete (.5).	JRA	1.60
07/24/10	Conference with KDW team regarding status and manner of proceeding (.6); read summary of cash management, lease rejection motion, sales procedures motion, employee bonus motion and critical vendor motion preparatory to omnibus	ERW	1.40

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Client 020649

Matter 0001

August 25, 2010

Page 2

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	hearing on Monday (.8).		
07/24/10	Strategy conference with J. Carr.	RLL	0.50
07/24/10	Conference with the KDW Team regarding the tasks that need immediate attention (.6); review and respond to emails from the US Trustee's office regarding the committee's position on certain first day motions that were continued (.4).	JSC	1.00
07/25/10	Conference with J. Carr and E. Wilson regarding general strategy.	JRA	0.50
07/25/10	Review outline of open case issues (.9); read first-day affidavit for overview of case, strategy formation (1.0); conference with KDW team preparatory to omnibus hearing regarding open issues (.5).	ERW	2.40
07/25/10	Emails to and from debtors' counsel regarding the committee's position with respect to the first day motions (1.6); telephone with debtors' counsel regarding same (.3); revising a critical dates calendar (.5); review the notice of appearance (.1).	JSC	2.50
07/26/10	Confer with E. Wilson regarding status of case.	SAN	0.50
07/26/10	Draft critical dates chart (1.8); update tasks and responsibilities chart (.3).	VTB	2.10
07/27/10	Conference with E. Wilson regarding task list to be completed.	JRA	0.40
07/27/10	Confer with J. Adams regarding preparation for omnibus hearing, allocation of responsibilities (.4); email to working group regarding same (.2).	ERW	0.60
07/27/10	Create binder with objections scheduled for hearing on August 4th for J. Carr (1.4); update critical dates chart (.7);	VTB	3.20

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Matter 0001

August 25, 2010

Page 3

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	circulate orders entered on July 27th (.5); update TM Capital's working group list and email to TM Capital (.4); circulate orders entered on July 27th and Inland objection to Debtors' sale motion (.2).		
07/28/10	File pro hac application of Stacia Neeley and further update ECF auto rules; letter to Judge with copy of proposed order; file notice of appearance.	M V	0.70
07/28/10	Prepare pro hac application for S. Neeley and notice of appearance for KDW as Committee counsel (1.1); update tasks and responsibilities chart (.7); update critical dates chart (.3).	VTB	2.10
07/28/10	Strategy conference with E. Wilson.	JSC	0.60
07/28/10	Emails to and from, and telephone conference with, Deloitte regarding Deloitte's retention and created a task list.	JSC	1.10
07/28/10	Strategy conference with J. Carr.	ERW	0.60
07/29/10	Email correspondence with Debtors counsel regarding hearing on August 4 and matters going forward (.8); prepare bullet point summary of key issues on each of the August 4 motions for discussion with the Debtors and the committee (1.0); begin drafting omnibus objection for August 4 hearing (2.0).	JRA	3.80
07/29/10	Review J. Adams memo regarding summary of recommendations for Wednesdays' hearing.	ERW	0.80
07/29/10	Draft form for Committee member expense reports (.5); update critical dates chart (.7); meeting with S. Neeley regarding objections to first day motions at August 4th	VTB	4.30

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Client 020649
Matter 0001
August 25, 2010
Page 4

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	hearing (.6); review all first day motions and draft bullet point list with possible issues for objection (2.1); review Utilities Motion to determine what portion of deposits are related to non-utility providers for objection (.4).		

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Client 020649
Matter 0001
August 25, 2010
Page 5

Total Services for this Matter:

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\$49.37

Total Other Charges for this Matter:

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Total this Invoice

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Client 020649
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August 25, 2010
Page 6

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	5.20	\$3,354.00
Vicinanza, Marie	M V	0.70	154.00
Wilson, Eric	ERW	7.20	4,212.00
Bollettino, Vikki T	VTB	14.60	4,453.00
Adams, Jason R	JRA	11.20	5,432.00
Neeley, Stacia	SAN	2.10	955.50
LeHane, Robert L	RLL	0.50	260.00

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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399373

020649 Jennifer Convertibles, Inc. Creditors' Committee
0002 Retention Matters

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES: \$11,648.00

OTHER CHARGES: \$53.13

TOTAL AMOUNT DUE: \$11,701.13

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August 25, 2010
Invoice No. 2399373Client 020649
Matter 0002 Retention Matters

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/25/10	Preliminary review of potential conflict reports.	JSC	0.80
07/26/10	Continued preliminary review of potential conflict reports.	JSC	0.90
07/26/10	Edit list of names for conflicts check (.9); draft exhibits for conflicts report (.8); draft firm email for Rule 5002 conflicts check and draft partner email to determine KDW disinterestedness (.9).	VTB	2.60
07/27/10	Emails with firm attorneys regarding UST and debtor connections.	ERW	0.80
07/27/10	Call with Jamie Behtel (Olsham) regarding list used by Debtors for conflicts check for Olsham (.2).	VTB	0.20
07/28/10	Begin drafting application to retain Kelley Drye & Warren as counsel to the Committee.	JDR	2.20
07/28/10	Telephone calls and emails with financial advisors regarding pitches.	ERW	0.50
07/28/10	Coordinate financial advisors interviews.	SAN	1.30
07/28/10	Confer with J. Carr concerning financial advisor presentation interviews with committee; assist J. Carr in interview process by contacting advisors with conference call information.	PK	2.00
07/28/10	Review the three real estate advisor proposals and begin drafting analysis comparing terms of same (3.6).	VTB	3.60
07/29/10	Continue drafting the Committee's application to retain Kelley Drye as its counsel.	JDR	1.60
07/29/10	Conferences with R. LeHane regarding issues and	JRA	0.40

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0002
August 25, 2010
Page 2

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/29/10	objections to KPMG retention. Review summary of real estate advisor proposals (.7); confer with J. Carr regarding same (.4); emails with M. Fox and J. Carr regarding objection to minimum fees (.8); telephone conference with M. Bordwin of KPMG regarding same (.4); strategy conference with J. Carr regarding KPMG's agreement and the committee's position (.4).	RLL	2.60
07/29/10	Strategy conference with R. LeHane regarding KPMG's agreement and the committee's position (.4); emails to and from other retail consultants regarding the committee's position (1.1); emails to and from KPMG regarding KPMG's agreement.	JSC	2.10
07/29/10	Continue reviewing real estate advisor proposals and finish drafting analysis comparing terms of same (3.4).	VTB	3.40
07/30/10	Confer with J. Carr regarding KPMG retention (.3); telephone calls and emails with M. Bordwin and M. Fox regarding reduction of minimum fees (.6); confer with J. Adams regarding documentation of same (.2); emails and telephone conferences with T. Sperry and E. Neiger regarding same (.3).	RLL	1.40
07/30/10	Review the revised terms of the KPMG agreement.	JSC	0.40
07/30/10	Attention to potential conflict issues.	JSC	0.90
07/30/10	Revise list for conflicts check (.3).	VTB	0.30

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Matter 0002
August 25, 2010
Page 3

Total Services for this Matter: 11,648.00

Other Charges:

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Telephone \$53.13

Total Other Charges for this Matter: 53.13

Total this Invoice \$11,701.13

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Client 020649
Matter 0002
August 25, 2010
Page 4

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	5.10	\$3,289.50
Wilson, Eric	ERW	1.30	760.50
Raviele, Jennifer D	JDR	3.80	1,292.00
Bollettino, Vikki T	VTB	10.10	3,080.50
Adams, Jason R	JRA	0.40	194.00
Kosick, Peter	PK	2.00	360.00
Neeley, Stacia	SAN	1.30	591.50
LeHane, Robert L	RLL	4.00	2,080.00

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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399375

020649 Jennifer Convertibles, Inc. Creditors' Committee
0005 Asset Disposition

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES:	\$16,927.00
OTHER CHARGES:	\$0.00

TOTAL AMOUNT DUE: \$16,927.00

TERMS: PAYMENT DUE UPON RECEIPT

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August 25, 2010
Invoice No. 2399375Client 020649
Matter 0005 Asset Disposition

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/23/10	Brief review and analysis sale motion and agency agreement.	JRA	3.30
07/23/10	Brief review of the motion to establish bid procedures and to sell the inventory, the proposed order and the agency agreement.	JSC	1.10
07/24/10	Continue review and analysis of Agency Agreement, sale motion and related documents (1.3); prepare issues list and draft objection to sale motion (3.0).	JRA	4.30
07/25/10	Review and analyze email correspondence from Debtors' counsel regarding terms of Agency Agreement (.6); conference with J. Carrl and R. LeHane regarding responses to Debtors' email (.7); review and analyze terms of proposed procedures order and comment on same (.5); review and analyze Agency Agreement and Sale Motion (1.2); begin review and analysis of sale order (1.0).	JRA	4.00
07/25/10	Emails and telephone conferences with liquidators, R. Raskin of SB Capital (.3), M. Chartock of Gordon Brothers (.4) and J. Malfitano of Hilco (.4) regarding Great American Agency agreement and interest in bidding on assets at closing stores; confer with J. Carr and J. Adams regarding agency agreement issues and proposed amended bid procedures (.7); review agency agreement and store closing guidelines(.6); emails and telephone conferences with counsel for debtor, M. Fox, regarding same and revised bid	RLL	3.50

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Matter 0005

August 25, 2010

Page 2

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/25/10	procedures (.6); review revised bid procedures Order (.5). Brief review of the agency agreement (.9); strategy conference with R. LeHane and J. Adams regarding the proposed sale of the inventory and our recommendation to the committee (.7).	JSC	1.60
07/26/10	Prepare for hearing on sale procedures.	JRA	0.50
07/26/10	Review, analyze and revise sale procedures and sale procedures order and circulate same (2.4).	JRA	2.40
07/27/10	Review, analyze and provide comments to Agency Agreement (3.5); review analyze and provide comments to Sale Order (2.8); review landlord objection to sale (.3).	JRA	6.60
07/27/10	Briefly review sale order (.4) and agency agreement (.5); provide comments to J. Adams (.2); emails with debtors regarding contracts, revisions to sale order and agency agreement (.5).	ERW	1.60
07/28/10	Read final revised sale order and agency agreement (.8); emails with J. Adams and J. Nadritch regarding same (.3).	ERW	1.10
07/28/10	Review and analyze revised drafts of Sale Order and Agency Agreement (1.0); provide comments to Debtors' counsel on same (.4); review Inland settlement (.3).	JRA	1.70
07/28/10	Telephone conference and emails with R. Boghosian, counsel for liquidator regarding interest in bidding on full chain liquidation.	RLL	1.40
Total Services for this Matter:			16,927.00
Total this Invoice			\$16,927.00

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Client 020649
Matter 0005
August 25, 2010
Page 3

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	2.70	\$1,741.50
Wilson, Eric	ERW	2.70	1,579.50
Adams, Jason R	JRA	22.80	11,058.00
LeHane, Robert L	RLL	4.90	2,548.00

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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399376

020649 Jennifer Convertibles, Inc. Creditors' Committee
0006 Executory Contracts and Leases

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES:	\$1,874.00
OTHER CHARGES:	\$0.00

TOTAL AMOUNT DUE: **\$1,874.00**

TERMS: PAYMENT DUE UPON RECEIPT

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Matter 0006 Executory Contracts and Leases

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/23/10	Brief review of the lease rejection motion and proposed order (.4); emails to and from debtors' counsel regarding same (.3).	JSC	0.70
07/26/10	Prepare for hearing on lease rejection issues.	JRA	0.40
07/26/10	Review lease rejection motion and proposed Order and prepare summary (1.9) conference with J. Carr regarding same and recommendation to the Committee (.8).	SAN	2.70
Total Services for this Matter:			1,874.00
Total this Invoice			\$1,874.00

KELLEY DRYE & WARREN LLP

FEDERAL ID NO. 13-5338107

WASHINGTON
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BRUSSELSAFFILIATE OFFICE:
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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0006
August 25, 2010
Page 2

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	0.70	\$451.50
Adams, Jason R	JRA	0.40	194.00
Neeley, Stacia	SAN	2.70	1,228.50

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KELLEY DRYE & WARREN LLP
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PAYMENT BY WIRE:
JP MORGAN CHASE, N.A.
ABA #: 021-000-021
ACCOUNT NAME: KELLEY DRYE & WARREN LLP
ACCOUNT #: 135-046110
PLEASE INDICATE CLIENT, MATTER AND
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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399377

020649
0008

Jennifer Convertibles, Inc. Creditors' Committee
Claims

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES:	\$1,350.00
OTHER CHARGES:	\$0.00

TOTAL AMOUNT DUE: **\$1,350.00**

TERMS: PAYMENT DUE UPON RECEIPT

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345 PARK AVENUE
NEW YORK, NEW YORK 10154
ATTN: PRIVATE BANKING, 10TH FLOOR
ABA #: 021-000-021
ACCOUNT NAME: KELLEY DRYE & WARREN LLP
ACCOUNT #: 135-048110
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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399377Client 020649
Matter 0008 Claims

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/23/10	Brief review of the reclamation procedures motion and proposed order.	JSC	0.40
07/28/10	Review and summarize 503(b)(9) motion for committee call.	SAN	1.10
07/30/10	Prepare objection to reclamation procedures.	SAN	1.30
Total Services for this Matter:			1,350.00
Total this Invoice			\$1,350.00

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0008
August 25, 2010
Page 2

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	0.40	\$258.00
Neeley, Stacia	SAN	2.40	1,092.00

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ACCOUNT NAME: KELLEY DRYE & WARREN LLP
ACCOUNT #: 135-048110
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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399378

020649 Jennifer Convertibles, Inc. Creditors' Committee
0009 Disclosure Statement and Plan of Reorganization

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES:	\$591.50
OTHER CHARGES:	\$0.00

TOTAL AMOUNT DUE: \$591.50

TERMS: PAYMENT DUE UPON RECEIPT

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NEW YORK, NEW YORK 10154
ATTN: PRIVATE BANKING, 10TH FLOOR
ABA #: 021-000-021
ACCOUNT NAME: KELLEY DRYE & WARREN LLP
ACCOUNT #: 135-048110
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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399378

Client 020649
Matter 0009 Disclosure Statement and Plan of Reorganization

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/23/10	Review plan support agreement and draft summary of same for the committee.	SAN	1.30
Total Services for this Matter:			591.50
Total this Invoice			\$591.50

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Jennifer Convertibles, Inc. Creditors' Committee

Client 020649

Matter 0009

August 25, 2010

Page 2

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Neeley, Stacia	SAN	1.30	\$591.50

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ABA #: 021-000-021
ACCOUNT NAME: KELLEY DRYE & WARREN LLP
ACCOUNT #: 135-048110
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INVOICE NUMBER AS PAYMENT REFERENCE

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FEDERAL ID NO. 13-5338107

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MUMBAI, INDIA

Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399379

020649
0010

Jennifer Convertibles, Inc. Creditors' Committee
Committee Communications

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES: \$18,125.50

OTHER CHARGES: \$26.75

TOTAL AMOUNT DUE: \$18,152.25

TERMS: PAYMENT DUE UPON RECEIPT

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NEW YORK, NEW YORK 10154
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ABA #:021-000-021
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ACCOUNT #:135-048110
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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399379Client 020649
Matter 0010 Committee Communications

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/23/10	Prepare correspondence to committee members regarding KDW retention, upcoming hearing and financial advisor pitches.	SAN	0.50
07/23/10	Attend first committee meeting with J. Carr.	SAN	1.30
07/23/10	Conduct initial committee meeting with S. Neeley.	JSC	1.30
07/23/10	Start to prepare a Committee contact list.	VTB	1.70
07/24/10	Correspondence with committee regarding scheduling next call; retention of financial advisors.	SAN	0.30
07/25/10	Draft update to committee regarding discussions with M. Fox and UST.	ERW	0.20
07/25/10	Prepare correspondence to committee regarding financial advisors and operating budget.	SAN	0.50
07/25/10	Draft an email to the committee and responded to certain committee members regarding the committee's position with respect to certain first day motions.	JSC	0.90
07/26/10	Draft update to committee on results from the hearing.	JRA	0.60
07/26/10	Review and comment draft update to committee members (.4); email traffic regarding same, financial advisor interviews (.6); confer with J. Carr regarding update to committee, disposition of omnibus hearing (.5)	ERW	1.50
07/26/10	Prepare correspondence to committee regarding agenda for upcoming call.	SAN	0.80
07/26/10	Telephone call with S. Laskowitz regarding participation on	SAN	0.20

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Jennifer Convertibles, Inc. Creditors' Committee

Client 020649

Matter 0010

August 25, 2010

Page 2

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	committee.		
07/26/10	Correspondence with creditor regarding status of case.	SAN	0.30
07/26/10	Emails to and from committee members regarding the committee's position with respect to certain first day motions.	JSC	0.80
07/26/10	Draft Committee bylaws and send to S. Neeley for review.	VTB	1.40
07/27/10	Telephone calls and emails with committee co-chairs regarding in-person meeting with debtors and Mengnu.	ERW	0.60
07/27/10	Revise contact sheet and by-laws.	SAN	1.60
07/28/10	Review and comment on committee call outline (.4); provide comments to J. Adams (.2); confer with J. Adams and J. Carr preparatory to initial committee meeting (.5); telephone calls and emails with committee members regarding initial call, scheduling issues (.5); telephone calls and emails with K. Cockerham regarding meeting with Mengnu (.3).	ERW	1.90
07/28/10	Correspondence with committee regarding Merrick settlement, committee call and retention of financial advisors.	SAN	0.80
07/28/10	Prepare outline for Committee call (2.3); participate on committee call (1.0).	JRA	3.30
07/28/10	Prepare for and conduct a committee meeting (1.6); interview potential financial advisors, discuss same with the committee and select a firm to act as the financial advisors to the committee (3.9).	JSC	5.50
07/29/10	Prepare email to Committee regarding status of critical vendor discussions with the Debtors. (.4)	JRA	0.40
07/29/10	Revise committee by-laws, committee contact sheet and	SAN	0.90

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0010
August 25, 2010
Page 3

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/29/10	expense reimbursement sheet. Telephone calls and emails with committee members regarding status and manner of proceeding (.6); comprehensive update to committee regarding Mengnu, Merrick and recommendations regarding matters for Wednesday's hearing (1.5).	ERW	2.10
07/29/10	Drafted an email to the committee regarding the results of the meeting with Mengnu's advisors and Mengnu's request (.8); respond to various questions from certain committee members (.9); conduct a committee meeting (.7).	JSC	2.30
07/30/10	Emails with committee members and T. Hurley regarding recommendations, valuation of retail locations.	ERW	0.80
07/30/10	Edit Committee bylaws based on comments from E. Wilson (.9); revise Committee contact list (.2).	VTB	0.60
07/30/10	Responded to certain questions from committee members (.5); telephone conference with the co-chair of the committee (.3).	JSC	0.80

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0010
August 25, 2010
Page 4

Total Services for this Matter:

18,125.50

Other Charges:

Amount

Telephone

\$26.75

Total Other Charges for this Matter:

26.75

Total this Invoice

\$18,152.25

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0010
August 25, 2010
Page 5

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	11.60	\$7,482.00
Wilson, Eric	ERW	7.10	4,153.50
Bollettino, Vikki T	VTB	3.70	1,128.50
Adams, Jason R	JRA	4.30	2,085.50
Neeley, Stacia	SAN	7.20	3,276.00

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PAYMENT BY WIRE:
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ABA #: 021-000-021
ACCOUNT NAME: KELLEY DRYE & WARREN LLP
ACCOUNT #: 135-048110
PLEASE INDICATE CLIENT, MATTER AND
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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399380

020649 Jennifer Convertibles, Inc. Creditors' Committee
0011 Business Operations

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES: \$21,493.00

OTHER CHARGES: \$0.00

TOTAL AMOUNT DUE: \$21,493.00

TERMS: PAYMENT DUE UPON RECEIPT

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345 PARK AVENUE
NEW YORK, NEW YORK 10154
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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399380Client 020649
Matter 0011 Business Operations

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/23/10	Brief review of certain pleadings and proposed orders that impact the debtors' business operations like the cash management motion, the motion to pay sales and use taxes, the motion to satisfy insurance obligations, the motion to compensate employees, the motion to continue customer programs, the motion to pay common carries and the critical vendor motion.	JSC	3.60
07/24/10	Review and analyze critical vendor documents (.5); prepare issues list and start to draft objection to critical vendor motion (1.0).	JRA	1.50
07/24/10	Review and analysis of wage motion and budget (.5); prepare issues list and revise objection to wage motion (1.0).	JRA	1.50
07/24/10	Prepare objection to employee wage motion for J. Adams' review.	SAN	0.90
07/25/10	Review and revise the committee's objection to the critical vendor motion and provide my comments to J. Adams.	JSC	1.80
07/27/10	Conference with Debtors counsel and advisors and E. Wilson regarding background information on operations and relationships with creditors.	JRA	1.00
07/27/10	Conference with E. Wilson and Mengnu counsel regarding critical vendor motion (.6); review transcript of first day hearing regarding court's position on critical vendor motion and related relief (1.3).	JRA	1.90
07/27/10	Review cash flow projections (.2); prepare for and call with	ERW	2.00

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Jennifer Convertibles, Inc. Creditors' Committee

Client 020649

Matter 0011

August 25, 2010

Page 2

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/27/10	J. Adams and debtors' advisors regarding case status, manner of proceeding (1.6); review operating budget preparatory to call with debtors (.2). Prepare for and conference call with J. Adams and A. Neiger regarding critical vendor and KPMG retention (.6); emails with E. Neiger regarding meeting with committee (.3).	ERW	0.90
07/28/10	Review summary of Merrick stipulation (.3); email traffic regarding same (.2).	ERW	0.50
07/28/10	Review utilities, tax, customer program and insurance motions to determine whether the committee should object thereto.	SAN	2.40
07/28/10	Review and analyze proposed settlement motion with respect to credit card processors.	JRA	1.20
07/28/10	Continue analyzing critical vendor motion (.5); research on critical vendor law (1.3); begin drafting objection to critical vendor motion (1.5).	JRA	3.30
07/29/10	Continue drafting objection to critical vendor motion.	JRA	5.50
07/29/10	Emails with E. Neiger regarding Mengnu settlement and documents (.4); review and comment on Deloitte task list (.2); emails with N. Granti regarding same (.2).	ERW	0.80
07/29/10	Prepare for and meet with Mengnu's business advisors (3.9); telephone conference with debtors' counsel regarding the committee's position with respect to pre-paying for inventory from Mengnu (.4).	JSC	4.30
07/30/10	Continue drafting omnibus objection to first day motions (1.6); prepare and send list of objection issues to Debtors'	JRA	2.40

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Client 020649

Matter 0011

August 25, 2010

Page 3

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/30/10	counsel for review (.8).		
07/30/10	Conference with Deloitte providing update on critical vendor issues.	JRA	0.50
07/30/10	Review and comment on omnibus objection to cash management, common carrier, reclamation procedures, critical vendor and Merrick settlement (1.0); confer with J. Carr regarding same and manner of proceeding (.2).	ERW	1.20
07/30/10	Read Merrick stipulation and proposed order (.8); review common carrier motion (.4); briefly review Deloitte materials regarding case strategy (.3).	ERW	1.50
07/30/10	Brief review of the terms of the Merrick Bank settlement (.6); telephone conference with counsel for Mengnu (.3).	JSC	0.90
Total Services for this Matter:			21,493.00
Total this Invoice			\$21,493.00

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0011
August 25, 2010
Page 4

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	10.60	\$6,837.00
Wilson, Eric	ERW	6.90	4,036.50
Adams, Jason R	JRA	18.80	9,118.00
Neeley, Stacia	SAN	3.30	1,501.50

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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399381

020649 Jennifer Convertibles, Inc. Creditors' Committee
0012 Court Hearings

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES: \$1,378.00

OTHER CHARGES: \$0.00

TOTAL AMOUNT DUE: \$1,378.00

TERMS: PAYMENT DUE UPON RECEIPT

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Jennifer Convertibles, Inc. Creditors' Committee

August 25, 2010
Invoice No. 2399381

Client 020649
Matter 0012 Court Hearings

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
07/25/10	Emails with debtors' counsel regarding agenda for hearing.	ERW	0.20
07/26/10	Attend hearing on adjourned first day motion.	JRA	2.60
	Total Services for this Matter:		1,378.00
	Total this Invoice		\$1,378.00

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0012
August 25, 2010
Page 2

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Wilson, Eric	ERW	0.20	\$117.00
Adams, Jason R	JRA	2.60	1,261.00

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MUMBAI, INDIA

Jennifer Convertibles, Inc. Creditors' Committee

September 15, 2010
Invoice No. 2400883

020649 Jennifer Convertibles, Inc. Creditors' Committee
0001 General Administration

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES: \$37,075.00
OTHER CHARGES: \$113.10

TOTAL AMOUNT DUE: \$37,188.10

TERMS: PAYMENT DUE UPON RECEIPT

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KELLEY DRYE & WARREN LLP
ATTN: TREASURER'S DEPARTMENT
101 PARK AVENUE
NEW YORK, NEW YORK 10178
(212) 808-7800

PAYMENT BY WIRE:

JP MORGAN CHASE, N.A.
345 PARK AVENUE
NEW YORK, NEW YORK 10154
ATTN: PRIVATE BANKING, 10TH FLOOR
ABA #: 021-000-021
ACCOUNT NAME: KELLEY DRYE & WARREN LLP
ACCOUNT #: 135-046110
PLEASE INDICATE CLIENT, MATTER AND
INVOICE NUMBER AS PAYMENT REFERENCE

KELLEY DRYE & WARREN LLP

FEDERAL ID NO. 13-5335107

WASHINGTON
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STAMFORD
PARSIPPANY
BRUSSELSAFFILIATE OFFICE:
MUMBAI, INDIA

Jennifer Convertibles, Inc. Creditors' Committee

September 15, 2010
Invoice No. 2400883Client 020649
Matter 0001 General Administration

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/02/10	Conference call with Debtors' counsel and TM Capital regarding Committee issues list on motions going forward at August 4 hearing (.8); review and circulate confidentiality provisions of bylaws for Debtors review (.4).	JRA	1.20
08/02/10	Begin drafting motion for order confirming that the Committee does not have to provide access to the Debtors' confidential information.	JDR	0.40
08/02/10	Follow up with Debtors regarding non-disclosure agreement and confidentiality issues (.8); review and analyze revised proposed orders for August 4 hearing (1.0).	JRA	1.80
08/02/10	Revise Committee Bylaws.	VTB	0.70
08/03/10	Review and provide comments to revised orders on motions going forward on August 4 (1.8); review and analyze confidentiality agreement from Debtors counsel (.7); revise confidentiality agreement and circulate for review (1.0).	JRA	3.50
08/03/10	Continue drafting motion for order confirming that the Committee does not have to provide access to the Debtors' confidential information.	JDR	1.20
08/03/10	Email traffic with J. Adam and Deloitte regarding NDA (.2); read NDA (.6); provide comments to J. Adams (.3).	ERW	1.10
08/04/10	Edit motion for order approving the Committee's information sharing procedures (1.8).	JDR	1.80
08/04/10	Read correspondence with UST and Mengnu regarding appointment to committee (.3); instruction to J. Adams (.2);	ERW	1.10

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0001
September 15, 2010
Page 2

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/04/10	review and comment on revised confidentiality agreement with debtors (4); provide comments to J. Adams (.2). Emails to and from debtors' counsel regarding scheduling a meeting.	JSC	0.30
08/04/10	Review and revise Bylaws regarding ex officio members and confidentiality (1.2); organize conference call with Deloitte, TM, Olshan and KDW (.6); review and revise confidentiality agreement (2.7).	JRA	4.50
08/05/10	Review and revise confidentiality agreement pursuant to comments from E. Wilson and Deloitte (2.5); revise committee Bylaws (.5); correspondence with Deloitte regarding Debtors' request for fee estimates (.4); preliminary conference with Debtors' professionals, Deloitte and J. Carr regarding status of case and business operations (1.2).	JRA	4.60
08/05/10	Prepare for and participate in a call with J. Adams and the debtors' professionals regarding the important issues confronting the debtors.	JSC	1.60
08/05/10	Update contact list.	VTB	0.60
08/09/10	Conference with Debtors' counsel regarding issues on confidentiality agreement (.4); email correspondence with J. Carr, E. Wilson and Deloitte regarding same (.3).	JRA	0.70
08/09/10	Update critical dates chart.	VTB	0.40
08/10/10	Conferences with Debtors' counsel, TM Capital and Mengnu counsel regarding status and details of meeting on Wednesday August 11 (1.2); email update to J. Carr regarding status of hearing (.2); conferences with Debtors' counsel regarding terms of confidentiality agreement and review and analyze revised draft of same (.8); conference	JRA	2.50

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0001
September 15, 2010
Page 3

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	with Deloitte regarding terms of confidentiality agreement (.3).		
08/10/10	Update critical dates chart.	VTB	0.30
08/11/10	Meeting with Debtors' advisors, Deloitte and J. Carr regarding status of case and overview of Debtors' cash flows and tasks going forward (3.5); meeting with Mengnu's advisors, Deloitte and J. Carr regarding status, plan concepts and continued supply (3.1).	JRA	6.60
08/11/10	Attend meeting with the debtors' professionals, Deloitte and J. Adams (3.5); attend meeting with Mengnu's professionals, Deloitte and J. Adams (3.1).	JSC	6.60
08/11/10	Update critical dates chart and email to J. Adams.	VTB	0.20
08/12/10	Research on issue of disclosure requirements in bankruptcy.	JRA	1.30
08/13/10	Create internal contact list for Committee members and professionals (.4); phone call with Debtor's counsel regarding 2002 parties for service of retention application (.3).	VTB	0.70
08/16/10	Emails to and from Mengnu's counsel (.5); emails to and from Merrick's counsel (.4).	JSC	0.90
08/17/10	Review docket and update critical dates chart.	VTB	0.40
08/18/10	Confer with V. Bollettino concerning parties who have filed notice of appearances and requests for service; review docket for filed notices; cross check parties for master service list to be created.	PK	1.10
08/18/10	Create master service list.	VTB	2.30
08/20/10	Conference with E. Wilson regarding tasks that need to be accomplished.	JSC	0.80
08/20/10	Strategy conference with J. Carr regarding status and	ERW	0.80

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0001
September 15, 2010
Page 4

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/23/10	manner of proceeding . Confer and emails with J. Adams regarding meeting with Mengnu, debtors and Deloitte (.3); call with J. Adams and J. Carr regarding meeting with debtors (.3).	ERW	0.60
08/23/10	Review docket and update critical dates chart, email same to J. Adams (.9); update internal and external contact lists (.7).	VTB	1.60
08/23/10	Schedule meeting with Kelley Dyre, Deloitte and Debtors' professionals regarding current operations, liquidation analysis and Mengnu stipulation (1.0); conference with J. Carr and E Wilson regarding agenda for meeting (.4).	JRA	1.40
08/24/10	Edit motion to establish creditor information sharing procedures (1.6); e-mail same to E. Wilson (.1); begin arranging service of motion (.4); call with J. Nadaritch (Debtors' counsel) regarding same (.2).	JDR	2.30
08/24/10	Meeting with J. Carr and J. Adams preparatory to tomorrow's meetings with Deloitte and debtors (.8); review and comment on meeting agenda (.2); email traffic regarding same (.2); telephone calls and emails with E. Neiger regarding liquidation analysis meeting with debtors (.5).	ERW	1.70
08/24/10	Strategy conference with E. Wilson and J. Adams regarding tomorrow's meeting with the debtors and Mengnu.	JSC	0.80
08/24/10	Update master service list based on new notices of appearance (.3); update critical dates chart (.7); review and circulate Pine Top objection to Debtors' motion establishing lease rejection procedures (.3).	VTB	1.30
08/25/10	Meeting with E. Wilson, N. Ganti and M. Taylor regarding	JRA	5.70

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0001
September 15, 2010
Page 5

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/25/10	Deloitte liquidation analysis and Mengnu issues (2.1); meeting with Debtors' advisors, E. Wilson and Deloitte regarding numerous issues including Mengnu issues, bar date, schedules, sale options and liquidation analysis (3.6). Meeting with Deloitte regarding liquidation analysis (2.1); meeting with debtor's and Deloitte regarding liquidation analysis, Mengnu, claims bar date and schedules and Seamans (3.6); update to J. Carr regarding same (.2).	ERW	5.90
08/26/10	Meeting with J. Carr and E. Wilson regarding meeting with the Debtors and open issues.	JRA	0.50
08/26/10	Strategy conference with E. Wilson and J. Adams regarding the meeting with the debtors and next steps.	JSC	0.50
08/26/10	Confer with J. Adams and J. Carr regarding disposition of meeting with debtors, manner of proceeding (.5); emails with Deloitte and TM regarding action items (.2).	ERW	0.70
08/27/10	Conference with J. Carr regarding UST concerns over Eisner retention application and Mengnu motion and upcoming committee call (.4); email correspondence with E. Wilson and J. Carr regarding further call with US Trustee, sale issues and bar date motion (.3)	JRA	0.70
08/27/10	Email from Deloitte regarding action items (.3); review liquidation analysis comparable (.4).	ERW	0.70
08/30/10	Strategy conference with J. Carr regarding committee call and hearing.	JRA	0.30
08/30/10	Strategy conference with J. Adams regarding the hearing on August 31 and setting forth the committee's position.	JSC	0.30
08/30/10	Update master service list based on new notices of	VTB	0.80

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0001
September 15, 2010
Page 6

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	appearance.		

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0001
September 15, 2010
Page 7

Total Services for this Matter:

37,075.00

Other Charges:**Amount**Duplication
Cab Service\$102.00
11.10

Total Other Charges for this Matter:

113.10

Total this Invoice

\$37,188.10

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0001
September 15, 2010
Page 8

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	11.80	\$7,611.00
Wilson, Eric	ERW	12.60	7,371.00
Raviele, Jennifer D	JDR	5.70	1,938.00
Bollettino, Vikki T	VTB	9.30	2,836.50
Adams, Jason R	JRA	35.30	17,120.50
Kosiek, Peter	PK	1.10	198.00

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MUMBAI, INDIA

Jennifer Convertibles, Inc. Creditors' Committee

September 15, 2010
Invoice No. 2400910

020649 Jennifer Convertibles, Inc. Creditors' Committee
0002 Retention Matters

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES: \$10,703.50
OTHER CHARGES: \$129.47

TOTAL AMOUNT DUE: \$10,832.97

TERMS: PAYMENT DUE UPON RECEIPT

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Jennifer Convertibles, Inc. Creditors' Committee

September 15, 2010
Invoice No. 2400910Client 020649
Matter 0002 Retention Matters

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/04/10	Edit the Committee's application to retain Kelley Drye as its counsel.	JDR	3.60
08/05/10	Correspondence with Deloitte regarding retention application (.4); begin review and analysis of Kelley Drye retention application (.7).	JRA	1.10
08/05/10	Continue editing the Committee's application to retain Kelley Drye as its counsel.	JDR	2.10
08/06/10	Attention to conflicts issues in relation to application for retention as Committee counsel.	VTB	0.60
08/09/10	Conference with U.S. Trustee regarding KPMG retention issues (.4); review and analyze revised forms of retention orders of Olshan, TM Capital and KPMG (1.0); conference with J. Carr regarding KPMG order (.3); review revised draft of interim compensation procedures order and email correspondence with Debtors' counsel regarding same (.5).	JRA	2.20
08/12/10	Email correspondence with Deloitte regarding Deloitte retention application.	JRA	0.50
08/12/10	Review and revise the notice, application, declaration and proposed order authorizing the retention of Kelley Drye (1.2); provide my comments to J. Raviele (.2).	JSC	1.40
08/12/10	Confer with J. Carr (KDW) regarding comments to the Committee's application to retain Kelley Drye (.2); edit same per instruction of J. Carr (2.3); call with Judge Gropper's chambers regarding hearing date for same (.3);	JDR	3.20

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0002
September 15, 2010
Page 2

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	calls and e-mails with S. Gutterman (KDW) regarding check of conflicts (.4).		
08/16/10	Attention to service issues for retention application (.6); review Debtors' application to employ Eisner as auditors (.5).	VTB	1.10
08/17/10	Review and revise Deloitte retention documents.	JRA	3.90
08/18/10	File certificate of service for the Committee's application to retain Kelley Drye as counsel.	JDR	0.40
08/18/10	Revise notice of hearing and file application to employ KDW as counsel to Committee.	M V	0.80
08/26/10	Correspondence with Deloitte regarding finalizing retention issues (.3); email correspondence with Committee chairs regarding same (.3).	JRA	0.60
08/30/10	Conference with V. Bollettino regarding Eisner retention application (.4); finalize Deloitte retention papers (.4); conference with V. Bollettino regarding filing same (.2).	JRA	1.00
08/30/10	Strategy conference with J. Adams regarding Eisner objection (.4); begin research regarding SEC reporting requirements for debtors (4.3).	VTB	4.70

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0002
September 15, 2010
Page 3

Total Services for this Matter:

10,703.50

Other Charges:

Amount

Postage	\$67.55
Duplication	6.60
Courier	9.95
Meals	45.37

Total Other Charges for this Matter:

129.47

Total this Invoice

\$10,832.97

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Jennifer Convertibles, Inc. Creditors' Committee
Client 020649
Matter 0002
September 15, 2010
Page 4

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	1.40	\$903.00
Vicinanza, Marie	M V	0.80	176.00
Raviele, Jennifer D	JDR	9.30	3,162.00
Bollettino, Vikki T	VTB	6.40	1,952.00
Adams, Jason R	JRA	9.30	4,510.50

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Jennifer Convertibles, Inc. Creditors' Committee

September 15, 2010
Invoice No. 2401021

020649
0005

Jennifer Convertibles, Inc. Creditors' Committee
Asset Disposition

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES:	\$3,517.00
OTHER CHARGES:	\$0.00

TOTAL AMOUNT DUE: **\$3,517.00**

TERMS: PAYMENT DUE UPON RECEIPT

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ATTN: PRIVATE BANKING, 10TH FLOOR
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Jennifer Convertibles, Inc. Creditors' Committee

September 15, 2010
Invoice No. 2401021Client 020649
Matter 0005 Asset Disposition

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/01/10	Emails and telephone conference with R. Boghosian regarding inventory liquidation.	RLL	0.30
08/02/10	Emails from landlords regarding status of store closing sales (.2); emails to M. Naughton at Great American and J. Nadritch, counsel for debtor, regarding same (.4); telephone conference with S. Mehl at RCS regarding lease dispositions (.2).	RLL	0.80
08/03/10	Telephone conference with D. Peress of Hudson Capital regarding interest in full chain liquidation (.2); telephone conference with R. Ruffenberg, landlord, regarding GOB sales in Chicago area; emails with M. Fox, counsel for Jennifer Convertibles, and Great American regarding same (.6).	RLL	0.80
08/04/10	Telephone conference with counsel to a potential purchaser.	JSC	0.50
08/09/10	Telephone conference and emails with D. Peress of Hudson Capital regarding party interested in purchasing assets (.3); conference with J. Carr regarding same (.2).	RLL	0.50
08/11/10	Emails and telephone calls with D. Peress regarding interest of Hudson Capital in full chain liquidation.	RLL	0.80
08/12/10	Telephone conference with counsel to a potential purchaser (.8); draft email to Deloitte regarding next steps (.3).	JSC	1.10
08/19/10	Telephone conference with a potential purchaser of the Ashley stores.	JSC	0.40
08/23/10	Emails with C. Katz and M. Fox regarding manner of	ERW	0.30

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Client 020649

Matter 0005

September 15, 2010

Page 2

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
	proceeding regarding offer.		
08/26/10	Call to C. Katz regarding Jennifer Acquisition offer.	JRA	0.40
08/27/10	Telephone conference with counsel for Jennifer Acquisition.	JSC	0.30
Total Services for this Matter:			3,517.00
Total this Invoice			\$3,517.00

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Client 020649

Matter 0005

September 15, 2010

Page 3

<u>Timekeeper</u>	<u>Tkpr</u>	<u>Hours</u>	<u>Amount</u>
Carr, James S	JSC	2.30	\$1,483.50
Wilson, Eric	ERW	0.30	175.50
Adams, Jason R	JRA	0.40	194.00
LeHane, Robert L	RLL	3.20	1,664.00

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Jennifer Convertibles, Inc. Creditors' Committee

September 15, 2010
Invoice No. 2401023

020649 Jennifer Convertibles, Inc. Creditors' Committee
0006 Executory Contracts and Leases

ACCOUNT SUMMARY AND REMITTANCE FORM

FEES: \$4,036.00
OTHER CHARGES: \$0.30

TOTAL AMOUNT DUE: \$4,036.30

TERMS: PAYMENT DUE UPON RECEIPT

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September 15, 2010
Invoice No. 2401023Client 020649
Matter 0006 Executory Contracts and Leases

Attorney: 01118

Page 1

Legal Services Rendered

<u>Date</u>	<u>Description</u>	<u>Tkpr</u>	<u>Hours</u>
08/06/10	Review and analyze lease rejection motion (.6); review and analyze lease rejection procedures motion (.8).	JRA	1.40
08/08/10	Email to counsel for Debtor, J. Nadritch and M. Fox, regarding my comments to the proposed procedures for the rejection of leases and abandonment of property.	RLL	0.50
08/10/10	Review list of closing locations to determine whether Debtors intend to close Village Crossing location; draft email to DDR regarding closing of Skokie location, sale procedures and contact at liquidators (.7); phone call with DDR regarding transfer of Mays Landing, NJ location; draft email to R. LeHane regarding same (.5).	VTB	1.20
08/19/10	Review motion to approve new lease and revised leases (.7); confer with J. Adams and J. Carr regarding same and my recommendations regarding same.	RLL	0.90
08/23/10	Review lease rejection procedures motion and motion to enter into new lease (.8); correspondence with J. Carr regarding same (.4); email correspondence with Debtors' counsel regarding status of comments to motions (.5).	JRA	1.70
08/24/10	Review and analyze stay relief motion of the Winfield Group (.5).	JRA	0.50
08/24/10	Review motion to enter into Winfield leases (.2); proposed lease (.3) and order (.2); conference with J. Adams regarding same and my recommendations (.2); telephone conference with J. Nadritch regarding payment of stub rent	RLL	1.10