

KELLEY DRYE & WARREN LLP
James S. Carr
Jason R. Adams
101 Park Avenue
New York, New York 10178
Tel: 212-808-7800
Fax: 212-808-7897

Hearing Date: February 28, 2012 at 10:00 a.m.
Objection Deadline: February 22, 2012 at 4:00 p.m.

Counsel To The Trust Administrator For
The Jennifer Convertibles Litigation Trust

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

_____)	
In re:)	Chapter 11
)	
JENNIFER CONVERTIBLES, INC., <i>et al.</i> ¹)	Case No. 10-13779 (ALG)
)	
Debtors.)	(Jointly Administered)
)	
_____)	

**TRUST ADMINISTRATOR’S THIRD (NON-SUBSTANTIVE) OMNIBUS OBJECTION
TO CERTAIN (A) WRONG DEBTOR CLAIMS; (B) DUPLICATIVE CLAIMS;
(C) SATISFIED CLAIMS; (D) REORGANIZED DEBTORS’ LIABILITY CLAIMS;
AND (E) AMENDED AND SUPERSEDED CLAIMS**

The Trust Administrator (the “Trust Administrator”) for the Jennifer Convertibles Litigation Trust (the “Trust”), solely in its capacity as Trust Administrator of the above-captioned Debtors’ estates (collectively, the “Debtors”), by and through its undersigned counsel, hereby files this third (non-substantive) omnibus objection (the “Third Omnibus Objection”) to the claims listed on Exhibits A through E attached hereto, pursuant to section 502(b) of the Bankruptcy Code and Bankruptcy Rule 3007, seeking entry of an order disallowing, expunging or reclassifying such claims comprised of (a) wrong debtor claims; (b) duplicative claims;

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.

(c) satisfied claims; (d) Reorganized Debtors' liability claims; and (e) amended and superseded claims. **Pursuant to Bankruptcy Rule 3007(e)(1), claimants receiving this Third Omnibus Objection should locate their names and claims on Exhibits A through E attached hereto.**

In support of this Third Omnibus Objection, the Trust Administrator represents as follows:

JURISDICTION

1. This Court has jurisdiction to consider the Third Omnibus Objection pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding under 28 U.S.C. § 157(b)(1) and (b)(2)(A), (B) and (O). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief sought herein are section 105(a) and 502(b) of the Bankruptcy Code and Bankruptcy Rules 3007 and 9014.

BACKGROUND

A. The Chapter 11 Cases

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. Since the Petition Date, the Debtors continued to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these cases.

4. On February 8, 2011, the Court entered an Order (the "Confirmation Order")² confirming the Debtors' Amended Joint Chapter 11 Plan of Reorganization For Jennifer Convertibles, Inc. and its Affiliated Debtors (the "Plan").³

² Docket Entry No. 491.

³ Docket Entry No. 399.

5. Pursuant to section 9 of the Plan, the Trust was formed on February 22, 2011, which was the date the Plan became effective (the “Effective Date”).⁴ The Trust was formed for the purpose of (i) liquidating and distributing, among other things, the Litigation Trust Causes of Action, the Tranche A Note, the Tranche C Note, 9.9% of the New Common Stock and any other assets acquired by the Trust (the “Litigation Trust Fund”); and (ii) pursuing objections to general unsecured claims. Pursuant to section 8.01 of the Plan, on the Effective Date the Debtors were deemed to have assigned to the Trust the exclusive right to object to disputed general unsecured claims. The appointment of the Trust Administrator was approved pursuant to paragraph 17 of the Confirmation Order.

6. The right to object to disputed general unsecured claims was assigned to the Trust Administrator because it has the greatest incentive to ensure that holders of legitimate general unsecured claims receive the maximum possible distribution from the fixed assets allocated to the payment of general unsecured claims under the Plan.

7. Pursuant to section 8.01 of the Plan, the original deadline for the Trust Administrator to file objections to general unsecured claims was August 21, 2011 (180 days after the Effective Date) (the “Objection Deadline”), subject to the right to seek an extension of the Objection Deadline from the Court.

8. On June 8, 2011, the Trust Administrator filed a motion to extend the Objection Deadline.⁵ On July 12, 2011, the Court entered an order extending the Objection Deadline to October 20, 2011.⁶ On October 11, 2011, the Trust Administrator filed a motion to

⁴ Docket Entry No. 503.

⁵ Docket Entry No. 589.

⁶ Docket Entry No. 605.

further extend the Objection Deadline.⁷ On October 25, 2011, the Court entered an order extending the Objection Deadline to January 20, 2012.⁸

B. The Bar Date

9. On August 31, 2010, the Debtors filed their motion (the “Bar Date Motion”) pursuant to sections 502(b)(9), 503(a) and 503(b)(9) of the Bankruptcy Code and Bankruptcy Rule 3003(c)(3) for an order establishing deadline for filing proofs of claim and approving the form and manner of notice thereof.⁹ On September 16, 2010, the Court entered an order (the “Bar Date Order”) approving the Bar Date Motion establishing (i) October 25, 2010 at 5:00 p.m. (EST) as the deadline for persons or entities other than governmental units to file proofs of claim; and (ii) January 18, 2001 at 5:00 p.m. (EST) as the last date for governmental units to file proofs of claim.¹⁰

10. On September 3, 2010, the Debtors filed their schedules of assets and liabilities for Jennifer Convertibles, Inc.¹¹ Also on September 3, 2010, the Debtors filed the schedules of assets and liabilities of Hartsdale Convertibles, Inc.¹²

11. On or about September 20, 2010, BMC Group, Inc., the Debtors’ claims and noticing agent, provided notice of the bar dates by mailing a notice of bar date approved by the Court, together with a proof of claim form, upon all parties listed in the Bar Date Order.

⁷ Docket Entry No. 622.

⁸ Docket Entry No. 633.

⁹ Docket Entry No. 203.

¹⁰ Docket Entry No. 247.

¹¹ Docket Entry No. 215.

¹² Case No. 10-13783, Docket Entry No. 5.

C. The Claims Resolution Process

12. In the ordinary course of business, the Debtors maintained books and records (the “Books and Records”) that reflect, among other things, the Debtors’ liabilities and the amounts owed to their creditors. The Reorganized Debtors retained the Books and Records after the Effective Date of the Plan. Pursuant to Section 9.05(d) of the Plan, the Reorganized Debtors agreed to cooperate with the Trust and provide the Trust with information and documentation in connection with the Trust’s objections to general unsecured claim.

13. The Debtors’ register of claims (the “Claims Register”), prepared by BMC Group, Inc., reflects that as of the date of this Third Omnibus Objection, 407 proofs of claim (collectively, the “Proofs of Claim”) have been filed in these chapter 11 cases. The Trust Administrator is reviewing and reconciling certain claims, including claims listed on the Debtors’ schedules and asserted in the Proofs of Claim. This process includes identifying categories of claims that may be targeted for disallowance and expungement, reduction and/or reclassification. To reduce the number of claims, and to avoid possible double recovery or otherwise improper classification, the Trust Administrator is filing several omnibus objections to claims.

RELIEF REQUESTED

14. By this Third Omnibus Objection and for the reasons described more fully below, the Trust Administrator objects to the claims set forth on Exhibits A through E attached hereto (the “Claims”) pursuant to sections 105(a) and 502(b) of the Bankruptcy Code and Bankruptcy Rule 3007. The Trust Administrator respectfully requests entry of an order (the “Proposed Order”), substantially in the form attached hereto as Exhibit G, disallowing, expunging or reclassifying the Claims.

BASIS FOR RELIEF

15. Section 502(a) of the Bankruptcy Code provides, in pertinent part, that “[a] claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest ... objects.” 11 U.S.C. § 502(a). Once an objection to a claim is filed, the Court, after notice and hearing, shall determine the allowed amount of the claim. 11 U.S.C. § 502(b). Section 502(b)(1) further provides that a claim may not be allowed to the extent that it “is unenforceable against the debtor and property of the debtor, under any agreement or applicable law.” 11 U.S.C. § 502(b).

16. If an objection refuting at least one of the claim’s essential allegations is asserted, the claimant has the burden to demonstrate the validity of the claim. *See Sherman v. Novak (In re Reilly)*, 245 B.R. 768, 773 (2d Cir. BAP 2000); *In re Rockefeller Ctr. Props.*, 272 B.R. 524, 539 (Bankr. S.D.N.Y. 2000); *In re St. Johnsbury Trucking Co.*, 206 B.R. 318, 323 (Bankr. S.D.N.Y. 1997). The failure to allege facts and to provide sufficient support for a claim deprives the claim of *prima facie* validity. *See, e.g., In re Jorzak*, 314 B.R. 474, 481-82 (Bankr. D. Conn 2004) (discussing the evidentiary requirements and burden of proof with respect to the allowance of claims).

A. Wrong Debtor Claims

17. During the Trust Administrator’s review of the Proofs of Claim, the Trust Administrator determined that the Proofs of Claim identified on Exhibit A (the “Wrong Debtor Claims”) has been filed against a Debtor for liabilities that are owed (if at all), in whole or in part, by a different Debtor. Pursuant to section 502(b) of the Bankruptcy Code and Bankruptcy Rule 3007, the Trust Administrator objects to allowance of the Wrong Debtor Claims because they are invalid and unenforceable against the Debtor identified in the respective Proofs of

Claim. Accordingly, the Trust Administrator seeks entry of an order reclassifying each of the Wrong Debtor Claims listed on Exhibit A to assert liability against the Debtor or Debtors identified in the “Reclassified Claim” column of Exhibit A.

18. Reclassifying the Wrong Debtor Claims will not prejudice the claimants because the claimants will retain their respective claims against the appropriate Debtor. Reclassifying the Wrong Debtor Claims pursuant to this Section A of the Third Omnibus Objection will not affect any of the Reclassified Claims and does not constitute any admission or finding with respect to any of the Reclassified Claims. All of the Trust Administrators’ right to object to any Reclassified Claim, including in other sections of this Third Omnibus Objection, on any basis are reserved. Furthermore, the Trust Administrator reserves all rights to object to any Wrong Debtor Claim as to which the Court does not grant the relief requested herein.

B. Duplicative Claims

19. During the Trust Administrator’s review of the Proofs of Claim, the Trust Administrator determined that the Proofs of Claim identified as duplicative claims on Exhibit B (the “Duplicative Claims”) are identical to corresponding Proofs of Claim filed by the same claimant asserting a claim for the same liability. Accordingly, the Trust Administrator seeks entry of an order disallowing and expunging each of the Duplicative Claims listed on Exhibit B pursuant to section 502(b) of the Bankruptcy Code and Bankruptcy Rule 3007 because such claims are unenforceable against the Debtors. Expunging the Duplicative Claims will ensure that the claimants do not receive duplicative recoveries on account of a single claim.

20. Expunging the Duplicative Claims will not prejudice the claimants because the claimants will retain their respective surviving claims, also identified on Exhibit B (the “Surviving Claims”). Expunging the Duplicative Claims pursuant to this Section B of the

Third Omnibus Objection will not affect any of the Surviving Claims and does not constitute any admission or finding with respect to any of the Surviving Claims. All of the Trust Administrators' right to object to any Surviving Claim, including in other sections of this Third Omnibus Objection, on any basis are reserved. Furthermore, the Trust Administrator reserves all rights to object to any Duplicative Claim as to which the Court does not grant the relief requested herein.

C. Satisfied Claims

21. During the Trust Administrator's review of the Proofs of Claim, the Trust Administrator determined that the Proofs of Claim identified on Exhibit C (the "Satisfied Claims") assert claims that have been satisfied by the Reorganized Debtors, released or modified and satisfied in connection with the Reorganized Debtors' assumption of executory contracts and unexpired claims. Accordingly, the Trust Administrator seeks entry of any order disallowing and expunging each of the Satisfied Claims listed on Exhibit C pursuant to section 502(b) of the Bankruptcy Code and Bankruptcy Rule 3007 because such claims have been satisfied or released during the case. All of the Trust Administrators' right to object to any Satisfied Claim, including in other sections of this Third Omnibus Objection, on any basis are reserved.

D. Reorganized Debtor's Liability Customer Complaint Claims

22. During the Trust Administrator's review of the Proof of Claim, the Trust Administrator determined that the Proofs of Claim identified on Exhibit D (the "Customer Complaint Claims") assert claims that the Reorganized Debtor has expressly agreed to pay and, therefore, should not be allowed as general unsecured claims entitled to recovery from the proceeds of the Trust. Pursuant to an August 18, 2011 letter from counsel to the Debtors to the Court, filed with the Court on August 24, 2011 and attached as Exhibit F, the Reorganized

Debtors represented that they would pay the claim of Bernice Anderson and Michael Hill, customers of the Debtors, and would treat other similarly-situated claimants in the same way. Upon information and belief, the Customer Complaint Claims are claims by similarly-situated claimants that should be satisfied by the Reorganized Debtors.¹³

23. Accordingly, the Trust Administrator (i) objects to the Customer Complaint Claims as general unsecured claims, and (ii) requests an entry of an order disallowing each of the Customer Complaint Claims listed on Exhibit D as general unsecured claims. Disallowing the Customer Complaint Claims pursuant to this Section D of the Third Omnibus does not constitute any admission or finding with respect to any of the Customer Complaint Claims. Furthermore, the Trust Administrator reserves all rights to object to any Customer Complaint Claims as to which the Court does not grant the relief requested herein.

E. Amended and Superseded Claims

24. During the Trust Administrator's review of the Proofs of Claim, the Trust Administrator determined that the Proofs of Claim identified as amended and superseded claims on Exhibit E (the "Amended Claims") have been amended and superseded by a corresponding Proof of Claim filed by the same claimant asserting a claim for the same liability. Accordingly, the Trust Administrator seeks entry of any order disallowing and expunging each of the Amended Claims listed on Exhibit E pursuant to section 502(b) of the Bankruptcy Code and Bankruptcy Rule 3007 because such claims are unenforceable against the Debtors. Expunging the Amended Claims will ensure that the claimants do not receive duplicative recoveries on account of a single claim.

¹³ Docket Entry 614.

25. Expunging the Amended Claims will not prejudice the claimants because the claimants will retain their remaining claims (the “Remaining Claims”), also identified on Exhibit E. Expunging the Amended Claims pursuant to this Section E of the Third Omnibus Objection will not affect any of the Remaining Claims and does not constitute any admission or finding with respect to any of the Remaining Claims. All of the Trust Administrator’s right to object to any Remaining Claim, including in other sections of this Third Omnibus Objection, on any basis are reserved. Furthermore, the Trust Administrator reserves all rights to object to any Amended Claim as to which the Court does not grant the relief requested herein.

RESPONSES TO OMNIBUS OBJECTIONS

26. To contest an objection, a claimant must file and serve a written response to this Third Omnibus Objection (a “Response”) so that it is received no later than February 22, 2012 at 4:00 p.m. (Eastern Daylight Time) (the “Response Deadline”). Every Response must be filed with the Office of the Clerk of the United States Bankruptcy Court for the Southern District of New York and served upon the following entities, so that the Response is received no later than the Response Deadline, at the following addresses:

Kelley Drye & Warren LLP
101 Park Avenue
New York, New York 10178
Attn: James S. Carr, Esq.
Jason R. Adams, Esq.

27. Every Response to this Third Omnibus Objection must contain at a minimum the following information:

- (a) a caption setting forth the name of the Court, the name of the Debtors, the case number, and the title of objection to which the Response is directed;
- (b) the name of the claimant, his/her/its claim number, and a description of the basis for the amount of the Claim;

- (c) the specific factual basis and supporting legal argument upon which the party will rely in opposing this Third Omnibus Objection;
- (d) any supporting documentation, to the extent it was not included with the Proof of Claim previously filed with the clerk or claims agent, upon which the party will rely to support the basis for and amounts asserted in the Proof of Claim; and
- (e) the name, address, telephone number, email address and fax number of the person(s) (which may be the claimant or the claimant's legal representative) with whom counsel for the Trust Administrator should communicate with respect to the Claim or the Third Omnibus Objection and who possesses authority to reconcile, settle, or otherwise resolve the objection to the disputed claim on behalf of the claimant.

28. If a claimant fails to file and serve a timely Response by the Response Deadline, the Trust Administrator will present to the Court an appropriate order modifying or disallowing such claimant's claim, as set forth in Exhibits A through E, without further notice to the claimant.

SEPARATE CONTESTED MATTERS

29. To the extent that a Response is filed regarding any Claim listed in this Third Omnibus Objection and the Trust Administrator is unable to resolve the Response, the objection by the Trust Administrator to each such Claim asserted herein shall constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. Any order entered by the Court regarding an objection asserted in the Third Omnibus Objection shall be deemed a separate order with respect to each Claim.

RESERVATION OF RIGHTS

30. The Trust Administrator hereby reserves the right to object in the future to any of the Claims that are the subject of this Third Omnibus Objection on any ground, and to amend, modify, and/or supplement this Third Omnibus Objection, including, without limitation, to object to amended or newly-filed claims. Without limiting the generality of the foregoing, the

Trust Administrator specifically reserves all rights under section 502(d) of the Bankruptcy Code to object further to any of the Claims.

31. Notwithstanding anything contained in this Third Omnibus Objection or the attached exhibits, nothing herein shall be construed as a waiver of any rights that the Trust Administrator may have: (a) to bring avoidance actions under the applicable sections of the Bankruptcy Code against the holders of claims subject to the Third Omnibus Objection; or (b) to exercise rights of setoff against the holders of such claims relating to such avoidance actions.

WAIVER OF MEMORANDUM OF LAW

32. Since this Third Omnibus Objection does not present any novel issues of law and the appropriate citations relied on by the Trust Administrator are cited herein, the Trust Administrator submits that a separate memorandum of law in support of this Third Omnibus Objection is not necessary under Local Bankruptcy Rule 9013-1.

NOTICE

33. Notice of this Third Omnibus Objection has been provided to: (i) the Office of the United States Trustee for the Southern District of New York; (ii) each of the claimants whose claim is subject to this Third Omnibus Objection; (iii) counsel to the Reorganized Debtors; and (iv) all parties requesting notice under Bankruptcy Rule 2002. The Trust Administrator submits that such notice is sufficient under the circumstances and that no other or further notice need be provided.

NO PREVIOUS REQUEST

34. No previous request for the relief sought herein has been made by the Trust Administrator to this or any other court.

CONCLUSION

WHEREFORE, the Trust Administrator respectfully request that the Court enter an order (i) substantially in the form attached hereto as Exhibit G, granting the relief requested; and (ii) granting such other and further relief as the Court deems just and proper.

Dated: New York, New York
January 20, 2012

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
Fax: (212) 808-7897

Counsel to the Trust Administrator for the Jennifer
Convertibles Litigation Trust

EXHIBIT A

WRONG DEBTOR CLAIMS

Wrong Debtor Claims						Reclassified Claims			
Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority	Grounds for Objection	Objection Reference Page	Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority
Daily News, LP Attn: Peter Downey 125 Theodore Conrad Drive Jersey City, NJ 07305	141	Jennifer Convertibles, Inc.	\$0.00 (S)	Wrong Debtor	Pgs. 6-7	Daily News, LP Attn: Peter Downey 125 Theodore Conrad Drive Jersey City, NJ 07305	141A	Hartsdale Convertibles, Inc.	\$0.00 (S)
			\$0.00 (A)						\$0.00 (A)
			\$0.00 (P)						\$0.00 (P)
			\$125,869.71 (U)						\$83,219.71 (U)
			\$125,869.71 (T)						\$83,219.71 (T)
J+J/Invision PO Box 198245 Atlanta, GA 30384	198	Jennifer Convertibles, Inc.	\$0.00 (S)	Wrong Debtor	Pgs. 6-7	J+J/Invision PO Box 198245 Atlanta, GA 30384	198	Hartsdale Convertibles, Inc.	\$0.00 (S)
			\$0.00 (A)						\$0.00 (A)
			\$0.00 (P)						\$0.00 (P)
			\$17,482.19 (U)						\$17,482.19 (U)
			\$17,482.19 (T)						\$17,482.19 (T)

- (S) means secured claims, (A) means administrative claim, (P) means priority claim, (U) means unsecured claim and (T) means total claim.

Wrong Debtor Claims						Reclassified Claims			
Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority	Grounds for Objection	Objection Reference Page	Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority
Specialty Lighting Group (aka Specialty Store Lighting, aka Specialty Contract Lighting) c/o NCS 729 Miner Road Highland Hts, OH 44143	75	Jennifer Convertibles, Inc.	\$0.00 (S)	Wrong Debtor	Pgs. 6-7	Specialty Lighting Group (aka Specialty Store Lighting, aka Specialty Contract Lighting) c/o NCS 729 Miner Road Highland Hts, OH 44143		Hartsdale Convertibles, Inc.	\$0.00 (S)
			\$0.00 (A)						\$0.00 (A)
			\$0.00 (P)						\$0.00 (P)
			\$17,334.70 (U)						\$17,334.70 (U)
			\$17,334.70 (T)						\$17,334.70 (T)

- (S) means secured claims, (A) means administrative claims, (P) means priority claims, (U) means unsecured claims and (T) means total claims.

EXHIBIT B
DUPLICATIVE CLAIMS

Claims to Be Disallowed and Expunged						Surviving Claims			
Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority	Grounds for Objection	Objection Page Reference	Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority
W B Mason Co., Inc. PO Box 55840 Detroit, MI 48226	147	Jennifer Convertibles, Inc.	\$0.00 (S)	Duplicative	Pgs. 7-8	W B Mason Co., Inc. PO Box 55840 Detroit, MI 48226	151	Jennifer Convertibles, Inc.	\$0.00 (S)
			\$0.00 (A)						\$0.00 (A)
			\$0.00 (P)						\$0.00 (P)
			\$79.05 (U)						\$4,892.36 (U)
			\$79.05 (T)						\$4,892.36 (T)
W B Mason Co., Inc. PO Box 55840 Detroit, MI 48226	148	Jennifer Convertibles, Inc.	\$0.00 (S)	Duplicative	Pgs. 7-8	W B Mason Co., Inc. PO Box 55840 Detroit, MI 48226	151	Jennifer Convertibles, Inc.	\$0.00 (S)
			\$0.00 (A)						\$0.00 (A)
			\$0.00 (P)						\$0.00 (P)
			\$2.88 (U)						\$4,892.36 (U)
			\$2.88 (T)						\$4,892.36 (T)
W B Mason Co., Inc. PO Box 55840 Detroit, MI 48226	149	Jennifer Convertibles, Inc.	\$0.00 (S)	Duplicative	Pgs. 7-8	W B Mason Co., Inc. PO Box 55840 Detroit, MI 48226	151	Jennifer Convertibles, Inc.	\$0.00 (S)
			\$0.00 (A)						\$0.00 (A)
			\$0.00 (P)						\$0.00 (P)
			\$423.81 (U)						\$4,892.36 (U)
			\$423.81 (T)						\$4,892.36 (T)
W B Mason Co., Inc. PO Box 55840 Detroit, MI 48226	150	Jennifer Convertibles, Inc.	\$0.00 (S)	Duplicative	Pgs. 7-8	W B Mason Co., Inc. PO Box 55840 Detroit, MI 48226	151	Jennifer Convertibles, Inc.	\$0.00 (S)
			\$0.00 (A)						\$0.00 (A)
			\$0.00 (P)						\$0.00 (P)
			\$27.81 (U)						\$4,892.36 (U)
			\$27.81 (T)						\$4,892.36 (T)

- (S) means secured claims, (A) means administrative claims, (P) means priority claims, (U) means unsecured claims and (T) means total claims.

EXHIBIT C
SATISFIED CLAIMS

Claims to be Disallowed and Expunged						
Claims to be Reduced				Modified Claims		
Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority	Grounds for Objection	Objection Page Reference	Explanation
Georgia Department of Revenue Compliance Division Bankruptcy Section PO Box 161108 Atlanta, GA 30321	358	Jennifer Convertibles, Inc.	\$0.00 (S)	Satisfied Claim	Pg. 8	Settled and to be paid by Reorganized Debtors
			\$0.00 (A)			
			\$1,932.52 (P)			
			\$1,472.93 (U)			
			\$3,405.45 (T)			
NC Department of Revenue Angela C. Fountain Bankruptcy Manager Collections Examination Division North Carolina Department of Revenue PO Box 1168 Raleigh, NC 27602-4027	39	Jennifer Convertibles, Inc.	\$0.00 (S)	Satisfied Claim	Pg. 8	All Sales and Use Tax Paid In Full
			\$0.00 (A)			
			\$7,409.01 (P)			
			\$140.86 (U)			
			\$7,549.87 (T)			
New York State Department of Taxation and Finance Bankruptcy Section PO Box 5300 Albany, NY 12205-0300	398	Nicole Convertibles, Inc.	\$0.00 (S)	Satisfied Claim	Pg. 8	All Sales and Use Tax Paid in Full
			\$18,060.30 (A)			
			\$0.00 (P)			
			\$0.00 (U)			
			\$18,060.30 (T)			

- (S) means secured claims, (A) means administrative claims, (P) means priority claims, (U) means unsecured claims and (T) means total claims.

Claims to be Disallowed and Expunged						
Claims to be Reduced				Modified Claims		
Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority	Grounds for Objection	Objection Page Reference	Explanation
New York State Department of Taxation and Finance Bankruptcy Section PO Box 5300 Albany, NY 12205-0300	400	Nicole Convertibles, Inc.	\$0.00 (S)	Satisfied Claim	Pg. 8	All Sales and Use Tax Paid in Full
			\$18,411.74 (A)			
			\$0.00 (P)			
			\$0.00 (U)			
			\$18,411.74 (T)			
Ohio Department of Taxation Bankruptcy Division PO Box 530 Columbus, OH 43216	352	Jennifer Convertibles, Inc.	\$0.00 (S)	Satisfied Claim	Pg. 8	Settled and to be paid by Reorganized Debtors
			\$0.00 (A)			
			\$2,619.35 (P)			
			\$341.59 (U)			
			\$2,960.94 (T)			
Ohio Department of Taxation Bankruptcy Division PO Box 530 Columbus, OH 43216	353	Jennifer Convertibles, Inc.	\$0.00 (S)	Satisfied Claim	Pg. 8	Settled and to be paid by Reorganized Debtors
			\$0.00 (A)			
			\$5,754.83 (P)			
			\$654.36 (U)			
			\$6,409.19 (T)			
PMAIC (Pennsylvania Manufacturer's Assoc. Ins. Co.) 380 Sentry Parkway Blue Bell, PA 19422	255	Jennifer Convertibles, Inc.	\$0.00 (S)	Satisfied Claim	Pg. 8	Assumed and Paid in Full
			\$0.00 (A)			
			\$0.00 (P)			
			\$338,810.00 (U)			
			\$338,810.00 (T)			

- (S) means secured claims, (A) means administrative claims, (P) means priority claims, (U) means unsecured claims and (T) means total claims.

Claims to be Disallowed and Expunged						
Claims to be Reduced				Modified Claims		
Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority	Grounds for Objection	Objection Page Reference	Explanation
State of Michigan, Department of Treasury Attn: Juandisha M. Harris Assistant Attorney General Cadillac Place, Ste. 10-200 3030 W. Grand Blvd Detroit, MI 48202	395	Jennifer Management II Corp.	\$0.00 (S)	Satisfied Claim	Pg. 8	Paid in Full
			\$0.00 (A)			
			\$4,784.44 (P)			
			\$0.00 (U)			
			\$4,784.44 (T)			
State of Michigan, Department of Treasury Attn: Juandisha M. Harris Assistant Attorney General Cadillac Place, Ste. 10-200 3030 W. Grand Blvd Detroit, MI 48202	396	Jennifer Management II Corp.	\$0.00 (S)	Satisfied Claim	Pg. 8	Paid in Full
			\$0.00 (A)			
			\$1,160.50 (P)			
			\$0.00 (U)			
			\$1,160.50 (T)			

- (S) means secured claims, (A) means administrative claims, (P) means priority claims, (U) means unsecured claims and (T) means total claims.

EXHIBIT D
REORGANIZED DEBTORS' LIABILITY

Claims to be Disallowed and Expunged						
Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority		Grounds for Objection	Objection Page Reference
Bernice Anderson and Michael Hill 23 Bentham Road #2 Dorchester, MA 02122	404	Jennifer Convertibles, Inc.	\$0.00	(S)	No Liability – Reorganized Debtors' Liability Pursuant to Letter Filed with Court (Docket Entry 614)	Pgs. 8-9
			\$0.00	(A)		
			\$0.00	(P)		
			\$2,178.98	(U)		
			\$2,178.98	(T)		
Edward Poirier 68 Pine Street Brentwood, NY 11717	406	Jennifer Convertibles, Inc.	\$0.00	(S)	No Liability – Reorganized Debtors' Liability Pursuant to Letter Filed with Court (Docket Entry 614)	Pgs. 8-9
			\$0.00	(A)		
			\$0.00	(P)		
			\$2,430.84	(U)		
			\$2,430.84	(T)		
Frank Ashinger 32551 W. Haverford Drive Franklin, MI 48025	371	Jennifer Convertibles, Inc.	\$0.00	(S)	No Liability – Reorganized Debtors' Liability Pursuant to Letter Filed With Court (Docket Entry 614)	Pgs. 8-9
			\$0.00	(A)		
			\$0.00	(P)		
			\$667.80	(U)		
			\$667.80	(T)		
Frank Lythe 165 Athens Street South Boston, MA 02127	402	Jennifer Convertibles, Inc.	\$0.00	(S)	No Liability – Reorganized Debtors' Liability Pursuant to Letter Filed with Court (Docket Entry 614)	Pgs. 8-9
			\$0.00	(A)		
			\$0.00	(P)		
			\$936.60	(U)		
			\$936.60	(T)		

- (S) means secured claims, (A) means administrative claims, (P) means priority claims, (U) means unsecured claims and (T) means total claims.

Claims to be Disallowed and Expunged						
Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority		Grounds for Objection	Objection Page Reference
Kelly Hancock 6 Margot Lane E. Bridgewater, MA 02333	362	Jennifer Convertibles, Inc.	\$0.00	(S)	No Liability – Reorganized Debtors’ Liability Pursuant to Letter Filed with Court (Docket Entry 614)	Pgs. 8-9
			\$0.00	(A)		
			\$0.00	(P)		
			\$1,754.96	(U)		
			\$1,754.96	(T)		
Kimberly Thomas 70 Pearl Street Apartment 1-512 Brookline, MA 02445-7205	375	Jennifer Convertibles, Inc.	\$0.00	(S)	No Liability – Reorganized Debtors’ Liability Pursuant to Letter Filed with Court (Docket Entry 614)	Pgs. 8-9
			\$0.00	(A)		
			\$0.00	(P)		
			\$1,200.00	(U)		
			\$1,200.00	(T)		
LaTonya Lowery 70 Grove Highland Park, MI 48203	49	Jennifer Convertibles, Inc.	\$0.00	(S)	No Liability – Reorganized Debtors’ Liability Pursuant to Letter Filed with Court (Docket Entry 614)	Pgs. 8-9
			\$0.00	(A)		
			\$0.00	(P)		
			\$200.00	(U)		
			\$200.00	(T)		
Wade Settle 105 Whipple Road #1 Kittery, ME 03904	167	Jennifer Convertibles, Inc.	\$0.00	(S)	No Liability – Reorganized Debtors’ Liability Pursuant to Letter Filed with Court (Docket Entry 614)	Pgs. 8-9
			\$0.00	(A)		
			\$0.00	(P)		
			\$2,019.97	(U)		
			\$2,019.97	(T)		

- (S) means secured claims, (A) means administrative claims, (P) means priority claims, (U) means unsecured claims and (T) means total claims.

EXHIBIT E

AMENDED AND SUPERSEDED CLAIMS

Claims to Be Disallowed and Expunged						Remaining Claims			
Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority	Grounds for Objection	Objection Page Reference	Name and Address of Claimant	Claim No.	Debtor	Claim Amount and Priority
Miami Herald Media Company Credit Dept One Herald Plaza 2 nd Floor Miami, FL 33132	67	Jennifer Convertibles, Inc.	\$0.00 (S)	Amended and Superseded	Pgs. 9-10	Miami Herald Media Company c/o The McClatchy Company Attn: Stephen burns 2100 Q Street Sacramento, CA 95816	407	Jennifer Convertibles, Inc.	\$0.00 (S)
			\$0.00 (A)						\$0.00 (A)
			\$0.00 (P)						\$0.00 (P)
			\$53,285.00 (U)						\$66,605.00 (U)
			\$53,285.00 (T)						\$66,605.00 (T)
Valspar Corp. 1852 Solutions Center Chicago, IL 60677	298	Jennifer Convertibles, Inc.	\$0.00 (S)	Amended and Superseded	Pgs. 9-10	Valspar Corp. 1852 Solutions Center Chicago, IL 60677	299	Jennifer Convertibles, Inc.	\$0.00 (S)
			\$0.00 (A)						\$0.00 (A)
			\$0.00 (P)						\$0.00 (P)
			\$49,307.00 (U)						\$91,828.50 (U)
			\$49,307.00 (T)						\$91,828.50 (T)

- (S) means secured claims, (A) means administrative claims, (P) means priority claims, (U) means unsecured claims and (T) means total claims.

EXHIBIT F

O L S H A N

O L S H A N G R U N D M A N F R O M E R O S E N Z W E I G & W O L O S K Y L L P

PARK AVENUE TOWER
65 EAST 55TH STREET
NEW YORK, NEW YORK 10022
TELEPHONE: 212.451.2300
FACSIMILE: 212.451.2222
WWW.OLSHANLAW.COM

August 18, 2011

The Honorable Allan L. Gropper
United States Bankruptcy Court
Courtroom 617
One Bowling Green
New York, New York 10004

Re: In re Jennifer Convertibles, Inc., et al
Case No. 10-13779

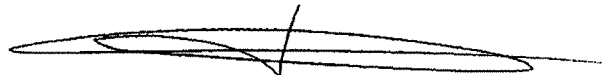
Dear Judge Gropper:

Per our conversation with Matthew Bruckner, this letter confirms that, after inquiry into the facts and circumstances of the claim of Bernice Anderson and Michael Hill (the "Claimants"), as set forth in their letter to the court dated August 10, 2011, Jennifer Convertibles will pay the Claimants \$1,700.00 in full settlement of their claim against the Jennifer Convertibles estate.

In addition, Jennifer Convertibles represents that it will treat other similarly-situated claimants in the same way.

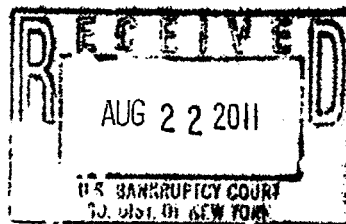
Should your Honor have any questions or additional concerns, please do not hesitate to contact our office.

Respectfully Submitted,



Michael S. Fox

cc: Rami Abada



1387525-1

NEW JERSEY OFFICE
2001 ROUTE 46 / SUITE 202
PARSIPPANY, NEW JERSEY 07054
TELEPHONE: 973.331.7200
FACSIMILE: 973.331.7222

EXHIBIT G

PROPOSED ORDER

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

In re:)	Chapter 11
JENNIFER CONVERTIBLES, INC., <i>et al.</i> ¹)	Case No. 10-13779 (ALG)
Debtors.)	(Jointly Administered)
)	
)	

**ORDER GRANTING TRUST ADMINISTRATOR'S THIRD (NON-SUBSTANTIVE)
OMNIBUS OBJECTION TO CERTAIN (A) WRONG DEBTOR CLAIMS; (B)
DUPLICATIVE CLAIMS; (C) SATISFIED CLAIMS; (D) REORGANIZED DEBTORS'
LIABILITY CLAIMS; AND (E) AMENDED AND SUPERSEDED CLAIMS**

Upon consideration of the Trust Administrator's Third (Non-Substantive) Omnibus Objection to Certain (A) Wrong Debtor Claims; (B) Duplicative Claims; (C) Satisfied Claims; (D) Reorganized Debtors' Claims; and (E) Amended and Superseded Claims (the "Third Omnibus Objection")² requesting entry of an order disallowing, modifying, reclassifying and expunging the claims listed on Exhibit A through E; and the Court having jurisdiction to consider the Third Omnibus Objection and the relief requested therein pursuant to 28 U.S.C. § 157; and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing from the affidavit of service filed with the Court and from the record that due and proper notice of the Third Omnibus Objection having been provided to the parties identified therein, and it appearing that no other or further notice need be provided; and the Court having reviewed and considered the Third Omnibus Objection and the responses thereto; and a hearing

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.

² Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Third Omnibus Objection.

having been held on February 28, 2012, to consider the relief requested in the Third Omnibus Objection; and the appearances of all interested parties having been noted in the record of the hearing; and upon all of the proceedings had before the Court and after due deliberation and sufficient causes appearing therefore:

IT IS HEREBY ORDERED THAT:

1. The relief requested in the Third Omnibus Objection is granted as set forth herein.
2. Each of the Wrong Debtor Claims listed under the column “Wrong Debtor Claims” on the attached Exhibit A is hereby reclassified to be asserted against the Debtor identified in the column “Reclassified Claims” on the attached Exhibit A.
3. Each of the Duplicative Claims listed under the column “Claims to be Disallowed and Expunged” on the attached Exhibit B is hereby disallowed and expunged in its entirety.
4. Each of the Satisfied Claims listed on Exhibit C is hereby disallowed and expunged in its entirety.
5. Each of the Reorganized Debtors’ Liability Claims listed on the attached Exhibit D is hereby disallowed and expunged in its entirety.
6. Each of the Amended and Superseded Claims listed under the column “Claims to be Disallowed and Expunged” on the attached Exhibit E is hereby disallowed and expunged in its entirety.

7. The Trust Administrator's rights to object to any of the Claims or any other claims which may be asserted against the Debtors on any other grounds are preserved. Additionally, should one or more of the grounds of objection stated in the Third Omnibus Objection be dismissed, the Trust Administrator's rights to object on other stated grounds or on any other grounds the Trust Administrator discovers are further preserved.

8. The Trust Administrator's right to setoff rights, including, but not limited to, security deposits against the allowed amount of any Claims is hereby preserved.

9. Nothing contained herein shall constitute or be deemed to constitute the allowance of any of the Claims.

10. This Court shall retain jurisdiction with respect to any matters related to or arising from the Third Omnibus Objection or the implementation of this Order.

11. Each Claim and the objections of the Trust Administrator to such Claim, as addressed in the Third Omnibus Objection and as set forth on Exhibit A through E hereto, constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate Order with respect to each Claim. Any stay of this Order pending appeal by any claimants whose Claims are subject to this Order shall only apply to the contested matter which involves such claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters listed in the Third Omnibus Objection or this Order.

Dated: New York, New York
February __, 2012

THE HONORABLE ALLAN L. GROPPER
UNITED STATES BANKRUPTCY JUDGE