

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): October 18, 2006

**JENNIFER CONVERTIBLES, INC.**  
(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

**1-9681**

(Commission File Number)

**11-2824646**

(IRS Employer Identification No.)

**419 Crossways Park Drive, Woodbury, New York**

(Address of Principal Executive Offices)

**11797**

(Zip Code)

**(516) 496-1900**

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 1.01      Entry into a Material Definitive Agreement**

On October 13, 2006, the Company entered into Amendment No. 4 to Management Agreement and License ("Amendment No. 4") by and among Jara Enterprises, Inc., Jennifer Acquisition Corp. and the Company, pursuant to which any future or prior shortfall payments that may be due to or from Jara Enterprises, Inc., as described in Sections 2.1 (b) and 2.1(c) of the Agreement, were eliminated.

The description of the terms and conditions of Amendment No. 4 set forth herein does not purport to be complete and is qualified in its entirety by the full text of Amendment No. 4, which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

**Item 9.01      Financial Statements and Exhibits.**

(d) Exhibits

10.1      Amendment No. 4 to Management Agreement and License

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: October 18, 2006

**Jennifer Convertibles, Inc.**

By: /s/ **Harley J. Greenfield**  
Name: **Harley J. Greenfield**  
Title: **Chief Executive Officer**

**AMENDMENT NO. 4 TO  
MANAGEMENT AGREEMENT AND LICENSE**

This Amendment No. 4 to Management Agreement and License is made as of October 13, 2006 by and among Jara Enterprises, Inc., a New York corporation ("Jara"), Jennifer Convertibles, Inc., a Delaware Corporation ("JCI") and Jennifer Acquisition Corp., a Delaware Corporation ("JAC"), a wholly owned subsidiary of JCI.

**RECITALS**

Reference is made to that certain Management Agreement and License, executed as of July 6, 2001 between Jara, Fred Love, the sole shareholder of Jara, JCI and JAC, as amended by Amendment No. 1 to Management and Agreement and License, dated as of April 30, 2002 and as further amended by Amendment No. 2 to Management and Agreement and License, dated as of July 10, 2003 (the "Agreement") and Amendment No. 3, dated as of November 18, 2004.

The parties to the Agreement desire to amend the Agreement as set forth herein.

NOW, THEREFORE, the parties hereto agree as follows:

**ARTICLE I  
AMENDMENTS**

For \$1.00 and other good and valuable consideration, receipt whereof is acknowledged, the parties hereto hereby agree as follows.

1. All capitalized terms used herein shall have their defined meanings from the Agreement.
2. Notwithstanding anything to the contrary contained in the Agreement, Section 2.1 (b) and 2.1(c) are hereby terminated and shall be null and void and of no further force and effect. The parties acknowledge and agree that neither party owes the other anything with respect to such sections, whether for prior periods or otherwise.

**ARTICLE II  
MISCELLANEOUS**

1. This Amendment No. 4 to Management Agreement and License shall be governed by and construed in accordance with the laws of the State of New York.
2. This Amendment No. 4 to Management Agreement and License may be executed in one or more counterparts, each of which shall constitute an original, and all of which, taken together, shall be deemed to constitute one and the same agreement.
3. Except as amended hereby, the Agreement remains in full force and effect.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this agreement as of this 13 day of October, 2006.

**JENNIFER CONVERTIBLES, INC.**

By: /s/ Harley J. Greenfield  
Name: Harley J. Greenfield  
Title: Chief Executive Officer

**JARA ENTERPRISES, INC.**

By: /s/ Jane Love  
Name: Jane Love  
Title: President

**JENNIFER ACQUISITION CORP.**

By: /s/ Harley J. Greenfield  
Name: Harley J. Greenfield  
Title: Chief Executive Officer