

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

FOAMEX INTERNATIONAL, INC., et al.,  
  
Debtors.

Chapter 11

Case No. 05-12685 (KG)

(Jointly Administered)

Related to Docket Nos. 2414, 2462, 2561,  
2567, 2587, 2592 and 2597

**ORDER APPROVING THE AMENDED FINAL FEE APPLICATION OF  
JEFFERIES AND COMPANY, INC., AS FINANCIAL ADVISOR TO THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS FOR FINAL ALLOWANCE OF  
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND  
REIMBURSEMENT OF ACTUAL AND NECESSARY EXPENSES**

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Upon consideration of the Final Application of Jefferies & Company, Inc. ("Jefferies"), as Financial Advisor to the Official Committee of Unsecured Creditors (the "Committee") for Final Compensation for Professional Services Rendered and Reimbursement of Actual and Necessary Expenses Incurred During the Period October 6, 2005 through January 31, 2007 (Docket No. 2414), as amended by (a) Jefferies' (I) Amended Final Fee Application and (II) Response to Reorganized Debtors' Objection to Final Fee Application (Docket No. 2561) and (b) Jefferies' Response to Reorganized Debtors' Objection to Jefferies and Company, Inc.'s Amended Final Application for Compensation and Response to Reorganized Debtors' Objection to Final Fee Application (Docket No. 2587) (the "Final Application");<sup>1</sup> a hearing having been held before this Court on September 10, 2007 to consider the Final Application, as amended (the "Final Hearing"); adequate and sufficient notice having been given; this Court having given due consideration to any responses and objections to the Final Application and having overruled the

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<sup>1</sup> All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Final Application.

same, except to the extent set forth below, and sufficient cause having been shown therefor, it is hereby

ORDERED that the Final Application, as amended, is granted on a final basis as modified and set forth herein; and it is further

ORDERED that the Reorganized Debtors' Objections to the Final Application, with the exception of the Reorganized Debtors' Objections to Jefferies' request for reimbursement of its legal fees, which objection shall be sustained in part, are overruled for the reasons stated by the Court at the Final Hearing; and it is further

ORDERED that the Reorganized Debtors are authorized and directed to pay to Jefferies, within ten (10) days of the date hereof, the sum of \$3,360,842.37, in satisfaction of the following amounts requested by Jefferies: (i) \$2,375,806.45 relating to the aggregate total of Jefferies' Monthly Fees; (ii) \$2,548,152.37 relating to the aggregate total of Jefferies' Transaction Fee through June 22, 2007, and (iii) \$2,690.00 relating to additional Transaction Fee amounts accrued after June 22, 2007; less \$1,565,806.45 already paid by the Reorganized Debtors to Jefferies on account of Jefferies' Monthly Fees; and it is further

ORDERED that the Reorganized Debtors are authorized and directed to pay to Jefferies, within ten (10) days of the date hereof, the sum of \$276,200.38, in satisfaction of the following amounts requested by Jefferies: (i) \$10,599 relating to reimbursement of legal fees for services provided by Ashby & Geddes, P.A., and (ii) \$269,700 relating to reimbursement of legal fees for services provided by Latham & Watkins, LLP; less \$4,098.62 already paid by the Reorganized Debtors to Jefferies on account of reimbursement of legal fees; and it is further

ORDERED that the Reorganized Debtors are authorized and directed to pay to Jefferies, within ten (10) days of the date hereof, the sum of \$16,305.39 in satisfaction of the following


amounts requested by Jefferies: (i) \$539.30 relating to reimbursement of out-of-pocket expenses incurred by Ashby & Geddes, P.A., and (ii) \$15,766.09 relating to reimbursement of out-of-pocket expenses incurred by Latham & Watkins, LLP; and it is further

ORDERED that the Reorganized Debtors are authorized and directed (i) to provide to Jefferies, within twenty (20) days after the end of each calendar quarter, a report describing any additional distributions made by the Reorganized Debtors on account of general unsecured claims after June 22, 2007, and (ii) pay to Jefferies additional Transaction Fee amounts that are not disputed<sup>\*</sup> within twenty (20) days after the end of each calendar quarter equal to 1% of any such distributions by the Reorganized Debtors on account of general unsecured claims that were not included in the Transaction Fee awarded through this Order;<sup>\*\*</sup> and it is further


ORDERED that this Court shall retain exclusive jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: Sept 20, 2007  
Wilmington, Delaware

  
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THE HONORABLE KEVIN GROSS  
UNITED STATES BANKRUPTCY JUDGE

 \* To the extent a dispute remains involving litigation claims relating to the fire in West Warwick, Rhode Island, and Jefferies entitlement to a fee based on any recovery, the Court reserves decision and this Order, therefore, does not govern such potential recovery.

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 <sup>3</sup> \*\* and the Court will promptly consider and resolve any disputes.