

# Vendor FAQs

## 1. Why did Mattress Firm choose to initiate a prepackaged restructuring?

- Our goal is to have a national store footprint that gives our guests easy, convenient access to our great products and service. The fact is, we are overstored in certain markets and understored in others. We will be closing stores that are not performing up to our expectations or are situated in areas where we have too many locations too close together.
- We are using this court-supervised process to secure the funding we need to continue investing in our growth and to optimize our portfolio of retail locations.
- We plan to use the additional liquidity resulting from this process to improve our product offering, provide greater value to our guests, strategically expand in existing and new markets, and provide more earning opportunities for our associates.

## 2. How do these developments affect Mattress Firm's operations?

- We will continue to serve customers as usual at thousands of stores across the nation and online.
- It will be business as usual. We anticipate that mattress deliveries will be made as scheduled, and we intend that warranties, guarantees and other customer programs will be honored as usual.

## 3. How will the restructuring affect vendors?

- We intend to work with our vendors as we always have and appreciate the partnership many of you have demonstrated with us over time.
- We are seeking court approval for a prepackaged plan of reorganization that, among other things, provides for all trade creditors to be paid in full for goods and services provided.
- As we take these actions, we are focused on ensuring the financial well-being of our organization for today and long into the future, protecting the financial interests and investments of partners like you, and delivering value to our customers and employees.

## 4. Will vendors be paid in full and on time?

- We intend to pay for goods and services in full under normal terms and in the ordinary course of business.
- Our prepackaged restructuring plan provides for trade creditors to be paid in full throughout this process.
- Accordingly, we filed motions seeking court authorization to pay vendors in full under normal terms and in the ordinary course of business – for goods and services provided prior to, as well as after, the filing date.

## 5. Do you have sufficient liquidity to meet your business obligations?

- We expect to have sufficient liquidity to meet our obligations upon emergence.
- We received commitments for \$250 million in debtor-in-possession financing and \$525 million of senior secured credit facilities to support the business after completion of the restructuring process.

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## **6. Given the number of stores you are closing, will sales of our product(s) through Mattress Firm decline?**

- We have analyzed store closures and anticipate that a portion of the sales from closed stores will transfer to nearby Mattress Firm locations.
- The stores we are closing are typically low volume stores and often too close to an existing Mattress Firm store.
- Post our restructuring we expect similar sales volumes, supported by growth of our online and Multi-Channel Sales businesses, and new store openings in underpenetrated markets.

## **7. Do I need to file a proof of claim?**

- Our prepackaged restructuring plan provides for trade creditors to be paid in full throughout this process.
- Accordingly, if the court grants the Company its request for authority to pay for pre-petition goods and services in full under normal terms and in the ordinary course of business, we do not expect trade creditors to have any pre-petition claims that would require the filing of a proof of claim.
- You may wish to consult an attorney for additional assistance.

## **8. Where can I go for more information and updates?**

- You can find additional information on our restructuring website, [www.mattressfirm.com/restructuring](http://www.mattressfirm.com/restructuring), as well as by calling our Information Hotline, toll-free from the U.S., at 877-214-3592. Court documents and additional information related to the court-supervised proceedings can be found at <http://dm.epiq11.com/mattressfirm>.