

TEMPUR PEDIC INTERNATIONAL INC  
 Form 4  
 January 07, 2010

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**Rao Bhaskar**

2. Issuer Name and Ticker or Trading Symbol  
**TEMPUR PEDIC INTERNATIONAL INC [TPX]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
**01/05/2010**

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
**CAO, VP of Strategic Planning**

**C/O TEMPUR-PEDIC INTERNATIONAL INC., 1713 JAGGIE FOX WAY**  
 (Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 \_\_\_ Form filed by More than One Reporting Person

**LEXINGTON, KY 40511**  
 (City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount or Price (A) or (D)		
Common Stock	01/05/2010		M		4,400 A (1) \$ 12.37	D	
Common Stock	01/05/2010		S		4,400 D (1) \$ 25.90	D	
Common Stock	01/06/2010		M		4,600 A (1) \$ 10.66	D	
Common Stock	01/06/2010		S		4,600 D (1) \$ 27.90	D	

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock Option (right to buy)	\$ 12.37	01/05/2010		M	4,400	<sup>(2)</sup> 12/14/2015	Common Stock	4,400
Stock option (option to buy)	\$ 10.66	01/06/2010		M	4,600	<sup>(3)</sup> 10/25/2015	Common Stock	4,600

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Rao Bhaskar C/O TEMPUR-PEDIC INTERNATIONAL INC. 1713 JAGGIE FOX WAY LEXINGTON, KY 40511			CAO, VP of Strategic Planning	

## Signatures

/s/ Bhaskar Rao                      01/07/2010

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The shares were sold pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on October 23, 2009 in order to cause the applicable sales to fall within the scope of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended. The Rule 10b5-1 trading plan contains specific instructions to sell shares pursuant to the exercise of options if the price of the Issuer's common stock exceeds a pre-determined price per share.

(2) These options vest and become exercisable in a series of installments. The first installment, which consisted of 25% of the original aggregate number of options granted, vested on December 15, 2006, and 25% of the remaining options vested annually each year thereafter.

(3) These options vest and become exercisable in a series of installments. The first installment, which consisted of 25% of the original aggregate number of options granted, vested on October 25, 2006. The remaining options vested in a series of twelve successive equal quarterly installments.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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