

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re: :  
 : Chapter 11  
**COMFORT CO., INC.,** :  
a Delaware corporation, *et al.*,<sup>1</sup> : Case No. 08-12305 (MFW)  
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Debtors. : Jointly Administered  
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**NOTICE OF (A) OBJECTION AND VOTING DEADLINES,  
(B) SOLICITATION AND VOTING PROCEDURES, (C) HEARING TO CONFIRM  
THE PLAN OF REORGANIZATION, AND (D) CERTAIN OTHER INFORMATION**

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**TO: ALL HOLDERS OF CLAIMS, HOLDERS OF EQUITY INTERESTS AND  
PARTIES IN INTEREST IN THE ABOVE-CAPTIONED CHAPTER 11 CASES --  
PLEASE TAKE NOTICE OF THE FOLLOWING:**

**DISCLOSURE STATEMENT and SOLICITATION PROCEDURES APPROVED.** On December 29, 2008, the United States Bankruptcy Court for the District of Delaware, Wilmington Division (the "Bankruptcy Court") entered that certain *Order (A) Approving First Amended Disclosure Statement, (B) Fixing The Voting Record Date, (C) Scheduling Certain Hearing Dates And Deadlines In Connection With The Proposed Confirmation Of The Debtors' Proposed First Amended Plan Of Reorganization And (D) Approving The Solicitation Procedures And Form Of Solicitation Package And Notices* (the "Disclosure Statement Order"). In the Disclosure Statement Order, among other things, the Bankruptcy Court approved the above-captioned Debtors' Disclosure Statement (as amended from time to time and including all exhibits and supplements, the "Disclosure Statement") for their Joint Plan of Reorganization Under Chapter 11 of the United States Bankruptcy Code (as amended from time to time and including all exhibits and supplements, the "Plan"), as containing adequate information, as

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Comfort Co., Inc. (0360); Sleep Innovations, Inc. (6386); Advanced Innovations Central, LLC (7109); Advanced Innovations East, LLC (2669); Advanced Innovations West, LLC (2116); Advanced Urethane Technologies, Inc. (1725); AUT Brenham, Inc. (7286); AUT Dallas, Inc. (7706); AUT Lebanon, Inc. (7928); AUT Newburyport, Inc. (7032); and AUT West Chicago, Inc. (7561). The address for all of the Debtors is 187 Route 36, Suite 101, West Long Branch, NJ 07764.

required under section 1125(a) of title 11 of the United States Code (the "Bankruptcy Code"), and authorized the Debtors to solicit acceptances of the Plan.<sup>2</sup>

**COPIES OF SOLICITATION PACKAGE MATERIALS, INCLUDING DISCLOSURE STATEMENT AND PLAN.** The Plan, Disclosure Statement, Plan Supplement, Disclosure Statement Order, and all other materials in the Debtors' Solicitation Package may be obtained from the Debtors' reorganization website maintained by the Voting Agent at <http://www.sleepinnovationsch11.com>. or by contacting the Debtors' Voting Agent at The Garden City Group, Inc., Attention: Comfort Co., Inc., 105 Maxess Road, Melville, New York 11747 or by calling the Debtors' reorganization hotline at 1-866-393-0257. The Debtors, by and through the Voting Agent, will serve the Plan, Disclosure Statement, and all other materials in the Solicitation Package (except the Plan Supplement which can be obtained from the website or by contacting the Voting Agent) on the Core Group and all parties in interest on the 2002 List as of the Voting Record Date. Creditors who are entitled to vote on the Plan that are not in the Core Group or on the 2002 List will be served by first class mail with this Confirmation Hearing Notice, applicable Ballots, and voting instructions, a pre-addressed, postage pre-paid return envelope, the Plan, the Disclosure Statement, the Disclosure Statement Order (without exhibits, except for Exhibit 1), and certain other materials contained in the Solicitation Package. Such creditors may also obtain copies of the aforementioned documents and the Plan Supplement by accessing the Debtors' reorganization website maintained by the Voting Agent at <http://www.sleepinnovationsch11.com> or by contacting the Debtors' Voting Agent at the address or telephone number above.

**HEARING TO CONFIRM THE PLAN.** A hearing to confirm the Plan (the "Confirmation Hearing") will commence on **February 4, 2009 at 10:30 a.m. prevailing Eastern time**, before the Honorable Mary F. Walrath, Chief United States Bankruptcy Judge, located at 824 Market Street Wilmington, Delaware 19801. The Confirmation Hearing may be continued from time to time by announcing such continuance in open court or otherwise, without further notice to parties in interest. The Bankruptcy Court, in its discretion and prior to the Confirmation Hearing, may put in place additional procedures governing the Confirmation Hearing.

**PLAN OBJECTION DEADLINE.** The Bankruptcy Court has established **January 26, 2009 at 4:00 p .m. prevailing Eastern time**, as the last date and time for filing and serving objections to the confirmation of the Plan (the "Plan Objection Deadline"). Objections to the confirmation of the Plan, if any, must (a) be in writing; (b) state with particularity the grounds for such objection; (c) state the name and address of the objecting party and the notice of the claim or interest of such party; and (d) be filed with the Bankruptcy Court and served on the following parties (collectively, the "Notice Parties"):

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<sup>2</sup> All capitalized terms used, but not defined herein, shall have the meanings attributed to such terms in the Plan or the Disclosure Statement, as applicable.

Counsel to the Debtors:	Duane Morris LLP, Suite 1200 1100 North Market Street Wilmington, DE 19801-1246 Attention: Michael R. Lastowski, Esquire
Debtors”	Richard A. Heller Chief Executive Officer Sleep Innovations, Inc. 187 Route 36, Suite 101 West Long Branch, NJ 07764
Counsel to the Official Committee of Unsecured Creditors:	Lowenstein Sandler, P.C. 65 Livingston Avenue Roseland, NJ 07068 Attention: Bruce Buechler, Esquire  and  Connolly Bove Lodge & Hutz LLP The Nemours Building, 1007 North Orange St. Wilmington, DE 19899 Attention: Jeffrey C. Wisler, Esquire
Counsel to JPMorgan Chase Bank, N.A., administrative agent for the lenders under the First Lien Credit Facility, the Second Lien Credit Facility and the Debtors’ postpetition financing facility:	Simpson Thacher & Bartlett LLP 425 Lexington Avenue New York, New York 10017 Attention: Steven M. Fuhrman, Esquire  and  Richards, Layton & Finger, P.A. One Rodney Square 920 North King Street Wilmington, Delaware 19801 Attention: Mark D. Collins, Esquire
The Office of the United States Trustee for the District of Delaware:	844 King Street, Suite 2207 Wilmington, DE 19801 Attention: Jane Leamy, Esquire

so that they are actually received no later than the Plan Objection Deadline. Objections not timely filed and served shall be overruled and not considered.

**VOTING RECORD DATE.** December 29, 2008 is the record date (the “Voting Record Date”) for purposes of determining which parties are entitled to vote on the Plan.

**VOTING DEADLINE.** January 26, 2009 at 4:00 p.m. prevailing Eastern time is the voting deadline (“Voting Deadline”). All Ballots must be received by the Voting Agent by the Voting Deadline. Voting Instructions will be sent with the Ballots.

**TEMPORARY ALLOWANCE OF CLAIMS FOR VOTING PURPOSES.** Holders of Claims and Interests that are subject to a pending objection by the Debtors as of the Voting Record Date cannot vote on the Plan absent one of the following resolution events taking place prior to the Voting Deadline: (a) an order is entered by the Bankruptcy Court temporarily allowing such Disputed Claim or Disputed Interest for voting purposes pursuant to Bankruptcy Rule 3018(a), after notice and a hearing; (b) a stipulation or other agreement is executed between the holder of the Disputed Claim or Disputed Interest and the Debtors temporarily allowing the holder of the Disputed Claim or Disputed Interest to vote its claim or interest in an agreed upon amount; or (c) the pending objection to the Disputed Claim or Disputed Interest is voluntarily withdrawn by the Debtors (each, a “Resolution Event”). If an objection to a Claim or interest is filed by the Debtors after the Voting Record Date, any vote by the holder of such Disputed Claim or Disputed Interest will not be counted unless there is a Resolution Event prior to the Confirmation Hearing.

**EXCULPATION.** Please be advised that Section IX.J of the Plan provides the following:

*The Debtors, the Reorganized Debtors, the other Released Parties, the Exit Facility Agent and the lender parties to the Exit Facility (i) shall have no liability whatsoever to any holder or purported holder of an Administrative Claim, Claim, or Equity Interest for any act or omission after the Petition Date in connection with, or arising out of, these Chapter 11 Cases, this Plan, the Disclosure Statement, the negotiation of this Plan, the negotiation of the Plan Supplement Documents, the Exit Facility, the pursuit of approval of the Disclosure Statement or the solicitation of votes to accept or reject this Plan, the consummation of this Plan, the administration of this Plan or the property to be distributed under this Plan, or any transaction contemplated by this Plan or in furtherance hereof except for any act or omission that constitutes gross negligence, fraud or willful misconduct as determined by a Final Order, and (ii) in all respects, shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under this Plan. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations and any other applicable law or rules protecting any of the Released Parties, the Exit Facility Agent or the lender parties to the Exit Facility from liability.*

**RELEASES BY DEBTORS AND THE ESTATES.** Please be advised that Section IX.H of the Plan includes the following release provisions:

*Except as otherwise expressly provided in this Plan, the Confirmation Order, the Plan Supplement Documents or a separate order of the Court, and without limiting the protections afforded to the First Lien Agent, the First Lien Lenders,*

*the Second Lien Agent, the Second Lien Lenders (and all of their respective agents, affiliates, subsidiaries, directors, officers, representatives, attorneys or advisors) in the Final DIP Order, on the Effective Date, the Debtors and the Reorganized Debtors, on behalf of themselves and their respective Estates, release unconditionally and irrevocably, and are hereby deemed to and hereby unconditionally and irrevocably release, each and all of (a) the Debtors' officers and directors who were serving in such capacity on or after the Petition Date until the Effective Date, (b) the members of the Creditors' Committee, (c) the DIP Lenders, the DIP Agent, the First Lien Agent, the First Lien Lenders, the Second Lien Agent, and the Second Lien Lenders, and (d) all of the respective officers, directors, employees, partners, advisors, attorneys, financial advisors, accountants and other professionals of each of the foregoing described in clauses (a) through (c), in each case, in their respective capacities as such, (collectively clauses (a) through (d) being the "Released Parties" and each a "Released Party") from any and all claims, obligations, suits, judgments, damages, rights, Causes of Action and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, based in whole or in part upon actions taken in their respective capacities described above or any omission, transaction, event or other occurrence taking place from the Petition Date through the Effective Date in any way relating to the Debtors, these Chapter 11 Cases, or this Plan, except that the foregoing release shall not apply to any express contractual or financial obligations owed to the Debtors or Reorganized Debtors by any Released Party referenced in clause (a) above or any obligation arising under this Plan or an agreement entered into pursuant to, in connection with or contemplated by, this Plan.*

**RELEASES BY HOLDERS OF CLAIMS.** Please be advised that Section IX.I of the Plan includes the following release provisions:

*On and as of the Effective Date, all Persons who vote to accept this Plan as set forth on the relevant Ballot, shall be deemed, by virtue of their treatment under this Plan, to have unconditionally and irrevocably released the Debtors and the other Released Parties and covenanted with the Reorganized Debtors and the other Released Parties not to (a) sue or otherwise seek recovery from any of the Reorganized Debtors or any other Released Party on account of any Claim, including but not limited to, any Claim based upon tort, breach of contract, violations of federal or state securities laws or otherwise, based upon any act, occurrence, or failure to act from the beginning of time through the Effective Date in any way relating to the Debtors, these Chapter 11 Cases or this Plan or (b) assert against any of the Reorganized Debtors or any other Released Party any Claim, obligation, right, Cause of Action or liability that any holder of a Claim or may be entitled to assert, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, or occurrence taking place on or prior to the Effective Date in any way relating to the Debtors, these Chapter 11 Cases, or this Plan; provided, however, that (i) the foregoing release shall not apply to obligations*

*arising under this Plan or an agreement entered into pursuant to, in connection with, or contemplated by, this Plan, (ii) the foregoing release shall not apply to any Person who either votes to reject this Plan or elects to "opt out" of the foregoing release provision by designating such election on their respective ballot and by returning such ballot in a timely manner and in accordance with the provisions set forth in the Disclosure Statement and in the Disclosure Statement Order; (iii) the foregoing release shall not apply to release any Person who, while being defined as a Released Party under this Plan, votes to reject the Plan, files an objection thereto or elects to "opt out" of the foregoing release provision by designating such election on their respective ballot and by returning such ballot in a timely manner and in accordance with the provisions set forth in the Disclosure Statement and in the Disclosure Statement Order; and (iv) the foregoing release shall not be construed to prohibit a party in interest from seeking to enforce the terms of this Plan or an agreement entered into pursuant to, in connection with, or contemplated by, this Plan. Notwithstanding anything to the contrary in this Plan, the releases of the Released Parties shall extend only to Claims arising against such Released Parties in their capacities as parties in interest in these Chapter 11 Cases.*

INJUNCTION. Please be advised that Article IX.E of the Plan provides the following:

*Except as otherwise expressly provided in this Plan, the Confirmation Order, the Plan Supplement Documents or a separate order of the Court, all Persons who have held, hold, or may hold Claims against, or Equity Interests in, the Debtors that arose before or were held as of the Effective Date, are permanently enjoined, on and after the Effective Date, from (a) commencing or continuing in any manner any action or other proceeding of any kind against the Debtors or the Reorganized Debtors with respect to any such Claim or Equity Interest, (b) the enforcement, attachment, collection, or recovery by any manner or means of any judgment, award, decree, or order against the Debtors or the Reorganized Debtors on account of any such Claim or Equity Interest, (c) creating, perfecting, or enforcing any Lien or other encumbrance of any kind against the Debtors or the Reorganized Debtors or against the property or interests in property of the Debtors or the Reorganized Debtors on account of any such Claim or Equity Interest and (d) asserting any right of setoff or subrogation of any kind against any obligation due from the Debtors or the Reorganized Debtors or against the property or interests in property of the Debtors or the Reorganized Debtors on account of any such Claim or Equity Interest. Such injunction shall extend to successors of the Debtors (including, without limitation, the Reorganized Debtors) and their respective properties and interests in property.*