

## **Code of Ethics**

### **CODE OF ETHICS FOR DIRECTORS, OFFICERS, SENIOR MANAGEMENT, AND CERTAIN OTHER EMPLOYEES OF FOAMEX INTERNATIONAL INC.**

#### **I. Introduction**

This Code of Ethics is applicable to the Directors, Officers, Senior Management, the Corporate Controller, the Assistant Corporate Controller, the Manufacturing Controller, and the Director of Financial Reporting of Foamex International Inc. (the "Company"). References in this Code of Ethics to the Company means Foamex International Inc. or any of its subsidiaries.

While the Company and its shareholders expect honest and ethical conduct in all aspects of its business from all employees, the Company and its shareholders expect the highest possible standards of honest and ethical conduct from you. You are setting an example for other employees and are expected to foster a culture of transparency, integrity and honesty. This Code is intended to supplement other applicable policies and procedures, including the Company's Code of Business Conduct and Ethics. Compliance with this Code is a condition of your employment and any violations will be dealt with severely.

#### **II. Conflicts of Interest**

You must avoid any personal activity, investment or association that could appear to interfere with your judgment concerning the Company's best interests. You may not take advantage of your position or relationship with the Company for personal gain. You should avoid even the appearance of a conflict of interest. A conflict of interest could arise where:

- your personal interests interfere, or appear to interfere, in any way, with the interests of the Company;
- you take action for your direct or indirect benefit or the direct or indirect benefit of a third party that is inconsistent with the best interests of the Company (for example, you cause the Company to engage in business transactions with a company you control or with friends or relatives without having obtained the appropriate prior approvals required under the "Related Party Transactions" section of this Code); or
- you, or a member of your family, receive improper personal benefits as a result of your position in the Company (for example, you receive a loan or other benefit from a third party to direct the Company business to a third-party); provided that receiving or providing gratuities or payments that are expressly authorized in the Company's Code of Conduct dated February 20, 2007 shall not constitute a "conflict of interest" under this Code.

It is imperative that you avoid any investment, interest, association or other relationship that interferes, might interfere, or might be thought to interfere, with your independent exercise of judgment in the Company's best interest.

Engaging in any conduct that represents a conflict of interest is strictly forbidden unless a transaction that might otherwise violate this policy has been approved in advance by the Board of Directors or an appropriate committee of the Board of Directors, as set forth in Section III below.

### **III. Related Party Transactions**

You must report to Andrew R. Prusky of the Legal Department(i) any proposed agreement involving an aggregate payment or consideration in excess of \$5,000, whether or not in writing, that you, any member of your family, any of your affiliates, or any entity from which you, a member of your family or any of your affiliates receives any payment, propose(s) to enter into with the Company, whether directly or indirectly or (ii) any “related party transaction,” as such term is defined in the Amended and Restated Audit Committee Charter (each such agreement or transaction, a “Transaction”). Your report must include all relevant terms of the Transaction. A representative of the Legal Department shall then refer the Transaction to the Board of Directors or the appropriate committee thereof.

You must obtain the approval of the Board of Directors or the appropriate committee thereof in advance of entering into the Transaction.

### **IV. Confidentiality**

You should observe the confidentiality of information that you acquire, relating to the Company and otherwise, in carrying out your duties and responsibilities, except where disclosure is approved by the Legal Department, the Board of Directors or an appropriate committee thereof (such as, for example, when an appropriate confidentiality agreement is obtained), or disclosure is legally mandated. Confidential information includes, but is not limited to, all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. Of special sensitivity is non-public financial information, which should under all circumstances be considered confidential, except where its disclosure is approved as set forth above.

### **V. Insider Trading**

You must observe the Securities Trading Policy with respect to the purchase and sale of any the Company’s securities.

### **VI. Accurate Periodic Reports**

As you are aware, full, fair, accurate, timely and understandable disclosure in the reports and other documents that the Company files with, or submits to, the SEC and in its other public communications is critical for the Company to maintain its good reputation, to comply with its obligations under the securities laws and to meet the expectations of its shareholders and other members of the investment community. You are to exercise the highest standard of care in preparing such reports and documents and other public communications, in accordance with the following guidelines:

- all accounting records, and the reports produced from such records, must be in accordance with all applicable laws;

- all accounting records must fairly and accurately reflect the transactions or occurrences to which they relate;
- all accounting records must fairly and accurately reflect in reasonable detail the Company's assets, liabilities, revenues and expenses;
- no accounting records should contain any false or intentionally misleading entries;
- no transactions should be intentionally misclassified as to accounts, departments or accounting periods;
- all transactions must be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period;
- no information should be concealed from the internal auditors or the independent auditors; and
- compliance with the Company's system of internal controls is required.

## **VII. Compliance with Laws**

You are expected to comply with both the letter and spirit of all applicable laws and governmental rules and regulations.

## **VIII. Waivers**

A waiver of the Code of Ethics may be made only by the Board of Directors or a committee of the Board of Directors and will be promptly disclosed to shareholders to the extent required under applicable law or the NASDAQ Marketplace Rules; provided however, that actions by the Board of Directors or a committee of the Board of Directors taking appropriate disciplinary measures (as set forth in Article IX of the Code of Ethics) in response to a failure to comply with the Code of Ethics shall not be deemed to be a waiver of the Code of Ethics.

## **IX. Compliance with this Code**

If you fail to comply with this Code of Ethics or applicable laws, rules or regulations (including without limitation all rules and regulations of the Securities and Exchange Commission) you will be subject to disciplinary measures, up to and including discharge from the Company. Violations of this Code of Ethics may also constitute violations of law and may result in civil or criminal penalties levied against you, your supervisors and/or the Company.

The Board of Directors will determine, or designate appropriate persons to determine, appropriate actions to be taken in the event of a violation of this Code of Ethics. In determining what action is appropriate in a particular case, the Board of Directors or its designee will consider the nature and severity of the violation, whether the violation was a single occurrence or repeated occurrences, whether the violation was intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action and whether or not the individual in question had committed other violations in the past.

You are expected to report all violations of this Code of Ethics promptly to the Chairman of the Audit Committee. If you have any questions regarding your obligations under this Code of Ethics, you should promptly contact a member of the Company's Legal Department. You may choose to remain anonymous in reporting any possible violation of this Code of Ethics.