

TEMPUR PEDIC INTERNATIONAL INC
 Form 4
 February 21, 2007

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 *
 MONTGOMERY DAVID

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)
 02/20/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Exec VP, Pres. Intl. Ops.

C/O TEMPUR-PEDIC INTERNATIONAL INC.

(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	Price	
Common Stock	02/20/2007		M		373,836	A \$ 1.9	570,711 D
Common Stock	02/20/2007		M		55,758	A \$ 2.86	626,469 D
Common Stock	02/20/2007		S		10,900	D \$ 26	615,569 D
Common Stock	02/20/2007		S		5,800	D \$ 26.01	609,769 D
Common Stock	02/20/2007		S		7,500	D \$ 26.02	602,269 D

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Common Stock	02/20/2007	S	100	D	\$ 26.029	602,169	D
Common Stock	02/20/2007	S	1,900	D	\$ 26.03	600,269	D
Common Stock	02/20/2007	S	5,600	D	\$ 26.04	594,669	D
Common Stock	02/20/2007	S	200	D	\$ 26.049	594,469	D
Common Stock	02/20/2007	S	14,525	D	\$ 26.05	579,944	D
Common Stock	02/20/2007	S	7,100	D	\$ 26.06	572,844	D
Common Stock	02/20/2007	S	400	D	\$ 26.069	572,444	D
Common Stock	02/20/2007	S	28,000	D	\$ 26.07	544,444	D
Common Stock	02/20/2007	S	28,175	D	\$ 26.08	516,269	D
Common Stock	02/20/2007	S	25,900	D	\$ 26.09	490,369	D
Common Stock	02/20/2007	S	8,700	D	\$ 26.1	481,669	D
Common Stock	02/20/2007	S	2,300	D	\$ 26.11	479,369	D
Common Stock	02/20/2007	S	6,100	D	\$ 26.12	473,269	D
Common Stock	02/20/2007	S	2,752	D	\$ 26.13	470,517	D
Common Stock	02/20/2007	S	4,600	D	\$ 26.14	465,917	D
Common Stock	02/20/2007	S	2,300	D	\$ 26.15	463,617	D
Common Stock	02/20/2007	S	2,800	D	\$ 26.16	460,817	D
Common Stock	02/20/2007	S	2,100	D	\$ 26.17	458,717	D
Common Stock	02/20/2007	S	1,748	D	\$ 26.18	456,969	D
Common Stock	02/20/2007	S	2,500	D	\$ 26.19	454,469	D
	02/20/2007	S	800	D	\$ 26.2	453,669	D

Common Stock							
Common Stock	02/20/2007	S	1,300	D	\$ 26.21	452,369	D
Common Stock	02/20/2007	S	200	D	\$ 26.22	452,169	D
Common Stock	02/20/2007	S	3,000	D	\$ 26.23	449,169	D
Common Stock	02/20/2007	S	1,900	D	\$ 26.24	447,269	D

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

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy) ⁽¹⁾	\$ 1.9 ⁽²⁾	02/20/2007		M	373,836	⁽³⁾	02/24/2013	Common Stock	373,836
Stock Option (right to buy) ⁽¹⁾	\$ 2.86 ⁽²⁾	02/20/2007		M	55,758	⁽⁴⁾	08/13/2013	Common Stock	55,758

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MONTGOMERY DAVID C/O TEMPUR-PEDIC INTERNATIONAL INC. LEXINGTON, KY 40511			Exec VP, Pres. Intl. Ops.	

Signatures

/s/ William H. Poche,
Attorney-in-fact

02/20/2007

__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).

The reporting person exercised the stock option in order to receive the benefits of retaining ownership of the underlying common stock.

(1) The proceeds from the sale of the shares will be used to pay for the exercise price of the stock option and estimated taxes payable as a result of the exercise.

(2) Reflects rounding.

These options vest and become exercisable in a series of installments. The first installment, which consisted of 25% of the total aggregate

(3) number of options granted, vested on August 20, 2003. The remaining options vest and become exercisable in a series of twelve successive equal quarterly installments, beginning on May 24, 2004.

These options vest and become exercisable in a series of installments. The first installment, which consisted of 25% of the original

(4) aggregate number of options granted, vested on August 13, 2004. The remaining options vest and become exercisable in a series of twelve successive equal quarterly installments, beginning on November 13, 2004.

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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