

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2011
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☒ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>THE ORIGINAL MATTRESS FACTORY (NORTH) EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u>	1b Three-digit plan number (PN) ► <u>001</u> 1c Effective date of plan <u>01/01/2011</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>THE ORIGINAL MATTRESS FACTORY, INC.</u> <u>4930 STATE ROAD</u> <u>CLEVELAND, OH 44134</u>	2b Employer Identification Number (EIN) <u>34-1644395</u> 2c Sponsor's telephone number <u>216-661-8388</u> 2d Business code (see instructions) <u>337000</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/12/2012</u>	<u>GREGORY TRZCINSKI</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") THE ORIGINAL MATTRESS FACTORY, INC. 4930 STATE ROAD CLEVELAND, OH 44134	3b Administrator's EIN 34-1644395 3c Administrator's telephone number 216-661-8388
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	183
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	178
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	0
d Subtotal. Add lines 6a , 6b , and 6c	6d	178
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	178
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	178
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2E 2F 2H 2P 2Q 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☐ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>THE ORIGINAL MATTRESS FACTORY (NORTH) EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u>	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE ORIGINAL MATTRESS FACTORY, INC.</u>	D Employer Identification Number (EIN) <u>34-1644395</u>	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	1467534
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	41296467
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	0	42764001

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		39608472
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	39608472

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	0	3155529
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	6447	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		6447

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	26	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		26

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	5511000	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		5511000

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	-453533	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-453533
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		5063940

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		0
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		1908411
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1908411

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3155529
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PLANTE & MORAN, PLLC

(2) EIN: 38-1357951

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>THE ORIGINAL MATTRESS FACTORY (NORTH) EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE ORIGINAL MATTRESS FACTORY, INC.</u>	D Employer Identification Number (EIN) <u>34-1644395</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☒ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☒ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☒ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

The Original Mattress Factory (North) Employee Stock Ownership Plan and Trust

**Financial Report
December 31, 2011**

The Original Mattress Factory (North) Employee Stock Ownership Plan and Trust

Contents

Report Letter	1-2
Statement of Net Assets (Deficit)	3
Statement of Changes in Net Assets (Deficit)	4
Notes to Financial Statements	5-12
Schedule of Assets Held at End of Year	Schedule I
Schedule of Reportable Transactions	Schedule 2

Independent Auditor's Report

To the Plan Administrator
The Original Mattress Factory (North)
Employee Stock Ownership Plan and Trust

We have audited the accompanying statement of net assets (deficit) of The Original Mattress Factory (North) Employee Stock Ownership Plan and Trust (the "Plan") as of December 31, 2011 and the related statement of changes in net assets (deficit) for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of the Plan as of December 31, 2011 and the changes in net assets for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of assets held at end of year as of December 31, 2011 and reportable transactions for the year ended December 31, 2011 are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

To the Plan Administrator
The Original Mattress Factory (North)
Employee Stock Ownership Plan and Trust

As explained in Note 5, the financial statements include investments valued at approximately \$41,296,467 (97 percent of total assets) at December 31, 2011 whose fair values have been estimated by management in the absence of readily determinable market values. Management's estimates are based on information contained in a report provided by and prepared for the Plan Trustee by an independent third-party valuation specialist.

Plante & Morse, PLLC

Cleveland, Ohio
October 4, 2012

The Original Mattress Factory (North)

Employee Stock Ownership Plan and Trust

Statement of Net Assets (Deficit) December 31, 2011

	Allocated	Unallocated	Total
Assets - Investments			
Money market fund	\$ -	\$ 1,467,534	\$ 1,467,534
Sponsor Companies' stock (Note 4)	3,274,635	38,021,832	41,296,467
Total assets	3,274,635	39,489,366	42,764,001
Liabilities			
Interest payable	-	590,110	590,110
Loan payable (Note 6)	-	39,018,362	39,018,362
Total liabilities	-	39,608,472	39,608,472
Net Assets (Deficit)	\$ 3,274,635	\$ (119,106)	\$ 3,155,529

The Original Mattress Factory (North)

Employee Stock Ownership Plan and Trust

Statement of Changes in Net Assets (Deficit) Year Ended December 31, 2011

	Allocated	Unallocated	Total
Additions to Net Assets			
Contributions - Employer	\$ -	\$ 6,447	\$ 6,447
Investment income:			
Interest and corporate distributions:			
Interest	-	26	26
Corporate distributions	-	5,511,000	5,511,000
Net realized and unrealized losses on investments in the Companies' stock	-	(453,533)	(453,533)
Total investment income	-	5,057,493	5,057,493
Allocation of 6,700 shares of common stock of the Companies, at fair value	3,274,635	-	3,274,635
Total additions	3,274,635	5,063,940	8,338,575
Deductions from Net Assets			
Interest expense	-	1,908,411	1,908,411
Allocation of 6,700 shares of common stock of the Companies, at fair value	-	3,274,635	3,274,635
Total deductions	-	5,183,046	5,183,046
Net Increase (Decrease)	3,274,635	(119,106)	3,155,529
Net Assets (Deficit)			
Beginning of year	-	-	-
End of year	<u>\$ 3,274,635</u>	<u>\$ (119,106)</u>	<u>\$ 3,155,529</u>

The Original Mattress Factory (North) Employee Stock Ownership Plan and Trust

**Notes to Financial Statements
December 31, 2011**

Note 1 - Plan Description

The following description of The Original Mattress Factory (North) Employee Stock Ownership Plan and Trust (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General - The Original Mattress Factory, Inc. (the "Employer") in addition to MBMF, Inc., KMF, Inc., and LCMF, Inc. (collectively, the "Participating Employers" or the "Companies") established the Plan effective as of January 1, 2011. The Plan operates as a leveraged employee stock ownership plan, and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code (the "Code") of 1986, as amended. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by an advisory committee as determined by the Employer. An independent third-party trust company is the Plan's trustee.

In January 2011, the Plan purchased 83,620.80 shares of the Companies' common stock with a fair value of \$41,750,000 in exchange for notes totaling \$41,750,000 (see Note 6). The notes are collateralized by the shares held in the trust established under the Plan. The borrowings are to be repaid over a period of 10 years by fully deductible contributions or the Companies' distributions to the trust fund. As the Plan repays the notes, a percentage of stock is allocated to eligible employees' accounts in accordance with applicable regulations under the Code.

The borrowing is collateralized by the unallocated shares of common stock. The lender has no rights against shares of common stock once they are allocated under the Plan. Accordingly, the financial statements of the Plan as of and for the year ended December 31, 2011 present separately the assets and liabilities and changes therein pertaining to the accounts of employees with vested rights in allocated common stock (allocated) and common stock not yet allocated to employees (unallocated).

Eligibility - The Plan generally covers all full-time employees, other than former stockholder employees, of the Companies who have completed one year of service in which they have completed 1,000 or more hours of service and are age 21 or older.

Benefit Payments - Distributions are payable upon the retirement, death, disability, or termination of employment. If a participant's vested accrued benefit is equal to or less than \$5,000, the benefit shall be made in a lump-sum payment of cash or stock, as elected. If the vested accrued benefit exceeds \$5,000, then the benefit shall be paid in installments, not to exceed five years, with payments equal to 20 percent of the vested benefit or \$5,000, whichever is greater.

The Original Mattress Factory (North)

Employee Stock Ownership Plan and Trust

Notes to Financial Statements
December 31, 2011

Note 1 - Plan Description (Continued)

Voting Rights - The trustee shall vote any common stock held in the trust, regardless of whether such stock has been allocated to participants or remains unallocated. Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account with respect to any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all assets of a trade or business, or such similar transactions.

Termination - While it has not expressed any intent to do so, the Companies have the right under the Plan to terminate the Plan subject to the provisions of ERISA. Additionally, each Participating Employer has the right to cease participation in the Plan. In the event the Plan terminates, participants will become 100 percent vested and the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations.

Forfeitures - If a participant is not fully vested on his or her termination date, the nonvested amount of the account is forfeited. The Companies allocate forfeitures to participants based on participant compensation, as defined. Allocation of forfeitures are considered additional contributions and are subject to the vesting provisions of contributions. At December 31, 2011, there were no forfeited account balances.

Vesting - Vesting in the Companies' contribution portion of their accounts, plus actual earnings thereon, is based on years of service. Participants vest in contributions made by the Companies 20 percent after two years of service and another 20 percent per year thereafter until they become fully vested after six years of service.

Participant Accounts - The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Companies' common stock released by the trustee from the unallocated account and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Companies as of the last day of the plan year and have completed 1,000 or more hours of service in the plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation.

The Original Mattress Factory (North)

Employee Stock Ownership Plan and Trust

Notes to Financial Statements
December 31, 2011

Note 1 - Plan Description (Continued)

Diversification - Participants that have attained the age of 55 and have completed at least 10 years of participation in the Plan are eligible to diversify up to 25 percent of the value of the Participant's account, less any prior diversification distributions for a six-year period. During the last year of the six-year diversification period, participants are eligible to diversify up to 50 percent of the value of the participant's account, less any prior diversification distributions. The Plan will either permit the participant to diversify their account and offer at least three investment options, or, in lieu of such offering, the elected amount may be distributed to the participant within 90 days of the participant's election to diversify.

Put Option - Under federal income tax regulations, the Participating Employer stock that is held by the Plan and its participants is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Companies buy any shares of their stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The Companies can pay for the purchase in either a single payment or substantially equal annual installments, over a period not to exceed five years, of principal together with interest on the unpaid principal balance.

Administration of Plan Assets - The Plan's assets, which consist principally of the Companies' common shares, are held by the trustee of the Plan.

The Companies' contributions are held and managed by the trustee, who invests cash received, interest, and corporate distribution income, and makes distributions to participants. The trustee also administers the payment of interest and principal on the loan, which is funded through contributions or S Corporation distributions as determined by the Companies.

Certain administrative functions are performed by officers or employees of the Companies. No such officer or employee receives compensation from the Plan. Other administrative expenses are paid directly by the Plan.

Party-in-interest Transactions - Certain plan assets are in investments in the Companies' stock. The Companies are the sponsor of the Plan and, therefore, these transactions qualify as party-in-interest transactions as defined under ERISA guidelines.

Companies' Distributions - The Companies are S Corporations. Distributions from the Companies on allocated shares of stock must be allocated to each participant's account based on the number of shares of stock allocated to each participant's account as of the record date. Distributions from the Companies on unallocated shares of stock may be allocated to each participant's account based on the number of shares of stock allocated to each participant's account as of the record date or they may be used to make payments on an acquisition loan.

The Original Mattress Factory (North)

Employee Stock Ownership Plan and Trust

Notes to Financial Statements
December 31, 2011

Note 2 - Summary of Significant Accounting Policies

Investment Valuation - The Plan's investments are stated at fair value. Fair value of the Companies' stock is determined by annual independent appraisals. The money market fund is valued based on its quoted market price. See Note 5 for additional information.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Benefit Payments - Benefits are recorded when paid.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. The most significant assumptions and estimates relate to the valuation of common stock. Application of these assumptions requires the exercise of judgment as to future uncertainties and, as a result, actual results could differ from those estimates.

Included in the accompanying statement of net assets (deficit) is an investment in the Companies' common stock reported at fair value of \$41,296,467 as of December 31, 2011. This asset is valued based upon management's estimation of the current market value of the common stock and is supported by appraisals performed by an independent valuation firm. Due to estimates and assumptions made in developing such appraisals, it is at least reasonably possible that the market value of the investment may be different than reported.

Risks and Uncertainties - The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets (deficit).

Subsequent Events - The financial statements and related disclosures include evaluation of events up through and including October 4, 2012, which is the date the financial statements were available to be issued.

The Original Mattress Factory (North) Employee Stock Ownership Plan and Trust

Notes to Financial Statements December 31, 2011

Note 3 - Tax Status

The Plan has filed an application for a determination letter and is currently awaiting formal approval from the IRS. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, the plan administrator believes that the Plan is qualified and the related trust was tax-exempt as of the financial statement date.

In accordance with guidance on accounting for uncertainty in income taxes, management evaluated the Plan's tax position and does not believe the Plan has any uncertain tax positions that require disclosure or adjustment to the financial statements.

Note 4 - Investments in Common Stock

The Plan's investments in The Original Mattress Factory, Inc. stock at December 31, 2011 is presented in the following table:

	Allocated	Unallocated
Number of shares	1,271	15,162
Cost	\$ 1,252,779	\$ 14,947,221
Fair value	\$ 1,258,122	\$ 15,010,845

The Plan's investments in KMF, Inc. stock at December 31, 2011 is presented in the following table:

	Allocated	Unallocated
Number of shares	1,772	20,728
Cost	\$ 728,379	\$ 8,521,621
Fair value	\$ 744,138	\$ 8,705,862

The Plan's investments in LCMF, Inc. stock at December 31, 2011 is presented in the following table:

	Allocated	Unallocated
Number of shares	1,395	16,105
Cost	\$ 609,907	\$ 7,040,093
Fair value	\$ 548,328	\$ 6,329,172

The Original Mattress Factory (North)

Employee Stock Ownership Plan and Trust

Notes to Financial Statements

December 31, 2011

Note 4 - Investments in Common Stock (Continued)

The Plan's investments in MBMF, Inc. stock at December 31, 2011 is presented in the following table:

	<u>Allocated</u>	<u>Unallocated</u>
Number of shares	<u>2,262</u>	<u>24,926</u>
Cost	<u>\$ 719,873</u>	<u>\$ 7,930,127</u>
Fair value	<u>\$ 724,047</u>	<u>\$ 7,975,953</u>

Note 5 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following table presents information about the Plan's assets measured at fair value on a recurring basis at December 31, 2011 and the valuation techniques used by the Plan to determine those fair values.

Level 1 - In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Plan has the ability to access.

Level 2 - Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 - Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset. Significant Level 3 inputs include the book value of the stock, the financial condition of the Companies, the earning capacity of the Companies, the cash flow projections of the Companies, the discounted cash flows and guideline company methods, and the marketability of the Companies.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Plan's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Original Mattress Factory (North)

Employee Stock Ownership Plan and Trust

Notes to Financial Statements December 31, 2011

Note 5 - Fair Value Measurements (Continued)

Assets Measured at Fair Value on a Recurring Basis at December 31, 2011

	Level 1	Level 2	Level 3	Balance at December 31, 2011
Companies' stock	\$ -	\$ -	\$ 41,296,467	\$ 41,296,467
Money market fund - SEI Daily Income Trust Gov't Fund	1,467,534	-	-	1,467,534
Total	<u>\$ 1,467,534</u>	<u>\$ -</u>	<u>\$ 41,296,467</u>	<u>\$ 42,764,001</u>

The Plan's policy is to recognize transfers between levels of the fair value hierarchy as of the actual date of the event of change in circumstances that caused the transfer. There were no significant transfers between levels of the fair value hierarchy during 2011.

Changes in Level 3 assets measured at fair value on a recurring basis for the year ended December 31, 2011 are as follows:

	Companies' Stock
Balance at January 1, 2011	\$ -
Purchases	41,750,000
Total unrealized losses	<u>(453,533)</u>
Balance at December 31, 2011	<u>\$ 41,296,467</u>

Of the Level 3 assets still held by the Plan at December 31, 2011, the unrealized losses for the year ended December 31, 2011 were \$453,533, which is recognized in the statement of changes in net assets. No investments in the Companies' stock were sold during the year.

Both observable and unobservable inputs may be used to determine the fair value of positions classified as Level 3 assets. As a result, the unrealized losses for these assets presented in the table above may include changes in fair value that were attributable to both observable and unobservable inputs.

The Original Mattress Factory (North)

Employee Stock Ownership Plan and Trust

Notes to Financial Statements

December 31, 2011

Note 6 - Notes Payable

On January 10, 2011, the Plan issued notes payable due to stockholders of the Companies in exchange for 83,620.80 shares of the Companies' common stock. The notes bear interest at 5 percent for the first two years and then at prime plus 3.50 percent for the years following (5.00 percent as of December 31, 2011). Notes totaling \$4,640,000 mature on December 27, 2015, with payments due on March 27, May 27, August 27, and December 27 of each year beginning in 2011. Notes totaling \$37,110,000 mature on January 1, 2021, with equal payments due on January 1, April 1, June 1, and September 1 of each year beginning on April 1, 2011.

On January 21, 2011, the notes totaling \$4,640,000 were paid in full with new borrowings from the Companies. The new notes bear interest fixed at a rate designed to match the rate the Companies pay their primary lender (3.52 percent as of December 31, 2011). The notes mature on December 27, 2015, and principal and interest payments are due on March 27, May 27, August 27, and December 27 of each year beginning in 2011.

Minimum principal payments on this loan to maturity are as follows:

2012	\$ 4,006,686
2013	4,168,374
2014	4,333,442
2015	4,506,916
2016	3,759,132
2017 and beyond	<u>18,243,812</u>
Total	<u>\$ 39,018,362</u>

Note 7 - Employer Contributions

The Companies are obligated to make contributions to the Plan which, when aggregated with the Plan's investment earnings including S Corporation distributions, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest on its loans.

The Original Mattress Factory (North)

Employee Stock Ownership Plan and Trust

Schedule of Assets Held at End of Year

Form 5500, Schedule H, Line 4i

EIN 34-1644395, Plan No. 001

December 31, 2011

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
The Original Mattress Factory, Inc. *	Company stock	\$ 16,200,000	\$ 16,268,967
KMF, Inc. *	Company stock	9,250,000	9,450,000
LCMF, Inc. *	Company stock	7,650,000	6,877,500
MBMF, Inc. *	Company stock	8,650,000	8,700,000
SEI Investments			
Company	Money market fund - Daily Income Trust Gov't Fund	1,467,534	1,467,534
	Total	<u>\$ 43,217,534</u>	<u>\$ 42,764,001</u>

* Denotes party-in-interest

The Original Mattress Factory (North) Employee Stock Ownership Plan and Trust

Schedule of Reportable Transactions Form 5500, Schedule H, Line 4j EIN 34-1644395, Plan No. 001 Year Ended December 31, 2011

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Category (i) - A single transaction that amounts to more than 5 percent of the beginning value of total plan assets:						
The Original Mattress Factory, Inc.	Company stock	\$ 16,200,000	\$ -	\$ 16,200,000	\$ 16,200,000	\$ -
KMF, Inc.	Company stock	9,250,000	-	9,250,000	9,250,000	-
LCMF, Inc.	Company stock	7,650,000	-	7,650,000	7,650,000	-
MBMF, Inc.	Company stock	8,650,000	-	8,650,000	8,650,000	-
Category (iii) - A series of transactions with respect to securities of the same issue that amount in the aggregate to more than 5 percent of the beginning value of the total plan assets:						
SEI Investments Company	Money market fund - Daily Income Trust Gov't Fund:					
	Purchases - 9 Transactions	4,976,477	-	4,976,477	4,976,477	-
	Sales - 5 Transactions	-	3,508,943	3,508,943	3,508,943	-

There were no Category (ii) or (iv) reportable transactions during the year.