FOURTH AMENDMENT AGREEMENT

THIS FOURTH AMENDMENT AGREEMENT is entered into as of June 18, 2007 among **Canadian Imperial Bank of Commerce**, as agent for the lenders (in such capacity, the "Agent"), **Canadian Imperial Bank of Commerce**, as lender (the "Lender"), and **Sleep Country Canada Inc.**, as borrower (the "Borrower").

WHEREAS the Borrower, as borrower, the Agent, as agent, The Bank of Nova Scotia, as syndication agent, and Canadian Imperial Bank of Commerce and The Bank of Nova Scotia, as lenders, entered into an amended and restated credit agreement dated as of April 15, 2003 (the "Original Credit Agreement");

WHEREAS the Borrower, as issuer, and Computershare Trust Company of Canada, as trustee (the "Senior Notes Trustee"), entered into a secured Senior Note Trust Indenture (said secured Senior Note Trust Indenture as may hereafter be amended, restated, supplemented, replaced or otherwise modified from time to time, hereinafter referred to as the "Senior Note Trust Indenture") bearing the formal date of June 14, 2005 providing for the creation and issue on June 14, 2005 of Cdn. $40,000,000 aggregate principal amount of 5.191% secured notes of the Borrower due June 14, 2010 (the "Senior Notes");

WHEREAS the Borrower used a portion of the proceeds from the issuance of the Senior Notes to repay, in full, all outstanding amounts in respect of the Term Loan (as defined in the Original Credit Agreement) under the Original Credit Agreement, whether on account of principal, interest, fees or otherwise;

WHEREAS Canadian Imperial Bank of Commerce, as assignee (in such capacity, the "Assignee"), The Bank of Nova Scotia, as assignor (in such capacity, the "Assignor") and the Agent entered into an assignment and acceptance dated as of June 14, 2005 (the "Assignment and Acceptance") pursuant to which the Assignor sold and assigned to the Assignee and the Assignee purchased and assumed from the Assignor all of the Assignor's rights and obligations under the Original Credit Agreement and the other Financing Documents.

WHEREAS the Agent has released and discharged the Fund (as defined in the Original Credit Agreement) from its obligations under (i) the limited recourse guarantee dated April 15, 2003, and (ii) the securities pledge agreement dated April 15, 2003, each executed by the Fund in favour of the Agent, as agent for the Lenders;

WHEREAS the parties hereto acknowledge that, as a result of the Assignment and Acceptance, Canadian Imperial Bank of Commerce is the sole remaining Lender under the Credit Agreement;

WHEREAS the Original Credit Agreement was amended by (i) a First Amendment Agreement dated June 14, 2005 (the "First Amendment"), (ii) a Second Amendment Agreement dated March 7, 2006 (the "Second Amendment"), and (iii) a Third Amendment Agreement dated March 21, 2006 (the "Third Amendment") in each case among the Agent, the Lender and the Borrower (the Original Credit Agreement, as amended by the First Amendment, the Second Amendment and the Third Amendment, being hereinafter referred to as the "Existing Credit Agreement");

WHEREAS Sleep Country US Financing General Partnership (the "Partnership"), as issuer, the Borrower and the New Noteholders have entered into a New Senior Notes Agreement bearing the formal date of March 7, 2006 providing for the creation and issue on March 7, 2006 of U.S. $10,000,000 aggregate principal amount of 6.830% secured notes of the Partnership due March 7, 2013;

WHEREAS at the request of the Borrower, the Lender and the Agent have agreed to amend the Existing Credit Agreement, as contemplated by this Fourth Amendment Agreement;

NOW THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1) **References.** Unless otherwise expressly stated herein, all references in this Fourth Amendment Agreement to clauses, Sections, Articles, Exhibits, and Schedules are references to clauses, Sections, Articles, Exhibits and Schedules of or to the Existing Credit Agreement.

2) **Definitions.** Capitalized terms used in this Fourth Amendment Agreement and not otherwise defined herein are used herein as defined in the Existing Credit Agreement, as amended hereby.

3) **Increase in Revolving Credit Commitment**. Effective as of the Fourth Amendment Effective Date (as defined below), the Lender's Revolving Credit Commitment shall be increased from Cdn.$5,000,000 to Cdn.$10,000,000, and the definition of Revolving Credit in Section 1.1.136 is amended by replacing the amount "$5,000,000" with "$10,000,000".

4) **Amendments to Credit Agreement.** Effective as of the Fourth Amendment Effective Date (as defined below), the Existing Credit Agreement is hereby amended as follows:

(a) The definition of "Inter-Creditor Agreement" in Section 1.1.85 is hereby deleted and replaced with the following:

"Inter-Creditor Agreement" means the third amended and restated inter-creditor agreement dated as of June 18, 2007 among Canadian Imperial Bank of Commerce, the Trustee, the Fund, The Standard Life Assurance Company of Canada, John Hancock Life Insurance Company (U.S.A.), the Borrower, Sleep Country US Financing General Partnership, Sleep Country Ontario Inc., Sleep Country US Financing, LLC, Sleep Country US Holding, Inc. and Sleep America, LLC.

(b) The definition of "LC/LG Exposure" in Section 1.1.97 is hereby deleted and replaced with the following:

"LC/LG Exposure" means, at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit/Guarantee at such time plus (b) the aggregate amount of all LC/LG Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC/LG Exposure of any Lender at any time shall be its Applicable Percentage of the total LC/LG Exposure at such time.

(c) The definition of "Revolving Credit Maturity Date" in Section 1.1.140 is hereby deleted and replaced it with the following:

"Revolving Credit Maturity Date" means June 14, 2010, subject to extension in accordance with Section 2.7(b) hereof.

(d) The definition of "Swingline Exposure" in Section 1.1.156 is hereby deleted and replaced with the following:

"Swingline Exposure" means, at any time, the outstanding principal amount of all Swingline Loans at such time. The Swingline Exposure of any Lender at any time shall be its Applicable Percentage of the total Swingline Exposure at such time.

(e) Section 2.16(c) is hereby deleted and replaced with the following new Section 2.16(c):

(c) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in Swingline Loans or in respect of any Hedging Obligation resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans, participations in Swingline Loans and accrued interest thereon or of any Hedging Obligation than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and Swingline Loans of other Lenders or Hedging Obligations owed to other Lenders (as applicable) to the extent necessary so that, at all times following the occurrence of an Event of Default and termination of the Commitments pursuant to Section 7.1, the benefit of all such payments shall be shared by the Lenders rateably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans, and participations in Swingline Loans or Hedging Obligations; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) this Section 2.16(c) shall not apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in Swingline Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply).

(f) Section 2.18(b) is hereby deleted and replaced with the following new Section 2.18(b):

(b) If any Lender requests compensation under Section 2.13, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.15, or if any Lender defaults in its obligation to fund Loans hereunder, then the

Borrower may, at its sole expense and effort, upon notice to such Lender and the Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.4), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Borrower shall have received the prior written consent of the Agent (and, if a Revolving Credit Commitment is being assigned, the Issuing Bank and Swingline Lender), (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.13 or payments required to be made pursuant to Section 2.15, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if an Event of Default has occurred and is continuing or if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

(g) Section 2.19 is hereby deleted and replaced with the following new Section 2.19:

2.19 Letters of Credit/Guarantee.

(a) General. Subject to the terms and conditions set forth herein, the Borrower may request the issuance of Letters of Credit/Guarantee as an availment of the Revolving Credit Commitment, in the form of the Issuing Bank's standard Letter of Credit/Guarantee documentation, at any time and from time to time up to a date that is the earlier of (i) the first anniversary of the proposed date of issuance of a Letter of Credit/Guarantee, and (ii) the date that is five Business Days prior to the Revolving Credit Maturity Date. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of Letter of Credit/Guarantee application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the Issuing Bank relating to any Letter of Credit/Guarantee, the terms and conditions of this Agreement shall control. The Issuing Bank and the Swingline Lender shall be the same party.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit/Guarantee (or the amendment, renewal or extension of an outstanding Letter of Credit/Guarantee), the Borrower shall hand deliver or facsimile (or transmit by electronic communication, if arrangements for doing so have been approved by the Issuing Bank) to the Issuing Bank and the Agent (at least five Business Days in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a

Letter of Credit/Guarantee, or identifying the Letter of Credit/Guarantee to be amended, renewed or extended, the date of issuance, amendment, renewal or extension, the date on which such Letter of Credit/Guarantee is to expire (which shall comply with Section 2.19(c)), the amount of such Letter of Credit/Guarantee, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit/Guarantee. If requested by the Issuing Bank, the Borrower also shall submit a Letter of Credit/Guarantee application on the Issuing Bank's standard form (appended hereto as Exhibit 2.19(b)) in connection with any request for a Letter of Credit/Guarantee. A Letter of Credit/Guarantee shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit/Guarantee the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension, (i) the total LC/LG Exposure shall not exceed Cdn.$5,000,000, and (ii) the Revolving Credit Exposure shall not exceed the lesser of the total Revolving Credit Commitments and the Borrowing Base.

(c) Expiration Date. Each Letter of Credit/Guarantee shall expire at or prior to the close of business on the earlier of (i) the date which is 364 days after the date of the issuance of such Letter of Credit/Guarantee (or, in the case of any renewal or extension thereof, the earlier of (X) the date which is 364 days after such renewal or extension, and (Y) the date that is five Business Days prior to the Revolving Credit Maturity Date), and (ii) the date that is five Business Days prior to the Revolving Credit Maturity Date.

(d) Reimbursement. If the Issuing Bank shall make any LC/LG Disbursement in respect of a Letter of Credit/Guarantee, the Borrower shall reimburse such LC/LG Disbursement by paying to the Agent an amount equal to such LC/LG Disbursement not later than 12:00 noon, Toronto time, on the date that such LC/LG Disbursement is made, if the Borrower shall have received notice of such LC/LG Disbursement prior to 10:00 a.m., Toronto time, on such date, or, if such notice has not been received by the Borrower prior to such time on such date, then not later than 12:00 noon, Toronto time, on (i) the Business Day that the Borrower receives such notice, if such notice is received prior to 10:00 a.m., Toronto time, on the day of receipt, or (ii) the Business Day immediately following the day that the Borrower receives such notice, if such notice is not received prior to such time on the day of receipt; provided that the Borrower may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.2 (but without any requirement for one Business Day notice and without any requirement that such Borrowing be in a principal amount of not less than Cdn.$500,000 or U.S.$500,000, as applicable, or an integral multiple of Cdn$100,000 or U.S.$100,000, as applicable) that such payment be financed with a Revolving Loan in an equivalent amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting Revolving Loan. If the Borrower fails to make such payment when due, the Agent shall notify the Revolving Credit Lenders of the applicable LC/LG Disbursement and the payment then due from the Borrower in respect thereof. Promptly following receipt of such notice, each Revolving Credit Lender shall pay to the Agent its Applicable Percentage of the payment then due from the Borrower, and the Agent shall promptly pay to the Issuing Bank the amounts so received by it from the Revolving Credit Lenders. Any payment made by a Revolving Credit Lender pursuant to the preceding sentence shall constitute a Revolving Loan and the Borrower's obligation to make such payment to the Issuing Bank shall be discharged and replaced thereby. Promptly following receipt by the Agent of any payment from the Borrower pursuant to this Section 2.19(d), the Agent shall distribute such payment to the Issuing Bank or, to the extent that Revolving Credit Lenders have made payments pursuant to this Section 2.19(d) to reimburse the Issuing Bank, then to such Revolving Credit Lenders and the Issuing Bank as their interests may appear.

(e) Obligations Absolute. The Borrower's obligation to reimburse LC/LG Disbursements as provided in Section 2.19(d) shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit/Guarantee or this Agreement, or any term or provision therein or herein, (ii) any draft or other document presented under a Letter of Credit/Guarantee proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuing Bank under a Letter of Credit/Guarantee against presentation of a draft or other document that does not comply with the terms of such Letter of Credit/Guarantee, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 2.19, constitute a legal or equitable discharge of, or provide a right of set-off against, the Borrower's obligations hereunder. Neither the Agent, the Revolving Credit Lenders nor the Issuing Bank, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit/Guarantee or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit/Guarantee (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Bank; provided that nothing in this Section 2.19(e) shall be construed to excuse the Issuing Bank from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by the Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit/Guarantee comply with the terms thereof. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in compliance in all material respects with the terms of a Letter of Credit/Guarantee, the Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit/Guarantee.

(f) Disbursement Procedures. The Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit/Guarantee. The Issuing Bank shall promptly notify the Agent and the Borrower by telephone (confirmed by facsimile) of such demand for payment and whether the Issuing Bank has made or will make an LC/LG Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse the Issuing Bank and the Revolving Credit Lenders with respect to any such LC/LG Disbursement.

(g) Interim Interest. If the Issuing Bank shall make any LC/LG Disbursement, then, unless the Borrower shall reimburse such LC/LG Disbursement in full on the date such LC/LG Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC/LG Disbursement is made to but excluding the date that the Borrower reimburses such LC/LG Disbursement (whether directly or via a Revolving Loan advanced pursuant to Section 2.19(d)), at the rate applicable to Cdn. Prime Loans or USBR Loans, as applicable. Interest accrued pursuant to this Section 2.19(g) shall be for the account of the Issuing Bank.

(h) Replacement of the Issuing Bank. The Issuing Bank may be replaced at any time by written agreement among the Borrower, the Agent, the replaced Issuing Bank and the successor Issuing Bank. The Agent shall notify the Revolving Credit Lenders of any such replacement of the Issuing Bank. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank. From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of the Issuing Bank under this Agreement with respect to Letters of Credit/Guarantee to be issued thereafter, and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit/Guarantee issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit/Guarantee.

(i) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the Borrower receives notice from the Agent or the Required Lenders demanding the deposit of cash collateral pursuant to this Section 2.19(i), the Borrower shall deposit in an interest-bearing account with the Agent, in the name of the Agent and for the benefit of the Revolving Credit Lenders, an amount in cash equal to the LC/LG Exposure as of such date plus any accrued and unpaid interest thereon; provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to either of the Borrower described in clause (h), (i), or (j) of Section 7.1. Such deposit shall be held by the Agent as collateral for the payment and performance of the obligations of the Borrower under this Agreement. The Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Moneys in such account shall be applied by the Agent to reimburse the Issuing Bank for LC/LG Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the LC/LG Exposure at such time or, if the maturity of the Loans has been accelerated be applied to satisfy other obligations of the Borrower under this Agreement and, if the maturity of the Loans has not been so accelerated and all such reimbursement obligations have been satisfied, all remaining moneys in such account shall be returned to the Borrower.

(h) Section 2.20 is hereby deleted and replaced with the following new Section 2.20:

2.20 Swingline Loans.

(a) Subject to the terms and conditions set forth herein, the Swingline Lender agrees to make Swingline Loans to the Borrower by way of Overdraft from time to time up to (but not including) the Revolving Credit Maturity Date, in an aggregate principal amount at any time outstanding that will not result in (i) the aggregate principal amount of outstanding Swingline Loans exceeding Cdn.$500,000 or (ii) the aggregate of the Revolving Credit Exposures exceeding the lesser of the total Revolving Credit Commitments and the Borrowing Base. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Swingline Loans. The Swingline Lender's commitment to make Swingline Loans is in addition to the Revolving Credit Commitment of the Swingline Lender.

(b) The Swingline Lender shall make each Swingline Loan available to the Borrower by means of an Overdraft on the U.S.$ or Cdn.$, as applicable, general deposit account of the Borrower with the Swingline Lender on the date of such Swingline Loan. Each Swingline Loan shall be either a Cdn. Prime Loan or USBR Loan. Swingline Loans shall bear interest at a rate per annum equal to the rate applicable to a Cdn. Prime Loan or a USBR Loan, as applicable. The interest payable on Swingline Loans is solely for the account of the Swingline Lender (subject to Section 2.20(c) below).

(c) Provided that no Event of Default has occurred and is continuing, and provided further that the aggregate principal amount of Indebtedness outstanding in respect of the Revolving Credit is less than the aggregate of all Revolving Credit Commitments at such time, the Swingline Lender may by written notice given to the Agent not later than 10:00 a.m., Toronto time, on any Business Day require the Revolving Credit Lenders to acquire participations on such Business Day in all or a portion of the Swingline Loans outstanding to the extent, and only to the extent, necessary so that, upon such acquisition, the Revolving Credit Exposure and the Swingline Exposure, taken together, of each Revolving Credit Lender will be that proportion of the aggregate of all Revolving Credit Exposure and all Swingline Exposure, taken together, of all Revolving Credit Lenders, taken together, which is equal to such Revolving Credit Lender's Revolving Credit Commitment (taken together with, in the case of the Swingline Lender only, the Swingline Lender's Swingline Commitment prior to such participations) divided by the aggregate of all Revolving Credit Commitments and all Swingline Commitments (taking into account such participations) of all Lenders, taken together, provided, however, that the operation of this sentence shall in no event result in a Revolving Credit Lender's aggregate Revolving Credit Exposure and Swingline Exposure, taken together, exceeding such Revolving Credit Lender's Revolving Credit Commitment (taken together with, in the case of the Swingline Lender only, the Swingline Lender's Swingline Commitment prior to such participations). Such notice shall specify the aggregate amount of Swingline Loans in which the Revolving Credit Lenders will participate (which amount shall not exceed the positive result obtained when the aggregate principal amount of Indebtedness outstanding in respect of the Revolving Credit is subtracted from the aggregate of all Revolving Credit Commitments at such time). Promptly upon receipt of such notice, the Agent will give notice thereof to each Revolving Credit Lender, specifying in such notice such Revolving Credit Lender's Applicable Percentage of such Swingline Loan or Loans. Each Revolving Credit Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Agent, for the account of the Swingline Lender, such Revolving Credit Lender's

Applicable Percentage of such Swingline Loan or Loans. Each Revolving Credit Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this Section 2.20(c) is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Revolving Credit Lender shall comply with its obligation under this Section 2.20(c) by wire transfer of immediately available funds with respect to outstanding Swingline Loans, and the Agent shall promptly pay to the Swingline Lender the amounts so received by it from the Revolving Credit Lenders. The Agent shall notify the Borrower of any participations in any Swingline Loans acquired pursuant to this Section 2.20(c), and thereafter payments in respect of such Swingline Loan shall be made to the Agent and not to the Swingline Lender. Any amounts received by the Swingline Lender from the Borrower (or other party on behalf of the Borrower) in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds of a sale of participations therein shall be promptly remitted to the Agent; any such amounts received by the Agent shall be promptly remitted by the Agent to the Revolving Credit Lenders that shall have made their payments pursuant to this paragraph and to the Swingline Lender, as their interests may appear. The purchase of participations in a Swingline Loan pursuant to this paragraph shall not relieve the Borrower of any default in the payment thereof.

5) **Review Fee**. The Borrower agrees to pay to the Agent for the account of the Revolving Credit Lender a review fee equal to $24,000 on June 14th of each of 2008 and 2009.

6) **Confirmation of Security Instruments.** The Borrower hereby confirms and ratifies all of its obligations under each of the Financing Documents listed on Schedule A hereto (as amended, in the cases of items 1 to 15 (inclusive) on Schedule A hereto, pursuant to Section 7 of the First Amendment).

7) **Representations and Warranties**. The Borrower represents and warrants to the Lender and the Agent that, as of the Fourth Amendment Effective Date:

a) This Fourth Amendment Agreement has been duly authorized, executed and delivered by the Borrower, and the Existing Credit Agreement, as amended hereby, constitutes a legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditor's rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

b) The representations and warranties of the Borrower set forth in the Existing Credit Agreement and in the Security Instruments are true and correct on and as of the date hereof; upon the effectiveness of this Fourth Amendment Agreement on the date hereof, the Borrower is in full compliance with the covenants in the Existing Credit Agreement as amended hereby and in the Security Instruments; and upon the effectiveness of this Agreement on the date hereof, no Default or Event of Default has occurred and is continuing.

8) **Condition To Effectiveness.** This Fourth Amendment Agreement shall become effective on the date (the "Fourth Amendment Effective Date") upon which the Agent shall have received one or more counterparts of this Fourth Amendment Agreement duly executed and delivered by the Borrower and the Lender.

9) **Credit Agreement in Effect**. The Existing Credit Agreement, as amended hereby, shall continue in full force and effect in accordance with the provisions thereof and all Security Instruments issued or granted in connection therewith shall also continue in full force and effect. After this Fourth Amendment Agreement becomes effective as provided herein, any reference to the "Credit Agreement" in any Financing Document shall refer to the Original Credit Agreement, as amended by the First Amendment, the Second Amendment and the Third Amendment and as further amended hereby.

10) **Applicable Law.** This Agreement shall be construed in accordance with and governed by the laws of Ontario and the federal laws of Canada applicable therein.

11) **Counterparts.** This Fourth Amendment Agreement may be executed in any number of counterparts, each of which shall be an original but all of which, when taken together, shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Fourth Amendment Agreement by facsimile shall be as effective as delivery of a manually executed counterpart of this Fourth Amendment Agreement.

12) **Expenses.** The Borrower agrees to reimburse the Agent for its out-of-pocket expenses in connection with this Fourth Amendment Agreement, including the legal fees and disbursements of Blake, Cassels & Graydon LLP, counsel for the Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Amendment Agreement to be duly executed by their respective authorized officers as of the date first above written.

SLEEP COUNTRY CANADA INC.

By: (*Signed) Vicki Jones*
Name: Vicki Jones
Title: Chief Financial Officer and Secretary

CANADIAN IMPERIAL BANK OF COMMERCE, as Agent and Lender

By: *(Signed) Margaret Cibula*
Name: Margaret Cibula
Title: Senior Manager

By: *(Signed) Andrew Waller*
Name: Andrew Waller
Title: Senior Director and Team Leader

CONFIRMATION

Each of the undersigned acknowledges each of the amendments to the Existing Credit Agreement provided for in this Fourth Amendment Agreement, and, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby confirms and ratifies all of its obligations under each of the Financing Documents listed on Schedule B hereto to which it is a party.

Dated: June 18, 2007

SLEEP COUNTRY ONTARIO INC.

By: (*Signed) Vicki Jones*
Name: Vicki Jones
Title: Chief Financial Officer and Secretary

SLEEP AMERICA, LLC

By: *(Signed) Ken Cloud*
Name: Ken Cloud
Title: Vice President, Finance

SLEEP COUNTRY US HOLDING, INC.

By: (*Signed) Vicki Jones*
Name: Vicki Jones
Title: Chief Financial Officer

DORMEZ-VOUS SLEEP CENTERS INC./
CENTRES DE SOMMEIL DORMEZ-VOUS

By: *(Signed) Stephen Gunn*
Name: Stephen Gunn
Title: Chief Executive Officer

SCHEDULE A
SECURITY INSTRUMENTS (BORROWER)

1) A general security agreement executed by the Borrower in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

2) A general assignment of accounts receivable executed by the Borrower in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

3) An assignment of material contracts and leases executed by the Borrower in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

4) A trade-mark security agreement executed by the Borrower in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

5) An assignment of insurance policies executed by the Borrower in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

6) Confirmation made as of April 15, 2003 by the Borrower to and in favour of the Agent, as agent for the Lenders, in respect of items 1 to 5 (inclusive) above;

7) A general security agreement executed by Sleep Country Inc. in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

8) A general assignment of accounts receivable executed by Sleep Country Inc. in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

9) An assignment of material contracts and leases executed by Sleep Country Inc. in favour of the Agent, as agent for the Original Lenders, dated as of December 27, 2002;

10) Confirmation made as of April 15, 2003 by Sleep Country Inc. to and in favour of the Agent, as agent for the Lenders, in respect of items 7 to 9 (inclusive) above;

11) A general security agreement executed by Sleep Country Corporation in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

12) A general assignment of accounts receivable executed by Sleep Country Corporation in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

13) An assignment of material contracts and leases executed by Sleep Country Corporation in favour of the Agent, as agent for the Lenders, dated as of December 27, 2002;

14) Confirmation made as of April 15, 2003 by Sleep Country Corporation to and in favour of the Agent, as agent for the Lenders, in respect of items 11 to 13 (inclusive) above; and

15) Confirmation made as of January 1, 2004 by the Borrower to and in favour of the Agent, as agent for the Lenders, in respect of items 1 to 14 (inclusive) above.

16) A securities pledge agreement executed by the Borrower in favour of the Agent, as agent for the Lenders, dated as of January 1, 2006.

SCHEDULE B
SUBSIDIARY SECURITY INSTRUMENTS

<u>Sleep Country Ontario Inc.</u> ("Sleep Ontario")

1) A guarantee of the obligations of the Borrower executed by Sleep Ontario in favour of the Agent, as agent for the Lenders, dated January 1, 2006.

2) A general security agreement executed by Sleep Ontario in favour of the Agent, as agent for the Lenders, dated January 1, 2006.

3) A general assignment of accounts receivable executed by Sleep Ontario in favour of the Agent, as agent for the Lenders, dated January 1, 2006.

4) A securities pledge agreement executed by Sleep Ontario in favour of the Agent, as agent for the Lenders, dated March 7, 2006.

<u>Sleep Country US Holding, Inc.</u> ("US Holding")

1) A guarantee of the obligations of the Borrower executed by US Holding in favour of the Agent, as agent for the Lenders, dated March 7, 2006.

2) A securities pledge agreement executed by US Holding in favour of the Agent, as Agent for the Lenders, dated March 7, 2006.

<u>Sleep America, LLC</u> ("Sleep America")

1) A guarantee of the obligations of the Borrower executed by Sleep America in favour of the Agent, as agent for the Lenders, dated March 7, 2006.

2) A general security agreement executed by Sleep America in favour of the Agent, as agent for the Lenders, dated March 7, 2006.

3) An assignment of leases executed by Sleep America in favour of the Agent, as agent for the Lenders, dated March 7, 2006.

4) An assignment of insurance policies executed by Sleep America in favour of the Agent, as agent for the Lenders, dated March 7, 2006.

<u>Dormez-vous Sleep Centres Inc./Centres de Sommeil Dormez-vous Inc.</u> ("Dormez-Vous")

1) A guarantee of the obligations of the Borrower executed by Dormez-vous in favour of the Agent, as agent for the Lenders, dated December 15, 2006.

2) A deed of hypothec executed by Dormez-vous in favour of the Agent, as agent for the Lenders, dated December 15, 2006.