

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of report (Date of earliest event reported): September 11, 2020

TEMPUR SEALY INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-31922
(Commission File Number)

33-1022198
(I.R.S. Employer Identification No.)

1000 Tempur Way
Lexington, Kentucky 40511
(Address of principal executive offices) (Zip Code)

(800) 878-8889
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, \$0.01 par value	TPX	New York Stock Exchange

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 3.03. Material Modification to Rights of Security Holders.

On March 27, 2020, the Board of Directors (the "Board") of Tempur Sealy International, Inc., a Delaware corporation ("Tempur Sealy" or the "Company"), authorized and declared a dividend distribution of one right (a "Right") for each outstanding share of the common stock, \$0.01 par value per share (the "Common Shares"), of the Company to stockholders of record at the close of business on April 7, 2020. Each Right entitles the registered holder to purchase from the Company one one-thousandth of a share of the Series A Junior Participating Preferred Stock, \$0.01 par value per share (the "Preferred Shares"), of the Company at an exercise price of \$273.00 per one one-thousandth of a Preferred Share, subject to adjustment. The complete terms of the Rights are set forth in a Rights Agreement (the "Rights Agreement"), dated as of March 27, 2020, between the Company and American Stock Transfer & Trust Company, LLC, as rights agent.

The terms of the Rights Agreement provide that the Rights will expire at the close of business on March 26, 2021 or such other date as may be established by the Board (the "Final Expiration Date") prior to the Stock Acquisition Date (as defined in the Rights Agreement) unless earlier redeemed or exchanged. The Stock Acquisition Date has not yet occurred, and on September 11, 2020, the Board established the Final Expiration Date to be the close of business on September 14, 2020 rather than March 26, 2021, which in effect accelerates the expiration of the Rights and the resulting termination of the Rights Agreement. At the time of the termination of the Rights Agreement, all of the Rights distributed to holders of the Company's Common Shares pursuant to the Rights Agreement will expire.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On March 27, 2020, the Company filed a Second Amended and Restated Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock (the "Certificate of Designation") with the Secretary of State of the State of Delaware. The Certificate of Designation sets forth the rights, powers and preferences of the Preferred Shares. In connection with the expiration of the Rights and the Rights Agreement, the Company intends to file a Certificate of Elimination (the "Certificate of Elimination") on September 14, 2020 to cancel the Preferred Shares. The Certificate of Elimination will be effective upon filing. The foregoing is a summary of the terms of the Certificate of Elimination. The summary does not purport to be complete and is qualified in its entirety by reference to the Certificate of Elimination, a copy of which is filed herewith as Exhibit 3.1 and incorporated into this Item 5.03 by reference.

Item 7.01. Regulation FD Disclosure.

On September 14, 2020, the Company distributed a press release (the "Press Release") announcing (a) updates on the improved business trends and financial operations, (b) the Company's intention to repay its \$200 million 364-day incremental term loan in September 2020, and (c) the promotion of H. Clifford Buster, III to Chief Executive Officer, North America of the Company effective January 1, 2021. A copy of the Press Release is furnished herewith as Exhibit 99.1 and is incorporated into this Item 7.01 by reference.

The information disclosed pursuant to this Item 7.01 (including Exhibit 99.1) shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liability of that section and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
3.1	Certificate of Elimination of Second Amended and Restated Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock of Tempur Sealy International, Inc.
99.1	Press Release of Tempur Sealy International, Inc. dated as of September 14, 2020.
104	Cover page interactive data file (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 14, 2020

Tempur Sealy International, Inc.

By: /s/ Bhaskar Rao

Name: Bhaskar Rao

Title: Executive Vice President & Chief Financial Officer

**CERTIFICATE OF ELIMINATION
OF
SECOND AMENDED AND RESTATED CERTIFICATE OF DESIGNATION, PREFERENCES AND RIGHTS OF
SERIES A JUNIOR PARTICIPATING PREFERRED STOCK
OF
TEMPUR SEALY INTERNATIONAL, INC.**

**Pursuant to Section 151(g) of the
General Corporation Law of the State Delaware**

Tempur Sealy International, Inc. (the “Company”), a corporation organized and existing under the General Corporation Law of the State of Delaware, does hereby certify as follows:

FIRST: Pursuant to the authority conferred upon the Board of Directors of the Company pursuant to its Amended and Restated Certificate of Incorporation, as further amended, the Board of Directors adopted the following preambles and resolutions effective September 11, 2020, approving the elimination of the Series A Preferred Stock, as set forth herein:

WHEREAS: Pursuant to Section 151 of the General Corporation Law of the State of Delaware (the “DGCL”) and the authority granted in the Company’s Amended and Restated Certificate of Incorporation, the Company duly adopted, authorized and designated 1,000,000 shares of Series A Junior Participating Preferred Stock, \$0.01 par value per share (the “Series A Preferred Stock”), as evidenced by the Second Amended and Restated Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock (the “Series A Certificate of Designation”) with respect to such Series A Preferred Stock filed with the Secretary of State of the State of Delaware on March 27, 2020.

WHEREAS: No shares of Series A Preferred Stock are outstanding and none will be issued subject to the Series A Certificate of Designation governing such Series A Preferred Stock.

NOW THEREFORE BE IT

RESOLVED: That none of the authorized shares of Series A Preferred Stock are outstanding, and none will be issued subject to the Series A Certificate of Designation.

RESOLVED: That the Company’s President and Chief Executive Officer, Executive Vice President and Chief Financial Officer and Senior Vice President, General Counsel and Secretary (each an “Authorized Officer”) be, and each of them individually hereby is, authorized and directed in the name and on behalf of the Company to file a certificate pursuant to Section 151(g) of the DGCL with the office of the Secretary of State of the State of Delaware, in substantially the form attached hereto as Exhibit A, setting forth a copy of these resolutions whereupon all matters set forth in the Series A Certificate of Designation shall be eliminated from the Company’s Amended and Restated Certificate of Incorporation and the shares of the Series A Preferred Stock shall resume the status of authorized and unissued shares of preferred stock of the Company, without designation as to series.

RESOLVED: That the officers of the Company be, and each of them individually hereby is, authorized and directed in the name and on behalf of the Company to take all other actions and to execute and deliver such other documents, in addition to those set forth in the foregoing resolutions, as they may deem necessary or advisable in order to effect the purposes of the foregoing resolutions, and that all such actions heretofore so taken be, and they hereby are, in all respects ratified, confirmed and approved.

SECOND: In accordance with Section 151(g) of the DGCL, the Amended and Restated Certificate of Incorporation as effective immediately prior to the filing of this Certificate of Elimination, is hereby amended to eliminate all references to the Series A Preferred Stock and all other matters set forth in the Series A Certificate of Designation and the shares that were designated to such series hereby are returned to the status of authorized but unissued shares of the preferred stock of the Company, without designation as to series.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Elimination as of September 14, 2020.

Name: Bhaskar Rao
Title: Executive Vice President and Chief Financial Officer

TEMPUR+SEALY

TEMPUR SEALY PROVIDES UPDATE OF IMPROVED BUSINESS TRENDS

- *Repays 364-Day Term Loan, Eliminates Certain Capital Restrictions*
- *Board of Directors Approved Early Termination of Shareholder Rights Plan*
 - *Announced New Leadership Structure for North America*

LEXINGTON, KY, September 14, 2020 – Tempur Sealy International, Inc. (NYSE: TPX, “Company” or “Tempur Sealy”) today announced that quarter-to-date order trends have improved from previous expectations and the Company now estimates total third quarter net sales to grow more than 30% compared to prior year. The change in expectation was primarily driven by improving order trends on U.S. Tempur-Pedic products. The Company continues to experience capacity constraints for U.S. Sealy products, including supply chain limitations outside the Company’s control. The Company is working closely with suppliers to find solutions for component shortfalls to support the elevated U.S. Sealy demand.

Tempur Sealy Chairman and CEO Scott Thompson stated, “Over the last five years, we have made tremendous progress in strengthening the foundation of our Company. The strong foundation we have in place with our brands, products, operations and people have positioned us well to capitalize on industry growth for years to come.”

Thompson continued, “We continue to see strong growth that is broad-based across geographies and channels. Tempur-Pedic branded products are now growing materially higher than the growth on Sealy products in the U.S. which has raised our profit expectations for the quarter. Free cash flow has also been strong and our confidence in positive industry trends has increased. Accordingly, in September, we are using operating cash flow to repay the \$200 million 364-day incremental Term Loan we closed in the second quarter. This repayment will remove certain restrictions on share repurchases and dividends and result in an annual interest saving of approximately \$5 million. Additionally, with this improved outlook, we expect to reach the higher end of the payout under our long-term aspirational plan at the end of the third quarter.”

The Company’s Board of Directors has approved the early termination of its shareholder rights plan (the “Rights Plan”) to now expire at the close of business on September 14, 2020. The limited duration Rights Plan was adopted on March 27, 2020 with a previous expiration date of March 26, 2021. Shareholders are not required to take any action as a result of this expiration.

The Company also announced Cliff Buster will be promoted to the CEO of Tempur Sealy North America effective January 1, 2021. Buster has served as Executive Vice President, President U.S. Direct to Consumer, and is on the Board of Directors of the Company’s highly successful Asian Joint Venture. He joined the Company in 2017, leading the domestic direct-to-consumer business from an almost standing start to a top 10 bedding retailer in the U.S., and has previously held various executive operational and financial management roles at Berkshire Hathaway Automotive, Inc., Dollar Thrifty Automotive Group and Group 1 Automotive, Inc.

Reporting to Buster in leading the North America operations will be the current U.S., Canadian, and Mexican executive teams, including Steve Rusing, Executive Vice President, President, U.S. Sales, and Tom Murray, Executive Vice President, Chief Marketing Officer, Marketing U.S.

Thompson said, “Cliff’s intense focus on execution and fostering a strong culture played a key role in the rapid and successful expansion of our omni-channel strategy. Today’s announcement reflects the Board of Directors’ continued actions to strengthen our leadership bench and optimize our structure for continuing growth. As I continue to serve in my role as Chairman of the Board and CEO of Tempur Sealy International, Cliff’s promotion will allow me to spend more of my efforts on capital allocation, our international operations and global strategy, while facilitating the development of our leaders. This is consistent with our culture and track record of internal promotions.”

Forward-Looking Statements

This press release may be deemed to include statements that are “forward-looking” within the meaning of the federal securities laws, which include information concerning one or more of the Company’s plans, objectives, goals, strategies, and other information that is not historical information. When used in this release, the words “expects”, “estimates”, “will” and variations of such words or similar expressions are intended to identify such statements. Any forward-looking statements contained herein are based upon current expectations and beliefs and various assumptions. These forward-looking statements include, without limitation, statements relating to the Company’s expectations regarding sales and demand trends, performance generally for the third quarter of 2020 and subsequent periods, the potential vesting of the Company’s long-term aspirational plan and the Company’s expectations for emerging from the market downturn. There can be no assurance that the Company will realize these expectations or that these beliefs will prove correct.

Numerous factors, many of which are beyond the Company’s control, could cause actual results to differ materially from any that may be expressed herein as forward-looking statements. These risk factors include the duration, scope and severity of COVID-19 and its effects on the Company’s business and operations, including the disruption or delay of production and delivery of materials and products in the Company’s supply chain; the impact of the macroeconomic environment in both the U.S. and internationally on the Company’s business segments; uncertainties arising from global events; the impact of travel bans, work-from-home policies, or shelter-in-place orders; a temporary or prolonged shutdown of manufacturing facilities or retail stores and decreased retail traffic; the efficiency and effectiveness of the Company’s advertising campaigns and other marketing programs; consumer acceptance of the Company’s products; general economic, financial and industry conditions, particularly conditions relating to liquidity, financial performance and related credit issues present in the retail sector; financial distress among the Company’s business partners, customers and competitors, and financial solvency and related problems experienced by other market participants, any of which may be amplified by the effects of COVID-19; and disruptions to the implementation of the Company’s strategic priorities and business plan caused by changes in its executive management team. Other potential risk factors include the risk factors discussed under the heading “Risk Factors” in Part I, ITEM 1A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2019 and in Part II, ITEM 1A of the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2020. There may be other factors that may cause actual results to differ materially from the forward-looking statements contained herein. The Company undertakes no obligation to update any forward-looking statement contained herein to reflect events or circumstances after the date on which such statement is made.

About the Company

Tempur Sealy International, Inc. (NYSE: TPX) is the world’s largest bedding manufacturer. Tempur Sealy International, Inc. develops, manufactures, and markets mattresses, foundations, pillows and other products. The Company’s products are sold worldwide through third party retailers, its own stores, and online. The Company’s brand portfolio includes many highly recognized brands in the industry, including Tempur®, Tempur-Pedic®, Sealy® featuring Posturepedic® Technology, and Stearns & Foster®. World headquarters for Tempur Sealy International is in Lexington, KY. For more information, visit <http://www.tempursealy.com> or call 800-805-3635.

Investor Relations Contact

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