

SETTLEMENT AGREEMENT

Plaintiffs, who consist of the Class Representative on behalf of herself and all other Class Members of the Settlement Class (“Plaintiffs,” “Class Members,” or “Class”) set forth herein, and Congoleum Corporation (“Congoleum” or “Defendant”), stipulate and agree, pursuant to the terms and conditions set forth in this Settlement Agreement, to settle, dismiss, and compromise fully and finally this Action.¹

RECITALS

WHEREAS the Class Action Complaint (“Complaint”) was commenced in the United States District Court for the District of New Jersey on December 20, 2013 and alleges that Defendant designed, manufactured, distributed, marketed or sold DuraCeramic Floor Tiles which were defective and fail before their warranted useful life;

WHEREAS the Defendant denies all allegations of fault, wrongdoing, or liability made by the Plaintiffs and asserts that DuraCeramic was sold without defects;

WHEREAS since at least 2013, Class Counsel have conducted an extensive investigation of the facts and circumstances relevant to the allegations made in the Complaint, including consultations with experts and conducting investigations related to DuraCeramic Floor Tiles installed in the Named Plaintiffs and other potential Class Members structures, reviewing information and evidence obtained regarding the facts and circumstances alleged in the Complaint, and researching and studying the legal principles applicable to issues in this litigation;

¹ Capitalized terms used herein have the meanings set forth in the definitions section below.

WHEREAS the Parties have engaged in extensive, difficult, complex and arm's-length negotiations regarding the settlement of claims involving the DuraCeramic Floor Tiles. There was no certainty or assurance of a settlement. The Settlement Agreement was finally achieved after numerous in-person mediation sessions and a settlement conference with Magistrate Judge Lois H. Goodman in September 2014;

WHEREAS the Plaintiffs and Class Counsel have evaluated the time and expense that will be necessary to prosecute this Action to final judgment, the delays that are likely before any judgment might be entered, and the uncertainty inherent in predicting the outcome of any complex litigation such as this and, based upon such evaluation, have concluded that further proceedings in this action is likely to be protracted, complex, and expensive, and that the outcome is uncertain:

WHEREAS without conceding any lack of merit of any of their claims, Plaintiffs and Counsel for Plaintiffs have concluded that it is in the best interest of the Settlement Class to settle this Action on the terms set forth herein, and that the settlement with the Defendant embodied in this Settlement Agreement is fair, reasonable, and adequate to Plaintiffs and the Settlement Class; and

WHEREAS this Settlement Agreement and the settlement embodied herein shall in no event be construed as or deemed to be evidence of an admission or a concession on the part of the Defendant of any fault, wrongdoing, or liability whatsoever, or that any of the allegations in the Action are true, and without conceding any infirmity in its defense, the Defendant considers it desirable to enter into this Settlement Agreement in order to avoid further expense, dispose of

what would be burdensome and protracted litigation, and avoid the uncertain outcome of proceeding with the Action;

WHEREAS for the purposes of settlement only and contingent on approval by the Court as provided for in this Settlement Agreement, the Parties have consented to certification of the Action as a class action and have consented to the Settlement Class; and

WHEREAS the Plaintiff asserts that she is an adequate class representative for the Settlement Class and will seek to be appointed as the Named Plaintiff in the Action.

NOW, THEREFORE, it is hereby agreed by and between the Defendant and the Plaintiffs, acting for themselves and the Settlement Class, by and through their respective attorneys, that, except as specifically stated to the contrary in this Settlement Agreement, all of the allegations, claims, demands, causes of action, and liabilities, which have been or could have been asserted by the Plaintiffs or Settlement Class Members against any Released Party relating to, arising out of, or in connection with any of the allegations made in this Action, shall be settled and compromised, and the Action shall be dismissed with prejudice, according to the terms and conditions set forth below.

DEFINITIONS

“Action” shall mean *Minor, et al. v. Congoleum Corporation*, 3:13-cv-07727-JAP-LHG (D.N.J.).

“Claimant” shall mean a Settlement Class Member who submits a Verification Form and is offered a benefit under the terms of this Settlement Agreement.

“Claim Decision” shall mean notification of acceptance or denial of the Claim and the Claimant’s right to seek a Request for Review of the Claim Decision in accordance with the terms of the Settlement Agreement.

“Claim Administrator” shall mean an independent third party agreed upon by the Parties and approved by the Court which will review Verification Forms and conduct the reviews of all warranty claims and settlement benefits pursuant to this Settlement Agreement.

“Claims Deadline” shall mean the definitive date set by the Court for a Claimant to file a Verification Form and which shall not exceed 120 days from the Effective Date.

“Class,” “Settlement Class,” “Class Members” shall mean all persons, organizations, corporations and entities that submitted warranty claims in connection with DuraCeramic Floor Tile to Congoleum and were denied warranty coverage during the period January 1, 2010 through the notice date. Excluded from the Settlement Class is all end-users who submitted a warranty claim that was honored prior to the Effective Date, Congoleum, Congoleum’s employees, Congoleum’s subsidiaries, the Judge to which this case is assigned and the immediate family of the Judge to which this case is assigned, those who previously accepted a repair remedy from Congoleum, and those who previously sued Congoleum claiming that their DuraCeramic Floor Tiles experienced failures and that lawsuit was resolved through a settlement or decision by a court or arbitrator.

“Class Counsel” means Charles J. LaDuca and Brendan S. Thompson of Cuneo Gilbert & LaDuca, LLP; Charles E. Schaffer of Levin, Fishbein, Sedran & Berman, and Michael McShane of Audet & Partners.

“Class Representative” shall mean the Named Plaintiff, Robin Minor. Class Counsel reserves the right to include additional qualifying Class Representatives prior to final approval of the Settlement Agreement.

“Congoleum Warranty” refers to a warranty provided with respect to any DuraCeramic Floor Tile.

“Court” shall mean the United States District Court for the District of New Jersey.

“Defendant” shall mean Congoleum Corporation.

“DuraCeramic,” “DuraCeramic Floor Tile” or “Floor Tile” shall refer to floor tiles sold by Defendant that are 15-5/8” x 15-5/8” in size and consists of a limestone composite mat top coated with a composite surface glaze.

“Effective Date” shall have the meaning ascribed to it in paragraph 33.

“Eligible Claims” shall mean a claim that satisfies the Settlement Agreement criteria and which is entitled to settlement benefits.

“Execution Date” shall mean the date this Settlement Agreement is signed by all the parties.

“Final Order and Judgment” shall mean an order and judgment entered by the Court.

“Independent Third-Party” shall mean the person agreed upon by the Parties and approved by the Court to adjudicate Requests for Review related to any disputes during the review process.

“Notice” means the notice describing the Parties’ proposed Settlement Agreement to Settlement Class Members, as approved by the Court in the Preliminary Approval Order.

“Participating Class Member(s)” shall mean all Class Members who do not opt out of this Settlement Agreement.

“Parties” shall mean Plaintiffs and Defendant.

“Preliminary Approval Order” shall mean an order of this Court preliminarily approving the Settlement Agreement.

“Released Parties” shall mean Defendant and any parent, subsidiary, affiliate, predecessor or successor, and all agents, employees, officers, directors and attorneys thereof.

“Requests for Review” or “Request a Review” shall mean the process whereby a Participating Class Members may seek to have their claim reviewed by an Independent Third-Party during the review process.

“Request for Review Form” shall mean the form agreed upon by the Parties, or as otherwise approved by the Court, for use by Claimants to request the review by the Independent Third-Party, of a Claim Decision issued by the Defendant in respect of their claims.

“Review Decision” shall mean the document used by the Independent Third-Party to advise Claimants and the Defendant of the determination made.

“Review Materials” shall mean the materials use by the Independent Third-Party to evaluate a Request for Review.

“Settlement” or “Settlement Agreement” shall mean this Settlement Agreement, and the settlement for which it provides, resolving all claims brought against Defendant, as well as any exhibits attached hereto or incorporated herein by reference.

“Unit of Affected Flooring” equals 10 square feet of DuraCeramic tile.

“Verification Form” shall mean the form agreed upon by the Parties, and approved by the Court for use by Settlement Class Members in making claims under this Settlement Agreement.

CERTIFICATION OF THE SETTLEMENT CLASS

1. For purposes of settling this Action, the Parties conditionally stipulate and agree that the requisites for establishing class certification have been met and that the following shall be the definition of the Settlement Class: all persons, organizations, corporations and entities that submitted warranty claims in connection with DuraCeramic tile to Congoleum and were denied warranty coverage during the period January 1, 2010 through the notice date. Excluded from the Settlement Class is all end-users who submitted a warranty claim that was honored prior to the Effective Date, Congoleum, Congoleum’s employees, Congoleum’s subsidiaries, the Judge to which this case is assigned and the immediate family of the Judge to which this case is assigned, those who previously accepted a repair remedy from Congoleum, and those who previously sued Congoleum claiming that their DuraCeramic Floor Tiles experienced failures and that lawsuit was resolved through a settlement or decision by a court or arbitrator.

2. For purposes of settling this Action, the Parties conditionally stipulate and agree that the following Fed.R.Civ.P. 23 requisites have been met:

(a) The Settlement Class is so numerous as to make it impracticable to join all Class Members.

(b) There is an ascertainable class.

(c) There are common questions of law and fact.

(d) Plaintiffs’ claims are typical of the claims of the members of the Settlement Class.

(e) Plaintiffs' Class Counsel should be deemed "Class Counsel" and will fairly and adequately protect the interests of the Settlement Class.

(f) The Settlement Class Representative will fairly and adequately protect the interest of the Settlement Class.

(g) The prosecution of separate actions by individual members of the Settlement Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct.

(h) Questions of law and fact common to the members of the Settlement Class predominate over questions affecting individual members in the Settlement Class and a class action is superior to other available means for the fair and efficient adjudication of the controversy.

PRELIMINARY APPROVAL OF THE SETTLEMENT

3. On or before April 10, 2015, Class Counsel shall submit to the Court a motion for: (a) preliminary approval of the Settlement Agreement; (b) certification of the Settlement Class; and (c) authorization to disseminate notice of the Settlement Agreement. The costs of notice and claims administration shall be paid by Defendant. The motion shall include a proposed order preliminarily approving this Settlement Agreement and a proposed form of, method for, and date of dissemination of notice. The motion shall recite and ask the Court to find that the proposed form of and method for dissemination of the notice of settlement as valid, due and sufficient notice to the Settlement Class, constitutes the best notice practicable under the circumstances, and complies fully with the requirements of Federal Rule of Civil Procedure 23.

The motion shall request approval of the notice and preliminary approval of the Settlement Agreement.

4. The Parties will move jointly for a Preliminary Approval Order:
 - (a) Preliminarily certifying the Settlement Class and preliminarily approving the Settlement;
 - (b) Approving the proposed form of and method for dissemination of the notice of settlement as valid, due and sufficient notice to the Settlement Class, and that it constitutes the best notice practicable under the circumstances, and complies fully with the requirements of Federal Rule of Civil Procedure 23; and
 - (c) Setting a date for the Fairness Hearing.

CLAIMS TO BE COMPENSATED BY THE SETTLEMENT AGREEMENT

Eligible Claims

5. Eligible Claimants are entitled to benefits under this Settlement Agreement if:
 - (a) They are a member of the Settlement Class;
 - (b) They are a person, organization, corporation or entities that submitted a warranty claim in connection with DuraCeramic tile to Congoleum and were denied warranty coverage during the period January 1, 2010 through the notice date.
6. Claimants who have previously resolved a claim against the Defendant in relation to damaged DuraCeramic Floor Tiles whether by settlement, adjudication or resolution of a warranty claim (including as evidenced by a written release of the Defendant, proof of compensation by the Defendant in settlement of the claim or an adjudication decision), shall not be compensated with respect to the same DuraCeramic Floor Tiles, but can claim and be

compensated with respect to DuraCeramic Floor Tiles that were not the subject of the earlier settlement, adjudication or resolution of a warranty claim.

Role of the Claims Administrator

7. The Claims Administrator will be responsible for administering claims under the Settlement Agreement. Claims shall be administered and resolved in a neutral, rational, responsive, cost-effective, and timely manner.

8. The Claims Administrator will ensure that the following guidelines are observed throughout the claims process:

(a) Ensure that a dedicated toll-free telephone facility is created and operative for the purposes of providing information to Class Members regarding the Settlement Agreement and the claims process;

(b) Create an automated message with relevant information for Class Members that will allow Class Members to leave voice messages in the event that a representative is not available between the hours of 8:30am and 4:00pm EST to take the call. To the extent that calls are received outside business hours, the automated message shall advise Class Members to call during business hours in order to speak with a representative or leave a voice message; and

(c) Will direct its representatives to use reasonable best efforts to respond to any voice messages within one (1) business day.

Submission of Verification Forms

9. Verification Forms shall be submitted by Claimants to the Claim Administrator at the address specified in the Verification Form. Verification Forms sent to an incorrect address will not be considered and will not constitute a valid Verification Form.

10. Verification Forms must be postmarked no later than 120 days after the Effective Date of this Settlement Agreement unless the Claimant is still in the process of being contacted by the Claims Administrator because complications exist with his or her address.

11. As part of the Verification Form, Claimants shall be required to provide the following information:

(a) The name of the Claimant and the address (and e-mail address) of the property upon which the DuraCeramic Floor Tiles that are subject of the claim are or were installed.

(b) Explain whether there has been an assignment of any claims relating to DuraCeramic Floor Tiles and documentation of such assignment.

(c) The signature of the Claimant and any co-owners.

12. The Claim Administrator can request that the Claimant provide other reasonable information that might be necessary to assist it in the evaluation of claims.

13. Claimants shall be permitted to attach and include additional information with the submission of any claim.

14. The Claims Administrator and Defendant shall use reasonable diligence to locate Claimants whose Claim Decision is returned as undeliverable.

Processing of Verification Forms

15. The Claim Administrator shall scan each Verification Form and any supporting documentation into a database established for this Settlement Agreement or shall otherwise manage the information in an efficient and accessible manner. The information shall be available to Class Counsel in such form as Class Counsel and the Defendant shall agree.

16. Any communications required in the administration of a claim may be sent by email where the Claimant has provided his/her email address.

17. The Claim Administrator shall review the Verification Form to verify whether the Claimant is a Settlement Class Member. If the Claimant is not a Settlement Class Member, the Claim Administrator shall send a letter to the Claimant notifying the Claimant of that fact. If the Claimant is a Settlement Class Member, but the Verification Form is deficient, the Claim Administrator shall send a deficiency letter to the Claimant identifying the deficiencies and providing the Claimant 60 days to cure the deficiencies. The letter shall advise the Claimant that if the Claimant does not resolve the identified deficiencies within 60 days from the date of the letter, the claim shall be denied. If the Claimant does not resolve the identified deficiencies within 60 days from the date of the letter, the claim shall be denied, without prejudice to the Claimant's right to file another Verification Form in accordance with the terms of this Settlement Agreement, and the Defendant shall promptly issue a Claim Decision denying the claim. The Claim Decision shall notify the Claimant of the denial of the claim, the Claimant's right to file another Verification Form in accordance with the terms of this Settlement Agreement and the Claimant's right to seek a review of the Claim Decision in accordance with the terms of this Settlement Agreement.

18. Where a claim has been rejected in whole or in part, the Defendant shall promptly send a copy of the Claim Decision by email to Brendan Thompson or such other individual as identified by Class Counsel.

19. Once a completed and timely Verification Form has been received and accepted by the Claim Administrator, it shall make arrangements to send the settlement benefits to which the Claimant is entitled. The Claim Administrator may contact the Claimant in connection with its processing and evaluation of the claim.

20. Where a claim has been rejected in whole or in part, the Claim Decision shall include a brief written explanation of the basis of the Claim Decision and information explaining the right of a Claimant to Request a Review of the Claim Decision, in accordance with the terms of this Settlement Agreement.

21. The Claims Administrator and Defendant shall use reasonable diligence to locate Claimants whose Claim Decision is returned as undeliverable.

Review of Claims Decision

22. Where a claim has been denied, as described in the preceding paragraphs, or where the Claimant disputes the measurement of the DuraCeramic Floor Tiles installed or whether the Floor Tile at issue was made by Defendant or not, the Claimant has the right to seek a Request for Review of the Claim Decision. A Claimant shall not have the right to Request for Review where such request for review relates solely to the interpretation or applicability of a term of this Settlement Agreement.

23. The following procedures shall govern all Request for Reviews:

(a) Where the Claimant disputes the Claim Decision, the Claimant can seek a Request for Review of the Claims Decision by submitting a fully completed Request for Review Form (which Defendant will make available to Claimant).

(b) Any Request for Review Form shall be postmarked no later than 30 days from the date of the Claim Decision. The Claimant shall be permitted to append or include any information or documents that were not originally submitted by the Claimant with the Verification Form.

(c) Upon receipt of a Request for Review Form, the Defendant shall have the opportunity to re-consider the Claims Decision and to accept all or part of the claim in its sole discretion. If the Defendant accepts all or part of the claim, the Defendant shall issue a new Claim Decision in accordance with the terms of this Settlement Agreement.

(d) Within 30 days of receiving a Receipt for Review Form, if the Defendant does not accept all or part of the claim, the Defendant shall prepare and provide the Independent Third-Party with the following Review Materials: (i) the Verification Form and any supporting documents; (ii) any information or documents that were submitted by the Claimant in response to requests for additional information from the Defendant; (iii) any inspection reports; (iv) the Claims Decision; and (v) the Request for Review Form.

(e) Any review conducted by the Independent Third-Party shall be conducted as expeditiously as possible, and in any event within 30 days of receipt of the Review Materials. The Independent Third-Party's decision shall be based solely on the terms of this Settlement Agreement and the Review Materials.

(f) The Independent Third-Party has no authority to award to a Claimant any relief other than the settlement benefits provided for in this Settlement Agreement.

(g) Promptly after making a review decision, the Independent Third-Party shall send copies of any such review decision to the Claimant and the Defendant.

(h) The Claims Administrator shall provide to the Claimant any settlement benefits due and owing as a result of the Review Decision.

(i) The Independent Third-Party's decision shall be final and binding and not subject to any further right of appeal.

24. The Independent Third-Party shall maintain records of their activities in a computerized database electronically accessible by Class Counsel and the Defendant in a secure, read-only environment and shall provide such periodic and special reports as the Courts, Class Counsel, or the Defendant may request.

25. The Independent Third-Party shall have a continuing obligation to be neutral and unbiased in respect of their obligations under this Settlement Agreement for the duration of this claims process. Defendant and Class Counsel shall have the right to audit independently the work of the Independent Third-Party. If the Defendant or Class Counsel are not satisfied that the Independent Third-Party is resolving Requests for Review in a neutral, fair and prompt manner, they shall work with the Independent Third-Party to resolve any issues. If the issue(s) is not resolved in an appropriate manner, the Defendant or Class Counsel can ask for the appointment of a new entity, to be agreed upon by the Parties, to perform the duties of the Independent Third-Party under this Agreement. If the Defendant and Class Counsel are unable to reach agreement on whether it is necessary to replace the Independent Third-Party, or who should be appointed as

a replacement for the Independent Third-Party, the Party seeking to replace the Independent Third-Party shall seek directions from the Court in this regard. The Court's decision in this respect shall not be subject to any right of appeal.

26. In no event shall any Released Party have any liability for claims of wrongful or negligent conduct on the part of the Independent Third-Party or any respective agent(s).

Costs of Administering Claims

27. Except as otherwise provided by this Settlement Agreement, the Defendant shall be solely responsible for and shall pay all reasonable fees and expenses incurred by the Claims Administrator and the Independent Third-Party.

Reporting and Audit Rights

28. On the first anniversary of the Effective Date the Defendant or the Claims Administrator shall serve on a designee of Class Counsel a report identifying the Claimants whose claims have been resolved and the settlement benefits distributed to each Claimant.

29. Class Counsel shall have the right to audit, on a bi-monthly basis, the processing and disposition of claims by the Defendant. In connection with such an audit, Class Counsel shall have the right to examine all books and records maintained by the Defendant related to the processing of claims covered by this Settlement Agreement, including any Verification Forms and correspondence with Claimants.

30. Class Counsel and counsel for the Defendant shall meet in person or by telephone conference, as reasonably necessary, to discuss the implementation of this Settlement Agreement and attempt to resolve any concerns of the Parties.

SETTLEMENT BENEFITS

Damage Calculation

31. The Defendant shall provide settlement benefits to Eligible Claimants as follows:

(a) The Claim Decision or Review Decision shall state the square feet with respect to which the Defendant shall be required to pay;

(b) The Defendant shall pay Eligible Claimants \$17.50 per Unit of Affected Flooring, which amount constitutes compensation for the costs of replacement tiles.

Enhanced Warranty

32. As part of this Settlement Agreement, Defendant, and upon the Effective Date, will enhance the DuraCeramic Floor Tile warranty pursuant to the following injunctive relief:

(a) The DuraCeramic Floor Tile product will have one dedicated warranty that will be separate from Defendant's warranties for other products.

(b) A copy of the enhanced DuraCeramic and DuraCeramic Dimensions Lifetime Limited Warranty is attached hereto as Exhibit A.

(c) The enhanced warranty shall be provided to all past and future purchasers of the DuraCeramic Floor Tiles. If the DuraCeramic Floor Tile line is discontinued or if any changes are made to the product, then the enhanced warranty may be discontinued or modified at the discretion of the Defendant. However, the enhanced warranty and its terms will continue to apply and remain in effect for customers who purchased the DuraCeramic Floor Tiles prior to the product being discontinued or changed.

(d) Customers submitting warranty claims with the Defendant after the Effective Date will be provided a copy of the enhanced DuraCeramic Lifetime Limited Warranty.

(e) Defendant will provide a link on its website informing customers about the revised warranty.

EFFECTIVE DATE

33. The settlement embodied in this Settlement Agreement shall go into effect on the Effective Date. The Effective Date shall be the date when each of the following have all occurred:

(a) Final approval by the Court of the Settlement Agreement, following notice to the Settlement Class and a Fairness Hearing, in accordance with Rule 23 of the Federal Rules of Civil Procedure;

(b) Entry by the Court of a Final Order and Judgment in all material respects; and

(c) The expiration of any time for appeal, review or alteration of such Final Order and Judgment, or, if any appeal is filed and not dismissed, after such Final Order and Judgment is upheld on appeal in all material respects and is no longer subject to review upon appeal by writ of certiorari, or alteration in any respect.

34. Should the Court determine not to approve this Settlement Agreement, then either Plaintiffs or Defendant may, at their option, withdraw from the settlement and resume litigation of the case.

FEES, REIMBURSEMENT OF EXPENSES FOR SETTLEMENT CLASS COUNSEL

35. In consideration for settling this matter and in exchange for the release of all claims by the Settlement Class, and subject to final approval by the Court, Defendant agrees that Class Counsel should be awarded attorneys' fees and reimbursement of expenses in an amount to be determined, subject to final approval by the Court. If the parties cannot agree to an amount as to attorneys' fees and expenses that should be awarded, Plaintiffs counsel may submit a fee application in accordance with the directive of the Court. The attorneys' fee and expenses awarded by the Court is to compensate Class Counsel for all of the work already performed in this case and all of the work remaining to be performed in documenting the settlement, securing Court approval of the settlement, making sure that the settlement is fairly administered and implemented, and obtaining dismissal of the action. That sum is also to compensate Class Counsel for expenses incurred and to be incurred in the case.

36. Defendant shall pay the attorneys' fees and costs awarded by the Court to Class Counsel within 30 days after the Effective Date.

INCENTIVE PAYMENT TO CLASS REPRESENTATIVE

37. Subject to the approval of the District Court, Defendant will pay an incentive award to the Named Plaintiff over and above any amounts to which they may otherwise be entitled under the Settlement Agreement to compensate her for services in connection with this litigation. Defendant has agreed to pay a total of \$5,000 within 14 days of the Effective Date to an account designated by Class Counsel for distribution to the Named Plaintiff. Defendant will not object to a request for an incentive award totaling more than its \$5,000 obligation.

NOTICE TO THE CLASS

38. Within ten (10) days after entry of the Preliminary Approval Order (“Notice Date”) preliminarily certifying the Settlement Class, or such other date as the Court may authorize, Defendant shall cause to be disseminated the Class Settlement Notice approved by the Court as follows:

(a) Direct notice of the Notice of Settlement through first-class mail to the approximately 500 individuals known by Defendant to have filed warranty claims that were denied (sent to the last known address reflected in Defendant’s business records);

(b) A case dedicated website (that will store relevant information, among other things, relevant dates, case and notice materials, and other materials as the Parties may mutually agree);

(c) Pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. §1715(b) (“CAFA”), the CAFA-Notice shall be sent by the Notice Administrator to appropriate federal and state officials pursuant to the proper requirements; and

(d) A toll-free number through which Class Members can request information.

39. Defendant will pay all administration and Notice program costs.

EXCLUSION FROM THE SETTLEMENT

40. No later than 45 days after preliminary approval of the Settlement, Class Members must request exclusion or opt out from the Settlement Class. If the Settlement Agreement is finally approved by the Court, all Class Members who have not opted out by the end of the 45-day period, will be bound by the Settlement Agreement, and the relief provided by

the Settlement Agreement will be their sole and exclusive remedy for the claims alleged against Defendant by the Class.

41. Requests for exclusion must be: (a) in writing, dated, include the Class Member's name, phone number and the Class Member's mailing address and the property address where the DuraCeramic Floor Tiles were installed, if different; (b) include an express statement of desire to be excluded from the Settlement Class; (c) signed by the Class Member and must advise that the Class Member is requesting exclusion from the Class and this Settlement Agreement – any request made verbally or signed by counsel as opposed to the Class Member themselves, shall not be sufficient notice of the Class Member opting out of this Settlement; (d) mailed to the Notice Administrator; and (e) postmarked within the 45-day period. Requests for exclusion sent by a Class Member to incorrect locations shall not be valid.

42. Class Counsel shall file a list of all opt outs and copies of their opt-out forms with the Court at the same time they file their memorandum in support of final approval of the Settlement Agreement.

43. To retract a request for exclusion, a Class Member must provide to Class Counsel a written notice stating their desire to retract their request for exclusion from the Settlement Class and such retraction must be deemed effective by the Court.

OBJECTIONS

44. Any Class Member who has an objection to certification of the class and/or approval of this settlement or any terms hereof, must make that objection according to the following procedure:

- (a) The objection must be in writing and post-marked no later than 45 days after preliminary approval of the Settlement;
- (b) The objection must set forth all objections and the reasons therefore, and must include any written material on which the objection is based or on which she intends to rely;
- (c) The objection must state whether the Class Member or her counsel intends to appear at the Fairness Hearing and must identify any witnesses intended to be called, the subject area of the witnesses' testimony, and all documents to be used or offered into evidence, at the Fairness Hearing;
- (d) The objection must be signed by the Class Member and Class Member's counsel - an objection signed by counsel alone shall not be sufficient;
- (e) The objection must contain the caption of this litigation and include the name, mailing address, property address where the siding was installed, date of purchase, and telephone number of the Class Member; and
- (f) The objection and/or any notice of intent to appear at the Fairness Hearing must be mailed to:

The Court:

Clerk of the Court
United States District Court for the District of New Jersey
Clarkson S. Fisher Building & U.S. Courthouse
402 East State Street
Trenton, NJ 08608

Class Counsel:

Cuneo Gilbert & LaDuca, LLP
Brendan Thompson

8120 Woodmont Avenue, Suite 810
Bethesda, MD 20814

Congoleum Corporation:

Marshall Dennehey Warner Coleman & Goggin
Dante C. Rohr
200 Lake Drive East, Suite 300
Cherry Hill, NJ 08002

Objections sent by Class Members to incorrect addresses shall not be valid.

45. Failure to comply timely and fully with these procedures shall result in the invalidity and dismissal of any objection. Class Members who fail to file and serve timely written objections shall be deemed to have waived any objections and shall not be heard at the Fairness Hearing and shall be foreclosed from making any objections (whether by appeal or otherwise) to this Settlement Agreement.

46. Class Counsel shall be obliged to file any objections with the Court at the same time they file their memorandum in support of final approval of the Settlement Agreement.

RELEASE BY THE CLASS

47. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge all disputes and claims which exist between them arising from the underlying allegation that Defendant engaged in unlawful conduct as alleged in the Class Action Complaint. In order to achieve a full and complete release of Defendant from such disputes and claims, each Class Member through execution of the Settlement Agreement, acknowledges that this settlement is intended to include in its effect all claims arising from the underlying allegation that Defendant or any of them engaged in unlawful conduct, including all claims set forth in the Complaint and any claims that could have been set forth in the Complaint.

48. Upon final approval by the Court, each Class Member releases the following: Defendant and any current, former, and future parent, subsidiary, affiliate, predecessor or successor, and all agents, employees, officers, directors and attorneys thereof (collectively, "Released Parties"). The Class Members release the Released Parties from any and all claims, debts, liabilities, obligations, guarantees, costs, expenses, attorneys' fees, damages, rights or equitable, legal or administrative relief, of any basis or source, whether known or unknown, that were, have been, or could have been, now, in the past, or in the future, asserted or alleged in this action or that relate to any aspect of the subject matter of this action whether such claims are contingent or absolute, mature or not yet mature, discoverable or undiscoverable, whether concealed or hidden, asserted or that might have been asserted against the Released Parties based upon, arising out of, or related in any way whatsoever to any of the facts, transactions, events, occurrences, disclosures, statements, acts, omissions or failures to act which were or could have or might have been alleged in or embraced or otherwise referred to or encompassed by the Class Action, or which relate to the subject matter of the Class Action, regardless of upon what legal theory based, whether legal or equitable, including without limitation, claims for negligence, gross negligence, fraud, breach of warranty, violations of the common law, administrative rule or regulation, tort, contract, equity, or otherwise or of any state or federal statutes, rules or regulations.

TERMINATION OF THIS SETTLEMENT

49. Any party shall have the right to terminate and cancel this settlement upon any of the following events:

- (a) The Court declines or fails to approve the Settlement Agreement as written.
- (b) The Court declines to enter an order preliminarily approving the settlement.
- (c) The Court does not hold a Fairness Hearing.
- (d) The Order and Judgment dismissing this case are not entered by the Court, or are reversed by a higher court.
- (e) The Court declines to dismiss the settling Defendant.

FAIRNESS HEARING

50. The Fairness Hearing shall be scheduled no earlier than 100 days following the date the Preliminary Approval Order is signed.

51. At the Fairness Hearing the Court shall, inter alia, (i) consider any properly filed objections to the Settlement Agreement, (ii) determine de novo whether the Settlement Agreement is fair, reasonable, and adequate, was entered into in good faith and without collusion, and should be approved, and shall provide findings in connection therewith, and (iii) enter the Final Order and Judgment, including final approval of the Settlement Class and the Settlement Agreement.

**FINAL APPROVAL OF THIS SETTLEMENT AGREEMENT
AND DISMISSAL OF ALL CLAIMS**

52. Class Counsel and Defendant shall recommend approval of this Settlement Agreement by the Court. The Parties shall use their best efforts to effectuate this Settlement Agreement, including cooperating in seeking judicial approval for the establishment of

procedures (including the filing of class notice under Federal Rules of Civil Procedure 23(c)) to secure the prompt, complete, and final dismissals with prejudice of this litigation and Defendant.

53. The settling Parties jointly shall seek entry of an Final Order and Judgment, the terms of which shall include:

(a) Finding that the notice given constitutes due, adequate and sufficient notice, and meets the requirements of due process, the Federal Rules of Civil Procedure, and any applicable state laws;

(b) Finding that Defendant has served upon the appropriate State official of each State in which a Class Member resides, and the appropriate Federal official, a notice of proposed settlement that complies with the requirements of the Class Action Fairness Act, 28 U.S.C. §§ 1711-15;

(c) Certifying the Settlement Class pursuant to Fed. R. Civ. P. 23;

(d) Finding that the Settlement Agreement is fair, reasonable and adequate, was entered into in good faith and without collusion, and should be approved; and approves the Settlement Agreement;

(e) Approving the Release that, as of the Effective Date, the Released Parties will be will released as to those claims;

(f) Dismissing all of the participating Class Members' claims against the Defendant with prejudice;

(g) Finding that, pursuant to Fed. R. Civ. P. 54(b), there is no just reason for delay of entry of final judgment with respect to the foregoing.

PARTIES' AUTHORITY

54. The signatories to this Settlement Agreement represent that they are fully authorized to enter into this settlement and bind the Parties to the terms and conditions set forth herein.

MUTUAL FULL COOPERATION

55. The Parties agree to cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and taking of such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's final approval of this Settlement Agreement. In the event there is not a final settlement for any reason, including but not limited to the fact that the Court declines to approve the Settlement on the terms set forth herein, the litigation shall return to its status as of the execution of this Settlement Agreement, and nothing in the Settlement Agreement shall be used to the prejudice of either party.

NO ADMISSION

56. Nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant. Defendant specifically denies any liability. Each of the Parties hereto has

entered into this Settlement Agreement with the intention to avoid further disputes and litigation and the inconvenience and expenses that further disputes and litigation would entail.

NO ADMISSIBILITY

57. The Parties specifically acknowledge, agree and admit that this Settlement Agreement, along with all related drafts and communications, shall be considered a compromise within the meaning of Federal Rules of Evidence 408 and any equivalent state rules of evidence, and not be offered as evidence in any court or other proceeding for any purpose, except in a proceeding to enforce the terms of the settlement.

CONSTRUCTION

58. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arms-length negotiations between the Parties, and that this Settlement Agreement shall not be construed in favor of or against any party by reason of the extent to which any party or his, her, or its counsel participate in drafting of this Settlement Agreement.

CAPTIONS AND INTERPRETATIONS

59. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any of its provisions. Each term of this Settlement Agreement is contractual and not merely a recital.

MODIFICATION

60. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the same Parties whose signatures are below.

INTEGRATION CLAUSE

61. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, are merged herein.

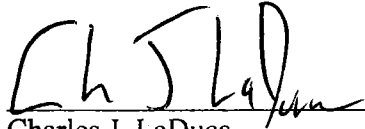
CLASS COUNSEL SIGNATORIES

62. It is agreed that because of the large number of Class Members, it is impossible or impractical to have each Class Member execute this Settlement Agreement and that Class Counsel and the Class Representatives may sign on behalf of the absent Class Members. The Notice will advise all Class Members of the binding nature of the release.

COUNTERPARTS

63. This Settlement Agreement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement Agreement, which shall be binding upon and effective as to all Parties.

WHEREFORE, the undersigned have executed this Settlement Agreement on the 10th day of April, 2015.

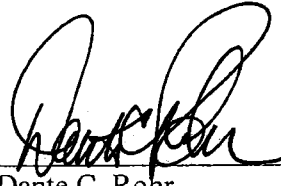


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