

**AMENDMENT TO THE FIRST AMENDED CONGOLEUM PLAN
TRUST DISTRIBUTION PROCEDURES (EFFECTIVE JULY 7, 2011)**

THIS AMENDMENT TO THE FIRST AMENDED CONGOLEUM PLAN TRUST DISTRIBUTION PROCEDURES (effective July 7, 2011) (the "TDP") is made by the Plan Trustee of the Congoleum Plan Trust (the "Plan Trust") pursuant to Section 9.1 of the TDP.

RECITALS:

WHEREAS, the Congoleum Plan Trust Distribution Procedures became effective on July 1, 2010;

WHEREAS, the Plan Trustee, with the consent of the Trust Advisory Committee ("TAC") and the Futures Representative ("FR"), adopted certain amendments to the Congoleum Plan Trust Distribution Procedures, which amendments became effective July 7, 2011. See the First Amended Congoleum Plan Trust Distribution Procedures (effective July 7, 2011). The Congoleum Plan Trust Distribution Procedures, as amended, are referred to herein as the TDP;

WHEREAS, pursuant to Section 9.1 of the TDP, the Plan Trustee of the Congoleum Plan Trust may amend, modify, delete, or add to any provisions of the TDP provided the Plan Trustee first obtains the consent of the TAC and the FR;

WHEREAS, at a regular Trust meeting held on November 15, 2011, the TAC and the FR each consented to amend the TDP as set forth herein; and

WHEREAS, the Plan Trustee, having obtained the consent of the TAC and the FR, amends Sections 6.2(b)(3) and 8.5(a) of the TDP as set forth herein, effective as of November 15, 2011.

ADOPTION OF AMENDMENTS:

NOW, THEREFORE, the Plan Trustee hereby adopts the following amendments to the TDP:

1. The following sentences shall be added at the end of Section 6.2(b)(3):

In addition, commencing on January 1, 2013, the Plan Trust shall adjust the valuation amounts by a fixed inflation factor each year to account for yearly inflation. The initial annual inflation adjustment rate shall be 2.5%, and the first adjustment shall not be cumulative. Thereafter, the Plan Trustee, with the consent of the TAC and the Futures Representative pursuant to Sections 5.8(b) and 6.6(b), may adjust the annual inflation adjustment rate to reflect market conditions with respect to inflation.

2. The final sentence of Section 8.5(a) shall be deleted and the following sentences shall be added to the end of such Section:

A sequencing adjustment shall begin to accrue one year after the earliest of the date on which one of the events specified in the final sentence of Section 8.5(b) below occurs. The sequencing adjustment shall accrue at the one-year Treasury bill interest rate in effect on January 1 of the year in which such accrual commences. The rate of the sequencing adjustment shall be adjusted each January 1 to correspond to the one-year Treasury bill interest rate then in effect. Notwithstanding anything set forth herein, in no event shall the sequencing adjustment factor for any given year exceed 5%. The applicable sequencing adjustment shall be calculated based only on the Scheduled Value of the claim (the Average Value in the case of Disease Level VI claims), subject to the Payment Percentage; any accrued but unpaid sequencing adjustment shall not be included in such calculation.