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ATTORNEYS FOR THE
CONGOLEUM PLAN TRUST

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

IN RE:	)	**Case No. 09-04371 (JAP)**
	)	
CONGOLEUM CORPORATION,	)	**Chapter 11**
CONGOLEUM SALES, INC., and	)	**Case No. 03-51524**
CONGOLEUM FISCAL, INC.,	)	
	)	**Jointly Administered**
Debtors.	)	
	)	

NOTICE OF FILING OF ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE CONGOLEUM PLAN TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2014

PLEASE TAKE NOTICE that, on April 30, 2015, the Plan Trustee of the Congoleum Plan Trust ("Trust") filed the Annual Report, Financial Statements and Results of Operations of the Trust for Fiscal Year Ended December 31, 2014 (the "Annual Report") and its audited financial statements for the same period (the "Audited Financial Statements"). The Annual

Report and the Audited Financial Statements are attached hereto as Exhibits "A" and "A-1," respectively.

Dated: April 30, 2015

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EXHIBIT A

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CONGOLEUM SALES, INC., and	)	**Case No. 03-51524**
CONGOLEUM FISCAL, INC.,	)	
	)	**Jointly Administered**
Debtors.	)	

ANNUAL REPORT, FINANCIAL STATEMENTS AND RESULTS OF OPERATIONS OF THE CONGOLEUM PLAN TRUST FOR FISCAL YEAR ENDED DECEMBER 31, 2014

The Honorable Alfred Wolin, Ret., the Plan Trustee of the Congoleum Plan Trust (the "Plan Trust"),[1] created pursuant to the Fourth Amended Joint Plan of Reorganization Under

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Fourth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code of the Debtors, the Official Asbestos Claimants' Committee, the Official Committee of Bondholders for Congoleum Corporation, *et al.* and the Futures Representative dated as of March 11, 2010 (as modified).

Chapter 11 of the Bankruptcy Code of the Debtors, the Official Asbestos Claimants' Committee, the Official Committee of Bondholders for Congoleum Corporation, *et al.* and the Futures Representative dated as of March 11, 2010 (as modified) (the "Plan"), submits this Annual Report, Financial Statements and Results of Operations of the Congoleum Plan Trust for Fiscal Year Ended December 31, 2014.

I. Plan Trust Asbestos Claims

Section 2.2(c) of the Plan Trust Agreement requires the Plan Trustee to account to the District Court, regardless of whether the Reorganization Cases are closed, and file an annual report containing financial statements of the Plan Trust and a summary of the number and type of Plan Trust Asbestos Claims disposed of, and the amount paid in respect of such Plan Trust Asbestos Claims, during the period covered by the financial statements.

A. Asbestos Personal Injury Claims

The First Amended Congoleum Plan Trust Distribution Procedures (effective July 7, 2011) (as amended, the "TDP"), the Congoleum Plan Trust Claim Form for Asbestos Personal Injury Claims, the Congoleum Plan Trust Release and other claims-related forms and instructions are available at www.congoleumtrust.com.

1. Payment Percentage, Maximum Annual Payment and Claims Payment Ratio

In accordance with TDP Section 5.2, the Plan Trustee, with the consent of the Trust Advisory Committee and the Futures Representative, increased the Payment Percentage from 6.25% to 12.5% beginning with the payment of claims in July 2014. In accordance with TDP Section 5.2, the Plan Trust has made supplemental payments to claimants who were previously paid at the Payment Percentage of 6.25% to increase their recovery to the 12.5% Payment Percentage level.

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The Maximum Annual Payment for 2014 was $14,005,833.

Pursuant to the TDP, Claims Payment Ratios are 75% for Category A claims and 25% for Category B claims. Category A claims consist of Asbestos Personal Injury Claims involving severe asbestosis and malignancies (Disease Levels IV – VIII). Category B claims consist of Asbestos Personal Injury Claims involving Other Asbestos Disease (Disease Level I), non-malignant Asbestosis (Disease Level II) or Pleural Disease (Disease Level III).

From 2013, the Plan Trust carried $21,771,668 into 2014 for payment on Category A claims and $704,356 for payment on Category B claims.

For 2014, 75% of the Maximum Available Payment[2] of $14,005,833 was allocated to Category A claims and 25% was allocated to Category B claims, with payments as follows:

Category A claims 75% =	$10,504,375
Carryover from 2013 =	$21,771,668
Total for 2014 =	$32,276,043
Paid in 2014 (net of refunds)[3] =	$29,570,032
Carryover into 2015 =	$ 2,706,011
Category B claims 25% =	$ 3,501,458
Carryover from 2013 =	$ 704,356
Total for 2014 =	$ 4,205,814
Paid in 2014 (net of refunds)[3] =	$ 13,944
Carryover into 2015 =	$ 4,191,870

[2] The Maximum Available Payment is the portion of the Maximum Annual Payment remaining after the Plan Trust reimburses the Reorganized Debtors for the Claims Handling Fee (as defined in the Plan Trust Agreement). No Claims Handling Fee was paid in 2014.

[3] Amounts reported paid in 2014 (net of refunds) include supplemental payments to claimants who were previously paid at the Payment Percentage of 6.25% to increase their recovery to the 12.5% Payment Percentage level.

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A total of 43 liquidated Category A claims and 10 liquidated Category B claims remained in the FIFO Payment Queue (as that term is defined in the TDP) as of December 31, 2014.

2. Claims Statistics for the Fiscal Year Ending December 31, 2014

The Plan Trust received 11,130 Asbestos Personal Injury Claims in 2014. The Plan Trust liquidated and paid 3,633 claims in 2014, totaling $29,583,976 after application of the Payment Percentage. Below is further detail with respect to the Asbestos Personal Injury Claims received and paid by the Plan Trust in 2014.

Total Asbestos Personal Injury Claims received in 2014 =	11,130
Total Category A claims received in 2014 =	5,927
Total Category B claims received in 2014 =	5,203
Total Asbestos Personal Injury Claims paid in 2014 =	3,633
Total Category A claims paid in 2014 =	3,561
Total Category B claims paid in 2014 =	72

Since inception of the Plan Trust, the Plan Trust has not approved 151,498 claims, including rejected claims, claims with uncured deficiencies, and withdrawn and deferred claims. The number of claims in the FIFO Processing Queue (as that term is defined in the TDP) on December 31, 2014, totaled 3,814, of which 1,866 are Category A claims and 1,948 are Category B claims.

B. Allowed Asbestos Property Damage Claims

All Asbestos Property Damage Claims were resolved and paid in 2011. Thus, the Plan Trust did not pay any Asbestos Property Damage Claims in 2014.

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II. Compensation and Expenses of the Trustees, Trust Advisory Committee and Futures Representative

A. Trustees

Under Section 4.5(c) of the Plan Trust Agreement, the Plan Trust is required to report to the Court the amount of compensation and expenses paid to the Plan Trustee and the Delaware Trustee. The Plan Trustee and the Delaware Trustee have received compensation and reimbursement for out-of-pocket costs and expenses during the fiscal year ending December 31, 2014, as follows:

Plan Trustee	$ 325,486[4]
Delaware Trustee	$ 2,500

B. Trust Advisory Committee

Under Section 5.6 of the Plan Trust Agreement, the Plan Trust is required to report to the Court the amount of compensation and expenses paid to the Trust Advisory Committee. The Trust Advisory Committee received compensation and reimbursement for out-of-pocket costs and expenses during the fiscal year ending December 31, 2014, as follows:

Trust Advisory Committee	$ 6,156

C. Futures Representative

Under Section 6.5 of the Plan Trust Agreement, the Plan Trust is required to report to the Court the amount of compensation and expenses paid to the Futures Representative. The Futures Representative received compensation and reimbursement for out-of-pocket costs and expenses during the fiscal year ending December 31, 2014, as follows:

Futures Representative	$ 53,995

[4] This figure includes the Plan Trustee's compensation provided under Section 4.5 of the Plan Trust Agreement and compensation received for work regarding Congoleum, Inc., of which the Plan Trust was the majority owner until November 2014.

Congoleum Asbestos Trust Annual Reports, 2014 annual report
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III. Financial Statements

A copy of the Plan Trust's audited financial statements for the year ending December 31, 2014, is attached hereto as Exhibit "A-1."

Dated: April 30, 2015

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ATTORNEYS FOR THE
CONGOLEUM PLAN TRUST

EXHIBIT A-1

CONGOLEUM PLAN TRUST

SPECIAL-PURPOSE FINANCIAL STATEMENTS

DECEMBER 31, 2014

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CONGOLEUM PLAN TRUST

DECEMBER 31, 2014

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Independent Auditor's Report

The Trustee
Congoleum Plan Trust

We have audited the accompanying special-purpose financial statements of Congoleum Plan Trust (the "Trust"), which comprise the special-purpose statement of assets, liabilities and net claimants' equity as of December 31, 2014, and the related special-purpose statements of changes in net claimants' equity and cash flows for the year then ended, and the related notes to the special-purpose financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these special-purpose financial statements in accordance with the special-purpose basis of accounting described in Note 2, to these special-purpose financial statements. Management is responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these special-purpose financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the special-purpose financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the special-purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the assets, liabilities and net claimants' equity of the Congoleum Plan Trust as of December 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with the special-purpose basis of accounting described in Note 2 to the special-purpose financial statements.

Emphasis of Matter

We draw attention to Note 2 to the special-purpose financial statements, which describes that the Trust's financial statements are prepared to present the net assets available for the payment of claims and related operating expenses of the Trust to the beneficiaries of the Trust in accordance with the special-purpose accounting methods adopted by the Trustee which is a basis of accounting other than accounting principles generally accepted in the United States of America ("GAAP"). It is not intended to be a complete presentation of the Trust's assets and liabilities in accordance with GAAP. Our opinion is not modified with respect to that matter.

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Restriction on Use

This report is intended solely for the information and use of the management of the Trust, the Trustee, the beneficiaries of the Trust, and the United States Bankruptcy Court for the District of New Jersey, and is not intended to be and should not be used by anyone other than these specified parties.

Cohn Reznick LLP

Roseland, New Jersey
April 17, 2015

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CONGOLEUM PLAN TRUST

SPECIAL-PURPOSE STATEMENT OF ASSETS, LIABILITIES AND NET CLAIMANTS' EQUITY
DECEMBER 31, 2014

ASSETS

Cash and Cash Equivalents:	
CitiBank	$ 17,646,504
U.S. Trust	3,881,873
Total cash and cash equivalents	21,528,377
Insurance Settlements Receivable	14,000,000
Investments, at fair value:	
CitiBank	
Investments	80,054,746
Income receivable	836,193
U.S. Trust	
Investments	90,623,543
Income receivable	682,894
Total investments	172,197,376
Other Assets:	
Prepaid expenses	27,422
Prepaid Federal income taxes	600,000
Total other assets	627,422
TOTAL ASSETS	$ 208,353,175

LIABILITIES AND NET CLAIMANTS' EQUITY

LIABILITIES:	
Settled claims payable	$ 1,743,020
Accounts payable	245,188
Total liabilities	1,988,208
CONTINGENCIES	
NET CLAIMANTS' EQUITY	206,364,967
TOTAL LIABILITIES AND NET CLAIMANTS' EQUITY	$ 208,353,175

The accompanying notes are an integral part of these special-purpose financial statements.

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CONGOLEUM PLAN TRUST

SPECIAL-PURPOSE STATEMENT OF CHANGES IN NET CLAIMANTS' EQUITY
YEAR ENDED DECEMBER 31, 2014

ADDITIONS:	
Contributions:	
Insurance settlements	$ 96,377
Investment income, net:	
Interest and dividends income	4,634,923
Investment advisory fees	(609,702)
Realized gain on sale of securities, net	3,356,714
Unrealized gain on investments, net	3,483,751
Total investment income, net	10,865,686
TOTAL ADDITIONS	10,962,063
OTHER:	
Realized loss on sale of Congoleum Corporation Shares	(3,116,089)
Loss on impairment of Congoleum Corporation Shares	(1,714,911)
TOTAL OTHER	(4,831,000)
DEDUCTIONS:	
Claims settled	30,571,344
General and administrative:	
Claims consultant fees	71,700
Claims processing fees	272,073
Insurance	59,515
Accounting	118,315
Other	2,500
Professional services:	
Legal fees	10,664
Trust general counsel	579,170
Special insurance counsel	329,177
Future claims representative fees	53,995
Future claims representative attorney and expert fees	211,128
TAC attorney fees	87,870
TAC expenses	6,156
Trustee	325,486
TOTAL DEDUCTIONS	32,699,093
NET DECREASE IN NET CLAIMANTS' EQUITY	(26,568,030)
NET CLAIMANTS' EQUITY - beginning	232,932,997
NET CLAIMANTS' EQUITY - ending	$ 206,364,967

The accompanying notes are an integral part of these special-purpose financial statements.

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CONGOLEUM PLAN TRUST

SPECIAL-PURPOSE STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net decrease in net claimants' equity	$ (26,568,030)
Adjustments to reconcile net decrease in net claimants' equity to net cash used in operating activities:	
Realized gain on sale of securities, net	(3,356,714)
Realized loss on sale of Congoleum Corporation Shares	3,116,089
Unrealized gain on investments, net	(3,483,751)
Loss on impairment of Congoleum Corporation Shares	1,714,911
Amortization of bond premiums	1,881,905
Decrease (increase) in:	
Insurance settlement receivable	8,950,000
Income receivable	150,517
Prepaid expenses	4,216
Prepaid Federal income taxes	(600,000)
Increase in:	
Settled claims payable	988,367
Accounts payable	77,237
NET CASH USED IN OPERATING ACTIVITIES	(17,125,253)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Proceeds from sale of investments	61,732,678
Purchases of investments	(31,357,702)
Proceeds from sale of equity investment - Congoleum Corporation Shares	500,000
NET CASH PROVIDED BY INVESTING ACTIVITIES	30,874,976
NET INCREASE IN CASH AND CASH EQUIVALENTS	13,749,723
CASH AND CASH EQUIVALENTS - beginning	7,778,654
CASH AND CASH EQUIVALENTS - ending	$ 21,528,377

The accompanying notes are an integral part of these special-purpose financial statements.

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CONGOLEUM PLAN TRUST
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 1 - ORGANIZATION

The Congoleum Plan Trust (the "Trust") was established on June 7, 2010 and is a "Qualified Settlement Fund" pursuant to the meaning of Section 1.468B-1 et seq. to the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code. The Trust will assume all Asbestos Personal Injury Claims (whether now existing or arising at any time hereafter) and use the Trust assets to pay holders of such Asbestos Personal Injury Claims in accordance with the Congoleum Plan Trust Agreement and the Congoleum Plan Trust Distribution Procedures.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting
The Trust's financial statements are prepared using special-purpose accounting methods adopted by the Trustee which differ from accounting principles generally accepted in the United States of America ("GAAP"). The special-purpose accounting methods were adopted in order to communicate to the beneficiaries of the Trust the net assets available for the payment of claims and related operating expenses of the Trust. Since the accompanying financial statements and transactions are not based upon GAAP, accounting treatment by other parties for these same transactions may differ as to timing and amount.

The special-purpose accounting methods include the following:

Investment securities are recorded at fair value. All interest and dividend income, net of investment expenses, are included in investment income in the accompanying special-purpose statements of changes in net claimants' equity. Net realized and unrealized gains and (losses) on investment securities are recorded as a net addition or (deduction) in the special-purpose statements of changes in net claimants' equity.

Net claimants' equity represents funds available to pay asbestos related claims that have been submitted but not processed or not yet submitted. Trust expenses are also paid from net claimants' equity. Under GAAP, net claimants' equity would be reduced for estimates of amounts to be paid for claims that have been submitted but not processed or not yet submitted.

Claims are expensed in the period in which the confirmed claims are settled. The Trust considers settled claims upon receipt of signed releases after the claims were approved through the Claim Review Process. Under GAAP, a liability would be recorded for an estimate of the amount to be paid for claims that have been incurred but not yet reported, and for those claims that have been submitted but not yet approved for payment by the Trust.

Payments for services to be received over an extended period in the future are expensed as paid since these amounts are no longer available for the payment of claims. Under GAAP, an asset would be recorded and amortized over the period in which the related benefits are received.

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax expense is estimated and recorded as incurred in the period in which certain income and expense items affect current Federal income taxes payable. Income tax refunds are recorded when cash is received by the Trust and deferred income taxes are not recognized. Under GAAP, the provision for income taxes is recorded based upon income reported for financial statement purposes, and Federal and state income taxes both currently payable and changes in deferred taxes due to differences between financial reporting and tax bases of assets and liabilities, such as unrealized gains and losses on investment securities, and recognition of deferred taxes.

Cash Equivalents

The Trust considers all short-term investments with original maturity of three (3) months or less to be cash equivalents.

The Trust maintains its cash and cash equivalents, which at times may exceed Federally insured limits, with financial institutions. The Trust has not experienced any losses in such accounts, and management does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Investment Securities

Investment securities are stated at fair value with changes in unrealized gains and losses recorded in the current period. Investment income is recognized when earned. Any unearned interest and dividend income are recorded as accrued interest and dividends receivable. Realized gains and losses on sales are determined using the specific identification method.

Fair Value Hierarchy

Investments are classified as available for sale and stated at fair value. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. In accordance with FASB ASC 820-10-50, *Fair Value Measurements* establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Inputs that are based upon quoted prices for identical instruments traded in active markets.

Level 2: Inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the investment.

Level 3: Inputs that are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Hierarchy (Continued)
The following section describes the valuation methodologies the Trust uses to measure its financial assets at fair value:

Equities: Valued at the closing price reported on the active market on which the individual securities are traded.

Bonds: Valued using a metrics system provided by the pricing vendors.

Public Real Estate Investment Trusts ("REITs"): Valued at the closing price reported on the active market on which the REITs are traded.

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset. In addition, the disclosed fair values do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in amounts disclosed.

Income Taxes
The Trust has elected to be treated as a Qualified Settlement Fund under the Internal Revenue Code and Treasury Regulations. As a result, the Trust is subject to Federal income taxes based on modified gross income. In the opinion of management, the Trust is not subject to state income taxes, and, therefore, the special-purpose financial statements do not include any provision or liability for state income taxes. There was no Federal income tax expense for the year ended December 31, 2014.

Net operating losses expiring through 2034, which approximate $2,500,000, are available to offset future taxable income generated by the Trust.

The Trust files income tax returns in the United States Federal jurisdiction. U.S. Federal income tax returns filed prior to 2011 are closed under the statute of limitations.

Use of Estimates
The preparation of financial statements in conformity with the special-purpose accounting methods described above requires the Trust to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the special-purpose financial statements, as well as the reported amounts of additions and deductions to net claimants' equity during the reporting period. Actual results could differ from those estimates and such differences could have a material effect on net claimants' equity. As of December 31, 2014, the Trust has made no significant estimates and assumptions.

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CONGOLEUM PLAN TRUST
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events
The Trust has evaluated subsequent events through April 17, 2015, the date the special-purpose financial statements were available to be issued.

NOTE 3 - CASH, CASH EQUIVALENTS AND INVESTMENTS

CitiBank and U.S. Trust
Cash, cash equivalents and investment securities consist of the following at December 31, 2014:

	Cost	Fair Value	Unrealized Gains
Cash and cash equivalents	$ 21,528,377	$ 21,528,377	$ -
Equities	28,880,229	35,652,262	6,772,033
Bonds	129,473,736	133,806,342	4,332,606
Public real estate investment trusts	948,675	1,219,685	271,010
Total	$ 180,831,017	$ 192,206,666	$ 11,375,649

The maturities of the Trust's investment in bonds are as follows as of December 31, 2014:

	Less than One Year	After One Year to Five Years	After Five Years to Ten Years	After Ten Years	Total
Bonds	$ 13,680,947	$ 43,382,618	$ 52,394,559	$ 24,348,218	$ 133,806,342

Congoleum Corporation (the "Corporation")
In July 2010, in accordance with the terms of the settlement agreements, the Trust acquired 2,008,017 shares of the Corporation common stock. This investment was recorded at the fair value of the Corporation, based on an appraisal as of July 1, 2010, in accordance with the special-purpose basis of accounting described in Note 2.

On October 29, 2014, the Trust sold 1,362,065 shares of the Corporation for $500,000, Based on the prorata share of the fair value of the Corporation at the date acquired, the carrying basis of the shares sold was $3,616,089. The realized loss on this transaction amounted to $3,116,089.

Management reviewed the remaining 645,952 shares of the Corporation, with a carrying basis of $1,714,911 at year-end. Due to the level of uncertainty related to changes in the value of the Corporation, the remaining investment, which had an implied fair value of approximately $237,000, was written off.

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CONGOLEUM PLAN TRUST
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 4 - INSURANCE SETTLEMENTS RECEIVABLE

The receivable represents the remaining balance due from an insurance settlement negotiated in prior years. At December 31, 2014, the future scheduled payments to be received are as follows:

2015	$ 7,000,000
2016	7,000,000
	$ 14,000,000

NOTE 5 - FAIR VALUE OF FINANCIAL INSTRUMENTS

At December 31, 2014, investments measured at fair value on a recurring basis are summarized below:

Description	Assets Measured at Fair Value	Fair Value Hierarchy Level		
		Level 1	Level 2	Level 3
Cash and cash equivalents	$ 21,528,377	$ 21,528,377	$ -	$ -
Equities:				
Common stock	26,176,116	26,176,116	-	-
Mutual funds	9,476,146	9,476,146	-	-
Total equities	35,652,262	35,652,262	-	-
Bonds:				
Corporate	14,508,096	-	14,508,096	-
Municipal	115,876,752	-	115,876,752	-
International	3,421,494	-	3,421,494	-
Total bonds	133,806,342	-	133,806,342	-
Public real estate investment trusts	1,219,685	-	1,219,685	-
Total assets at fair value	$ 192,206,666	$ 57,180,639	$ 135,026,027	$ -

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CONGOLEUM PLAN TRUST
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 5 - FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

At December 31, 2014, equities consist of the following:

Common stock:		
Consumer discretionary	$	3,484,190
Consumer staples		1,575,710
Energy		2,110,410
Financials		4,949,824
Health care		3,864,702
Industrials		3,017,913
Information technology		5,202,908
Materials		838,960
Telecommunications		601,037
Utilities		530,462
Total common stock		26,176,116
Mutual funds:		
Large cap blend		4,855,136
Foreign large cap blend		1,216,800
Mid-cap blend		796,400
Small blend		684,360
Diversified emerging markets		1,923,450
Total mutual funds		9,476,146
Total equities	$	35,652,262

The table below sets forth a summary of changes in the fair value of the Trust's Level 3 assets for the year ended December 31, 2014:

Balance, beginning of the year	$	5,331,000
Realized loss		(3,116,089)
Loss on impairment		(1,714,911)
Proceeds from sale of investment		(500,000)
Balance, end of the year	$	-

NOTE 6 - CONTINGENT LIABILITIES

The Plan Documents (as defined in the Confirmed Plan) subject the Trust to certain reimbursement and indemnification obligations that may result in future claims against the Trust.

The probability of such claims cannot be reasonably determined. Accordingly, no associated liability has been recorded in the accompanying special-purpose financial statements. Such claims, if any, are not expected to be material.

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NOTE 7 - LIABILITY FOR ASBESTOS CLAIMS

The ultimate number of claims to be filed and the liability for all such claims are not determinable at this time. However, the Trustee's estimate of the liquidated value of future claims is approximately $1,092,970,000 (unaudited). These claims will be paid in accordance with the Payment Percentage at the time of the payment. As of December 31, 2014, the Payment Percentage was 12.5%.

The net claimants' equity at December 31, 2014 represents funding available for all claims for which no fixed liability has yet been established.

NOTE 8 - RISKS AND UNCERTAINTIES

The Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to these risks, it is possible that changes in the values of the investment securities will occur in the near term, and that such changes could have a material effect on the fair value of the investment amounts as stated on the special-purpose statement of assets, liabilities and net claimants' equity.

NOTE 9 - TRUSTEE FEE

The Trustee fee includes the Trustee's compensation, provided under Section 4.5 of the Congoleum Plan Trust Agreement, and compensation for services rendered regarding Congoleum, Inc., of which the Trust is the majority owner.

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