

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT NEW JERSEY**

In re: CONGOLEUM CORPORATION, Debtor. ¹	Chapter 11 Case No. 20-18488 (MBK) Jointly Administered
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SETTLEMENT AGREEMENT

WHEREAS, Congoleum Corporation, n/k/a CC Oldco Corporation², (“Old Congoleum”) filed with the United States Bankruptcy Court for the District of New Jersey (the “Bankruptcy Court”) a voluntary petition for relief under Title 11 of the United States Code (the “Bankruptcy Code”) on July 13, 2020 (the “Petition Date”), which has been administered as *In re: Congoleum Corporation*, Case No. 20-18488 (the “Bankruptcy Case”);

WHEREAS, the United States, on behalf of the United States Environmental Protection Agency (“United States”), has filed a proof of claim (Claim No. 166) (the “Henderson Proof of Claim”), contending Old Congoleum is liable under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), 42 U.S.C. §§ 9601-9675, for costs incurred and to be incurred by the United States in response to releases and threats of releases of hazardous substances at or in connection with the Henderson Road Superfund Site in Upper Merion Township, Montgomery County, Pennsylvania (the “Henderson Site”);

¹ The last four digits of the Debtor’s federal tax identification number are 8678. The mailing address for the above-captioned Debtor is CC Oldco Corporation c/o Dundon Advisers LLC, Attn: Matthew J. Dundon, 440 Mamaroneck Avenue, Fifth Floor, Harrison, New York 10528.

² Pursuant to the Confirmation Order approved by the Court dated January 11, 2021 [Docket No. 642], Congoleum Corporation’s name was changed to CC Oldco Corporation. [Docket No. 704]. All references to “Old Congoleum” herein shall include CC Oldco Corporation.

WHEREAS, the Galaxy/Spectron Remediation Group, LLC, filed a proof of claim (Claim No. 168) on behalf of the United States (the “Spectron Proof of Claim”) pursuant to Federal Rule of Bankruptcy Procedure 3005, contending that Old Congoleum is liable under CERCLA, 42 U.S.C. §§ 9601-9675, for costs incurred and to be incurred by the United States in response to releases and threats of releases of hazardous substances at or in connection with the Spectron, Inc. Superfund Site, in Cecil County, Maryland (the “Spectron Site”);

WHEREAS, both the Henderson Proof of Claim and the Spectron Proof of Claim assert the aforementioned response cost liability as a general unsecured claim;

WHEREAS, the Henderson Proof of Claim sets forth the United States’ position that Old Congoleum’s obligation to comply with work obligations, including but not limited to cleanup obligations, under court orders, administrative orders, environmental statutes, regulations, licenses, and permits is not dischargeable pursuant to Section 1141 of the Bankruptcy Code;

WHEREAS, Old Congoleum maintained various insurance policies with Liberty Mutual Insurance Company (“Liberty Mutual”) during periods between 1955 and 1987;

WHEREAS, Old Congoleum and Liberty Mutual entered into a Settlement Agreement, dated April 7, 1992 (“1992 Agreement”), to resolve certain disputes between those parties;

WHEREAS, the Liquidation Trust for Old Congoleum (“Liquidation Trust”) was formed pursuant to the First Amended Joint Plan of Liquidation of Congoleum Corporation and the Official Committee of Unsecured Creditors of Congoleum Corporation Pursuant to Chapter 11 of the Bankruptcy Code and the January 11, 2021 Order of the Honorable Michael B. Kaplan approving same (Doc No. 642), entered in the Bankruptcy Case;

WHEREAS, upon receipt of the proofs of claim relating to the Henderson Site and the Spectron Site, Old Congoleum made a demand on Liberty Mutual;

WHEREAS, Liberty Mutual asserts that it has no liability under policies that may have once covered Old Congoleum's environmental liability at the Henderson Site and Spectron Site, and that any such liability was exhausted as part of the 1992 Agreement;

WHEREAS, Liberty Mutual asserts that the following insurance policies are the only policies issued to Old Congoleum that have not met their aggregate limits: (i) LGI-641-004051-046; (ii) LGI-641-004051-040; (iii) LGI-612-004157-043; and (iv) LGI-612-004157-044 (collectively the "Applicable Policies");

WHEREAS, the United States disagrees with Liberty Mutual's assertions and asserts that the 1992 Agreement is not binding on the United States and that its claims relating to the Henderson Site and the Spectron Site fall within the Applicable Policies;

WHEREAS, Old Congoleum, the Liquidation Trust and Liberty Mutual disagree with the claims made by and/or on behalf of the United States in the Henderson Proof of Claim and the Spectron Proof of Claim and, but for this Settlement Agreement, would dispute those claims, in whole or in part, including those provisions in the Henderson Proof of Claim relating to the non-dischargeability of Old Congoleum's work obligations;

WHEREAS, Old Congoleum, the Liquidation Trust, Liberty Mutual, and the United States wish to resolve their differences with respect to the Henderson Proof of Claim and the Spectron Proof of Claim as provided herein;

WHEREAS, this Settlement Agreement is in the public interest and is an appropriate means of resolving these matters;

NOW, THEREFORE, without the admission of liability or the adjudication of any issue of fact or law, and upon the consent and agreement of the parties to this Settlement Agreement by their attorneys and authorized officials, it is hereby agreed as follows:

1. The Bankruptcy Court has jurisdiction over the subject matter hereof pursuant to 28 U.S.C. §§ 157, 1331, and 1334, and 42 U.S.C. §§ 9607 and 9613(b).

2. With respect to the Henderson Site, the United States shall have an allowed claim of \$423,169.50 (the “Henderson Allowed Claim”). The Henderson Allowed Claim shall be paid in full solely by Liberty Mutual, and any action brought by the United States for failing to pay the Henderson Allowed Claim in full shall be solely against Liberty Mutual. The United States shall not be entitled to any further payment relating to the Henderson Proof of Claim under the Plan or under any of the Liberty Mutual insurance policies identified in the list of policies attached as Exhibit 1 to this Settlement Agreement.

3. The United States may, in its sole discretion, deposit any distribution relating to the Henderson Allowed Claim it receives pursuant to this Settlement Agreement into a special account established by EPA for the Henderson Site or within the Hazardous Substance Superfund pursuant to Section 122(b)(3), 42 U.S.C. § 9622(b)(3), to be retained and used to conduct or finance response actions at or in connection with the Henderson Site, or to be transferred to the Hazardous Substance Superfund.

4. With respect to the Spectron Site, the United States shall have an allowed claim of \$26,154.91 (the “Spectron Allowed Claim”). The Spectron Allowed Claim shall be paid in full by Liberty Mutual, and any action brought by the United States for failing to pay the Spectron Allowed Claim in full shall be solely against Liberty Mutual. The United States shall not be entitled to any further payment relating to the Spectron Proof of Claim under the Plan or under any of the Liberty Mutual insurance policies identified in the list of policies attached as Exhibit 1.

5. The United States may, in its sole discretion, deposit any distribution relating to the Spectron Allowed Claim it receives pursuant to this Settlement Agreement into a special account established by EPA for the Spectron Site or within the Hazardous Substance Superfund pursuant to Section 122(b)(3), 42 U.S.C. § 9622(b)(3), to be retained and used to conduct or finance response actions at or in connection with the Spectron Site, or to be transferred to the Hazardous Substance Superfund.

6. For the avoidance of doubt, and notwithstanding anything to the contrary herein or in any other document or filing in connection with the Bankruptcy Case, the United States shall not be entitled to any distributions from the Liquidation Trust, and the Liquidation Trust shall not be directly responsible for any liabilities or amounts owed arising from this Settlement Agreement.

7. Liberty Mutual shall make all distributions to the United States pursuant to this Settlement Agreement at <https://www.pay.gov> or by FedWire Electronic Funds Transfer in accordance with instructions, including a Consolidated Debt Collection System (“CDCS”) number, to be provided to Liberty Mutual by the Financial Litigation Unit of the United States Attorney's Office for the District of New Jersey. At the time of any distribution pursuant to this Settlement Agreement, Liberty Mutual shall transmit written confirmation of such distribution to the United States, with a reference to Bankruptcy Case Number 20-18488, the CDCS number, and applicable Site/Spill ID Number 03A3 (Henderson Site) and Site/Spill ID Number 0306 (Spectron Site) and at the following email and mailing addresses:

EPA: By Email: CINWD AcctsReceivable@epa.gov
By Mail: EPA Cincinnati Finance Office
26 Martin Luther King Drive
Cincinnati, Ohio 45268.

DOJ: By Email: EESCaseManagement.ENRD@usdoj.gov
By Mail: EES Case Management Unit
Environment and Natural Resources Division
U.S. Department of Justice
Box 7611 Ben Franklin Station
Washington, DC 20044-7611

8. In consideration of the distributions that will be made under the terms of this Settlement Agreement, and except as specifically provided in Paragraphs 10 and 11 hereof, the United States covenants not to file a civil action or take administrative action against Old Congoleum or the Liquidation Trust for any of the claims referenced in the Henderson Proof of Claim, for any of the claims referenced in the Spectron Proof of Claim, or for any claims otherwise relating to the Henderson Site or the Spectron Site pursuant to Section 106 or 107 of CERCLA, 42 U.S.C. § 9606 or 9607.

9. Following receipt of the payments described in Paragraphs 2 and 4, the United States agrees not to seek from Liberty Mutual any insurance proceeds under any of the policies listed in Exhibit 1 for environmental claims relating to the Henderson Site or the Spectron Site. This paragraph extends only to Liberty Mutual and does not extend to any other person. Should the United States nonetheless seek any insurance proceeds under any of the policies listed in Exhibit 1 for environmental claims relating to the Henderson Site or the Spectron Site pursuant to any of the reservations set forth in Paragraph 11, other than for failure to meet a requirement of this Settlement Agreement, Liberty Mutual reserves all rights, claims, and defenses.

10. The covenant set forth in Paragraph 8 extends only to Old Congoleum and the Liquidation Trust and do not extend to any other person. Nothing in this Settlement Agreement is intended as a covenant for any person or entity other than Old Congoleum, the Liquidation Trust, and the United States. Except as set forth in this Settlement Agreement, the United States, Old

Congoleum, the Liquidation Trust, and Liberty Mutual expressly reserve all claims, demands, and causes of action, either judicial or administrative, past, present, or future, in law or equity, which they may have against all other persons, firms, corporations, entities, or predecessors of Old Congoleum for any matter arising at or relating in any manner to the Henderson Site or the Spectron Site. Further, nothing in this Settlement Agreement diminishes the right of the United States, pursuant to Sections 113(f)(2) and (3) of CERCLA, 42 U.S.C. §§ 9613(f)(2)-(3), to enter into any settlement that gives rise to contribution protection for any person not a party to this Settlement Agreement.

11. The covenant and agreement set forth in Paragraph 8 do not pertain to any matters other than those expressly specified therein. The United States expressly reserves, and this Settlement Agreement is without prejudice to, all rights against Old Congoleum, the Liquidation Trust, and Liberty Mutual with respect to all matters other than those set forth in Paragraph 8. The United States also specifically reserves, and this Settlement Agreement is without prejudice to, any action based on a failure to meet a requirement of this Settlement Agreement. In addition, the United States reserves, and this Settlement Agreement is without prejudice to, all rights against Old Congoleum or the Liquidating Trust with respect to the Henderson Site or the Spectron Site for liability under federal or state law for acts by Old Congoleum or the Liquidation Trust that occur after the date of lodging of this Settlement Agreement.

12. Nothing in this Settlement Agreement shall be deemed to limit the authority of the United States to take any response action under Section 104 of CERCLA, 42 U.S.C. § 9604, or any other applicable statute or regulation, or to alter the applicable legal principles governing judicial review of any action taken by the United States pursuant to such authority, provided, however, that nothing in this sentence affects the covenant set forth in Paragraph 8 or the

agreement in set forth in Paragraph 9. The Liquidating Trustee represents that he is not aware of any documents relating to the Henderson Site or Spectron Site held by the Liquidating Trust and agrees to give the United States 14 days' notice of the intent to abandon any of Old Congoleum's business records maintained by the Trust. Accordingly, the United States agrees that Old Congoleum is excused from the information-gathering authority of the United States under Sections 104 and 122 of CERCLA, 42 U.S.C. §§ 9604 and 9622, and any other applicable statute or regulation with respect to the Henderson and Spectron Sites; and that Old Congoleum is further excused from any disclosure or notification requirements imposed by CERCLA or any other applicable statute or regulation with respect to these Sites.

13. Old Congoleum, the Liquidation Trust and Liberty Mutual covenant not to sue and agree not to assert or pursue any claims or causes of action against the United States, including any department, agency, or instrumentality of the United States, with respect to the Henderson Site or the Spectron Site, including, but not limited to: (i) any direct or indirect claim for reimbursement from the Hazardous Substance Superfund established pursuant to 26 U.S.C. § 9507; (ii) any claim under Section 107 or 113 of CERCLA, 42 U.S.C. § 9607 or 9613, or Section 7002(a) of RCRA, 42 U.S.C. § 6972(a); or (iii) any claims arising out of response activities at the Henderson Site or the Spectron Site. Nothing in this Settlement Agreement shall be deemed to constitute preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.700(d).

14. Notwithstanding any other provision of this Settlement Agreement, Old Congoleum and the Liquidation Trust reserve, and this Settlement Agreement is without prejudice to, claims against the United States in the event any claim is asserted by the United States against Old Congoleum or the Liquidation Trust pursuant to any of the reservations set forth in Paragraph 11,

other than for failure to meet a requirement of this Settlement Agreement, but only to the extent that Old Congoleum's or the Liquidation Trust's claims arise from the same response action or response costs that the United States is seeking pursuant to the applicable reservation.

15. The parties hereto agree, and by entering this Settlement Agreement the Bankruptcy Court finds, that this Settlement Agreement constitutes a judicially-approved settlement pursuant to which Old Congoleum and the Liquidation Trust have, as of the Effective Date, resolved liability to the United States within the meaning of Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), and are entitled, as of the Effective Date, to protection from contribution actions or claims as provided by Section 113(f)(2) of CERCLA, or as may be otherwise provided by law, for the "matters addressed" in this Settlement Agreement. The "matters addressed" in this Settlement Agreement are all response actions taken or to be taken, and all response costs incurred or to be incurred, at or in connection with the Henderson Site or the Spectron Site by the United States or any potentially responsible parties. Notwithstanding the foregoing, the "matters addressed" in this Settlement Agreement do not include any claims for costs incurred prior to the Petition Date by any person, other than the United States, at or in connection with the Henderson Site or the Spectron Site for which a proof of claim was timely filed in the Chapter 11 case. If the United States exercises rights under the reservations in Paragraph 11, other than for failure to meet a requirement of this Settlement Agreement, the "matters addressed" in this Settlement Agreement shall no longer include those response costs or response actions that are within the scope of the exercised reservation. "Effective Date" means the date on which this Settlement Agreement is approved by the Bankruptcy Court.

16. This Settlement Agreement shall be subject to approval of the Bankruptcy Court. Old Congoleum or Liquidation Trust shall promptly seek approval of this Settlement Agreement under Bankruptcy Rule 9019 or applicable provisions of the Bankruptcy Code.

17. This Settlement Agreement shall be lodged with the Bankruptcy Court, either separately by the United States or as part of the request for approval under Bankruptcy Rule 9019 and shall thereafter be subject to a period of public comment following publication of notice of the Settlement Agreement by the United States in the *Federal Register*. After the conclusion of the public comment period, the United States will file with the Bankruptcy Court any comments received, as well as the United States' responses to the comments, and at that time, if appropriate, the United States will request approval of the Settlement Agreement. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Settlement Agreement disclose facts or considerations which indicate that the Settlement Agreement is not in the public interest.

18. If for any reason (a) the Settlement Agreement is withdrawn by the United States as provided in Paragraph 17, or (b) the Settlement Agreement is not approved by the Bankruptcy Court: (i) this Settlement Agreement shall be null and void, and the parties hereto shall not be bound under the Settlement Agreement or under any documents executed in connection herewith; (ii) the parties shall have no liability to one another arising out of or in connection with this Settlement Agreement or under any documents executed in connection herewith; and (iii) this Settlement Agreement and any documents prepared in connection herewith shall have no residual or probative effect or value.

19. If approved by the Bankruptcy Court, this Settlement Agreement constitutes a judicially-approved settlement pursuant to which Old Congoleum and the Liquidation Trust

have, as of the Effective Date, resolved liability to the United States within the meaning of Section 113(f)(3)(B) of CERCLA, 42 U.S.C. § 9613(f)(3)(B).

20. This Settlement Agreement constitutes the sole and complete agreement of the parties hereto with respect to the matters addressed herein.

21. This Settlement Agreement may not be amended except by a writing signed by all the parties and approved by the Bankruptcy Court.

22. This Settlement Agreement may be executed in counterparts, each of which shall constitute an original, and all of which shall constitute one and the same agreement.

23. Any notice relating to this Agreement shall be sent by email and first-class mail as set forth on the signature page of this Agreement, or as any Party may subsequently direct in writing.

24. The Bankruptcy Court shall retain jurisdiction over the subject matter of this Settlement Agreement and the parties hereto for the duration of the performance of the terms and provisions of this Settlement Agreement for the purpose of enabling any of the parties to apply at any time for such further order, direction, and relief as may be necessary or appropriate for the construction or interpretation of this Settlement Agreement or to effectuate or enforce compliance with its terms.

The undersigned party hereby enters into this Settlement Agreement in *In re: Congoleum Corporation*, Case No. 20-18488 (Bankr. D.N.J.).

FOR THE UNITED STATES OF AMERICA:

ADAM R.F. GUSTAFSON
Principal Deputy Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice

Date: February 4, 2026

By:  _____

Matthew Indrisano
Senior Counsel
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611
Washington, DC 20044
Office: (202) 514-1398
Cell: (202) 353-5969
Matthew.indrisano@usdoj.gov

The undersigned party hereby enters into this Settlement Agreement in *In re: Congoleum Corporation*, Case No. 20-18488 (Bankr. D.N.J.).

FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY:

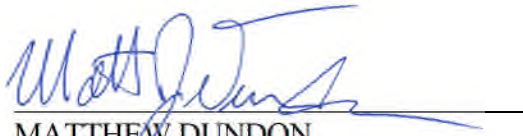
Date: _____

By: **CATHERINE LIBERTZ** Digitally signed by
CATHERINE LIBERTZ
Date: 2025.09.30
11:48:38 -04'00'
Catherine Libertz, Deputy Regional Administrator
U.S. Environmental Protection Agency, Region III
1600 John F. Kennedy Boulevard
Philadelphia, PA 19103
Office: (215)205-8852
libertz.catherine@epa.gov

The undersigned party hereby enters into this Settlement Agreement in *In re: Congoleum Corporation*, Case No. 20-18488 (Bankr. D.N.J.).

FOR OLD CONGOLEUM:

Date: August 31, 2025

By: 
MATTHEW DUNDON
Solely in his capacity as Liquidation Trustee of the
Congoleum Corporation Liquidation Trust and Sole
Officer of CC Oldco Corporation f/k/a Congoleum
Corporation, and not in his individual Capacity.

The undersigned party hereby enters into this Settlement Agreement in *In re: Congoleum Corporation*, Case No. 20-18488 (Bankr. D.N.J.).

FOR LIBERTY MUTUAL INSURANCE COMPANY:

Date: 9/3/2025

By: Melissa Arkwell

Melissa Arkwell
Sr. Vice President
Resolute Management Inc. (duly authorized agent of
Liberty Mutual Insurance Company)
125 High Street, Suite 1010
Boston, MA 02110
Markwell@ResoluteMgmt.com

Exhibit 1

Policy Number	Inception Date	Expiration Date
LGI 641 004051 046	March 1, 1976	January 1, 1977
LGI 641 004051 047	January 1, 1977	January 1, 1978
LGI 641 004051 048	January 1, 1978	January 1, 1979
LGI 641 004051 049	January 1, 1979	January 1, 1980
LGI 641 004051 040	January 1, 1980	January 1, 1981
LGI 641 004051 041	January 1, 1981	January 1, 1982
LGI 641 004051 042	January 1, 1982	January 1, 1983
LGI 641 004051 043	January 1, 1983	January 1, 1984
LGI 641 004051 044	January 1, 1984	January 1, 1985
LGI 641 004051 045	January 1, 1985	January 1, 1986