

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A	This return/report is for: ☐ a multiemployer plan; ☒ a single-employer plan; ☐ a multiple-employer plan; or ☐ a DFE (specify) ____
B	This return/report is: ☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information
1a	Name of plan TARKETT RETIREMENT PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 12/31/2000
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) TARKETT INC. 1139 LEHIGH AVENUE WHITEHALL, PA 18052
2b	Employer Identification Number (EIN) 74-2706630
2c	Sponsor's telephone number 610-266-5500
2d	Business code (see instructions) 339900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2010	SHANETTE THOMPSON-BARNER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2010	SHANETTE THOMPSON-BARNER
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") TARKETT INC. 1139 LEHIGH AVENUE WHITEHALL, PA 18052	3b Administrator's EIN 74-2706630 3c Administrator's telephone number 610-266-5500
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN	
5 Total number of participants at the beginning of the plan year	5	1527
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	176
b Retired or separated participants receiving benefits.....	6b	686
c Other retired or separated participants entitled to future benefits.....	6c	551
d Subtotal. Add lines 6a , 6b , and 6c	6d	1413
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	110
f Total. Add lines 6d and 6e	6f	1523
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	3
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1G 1I

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
(2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
(2) ☐ **I** (Financial Information – Small Plan)
(3) ☐ **A** (Insurance Information)
(4) ☒ **C** (Service Provider Information)
(5) ☐ **D** (DFE/Participating Plan Information)
(6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>TARKETT RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>TARKETT INC.</u>	D Employer Identification Number (EIN) <u>74-2706630</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2009</u>
2	Assets:
a	Market value 2a <u>35006728</u>
b	Actuarial value 2b <u>38507401</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>779</u> <u>33625127</u>
b	For terminated vested participants 3b <u>556</u> <u>8794923</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>136525</u>
(2)	Vested benefits 3c(2) <u>4918658</u>
(3)	Total active 3c(3) <u>192</u> <u>5055183</u>
d	Total 3d <u>1527</u> <u>47475233</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>8.20</u> %
6	Target normal cost 6 <u>400000</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>10/11/2010</u>
Signature of actuary	Date
<u>KAREN KWAN</u>	<u>08-05559</u>
Type or print name of actuary	Most recent enrollment number
<u>AON CONSULTING, INC.</u>	<u>212-441-2000</u>
Firm name	Telephone number (including area code)
<u>199 WATER ST. 12TH FLOOR</u> <u>NEW YORK, NY 10038</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	0	0
10	Interest on item 9 using prior year's actual return of <u>-24.39</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		200173
b	Interest on (a) using prior year's effective rate of <u>6.10</u> %		12211
c	Total available at beginning of current plan year to add to prefunding balance		212384
d	Portion of (c) to be added to prefunding balance.....		212384
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	212384

Part III Funding percentages			
14	Funding target attainment percentage.....	14	80.66 %
15	Adjusted funding target attainment percentage.....	15	80.66 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	84.30 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2009	459973				
07/15/2009	459973				
10/15/2009	459973				
01/15/2010	459973				
09/14/2010	279032				
			Totals ►	18(b)	2118924
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 1990949
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 64
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	400000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	9180216	1803281
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	2203281
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	212332
36 Additional cash requirement (item 34 minus item 35).....	36	1990949
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	1990949
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan TARKETT RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 TARKETT INC.	D Employer Identification Number (EIN) 74-2706630

Part I

Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

AON CONSULTING

22-2945469

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	171721	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

THE VANGUARD GROUP

23-1945930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	NONE	49570	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

AON INVESTMENT CONSULTING

59-2706923

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	48095	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

MCGLADREY & PULLEN, LLP

42-0714325

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	14438	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

LITTLER MENDELSON, P.C.

94-2602731

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	6256	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan TARKETT RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 TARKETT INC.	D Employer Identification Number (EIN) 74-2706630	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	358916	739005
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	659388	772365
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	34417678	39241142
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	35435982	40752512

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	419253	43624
k Total liabilities (add all amounts in lines 1g through 1j)	1k	419253	43624

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	35016729	40708888
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	2118924	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2118924

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	3576	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		3576

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	7817123	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	8059444	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-242321

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	7318474	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		7318474
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		1098922
c Other income.....	2c		306
d Total income. Add all income amounts in column (b) and enter total.....	2d		10297881

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4147086	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		4147086
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	246160	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	49570	
(4) Other	2i(4)	162906	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		458636
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		4605722

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		5692159
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MCGLADREY & PULLEN, LLP

(2) EIN: 42-0714325

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>TARKETT RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>TARKETT INC.</u>	D Employer Identification Number (EIN) <u>74-2706630</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>23-1945930</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>1</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☒ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 60% Investment-Grade Debt: 38% High-Yield Debt: _____% Real Estate: _____% Other: 2%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

McGladrey & Pullen

Certified Public Accountants

Tarkett Retirement Plan

Financial Report
December 31, 2009

Tarkett Retirement Plan

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Pension Administration Committee
Tarkett Retirement Plan
Whitehall, Pennsylvania

We were engaged to audit the accompanying statements of net assets available for benefits of Tarkett Retirement Plan (the Plan) as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the years then ended, and the supplemental schedule of assets (held at end of year) as of December 31, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Notes 4 and 5, which was certified or provided by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. As disclosed in Note 4, the Plan Administrator has obtained certifications from the trustee regarding the completeness and accuracy of the investment information provided to the Plan Administrator by the trustee as of and for the years ended December 31, 2009 and 2008.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

McGladrey & Pullen, LLP

Blue Bell, Pennsylvania
October 12, 2010

Tarkett Retirement Plan

Statements of Net Assets Available for Benefits December 31, 2009 and 2008

	2009	2008
Assets		
Investments, at fair value	\$ 40,013,507	\$ 35,077,066
Employer contribution receivable	739,005	358,916
Total assets	40,752,512	35,435,982
 Liabilities		
Administrative expenses payable	43,624	419,253
Net assets available for benefits	<u>\$ 40,708,888</u>	<u>\$ 35,016,729</u>

See Notes to Financial Statements.

Tarkett Retirement Plan

Statements of Changes in Net Assets Available for Benefits Years Ended December 31, 2009 and 2008

	2009	2008
Additions		
Investment income (loss)		
Net appreciation (depreciation) in fair value of investments	\$ 7,076,153	\$ (13,145,535)
Interest and dividend income	1,102,803	1,680,803
Total investment income (loss)	8,178,956	(11,464,732)
Employer contribution	2,118,924	1,798,916
Total additions (reductions)	10,297,880	(9,665,816)
Deductions		
Benefits paid to participants	4,147,086	4,100,218
Administrative expenses	458,635	471,080
Total deductions	4,605,721	4,571,298
Net increase (decrease)	5,692,159	(14,237,114)
Net assets available for benefits:		
Beginning	35,016,729	49,253,843
Ending	\$ 40,708,888	\$ 35,016,729

See Notes to Financial Statements.

Tarkett Retirement Plan

Notes to Financial Statements

Note 1. Description of the Plan

The following brief description of the Tarkett Retirement Plan ("the Plan") provides only general information. Participants should refer to the Plan document for more a complete description of the Plan's provisions.

General: The Plan became effective December 31, 2000. It is a non-contributory defined benefit plan that provides retirement, death and disability benefits for (1) substantially all employees of (i) Tarkett, Inc. (U.S.), (ii) Tarkett USA Inc., (iii) Domco Products Texas Inc., (iv) Tarkett Alabama Inc. and (v) U.S. resident employees of Tarkett Inc. (Canada) (hereafter the "Company"), who are not covered by a collective bargaining agreement, and (2) substantially all Tarkett, Inc. (U.S.) employees who were members of the (i) Graphic Communications International Union, Local #14, (ii) International Brotherhood of Teamsters, Local #445, or (iii) United Paperworkers International, Local #691. Effective December 31, 2005, active employees of Domco Products Texas Inc. were employed by Texas Tile Manufacturing LLC, a newly created entity and related party of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and is administered by the Pension Administration Committee whose members are appointed by the Board of Directors of Tarkett, Inc. The Pension Administration Committee has the authority to carry out the provisions of the Plan, including the authority to interpret Plan provisions, decide on questions of eligibility, and direct the disbursement of benefits in accordance with the provisions of the Plan.

Effective December 31, 2005, the Company froze all benefits under the Plan and froze eligibility into the Plan. As a result, no participant has accrued credited service under the plan after December 31, 2005. This amendment has been considered in determining the accumulated benefit information (Note 3).

Funding Policy: The Company makes all contributions to the Plan. Contributions by participants are not permitted. The Plan met the Employee Retirement Income Security Act of 1974 (ERISA) minimum funding requirements as of December 31, 2009 and 2008.

Administrative Expenses: Administrative expenses consist of related accounting costs, investment management fees and other administrative fees.

Payments of Benefits: Participants may elect to receive pension benefits in the form of a single life annuity or joint and 50% or 75% survivor annuity. In addition, the Plan provides for optional minimum benefits under circumstances including a life annuity, contingent annuity, life annuity with guaranteed payment and single sum distribution. Special provisions apply in the event of death and termination of employment. The Plan provides a death benefit for the surviving spouse of a married participant and for the beneficiary of an unmarried participant equal to the accrued benefit of the deceased participant at the date of his death. If a participant's accrued benefit under the Plan has an actuarially equivalent present value of \$1,000 or less, the full amount of such benefit shall be payable in a lump-sum as soon as administratively feasible.

Salaried and non-bargaining unit employees with five or more years of service are entitled to monthly pension benefits beginning at normal retirement age (65) equal to the sum of 1% of their final average compensation (as defined in the Plan) after December 31, 2000 times their years of credited service plus their December 31, 2000 accrued benefit according to the prior applicable plan indexed with increases in average compensation. A participant's accrued benefit after December 31, 2005 is based on the credited service and final average compensation as of December 31, 2005. In calculating the accrued benefit of a participant who was transferred to Vails Gate Manufacturing LLC (a subsidiary of Tarkett, Inc. (U.S.)), service and compensation earned shall and will continue to count as credited service under the Plan until December 31, 2005 or the date of the participant's separation from service, if earlier.

Tarkett Retirement Plan

Notes to Financial Statements

Note 1. Description of the Plan (Continued)

Payments of Benefits (Continued): Effective December 31, 2000, benefits for active, retired or terminated employees who were participants in the Retirement Plan for Hourly Paid Employees of Tarkett, Inc. and members of the International Brotherhood of Teamsters, Local #445, became "frozen participants" in the Plan. Frozen participants are entitled to monthly pension benefits beginning at normal retirement age (65) equal to the number of years of credited service multiplied by an amount per year of service which is dependent upon the time of retirement and to which Local a participant belonged.

The Plan permits early retirement at ages 55 to 64. Early retirement pension benefits may commence either at retirement or upon the participant's normal retirement date. Benefits paid upon commencement of early retirement are reduced ratably based on the length of time between actual retirement and normal retirement. Frozen participants are 100% vested on their retirement date and eligible for deferred vested pension benefits, payable after their retirement date.

In response to the Federal Pension Protection Act of 2006 requirement that certain benefit restrictions be imposed on pension plans when plan assets are not at least equal to a certain minimum percentage of plan liabilities, restrictions were placed on certain optional forms of benefit payments. For Plan participants whose annuity starting date is on or after April 1, 2009, the benefit payable under certain optional forms of payment permitted to be currently distributed is limited to 50% of the participant's benefit or the value of the Pension Benefit Guaranty Corporation (PBGC) (a U.S. Government agency) maximum guaranteed benefit, if less. The optional forms of payment subject to the limit include lump sum distributions, social security level income, and make up payments under the Plan's Retroactive Annuity Starting Date option. This restriction does not impact the total amount of benefit ultimately payable to participants, nor does it impact the amount of benefit currently payable to participants under the normal annuity form of payment or other optional annuity. For Plan participants who began receiving payments from the Plan prior to April 1, 2009, the amount or timing of benefit payments is not affected.

Vesting: After completion of five years of service, participants are 100% vested and eligible for deferred vested pension benefits, payable after their normal retirement date. A participant who is terminated prior to completion of five years of service is not entitled to benefits. All employees who terminated participation in the Plan as a result of the Company's transfer of employees to Texas Tile Manufacturing LLC were fully vested in their accrued benefits in the Plan as of December 31, 2005.

Plan Termination: The Company intends to continue the Plan indefinitely without interruption, but reserves the right to discontinue at any time. In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- i) Annuity benefits that former participants or their beneficiaries have been receiving for at least three years, or that participants eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan.

The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under the plan provisions in effect at any time during the five years preceding plan termination.

- ii) Other vested benefits insured by the PBGC up to the applicable limitations (discussed below).
- iii) All other vested benefits (that is, vested benefits not insured by the PBGC).
- iv) All nonvested benefits.

Tarkett Retirement Plan

Notes to Financial Statements

Note 1. Description of the Plan (Continued)

Plan Termination (Continued): Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

That ceiling, which is adjusted periodically, applies to pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in a form other than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at the time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting: The financial statements of the Plan are prepared under the accrual basis of accounting.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein and the actuarial present value of accumulated plan benefits as of the date of the financial statements. Actual results could differ from those estimates. The Plan uses an actuary to determine the actuarial present value of accumulated plan benefits. A change in the actuarial assumptions used could significantly change the amount of the actuarial present value of accumulated plan benefits reported in the accompanying financial statements.

Investment Valuation and Income Recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Net Appreciation (Depreciation) in Fair Value of Investments: The Plan presents in the statements of changes in net assets available for benefits the net appreciation (depreciation) in the fair value of investments, which consists of the net realized gains or losses and the unrealized appreciation or depreciation on these investments.

Contributions: Contributions from the Plan Sponsor are made to the trustee based upon actuarially determined amounts required to fund accrued pension costs and minimum funding requirements required by ERISA and the Plan instrument.

Benefit Payments: Benefit payments to participants are recorded upon distribution.

Administrative Expenses: Administrative expenses are paid for by the Plan.

Note 2. Summary of Significant Accounting Policies (Continued)

Accounting Standards Codification: In June 2009, the Financial Accounting Standards Board ("FASB") issued the Accounting Standards Codification ("ASC") which was effective for the Plan's December 31, 2009 financial statements. The ASC became the single source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of the financial statements in conformity with U.S. generally accepted accounting principles ("GAAP"). The ASC intended to recognize, rather than change, existing GAAP. Accordingly, previous references to GAAP accounting standards are no longer used in our disclosure including these notes to the financial statements.

Recently Issued Accounting Pronouncements: FASB Staff Position 157-4 *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability have Significantly Decreased and Identifying Transactions That Are Not Orderly*, amended ASC Topic 820, and had a significant impact on investment disclosures effective for years ended after June 15, 2009. It requires disclosures of inputs and valuation techniques used to measure fair value and discussion of changes in valuation techniques and related inputs, if any, and includes guidance on determining major security type ("category") for debt and equity securities required to be disclosed on the basis of "nature and risks" of the investment. See Note 5 for the impact of our adoption.

In September 2009, FASB issued Accounting Standards Update ("ASU") 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)*, which provides guidance on how entities should estimate fair value of certain alternative investments. The fair value of investments within the scope of this guidance can now be determined using net asset value ("NAV") per share as a practical expedient, when the fair value is not readily determinable, unless it is probable the investment will be sold at something other than NAV. It also requires disclosure of certain attributes by major category of alternative investments, regardless of whether the practical expedient was used. This amendment was effective for periods ending after December 15, 2009, with early adoption permitted. Management has determined that adoption has no impact on the financial statements.

In January 2010, FASB issued ASU 2010-06, *Fair Value Measurements and Disclosures – Improving Disclosures About Fair Value Measurements*, which requires new disclosures and reasons for transfers of financial assets and liabilities between Levels 1 and 2. This amendment also clarifies that fair value measurement disclosures are required for each class of financial assets and liabilities, and those disclosures should include a discussion of inputs and valuation techniques. It further clarifies that the reconciliation of Level 3 measurements should separately present purchases, sales, issuances, and settlements instead of netting these changes. With respect to matters other than Level 3 measurements, the amendment is effective for periods beginning on or after December 15, 2009. Management has determined that the adoption of this guidance with respect to matters other than Level 3 measurements had no impact on the financial statements. The guidance related to Level 3 measurements is effective for periods beginning on or after December 15, 2010 and has not yet been adopted. The Plan is currently evaluating the impact of the guidance related to Level 3 measurements on the financial statements.

Subsequent Events: Effective December 31, 2009, the Plan adopted the subsequent events requirements of the ASC. The ASC establishes general standards of accounting and disclosure events that occur after the statement of net assets available for benefits date but before the financial statements are issued or available to be issued. The Plan Administrator has evaluated its subsequent events (events occurring after December 31, 2009) through October 12, 2010, which represents the date the financial statements were available to be issued.

Tarkett Retirement Plan

Notes to Financial Statements

Note 3. Accumulated Plan Benefits and Actuarial Present Value of Accumulated Plan Benefits

Accumulated Plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated Plan benefits include benefits expected to be paid to: (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their highest five consecutive years of the last ten years of credited service. The accumulated plan benefits for active employees are based on their average compensation during the five years ending on the date as of which the Plan was frozen. Benefits payable under all circumstances – retirement, death, disability, and termination of employment, are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Participants who were active in the Retirement Plan for Hourly Paid Employees of Tarkett, Inc. were part of the International Brotherhood of Teamsters; Local # 445 is now covered under a separate Teamsters' Union plan and accrue no further benefits under this Plan for service after December 31, 2000. Benefits for all remaining eligible frozen participants or their beneficiaries' benefits are based on their years of credited service to December 31, 2005.

The actuarial present value of accumulated plan benefits is determined by an independent actuary and results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawals or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of December 31, 2008 is as follows:

Actuarial present value of accumulated plan benefits	
Vested benefits:	
Participants currently receiving payments	\$ 14,919,910
Other participants	35,686,867
	50,606,777
Non-vested benefits	161,498
Total actuarial present value of accumulated plan benefits as of December 31, 2008	<u><u>\$ 50,768,275</u></u>

A reconciliation of the actuarial present value of accumulated plan benefits as of December 31, 2007 to the actuarial present value of accumulated plan benefits as of December 31, 2008 for the Plan follows:

Actuarial present value of accumulated plan benefits at December 31, 2007	\$ 50,206,128
Benefits accumulated	966,071
Change in actuarial assumptions	81,813
Increase for interest due to decrease in discount period	3,614,481
Benefits paid	(4,100,218)
Net increase	562,147
Actuarial present value of accumulated plan benefits at December 31, 2008	<u><u>\$ 50,768,275</u></u>

The actuarial information included above is based on actuarial data as of January 1, 2009. There is no significant difference between December 31, 2008 and January 1, 2009.

Tarkett Retirement Plan

Notes to Financial Statements

Note 3. Accumulated Plan Benefits and Actuarial Present Value of Accumulated Plan Benefits (Continued)

The significant actuarial assumptions used in determining accumulated plan benefits as of January 1, 2009, are as follows:

- Mortality assumption - RP-2000 IRS PPA at 2009 Non-Annuitant/Annuitant Tables for Males and Females
- The funding valuation interest rate used for target liability purposes was changed from 5.31%, 5.92% and 6.43% to the Full Yield Curve for November 2008.
- Retirement - For active employees: 15% at age 60, 25% at age 62, and 100% at age 65 or current age if older, for terminated participants age 65.
- Actuarial Cost Method - Projected Unit Credit Method of valuation.
- Funding Target Normal Cost increased by estimated expenses of \$400,000.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 4. Information Certified by Vanguard Fiduciary Trust Company

The following is a summary of the investment information as of December 31, 2009 and 2008, and for the years then ended, included in the Plan's financial statements and supplemental schedule, that were prepared by or derived from information provided by the trustee and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the trustee that the information provided to the Plan Administrator by the trustee related to the following investments is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and supplemental schedule related to the following investments. Single investments representing more than 5% of the Plan's net assets available for benefits as of December 31, 2009 and 2008 are separately identified.

	2009	2008
Investments, at fair value:		
Vanguard Total Bond Market Index Fund	\$ 7,316,603	\$ 7,644,325
Vanguard Intermediate-Term Investment Grade Bond Fund	4,462,468	4,575,467
Vanguard Total International Stock Index Fund	4,878,793	3,839,873
Vanguard Primecap Fund	4,909,478	3,825,678
Vanguard Windsor Fund	4,911,861	3,878,040
Vanguard Total Stock Market Index Fund	9,813,911	7,627,865
Vanguard Short-Term Investment Grade Fund	2,948,028	3,026,430
Other investment certified by Vanguard	772,365 *	659,388 *
	<u>\$ 40,013,507</u>	<u>\$ 35,077,066</u>

* Investment balance does not exceed 5% of net assets available for benefits in the year indicated.

Tarkett Retirement Plan

Notes to Financial Statements

Note 4. Information Certified by Vanguard Fiduciary Trust Company (Continued)

Vanguard Fiduciary Trust Company also certified to the completeness and accuracy of \$7,076,153 and (\$13,145,535) of net appreciation and (depreciation) in fair value of investments and \$1,102,803 and \$1,680,803 of interest and dividends relates to the aforementioned investments for the years ended December 31, 2009 and 2008, respectively.

Note 5. Fair Value Measurements

ASC Topic 820, *Fair Value Measurements and Disclosures* ("ASC 820"), establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

An asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Money Market Fund: Value at amounts on deposit.

Registered Investment Companies: Valued at fair value based on the quoted market price of the fund.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Tarkett Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009 and 2008:

	Assets at Fair Value at December 31, 2009			
	Level 1	Level 2	Level 3	Total
Money Market Fund	\$ 772,365	\$ -	\$ -	\$ 772,365
Registered Investment Companies				
Fixed income	14,727,099	-	-	14,727,099
Domestic stock	19,635,250	-	-	19,635,250
International stock	4,878,793	-	-	4,878,793
Total assets at fair value	<u>\$ 40,013,507</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,013,507</u>
	Assets at Fair Value at December 31, 2008			
	Level 1	Level 2	Level 3	Total
Money Market Fund	\$ 659,388	\$ -	\$ -	\$ 659,388
Registered Investment Companies				
Fixed income	15,246,223	-	-	15,246,223
Domestic stock	15,331,582	-	-	15,331,582
International stock	3,839,873	-	-	3,839,873
Total assets at fair value	<u>\$ 35,077,066</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,077,066</u>

Note 6. Income Tax Status

The Internal Revenue Service ("IRS") issued a favorable determination letter dated September 27, 2002 advising that the Plan qualifies for tax-exempt status pursuant to the provisions of the Internal Revenue Code ("IRC"). The Pension Administrative Committee believes that the Plan, as subsequently amended, is designed and being operated in compliance with the applicable requirements of IRC. The Pension Administrative Committee will make any changes deemed necessary to ensure that the Plan is granted tax-exempt status.

The FASB issued new guidance on accounting for uncertainty in income taxes (ASC 740-10). The Plan adopted this new guidance for the year ended December 31, 2009. Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the Plan is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2006.

Note 7. Risks and Uncertainties

Credit risk arises from the potential for an issuer or other counterparty to default on its contractual obligations to the Plan. Investments are recorded at fair value. This represents the maximum credit risk exposure of the Plan.

Interest rate risk refers to the impact of interest rate changes on the Plan's financial position. Interest rate changes directly impact the fair value of fixed income securities held in the Plan. Interest rate changes will also have an indirect impact on the other investments in the Plan.

Market risk is the risk that the market value of an investment will fluctuate as a result of changes in market price.

Due to the level of risk associated with certain investment transactions, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statement of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Note 8. Party-in-Interest Transactions

Certain Plan investments are invested in funds managed by Vanguard, an affiliate of the Plan's trustee. Therefore, these transactions qualify as party-in-interest transactions.

Tarkett Retirement Plan

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2009

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
	Money Market Fund:			
*	Vanguard	Vanguard Prime Money Market Fund	\$ 772,365	\$ 772,365
	Registered Investment Companies:			
*	Vanguard	Vanguard Total Bond Market Index Fund	7,258,615	7,316,603
*	Vanguard	Vanguard Intermediate-Term Investment		
*	Vanguard	Grade Bond Fund	4,614,666	4,462,468
*	Vanguard	Vanguard Total International Stock Index Fund	3,687,127	4,878,793
*	Vanguard	Vanguard Primecap Fund	4,216,494	4,909,478
*	Vanguard	Vanguard Windsor Fund	5,733,847	4,911,861
*	Vanguard	Vanguard Total Stock Market Index Fund	7,901,011	9,813,911
*	Vanguard	Vanguard Short-Term Investment Grade Fund	2,924,245	2,948,028
			<u>\$ 37,108,370</u>	<u>\$ 40,013,507</u>

* A party-in-interest as defined by ERISA.

The above information has been certified by Vanguard Fiduciary Trust Company, the trustee, as complete and accurate.

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, line 22 - Description of Weighted Average Retirement Age

	(1)	(2)	(3)	(4)	(5)	(6)
	Retirement		Cumulative		Retirement	
Age	qx	px	px	= (1) * (3)	Age	= (4) * (5)
55	0.00	1.000000	1.000000	0.000000	55.0	0.000
56	0.00	1.000000	1.000000	0.000000	56.0	0.000
57	0.00	1.000000	1.000000	0.000000	57.0	0.000
58	0.00	1.000000	1.000000	0.000000	58.0	0.000
59	0.00	1.000000	1.000000	0.000000	59.0	0.000
60	0.15	0.850000	1.000000	0.150000	60.0	9.000
61	0.00	1.000000	0.850000	0.000000	61.0	0.000
62	0.25	0.750000	0.850000	0.212500	62.0	13.175
63	0.00	1.000000	0.637500	0.000000	63.0	0.000
64	0.00	1.000000	0.637500	0.000000	64.0	0.000
65	1.00	0.000000	0.637500	0.637500	65.0	41.438
Totals:				1.00000		63.613
Total of Column (6) / Total of Column (4), Rounded to nearest age:						64.000

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Cost Method

Traditional Unit Credit.

Asset Method

Prior: Market Value of Assets.

Current: The Actuarial Value of Assets is determined by using a 24-month average of the Market Value of Assets using 12-month intervals and smoothing investment gains or losses in accordance with WRERA. The resulting value must be within a 10% corridor of the Market Value of Assets.

Dates of Calculations

The Valuation Date is January 1, 2009.

Source of Data

Data is as of the valuation date and is supplied to us by the Employer.

Employees are assumed to work full time in all future years following the valuation date.

We rely on the Employer to inform us of any former participants who have been rehired and lost prior service because of the length of their break in service. These employees may have participation requirements different from other new employees.

Financial information was supplied to us by the Trustee.

Although we believe these to be accurate and complete, the data and financial information have not been audited by us.

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Interest Assumptions

Below is a summary of interest rates used for the current and prior valuation

Interest Rates		Current	Prior
(a)	PPA Funding Target	November 2008 Full Yield Curve	January 2008 Segment Rates 5.31%/5.92%/6.43%
(b)	Effective Interest Rate	8.20%	6.10%

Decrement Assumptions

Below is a summary of decrements used in this valuation.

Mortality Decrements	Current	Prior
Funding Target	RP-2000 IRS PPA @ 2009 Non Annuitant/Annuitant Tables for Males & Females	RP-2000 IRS PPA @ 2008 Non Annuitant/Annuitant Tables for Males & Females

The weighted average retirement age is 64. Turnover rates are used for each group of employees. Domco Salaried uses the Crocker T-5 table less '51 GAM mortality. Domco Hourly uses the Crocker T-3 table less '51 GAM mortality. Sample termination rates for Tarkett (non-Domco) employees are illustrated in the table below. Disability rates are used for Tarkett (non-Domco) employees only. Sample disability rates for Tarkett (non-Domco) employees are illustrated in the table below. Retirement rates for all employees are also shown below.

—Retirement—		—Disability—			—Termination—		
Decrement		Decrement	Male	Female	Decrement	Male	Female
Age	Rates	Age	Rates	Rates	Age	Rates	Rates
60	0.150000	20	0.000770	0.000770	20	0.200000	0.200000
62	0.250000	25	0.000770	0.000770	25	0.095000	0.095000
65	1.000000	30	0.000910	0.000910	30	0.055000	0.055000
		35	0.001160	0.001160	35	0.050000	0.050000
		40	0.001160	0.001160	40	0.045000	0.045000
		45	0.002030	0.002030	45	0.039000	0.039000
		50	0.003580	0.003580	50	0.035000	0.035000
		55	0.006170	0.006170	55	0.000000	0.000000
		60	0.010750	0.010750			

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

Expenses

Prior: None

Current: Funding Target Normal Cost increased by estimated expenses of \$400,000.

Form of Benefit Payment

100% of participants are assumed to elect the Normal Form.

For the purpose of valuing death benefits, 80% of the employees are assumed to be married.
Wives are assumed to be 4 years younger than their husbands.

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, line 25 - Change in Method

Effective with the 2009 plan year, Aon Consulting changed actuarial software from an internal software program to ProVal, an externally maintained software system. In accordance with Announcement 2010-3, this change qualifies for automatic approval since:

- a. The changes in funding target and target normal cost were each within 2%.
- b. The underlying methods were unchanged from those used on the prior year's Schedule SB without regard to methods already receiving automatic approval.
- c. The calculations determined with this software are no less accurate than those produced under the prior valuation system.
- d. The change was not made in conjunction with a change in enrolled actuary and actuarial firm.
- e. The new valuation software is generally used by the enrolled actuary for the single-employer plans to which the enrolled actuary provides actuarial services.

The asset valuation method was changed from market value to a 24 month average of the market value of assets using 12 month intervals, and further adjusted to remain within a 10% corridor of the market value.

The funding valuation interest rate used for target liability purposes was changed from the segment interest rates of 5.31%, 5.92% and 6.43% to the Full Yield Curve for November 2008 (average of the rates for the month of October 2008).

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, line 26 - Schedule of Active Participant Data

Age	Years of Credited Service as of January 1, 2009										
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total
Under 25	0	0	0	0	0	0	0	0	0	0	0
25-29	0	3	0	0	0	0	0	0	0	0	3
30-34	1	6	7	0	0	0	0	0	0	0	14
35-39	0	6	11	9	3	0	0	0	0	0	29
40-44	0	7	10	11	8	2	0	0	0	0	38
45-49	0	1	10	10	7	9	2	0	0	0	39
50-54	0	4	5	3	4	8	3	1	0	0	28
55-59	0	0	5	1	1	2	2	8	5	0	24
60-64	0	0	3	0	4	4	0	1	2	0	14
65-69	0	0	1	0	1	0	0	0	0	0	2
70 & up	0	0	0	0	0	0	1	0	0	0	1
Total	1	27	52	34	28	25	8	10	7	0	192

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, line 32 - Schedule of Amortization Bases

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	\$7,668,836	1/1/2008	6	\$1,534,108
Shortfall	\$1,511,380	1/1/2009	7	\$ 269,173
Total				\$1,803,281

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009**This Form is Open to Public
Inspection**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

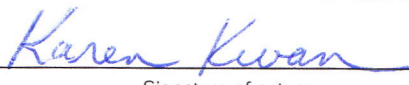
A Name of plan Tarkett Retirement Plan	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Tarkett Inc.	D Employer Identification Number (EIN) 74-2706630
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2009</u>		
2 Assets:		
a Market value.....	2a	35,006,728
b Actuarial value.....	2b	38,507,401
3 Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 779	33,625,127
b For terminated vested participants.....	3b 556	8,794,923
c For active participants:		
(1) Non-vested benefits.....	3c(1)	136,525
(2) Vested benefits.....	3c(2)	4,918,658
(3) Total active.....	3c(3) 192	5,055,183
d Total.....	3d 1,527	47,475,233
4 If the plan is at-risk, check the box and complete items (a) and (b)..... ☐		
a Funding target disregarding prescribed at-risk assumptions.....	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b	
5 Effective interest rate.....	5	8.20 %
6 Target normal cost.....	6	400,000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		<u>10/11/10</u>
	Signature of actuary	Date
Karen Kwan	Type or print name of actuary	08-05559
Aon Consulting, Inc.	Firm name	Most recent enrollment number
199 Water St. 12th Floor		(212) 441-2000
New York	NY 10038	Telephone number (including area code)
	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐**For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.****Schedule SB (Form 5500) 2009**
v.092308.1

Part II	Beginning of year carryover and prefunding balances
1	1
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	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8).....	0	0
10 Interest on item 9 using prior year's actual return of <u>(24.39)</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		200,173
b Interest on (a) using prior year's effective rate of <u>6.10</u> %		12,211
c Total available at beginning of current plan year to add to prefunding balance		212,384
d Portion of (c) to be added to prefunding balance.....		212,384
12 Reduction in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	212,384

Part III	Funding percentages
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14	Funding target attainment percentage.....	14	80.66 %
15	Adjusted funding target attainment percentage.....	15	80.66 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	84.30 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV	Contributions and liquidity shortfalls
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18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees		
04/15/2009	459,973						
07/15/2009	459,973						
10/15/2009	459,973						
01/15/2010	459,973						
09/14/2010	279,032						
			Totals ►	18(b)	2,118,924	18(c)	0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1,990,949

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

C If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 64
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29).....	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	400,000
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	9,180,216	1,803,281
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33).....	34	2,203,281
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	212,332
36 Additional cash requirement (item 34 minus item 35).....	36	1,990,949
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	1,990,949
38 Interest-adjusted excess contributions for current year (see instructions).....	38	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

The following summary describes principal plan provisions assumed in calculating the cost of your pension plan.

General Information

Effective Date:	January 1, 2002 with some provisions having earlier effective dates to comply with applicable law
Plan Year:	January 1st to December 31st
Employer Fiscal Year:	January 1st to December 31st
Freeze Date:	December 31, 2005
Employer ID Number:	74-2706630
Plan Number:	001

Entry Date

For employees hired prior to January 1, 2001, the entry date is the date of hire. For employees hired on or after January 1, 2001, the entry date is the date an employee has attained age 21 and completed one year of service.

Eligibility

Any participant in a prior plan or any employee of a Tarkett, Inc. affiliated company that has joined this plan. Prior Plans include:

- Tarkett, Inc. Retirement Plan for Salaried Employees
- Tarkett, Inc. Retirement Plan for Hourly Paid Employees
- Domco, Inc. Retirement Plan for Salaried Employees
- Domco, Inc. Retirement Plan for Nonbargaining Unit Employees

Credited Service

Years and months of employment with Tarkett, Inc. and affiliated companies participating in the Plan. Credited service as of December 31, 2000 shall be determined in accordance with Prior Plan rules.

Normal Retirement Date

First day of the month coinciding with or next following the later of the date a Participant reaches age 65 and 5 years of Credited Service.

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

Normal Retirement Benefit

1% of Average Compensation times Credited Service after 12/31/2000 plus 12/31/2000 accrued benefit according to prior plan indexed with increases in Average Compensation.

Special rules apply to some grandfathered participants' Prior Plan benefits.

Late Retirement Date

The date, following Normal Retirement Date, a Participant actually retires.

Late Retirement Benefit

Benefit equal to the Normal Retirement Benefit calculated at Late Retirement Date.

Early Retirement Date

First day of the month coinciding with or next following the date a Participant reaches age 55 and completes 5 years of Credited Service (10 years of Credited Service for Prior Tarkett Hourly Plan participants).

Early Retirement Benefit

At the election of the Participant, benefit may commence early and is equal to Accrued Benefit reduced by 1/3% for each month prior to age 65 (with different reductions for Prior Tarkett Hourly Plan participants).

Compensation

Annual basic compensation received from the Employer in a calendar year, including overtime payments, commissions, bonuses, etc., as reported on Form W-2 for Federal Income Tax purposes. Compensation for each year shall not exceed the IRC Section 401(a)(17) limit.

Average Compensation

Average of the 5 highest consecutive calendar years of Compensation during the last 10 years of employment.

Accrued Benefit

The Accrued Benefit at any time prior to a participant's Normal Retirement Date shall be the Normal Retirement Benefit calculated using Average Compensation and Credited Service as of the accrual date.

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

Disability Retirement Benefit

All participants who have attained age 50 with ten years of Credited Service and entitled to Social Security disability benefits, with some special rules for Prior Tarkett Hourly Plan participants, may retire and receive a disability retirement benefit calculated as the actuarial equivalent of his Accrued Benefit as of the date of disability. Payments may commence the first day of any future month after his disability date and before his normal retirement date.

Pre-Retirement Death Benefit

The spouse of a married participant is eligible if the participant dies after satisfying the eligibility requirements for vested benefits.

The benefit is calculated as if member elected Early Retirement the day before death and chose a 100% Joint & Survivor Annuity option; 100% of member's benefit is payable to spouse commencing on the earliest date the member would have been eligible to receive immediate payments.

Severance Benefit

Upon the termination of employment a participant shall have a vested interest in his Accrued Benefit which will be payable at Normal Retirement Date according to the table below:

Condition	Vested Percent
Attained age 65	100%
5 Years of Service	100%
All other cases	0%

Normal Form of Payment

The Normal Form of Payment is an annuity paid in monthly installments for life.

Optional Methods of Settlement

All Optional Methods of Settlement are actuarially equivalent to the Normal Form of Payment. If a married participant does not elect the Normal Form of Payment or does not elect one of the Optional Methods of Settlement described below, then the participant's Retirement Benefit shall automatically be paid under option (1) below. The options are:

- (1) A reduced benefit to be paid during the participant's lifetime with 50% (100% for Tarkett Hourly Plan participants) of the reduced benefit to be continued to his spouse for her lifetime after his death.

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, Part V - Summary of Plan Provisions

- (2) A reduced benefit to be paid during the participant's lifetime with 75% or 100% of the reduced benefit to be continued to his spouse for her lifetime after his death.
- (3) A reduced benefit to be paid for (60, 120 or 240) Months Certain and thereafter for life.

All Optional Methods of Settlement are actuarially equivalent to the Normal Form of Payment based on the 1983 Group Annuity Mortality Table for Males and Females and an interest rate of 7.5%.

Additional Information

The above description is a summary only; for additional details, reference should be made to the formal Plan document.

Plan Sponsor: Tarkett Inc.
Plan Name: Tarkett Retirement Plan
EIN: 74-2706630
Plan Number: 001

Schedule SB, line 24 - Change in Actuarial Assumptions

An expense assumption of \$400,000 was included in this year's valuation. No expenses were assumed in the prior year's valuation.

Tarkett Retirement Plan

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2009

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
	Money Market Fund:			
*	Vanguard	Vanguard Prime Money Market Fund	\$ 772,365	\$ 772,365
	Registered Investment Companies:			
*	Vanguard	Vanguard Total Bond Market Index Fund	7,258,615	7,316,603
*	Vanguard	Vanguard Intermediate-Term Investment		
*	Vanguard	Grade Bond Fund	4,614,666	4,462,468
*	Vanguard	Vanguard Total International Stock Index Fund	3,687,127	4,878,793
*	Vanguard	Vanguard Primecap Fund	4,216,494	4,909,478
*	Vanguard	Vanguard Windsor Fund	5,733,847	4,911,861
*	Vanguard	Vanguard Total Stock Market Index Fund	7,901,011	9,813,911
*	Vanguard	Vanguard Short-Term Investment Grade Fund	2,924,245	2,948,028
			<u>\$ 37,108,370</u>	<u>\$ 40,013,507</u>

* A party-in-interest as defined by ERISA.

The above information has been certified by Vanguard Fiduciary Trust Company, the trustee, as complete and accurate.