



August 8, 2008

Technical Director
File Reference No 1025-300
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116



LETTER OF COMMENT NO. 183

Re: Exposure Draft on Disclosures of Certain Loss Contingencies
File Reference No. 1600-100

You should be receiving letters from The Standards Subcommittee of the Committee on Private Companies (CPC) of Financial Executives International (FEI) and MAPI. Pella Corporation agrees with many of the points made in both of these letters. It is believed that adoption of this exposure draft in its present form would create additional costs and require considerably more time and effort to achieve compliance on behalf of Companies in both the public and private sectors.

Additionally, below are some of our key issues with the exposure draft, many of which are covered in the above referenced letters:

1. Disclosing information too specific to the potential loss contingencies involving litigation could actually be detrimental to companies as this could provide considerable leverage for plaintiffs in litigation (especially against public companies) and increase the frequency of disputes in litigation on privilege and discoverability.
2. Omission of gain contingencies in this exposure draft results in inconsistent treatment of similar type of issues where the Company initiated litigation as the Plaintiff, the end result of the case could be underestimated.
3. This will create more costs and efforts required for compliance (internal staff, external auditors, outside legal counsel) with minimal benefits to the users of reported Financial Statements (the costs to implement will greatly exceed any benefits).
4. The exposure draft appears to be more geared towards public companies and does not address the needs of private companies. With respect to the income tax treatment of this exposure draft, substantially more effort and cost will be required for compliance when, as an example, S Corps have limited income tax exposure and calculation of the tax effect is difficult. S Corps are very common among private companies.
5. Given the convergence of GAAP towards IFRS, would it make sense to wait to see if the changes proposed in this exposure draft would be proposed as part of the on-going convergence of GAAP and IFRS? This would ensure that only one change process would be needed rather than two.

We appreciate the opportunity to comment on this exposure draft and trust you will seriously consider these points, as well as those from FEI and MAPI, under advisement.

Sincerely,

Sam logha
Corporate Controller
Pella Corporation

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