FRANK J. FAHRENKOPF, JR. President & CEO

August 5, 2008

BY ELECTRONIC MAIL: director@fasb.org

LETTER OF COMMENT NO. 31

Mr. Robert H. Herz, Chairman Financial Accounting Standards Board 401 Merritt 7 Norwalk, CT 06856-5116

RE: Disclosure of Loss Contingencies -

Proposed Amendments to FASB Statements Nos. 5 and 141(R)

(File Reference No. 1600-100)

Dear Mr. Herz:

On behalf of the American Gaming Association (AGA), I am writing to express the very serious concern of AGA's member companies in the U.S. gaming industry over the proposed revisions to FASB Statements of Accounting Standards Nos. 5 and 141(R) with respect to the disclosure of loss contingencies.

AGA is a nonprofit trade association that represents the commercial casino entertainment industry in addressing federal legislative and regulatory issues and other national matters of interest to the industry. AGA also serves as a clearinghouse for information, develops educational and advocacy programs, and provides industry leadership in addressing issues of public concern. AGA has 9 casino members which own or operate more than 150 gaming properties throughout the United States, employing 222,332 workers nationally, and accounting for approximately 62% of the country's commercial gaming revenue.

Our members are concerned that the proposed amendments, particularly with respect to FAS No. 5, are significantly overbroad, requiring disclosure of loss contingencies that are quite unlikely to occur and then mandating such specificity about the nature, timing, and amount of the expected outcome as to reveal the corporation's approach and strategy for addressing the claim upon which the loss contingency is based.

The proposed amendments would abandon the current threshold for disclosure that requires that the occurrence of the loss contingency be "at least reasonably possible", in favor of now disclosing all loss contingencies unless the possibility of their realization would be remote. It is difficult for us to understand how the longstanding concept of "reasonableness" can be so readily tossed aside. Since assessment of each loss contingency is inherently a judgment based on the specific facts and circumstances, "reasonableness" provides a sensible overarching principle to guide such a fact-based judgment. To now require disclosure of all loss

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contingencies – however unreasonable – unless shown to be "remote" will convert the disclosure exercise to one of mere tabulation of claims and contingencies, mixing the worthy and unlikely in a single confused tangle that obscures the probable.

We have similar concerns regarding the proposed expansion of the nature of the disclosure with respect to a particular loss contingency. As proposed, the new standard would require detailed disclosure regarding the expected most likely outcome, the anticipated timing of resolution of the contingency, and the significant assumptions used to estimate the ultimate amount of the claim. We are very concerned that such a detailed disclosure will unduly compromise the ability of the corporation to protect itself and its shareholders, in the context of an adversary proceeding, with respect to the corporation's strategy and response to the claim giving rise to the loss contingency. While the proposed revisions do seek to ameliorate this concern by providing for some aggregation of information in the disclosure, we are concerned that such relief does not afford sufficient protection against prejudice to the corporation's interests in responding to such claim. Accordingly, we strongly urge that the Board revisit the nature of the required disclosures themselves regarding the corporation's assessment of what may happen next.

We appreciate the opportunity to offer our views on these very important issues.

Sincerely,

Frank J. Fahrenkopf, Jr.

President and Chief Executive Officer