RPM INTERNATIONAL INC. • 2628 Pearl Road • P.O. Box 777 • Medina, Ohio 44258 • 330-273-5090 • FAX 330-225-6574

Shelly K. Hillyer
Associate General Counsel

August 8, 2008

LETTER OF COMMENT NO. 114

Via Electronic Mail (director@fasb.org)

Mr. Robert H. Herz
Chairman
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Re: Proposed Statement of Financial Accounting Standards - Disclosure of Certain Loss Contingencies (File Reference No. 1600-100)

Dear Ladies and Gentlemen:

RPM International Inc. ("RPM") strongly urges the FASB to reject the proposed amendment to FAS 5. RPM wholly supports the reporting of information relating to loss contingencies that will aid investors in their investment decisions. We believe the current FAS 5 standard satisfies this goal. The proposed amendment, however, would certainly fail in achieving this fundamental purpose of FAS 5. Disclosure of value assessments of claims where a loss is less than probable would not provide an investor with helpful information germane to an investment decision. To the contrary, it would inundate investors with volumes of immaterial, extraneous and worthless information; more likely overwhelming and impeding the decision-making process.

With state courts unwilling to impose Rule 11 sanctions against plaintiffs' attorneys for the filing of frivolous claims and increasingly reluctant to dismiss meritless claims, defendants are compelled to defend themselves even against the most dubious and specious lawsuits. The proposed amendment to FAS 5 would not only fail to aid investors in their investment decisions, the practical effect of the amendment would be to benefit further the plaintiffs' trial bar to the extreme prejudice of the defendant.

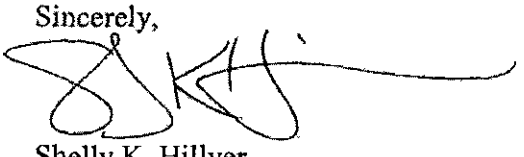
The type of information required to be disclosed under the proposed amendment – much of which would otherwise be protected by the attorney-client privilege or other immunity from disclosure – would certainly be used by plaintiffs' attorneys in court as evidence against company defendants making disclosures in an effort to comply with the new standard. In fact, many courts employ a subject matter scope of waiver of the attorney-client privilege. In these jurisdictions, the disclosing defendant may be compelled to disgorge to a plaintiff's attorney all of its privileged and protected information and documents relating to a claim. Plaintiffs' attorneys could use the disclosures made under these rules to extort money to settle claims that may not have otherwise resulted in an award of damages.

In 2005, federal judge Janis Jack uncovered evidence that over a period of several years plaintiffs' attorneys had filed literally thousands of fraudulent personal injury lawsuits relating to alleged silica exposure. Cuyahoga County, Cleveland state court judge Harry Hanna unearthed evidence that plaintiffs' attorneys in an asbestos case had filed claims with bankruptcy trusts and purposefully failed to disclose the exposures to those bankrupt entities' products to the solvent defendants in the tort action. Such fraudulent conduct and double recovery is not uncommon. Legendary asbestos trial attorney, Dickie Scruggs, dubbed the "King of Torts", has been convicted and sentenced to five years in prison for bribing a judge. These types of lawyers will be the true beneficiaries of the proposed new reporting standard.

RPM respectfully requests that the FASB decline to adopt the proposed amendment to FAS 5. Certainly, if there is a need to provide additional information to investors, a disclosure standard can be developed that will not work to the detriment of public companies that are forced to defend themselves against marginal claims.

RPM appreciates the opportunity to comment and will, of course, comply with any and all standards that the FASB finds fit to employ. Thank you and best regards.

Sincerely,



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