PLAINTIFF'S
EXHIBIT
GF-2431

The RUBEROID Co.

May 22, 1967

Price Waterhouse & Co.
550 Broad Street
Newark, New Jersey

Dear Sirs:

In connection with your review of our interim consolidated financial statements for the four-month period ended April 30, 1967 as required under Article XII(1) of the Agreement of Merger between General Aniline & Film Corporation and The Ruberoid Co. dated March 23, 1967, we confirm, to the best of our knowledge and belief, (1) the statements made in our letter to you of January 23, 1967 are equally applicable as at April 30, 1967 to the unaudited consolidated financial statements for the four-month period The Ruberoid Co. and subsidiary which we have furnished to you as regards (a) receivables in the aggregate gross amount of $28,120,388, (b) the amount of $670,652 carried for doubtful accounts, (c) inventories in the aggregate amount of $26,715,862, (d) net property, plant and equipment included in the financial statements in the amount of $58,943,310, and (e) liabilities (direct and contingent), except as noted on page 2 of this letter with regard to Cabot Titania Corporation, and commitments and agreements; (2) there have been no changes in the

capital stock since December 31, 1966 except for 34,820 Treasury shares issued under stock option agreements, 1,606 previously unissued shares issued in exchange for American Felt Company outstanding common shares and the purchase of 4,106 shares of Treasury stock, and except as contemplated in the above-mentioned agreement and (3) such unaudited financial statements have been prepared in accordance with accounting principles and practices consistent in all material respects with those followed in the preparation of the audited financial statements of this corporation for the year ended December 31, 1966.

As of December 31, 1966, the Company provided a reserve of $4,800,000 against its bearer notes receivable from Cabot Titania Corporation.

A tentative agreement has been reached with the parties involved as of the date of this letter whereby (a) the Company would pay $1,250,000 for its release as guarantor of $2,500,000 notes payable of Titania; and (b) while no change is to be made with reference to the above bearer notes, Ruberoid would consent to a transfer of assets pursuant to a plan of reorganization which would leave Cabot Titania Corporation unable to pay its debt. This agreement, if concluded, would result in a charge of the above amounts net of Federal income taxes ($6,050,000 less tax) to the reserve of $4,800,000 provided for possible loss on Titania.

In addition we know of no event since April 30, 1967 which, although not affecting such financial statements, has caused any material change, adverse or otherwise, in the financial position of the Company.

Very truly yours,

The RUBEROID Co.

E. J. O'Leary
President

W. H. Kennedy
Senior Vice President - Finance

Secretary and Treasurer

Comptroller

COPY

The RUBEROID Co.

NEW YORK, N.Y. 10017

For Attention Mr. Herbert L. Abrons *Date* June 12, 1967

Copy to *Reference*

Subject RUBEROID REPRESENTATION LETTER TO PRICE WATERHOUSE & CO.

Per your request of this morning, we attach copy of the letter written May 22 to Price Waterhouse & Co. signed by the appropriate officers of Ruberoid.

OAM/mq
Att.

O. A. Caggia

RECEIVED
JUN 13 1967
LEGAL DEPARTMENT