UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
NORTHERN DIVISION

IN RE:	§	
	§	
DOW CORNING CORPORATION	§	**CASE NO. 95-20512 AJS**
	§	**(CHAPTER 11)**
DEBTOR	§	
	§	**Judge Arthur J. Spector**

PROPONENTS' PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

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Dated: August 20, 1999

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Dow Corning Corporation (**"Dow Corning"** or **"Debtor"**) and the Official Committee of Tort Claimants (**"TCC"** and together with Dow Corning, the **"Proponents"**), submit these proposed findings of fact and conclusions of law in support of confirmation of the Amended Joint Plan of Reorganization dated February 4, 1999, as modified on July 28, 1999 and supplemented on July 30, 1999 (the **"Joint Plan"**).

PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

On June 28, 1999, this Court commenced the hearing to consider confirmation of the Joint Plan (the "**Confirmation Hearing**").[1] The Court has reviewed and considered the Joint Plan, the Disclosure Statement, the Plan Documents and all pleadings and memoranda filed in connection with confirmation of the Joint Plan, including all objections to the Joint Plan and the responses thereto, and has also reviewed and considered the testimony of witnesses, the exhibits and other evidence admitted into evidence at the Confirmation Hearing, and the arguments and representations of the parties appearing at the hearings. Based upon this record, the Court makes the following findings of fact and conclusions of law.[2]

1/ Capitalized terms used in these Findings and Conclusions and not otherwise defined herein shall have the meanings provided in the Joint Plan, the Disclosure Statement, the Dow Corning Settlement Program and Claims Resolution Procedures, the Funding Payment Agreement, the Litigation Facility Agreement and the Bankruptcy Code — in that order. Citations to the Joint Plan and Plan Documents are to such documents, as modified.

2/ These findings and conclusions constitute the Court's findings of fact and conclusion of law under Rule 52 of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rules 7052 and 9014. Any finding of fact shall constitute a finding of fact even if it is stated as a conclusion of law, and any conclusion of law shall constitute a conclusion of law even if it is stated as a finding of fact.

I. JURISDICTION

1. Pursuant to 28 U.S.C. §§ 1334 and 157, and the Standing Order of Reference of the United States District Court for the Eastern District of Michigan, this Court has jurisdiction to determine the Proponents' request for confirmation of the Joint Plan.

2. This is a core proceeding under 28 U.S.C. § 157(b)(2)(L).

3. For the reasons discussed below, the Court has jurisdiction under 28 U.S.C. § 157(b)(2)(B) to make the confirmation findings and rulings set forth herein relating to the adequacy of funding for payment of personal injury claims.

II. PLAN FILING, NOTICE AND VOTING

Filing of Joint Plan and Related Documents

4. The Proponents filed the Joint Plan and Disclosure Statement on February 4, 1999.

5. On July 28, 1999, the Proponents filed their Notice of Modification of Amended Joint Plan of Reorganization and Related Plan Documents and Request for Approval Thereof, which was supplemented on July 30, 1999 (docket ##20020, 20043) (collectively, the "**Joint Plan Modification**"). The Joint Plan Modification modifies the Joint Plan and related documents in several ways: (i) it enhances the Joint Plan's settlement offer to Foreign Claimants (for example, by requiring establishment of a foreign claims facility and offering additional settlement options to Claimants in Class 6.2); (ii) it confirms that interest will be paid on final judgments in the Litigation Facility to the extent required by applicable law; (iii) it clarifies aspects of the treatment of *Spitzfaden* Claimants; and (iv) it modifies the methodology for setting the interest rate on the Senior Notes to respond to objections from commercial creditors.

Second, the release and injunction have been considered in the course of a procedure that is essentially the same as an adversary proceeding. *In re Copper King Inn, Inc.*, 918 F.2d 1404, 1406-07 (9th Cir. 1990). Finally, the objectors have not suffered any prejudice resulting from the lack of a formal adversary proceeding. *See, e.g., In re Cannonsburg Envtl. Assocs.*, 72 F.3d 1260, 1264-65 (6th Cir. 1996).

<u>The Classification and Treatment of Foreign Claims Are Proper (Findings of Fact)</u>

184. The Joint Plan classifies Foreign Breast Implant and Other Products tort claimants into four separate classes based on the Claimant's country of residence and the type of product. Thus, foreign tort claimants with Dow Corning Breast Implant Claims are classified in either Class 6.1 or 6.2 depending on their country of residence, and foreign tort claimants with Dow Corning Covered Other Products Claims are classified in either Class 10.1 or 10.2 depending on their country of residence. Proponents' Exh. 1, Joint Plan, at Article III; Proponents' Exh. 2, Settlement Facility and Fund Distribution Agreement ("SFA") at Annex A § 6.05.

185. The Joint Plan documents identify clearly and specifically the basis for the classification of foreign tort claims. The Joint Plan's classification scheme provides that:

a. Claimants resident in all countries with a per capita GDP greater than 60 percent of the per capita GDP of the United States, plus claimants resident in all countries belonging to the European Union plus claimants resident in four countries with a pure common law legal system (namely, the United Kingdom, Australia, Canada, and New Zealand) fall into one class, and

b. Claimants resident in countries with a per capita GDP equal to 60 percent or less of the per capita GDP of the United States and that are not covered in the categories described above are placed in a separate class. *Id.*

186. Exhibit C to the Disclosure Statement lists the countries by category: all countries that are covered by the definition (a) in the preceding paragraph are listed as category 1 and 2 countries, and all countries covered by the definition (b) in the preceding paragraph are listed as category 3 and 4 countries. Thus, all Dow Corning Breast Implant Claimants who reside in one of the countries listed on Exhibit C as category 1 or 2 countries are classified currently in Class 6.1, and all Dow Corning Covered Other Products Claimants who reside in any of those countries are classified currently in Class 10.1. All Dow Corning Breast Implant Claimants who reside in any of the countries listed on Exhibit C as category 3 or 4 countries are classified currently in Class 6.2, and all Dow Corning Covered Other Products Claimants who reside in countries listed on Exhibit C as category 3 or 4 countries are classified currently in Class 10.2. Proponents' Exh. 1, Disclosure Statement at Exh. C; Proponents' Exh. 2, SFA at Annex A § 6.05(h)(i) (citing revised SFA, see Notice of Modification of Amended Joint Plan of Reorganization and Related Plan Documents and Request for Approval Thereof, filed July 28, 1999, docket #20020). The Joint Plan permits Foreign Claimants to seek re-classification in certain circumstances. Proponents' Exh. 2, SFA at Annex A § 6.05(h)(ii).

187. The Joint Plan provides that for purposes of classification the per capita GDP was and in the future shall be determined by data contained in The World Factbook (United States Central Intelligence Agency). Proponents' Exh. 2, SFA at Annex A § 6.05(d)(i). The Proponents' witness, Arthur Newman, testified to the accuracy of the calculations of the per capita GDP of each country

listed on Exhibit C using the data contained in The World Factbook as of January 1999. July 14 Tr. at 33. Mr. Newman further testified that based on these calculations, the countries had accurately been categorized on Exhibit C. July 14 Tr. at 33. This evidence is uncontroverted and there is no evidence contradicting the authority or reliability of the GDP data in The World Factbook.

188. It is undisputed that the Joint Plan provides to all Breast Implant Claimants and all Covered Other Products Claimants, both foreign and domestic, the same resolution options (i.e., the right to elect litigation or the right to elect among several settlement options). The settlement options available to foreign and domestic claimants are identical, substantively and procedurally, except that foreign claimants in Class 6.2 have available some additional settlement options responsive to the particular difficulties and needs of Foreign Breast Implant Claimants in Class 6.2 countries. *Order on Motion of Certain Foreign Claimants to Change Their Rejecting Ballots to Acceptances*, July 28, 1999. (docket #20033)

189. The amounts payable to claimants who elect to settle their claims differs based on the particular class in which the claimant falls. The settlement payments for foreign claimants who are classified in Class 6.1 or 10.1 will equal 60 percent of the amounts payable to domestic claimants for the same settlement option, and the settlement payments for foreign claimants who are classified in Class 6.2 or 10.2 will equal 35 percent of the amounts payable to domestic claimants for the same settlement option. Proponents' Exh. 2, SFA at Annex A-108. It is uncontroverted that each foreign claimant within a class is offered and entitled to participate in the same resolution options under the same terms and conditions.

190. The Proponents offered substantial evidence, principally through testimony of expert witnesses, to demonstrate the rationality of the classification and treatment of foreign claimants. Specifically, the Proponents offered the testimony of:

a. Professor Basil Markesinis, a Professor of Comparative Law and Professor of European Law at the University of Oxford in England, a Professor of Law at the University of Leiden in The Netherlands, and a Professor of Law at the University of Texas. Professor Markesinis served on the Foreign Fracture Panel appointed by United States District Judge Speigel to determine fair settlement compensation for foreign tort claimants in the class action case of *Bowling v. Pfizer*. June 30 Tr. at 271:9-273:23; July 1 Tr. at 41:10-16; Proponents' Exh. 22 (Markesinis C.V.). Professor Markesinis is a leading expert in comparative law and methodology. Proponents' Exh. 22; June 30 Tr. at 271-275. Professor Markesinis has expertise in the tort systems of all of the major European countries and, as a result of his comparative law studies, the manner in which the fundamental legal systems have spread to and have been implemented in other countries (e.g., England's common law system as implemented in the United States, the Germanic system as it has influenced the legal systems in Turkey and Japan, the Romanesque system which has moved from France to Italy, Spain and Central and South America). July 1 Tr. at 29:21-31:7. Consequently, his knowledge of legal systems and comparative tort law extends, with only limited exceptions, to the countries in which the bulk of claimants reside. Professor Markesinis exhibited the depth and extensive range of his knowledge and expertise of various foreign legal systems and tort recoveries in his direct testimony and in response to

questions from objectors and the Court. July 1 Tr. at 15:7-10, 19:10-13, 20:9-15, 26:18-23, 28:3-10, 29:2-20, 189:24-191:8, 234:13-16, 247:1-19.

b. Mr. Augustus Ullstein, a Queens' Counsel and practicing Barrister in the United Kingdom experienced in litigating products liability actions in England and with knowledge of tort systems and verdict values in the United Kingdom, Germany, The Netherlands, and South Africa. Mr. Ullstein also served as a member of the Foreign Fracture Panel in the *Pfizer* case. Proponents' Exh. 23 (Ullstein C.V.); July 1 Tr. at 289:7-292:10.

c. Professor Harold Luntz, the George Paton Professor of Law at the University of Melbourne in Australia. Professor Luntz is the author of "Assessment of Damages for Personal Injury and Death," as well as author of the leading torts textbook in Australia and the editor of the Torts Law Journal in Australia. Professor Luntz is an expert in the tort systems and damages awards in both Australia and New Zealand and his expertise has been acknowledged and recognized by the objectors in this case. Proponents' Exh. 24 (Luntz C.V.); July 14 Tr. at 233. Professor Luntz also served as a member of the Foreign Fracture Panel in the *Pfizer* case. July 2 Tr. at 60:17-61:16.

d. In addition, the Proponents' offered the testimony of Dr. Frederick C. Dunbar, an economist who has extensive experience and expertise in the estimation of products liability claims and the analysis of litigation risk, who analyzed data regarding tort verdicts in Australia and the United States and the market value of the settlements agreed to by Canadian and Australian Breast Implant Claimants.

Each of these witnesses is eminently qualified to address the issues covered in his testimony, and there was no credible objection or dispute as to their basic qualifications as expert witnesses.

191. All three of the Proponents' foreign and comparative law experts reviewed the Joint Plan's classification and treatment of foreign tort claims and testified as to the distinctions between foreign and domestic claims either in particular examples of leading countries or in general, and they provided compelling evidence of the rationality of the classification and treatment of foreign claims.

192. Professor Markesinis' testimony specifically supports and demonstrates the rationality of the classification and treatment of all foreign claims.

a. Professor Markesinis testified that in his opinion it is appropriate to differentiate between and among claimants from different countries in formulating a world-wide settlement offer and that such differentiation is justified based on legal, cultural and economic factors that produce lower claim values in different countries. July 1 Tr. at 12:18-13:2. Professor Markesinis expanded in detail on the factors that affect claim values in foreign countries as compared to the United States — including such factors as the procedures for determining awards, the mechanism for funding litigation, the availability of other resources, the applicability of guidelines and precedent in achieving consistency of awards for comparable injuries, economic factors that affect the size of awards when compared to the U.S., cultural factors that affect propensity to litigate and methods of dispute resolution. July 1 Tr. at 14:12-15:22, 15:23-19:13, 19:14-20:18, 20:19-21, 22:7-25:19, 28:16-29:20, 31:8-32:24, 37:13-38:15, 238:6-21, 38:16-25, 230:3-19, 39:1-25. His testimony constitutes credible and substantial evidence that the value of tort claims is lower in foreign countries as compared to the United States and that there is a rational and reasonable basis to separately classify foreign tort claims from domestic tort claims.

b. Professor Markesinis' further testimony constitutes substantial credible evidence that the particular grouping of foreign countries for classification and treatment is rational. Professor Markesinis testified that in his opinion, the classification and treatment of claimants in the category 1 and 2 countries (e.g., Class 6.1 for Breast Implant Claimants) was fair and reasonable. July 1 Tr. at 66:25-67:10, 67:17-68:13. Professor Markesinis also concluded that in his opinion the classification and treatment of claims in category 3 and 4 countries (e.g., claims in Class 6.2) was fair and indeed that the treatment was generous. July 1 Tr. at 66:25-67:16, 67:17-19, 68:3-69:5. Professor Markesinis further testified that the countries listed in the groupings that define the separate classes of foreign claims were broadly similar for purposes of developing settlement offers — specifically, that those countries within the groupings that he had studied were broadly similar in terms of economic factors and types of awards. July 1 Tr. at 266:15-16, 267:3-8. Professor Markesinis' opinions are based on his 35 years of experience, study and research in comparative methodology along with the analysis (including research, publications and analysis of cases, awards and litigation process in different countries and in different legal systems) and deliberations conducted in connection with the development of a fair settlement compensation formula for foreign claimants in the class action settlement in the *Bowling v. Pfizer* case. June 30 Tr. at 280:16-283:19, July 1 Tr. at 69:9-18.

c. Professor Markesinis testified in some detail regarding the analysis performed by the Panel of experts in the *Pfizer* case. This testimony is relevant and useful to the Court because the classification scheme set forth in the Joint Plan was modeled, according to the Proponents and the Plan Documents, on the scheme approved by the District Court in *Pfizer*.

Professor Markesinis testified that the Foreign Fracture Panel was a panel of experts in foreign and comparative law appointed by United States District Judge Speigel in the *Pfizer* case. The Panel was directed to develop a fair and just settlement formula for foreign claimants who experienced a fracture of a heart valve resulting either in death or personal injury. Proponents' Exh. 48 at 26; July 1 Tr. at 43:7-13. The Panel was charged with developing a settlement formula for foreign claims consistent with the damages generally awarded or agreed upon in settlements for comparable personal injury or wrongful death claims in foreign countries. Proponents' Exh. 48; July 1 Tr. at 44:3-9. While the countries had already been placed into groupings by the parties who negotiated the terms of the class settlement, the Panel members had the authority and obligation to determine a fair settlement formula and had the ability — if they thought it appropriate or necessary to fulfill their charge — to recommend a uniform offer for all foreign claimants or to adjust the groupings by moving particular countries to a higher category. July 1 Tr. at 50:7-14. The categories defined in the *Pfizer* case as categories 1, 2, 3, and 4 for purposes of the grouping of countries are the same as categories 1, 2, 3, and 4 defined in Exhibit C to the Amended Joint Disclosure Statement for purposes of defining the classes of foreign claims. July 1 Tr. at 67:3-8. The economic data applied to categorize the countries was, however, updated. Disclosure Statement § 6.6.J.3.C; July 14 Tr. at 61:9-15.

d. Professor Markesinis testified that the Panel proceeded in its deliberations by determining the lead countries, i.e., those with the most developed tort systems, the highest levels of damages and the most voluminous claim data, and by analyzing the award levels in those countries. The Panel identified those lead countries as England, Australia, Germany,

and France. July 1 Tr. at 50:15-51:5, 51:6-15, 52:17-21, 60:15-20. The Panel concluded that the amount of damages that would be provided to claimants in those lead countries would be significantly lower than the amounts that would go to U.S. claimants. July 1 Tr, at 59:7-25. The Panel then established its recommended settlement formula by examining all available data, including submissions and analyses regarding claim values in different countries, application of the extensive knowledge and experience of the Panel members who collectively had extensive knowledge of the lead countries and multiple other legal systems, and extensive economic data regarding each country. With respect to category 3 and 4 countries, as to which less claims data was available, the Panel gave greater emphasis to economic data, including the lower level of economic development and greater purchasing power for the dollar in those countries. July 1 Tr. at 52:25-55:14, 54:3-24, 55:15-57:1; 62:15-23; 198:23-199:6, 222:7-223:9. The greater purchasing power of the dollar in less developed countries is demonstrated in the World Factbook (Proponents' Exh. 19), which includes per capita GDP figures for each country expressed as a dollar estimate. These figures were derived using a purchasing power parity (PPP) calculation instead of official exchange rates to convert local currency to dollars. This methodology sets an "apples to apples" exchange rate by determining the amount of local currency needed to buy a standardized "market basket" of goods that would cost $1,000 in the U.S. The Factbook explains that "[i]n developing countries with weak local currencies, the exchange rate estimate of GDP in dollars is typically one-fourth to one-half the PPP estimate." World Factbook Definitions, Proponents' Exh. 19A, at 6. The reason is that in such countries, the actual buying power of $1,000 converted at ordinary exchange rates is much greater than in the U.S. To yield

truer parity, the exchange rate must be adjusted to yield less local currency or more dollars - hence, a higher GDP estimate expressed in dollars.

e. Professor Markesinis testified that the Panel found that the methodology applied in *Pfizer* for the categorization of countries was a workable, fair and rational approach to resolving a complex case and that there were valid distinctions between the countries that justified differentiation for purposes of a settlement offer. July 1 Tr. at 45:21-46:21, 49:8-50:6. The Panel concluded that the fair base compensation payment for foreign claimants in categories 1 and 2 in the *Pfizer* case (which included all of the lead countries), including both claimants with wrongful death claims and claimants with partial or temporary disability claims, should equal 32 percent of the base amount payable to a United States claimant with the same condition. Proponents' Exh. 49; July 1 Tr. at 59:12-18. The Panel concluded that the fair base compensation payment for foreign claimants in categories 3 and 4 should equal 50 percent or less than the amount payable to claimants in categories 1 and 2. (The base payment for category 3 countries was 16 percent of the U.S. amount and for category 4 countries it was 8 percent of the US amount.) July 1 Tr. at 60:1-20. Taking the entire formula into account, a foreign claimant in a category 1 or 2 country with no spouse or child and either no income or the same income as a U.S. claimant would receive approximately 32 percent of the total amount payable to the U.S. claimant under the Panel's formula. The Panel prepared a written report and submitted that report to Judge Spiegel. Proponents' Exh. 49; July 1 Tr. at 63:6-19. Judge Spiegel held a hearing and approved the report with one modification to increase the maximum award allowed. Proponents' Exh. 50; July 1 Tr. at 63:20-23. While the compensation formula, as implemented through the court's

modification, theoretically provided for equal maximum payments for both foreign and domestic claimants, this equivalence is illusory: Professor Markesinis agreed, and simple math demonstrates, that given the differential in base compensation, a foreign claimant would be far less likely than a domestic claimant to receive the maximum. July 1 Tr. at 256:23-259:25.

f. Professor Markesinis testified that the Joint Plan adopted the same categorization method that was reviewed and found reasonable by the *Pfizer* expert Panel and the *Pfizer* court and that there have been no material changes since the time of the Panel report that would warrant any modification to that categorization methodology. July 1 Tr. at 65:7-12. Both the testimony of Professor Markesinis and the formula developed by the Panel of experts in *Pfizer* and approved by the United States District Court for the Southern District of Ohio constitute credible and compelling evidence of the validity of distinctions between claimants in countries resident in categories 1 and 2 and claimants resident in countries in categories 3 and 4.

193. The Proponents introduced additional compelling evidence supporting the rationality of the separate classification and treatment of foreign claims as set forth in the Joint Plan by demonstrating the lower value of foreign tort claims in general and that the settlement offers to Foreign Breast Implant Claimants represent the market value of breast implant settlements in leading countries.

a. Professor Luntz testified that the settlement offer to Australian and New Zealand Claimants under the Joint Plan (set at 60 percent of the amount payable to domestic claimants who elect to settle) is fair based on his view that the value of claims in Australia

should be discounted by at least 40 percent and because New Zealand claims are not worth more than claims in Australia. July 2 Tr. at 77:11-23, 85:2-17. Professor Luntz offered clear and specific testimony identifying multiple reasons why under the Australian and New Zealand tort systems claimants should expect lower recoveries than in the United States and correspondingly lower settlement offers, including: lack of U.S.-type contingency fees, availability of alternative resources, the rule that costs follow the event ("loser pays"), unavailability of limited use of juries, lack of restatement-type strict liability theories for breast implant claims, the fact that the maximum non-pecuniary damage award in Australia will not exceed the equivalent of $230,000 U.S. for the most serious cases, judicial emphasis on consistency of damages awards for similar claims, reduction of awards for taxation, and extremely limited availability of punitive damages. July 2 Tr. at 62:8-16, 63:15-77:2, 83:2-84:16. Professor Luntz's testimony and conclusions are uncontroverted in the record.

Professor Luntz also testified that choice of law considerations do not affect his opinion that it is reasonable to offer lower settlement payments to Australian Claimants (as compared to U.S. Claimants.) Professor Luntz testified that prevailing choice of law principles in Australia require an Australian court to apply Australian law to breast implant claims and that even if U.S. law were to be applied with respect to substantive issues, the clear, binding High Court precedent would require an Australian court to apply Australian law with respect to the procedural issues of quantification of damages. July 2 Tr. at 79:2-82:6. No other testimony was offered on this issue and Professor Luntz's testimony is undisputed.

b. Mr. Ullstein testified that there are substantial legal and procedural hurdles facing tort claimants in the UK, Germany, The Netherlands, and South Africa and that those hurdles lead him to conclude, based on his experience, that the settlement offers to claimants in these countries (set at 60 percent for the U.K., Germany, and The Netherlands and 35 percent for South Africa of the amount payable to domestic claimants) are fair in relation to the settlement offer to the domestic claimants. July 1 Tr. at 295:9-296:2, 296:20-297:5, 299:4-11, 300:20-301:9, 301:10-302:7, 303:14-304:25, 309:3-25, 311:7-18, 312:4-7, 313:4-14, 314:18-315:10, 322:4-326:17, 326:9-327:5. Mr. Ullstein's conclusions were further supported by his uncontroverted testimony regarding guidelines applicable in practice in England and elsewhere that cap non-pecuniary awards at 150,000 pounds sterling. Mr. Ullstein's testimony was consistent with and corroborated by the specific testimony of Professor Markesinis regarding maximum tort recoveries in Germany, France, Italy, and England, which he characterized as a fraction of the recoveries in the United States. Professor Markesinis testified that Germany is the leading country in terms of damages awards, and non-pecuniary awards in Germany do not exceed 170,000 pounds sterling. July 1 Tr. at 26:10-28:15, 94:10-20, 68:10-13, 225:4-18. Professor Markesinis concluded, as did Mr. Ullstein, that based on these factors the settlement offer of 60 percent of domestic claimants for category 1 and 2 countries was fair, reasonable and proper. July 1 Tr. at 94:10-24.

c. Dr. Dunbar analyzed the available data regarding verdicts for personal injury cases in Australia and the United States during a 10-year period from 1987-1998. Proponents' Exhs. 29, 30; June 29 Tr. at 142:22-143:3, 143:12-17. That analysis compared

The Joint Plan Does Not Violate § 1129(d)

285. No governmental unit has objected to confirmation of the Joint Plan on the grounds that the principal purpose of the Joint Plan is the avoidance of taxes or the avoidance of the application of Section 5 of the Securities Act of 1933. Thus, § 1129(d) does not preclude confirmation of the Joint Plan.

The Joint Plan Satisfies § 1129(b)

286. Based on the findings of fact and conclusions of law set forth above, the Court has determined that the Joint Plan is fair and equitable to each Rejecting Class and that it does not unfairly discriminate with respect to any Rejecting Class. Accordingly, the Joint Plan satisfies the requirements of § 1129(b).

On the basis of the foregoing findings of fact and conclusions of law, the Joint Plan shall be confirmed pursuant to a separate Confirmation Order to be entered by the Court.

ENTERED this ______ day of ____________________________, 1999.

____
ARTHUR J. SPECTOR,
UNITED STATES BANKRUPTCY JUDGE

WHEREFORE, the Proponents respectfully request that the Court enter the foregoing proposed findings of fact and conclusions of law in support of confirmation of the Joint Plan.

Dated: August 20, 1999

Respectfully submitted,

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