## IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN SOTHERN DIVISION

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§	CASE NO: 00-CV-00005-DPH
§	(Settlement Facility Matters)
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# SUPPLEMENTAL RESPONSE TO REPLY IN SUPPORT OF SUGGESTION OF MOOTNESS

Dow Corning Corporation("Dow Corning"), the Debtor's Representatives("DRs") and the Claimants' Advisory Committee("CAC") jointly submitted the Reply in Support of Suggestion of Mootness to the Response of the Korean claimants submitted on May 4, 2015. The Reply asserts, "The Response does not contest any of the facts set forth in the Declaration of Ann.M.Phillips Supporting Suggestion of Mootness<sup>1</sup>. Instead, Mr.Kim argues that the Korean Motions are not moot because in each case, in his view, there is some component of the relief requested from the Court that has not been provided. In addition, the Response appears to assert new arguments and issues that were not the subject of the original Korean Motions. As explained in the Suggestion of Mootness, the Claims Administrator and/or the Finance Committee has provided the relevant substantive relief originally requested and therefore the Korean Motions are moot".

### **Motion for Re-Categorization**

<sup>&</sup>lt;sup>1</sup> What the Response does not contest the statement set forth in the Declaration of the Claims Administrator does not mean that the Korean claimants agree to it in all respects.

<u>First</u>, the Reply alleges that the Finance Committee has granted the request for re-categorization and has documented that determination with a letter to the Court and additional correspondence to Kim. The Reply adds that revising Schedule III of Annex to the SFA, as Kim requests, will not affect the substantive categorization of Korea.

As specifically written in the Motion for Re-Categorization, However, the Korean claimants request the revised version of Schedule III of Annex to the SFA into printing. The purpose of printing is to distribute it to the public of Korea. As adamantly argued from the beginning of the confirmation hearing for the Plan in 1999, the discount up to thirty five(35) percents for the Korea claimants was a national shame. As the Korean people worked hard, Korea overtook sixty(60) percents of GDP per capita of the United States from the year of 2012. Korea became a Category 2 country. It is worthwhile from the point of view of the Korean claimants to print the Schedule III of Annex to the SFA. In addition, the categorization of country under the Plan modeled after the class action case of Bowling v. Pfizer. The Proponents of the Plan used the Schedule for Categorization of the Bowling v. Pfizer case as the unique tool to defend the Plan against the arguments that the classification of Korea into Category 3 is unreasonable and unjustified. The Korean claimants including Kim want the Schedule III of Annex to the SFA to be printed as the part of the Plan because the Schedule would be used in other class actions for categorization of country as the only precedent.

The Reply argues that the edited version of Schedule III will be available from the SFDCT upon request. The Reply adds that the revising of Schedule III is an administrative task. However, it is not true. The SFDCT did not act on the edited version of Schedule III yet. The SFDCT never move in the absence of instruction from Dow Corning. If the revision of Schedule III is a simple administrative task, Dow Corning is urged to instruct the SFDCT to print the edited version of Schedule III immediately and deliver it to Kim.

Furthermore, the Korean claimants do not want an administrative task but want the Court ruling for the reference to other class actions in the matter of categorization of country.

<u>Second</u>, the Reply argues that the Finance Committee did in fact determine that the recategorization would apply to claims that had not yet been compensated-precisely the relief requested. The Reply adds that Kim asserts issues that arise out of the relief granted by the Finance Committee and were not part of the original motion because *first* he challenges the determination of the Finance Committee to commence application of the re-categorization as of January 2015 and *second* he contends that the re-categorization should occur as of the date the GDP of Korea rose to the level that would permit re-categorization.

The determination of the Finance Committee, however, is partial, not complete, to the request in the Motion for Re-Categorization. Although the Finance Committee determined that the recategorization would apply to claims that had not yet been compensated,<sup>2</sup> the Finance Committee did not determine whether the re-categorization should apply to the claims paid between 2012, the year of surpassing sixty(60) percent GDP per capita of the United States by Korea, and 2014, the year of filing the Motion for Re-Categorization. Because the Finance Committee did not determine it, the determination is partial so that the Finance Committee failed to grant the relief requested in the Motion for Re-Categorization.

The Reply argues that Kim asserts issues that arise out of the relief granted by the Finance Committee. But the Finance Committee did not grant the relief of the Motion in completion.

In addition, the Reply argues that Kim requested the Court to order the SFDCT to apply the new payment category to all claims that had not yet been paid and he conceded that re-categorization applies only prospectively. The Reply adds that Kim directly contradicts his earlier position that re-categorization applies prospectively by contending that the Court should order the SFDCT to apply the revised payment category to all Korean claims respectively starting in 2012.

<sup>&</sup>lt;sup>2</sup> To the contrary, the Claims Administrator informed Kim that South Korea is re-categorized to Category 2 effective January 2015. See Appendix A, Exhibit 1, Declaration of Ann M.Phillips

It is true that Kim agreed that re-categorization should apply prospectively. However, the question, from what point in time re-categorization begin to apply, remains.<sup>3</sup> In other word, the starting point that claims can be paid under the new category must be determined even if re-categorization applies prospectively. The basic mathematics tells us that the starting point should be fixed to go forward.

The Korean claimants request the Court to fix the starting point to apply re-categorization prospectively. The Korean claimants do not request the Court to order re-categorization to apply to all Korean claims retroactively but request the Court to order re-categorization to apply Korean claims which had not yet been paid. The Kim's agreement does not contradict the request that the Court should fix the starting point to apply re-categorization prospectively.

#### Motion for Reversal

The Reply alleges that the SFDCT has in fact reversed its decision to "cancel" the Proof of Manufacturer ("POM") approvals of 1,742 claims and therefore has provided precisely the relief requested in the Motion for Reversal and the SFDCT is reviewing each such claim individually and will determine whether the POM may be approved in accordance with the terms of the Claims Resolution Procedures.

The Reply assumes that the Motion for Reversal is simply to reverse the SFDCT's decision to "cancel" the POM approvals of 1,742 claims. However, the Motion is to request the Court to reverse the SFDCT's several decisions not only to cancel the POM approvals of 1,742 claims but also to impose discriminatory measures on the Korean claimants. Therefore the fact that the SFDCT has in fact reversed its decision to "cancel" the POM approvals of 1,742 claims does not fully address the request in the Motion for Reversal.

<sup>&</sup>lt;sup>3</sup> Would the re-categorization apply from 2012[the year of surpassing of GDP per capita], or 2014[the year of filing of the Motion for Re-Categorization], or 2015[the year of Claims Administrator's adjustment of category]? The Finance Committee should have determined it.

In addition, the SFDCT must <u>revert back to</u> the original stage of its own decision, which is the POM approvals of 1,742 claims, since the SFDCT reversed its decision to "cancel" the POM approvals of 1,742 claims. In other word, the SFDCT must respect its original decision that the POM of 1,742 claims has been approved. However, the SFDCT is reviewing each claim individually. Therefore the fact that the SFDCT is reviewing each 1,742 claims contradicts the position of Dow Corning that the SFDCT has reversed its decision to "cancel" the POM approvals of 1,742 claims.

More importantly, the SFDCT through Ellen Bearicks of Quality Management Department is imposing malicious decisions on the POM approved 1,742 claims. The SFDCT is now "canceling" a lot of the POM approvals of 1,742 claims. See Exhibits 1-6 Ellen Bearicks is believed under the control of Dow Corning and is deemed as an employee of Dow Corning working in the house of the SFDCT. She manipulates a Korean-speaking staff of the SFDCT, who had been hired only to assist translation of submitted documents of the Korean claimants into English through Kim's negotiations with the Proponents of the Plan during the confirmation hearing in 1999, to investigate the backgrounds of each Korean plastic surgeons who were helpful to issue affirmative statements for the POM approvals of 1,742 claims. See the Exhibit 1-6

The Claims Administrator can put in place to assure an acceptable level of reliability and quality control of claims. However, searching of the backgrounds of doctors through the internet, the investigations of the backgrounds of doctors using the staff's personal contacts, the questioning of the backgrounds of doctors such as the history of medical license and business carrier, and the disgracing to the prominent plastic surgeons in Korea, as shown in the Exhibits, is excessive.<sup>4</sup>

In addition, the checking of the backgrounds of doctors is the item that has never been raised in

<sup>&</sup>lt;sup>4</sup> There will be more reasons besides the reasons indicated in the Exhibits for "cancelling" the POM approvals of 1,742 claims to come in the following letters from the Quality Control Department.

the process of reviewing and examining the submissions of the Korean claimants so far. It should be a punishment to the Korean claimants who have been disregarded by Dow Corning.

The Korean claimants know, through decade long experiences from the SFDCT, that the process of investigations of the Quality Control Department into the backgrounds of doctors is the step of the SFDCT to "cancel" the POM approvals of all 1,742 claims and to reject the settlement with the Korean claims.<sup>5</sup>

For the foregoing reason, the Motion for Reversion request the Court to order the restructuring of employees in the Quality Control Department who have been involved in discriminatory measures against the Korean claimants. See page 13 of the Motion for Reversal

The allegation in the Reply that the SFDCT has in fact reversed its decision to "cancel" the Proof of Manufacturer ("POM") approvals of 1,742 claims and therefore has provided precisely the relief requested in the Motion for Reversal has no merit.<sup>6</sup>

#### **Motion to Hire QMD**

The Reply alleges that Kim does not provide any support for his assertion that two QMDs are no longer able to provide disease evaluations. However, Kim asks the SFDCT what kind of support for the assertion necessary. Dow Corning should instruct the SFDCT to ask Kim before that allegation. Both QMDs do not want to provide disease evaluations to the claimants. Plus there are

<sup>&</sup>lt;sup>5</sup> Dow Corning through the Quality Control Department of the SFDCT is "canceling" the POM approvals of 1,742 claims to save the budget that will be tightened by re-categorization of the Korean claimants, which is unobjectionable under the Plan.

<sup>&</sup>lt;sup>6</sup> Because the Korean claimants do not trust the system of the SFDCT fundamentally, Kim proposed mediation to the Claims Administrator. (*See Exhibit 7*) Although the Claims Administrator responded in her e-mail that the Plan does not authorize the Claims Administrator or the Finance Committee to mediate, the Claims Administrator together with the late Mr.David Austern has offered Kim mediation in 2012 which took place in Washington DC.

many claimants that did not submit disease evaluations to the SFDCT. They are not able to

submit disease evaluations due to the lack of QMDs. The Korean claimants request the Court to

order the SFDCT the selection of QMDs at its expenses.

Conclusion

For the foregoing reasons, the Korean claimants respectfully request that The Court deny the

Motion of Dow Corning, DRs, and the CAC for dismissal of the Korean claimants' Motion for

Re-Categorization, the Korean claimants' Motion for Reversal and the Korean claimants' Motion

to Hire the QMDs, and further request that the Court grant the above Korean claimants' Motions.

Date: June 1, 2015

Respectfully submitted,

(signed) Yeon Ho Kim

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For the all Korean Claimants

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## **CERTIFICATE OF SERVICE**

I hereby certify that on June 1,2015, I has electronically filed the above document with the Clerk of Court by using ECF system which will notify to all relevant parties of record.

Dated: June 1, 2015

Signed by Yeon Ho Kim