EXHIBIT D

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
NORTHERN DIVISION

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

AMENDED JOINT DISCLOSURE STATEMENT WITH RESPECT TO AMENDED JOINT PLAN OF REORGANIZATION

Barbara J. Houser
Craig J. Litherland
David Ellerbe
Thomas S. Henderson
SHEINFELD, MALEY & KAY,
A Professional Corporation
1700 Pacific Avenue, Suite 4400
Dallas, Texas 75201-4618

ATTORNEYS FOR
DOW CORNING
CORPORATION

Kenneth H. Eckstein
Jeffrey S. Trachtman
Philip Bentley
KRAMER LEVIN NAFTALIS &
FRANKEL LLP
919 Third Avenue
New York, New York 10022-3850

ATTORNEYS FOR
OFFICIAL COMMITTEE
OF TORT CLAIMANTS

DATED: February 4, 1999

If a Claimant has an approved Claim under the Rupture Payment Option, an approved Claim under the Disease Payment Option, and has Dow Corning Breast Implants and acceptable proof of a silicone gel breast implant(s) manufactured by Bristol, Baxter or 3M and if the Claimant received a "rupture enhancement payment" under the Revised Settlement Program, then her Rupture and Disease compensation collectively will be reduced by 50%.

A qualified Rupture is defined as a tear or other opening in the envelope surrounding the silicone gel. Gel bleed does not qualify as Rupture. To document a Rupture Claim, you will need to submit explantation operative and/or pathology reports and, perhaps, additional statements from doctors depending on when the ruptured Implant was removed. The documentation required is the same as is required under the Revised Settlement Program, except that where the type of proof required is keyed to the date the ruptured Implant is removed, the dates have been modified. You should review the description of the Rupture documentation in the CRP to determine how it applies to you.

The Settlement Program also offers a feature that was not present in the RSP. If your rupture proof is found to be unacceptable, you can still qualify if you meet one of two additional standards for Rupture. These standards require medical documentation of visual confirmation of a breach in the elastomer envelope found upon or prior to removal of the Dow Corning silicone gel Breast Implant or medical documentation demonstrating migration along tissue planes distant from the site of breast implantation of a substantial mass of material confirmed by biopsy to be silicone from a ruptured Dow Corning silicone gel Breast Implant.

In addition to this Individual Review process of certain Rupture Claims, there is a provision that allows Claimants who have not been explanted to recover rupture benefits provided that explantation is medically contraindicated (as specifically defined in the CRP) because the Claimant suffers from a serious chronic medical condition that precludes surgical removal.

c. **Disease Payment Option/Expedited Release Payment Option.**

(1) **Disease Payment Option.** A Claimant may qualify for payment depending on her disease or medical condition. Compensation is determined by two payment grids (collectively, the **"Grid"**) established in the CRP. Under the Grid, more severe medical conditions will be compensated at higher levels than less severe conditions. The "Base"[3] Grid payments for Domestic Claimants range from $10,000 to $250,000. If additional "Premium" payments are allowed by the District Court, the total Grid payments will range from $12,000 to $300,000.

To qualify for payment, a Claimant must document one of the conditions defined in the CRP. Disease Payment Option I provides payments for Breast Implant Claimants who meet the disease and disability criteria under the Original Global Settlement (the Fixed Amount Benefit Schedule in the Revised Settlement Program). If a Breast Implant Claimant meets the Original Global Settlement disease and disability criteria, the Claimant will receive a "Base" payment of $10,000 for disability Severity Level C, $20,000 for disability Severity Level B, or $50,000 for disability Severity Level A. Disease Payment Option II, which has more stringent criteria, provides "Base" payments ranging from $75,000 to $250,000. These Disease Payment Option II eligibility criteria are the same as the Long-Term Benefit Schedule criteria under the Revised Settlement Program.

To qualify for payment under the Disease Payment Option the Claimant must submit medical records that document one of the covered conditions defined in the CRP. A Claimant may rely on the claim forms and supporting records and documents previously submitted to the MDL 926 Claims Office. To qualify for higher payments under Disease Payment Option II, Claimants may need to submit additional documentation and undergo further testing and examination. Not all conditions or symptoms will qualify under either Disease Payment Option and you should carefully evaluate your own condition and your medical records to determine if and to what extent you would qualify under either Disease Payment Option.

---

[3] **"Base"** payments under the Settlement Facility Agreement are also called **"First Priority Payments."** First Priority Payments are the highest priority payments made from the Settlement Fund. Those payments designated as **"Premium"** payments, also called **"Second Priority Payments,"** will be made only if funds are available after payment of all First Priority Payments is adequately assured.

be paid the maximum amount for which they qualify. If funds are insufficient in a given year to pay all Allowed Claims in full, the Finance Committee[6] shall make installment payments on the Allowed Claims pending receipt of further scheduled funding from the Reorganized Debtor. No interest will be paid on installment payments. Such timing restrictions on payments would be caused by the annual cap on payments by the Reorganized Debtor under the Funding Payment Agreement.

The Disease Payment Option and the Rupture Payment Option for Breast Implant Claimants and the Medical Condition Payment Option for certain Other Products Claimants have two components, a "Base" and a "Premium" payment. The Settlement Facility Agreement establishes a priority for payment of Settling Personal Injury Claims. The **"First Priority Payments"** will be for (i) Allowed Claims under the Expedited Release Payment Option, (ii) Allowed Claims under the Explantation Payment Option, (iii) the "Base" payment for Claims Allowed under the Disease Payment Option and the Rupture Payment Option, (iv) Allowed Claims under the Expedited Release Payment Option and the Medical Condition Payment Option for Other Products Claimants; and (v) Allowed Claims for Silicone Material Claimants, along with related administrative costs. Allowed Claims of settling Claimants in Classes 4A, 6A, 6B, 6C, 6D, 14 and 15 are also defined as First Priority Payments. Payments in respect of Claims of non-settling Claimants in Classes 11, 13, 14, 14A and 17, which are called Settlement Fund Other Payments, will be made at the time such Claims are Allowed. The **"Second Priority Payments"** include "Premium" payments under the Rupture Payment Option and the Disease Payment Option for Breast Implant Claimants and the Medical Payment Option for certain Other Products Claimants and any "increased severity" payments for Breast Implant Claims. The "Premium" payments entitle Breast Implant Claimants to receive additional compensation, up to 20% of the "Base" payments under the Disease Payment Option and 25% of the "Base" payment under the Rupture Payment Option. (*See* chart at pp. 20-22.) If a "Premium" is paid to a Breast Implant Claimant with a disease Claim, she will receive greater compensation than is available under the RSP for a comparable disease claim that does not include the rupture enhancement. The "Premium" payments provide Other Products Claimants additional compensation that, when combined with amounts received as "Base" payments, equal $36 million (NPV) in the aggregate.

A factor that may affect the amounts actually received by Claimants is the competing rights of third parties, particularly those of hospitals, health benefit plans, health insurers and governmental agencies, to reimbursement from the settlement payment for prior expenditures. However, most of these competing Claims will be extinguished as a result of a settlement Dow Corning has proposed for the Domestic Health Insurers. This settlement is similar to the settlement reached with health insurers in the Revised Settlement Program. Dow Corning's settlement requires all participating insurers to waive any Claims, including rights of reimbursement, against Personal Injury Claimants. The settlement requires that a sufficient number of insurers participate in the settlement so that the vast majority of Personal Injury Claimants will not be subject to Claims from their health insurers. The Debtor believes that substantially all of the Domestic Health Insurers will accept the settlement and that the participation level condition will be satisfied.

Some insurers may not participate in the settlement. The rights of those third parties to recover from payments to be made to Claimants are governed by the agreements between those third parties and the Claimants. The Plan provides that payments to Claimants will not be held up by the non-settling insurers or government agencies, but they remain free to assert their rights, if any, against the Claimants.

E. Funding. Under the Funding Payment Agreement, the Reorganized Debtor will pay up to the aggregate amount of $3.172 billion into the Depository Trust, the recipient of funding for the Settlement Facility and Litigation Facility, to resolve all Products Liability Claims. This amount is subject to adjustment to maintain a Net Present Value as of the Effective Date of $2.35 billion. This amount constitutes a "cap" on the funding to be provided by Dow Corning; if the amount of Allowed Claims (and the related expenses of the Facilities) exceeds the cap, the actual distributions to Claimants will be reduced. In addition, if Claims are Allowed at a pace that exceeds the funding schedule, payment of certain Allowed Claims will be delayed. Priority will be given to "Base" payments to minimize the delay in making those payments, with the likely result that "Premium" payments on Allowed Claims will be delayed for several years. However, there can be no guarantee that "Base" payments will not be delayed if Allowed Claims exceed available funds in particular years. No interest or cost of living increases will be paid on settlements. Additional discussion regarding the potential for reduction or delay in payment appears in section 7.1 of this Disclosure Statement, at pages 94 through 99.

[6] The members of the Finance Committee are the Claims Administrator, the Special Master and the Appeals Judge.

B. Treatment of Tort Claims. The settlements offered under the Plan for Domestic Personal Injury Claims are summarized on the following chart. To qualify under any settlement option, certain standards apply. Those standards are set forth in the CRP, which is attached as Annex "A" to the Settlement Facility Agreement. Additional information on the settlement options is provided in section 6.6(J), at pages 78 through 84 of this Disclosure Statement. You should review them carefully.

Settlement Grid Domestic Personal Injury Claims (all amounts in U.S. $)		
Settlement Option	**Amount of Compensation—"Base" Payment**	**Additional Amount of Compensation—"Premium" Payment**
Breast Implant Claims		
Explantation Payment (*see* **p. 78**)[8]	$5,000	N/A
Rupture Payment (*see* **pp. 78-79**)	20,000	$5,000
(1) Multiple manufacturer reduction (applied to compensation under the Disease Payment Option, for silicone gel breast implants manufactured by Bristol, Baxter, or 3M; (2) Multiple manufacturer reduction applied to rupture compensation if a "rupture enhancement payment" has been made in the RSP to Claimants who also qualify for the Disease Payment Option) (*see* p. 80)	50%	50%
Disease Payment (*see* **pp. 79-80**)		
Disease Payment Option I: Level One C or D	10,000	2,000
Level One B	20,000	4,000
Level One A	50,000	10,000
Disease Payment Option II: Level Two—GCTS—B	75,000	15,000
Level Two—GCTS—A/PM/DM	110,000	22,000
Level Two—Systemic Sclerosis/Lupus C	150,000	30,000
Level Two—Systemic Sclerosis/Lupus B	200,000	40,000
Level Two—Systemic Sclerosis/Lupus A	250,000	50,000
Expedited Release Payment (see p. 80)	2,000	N/A

[8]Page and exhibit references in this table refer to pages in and exhibits to this Disclosure Statement.

aggregate amount of the Litigation Fund will be sufficient to resolve all anticipated Claims subject to the Litigation Fund as Allowed. All Non-Settling Personal Injury Claimants face the ordinary risks of litigation applicable to any complex products liability case as well as procedures specified under the Plan (described earlier) regarding the certification of individual cases for trial. Under the Plan, litigation of individual cases would not likely commence until after the first anniversary of the Effective Date, and the District Court and the Special Master appointed to assist the District Court shall develop procedures to encourage settlement and other cost-efficient resolution of Non-Settling Personal Injury Claims within the available funds. The Proponents believe that assumptions regarding the resolution of Non-Breast Implant Claimants electing to litigate can be informed by the opt-out rate and other experience in the Revised Settlement Program and that these data provide a reasonable basis to conclude that the available Litigation Fund will be adequate to pay anticipated Allowed Non-Settling Claims. It is reasonable, given the structure of the Settlement Program and the Litigation Facility, to anticipate that the percentage of Breast Implant Claimants electing to litigate may be similar to or (more likely) less than the percentage of "opt outs" from the Revised Settlement Program. The Proponents further believe that most of the Claimants electing litigation will be Breast Implant Claimants and that a limited number of Other Products or Silicone Material Claimants will elect to litigate.

B. Timing/Potential for Delay.

1. Settling Claimants. The Proponents believe that the Plan provides efficient processes for resolving settling Claims as quickly as possible. Settling Personal Injury Claims will be processed through a Claims Office using the personnel, facilities and, in substantial part, the protocols of the existing MDL 926 Claims Office. By adopting the existing personnel, facilities and procedures, the Plan Proponents expect to avoid the inherent delay and expense associated with establishing a new claims processing facility. Accordingly, the Proponents anticipate that Claims processing operations will begin promptly after the Effective Date.

a. Timing of Payment for Settling Breast Implant Claimants. The Plan calls for the Settlement Facility to begin making First Priority Payments, as soon as Claimants qualify, within the first year after the Plan becomes effective. The Proponents believe that during the first several years the timing of payments will be affected by two factors: the speed with which Claimants prepare and submit Claim Forms and documents and the rate at which the Claims Office can review and evaluate Claims. Since the Facility will apply the criteria and protocols of the Revised Settlement Program, the Proponents believe that the Claims Office should be able to process and pay Settling Breast Implant Claims at least as quickly as the Revised Settlement Program. The Proponents expect that up to half of the First Priority Payments could be made within the first three years and approximately two-thirds of the First Priority Payments could be made within the first four years.

Because of their lower priority under the Plan and because of the Annual Payment Ceilings specified in the Funding Payment Agreement, the Second Priority Payments ("Premium" payments) for most Claimants will likely be paid later—so that Breast Implant Claimants will first receive their "Base" Payments and then, at a later date, receive the "Premium" payments. The Proponents expect that Claimants will likely begin to receive "Premium" payments some years after the Effective Date. This means that those Claimants who receive the earliest First Priority Payments may receive their "Premium" payments several years after distribution of First Priority Payments.

b. Timing of Payment for Settling Silicone Material Claimants. Under the Plan the Claims Office must first receive and evaluate every Silicone Material Claim before distributing any payments to such Claimants. Because there is a two-year deadline for submitting such Claims, the Proponents assume that all Silicone Material Claims will be evaluated and distributions may commence beginning in the third year after the Effective Date. The Proponents expect that there will then be two distributions: the first for payments of the calculated amount of Allowed Claims under the Expedited Release Payment Option or Disease Payment Option to eligible Claimants and a second distribution consisting of Pro Rata payments of any excess amount available from the Silicone Material Claimants' Fund to all Eligible Silicone Material Claimants.

c. Timing of Payment for Settling Other Products Claimants. The Claims Office must first receive and evaluate every Settling Other Products Claim before distributing any payments to such Claimants. The Other Products Claimants are required to submit their Claims by the second anniversary of the Effective Date. Other Products Claims will be processed under procedures and qualification requirements that are specific for each type of implant. Because the MDL 926 Claims Office has had no previous experience with