

Filed: 4/5/2007
U.S. District Court
East Dist. of Mi Detroit

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

IN RE SETTLEMENT FACILITY MATTERS,

Case No. 00-X-00005

Dow Corning Corporation,
Reorganized Debtor.

HONORABLE DENISE PAGE HOOD

ORDER TO SHOW CAUSE

This matter came before the Court on a report from the Claims Administrator, Settlement Facility –Dow Corning Trust (the “SF-DCT”) that The O’Quinn Law Firm and a predecessor firm, O’Quinn & Laminack (the “law firms”) are and have been charging interest to the law firms’ clients as part of funds disbursed by the law firms as the result of settlements with the SF-DCT.

On October 6, 2005, this Court entered an Agreed Order Adopting Additional Q&A Pursuant To Article IX of Annex A, The Claims Resolution Procedures (the “Order”) (Docket No. 231). The Order clarified the extent to which allowable attorney’s fees and expenses could be charged by the law firms as part of SF-DCT settlements, and presented the clarification in Exhibit 1 to the Order in a question-and-answer format, as follows:

Q12. Can a law firm charge interest on expenses the firm advanced or for a loan the firm took out to handle a claimant’s case?

A8. No. Interest on either a loan or on expenses advanced are not chargeable to the claimant.

Q13. Can a law firm charge each client it represents a percentage of expenses it incurred on behalf of all clients?

A13. No. The allowable expenses must be related to the client’s individual case as set forth in Q11-4 in the Claimant Information Guide.

Q14. Can a law firm charge the client for expenses incurred in attending meetings or seminars on breast implant issues?

A14. No.

(October 6, 1005 Order, Docket No. 231)

The Claims Administrator of the SF-DCT has reported to this Court that clients of the law firms have complained to the Claimants Assistance Program (“CAP”) at the SF-DCT that the law firms are insisting that, as a condition precedent to payments to the clients, that such clients agree to reimburse the law firms out of the proceeds of SF-DCT settlements for interest charged on funds disbursed by the law firms on behalf of the clients.

Based on the foregoing, accordingly,

1. IT IS ORDERED that Counsel for the law firms noted above must Show Cause, *in writing*, by **April 20, 2007**, why the law firms should not be held in contempt for violating the terms of the Amended Joint Plan of Reorganization, as more specifically noted above. The Claims Administrator of the SF-DCT shall have until **May 4, 2007** to respond to any filings by the law firms. If after review of the submissions it is determined a hearing is required, the parties will be notified of the date, time and place of the hearing.

2. IT IS FURTHER ORDERED that the Claims Administrator shall serve a copy of this Order to the law firms noted above, the clients of the law firms who are affected by this matter, the Reorganized Debtor, the Claimants’ Advisory Committee, and the Finance Committee.

/s/ Denise Page Hood
DENISE PAGE HOOD
United States District Judge

DATED: April 5, 2007