

# **EXHIBIT 1**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

**FILED**

JUL 16 2004

CLERK'S OFFICE  
U.S. DISTRICT COURT  
EASTERN MICHIGAN

In re:

**DOW CORNING CORPORATION,**

Debtor.

CASE NO. 00-00005

Honorable Denise Page Hood

**ORDER ESTABLISHING COMPENSATION FOR  
CLAIMANTS' ADVISORY COMMITTEE PURSUANT TO  
SETTLEMENT FACILITY AGREEMENT 4.09(d)**

On May 20, 2004, this Court entered an Order noticing the appointment of the Claimants' Advisory Committee ("CAC") members Sybil Niden Goldrich, Ernest Hornsby, and Dianna Pendleton-Dominguez. The Settlement Facility and Fund Distribution Agreement (SFA) provides at Section 4.09(d) the following:

The members of the Claimants' Advisory Committee shall be compensated by the Settlement Facility at reasonable hourly rates established by the District Court.

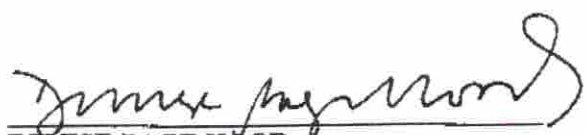
The hourly rates for CAC members have not previously been established. The 2004 Budget included a Note using a calculation of \$250/hour to establish a line item for CAC compensation and expenses. After consultation with the CAC, Debtor's Representatives and Claims Administrator, CAC members have voluntarily agreed for purposes of conserving the assets of the Settlement Fund to reduce their normal hourly billing rate as follows: attorney members are authorized to be paid \$250/hour, and non-attorney members are authorized to be paid \$125/hour. In addition, the Settlement Fund shall pay each CAC member a \$25,000 annual stipend to be paid quarterly that shall be applied to routine correspondence between and among CAC members up to an average of

eight and one-quarter (8.25) hours per month for attorney members and sixteen and one-half (16.5) hours per month for non-attorney members. The Settlement Fund shall also promptly reimburse CAC members for reasonable expenses incurred in performing their duties as provided in the Plan Documents.

Pursuant to this Court's Order of May 20, 2004, the CAC has retained Melissa Ferrari, Esq., as its Foreign Claimant Liaison Counsel to the Committee, to the extent that issues involving foreign claimants arise. CAC counsel compensation shall be established as provided for at SFA Section 4.09(e).

CAC members are directed to submit their fee and expense statement to the District Court on or by the 10<sup>th</sup> of each month along with a proposed Order authorizing payment. The underlying time descriptions are subject to applicable privileges. In recognition of such privileges, copies shall be provided to parties other than the District Court only upon a specific, detailed request demonstrating an actual need to have access to the underlying privileged time records, and after notice and opportunity for a hearing. The Court reserves the right to appoint a United States Magistrate to review and authorize payment. The Settlement Facility shall promptly pay the fees and expenses authorized.

DATED: JUL 16 2004

  
DENISE PAGE HOOD  
United States District Judge