

# **EXHIBIT 3**

**Letter from David Austern to Edgar Gentle  
Dated June 8, 2007**

**S | F | D | C | T**  
**SETTLEMENT FACILITY**  
**DOW CORNING TRUST**

David T. Austern  
Claims Administrator

3100 Main Street, Suite 700  
Houston, Texas 77002

P.O. Box 52429  
Houston, Texas 77052

Telephone 866-874-6099  
Fax 713-874-5509

daustern@sfdct.com

June 8, 2007

**Via E-mail and Regular Mail**

Edgar C. Gentle, III, Esq.  
Gentle, Pickens & Turner  
Suite 1200  
Two North Twentieth Building  
2 North 20<sup>th</sup> Street  
Birmingham, AL 35203

Dear Ed:

This is in response to your June 4, 2007 letter concerning MDL 926 Settlement Fund claims filed with the Settlement Facility-Dow Corning Trust (SF-DCT).

I received your letter while I was at the SF-DCT on June 4<sup>th</sup>, but on June 6<sup>th</sup> I left for Chicago and I did not return to my Virginia office until this afternoon. On Monday I leave for Europe (not a vacation) and I will not return until June 16<sup>th</sup>. All of this is by way of explaining that I may be unable to provide you with a complete response to your June 4<sup>th</sup> letter within the fourteen days you requested, although any delay will be slight.

There seems to be substantial cross correspondence and confusion as to the number of MDL 926 liens filed with the SF-DCT. Some of this confusion may be the result of a disconnect between what the MDL 926 considers a lien and what the SF-DCT considers a lien. The SF-DCT numbers are as follows: we currently have a total of 157 MDL 926 liens.<sup>1</sup> Of these liens (some of which were filed prior to the June 30, 2005 Lien Procedures Order), 74 claimants have acceptable SF-DCT proof of manufacture (POM), 56 have unacceptable POM, 5 have a POM minor deficiency, and 22 have not submitted a POM form. Of the 74 claims with acceptable POM, 41 would be paid today but for the MDL 926 lien, and nine others are under SF-DCT investigation to determine why the MDL 926 paid the claimant. In addition, one claimant received \$99,500 for a disease payment and we withheld \$25,500 from that payment because that is the amount of the MDL 926 lien.

With respect to the request in paragraph two of your letter, four or five claimants whose claims are ready for payment have not responded to the MDL 926 lien (which ordinarily is sent to a claimant when their claim is ready for payment pursuant to the Lien Procedures Order) because we have not notified the claimants of the lien. We stopped notifying such claimants after Judge Frank Andrews declared that he had a conflict of interest and could not take appeals from MDL 926 liens. My next response to your letter will identify these claimants.

---

<sup>1</sup> The MDL 926 filed nine additional liens (not counted above) as follows: five liens were for claimants who were paid an SF-DCT expedited release and the SF-DCT does not pay lien holders for expedited release claimants. Three claimants accepted the MDL 926 lien upon being told of it, and we paid the MDL 926. Prior to the entry of the June 30, 2005 Lien Procedures Order, one claimant was paid an expedited release payment and the MDL 926 lien was paid from the claimant's rupture award.

Edgar C. Gentle, III, Esq.  
June 8, 2007  
Page 2

In response to the issue raised in paragraph three of your letter, none of the claimants ready for payment are on administrative hold. Please note that our "administrative hold" description is used for internal processing issues and does not apply to liens.

Finally, prior to my next response, I would like to consider whether it is appropriate for me to provide you with the names and addresses of the SF-DCT claimants subject to MDL 926 liens, as you have requested. I may want to communicate with those claimants concerning this matter, and I would be happy to include a communication from you or any pleadings or documents you may wish to enclose. I assume any such communication would be sent to the attorney for those claimants who are represented.

If you have any questions concerning this letter, please call me on Monday, June 18<sup>th</sup>, at 703-205-0835 or beginning on Tuesday of that week, at the Facility.

Yours very truly,

A handwritten signature in black ink, appearing to read "David T. Austern". The signature is written in a cursive style with a large initial "D".

David T. Austern

cc: SF-DCT Parties  
SF-DCT Finance Committee  
Jean Eliason, Esq.