Notice to Eligible Employees of Dow Corning Corporation of Application for Authorization Under Prohibited Transaction Exemption 96-62, as Amended

You are hereby notified that Dow Corning Corporation ("DCC") and its direct wholly-owned captive insurance company Devonshire Underwriters Limited ("DUL") have applied to the U.S. Department of Labor ("DOL") for authorization that the prohibited transaction provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), do not apply to the reinsurance transaction described below. The transaction involves the reinsurance of risks and the receipt of premiums by DUL from insurance contracts currently funding DCC's U.S. Basic Life Insurance contract currently funding the Dow Corning Life and AD&D Insurance Plan (503) called "the Plan." Due to the nature of the relationship between DCC and DUL, such reinsurance would otherwise constitute a prohibited transaction under ERISA. This notice informs you of the application to the DOL and certain changes to the U.S. Basic Life Insurance program benefits (the Plan) and describes your right to comment to the DOL about the requested authorization. Other employee benefit programs offered by DCC will not be affected.

In 2009, DCC entered into a similar arrangement for DCC's Optional Life, Dependent Life, Optional AD&D and Long Term Disability employee benefit plans. This notice is different than the previous notice (Dow Corning Corporation FAN 2009-17E) as DCC is only amending the Basic Life Insurance program and is providing additional benefit enhancements to active and retired employees of DCC in addition to the increased benefits that were first made effective in 2009. You may remember receiving a similar notice in the mail that explained this transaction as well as the benefit enhancements that were included with the employee benefit programs. The previous benefit enhancements as well as the new benefit enhancements are still offered to DCC employees at no additional cost to employees.

OVERVIEW

DCC's Plan provides U.S. Basic Life Insurance to all full-time and part-time active U.S. employees, pre-65 and post-65 retirees and spouses. The Plan is insured with Minnesota Life Insurance Company ("MN Life"). Under the transaction, MN Life will insure the Plan risks. However, MN Life will reinsure 100 percent of risks with DUL.

The Plan Administrator has determined that the transaction is in the interest of the participants and beneficiaries of the Plan because of benefit improvements that will be provided to them. The authorization by the DOL will be subject to the conditions described below and set forth in more detail in Exhibit A.

The reinsurance agreement is simply an internal arrangement between DUL and MN Life. MN Life will continue to insure the benefits provided to you under the Plan, including the benefit improvements.

PARTIES TO THE PROPOSED REINSURANCE AGREEMENT

Company

DCC is located in Midland, Michigan and is a global manufacturer/supplier in silicone-based chemicals. It is a joint venture equally owned by The Dow Chemical Company and Corning, Incorporated. The company has been in business since 1943. Its array of products and solutions include adhesives/sealants, elastomers, emulsions, fluids and silicone rubber. DCC also offers consulting/advisory services in the areas of analytical/application testing, environmental health and safety, facilities design and engineering, geographic and market expansion, and process and supply chain optimization.

For fiscal year ending December 31, 2010, DCC achieved sales of $6 billion and net income of $866 million. It reported a global employee force of 12,000.

Captive

DCC operates a wholly owned captive insurance company, Devonshire Underwriters Limited ("DUL"). DUL currently writes DCC's workers' compensation, employer's liability, automobile liability and general/product liability risks, Optional Life, Dependent Life and Optional AD&D plans. For fiscal year ending December 31, 2010, DUL reported earned premiums of $8,157,595 and total assets of $52,461,160.

On June 1, 2009, DCC re-domesticated DUL from Bermuda to Washington, D.C. for the purpose of writing employee benefits.

THE PLAN

DCC maintains the Plan for all full-time and part-time active U.S. employees, pre-65 and post-65 retirees and spouses. Under the Plan, DCC provides U.S. Basic Life Insurance coverage. The Plan will be insured with MN Life and DCC covers the cost of the coverage to employees.

The official name of the Plan is the Dow Corning Corporation Life and AD&D Insurance Plan (503). The federal employer identification number of the Plan sponsor is (38-0495575).

CHANGES TO THE PLAN

DCC recently formulated a plan to utilize DUL for the reinsurance of benefits and will make improvements to the Plan upon receiving DOL authorization. MN Life will insure the Plan with the new enhanced benefits. The benefit enhancements are not required as part of a legal proceeding, court order or judgment under state or federal law.

DCC will enhance the benefits under the Plan by adding the following features, which become effective January 1, 2012 after DCC receives approval for the Basic Life Insurance Plan.

It is intended that this transaction and the reinsurance of DCC's Basic Life Insurance plan in DUL will become effective January 1, 2012, which is the same time that the benefit enhancements described below will be offered to active and retired DCC employees.

DCC will enhance the benefits under the Plan as follows:

- Accelerated Death Benefit
    - DCC will enhance The Plan by providing an enhanced accelerated death benefit under the life insurance policy. DCC's plan allows an insured employee who is terminally ill to receive payments under the life insurance policy in advance of his or her death. The advance allowed for DCC's employees is 50% of the insured's coverage up to $100,000. Under the captive arrangement with MN Life, the amount that employees can receive in advance will be increased to 100% of each individual's life insurance coverage, up to a maximum of $1,000,000.
- Beneficiary Financial Counseling
    - DCC will provide qualified active and retired employees with Beneficiary Financial Counseling services. Eligible employees will be able to receive financial services offered through PricewaterhouseCoopers LLP (PwC).

      The benefit service is available to all beneficiaries and employees receiving at least $25,000 in benefits. Beneficiaries and employees have the option to utilize these services while the employee is alive.

      The Beneficiary Financial Counseling services are offered to eligible employees at no additional cost. PwC's financial counselors are experienced Certified Financial Planners, Certified Public Accountants, attorneys, and personal financial specialists who provide objective counseling on estate settlement, budgeting, taxes and various other financial issues.

The Beneficiary Financial Counseling provides the following benefits to employees:

- **Personal Financial Counseling** – Six months of counseling services with a financial coach for in-depth financial counseling sessions offered over the phone or a face-to-face meeting. The employee as well as the beneficiary has the option to attend a face-to-face meeting or the choice to conduct private counseling over the phone.

  When an employee or beneficiary submits a claim (i.e., for a death benefit or an accelerated death benefit) to MN Life, PwC is prompted and the service can be utilized by the employee and/or beneficiary for a six month period. The employee and/or beneficiary will receive an initial welcome package that describes the program and the services included at no additional costs.

  The monetary savings could vary from person to person, but overall, some programs provided under the Beneficiary Financial Counseling program could be purchased outside of this offering and could be estimated to cost from $250 to a few thousand dollars, depending on the type of service selected.

  There is no limitation on the number of calls or visits within the six months of counseling.

- **Personalized Financial Analysis** – Computer generated financial plan designed to help beneficiaries understand current and overall financial situations and provide assistance to strategize for the future.

  This Personalized Financial Analysis is offered to employees and is not a direct result of the face-to-face meeting with the Financial Counselor. The employee and the beneficiary have the option to skip the face-to-face meeting or telephone call and move straight into a computer generated financial plan in privacy.

  The service offered to employees is offered through credentialed (e.g., Certified Financial Planners, Certified Public Accountants, Attorneys, Personal Financial Specialists,) and experienced professionals that have been vetted by PwC and endorsed by MN Life.

This Personalized Financial Analysis is a quick and easy on-line assessment that covers credit/debt management, savings and retirement plans, investments, insurance coverage, and legal matters (wills, durable power of attorney).

After the employee and/or beneficiary receive their personal information and financial analysis, it can act as a guide for discussions during face-to-face meetings, if desired. PwC Financial Counselors have the ability to discuss the benefits and advantages regarding the employee and/or the beneficiaries' unique situation.

- **Beneficiary Guide** – Reference guide that delivers easy-to-follow- guidance on estate issues, survivor benefits, financial planning and non-financial issues.

- **eAdvisor** – An integrated planning tool that provides beneficiaries access to online financial calculators, life event guides, news articles and other online financial planning course materials.

- **Your Money, Your Future** – Bimonthly electronic financial planning newsletters accessed online by each employee.

- **ConseLine** – Unlimited toll-free telephone access for one year. Provides information on estate settlements, IRAs and other financial planning issues.

  The one year period of unlimited toll-free telephone calls starts when the services are accessed by the employee and/or the beneficiary. The phone call(s) are scheduled with financial counselors of PwC, who are experienced professionals with credentials such as Certified Financial Planners, Certified Public Accountants, Attorneys, Personal Financial Specialists, etc.

  All experienced and credentialed professionals from PwC are trained in bereavement issues and are held to the highest ethical standards and fully understanding of the need for client confidentiality.

Employees will be notified of these services collectively through the following communication methods: brochures, posters, postcards, as well as through the World Wide Web. The Summary Plan Description (SPD) will include information regarding these services.

- Legacy Planning Services

    - DCC will provide active and retired employees Legacy Planning Services to assist individuals in times of needs. Legacy Planning Services consists of the following areas: Asset Distribution, Last Wishes, Estate Plans, Last Will and Testament, Power of Attorney, Healthcare Directives, Beneficiary Designations and Document Locater. Legacy Planning Services are provided to employees (active and retired) through secure website access. For the first half of 2011, MN Life reported an estimated 1,272 log-ins for this service, which can be broken down to an estimated 7 times a day. DCC will bear the full cost of the Legacy Planning Services; there will be no cost to participants and all employees will benefit from this enhancement.

      The Legacy Planning Services provides the following benefits to employees:

        - Preparing legal documents (estate plans, wills, etc)
        - Practical items to consider such as a key contact list and location of key documents
        - As appropriate, assistance with burial versus cremation
        - Choosing an appropriate provider / vendor for final arrangements
        - Assistance with filing insurance claims

        All DCC employees will have access to this benefit and will be able to access it online through the following website: www.legacyplanningservices.com.

        Employees will be notified of these services collectively through the following communication methods: brochures, posters, postcards, as well as through the World Wide Web. The Summary Plan Description (SPD) will include information regarding these services.

As stated above, the reinsurance agreement is simply an internal arrangement between DUL and MN Life. MN Life will continue to insure the benefits provided to you under the Plan, including the improved benefits, and DCC will continue to provide employees' coverage at no cost to the employee.

<u>INDEPENDENT FIDUCIARY</u>

In connection with the application to the DOL, DCC has retained, at its sole expense, Milliman, Inc. ("Milliman"), which provides specialized fiduciary services on behalf of employee benefit plans. Milliman, as the Independent Fiduciary for the Plan has analyzed the transaction and rendered an opinion that the requirements of subsections (a) through (f) of the draft requested authorization, attached as Exhibit A, have been complied with. In addition, Milliman will represent the interests of the Plan, as the Independent Fiduciary at all times with respect to the proposed transaction. Milliman will monitor compliance by the parties with the terms and conditions of the proposed transaction on an on-going basis, and will take whatever action is necessary and appropriate to safeguard the interests of the Plan and its participants and beneficiaries with respect thereto, and to ensure that the proposed transaction remains in the interest of the Plan and its participants and beneficiaries.

OVERVIEW OF EXEMPTION CONDITIONS

The following is a summary of the principal conditions that would be imposed by the DOL authorization (a full version of which is attached as Exhibit A):

- The Plan will pay no more than adequate consideration for the insurance contracts.

- No commissions will be paid by the Plan with respect to the reinsurance thereof.

- In the initial year of any such contract involving DUL, there will be an immediate and objectively determined benefit to the participants and beneficiaries of the Plan in the form of increased benefits as previously described.

- DCC has retained an independent fiduciary, at its sole expense, to analyze the transaction and render an opinion that the requirements of subsections (a) through (f) of Exhibit A have been complied with.

TENTATIVE AUTHORIZATION

Authorization by the DOL was requested under a procedure called the Prohibited Transaction Exemption ("PTE") 96-62. This process requires that at least two prior exemptions of substantially similar structure have been granted by the DOL within the last 60 months. Alternatively, the DOL must have granted one exemption within the past 120 months and issued one final authorization pursuant to PTE 96-62 within 60 months for substantially similar transactions. You can find the description of Svenska Cellulosa Aktiebolaget, PTE 2004-12, in the Federal Register, (July 7, 2004, 69 Federal Register at page 40978) . The Department of Labor also provided authorization for the following EXPRO filings: Memorial Sloan-Kettering Cancer Center, FAN 2008-22E (December 31, 2008) and Dow Corning Corporation (Dow Corning Corporation, FAN 2009-17E (November 28, 2009). These filings are also substantially similar to the transaction described herein. In those cases, each respective employer proposed using its captive insurance company to reinsure employee benefits, and agreed to provide improved benefits, retain an Independent Fiduciary, contract only with insurers with an "A" rating or better with A.M. Best Company or a similar rating agency, and arrange the transaction with the captive as indemnity insurance only. Based on these representations, the DOL granted relief from the prohibited transaction restrictions under sections 406 (a) and (b) of ERISA.

The proposed transaction described in this Notice has met the requirements for tentative authorization from the DOL under PTE 96-62. Unless the DOL otherwise notifies DCC, a final authorization would be effective November 25, 2011.

As previously stated, it is intended that this transaction and the reinsurance of DCC's Basic Life Insurance plan in DUL will become effective January 1, 2012, which is the same time that the benefit enhancements described below will be offered to active and retired DCC employees.

YOUR RIGHT TO COMMENT ON TENTATIVE AUTHORIZATION

As an interested party, you have the right to submit comments to the DOL on the tentative authorization. If you decide to do so, please submit your comments at the following address:

Employee Benefits Security Administration
Office of Exemption Determinations, Division of Individual Exemptions
U.S. Department of Labor
Attention: Mr. Gary Lefkowitz
Submission # E-00674
200 Constitution Avenue, N.W.
Room N-5700
Washington, D.C. 20210

Please be sure to reference the submission number (E-00674). Comments must be received by the DOL no later than (November 20, 2011).

Comments may be faxed or e-mailed to the DOL. The fax number is (202) 219-0204 and the e-mail address is lefkowitz.gary@dol.gov. If you have questions regarding your right to comment on this tentative authorization, you may call Mr. Gary Lefkowitz at (202) 693-8546.

If you have any questions about any information in this notice, contact Paul H. Schulte of Human Resources at the telephone number below:

Phone Number: 1- (989) 496-8555
Email: Paul.Schulte@dowcorning.com

Exhibit A

Pending Authorization

The restrictions of Section 406(a) and 406(b) of ERISA shall not apply to the reinsurance of risks and the receipt of premiums there from by Devonshire Underwriters Limited, ("DUL") in connection with insurance contracts sold by Minnesota Life Insurance Company, ("MN Life") or any successor insurance company which is unrelated to Dow Corning Corporation ("DCC") to provide U.S. Basic Life Insurance contracts to fund the Dow Corning Life and AD&D Insurance Plan (503), called "the Plan," for participants, provided the following conditions are met:

(a) DUL:

(1) Is a party in interest with respect to the Plan by reason of a stock or partnership affiliation with DCC that is described in Section 3(14)(E) or (G) of ERISA;

(2) Is licensed to sell insurance or conduct reinsurance operations in at least one State as defined in section 3(10) of ERISA;

(3) Has obtained a Certificate of Authority from the Insurance Commissioner of its domiciliary State which has neither been revoked nor suspended;

(4) Will undergo an examination by an independent certified public accountant for its last completed taxable year immediately prior to the taxable year of the reinsurance transaction. In addition, the independent certified public accountant will examine DUL's reserves on an annual basis in connection with the employee benefits business to be reinsured by DUL to ensure that approvable reserve levels are maintained. Further, such accountant must prepare and furnish its report to the independent plan fiduciary within 6 months after the end of each taxable year; and

(5) Is licensed to conduct reinsurance transactions by a State whose law requires that an actuarial review of reserves be conducted annually by an independent firm of actuaries and reported to the appropriate regulatory authority.

(b) The Plan pays no more than adequate consideration for the insurance contracts;

(c) No commissions are paid by the Plan with respect to the reinsurance thereof;

(d) In the initial year of any contract involving DUL, there will be an immediate and objectively determined benefit to the Plan's participants and beneficiaries in the form of increased benefits that are described in the Notice to Interested Persons;

(e) In subsequent years, the formulae used to calculate premiums by the Fronting Insurance Company (MN Life) or any successor insurer will be similar to formulae used by other insurers providing comparable U.S. Basic Life Insurance coverage under similar programs. Furthermore, the premium charges calculated in accordance with the formulae will be reasonable and will be comparable to the premiums charged by the Fronting Insurance Company and its competitors with the same or a better rating providing the same coverage under comparable programs;

(f) The Plan only contracts with insurers with a financial strength rating of "A" or better from A.M. Best Company (Best's). The reinsurance arrangement between the Fronting Insurance Company and DUL will be indemnity insurance only, i.e., the Fronting Insurance Company will not be relieved of liability to the Plan should DUL be unable or unwilling to cover any liability arising from the reinsurance arrangement; and

(g) The Plan retains an independent fiduciary (the Independent Fiduciary), at DCC's expense, to analyze the transaction and render an opinion that the requirements of sections (a) through (f) have been complied with. For purposes of this exemption, the Independent Fiduciary is a person who:

(1) Is not directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with DCC, DUL, or the Fronting Insurance Company (this relationship hereinafter referred to as an ''Affiliate'');

(2) Is not an officer, director, employee of, or partner in, DCC, DUL, or the Fronting Insurance Company (or any Affiliate thereof);

(3) Is not a corporation or partnership in which DCC, DUL, or the Fronting Insurance Company has an ownership interest or is a partner;

(4) Does not have an ownership interest in DCC, DUL the Fronting Insurance Company or any Affiliate thereof;

(5) Is not a fiduciary with respect to the Plan prior to the appointment;

(6) Has acknowledged in writing acceptance of fiduciary responsibility and has agreed not to participate in any decision with respect to any transaction in which the Independent Fiduciary has an interest that might affect its best judgment as a fiduciary; and

(7) For purposes of this definition of an ''Independent Fiduciary,'' no organization or individual may serve as an Independent Fiduciary for any fiscal year if the gross income received by such organization or individual (or partnership or corporation of which such individual is an officer, director, or 10 percent or more partner or shareholder) from DCC, DUL or their Affiliates

(including amounts received for services as Independent Fiduciary under any prohibited transaction exemption granted by the Department) for that fiscal year exceeds 1 percent of that organization or individual's annual gross income from all sources for such fiscal year.

In addition, no organization or individual who is an Independent Fiduciary, and no partnership or corporation of which such organization or individual is an officer, director, or 10 percent or more partner or shareholder, may acquire any property from, sell any property to, or borrow funds from DCC, DUL or their Affiliates during the period that such organization or individual serves as Independent Fiduciary, and continuing for a period of six months after such organization or individual ceases to be an Independent Fiduciary, or negotiates any such transaction during the period that such organization or individual serves as Independent Fiduciary.