

**UNITED STATES DISTRICT COURT**  
**NORTHERN DISTRICT OF ILLINOIS**  
**EASTERN DIVISION**

LAWRENCE E. JAFFE PENSION PLAN, On Behalf of Itself and All Others Similarly Situating, <p style="text-align:right">Plaintiff,</p> <p style="text-align:center">- against -</p> Household International, Inc., et al., <p style="text-align:right">Defendants.</p>	} Lead Case No. 02-C-5893 (Consolidated) } CLASS ACTION } Judge Ronald A. Guzman Magistrate Judge Nan R. Nolan
--	--

**DEFENDANTS' STATUS REPORT FOR THE APRIL 29, 2008**  
**TELEPHONE STATUS CONFERENCE WITH MAGISTRATE JUDGE NOLAN**

Cahill Gordon & Reindel LLP  
80 Pine Street  
New York, New York 10005  
(212) 701-3000

Eimer Stahl Klevorn & Solberg LLP  
224 South Michigan Ave.  
Suite 1100  
Chicago, Illinois 60604  
(312) 660-7600

*Attorneys for Defendants Household  
International, Inc., Household Finance  
Corporation, William F. Aldinger, David  
A. Schoenholz, Gary Gilmer and J.A.  
Vozar*

The Household Defendants respectfully submit this Status Report in advance of the April 29, 2008 telephonic status conference to inform the Court of the status of the *Sunstar* stipulation. Pursuant to the Court's instructions during the April 22 status conference, Defendants sent a proposed stipulation to Plaintiffs on Thursday, April 24. The parties engaged in a telephonic meet and confer on Friday, April 25 and exchanged email correspondence on Friday and Monday, resulting in all outstanding issues being resolved except one.

Contrary to Plaintiffs' position in their "Statement for April 29, 2008 Telephonic Status Conference," the Defendants did not propose an expansion of the stipulation to address post-Class Period opinions. It is Plaintiffs who have been seeking to inject inappropriate time periods in the simple stipulation we originally circulated to counsel and the Court weeks ago. A copy of the draft stipulation acceptable to the Household Defendants is attached hereto. In light of Plaintiffs' decision to abandon the stipulation effort, we will not belabor the point further and agree with Plaintiffs that no action is any longer required by the Court on this issue.

Dated: April 29, 2008  
Chicago, Illinois

Respectfully submitted,

EIMER STAHL KLEVORN & SOLBERG LLP  
224 South Michigan Ave.  
Suite 1100  
Chicago, Illinois 60604  
(312) 660-7600

and

CAHILL GORDON & REINDEL LLP

By: /s/ Landis C. Best

Thomas J. Kavalier  
Peter Sloane

Patricia Farren  
Susan Buckley  
Landis C. Best  
David R. Owen

80 Pine Street  
New York, New York 10005  
(212) 701-3000

*Attorneys for Defendants Household  
International, Inc., Household Finance  
Corporation, William F. Aldinger, David A.  
Schoenholz, Gary Gilmer and J.A. Vozar*

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

LAWRENCE E. JAFFE PENSION PLAN, ON  
BEHALF OF ITSELF AND ALL OTHERS SIMILARLY  
SITUATED,

Plaintiff,

- against -

HOUSEHOLD INTERNATIONAL, INC., ET AL.,

Defendants.

Lead Case No. 02-C-5893  
(Consolidated)

CLASS ACTION

Judge Ronald A. Guzman  
Magistrate Judge Nan R. Nolan

**STIPULATION REGARDING THE PARTIES'  
NOTICES CONCERNING EXPERT TESTIMONY**

WHEREAS, on December 10, 2007, the date set by the Court for Defendants' expert disclosures, Defendants served on Plaintiffs "Defendants' Notice Concerning Expert Testimony" ("Defendants' Notice") identifying, *inter alia*, 23 individuals whom "Defendants may call . . . to give testimony in this action as to matters as to which they have specialized knowledge and whose testimony may, at least in part, fall within the purview of the Court's ruling in *Sunstar, Inc. v. Alberto-Culver Company, Inc.*, 2006 U.S. Dist. LEXIS 85678 (N.D. Ill., Nov. 16, 2006)" ("*Sunstar*");

WHEREAS, Defendants represent that none of the individuals identified in Defendants' Notice is a retained expert, but rather, each has real-time knowledge of the events, transactions, actions, decisions, and formation of judgments at issue in the underlying action;

-2-

WHEREAS, on February 27, 2008, pursuant to Magistrate Judge Nolan's February 26, 2008 Order, Plaintiffs provided Defendants with "Lead Plaintiffs' Notice Concerning Expert Testimony Pursuant to the Court's February 26, 2008 Order" identifying witnesses whose testimony as to opinions developed before or during the Class Period lead plaintiffs may introduce at trial or otherwise;

WHEREAS, on March 10, 2008, Plaintiffs provided Defendants with "Lead Plaintiffs' Amended Notice Concerning Expert Testimony Pursuant to the Court's February 26, 2008 Order" ("Lead Plaintiffs' Amended Notice") amending their February 27, 2008 Notice;

WHEREAS, Lead Plaintiffs represent that none of the individuals identified in "Lead Plaintiffs' Amended Notice" is a retained expert, but rather, each has real-time knowledge of the events, transactions, actions, decisions, and formation of judgments at issue in the underlying action;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and among the undersigned counsel for the parties in the above-captioned action, that to the extent that any party seeks to introduce testimony at trial or otherwise as to what individuals listed on Defendants' Notice and Lead Plaintiffs' Amended Notice did in real time, why and how they did it, and opinions they had or formulated at the time of the events in question, even if based on specialized knowledge, the parties will not object to such testimony on the ground that it is improper expert testimony by a lay witness or on the ground that the other party failed adequately to disclose the identity of the witness as required by Rule 26(a)(2)(A). All other objections with respect to the testimony of any individual listed on the parties' Notices are hereby reserved.

-3-

Dated: April 28, 2008

CAHILL GORDON & REINDEL LLP

Thomas J. Kavalier

Howard G. Sloane

Patricia Farren

Susan Buckley

Landis C. Best

David R. Owen

By: \_\_\_\_\_

80 Pine Street  
New York, NY 10005  
(212) 701-3000

- and -

EIMER STAHL KLEVORN & SOLBERG LLP

Nathan P. Eimer

Adam B. Deutsch

224 South Michigan Avenue

Suite 1100

Chicago, Illinois 60604

(312) 660-7600

Attorneys for Defendants Household  
International, Inc, Household Finance Corporation,  
William F. Aldinger, David A. Schoenholz, Gary  
Gilmer and J. A. Vozar

-4-

COUGHLIN STOIA GELLER RUDMAN  
& ROBBINS LLP

Azra Z. Mehdi  
D. Cameron Baker  
Luke O. Brooks  
Jason Davis  
Suzanne H. Kaplan

By: \_\_\_\_\_

100 Pine Street, Suite 2600  
San Francisco, CA 94111  
(415) 288-4545

COUGHLIN STOIA GELLER  
RUDMAN & ROBBINS LLP

Patrick J. Coughlin  
Spencer A. Burkholz  
655 West Broadway, Suite 1900  
San Diego, CA 92101  
(619) 231-1058

Lead Counsel for Plaintiffs

MILLER LAW LLC

Marvin A. Miller  
Lori A. Fanning  
115 S. LaSalle Street, Suite 2910  
Chicago, IL 60603  
(312) 332-3400

Liaison Counsel for Plaintiffs