

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

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|---------------------------------------------|-------------------------------|
| LAWRENCE E. JAFFE PENSION PLAN, On) | Lead Case No. 02-C-5893 |
| Behalf of Itself and All Others Similarly) | (Consolidated) |
| Situated,) | |
| |) <u>CLASS ACTION</u> |
| Plaintiff,) | |
| |) Judge Ronald A. Guzman |
| vs.) | Magistrate Judge Nan R. Nolan |
| |) |
| HOUSEHOLD INTERNATIONAL, INC., et) | |
| al.,) | |
| |) |
| Defendants.) | |
| _____) | |

**REVISED [PROPOSED] ORDER PRELIMINARILY APPROVING SETTLEMENT
WITH ARTHUR ANDERSEN LLP AND PROVIDING FOR NOTICE**

WHEREAS, a consolidated class action is pending before the Court entitled *Lawrence E. Jaffe Pension Plan v. Household International, Inc.*, Lead Case No. 02-C-5893 (Consolidated) (the “Litigation”);

WHEREAS, the Court has received the Stipulation of Settlement with Arthur Andersen LLP dated as of June 16, 2005 (the “Stipulation”), that has been entered into by the Lead Plaintiffs and Andersen, and the Court has reviewed the Stipulation and its attached Exhibits;

WHEREAS, the parties having made application, pursuant to Federal Rule of Civil Procedure 23(e), for an order preliminarily approving the settlement of this Litigation as to Andersen, in accordance with the Stipulation which, together with the Exhibits annexed thereto sets forth the terms and conditions for a proposed settlement of the Litigation and for dismissal of the Litigation with prejudice upon the terms and conditions set forth therein; and the Court having read and considered the Stipulation and the Exhibits annexed thereto; and

WHEREAS, all defined terms contained herein shall have the same meanings as set forth in the Stipulation;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. This Revised Order incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings set forth in the Stipulation.
2. This Court has jurisdiction over the subject matter of the Litigation and over all parties to the Litigation, including all Members of the Class.
3. The Court does hereby preliminarily approve the Stipulation and the settlement set forth therein, subject to further consideration at the Settlement Hearing described below.
4. A hearing (the “Settlement Hearing”) shall be held before this Court on April 6, 2006, at 10:00 a.m., at the Everett McKinley Dirksen Building, 219 South Dearborn Street, Chicago, Illinois, to determine whether the proposed settlement of the Litigation on the terms and conditions

provided for in the Stipulation is fair, reasonable and adequate to the Class and should be approved by the Court; and whether a Judgment as defined in ¶1.13 of the Stipulation should be entered herein. The Court may adjourn the Settlement Hearing without further notice to Members of the Class.

5. The Court approves, as to form and content, the Notice of Pendency and Proposed Partial Settlement of Class Action (the “Notice”) and Summary Notice for publication annexed as Exhibits A-1 and A-2 hereto, and finds that the mailing and distribution of the Notice and publishing of the Summary Notice substantially in the manner and form set forth in ¶¶6-7 of this Revised Order meet the requirements of Federal Rule of Civil Procedure 23 and due process, and is the best notice practicable under the circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

6. Lead Counsel are hereby authorized to retain the firm of Gilardi & Co. LLC (“Claims Administrator”) to supervise and administer the notice procedure as more fully set forth below:

(a) Household shall provide the Claims Administrator with the appropriate transfer records no later than January 30, 2006;

(b) Not later than February 13, 2006 (the “Notice Date”), Lead Counsel shall cause a copy of the Notice substantially in the form annexed as Exhibit A-1, to be mailed by first class mail to all Class Members who can be identified with reasonable effort;

(c) Not later than February 14, 2006, Lead Counsel shall cause the Summary Notice to be published once in *USA Today*; and

(d) At least seven (7) calendar days prior to the Settlement Hearing, Lead Counsel shall cause to be served on Andersen’s counsel and filed with the Court proof, by affidavit or declaration, of such mailing and publishing.

7. Nominees who purchased or acquired Household securities during the period beginning October 23, 1997 through October 11, 2002, inclusive, shall send the Notice to all beneficial owners of such Household securities within ten (10) days after receipt thereof, or send a list of the names and addresses of such beneficial owners to the Claims Administrator within ten (10) days of receipt thereof, in which event the Claims Administrator shall promptly mail the Notice to such beneficial owners. Lead Counsel shall, if requested, reimburse banks, brokerage houses or other nominees solely for their reasonable out-of-pocket expenses incurred in providing notice to beneficial owners who are Class Members out of the Class Notice and Administration Fund, which expenses would not have been incurred except for the sending of such Notice, subject to further order of this Court with respect to any dispute concerning such compensation.

8. All Members of the Class shall be bound by all determinations and judgments in the Litigation concerning the settlement, whether favorable or unfavorable to the Class.

9. Any Person who desires to request exclusion from the Class shall do so no later than March 20, 2006, in the manner described in the Notice. All Persons who submit valid and timely Requests for Exclusion in the manner set forth in the Notice shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or the Judgment entered in the Litigation.

10. Any Member of the Class may enter an appearance in the Litigation, at their own expense, individually or through counsel of their own choice. If they do not enter an appearance, they will be represented by Lead Counsel.

11. Any Member of the Class may appear and show cause, if he, she or it has any reason, why the proposed settlement of the Litigation should or should not be approved as fair, reasonable and adequate, or why a judgment should or should not be entered thereon; provided, however, that no Class Member or any other Person shall be heard or entitled to contest the approval of the terms

and conditions of the proposed settlement, or, if approved, or the Judgment to be entered thereon approving the same, unless that Person has delivered by hand or sent by first class mail written objections and copies of any papers and briefs such that they are received on or before March 20, 2006, by: Lerach Coughlin Stoia Geller Rudman & Robbins LLP, Joy Ann Bull, 655 West Broadway, Suite 1900, San Diego, California 92101; Mayer, Brown, Rowe & Maw LLP, Stanley J. Parzen, 71 South Wacker Drive, Chicago, IL 60606, and filed said objections, papers and briefs with the Clerk of the United States District Court for the Northern District of Illinois, Eastern Division, 219 South Dearborn Street, Chicago, IL 60604, on or before March 20, 2006. Any Member of the Class or any other Person who does not make his, her or its objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed settlement as set forth in the Stipulation, unless otherwise ordered by the Court.

12. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

13. All papers in support of the settlement shall be filed and served seven (7) calendar days prior to the Settlement Hearing.

14. All reasonable expenses incurred in identifying and notifying Class Members, as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event the settlement is not approved by the Court, or otherwise fails to become effective, neither the Lead Plaintiffs nor Lead Counsel shall have any obligation to repay any amounts actually and properly disbursed from the Class Notice and Administration Fund up to the amount of \$50,000.

15. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, shall be construed as an admission or concession by Andersen or

its Related Parties of the truth of any of the allegations in the Litigation, or of any liability, fault, or wrongdoing of any kind.

16. The Court reserves the right to adjourn the date of the Settlement Hearing without further notice to the Members of the Class, and retains jurisdiction to consider all further applications arising out of or connected with the proposed settlement. The Court may approve the settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the Class.

DATED: _____

THE HONORABLE RONALD A. GUZMAN
UNITED STATES DISTRICT JUDGE

Submitted by:

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s/ JOY ANN BULL

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CERTIFICATE OF SERVICE

I hereby certify that on January 24, 2006, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the e-mail addresses denoted on the attached Electronic Mail Notice List, and I hereby certify that I have served the foregoing document or paper via overnight delivery to the non-CM/ECF participants indicated on the attached Manual Notice List.

s/ JOY ANN BULL

JOY ANN BULL

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Mailing Information for a Case 1:02-cv-05893

Electronic Mail Notice List

The following are those who are currently on the list to receive e-mail notices for this case.

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Manual Notice List

The following is the list of attorneys who are **not** on the list to receive e-mail notices for this case (who therefore require manual noticing). You may wish to use your mouse to select and copy this list into your word processing program in order to create notices or labels for these recipients.

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