

FILED
APR 08 2003
MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

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

LAWRENCE E. JAFFE PENSION PLAN, On
Behalf of Itself and All Others Similarly
Situating,

Plaintiff,

vs.

HOUSEHOLD INTERNATIONAL, INC., et al.,

Defendants.

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

Judge Ronald A. Guzman
Magistrate Judge Nan R. Nolan

DOCKETED
APR 18 2003

**STIPULATION AND ORDER PROVIDING FOR
HOUSEHOLD INTERNATIONAL, INC. TO PRESERVE AND
MAINTAIN RELEVANT DOCUMENTS IN THE UNITED STATES**

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WHEREAS, on March 7, 2003, plaintiffs filed an Amended Consolidated Class Action Complaint ("Complaint") alleging violations of the Securities Act of 1933 ("Securities Act") and the Securities Exchange Act of 1934 ("Exchange Act") against, among others, Household International, Inc. ("Household");

WHEREAS, defendants contemplate moving to dismiss the Complaint on a number of grounds, including failure to comply with the Private Securities Litigation Reform Act of 1995 ("PSLRA");

WHEREAS, under the PSLRA, plaintiffs are prohibited from pursuing discovery under the Federal Rules of Civil Procedure unless and until such time as this Court denies defendants' motion(s) to dismiss plaintiffs' Complaint;

WHEREAS, plaintiffs' Complaint alleges that Household has in its possession documents and other evidence relevant to plaintiffs' claims;

WHEREAS, on March 28, 2003, defendant Household and HSBC Holdings Plc. ("HSBC") consummated a merger whereby Household became a wholly owned subsidiary of HSBC (the "Merger");

WHEREAS, plaintiffs believe that they will be prejudiced by the loss or destruction of documents relevant to this litigation or their export from the United States to HSBC's London, England headquarters or any foreign country;

WHEREAS, on March 31, 2003, plaintiffs filed a Motion for an Order Requiring Defendants to Preserve and Maintain Relevant Documents in the United States;

WHEREAS, plaintiffs acknowledge that they are not presently aware of any efforts by Household, or any intention on the part of Household, to destroy or remove from the United States any documents that may be relevant to the allegations in the Complaint;

WHEREAS, Household represents that it has not knowingly undertaken any efforts, and does not have any intention, to destroy or remove from the United States any documents that may be relevant to the allegations in the Complaint, except as provided in this agreement; and

WHEREAS, the parties wish to resolve this Motion by agreement, and without the inconvenience and expense of further litigation;

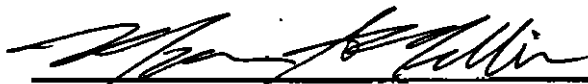
NOW, THEREFORE, plaintiffs and Household, by and through their attorneys, hereby STIPULATE AND AGREE, subject to the Court's approval, as follows:

1. Defendant Household will preserve and maintain within the United States, until the close of document discovery in this action (including the resolution of then-outstanding discovery disputes), all documents in its possession and/or under its control that are relevant to the allegations in plaintiffs' Complaint; provided, however, that this restriction shall not apply to any document that has been produced to plaintiffs by Household in connection with this litigation.

2. Notwithstanding the foregoing, Household may remove any such documents from the United States; provided, however, that any such documents held outside the United States shall be treated for purposes of discovery in this action as if they are held within Household's possession, custody or control within the United States. In addition, any such documents removed from the United States that are ultimately subject to production in this litigation will be produced to plaintiffs at a *situs* within the United States.

3. The term "documents," as used in the foregoing paragraphs, shall have the same meaning as is employed in Federal Rule of Civil Procedure 34 and shall include writings, drawings, graphs, charts, photographs, phone records and other data compilations (including all electronically recorded or stored data) from which information can be obtained, translated, if necessary, by the respondent through detection devices into reasonably usable form.

DATED: April 9, 2003



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