

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

<p>LAWRENCE E. JAFFE PENSION PLAN, On Behalf of Itself and All Others Similarly Situated,</p> <p style="text-align: right;">Plaintiff,</p> <p style="text-align: center;">- <i>against</i> -</p> <p>Household International, Inc., et al.,</p> <p style="text-align: right;">Defendants.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>Lead Case No. 02-C-5893 (Consolidated)</p> <p>CLASS ACTION</p> <p>Judge Ronald A. Guzman Magistrate Judge Nan R. Nolan</p>
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DEFENDANTS' STATUS REPORT FOR THE MARCH 12, 2007
STATUS CONFERENCE BEFORE MAGISTRATE JUDGE NOLAN

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The Household Defendants respectfully submit this Status Report to raise two matters that Defendants would like to discuss at the March 12 status conference and to provide the Court with the context in which these matters arise. Fact discovery concluded on January 31, 2007 except for certain specifically authorized depositions and the resolution of certain discovery-related motions. The number of issues that Defendants wish to raise with the Court is accordingly small.

1. Deposition of Wells Fargo

The deposition of Todd May, Wells Fargo's designated Rule 30(b)(6) deponent, was originally scheduled for March 5 in Minneapolis (the Court had set March 9, 2007 as the cut-off date for this deposition), but was postponed at the request of counsel for Wells Fargo primarily due to weather conditions. (There was no objection from the parties because Wells Fargo had provided almost 10,000 pages of additional documents to Defendants on March 1 and, following Defendants' expedited review, produced the documents to Plaintiffs on March 2.) The parties sought additional dates from Wells Fargo for Mr. May's deposition, subject to the Court's permission, if it should be necessary, to proceed after March 9.

On March 7, 2007, Plaintiffs initiated a telephone conference by the parties with Ms. Engel for the Court, seeking to compel Mr. May's deposition to proceed on March 15, a date Defendants had already announced they could not accommodate due to conflicting professional obligations of defense counsel most knowledgeable about the voluminous documents produced by Wells Fargo and related issues. During that telephone call, Ms. Engel indicated that the Court would allow the deposition of Wells Fargo to proceed after March 9, and indicated that the scheduling of this deposition would be a subject of discussion at the conference on March 12.

The Court thereafter confirmed these instructions in a minute entry dated March 7, 2007, which directed the parties to work together and with Wells Fargo counsel “to find another mutually agreeable date in the near future” and to “update the Court on their progress at the March 12, 2007 status.”

Defendants have offered as alternative dates March 13, 20-23 and 26-30. Counsel for Wells Fargo has informed the parties that he would continue to work with them until a mutually agreeable date can be found. The parties currently are awaiting additional dates from Wells Fargo’s counsel and hope that they will be able to inform the Court on March 12 that the deposition of Mr. May has been scheduled on a mutually convenient date in the near future.

2. Plaintiffs’ Responses to Defendants’ Interrogatories

Defendants wish to raise one matter pertaining to the interrogatories that Defendants served on Plaintiffs. (This is in addition to the issues that have been raised by the two pending motions focusing on Defendants’ interrogatories.)¹

On December 22, 2006 Defendants served their Fifth Set of Interrogatories to Plaintiffs. Included in this set were Interrogatories Nos. 50-53, which request the identification of all facts and documents that Plaintiffs contend establish that each of the four Individual Defendants acted with scienter as to any fraud alleged in the Complaint. When Plaintiffs provided their responses on January 30, 2007, they only provided an answer to Interrogatory No. 51, which concerned Individual Defendant Gary Gilmer. In the meet and confer of February 9,

¹ These are (i) Plaintiffs’ motion for a protective order quashing Defendants’ Sixth Set of Interrogatories, which was fully briefed with the filing of Plaintiffs’ reply brief on March 2, and (ii) Defendants’ motion to compel responses to several interrogatories contained in Defendants’ Fifth Set of Interrogatories, which will be fully briefed with the filing of Defendants’ reply brief on March 9.

2007, Plaintiffs explained that Mr. Gilmer was the only Individual Defendant who had been deposed at the time of the responses and that they would supplement their responses once the other Individual Defendants' depositions had been completed. Plaintiffs confirmed this position in a letter of February 13, 2007, stating "Lead Plaintiffs will amend their responses to Interrogatory Nos. 272-275 [50-53] following completion of the depositions of the individual defendants." (In this letter Plaintiffs also promised to provide amended responses to Interrogatories Nos. 41-45, 54, 55 and 58-61.) The depositions of all Individual Defendants now have been completed (Mr. Aldinger on January 30, Mr. Vozar on February 8 and Mr. Schoenholz on March 1), but Plaintiffs have not yet amended their responses or indicated when they will do so. Defendants request that the Court set a near term date for responses to all of the interrogatories for which Plaintiffs have agreed to provide amended responses.

Dated: March 8, 2007
Chicago, Illinois

Respectfully submitted,

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