

The Household Defendants respectfully submit this Status Report in advance of the April 22, 2008 telephone Status Conference to inform the Court of (i) the results of the recent status conference before Judge Guzman , and (ii) the status of the so-called *Sunstar* stipulation.

1. Status Conference Before Judge Guzman

At the March 27, 2008 status conference, Judge Guzman directed that Defendants file their summary judgment motion by May 12, 2008. He did not enter any further briefing schedule for this motion nor did he set dates for any other post-discovery activities or trial in this action. The parties informed Judge Guzman that the parties were scheduled to resume mediation before former federal judge Layn Phillips on May 20, 2008, having previously mediated before Judge Phillips on May 23, 2005.

2. Defendants' Notice Regarding Expert Testimony

During the March 13, 2008 telephone conference, Defendants indicated that they could not agree to include Charles Cross, a former Washington State regulator, in a so-called *Sunstar* stipulation because Mr. Cross, unlike all of the other witnesses Plaintiffs sought to include in the stipulation, had not been deposed in this action. After this issue was discussed during the March 13 conference, the Court Order issued that day said: "Defendants will depose Charles Cross as soon as possible, after which the parties will either (i) enter into a stipulation regarding all so-called *Sunstar* experts, or (ii) appeal the matter to Judge Guzman who wrote the *Sunstar* opinion." Mr. Cross' deposition took place in Tacoma, Washington on April 9, 2008. Defendants have informed Plaintiffs that they are prepared to include Mr. Cross in a properly worded stipulation. The parties are working on the specific language of the stipulation, and Defendants believe that the parties will be able to reach agreement and present the stipulation to the Court shortly for approval.

Dated: April 21, 2008
Chicago, Illinois

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned attorney certifies that on April 21, 2008, he caused to be served copies of **Defendants' Status Report for the April 22, 2008 Telephone Status Conference with Magistrate Judge Nolan** to the parties listed below via the manner stated.

/s/ Adam B. Deutsch

Adam B. Deutsch

Via Email

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