

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

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

Plaintiffs,

v.

**HOUSEHOLD INTERNATIONAL,
INC., et al.,**

Defendants.

No. 02 C 5893 (Consolidated)

Magistrate Judge Mary M. Rowland

ORDER

Plaintiffs' Objection to the Form of Supersedeas Bond [1914] is **OVERRULED**.

STATEMENT

Plaintiffs object to the form of the Supersedeas Bond filed with the Clerk on November 12, 2013 (Bond). (Dkt. 1905). Plaintiffs contend that the form of the Bond is deficient because: (1) it misstates the date of the judgment; (2) it does not bind the individual defendants; (3) it does not explicitly bind the Sureties' successors in interest; and (4) its "Promise to Pay" provision is impermissibly vague. (Dkt. 1914). For the reasons given below, the Court finds that Plaintiffs' objections are without merit.

Local Rule 65.2, Approval of Bonds by the Clerk, states:

Except in criminal cases, or where another procedure is prescribed by law, the clerk may approve bonds without an order of court if—

(1) the amount of the bond has been fixed by a judge, by court rule, or by statute, and (2) the bond is secured in accordance with LR 65.1(b).

It is undisputed that the amount of the Bond filed in this case conforms with Local Rule 62.1, which provides that a supersedeas bond "shall be in the amount of the judgment plus one year's interest at the rate provided in 28 U.S.C. § 1961, plus \$500 to cover costs." (See Dkt. 1914, Ex. B at 1) (stating that the amount of the Bond conforms with LR 62.1).

It is further undisputed that that the Bond "is secured in accordance with LR 65.1(b)." Local Rule 65.1 requires a bond to be secured by "the undertaking or guaranty of a corporate surety holding a certificate of authority from the Secretary of the Treasury." LR 65.1(b)(2); see <www.fms.treas.gov/c570/c570_a-z.html>

Furthermore, prior to filing the Bond, Defendants confirmed with the Clerk that the form of the Bond was in conformance with local practice and applicable legal requirements. (Dkt. 1943 at 2 n.1). Thereafter, the Clerk approved and entered the Bond. (Dkt. 1905).

Plaintiffs complain that the Bond does not bind each Defendant or the Sureties' successors. The Local Rules do not require that all Defendants be listed as principals or that each Defendant execute the Bond. Instead, Local Rule 65.1 merely provides that "[b]onds . . . may be executed by the surety or sureties alone." LR 65.1(a). Plaintiffs cite no authority from the Northern District providing otherwise. Moreover, the case cited by Plaintiffs is inapposite. (Dkt. 1917 at 2) (citing *Zebrowski v. Evonik Degussa Corp. Admin. Comm.*, No. 10 C 542, 2013 WL 247291 (E.D. Penn. Jan. 25, 2013)). In *Zebrowski*, the court was concerned that the bond listed only a nonparty and failed to "list the defendants . . . who are parties bound by the judgment and taking the appeal." 2013 WL 247291, at *2. Moreover, the court found that "[t]he bond does not identify as an obligor any party liable for the judgment." *Id.* at *3. Here, the Bond specifically lists each Defendant and sets forth that Defendants and Sureties undertake and promise to pay to Plaintiffs all damages, costs, and interest that may be awarded to them following appeal. (Dkt. 1914, Ex. B at 1–3). Similarly, the Local Rules do not require that the Bond bind the Sureties' successors in interest. On the contrary, Local Rule 65.1 merely requires that the Sureties hold a valid certificate of authority from the Secretary of Treasury. LR 65.1(b)(2). Plaintiffs cite no authority providing otherwise.

The Bond's Promise to Pay is not "impermissibly vague." Plaintiffs incorrectly assert that the Promise to Pay "contains no reference at all to the judgment itself" and complain that "[t]he obligations to be fulfilled are not expressly defined." (Dkt. 1914 at 4). The Court finds otherwise. The Bond clearly references the judgment amount and states that Defendants-Appellants are obligated "to pay promptly all sums awarded against them in or following the appeal in this action, including any costs that the court of appeals may award if the judgment is modified." (Dkt. 1914, Ex. B at 1, 3). And, as noted above, the Clerk, consistent with his responsibility to approve supersedeas bonds, deemed the form of the Bond proper.

Finally, the minor date error does not affect the Bond's validity. The Bond incorrectly identifies the date of judgment as October 18, 2013, rather than October 17, 2013. (*Compare* Dkt. 1898 *with* Dkt. 1914, Ex. B at 1). This ministerial error does not create any confusion. There has been only one judgment for \$2,462,899,612.21 entered in this case.

Dated: December 18, 2013

