

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF  
ILLINOIS EASTERN DIVISION**

LAWRENCE E. JAFFE PENSION PLAN, on Behalf of Itself and All Others Similarly Situated,	)	
	)	
Plaintiff,	)	Case No. 02-C-5893
	)	
v.	)	
	)	
HOUSEHOLD INTERNATIONAL, INC., <i>et al.</i> , Defendants.	)	Judge Jorge L. Alonso
	)	

**MEMORANDUM IN SUPPORT OF DEFENDANT DAVID A. SCHOENHOLZ’S  
MOTION FOR PARTIAL SUMMARY JUDGMENT ON LIABILITY**

Defendant David A. Schoenholz (“Schoenholz”) files this Memorandum in Support of his Motion for Partial Summary Judgment on Liability (the “Motion”) and shows:

**INTRODUCTION AND SUMMARY OF ARGUMENT**

David Schoenholz is the former Chief Financial Officer of Defendant Household International, Inc. (“Household”).<sup>1</sup> Plaintiffs sued Schoenholz, Household, and two other Household officers, including former Chief Executive Officer William F. Aldinger (“Aldinger”), for allegedly making 40 misrepresentations in violation of the Securities Exchange Act of 1934.<sup>2</sup>

The jury found that 23 of the alleged misrepresentations were *not* actionable, and it also found that Schoenholz was *not* liable for a statement co-defendant Gary Gilmer (“Gilmer”) made to the media.<sup>3</sup>

With regard to the 16 remaining statements, it is undisputed that Schoenholz made seven statements in Household’s Securities and Exchange Commission (“SEC”) filings and one

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<sup>1</sup> *Glickenhau s & Co. v. Household Int’l, Inc.*, 787 F.3d 408, 426 (7th Cir. 2015).

<sup>2</sup> *Id.* at 413.

<sup>3</sup> *Id.* at 414 and 428; *Dkt. No.* 1611 (Jury Verdict dated May 7, 2009).

statement at an Investor Relations Conference,<sup>4</sup> but, the Seventh Circuit reversed and remanded the District Court's judgment in favor of Plaintiffs with regard to eight remaining statements. As this Court recognized in its September 2015 Order, "the Seventh Circuit's opinion requires a retrial on whether [Schoenholz] 'made' the following statements within the meaning of *Janus* [*Capital Group, Inc. v. First Derivative Traders*, 564 U.S. 135 (2011)]:" seven statements in press releases associated with SEC filings (the "Press Releases")<sup>5</sup> and one statement in Aldinger's presentation to a Goldman Sachs on December 4, 2001 (the "Goldman Sachs Presentation").<sup>6</sup> *Dkt. No.* 2042 at p. 2.<sup>7</sup>

Based on the *Janus* precedent, Schoenholz acknowledges that he "made" the statements attributed to him in the Press Releases. Retrial is, therefore, unnecessary for those statements.

Aldinger has conceded that he made the Goldman Sachs Presentation, and the evidence conclusively shows that Aldinger – not Schoenholz – made the challenged statements. Schoenholz did *not* have ultimate authority over or the means of communication of the Goldman Sachs Presentation and, thus, Schoenholz *did not make* the challenged statements in the Goldman Sachs Presentation.

Pursuant to Federal Rule of Civil Procedure 56, the Court should grant summary judgment with regard to the 8 statements at issue with regard to Schoenholz.

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<sup>4</sup> *Id.* at 428.

<sup>5</sup> Statement Nos. 16, 18, 21, 23, 24, 29, 36 & 37 (*see Dkt. No.* 1611 (Jury Verdict) and *Dkt. No.* 2042 (Order on Issues to be Retried)). A copy of *Dkt. No.* 1611 is attached as Exhibit A.

<sup>6</sup> Statement No. 23 (*see Dkt. No.* 1611 (Jury Verdict) and *Dkt. No.* 2042 (Order on Issues to be Retried); *see Glickenhau*s, 787 F.3d at 428.

<sup>7</sup> *See Glickenhau*s, 787 F.3d at 428.

## APPLICABLE LEGAL STANDARDS

### I. Standard for Summary Judgment Under Fed. R. Civ. P. Rule 56

Summary judgment is appropriate when a movant demonstrates that “there is no genuine dispute as to any material fact and [that] the movant is entitled to judgment as a matter of law.” *Horsley v. Trame*, 808 F.3d 1126, 1128 (7th Cir. 2015) (quoting Fed. R. Civ. P. 56(a)).

On remand, a trial is not always required. See *Publisher’s Res., Inc. v. Walker-Davis Publications, Inc.*, 762 F.2d 557, 559-60 (7th Cir. 1985) (“Where no material factual issues are present, a summary judgment proceeding is the functional equivalent of a new trial; under such circumstances a full-scale trial is neither necessary nor helpful.”). A District Court is also not obligated to re-open discovery to allow a party to cure deficiencies on remand. Given the available evidentiary record, if no reasonable jury could return a verdict in favor of the nonmoving party, summary judgment is required. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986).

### II. Standard for Personal Liability Under § 10(b) of the Exchange Act and Rule 10b-5

Pursuant to Rule 10b-5, it is unlawful for any person, directly or indirectly, “[t]o make any untrue statement of a material fact” in connection with the purchase or sale of securities. 17 CFR § 240.10b-5(b). The Supreme Court has narrowly defined the term “maker” in order to keep “narrow dimensions” on the implied private right of action under Rule 10b-5. *U.S. S.E.C. v. Carter*, No. 10 C 6145, 2011 WL 5980966, at \*2 (N.D. Ill. Nov. 28, 2011).

For Rule 10b-5 purposes, “the *maker* of a statement is the person or entity with *ultimate authority* over the statement . . .” *Janus Capital Group, Inc. v. First Derivative Traders* (“*Janus*”), 564 U.S. 135, 175 (2011) (emphasis added). Fundamentally, “[o]ne ‘makes’ a

statement by stating it.” *Id.* “The phrase at issue in Rule 10b-5, ‘[t]o make any . . . statement,’ is thus the approximate equivalent of ‘to state.’” *Id.* (internal quotations removed).

Ordinarily, attribution within a statement itself, or implied from the surrounding circumstances, is strong evidence that the statement “was made by—and only by—the party to whom it is attributed.” *Id.* This is tantamount to the relationship between a speechwriter and a speaker: “[e]ven when a speechwriter drafts a speech, the content is entirely within the control of the person who delivers it. **And it is the speaker who takes credit—or blame—for what is ultimately said.**” *Id.* (emphasis added).

Accordingly, with respect to Rule 10b-5 claims against corporate officers, *Janus* restricts liability “to instances in which ... those officers—as opposed to the corporation itself—had ‘ultimate authority’ over the statement.” *U.S. S.E.C. v. Carter*, No. 10 C 6145, 2011 WL 5980966, at \*2 (N.D. Ill. Nov. 28, 2011) (citation omitted). A defendant has “ultimate authority” over a particular statement (and thus qualifies as a “maker” of that statement) when he or she has control over *both* the content of the statement and the way in which it was communicated. *Janus*, 564 U.S. at 175.

The Seventh Circuit applied this same reading of *Janus* to the present case on appeal: “as we understand *Janus*, [the purported maker of a statement] must have actually exercised control over the content of [the statements at issue] and whether and how they were communicated.” *Glickenhous*, 787 F.3d at 427.

Finally, as the *Janus* Court explained, no private right of action exists against “aiders and abettors.” 564 U.S. at 175 (citing *Central Bank of Denver, N. A. v. First Interstate Bank of Denver, N. A.*, 511 U.S. 164, 180 (1994)). Even if a person contributed “substantial assistance”

to the making of a statement – but did not actually exercise ultimate authority over that statement – no private claim exists. *See id.*

**ARGUMENT**

**I. There Is No Genuine Issue of Material Fact that Schoenholz Did Not “Make” the Statements Contained in the Goldman Sachs Presentation.**

Based on the record and the rule of law articulated in *Janus*, Schoenholz did not “make” the statements in the Goldman Sachs Presentation.

**A. Background: William Aldinger’s Goldman Sachs Presentation.**

The Jury Verdict defines Statement No. 23 as follows:

23.	12/04/2001	Goldman Sachs Presentation  Plaintiffs’ Exhibit 1248	December 4, 2001 Goldman Sachs Presentation: defendants made false statements regarding Household’s accounting practices, including reaging and restructuring. * * * “Charge off policies are appropriate for our target market and result in proper loss recognition” (PFG000158)  “All policies have been consistently applied and realistically report results” (PFG000158)  “Why are Household’s Credit Losses Better” - better credit skills (PFG000152)
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*See* Exhibit A – *Dkt. No.* 1611 (Jury Verdict) at p. 61.

Plaintiffs’ Exhibit 1248 is a PowerPoint presentation. *See* Ex. B – Plaintiffs’ Exhibit 1248. During trial, former Household CEO William Aldinger testified that he presented that PowerPoint to a group of institutional investors and analysts at a conference organized by Goldman Sachs on December 4, 2001. Ex. C-1 (excerpts of trial testimony) at Vol. 15, 45:8-46:6. Aldinger spoke to the group for approximately 50 minutes. Ex. C-2 at Vol. 20, 108:20.

Aldinger’s name appears on Exhibit 1248 as the author and presenter of the Goldman Sachs Presentation, and that exhibit was admitted during his testimony. *See* Ex. B – Plaintiffs’ Exhibit 1248 at PFG148 (noting that the presentation was made by “Bill Aldinger – Chairman

and Chief Executive Officer” and that Exhibit 1248 was admitted at trial during Aldinger’s testimony).

Aldinger testified that the PowerPoint accurately reflects the comments he made to the individuals assembled at the Goldman Sachs conference. Ex. C-1 at Vol. 15, p. 46. Also, while the PowerPoint was drafted with input from a group (Ex. C-1 at Vol. 15, p. 85), Aldinger repeatedly testified that the PowerPoint was “my presentation” or “my Goldman presentation.” Ex. C-1 at Vol. 15, pp. 82, 82, and 243.

Aldinger testified that he orally made two of the three specifically-challenged statements that are quoted in Plaintiffs’ Exhibit 1248:

Q. [by Plaintiffs’ attorney Daniel Drosman] The top slide there, you ask the question, “Have Household’s accounting policies impacted results?” Right?

A. [by Aldinger] That’s right.

Q. And, then, you proceeded to answer that question to all of the investors and analysts present, correct?

A. That’s right.

Q. And in the third bullet point, **you wrote, “Chargeoff policies are appropriate for our target market and result in proper loss recognition,” right?**

A. **That’s right.**

Q. **And that’s what you told folks, right?**

A. **Yes.**

Q. **And, then, you said, “All policies have been consistently applied and realistically report results,” right?**

A. **That’s right.**

Q. **And when you said “policies” there, you were telling folks about your accounting policies, weren’t you?**

A. **Yes.**

Ex. C-1 at Vol. 15, p. 47. This testimony *conclusively disproves* that Schoenholz made two of challenged statements.

None of the Defendants were asked about the third statement in Exhibit 1248, other than Aldinger admitting that he wrote the PowerPoint slide on which that statement appeared. *See* Ex. B – Trial Ex. 1248 at PFG148 (Aldinger listed the author/presenter of the Goldman Sachs Presentation); Ex. C-1 at Vol. 15, 45:8-46:6 (Aldinger’s testimony that he made the Goldman Sachs Presentation); Ex. C-1 at Vol. 15, p. 46 (Aldinger’s testimony that the presentation accurately reflected his comments to the individuals assembled at the Goldman Sachs conference).

During trial, the Plaintiffs did not ask Schoenholz about Exhibit 1248 *at all*, and the Plaintiffs never offered any evidence that Schoenholz made any the challenged statements. David Schoenholz’s name appears on one slide of Exhibit 1248, but that slide was presented by Aldinger – not Schoenholz – and none of the statements on that slide are included in the challenged statements identified in the Jury Verdict as Statement No. 23. *Compare* Ex. A – *Dkt. No.* 1611 (Jury Verdict) – at p. 61 (defining Statement No. 23) *with* Ex. B (Plaintiffs’ Trial Exhibit 1248) at PFG158, slide 22 (Aldinger’s slide quoting Schoenholz).

Likewise, during discovery, the Plaintiffs asked Schoenholz about Aldinger’s statements at the Goldman Sachs event,<sup>8</sup> but such testimony was not offered at trial and did not show that Schoenholz authored or presented any of the challenged statements from the Goldman Sachs Presentation.

The Plaintiffs’ examination of Aldinger at trial unequivocally demonstrated that Aldinger was the “maker” of the statements identified in the Jury Verdict as Statement No. 23.

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<sup>8</sup> *See* Exhibit D (excerpts of Schoenholz’s deposition testimony) at pp. 165-166. Schoenholz discussed his attendance at Aldinger’s presentation, during which Aldinger addressed Household’s reserves, addressed whether Household had any latent unrecognized credit losses, and responded to a Barron’s article regarding Household’s accounting practices). Schoenholz also addressed his participation in a question and answer session after Aldinger’s presentation, but the challenged statements included in Statement No. 23 concern statements on Aldinger’s PowerPoint slides and in Aldinger’s presentation.

B. The Goldman Sachs Presentation is Not Attributable to Schoenholz.

In *Janus*, the Supreme Court stressed the importance of a statement's attribution. *Janus*, 564 U.S. at 175 ("attribution within a statement or implicit from surrounding circumstances is strong evidence that a statement was made by--and only by--the party to whom it is attributed.").

As reflected in the summary judgment record, none of the statements in the Goldman Sachs Presentation and, critically, none of the specifically-challenged statements, were ever attributed to Schoenholz. To the contrary, the record shows that Aldinger made the Goldman Sachs Presentation, and Aldinger's testimony acknowledges that he *wrote* and *spoke* the challenged statements to the conference attendees. Ex. C-1 at Vol. 15, p. 47.

In addition to the fact that the statements *are* attributable to Aldinger, there is no evidence proving direct or indirect attribution to Schoenholz. Schoenholz's name and signature do not appear in connection with any of the challenged statements in Exhibit 1248. *See WM High Yield Fund v. O'Hanlon*, No. CIV.A. 04-3423, 2013 WL 3231680, at \*3 (E.D. Pa. June 27, 2013) ("*O'Hanlon*") (applying *Janus* and finding that defendant did not "make" the statement in question because, among other reasons, it did not bear his signature). There is also no evidence that Aldinger attributed any of the challenged statements to Schoenholz during the course of his presentation. The record is also bereft of evidence that Schoenholz adopted as his own the challenged statements that Aldinger made in connection with the Goldman Sachs Presentation. *See O'Hanlon*, 2013 WL 3231680, at \*8. In short, there is no evidence that any of the allegedly misleading statements in the presentation were explicitly attributed to Schoenholz. *See id.* at \*4.

Likewise, none of the statements in the Goldman Sachs Presentation are implicitly attributable to Schoenholz. Aldinger acknowledged that he delivered the presentation. The Goldman Sachs Presentation – Ex. B (Plaintiffs' Exhibit 1248) – bore a single name on its title



page: William Aldinger. *See* Ex. B at PFG148. As *Janus* recognized, “the content [of a speech] is *entirely* within the control of the person who delivers it,” and there is no dispute that Aldinger delivered the presentation. *Janus*, 131 S. Ct. at 2302 (emphasis added).

Further, even though Schoenholz was aware of the Goldman Sachs Presentation, was part of a larger group that assisted Aldinger with providing information for that presentation, and attended that presentation, it is equally clear that such limited association does *not* give rise to any private right of action against Schoenholz. *Janus*, 564 U.S. at 175 (even if a person contributed “substantial assistance” to the making of a statement – but did not actually exercise ultimate authority over that statement – no private claim exists). At trial, Plaintiffs presented no evidence of any allegedly false or misleading statements made by Schoenholz during the Goldman Sachs conference, and the record evidence demonstrates that the Goldman Sachs Presentation statements were made by, and only by, Aldinger. *Janus*, 564 U.S. at 175; *also In re Fannie Mae 2008 Sec. Litig.*, 2012 WL 3758537, at \*16–17 (S.D.N.Y. Aug. 30, 2012) (holding that underwriter-defendant did not have “ultimate authority” over misstatements when they were not directly attributed to it, despite any involvement defendant may have had in drafting the misstatement).

C. Schoenholz Did Not Have Ultimate Authority over the Content of the Goldman Sachs Presentation.

To hold Schoenholz personally liable for misrepresentations made in the Goldman Sachs Presentation not attributed to him, the Plaintiffs must show that Schoenholz possessed “ultimate authority” over the content of those statements. *Janus*, 131 S. Ct. at 2302; *In re Pfizer Inc. Sec. Litig.*, 936 F. Supp. 2d 252, 268 (S.D.N.Y. 2013). Plaintiffs cannot carry that burden because there is no evidence in the record to support it.

Indeed, the summary judgment record is clear that:

- Aldinger was Chief Executive Officer of Household in 2001 and Schoenholz held a lower position, Chief Financial Officer (*see* Ex. B – Plaintiffs’ Exhibit 1248 – at PFG148);
- Aldinger called the meeting regarding the creation of the PowerPoint presentation, which Schoenholz attended (Ex. C-1 at Vol. 15, 80:21-82:14);
- Aldinger admitted at trial that he wrote some, if not all, of the challenged statements from the Goldman Sachs Presentation (Ex. C-1 at Vol. 15, p. 47);
- There was no trial evidence that Schoenholz wrote any of the challenged statements from the Goldman Sachs Presentation;
- There was no trial evidence that Schoenholz was the speaker of any of the challenged statements from the Goldman Sachs Presentation;
- There was no trial evidence that Schoenholz decided, directed Aldinger to include, or *even could have had the power* to direct Aldinger to include the statements in Plaintiffs’ Exhibit 1248 or to speak the words that Aldinger spoke at the Goldman Sachs Presentation.

This set of facts comes nowhere close to the standard required by *Janus*—that the defendant must have “ultimate authority” over the content of the statement. *Janus*, 131 S. Ct. at 2302. Consistent with that standard, courts since *Janus* have disallowed Rule 10b-5 claims against defendants who were far more involved in misstatements than Schoenholz was here. As the Court explained in one recent case rejecting Rule 10b-5 liability, it is not enough that a defendant “merely requested, influenced, helped create, or supplied information for the relevant false or misleading statements.” *In re CytRx Corp. Sec. Litig.*, No. CV141956GHKPJWX, 2015 WL 5031232, at \*6 (C.D. Cal. July 13, 2015) (citing *Fulton Cnty. Emps. Ret. Sys. v. MGIC Inv. Corp.*, 675 F.3d 1047, 1051 (7th Cir. 2012) (rejecting claim that “by inviting Williams and Draghi to speak [on investor call] MGIC effectively ‘made’ their statements itself”)); *Ho v. Duoyuan Global Water, Inc.*, 887 F.Supp.2d 547, 576 (S.D.N.Y. 2012) (finding auditor “had the final authority to decide whether an audit opinion was released to the public,” while parent

company's "sanctioning power is more consistent with mere influence rather than ultimate authority").

Schoenholz was not "ultimately responsible" for the Goldman Sachs Presentation's content, and therefore did not "make" any statements contained in that presentation for purposes of Rule 10b-5 liability. *See Hawaii Ironworkers Annuity Trust Fund v. Cole*, No. 3:10CV371, 2011 WL 3862206, at \*5 (N.D. Ohio Sept. 1, 2011), as amended (Sept. 7, 2011). Nor can Schoenholz be deemed to have "made" the Goldman Sachs Presentation by virtue of his presence in the room.

D. Schoenholz Did Not Have Ultimate Authority to Determine Whether or How Aldinger Made the Goldman Sachs Presentation.

Schoenholz also did not have ultimate authority to determine whether statements contained in the Goldman Sachs Presentation would be made or how Aldinger made them. Aldinger's presentation at the Goldman Sachs conference was not scripted, and Aldinger used his own statements as well as those he drafted in the PowerPoint to make the presentation. *See Ex. C-1 at Vol. 15, p. 46.*

Finally, in analyzing whether an alleged maker has ultimate authority under *Janus*, some courts have required plaintiffs to identify a defendant's *specific role* regarding the false or misleading statements at the pleading stage (a burden that Plaintiffs cannot carry here even after the close of discovery and completion of trial). In *S.E.C. v. Radius Capital Corp.*, for example, the District Court dismissed a complaint that alleged a Rule 10b-5 claim against an executive for, among other things, making false statements in company prospectuses. No. 2:11-CV-116-FTM-29, 2012 WL 695668, at \*1 (M.D. Fla. Mar. 1, 2012). The District Court identified the complaint's pleading deficiencies, noting that it failed to explain the "process by which

prospectuses are issued and distributed [and]. . . [m]ost glaringly, the Complaint does not explain the defendants' specific roles in this process.” *Id.* at \*7 (emphasis added). Here, no evidence has been adduced to explain Schoenholz’s specific role with respect to the challenged statements in the Goldman Sachs presentation. Consequently, there is no evidence that Schoenholz had the ultimate authority over those statements, and the Court should rule as a matter of law that Schoenholz did not “make” them for purposes of Rule 10b-5 liability.

## **II. Schoenholz Made the Household Press Releases.**

Although Schoenholz’s briefing the Seventh Circuit did not request that the Seventh Circuit reverse the judgment with regard to whether he “made” the Press Releases, the Seventh Circuit’s decision found that a re-trial was necessary to determine whether Schoenholz “made” those statements. *See Glickenhau*s, 787 F.3d at 728; *see also Dkt. No. 52* (Appellants’ Brief) in Cause No. 13-3532 in the U.S. Court of Appeals for the Seventh Circuit.

Schoenholz acknowledges that, under *Janus*, he is responsible for the statements attributed to him in the Press Releases. Because application of the *Janus* standards does not change the jury’s verdict that Schoenholz “made” the statements in the Press Releases, and the jury’s verdict on this issue should be restored. No triable issues of fact remain with respect to those statements.

## **CONCLUSION**

Accordingly, David A. Schoenholz asks this Court to enter an order of partial summary judgment finding that: (1) Schoenholz did not “make” the statements contained in the Goldman Sachs Presentation; and (2) Schoenholz made the Press Releases, leaving no remaining triable liability issues with respect to Schoenholz.

Respectfully submitted,

**JACKSON WALKER L.L.P.**

By: /s/ Tim S. Leonard

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**ATTORNEYS FOR DEFENDANT**  
**DAVID A. SCHOENHOLZ**

**CERTIFICATE OF SERVICE**

Tim S. Leonard, an attorney, hereby certifies that on February 24, 2016, he caused true and correct copies of the foregoing **Memorandum in Support of David Schoenholz's Motion for Partial Summary Judgment** to be served via the Court's ECF filing system on the following counsel of record in this action:

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/s/ Tim S. Leonard  
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# **EXHIBIT A**

*Handwritten mark*

Verdict Form **02 CV 5893**

**FILED**  
 MAY 07 2009  
 HOWA GAZMAN, JUDGE  
 UNITED STATES DISTRICT COURT

<u>Question No. 1</u>	<u>Question No. 2</u>	<u>Question No. 3</u>
Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 1</u>		
Household	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___ Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 2</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___



	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 3</u>			
Household	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging _____ Restatement _____	Knowingly <input type="checkbox"/> Recklessly _____ Knowingly <input type="checkbox"/> Recklessly _____
Gilmer	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging _____ Restatement _____	Knowingly <input type="checkbox"/> Recklessly _____ Knowingly <input type="checkbox"/> Recklessly _____
Schoenholz	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging _____ Restatement _____	Knowingly <input type="checkbox"/> Recklessly _____ Knowingly <input type="checkbox"/> Recklessly _____
Aldinger	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging _____ Restatement _____	Knowingly <input type="checkbox"/> Recklessly _____ Knowingly <input type="checkbox"/> Recklessly _____

	<b>Question No. 1</b> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<b>Question No. 2</b> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<b>Question No. 3</b> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<b>Statement No. 4</b>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 5</u>			
Household	Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging _____ Restatement _____	Knowingly _____ Recklessly _____ Knowingly _____ Recklessly _____
Gilmer	Yes _____ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging _____ Restatement _____	Knowingly _____ Recklessly _____ Knowingly _____ Recklessly _____
Schoenholz	Yes _____ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging _____ Restatement _____	Knowingly _____ Recklessly _____ Knowingly _____ Recklessly _____
Aldinger	Yes _____ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging _____ Restatement _____	Knowingly _____ Recklessly _____ Knowingly _____ Recklessly _____

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 6</u>			
Household	Yes ___ No <del>X</del>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <del>X</del>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <del>X</del>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <del>X</del>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 7</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 8</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 9</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 10</u>			
Household	Yes ___ No <b>X</b>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <b>X</b>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <b>X</b>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <b>X</b>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___



	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 11</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 12</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 13</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___ 2+ Delinquency/Re-Aging ___ Restatement ___	Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___ Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 14</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/>	Knowingly <input checked="" type="checkbox"/> Recklessly <input type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Predatory Lending <input type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/>	Knowingly <input checked="" type="checkbox"/> Recklessly <input type="checkbox"/>

	<b>Question No. 1</b> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<b>Question No. 2</b> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). ( <u>more than one line can be checked</u> ):	<b>Question No. 3</b> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly ( <b>choose one</b> ) in making the statement about the issue by placing an "X" on the appropriate line.
<b>Statement No. 15</b>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 16</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 17</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 18</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>



	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 19</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 20</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 21</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 22</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 23</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 24</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 25</u>			
Household	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___

	<b>Question No. 1</b> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<b>Question No. 2</b> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<b>Question No. 3</b> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<b>Statement No. 26</b>			
Household	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___



	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 27</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 28</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 29</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 30</u>			
Household	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 31</u>			
Household	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <u>X</u>	Predatory Lending ___	Knowingly ___ Recklessly ___

	<b>Question No. 1</b> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<b>Question No. 2</b> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<b>Question No. 3</b> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<b>Statement No. 32</b>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 33</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 34</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___



	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 35</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 36</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/> 2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 37</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Predatory Lending <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b) Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 38</u>			
Household	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Gilmer	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Schoenholz	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>
Aldinger	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	2+ Delinquency/Re-Aging <input checked="" type="checkbox"/> Restatement <input checked="" type="checkbox"/>	Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/> Knowingly <input type="checkbox"/> Recklessly <input checked="" type="checkbox"/>

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 39</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___

	<u>Question No. 1</u> Have Plaintiffs prevailed on their 10(b)/Rule 10b-5 claim with regard to any of the statements set forth in Table A?	<u>Question No. 2</u> If you answered "yes" for any of the statements in Question No. 1, identify the issue or issues that the statement misrepresented by placing an "X" on the appropriate line(s). (more than one line can be checked):	<u>Question No. 3</u> For each issue identified in Question No. 2, indicate whether the defendant acted knowingly or recklessly (choose one) in making the statement about the issue by placing an "X" on the appropriate line.
<u>Statement No. 40</u>			
Household	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Gilmer	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Schoenholz	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___
Aldinger	Yes ___ No <input checked="" type="checkbox"/>	Predatory Lending ___	Knowingly ___ Recklessly ___

If you answered "no" for all of the statements in Question No. 1, you have finished with the Verdict Form. Please turn to the last page, sign and date the Verdict Form and inform the Court that you have finished.

If you answered "yes" for any statement in Question No. 1, please proceed to Question No. 4.

**Question No. 4**

Determine which, if any, of plaintiffs' proposed damages models reasonably estimates plaintiffs' damages (**choose only one option below**):

Neither of plaintiffs' proposed damages models reasonably estimates plaintiffs' damages \_\_\_\_

Leakage Model (Plaintiffs' Ex. 1395) reasonably estimates plaintiffs' damages **X**

Specific Disclosures Model (Plaintiffs' Ex. 1397) reasonably estimates plaintiffs' damages \_\_\_\_

If you determine that neither of the proposed damages models reasonably estimates plaintiffs' damages, then you have finished with the Verdict Form. Please turn to the last page, sign and date the Verdict Form and inform the Court that you have finished.

Otherwise, write the amount of loss per share, if any, that, according to the model you have chosen, any defendant's conduct caused plaintiffs to suffer on each of the dates set forth in Table B. (If no loss was caused on any date, write "none" or "0.") **You may use only one model -- the one you have chosen -- to fill out Table B.**

Then proceed to Question No. 5

**Question No. 5**

If you checked "Knowingly" in Question No. 3 for all 40 alleged false or misleading statements, please proceed to Question No. 6.

If you checked "Recklessly" in Question No. 3 for any of the 40 alleged false or misleading statements, you must determine what percentage of responsibility, if any, for any loss plaintiffs suffered is due to the conduct of Defendants Household, William Aldinger, David Schoenholz, and Gary Gilmer. In making this determination, you should consider the nature of the conduct of each person found to have caused or contributed to plaintiffs' loss and the nature and extent of the causal relationship between each such person's conduct and plaintiffs' loss.

Household	<u>55%</u>	
William Aldinger	<u>20%</u>	
David Schoenholz	<u>15%</u>	
Gary Gilmer	<u>10%</u>	
TOTAL		(This must equal 100%)

Please proceed to Question No. 6.



**Question No. 6**

With respect to the Section 20(a) claim, have plaintiffs proved that Defendant William Aldinger is a controlling person as to:

Household:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
David Schoenholz:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Gary Gilmer:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Please proceed to Question No. 7.

**Question No. 7**

With respect to the Section 20(a) claim, have plaintiffs proved that Defendant David Schoenholz is a controlling person as to:

Household:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
William Aldinger:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Gary Gilmer:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Please proceed to Question No. 8.

**Question No. 8**

With respect to the Section 20(a) claim, have plaintiffs proved that Defendant Gary Gilmer is a controlling person as to:

Household:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
William Aldinger:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
David Schoenholz:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

**TABLE A  
ALLEGED FALSE OR MISLEADING  
STATEMENTS**

Stmnt No.	Date	Document Title	Statement																																																
1.	08/16/1999	Household 10-Q Defendants' Exhibit 854	<p>Household 10-Q for quarter ending 6/30/99: Household reported net income of \$326.9 million for the quarter ended June 30, 1999 and EPS of \$0.67 [HHT 0015884]:</p> <p>Delinquency Two-Months-and-Over Contractual Managed Delinquency (as a percent of managed consumer receivables):</p> <table border="1"> <thead> <tr> <th></th> <th>6/30/99</th> <th>3/31/99</th> <th>12/31/98</th> <th>9/30/98</th> <th>6/30/98</th> </tr> </thead> <tbody> <tr> <td>First mortgage</td> <td>12.72%</td> <td>10.91%</td> <td>14.90%</td> <td>11.80%</td> <td>11.07%</td> </tr> <tr> <td>Home equity</td> <td>3.29</td> <td>3.54</td> <td>3.67</td> <td>3.73</td> <td>3.55</td> </tr> <tr> <td>Auto finance</td> <td>1.87</td> <td>1.74</td> <td>2.29</td> <td>2.05</td> <td>1.67</td> </tr> <tr> <td>MasterCard/Visa</td> <td>3.11</td> <td>3.61</td> <td>3.75</td> <td>3.73</td> <td>3.30</td> </tr> <tr> <td>Private label</td> <td>6.62</td> <td>6.37</td> <td>6.20</td> <td>6.55</td> <td>6.10</td> </tr> <tr> <td>Other unsecured</td> <td>8.17</td> <td>7.84</td> <td>7.94</td> <td>8.03</td> <td>7.82</td> </tr> <tr> <td>Total</td> <td>4.72%</td> <td>4.81%</td> <td>4.90%</td> <td>4.96%</td> <td>4.65%</td> </tr> </tbody> </table> <p>[HHT 0015902]</p> <p>* * * * *</p> <p>"Owned consumer two-months-and-over contractual delinquency as a percent of owned consumer receivables was 4.96 percent, compared with 5.04 percent at March 31, 1999 and 4.89 percent at June 30, 1998. The annualized total consumer owned chargeoff ratio in the second quarter of 1999 was 3.54 percent, compared with 3.92 percent in the prior quarter and 3.69 percent in the year-ago quarter. Managed consumer two-months-and-over contractual delinquency ("delinquency") as a percent of managed consumer receivables was 4.72 percent, compared with 4.81 percent at March 31, 1999 and 4.65 percent at June 30, 1998. The annualized total consumer managed chargeoff ratio in the second quarter of 1999 was 4.10 percent, compared with 4.37 percent in the prior quarter and 4.26 percent in the year-ago quarter." [HHT0015897]</p>		6/30/99	3/31/99	12/31/98	9/30/98	6/30/98	First mortgage	12.72%	10.91%	14.90%	11.80%	11.07%	Home equity	3.29	3.54	3.67	3.73	3.55	Auto finance	1.87	1.74	2.29	2.05	1.67	MasterCard/Visa	3.11	3.61	3.75	3.73	3.30	Private label	6.62	6.37	6.20	6.55	6.10	Other unsecured	8.17	7.84	7.94	8.03	7.82	Total	4.72%	4.81%	4.90%	4.96%	4.65%
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2.	10/19/1999	Household Press Release Plaintiffs' Exhibit 506	<p>October 19, 1999 Household Press Release entitled "Household International Reports Highest Quarterly Earnings in Company's History". Household "reported that third quarter net income rose 26 percent to a record \$399.9 million, compared with \$318.0 million a year ago. Earnings per share increased 32 percent to a record \$.83, from \$.63 a year ago." [HHS 02914429]</p> <p>* * * * *</p> <p>"Our quarter reflects excellent performance in all of our businesses, with the key drivers being accelerating internal receivable and revenue growth." [HHS 02914429]</p> <p>* * * * *</p> <p>"Credit Quality and Loss Reserves</p> <p>Credit quality remained stable in the quarter and improved from a year ago. The annualized managed net chargeoff ratio for the third quarter was 4.09 percent, compared with 4.10 percent in the second quarter and 4.33 percent in the year-ago quarter. The managed delinquency ratio (60+ days) was 4.89 percent at September 30, compared with 4.72 percent at June 30 and 4.96 percent a year ago." [HHS 02914430]</p>
3.	11/12/1999	Household 10-Q Plaintiffs' Exhibit 736	<p>Household 10-Q for quarter ending 9/30/99: Household reported net income of \$399.9 million for the quarter ended September 30, 1999 and EPS of \$0.84: [HHS 03138203]</p> <p>"Owned consumer two-months-and-over contractual delinquency as a percent of owned consumer receivables was 5.24 percent at September 30, 1999, compared with 4.96 percent at June 30, 1999 and 5.23 percent at September 30, 1998. The annualized total consumer owned chargeoff ratio was 3.63 percent in the third quarter of 1999, compared with 3.54 percent in the prior quarter and 3.79 percent in the year-ago quarter.</p> <p>Managed consumer two-months-and-over contractual delinquency as a percent of managed consumer receivables was 4.89 percent at September 30, 1999, compared with 4.72 percent at June 30, 1999 and 4.96 percent at September 30, 1998. The annualized total consumer managed chargeoff ratio was 4.09 percent in the third quarter of 1999, compared with 4.10 percent in the prior quarter and 4.33 percent in the year-ago quarter." [HHS 03138217]</p>

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			<p style="text-align: center;">* * * * *</p> <p>Delinquency Two-Months-and-Over Contractual Managed Delinquency (as a percent of managed consumer receivables):</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>9/30/99</th> <th>6/30/99</th> <th>3/31/99</th> <th>12/31/98</th> <th>9/30/98</th> </tr> </thead> <tbody> <tr> <td>First mortgage</td> <td>12.56%</td> <td>12.72%</td> <td>10.91%</td> <td>14.90%</td> <td>11.80%</td> </tr> <tr> <td>Home equity</td> <td>3.46</td> <td>3.29</td> <td>3.54</td> <td>3.67</td> <td>3.73</td> </tr> <tr> <td>Auto finance</td> <td>2.26</td> <td>1.87</td> <td>1.74</td> <td>2.29</td> <td>2.05</td> </tr> <tr> <td>MasterCard/Visa</td> <td>3.10</td> <td>3.11</td> <td>3.61</td> <td>3.75</td> <td>3.73</td> </tr> <tr> <td>Private label</td> <td>6.66</td> <td>6.62</td> <td>6.37</td> <td>6.20</td> <td>6.55</td> </tr> <tr> <td>Other unsecured</td> <td>8.57</td> <td>8.17</td> <td>7.84</td> <td>7.94</td> <td>8.03</td> </tr> <tr> <td>Total</td> <td>4.89%</td> <td>4.72%</td> <td>4.81%</td> <td>4.90%</td> <td>4.96%</td> </tr> </tbody> </table> <p style="text-align: center;">[HHS 03138224]</p>		9/30/99	6/30/99	3/31/99	12/31/98	9/30/98	First mortgage	12.56%	12.72%	10.91%	14.90%	11.80%	Home equity	3.46	3.29	3.54	3.67	3.73	Auto finance	2.26	1.87	1.74	2.29	2.05	MasterCard/Visa	3.10	3.11	3.61	3.75	3.73	Private label	6.66	6.62	6.37	6.20	6.55	Other unsecured	8.57	8.17	7.84	7.94	8.03	Total	4.89%	4.72%	4.81%	4.90%	4.96%
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4.	01/19/2000	Household Press Release Plaintiffs' Exhibit 746	<p>“Credit quality remained relatively stable in the quarter and improved from a year ago. The modest increase in managed delinquency as a percent of managed consumer receivables from the prior quarter was due to the seasoning of our Beneficial home equity and other unsecured products.” [HHS 03138224]</p> <p>January 19, 2000 Household Press Release entitled “Household International Reports Best Quarter and Year in Its History”: Household “reported that fourth quarter earnings per share increased 30 percent to a record \$.92 from \$.71 a year ago. Fourth quarter net income rose 25 percent to a record \$438.8 million, compared with \$349.9 million a year ago. For the full year, Household reported record earnings per share of \$3.07, which was 33 percent over 1998 operating earnings per share. Net income totaled \$1.5 billion, or 29 percent above the prior year’s operating net income.” [HHS 03148802]</p> <p style="text-align: center;">* * * * *</p> <p>“We are very pleased to report another record quarter, the culmination of an absolutely outstanding year for Household. Growth and profitability in the quarter were excellent and exceeded our expectations. Revenues were particularly strong. . . . Our record earnings reflect an outstanding year in our consumer finance business, a dramatic turnaround in our MasterCard/Visa business, and strong results in all of our other businesses. We are particularly pleased with excellent receivable</p>																																																

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5.	03/28/2000	Household FY99 Report on Form 10-K Plaintiffs' Exhibit 1462	<p>growth in 1999, particularly in our branches, while fully realizing all of the acquisition synergies of the Beneficial merger." [HHS 03148802] * * *</p> <p>"Credit Quality and Loss Reserves Credit quality improved from both the third quarter and a year ago. The annualized net chargeoff ratio for the fourth quarter fell 13 basis points to 3.96 percent, the lowest level since 1997. The chargeoff ratio was 4.09 percent in the third quarter and 4.39 percent in the year-ago quarter. The managed delinquency ratio (60+days) improved 23 basis points to 4.66 percent at December 31, compared with 4.89 percent at September 30 and 4.90 percent a year ago." [HHS 03148804]</p> <p>Household FY99 Report on Form 10-K filed with the SEC on March 28, 2000 Household reported net income of 1.486 billion and E.P.S. of \$3.10 [p.127]: * *</p> <p>"Delinquency and Chargeoffs. Our delinquency and net chargeoff ratios reflect, among other factors, the quality of receivables, the average age of our loans, the success of our collection efforts and general economic conditions. . . . We track delinquency and chargeoff levels on an owned and a managed basis. We apply the same credit and portfolio management procedures to both our owned and off-balance sheet portfolios. Our focus is to use risk-based pricing and effective collection efforts for each loan. We have a process which we believe gives us a reasonable basis for predicting the asset quality of new accounts. This process is based on our experience with numerous marketing, credit and risk management tests. We also believe that our frequent and early contact with delinquent customers is helpful in managing net credit losses." [p.98] * *</p> <p>Managed Two-Month-and-Over Contractual Delinquency Ratios [p.115]</p> <table border="1" data-bbox="1148 598 1379 1438"> <thead> <tr> <th></th> <th>1999</th> <th>1998</th> <th>1997</th> <th>1996</th> <th>1995</th> </tr> </thead> <tbody> <tr> <td>Home equity</td> <td>3.27%</td> <td>3.67%</td> <td>3.69%</td> <td>3.04%</td> <td>2.76%</td> </tr> <tr> <td>Auto finance/1/</td> <td>2.43</td> <td>2.29</td> <td>2.09</td> <td>-</td> <td>-</td> </tr> <tr> <td>MasterCard/Visa</td> <td>2.78</td> <td>3.75</td> <td>3.10</td> <td>2.73</td> <td>2.19</td> </tr> <tr> <td>Private label</td> <td>5.97</td> <td>6.20</td> <td>5.81</td> <td>4.60</td> <td>3.93</td> </tr> <tr> <td>Other unsecured</td> <td>8.81</td> <td>7.94</td> <td>7.81</td> <td>6.21</td> <td>5.68</td> </tr> <tr> <td>Total consumer</td> <td>4.66%</td> <td>4.90%</td> <td>4.64%</td> <td>3.92%</td> <td>3.36%</td> </tr> </tbody> </table>		1999	1998	1997	1996	1995	Home equity	3.27%	3.67%	3.69%	3.04%	2.76%	Auto finance/1/	2.43	2.29	2.09	-	-	MasterCard/Visa	2.78	3.75	3.10	2.73	2.19	Private label	5.97	6.20	5.81	4.60	3.93	Other unsecured	8.81	7.94	7.81	6.21	5.68	Total consumer	4.66%	4.90%	4.64%	3.92%	3.36%
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6.	04/19/2000	Household Press Release Plaintiffs' Exhibit 453	<p>April 19, 2000 Household Press Release entitled "Household International Reports Record First Quarter Results": Household "reported that earnings per share rose 20 percent to a first quarter record of \$.78, from \$.65 a year ago. Net income increased to \$372.9 million, up 16 percent from \$320.8 million in the first quarter of 1999." [HHS 02902345]</p> <p style="text-align: center;">* * * * *</p> <p>"This was the strongest first quarter in our company's history, with all of our businesses performing well. Revenue and receivable growth were strong, and credit quality continued to improve." [HHS 02902345]</p> <p style="text-align: center;">* * * * *</p> <p>"Credit Quality and Loss Reserves At March 31, the managed delinquency ratio (60+days) declined to 4.43 percent, from 4.66 percent at December 31 and 4.81 percent a year ago. Dollars of delinquency were flat with year-end 1999. The annualized managed net chargeoff ratio for the first quarter was 4.00 percent compared to 3.96 percent in the prior quarter and improved 37 basis points from the year-ago quarter." [HHS 02902346]</p>																																																						

<p><b>Stmnt No.</b> 7.</p>	<p><b>Date</b> 05/10/2000</p>	<p><b>Document Title</b> Household 10-Q Plaintiffs' Exhibit 735</p>	<p><b>Statement</b> Household 10-Q for 3/31/00 quarter ending: Household reported net income of \$372.9 million for the quarter ended March 30, 2000 and EPS of \$0.79 per share [HHS 03138125]:</p> <p style="text-align: center;">* * * *</p> <p><b>CREDIT QUALITY</b> We track delinquency and chargeoff levels on a managed basis and we apply the same credit and portfolio management procedures as on our owned portfolio. [HHS 03138142] Delinquency Two-Months-and-Over Contractual Managed Delinquency (as a percent of managed consumer receivables):</p> <table border="1" style="margin-left: 40px;"> <tr> <td></td> <td>3/31/00</td> <td>12/31/99</td> <td>9/30/99</td> <td>6/30/99</td> <td>3/31/99</td> </tr> <tr> <td>Managed:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Real estate secured</td> <td>2.99%</td> <td>3.27%</td> <td>3.46%</td> <td>3.29%</td> <td>3.54%</td> </tr> <tr> <td>Auto finance</td> <td>1.52</td> <td>2.43</td> <td>2.26</td> <td>1.87</td> <td>1.74</td> </tr> <tr> <td>MasterCard/Visa</td> <td>3.06</td> <td>2.78</td> <td>3.10</td> <td>3.11</td> <td>3.61</td> </tr> <tr> <td>Private label</td> <td>5.94</td> <td>5.97</td> <td>6.66</td> <td>6.62</td> <td>6.37</td> </tr> <tr> <td>Other unsecured</td> <td>8.56</td> <td>8.81</td> <td>8.57</td> <td>8.17</td> <td>7.84</td> </tr> <tr> <td>Total</td> <td>4.43%</td> <td>4.66%</td> <td>4.89%</td> <td>4.72%</td> <td>4.81%</td> </tr> <tr> <td>Owned</td> <td>4.58%</td> <td>4.81%</td> <td>5.24%</td> <td>4.96%</td> <td>5.04%</td> </tr> </table> <p>[HHS 03138142]</p> <p style="text-align: center;">* * * *</p> <p>“Owned consumer two-months-and-over contractual delinquency as a percent of owned consumer receivables was 4.58 percent at March 31, 2000, compared with 4.81 percent at December 31, 1999 and 5.04 percent at March 31, 1999. The annualized consumer owned chargeoff ratio was 3.53 percent in the first quarter of 2000, compared with 3.62 percent in the prior quarter and 3.92 percent in the year-ago quarter. [HHS 03138137]</p> <p>Managed consumer two-months-and-over contractual delinquency as a percent of managed consumer receivables was 4.43 percent at March 31, 2000, compared with 4.66 percent at December 31, 1999 and 4.81 percent at March 31, 1999. The annualized total consumer managed chargeoff ratio was 4.00 percent in the first quarter of 2000, compared with 3.96 percent in the prior quarter and 4.37 percent in the year-ago quarter.” [HHS 03138137]</p>		3/31/00	12/31/99	9/30/99	6/30/99	3/31/99	Managed:						Real estate secured	2.99%	3.27%	3.46%	3.29%	3.54%	Auto finance	1.52	2.43	2.26	1.87	1.74	MasterCard/Visa	3.06	2.78	3.10	3.11	3.61	Private label	5.94	5.97	6.66	6.62	6.37	Other unsecured	8.56	8.81	8.57	8.17	7.84	Total	4.43%	4.66%	4.89%	4.72%	4.81%	Owned	4.58%	4.81%	5.24%	4.96%	5.04%
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Stmt No.	Date	Document Title	Statement
8.	07/19/2000	Household Press Release Plaintiffs' Exhibit 884	<p>July 19, 2000 Household Press Release entitled "Household International Reports Record Strongest Second Quarter in Its History": Household "reported that earnings per share rose to a second quarter record \$.80, up 19 percent from \$.67 a year ago. Net income increased 17 percent to \$383.9 million, from \$326.9 million in the second quarter of 1999. . . . The company's managed receivables portfolio grew 22 percent from a year ago, reaching almost \$80 billion. The company added \$4.5 billion of receivables in the quarter, an increase of 6 percent. Revenues rose 20 percent compared to the year-ago quarter." [HHS 03407363]</p> <p style="text-align: center;">* * * *</p> <p>"Credit Quality and Loss Reserves Credit quality improved dramatically during the quarter, as dollars of chargeoff and delinquency declined from first quarter levels. At June 30, the managed delinquency ratio (60+days) improved for the third consecutive quarter, to 4.16 percent. This represented a 27 basis-point improvement from the first quarter and a 56 basis-point improvement from a year ago. The annualized managed net chargeoff ratio for the second quarter fell 26 basis points sequentially, to 3.74 percent. The chargeoff ratio was 4.10 percent a year ago." [HHS 03407364]</p>



<p><b>Stut No.</b> 9.</p>	<p><b>Date</b> 08/11/2000</p>	<p><b>Document Title</b> Household 10-Q Plaintiffs' Exhibit 404</p>	<p><b>Statement</b> Household 10-Q for 6/30/00 quarter ending: Household reported net income of \$383.9 million for the quarter ended June 30, 2000 and EPS of \$0.80:</p> <p><b>CREDIT QUALITY</b> We track delinquency and chargeoff levels on a managed basis and we apply the same credit and portfolio management procedures as on our owned portfolio. [HHS 02879712]</p> <p><b>Delinquency</b> Two-Months-and-Over Contractual Managed Delinquency (as a percent of managed consumer receivables) [HHS 02879713]:</p> <table border="1"> <thead> <tr> <th></th> <th>6/30/00</th> <th>3/31/00</th> <th>12/31/99</th> <th>9/30/99</th> <th>6/30/99</th> </tr> </thead> <tbody> <tr> <td><b>Managed:</b></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Real estate secured</td> <td>2.72%</td> <td>2.99%</td> <td>3.27%</td> <td>3.46%</td> <td>3.29%</td> </tr> <tr> <td>Auto finance</td> <td>1.99</td> <td>1.52</td> <td>2.43</td> <td>2.26</td> <td>1.87</td> </tr> <tr> <td>MasterCard/Visa</td> <td>3.14</td> <td>3.06</td> <td>2.78</td> <td>3.10</td> <td>3.11</td> </tr> <tr> <td>Private label</td> <td>5.77</td> <td>5.94</td> <td>5.97</td> <td>6.66</td> <td>6.62</td> </tr> <tr> <td>Other unsecured</td> <td>7.92</td> <td>8.56</td> <td>8.81</td> <td>8.57</td> <td>8.17</td> </tr> <tr> <td>Total</td> <td>4.16%</td> <td>4.43%</td> <td>4.66%</td> <td>4.89%</td> <td>4.72%</td> </tr> <tr> <td>Owned</td> <td>4.25%</td> <td>4.58%</td> <td>4.81%</td> <td>5.24%</td> <td>4.96%</td> </tr> </tbody> </table> <p>[HHS 02879693]</p> <p>* * * *</p> <p>“Owned consumer two-months-and-over contractual delinquency as a percent of owned consumer receivables was 4.25 percent, compared with 4.58 percent at March 31, 2000 and 4.96 percent at June 30, 1999. The annualized total consumer owned chargeoff ratio in the second quarter of 2000 was 3.27 percent, compared with 3.53 percent in the prior quarter and 3.54 percent in the year-ago quarter. [HHS 02879706]</p> <p>Managed consumer two-months-and-over contractual delinquency as a percent of managed consumer receivables was 4.16 percent, compared with 4.43 percent at March 31, 2000 and 4.72 percent at June 30, 1999. The annualized total consumer managed chargeoff ratio in the second quarter of 2000 was 3.74 percent, compared with 4.00 percent in the prior quarter and 4.10 percent in the year-ago quarter.” [HHS 02879706]</p>		6/30/00	3/31/00	12/31/99	9/30/99	6/30/99	<b>Managed:</b>						Real estate secured	2.72%	2.99%	3.27%	3.46%	3.29%	Auto finance	1.99	1.52	2.43	2.26	1.87	MasterCard/Visa	3.14	3.06	2.78	3.10	3.11	Private label	5.77	5.94	5.97	6.66	6.62	Other unsecured	7.92	8.56	8.81	8.57	8.17	Total	4.16%	4.43%	4.66%	4.89%	4.72%	Owned	4.25%	4.58%	4.81%	5.24%	4.96%
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10.	10/18/2000	Household Press Release Plaintiffs' Exhibit 505	<p>October 18, 2000 Household Press Release entitled "Household International Reports Highest Quarterly EPS in Its History; Ninth Consecutive Record Quarter": Household reported that "third quarter earnings per share rose 13 percent to \$.94, compared to \$.83 a year ago. Net income also rose to a third quarter record of \$451.2 million, a 13 percent increase from \$399.9 million a year ago." [HHS 02914234]</p> <p>* * * *</p> <p>"Our strong third quarter results reflect a continuation of outstanding receivables and revenue growth. At the same time, we achieved year-over-year improvements in credit quality." [HHS 02914234]</p> <p>* * * *</p> <p>"Credit Quality and Loss Reserves The annualized managed net chargeoff ratio for the third quarter improved for a second consecutive quarter, to 3.47 percent from 3.74 percent in the second quarter. Dollars of net chargeoff also fell for the second consecutive quarter. The third quarter chargeoff ratio dropped 62 basis points from the level of a year ago, with improvement across all products. At September 30, the managed delinquency ratio (60+-days) was 4.21 percent, compared with 4.16 percent in the second quarter and significantly below the year-ago level of 4.89 percent." [HHS 02914235]</p> <p>* * * *</p> <p>"Stream says HFC never pressures people to buy credit life insurance." [HHS 03238043]</p>
11.	11/01/2000	St. Louis Dispatch article Plaintiffs' Exhibit 824	

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12.	11/14/2000	Household 10-Q Defendants' Exhibit 858	<p>Household 10-Q for quarter ending 9/30/2000: "Household reported net income of \$451.2 million for the quarter ended September 30, 2000 and EPS of \$0.95 [HHT 0015984]:</p> <p><b>CREDIT QUALITY</b>                      We track delinquency and chargeoff levels on a managed basis and we apply the same credit and portfolio management procedures as on our owned portfolio.</p> <p><b>Delinquency</b>                      Two-Months-and-Over Contractual Managed Delinquency (as a percent of managed consumer receivables):</p> <table border="1"> <thead> <tr> <th></th> <th>September 30, 2000</th> <th>June 30, 2000</th> <th>March 31, 2000</th> <th>December 31, 1999</th> <th>September 30, 1999</th> </tr> </thead> <tbody> <tr> <td><b>Managed:</b></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Real estate secured</td> <td>2.77%</td> <td>2.72%</td> <td>2.99%</td> <td>3.27%</td> <td>3.46%</td> </tr> <tr> <td>Auto finance</td> <td>2.19</td> <td>1.99</td> <td>1.52</td> <td>2.43</td> <td>2.26</td> </tr> <tr> <td>MasterCard/Visa</td> <td>3.48</td> <td>3.14</td> <td>3.06</td> <td>2.78</td> <td>3.10</td> </tr> <tr> <td>Private label</td> <td>5.67</td> <td>5.77</td> <td>5.94</td> <td>5.97</td> <td>6.66</td> </tr> <tr> <td>Other unsecured</td> <td>7.72</td> <td>7.92</td> <td>8.56</td> <td>8.81</td> <td>8.57</td> </tr> <tr> <td>Total Managed</td> <td>4.21%</td> <td>4.16%</td> <td>4.43%</td> <td>4.66%</td> <td>4.89%</td> </tr> <tr> <td>Owned</td> <td>4.29%</td> <td>4.25%</td> <td>4.58%</td> <td>4.81%</td> <td>5.24%</td> </tr> </tbody> </table> <p>[HHT 0015998]                      * * * *</p> <p>"Owned consumer two-months-and-over contractual delinquency as a percent of owned consumer receivables was 4.29 percent, compared with 4.25 percent at June 30, 2000 and 5.24 percent at September 30, 1999. The annualized consumer owned chargeoff ratio in the third quarter of 2000 was 3.01 percent, compared with 3.27 percent in the prior quarter and 3.63 percent in the year-ago quarter.</p> <p>Managed consumer two-months-and-over contractual delinquency as a percent of managed consumer receivables was 4.21 percent at September 30, 2000, compared with 4.16 percent at June 30, 2000 and 4.89 percent at September 30, 1999. The annualized total consumer managed chargeoff ratio in the third quarter of 2000 was 3.47 percent, compared with 3.74 percent in the prior quarter and 4.09 percent in the year-ago quarter." [HHT 0015994]</p>		September 30, 2000	June 30, 2000	March 31, 2000	December 31, 1999	September 30, 1999	<b>Managed:</b>						Real estate secured	2.77%	2.72%	2.99%	3.27%	3.46%	Auto finance	2.19	1.99	1.52	2.43	2.26	MasterCard/Visa	3.48	3.14	3.06	2.78	3.10	Private label	5.67	5.77	5.94	5.97	6.66	Other unsecured	7.72	7.92	8.56	8.81	8.57	Total Managed	4.21%	4.16%	4.43%	4.66%	4.89%	Owned	4.29%	4.25%	4.58%	4.81%	5.24%
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13.	01/17/2001	Household Press Release Plaintiffs' Exhibit 491	<p>January 17, 2001 Household Press Release entitled "Household International Reports Highest Full Year and Quarterly EPS in Its History; Tenth Consecutive Record Quarter": Household reported full year earnings per share of \$3.55, a 16 percent increase over \$3.07 a year ago and the highest earnings per share in the company's 122-year history. Net income totaled \$1.7 billion, or 14 percent above the prior year. Net managed revenues for the full year increased 18 percent to \$8.9 billion, compared to \$7.5 billion in 1999. Household's fourth quarter earnings per share rose 12 percent to a record \$1.03, from \$.92 a year ago. Fourth quarter net income rose 12 percent to an all-time high of \$492.7 million, compared with \$438.8 million a year ago."</p> <p>"These strong fourth quarter results cap off a terrific year in which we delivered on all or our earnings and growth goals. . . . Growth and profitability in the quarter were excellent, while credit quality and our balance sheet remained strong. . . . Our record earnings per share reflect strong top-line growth and improved credit quality." [HHS 02912516]</p> <p style="text-align: center;">* * * *</p> <p>"Credit Quality and Loss Reserves</p> <p>The fourth quarter annualized managed net chargeoff ratio improved for the third consecutive quarter to 3.41 percent from 3.47 percent in the third quarter. The fourth quarter chargeoff ratio was 55 basis points lower than a year ago and reached its lowest level since the fourth quarter of 1996. The managed delinquency ratio (60+days) at December 31, 2000 was 4.20 percent, stable with 4.21 percent in the third quarter and 46 basis points better than a year ago." [HHS 02912517]</p> <p><i>Origination News</i> - March 23, 2001: "Gary Gilmer, president and chief executive of Household's subsidiaries HFC and Beneficial said the company's 'position on predatory lending is perfectly clear. Unethical lending practices of any type are abhorrent to our company, our employees and most importantly our customers.'" [TEL 002334]</p>
14.	03/23/2001	<i>Origination News</i> article Plaintiffs' Exhibit 1307	

<p><b>Stunt No.</b> 15.</p>	<p><b>Date</b> 03/28/2001</p>	<p><b>Document Title</b> Household FY00 Report on Form 10-K Defendants' Exhibit 851</p>	<p><b>Statement</b> Household FY00 Report on Form 10-K filed with the SEC on March 28, 2001 Household reported net income of 1.7 billion and E.P.S. of \$3.55 [HHT 0015623]:</p> <p style="text-align: center;">* * * * *</p> <p>"Our focus is to use risk-based pricing and effective collection efforts for each loan. We have a process which we believe gives us a reasonable basis for predicting the credit quality of new accounts. This process is based on our experience with numerous marketing, credit and risk management tests. We also believe that our frequent and early contact with delinquent customers is helpful in managing net credit losses." [HHT 0015608]</p> <p style="text-align: center;">* * * * *</p> <p>"Delinquency and Chargeoffs: Our delinquency and net chargeoff ratios reflect, among other factors, changes in the mix of loans in our portfolio, the quality of our receivables, the average age of our loans, the success of our collection efforts and general economic conditions." . . .</p> <p>We track delinquency and chargeoff levels on both an owned and a managed basis. We apply the same credit and portfolio management procedures to both our owned and off-balance sheet portfolios. Our focus is to use risk-based pricing and effective collection efforts for each loan. We have a process which we believe gives us a reasonable basis for predicting the credit quality of new accounts. This process is based on our experience with numerous marketing, credit and risk management tests. We also believe that our frequent and early contact with delinquent customers is helpful in managing net credit losses." [HHT 0015608]</p> <p style="text-align: center;">* * * * *</p> <p style="text-align: center;"><b>CONSUMER TWO-MONTH-AND-OVER CONTRACTUAL DELINQUENCY RATIOS</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2"></th> <th colspan="4">2000 Quarter End</th> <th colspan="4">1999 Quarter End</th> </tr> <tr> <th>4</th> <th>3</th> <th>2</th> <th>1</th> <th>4</th> <th>3</th> <th>2</th> <th>1</th> </tr> </thead> <tbody> <tr> <td>Managed:</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> <tr> <td>Real estate secured</td> <td>2.63%</td> <td>2.77%</td> <td>2.72%</td> <td>2.99%</td> <td>3.27%</td> <td>3.46%</td> <td>3.29%</td> <td>3.54%</td> </tr> <tr> <td>Auto finance</td> <td>2.55</td> <td>2.19</td> <td>1.99</td> <td>1.52</td> <td>2.43</td> <td>2.26</td> <td>1.87</td> <td>1.74</td> </tr> <tr> <td>MasterCard/Visa</td> <td>3.49</td> <td>3.48</td> <td>3.14</td> <td>3.06</td> <td>2.78</td> <td>3.10</td> <td>3.11</td> <td>3.61</td> </tr> <tr> <td>Private label</td> <td>5.48</td> <td>5.67</td> <td>5.77</td> <td>5.94</td> <td>5.97</td> <td>6.66</td> <td>6.62</td> <td>6.37</td> </tr> <tr> <td>Other unsecured</td> <td>7.97</td> <td>7.72</td> <td>7.92</td> <td>8.56</td> <td>8.81</td> <td>8.57</td> <td>8.17</td> <td>7.84</td> </tr> <tr> <td>Total Managed</td> <td>4.20%</td> <td>4.21%</td> <td>4.16%</td> <td>4.43%</td> <td>4.66%</td> <td>4.89%</td> <td>4.72%</td> <td>4.81%</td> </tr> <tr> <td>Total Owned</td> <td>4.26%</td> <td>4.29%</td> <td>4.25%</td> <td>4.58%</td> <td>4.81%</td> <td>5.24%</td> <td>4.96%</td> <td>5.04%</td> </tr> </tbody> </table> <p style="text-align: right;">[HHT 0015609]</p>		2000 Quarter End				1999 Quarter End				4	3	2	1	4	3	2	1	Managed:									Real estate secured	2.63%	2.77%	2.72%	2.99%	3.27%	3.46%	3.29%	3.54%	Auto finance	2.55	2.19	1.99	1.52	2.43	2.26	1.87	1.74	MasterCard/Visa	3.49	3.48	3.14	3.06	2.78	3.10	3.11	3.61	Private label	5.48	5.67	5.77	5.94	5.97	6.66	6.62	6.37	Other unsecured	7.97	7.72	7.92	8.56	8.81	8.57	8.17	7.84	Total Managed	4.20%	4.21%	4.16%	4.43%	4.66%	4.89%	4.72%	4.81%	Total Owned	4.26%	4.29%	4.25%	4.58%	4.81%	5.24%	4.96%	5.04%
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<p>16.</p>	<p>04/18/2001</p>	<p>Household Press Release Plaintiffs' Exhibit 504</p>	<p><b>Statement</b> April 18, 2001 Household Press Release entitled "Household International Reports First Quarter Results; 11th Consecutive Record Quarter": Household "reported that earnings per share rose 17 percent to a first quarter record of \$.91 from \$.78 a year ago. Net income increased to \$431.8 million, up 16 percent from \$372.9 million in the first quarter of 2000. This quarter marked the 11th consecutive quarter of record results." [HHS 02914121] * * * * * "Credit Quality and Loss Reserves At March 31, the managed delinquency ratio (60+days) was 4.25 percent, compared to 4.43 percent a year ago and 4.20 percent at December 31, 2000. The annualized managed net chargeoff ratio for the first quarter was 3.56 percent, a 44 basis points improvement from the year-ago quarter and up modestly from 3.41 percent in the prior quarter." [HHS 02914123] Household 10-Q for 3/31/01 quarter ended: Household reported net income of \$431.8 million for the quarter ended March 31, 2001 and EPS of \$0.92 [HHS 03137911].</p>																																																						
<p>17.</p>	<p>05/09/2001</p>	<p>Household 10-Q Plaintiffs' Exhibit 733</p>	<p><b>CREDIT QUALITY</b> We track delinquency and chargeoff levels on a managed basis and we apply the same credit and portfolio management procedures as on our owned portfolio.  Delinquency Two-Months-and-Over Contractual Delinquency (as a percent of consumer receivables):</p> <table border="1"> <thead> <tr> <th></th> <th>March 31, 2001</th> <th>December 31, 2000</th> <th>September 30, 2000</th> <th>June 30, 2000</th> <th>March 31, 2000</th> </tr> </thead> <tbody> <tr> <td>Managed:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Real estate secured</td> <td>2.61%</td> <td>2.63%</td> <td>2.77%</td> <td>2.72%</td> <td>2.99%</td> </tr> <tr> <td>Auto finance</td> <td>1.79</td> <td>2.55</td> <td>2.19</td> <td>1.99</td> <td>1.52</td> </tr> <tr> <td>MasterCard/Visa</td> <td>3.68</td> <td>3.49</td> <td>3.48</td> <td>3.14</td> <td>3.06</td> </tr> <tr> <td>Private label</td> <td>5.50</td> <td>5.48</td> <td>5.67</td> <td>5.77</td> <td>5.94</td> </tr> <tr> <td>Other unsecured</td> <td>8.37</td> <td>7.97</td> <td>7.72</td> <td>7.92</td> <td>8.56</td> </tr> <tr> <td>Total managed</td> <td>4.25%</td> <td>4.20%</td> <td>4.21%</td> <td>4.16%</td> <td>4.43%</td> </tr> <tr> <td>Owned</td> <td>4.36%</td> <td>4.26%</td> <td>4.29%</td> <td>4.25%</td> <td>4.58%</td> </tr> </tbody> </table> <p>[HHS 03137930]</p>		March 31, 2001	December 31, 2000	September 30, 2000	June 30, 2000	March 31, 2000	Managed:						Real estate secured	2.61%	2.63%	2.77%	2.72%	2.99%	Auto finance	1.79	2.55	2.19	1.99	1.52	MasterCard/Visa	3.68	3.49	3.48	3.14	3.06	Private label	5.50	5.48	5.67	5.77	5.94	Other unsecured	8.37	7.97	7.72	7.92	8.56	Total managed	4.25%	4.20%	4.21%	4.16%	4.43%	Owned	4.36%	4.26%	4.29%	4.25%	4.58%
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18.	07/18/2001	Household Press Release Plaintiffs' Exhibit 503	<p style="text-align: center;">* * * *</p> <p>“Owned consumer two-months-and-over contractual delinquency as a percent of owned consumer receivables was 4.36 percent at March 31, 2001, compared with 4.26 percent at December 31, 2000 and 4.58 percent at March 31, 2000. The annualized consumer owned chargeoff ratio in the first quarter of 2001 was 3.12 percent, compared with 2.98 percent in the prior quarter and 3.53 percent in the year-ago quarter.</p> <p>Managed consumer two-months-and-over contractual delinquency as a percent of managed consumer receivables was 4.25 percent at March 31, 2001, compared with 4.20 percent at December 31, 2000 and 4.43 percent at March 31, 2000. The annualized consumer managed chargeoff ratio in the first quarter of 2001 was 3.56 percent, compared with 3.41 percent in the prior quarter and 4.00 percent in the year-ago quarter.” [HHS 03137924]</p> <p>July 18, 2001 Household Press Release entitled “Household International Reports Second Quarter Results; 12th Consecutive Record Quarter”: Household “reported record earnings per share of \$.93, up 16 percent from a year ago. Net income rose 14 percent, to \$439.0 million, from \$383.9 million for the second quarter of 2000.” . . .</p> <p>“We had a terrific quarter – our 12th consecutive quarter of record results. Given the softening economic environment, I am particularly pleased with our ability to consistently deliver strong, quality earnings. Results for the quarter were excellent. . . . We enjoyed strong receivable and revenue growth compared to a year ago, with all of our businesses performing well. In addition, delinquency was stable in the quarter.” [HHS 02914097]</p> <p>“Credit Quality and Loss Reserves At June 30th, the managed delinquency ratio (60+days) was 4.27 percent, stable with 4.25 percent in the first quarter. The managed delinquency ratio a year ago was 4.16 percent. The annualized managed net chargeoff ratio for the second quarter was 3.71 percent, essentially unchanged from the year-ago quarter and up modestly from 3.56 percent in the first quarter.” [HHS 02914098]</p>

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19.	07/27/2001	Star Tribune article Plaintiffs' Exhibit 1451	Star Tribune -- July 27, 2001: "Megan Hayden, a Household spokeswoman, said that terms of loans are disclosed to all customers, as required by state and federal laws. 'Frankly, you don't stay in business in this industry by taking advantage of your customers,' she said. 'So I take exception to any characterization that we engaged in predatory lending practices.'"																																																						
20.	08/10/2001	Household 10-Q Plaintiffs' Exhibit 6	<p>Household 10-Q for 6/30/01 quarter ended: Household reported net income of \$439 million for the quarter ended June 30, 2001 and EPS of \$0.94 [AA 062721]:</p> <p><b>CREDIT QUALITY</b>                      We track delinquency and chargeoff levels on a managed basis and we apply the same credit and portfolio management procedures as on our owned portfolio.                      [AA 062738]                      Delinquency</p> <p>Two-Months-and-Over Contractual Delinquency (as a percent of consumer receivables):</p> <table border="1"> <thead> <tr> <th></th> <th>June 30, 2001</th> <th>March 31, 2001</th> <th>December 31, 2000</th> <th>September 30, 2000</th> <th>June 30, 2000</th> </tr> </thead> <tbody> <tr> <td>Managed:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Real estate secured</td> <td>2.63%</td> <td>2.61%</td> <td>2.63%</td> <td>2.77%</td> <td>2.72%</td> </tr> <tr> <td>Auto finance</td> <td>2.09</td> <td>1.79</td> <td>2.55</td> <td>2.19</td> <td>1.99</td> </tr> <tr> <td>MasterCard/Visa</td> <td>3.60</td> <td>3.68</td> <td>3.49</td> <td>3.48</td> <td>3.14</td> </tr> <tr> <td>Private label</td> <td>5.66</td> <td>5.50</td> <td>5.48</td> <td>5.67</td> <td>5.77</td> </tr> <tr> <td>Other unsecured</td> <td>8.43</td> <td>8.37</td> <td>7.97</td> <td>7.72</td> <td>7.92</td> </tr> <tr> <td>Total managed</td> <td>4.27%</td> <td>4.25%</td> <td>4.20%</td> <td>4.21%</td> <td>4.16%</td> </tr> <tr> <td>Owned</td> <td>4.48%</td> <td>4.36%</td> <td>4.26%</td> <td>4.29%</td> <td>4.25%</td> </tr> </tbody> </table> <p>[AA 062739]</p> <p>* * * *</p> <p>"Owned consumer two-months-and-over contractual delinquency as a percent of owned consumer receivables was 4.48 percent at June 30, 2001, compared with 4.36 percent at March 31, 2001 and 4.25 percent at June 30, 2000. The annualized consumer owned chargeoff ratio in the second quarter of 2001 was 3.26 percent, compared with 3.12 percent in the prior quarter and 3.27 percent in the year-ago quarter.</p>		June 30, 2001	March 31, 2001	December 31, 2000	September 30, 2000	June 30, 2000	Managed:						Real estate secured	2.63%	2.61%	2.63%	2.77%	2.72%	Auto finance	2.09	1.79	2.55	2.19	1.99	MasterCard/Visa	3.60	3.68	3.49	3.48	3.14	Private label	5.66	5.50	5.48	5.67	5.77	Other unsecured	8.43	8.37	7.97	7.72	7.92	Total managed	4.27%	4.25%	4.20%	4.21%	4.16%	Owned	4.48%	4.36%	4.26%	4.29%	4.25%
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21.	10/17/2001	Household Press Release  Plaintiffs' Exhibit 978	<p>Managed consumer two-months-and-over contractual delinquency as a percent of managed consumer receivables was 4.27 percent at June 30, 2001, compared with 4.25 percent at March 31, 2001 and 4.16 percent at June 30, 2000. The annualized consumer managed chargeoff ratio in the second quarter of 2001 was 3.71 percent, compared with 3.56 percent in the prior quarter and 3.74 percent in the year-ago quarter." [AA 062733]</p> <p>October 17, 2001 Household Press Release entitled "Household Reports Highest Quarterly Net Income in Its 123-Year History": Household "reported earnings per share of \$1.07 rose 14 percent from \$.94 the prior year. Net income increased 12 percent, to \$504 million, from \$451 million in the third quarter of 2000." [HHS 03453676]</p> <p>"Credit Quality and Loss Reserves</p> <p>At September 30th, the managed delinquency ratio (60+ days) was 4.43 percent, compared to 4.27 percent in the second quarter and 4.21 percent a year ago. The sequential increase was across all products and was well within company expectations. The annualized managed net chargeoff ratio for the third quarter was 3.74 percent, up slightly from 3.71 percent in the second quarter. The managed net chargeoff ratio was 3.47 percent in the prior-year quarter." [HHS 03453677]</p>

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22.	11/14/2001	Household 10-Q Plaintiffs' Exhibit 707	<p>Household 10-Q for quarter ended 9/30/01: Household reported net income of \$503.8 million for the quarter ended September 30, 2001 and EPS of \$1.09 [HHS 03111409]:</p> <p><b>CREDIT QUALITY</b>                      We track delinquency and chargeoff levels on a managed basis and we apply the same credit and portfolio management procedures as on our owned portfolio.                      [HHS 03111425]</p> <p><b>Delinquency</b>                      Two-Months-and-Over Contractual Delinquency (as a percent of consumer receivables):</p> <table border="1"> <thead> <tr> <th></th> <th>September 30, 2001</th> <th>June 30, 2001</th> <th>March 31, 2001</th> <th>December 30, 2000</th> <th>September 30, 2000</th> </tr> </thead> <tbody> <tr> <td>Managed:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Real estate secured</td> <td>2.74%</td> <td>2.63%</td> <td>2.61%</td> <td>2.63%</td> <td>2.77%</td> </tr> <tr> <td>Auto finance</td> <td>2.54</td> <td>2.09</td> <td>1.79</td> <td>2.55</td> <td>2.19</td> </tr> <tr> <td>MasterCard/Visa</td> <td>3.91</td> <td>3.60</td> <td>3.68</td> <td>3.49</td> <td>3.48</td> </tr> <tr> <td>Private label</td> <td>5.88</td> <td>5.66</td> <td>5.50</td> <td>5.48</td> <td>5.67</td> </tr> <tr> <td>Other unsecured</td> <td>8.51</td> <td>8.43</td> <td>8.37</td> <td>7.97</td> <td>7.72</td> </tr> <tr> <td>Total managed</td> <td>4.43%</td> <td>4.27%</td> <td>4.25%</td> <td>4.20%</td> <td>4.21%</td> </tr> <tr> <td>Owned</td> <td>4.58%</td> <td>4.48%</td> <td>4.36%</td> <td>4.26%</td> <td>4.29%</td> </tr> </tbody> </table> <p>[HHS 03111426]</p> <p>* * *</p> <p>"Owned consumer two-months-and-over contractual delinquency as a percent of owned consumer receivables was 4.58 percent at September 30, 2001, compared with 4.48 percent at June 30, 2001 and 4.29 percent at September 30, 2000. The annualized total consumer owned chargeoff ratio in the third quarter of 2001 was 3.43 percent, compared with 3.26 percent in the prior quarter and 3.01 percent in the year-ago quarter.</p> <p>Managed consumer two-months-and-over contractual delinquency as a percent of managed consumer receivables was 4.43 percent at September 30, 2001, compared with 4.27 percent at June 30, 2001 and 4.21 percent at September 31, 2000. The annualized total consumer managed chargeoff ratio in the third quarter of 2001 was 3.74 percent, compared with 3.71 percent in the prior quarter and 3.47 percent in the year-ago quarter." [HHS 03111420]</p>		September 30, 2001	June 30, 2001	March 31, 2001	December 30, 2000	September 30, 2000	Managed:						Real estate secured	2.74%	2.63%	2.61%	2.63%	2.77%	Auto finance	2.54	2.09	1.79	2.55	2.19	MasterCard/Visa	3.91	3.60	3.68	3.49	3.48	Private label	5.88	5.66	5.50	5.48	5.67	Other unsecured	8.51	8.43	8.37	7.97	7.72	Total managed	4.43%	4.27%	4.25%	4.20%	4.21%	Owned	4.58%	4.48%	4.36%	4.26%	4.29%
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23.	12/04/2001	Goldman Sachs Presentation Plaintiffs' Exhibit 1248	<p>* * * * *</p> <p>"Managed delinquency as a percent of managed consumer receivables increased modestly over both the previous and prior-year quarters. Compared to the previous quarter, all products reported higher delinquencies principally as the result of a weakening economy." [HHS 03111426]</p> <p>December 4, 2001 Goldman Sachs Presentation: defendants made false statements regarding Household's accounting practices, including reaging and restructuring.</p> <p>* * * * *</p> <p>"Charge off policies are appropriate for our target market and result in proper loss recognition" (PFG000158)</p> <p>"All policies have been consistently applied and realistically report results" (PFG000158)</p> <p>"Why are Household's Credit Losses Better" - better credit skills (PFG000152)</p>
24.	01/16/2002	Household Press Release Plaintiffs' Exhibit 706	<p>January 16, 2002 Household Press Release entitled "Household Reports Record Quarterly and Full-Year Net Income": Household "reported fourth quarter earnings per share of \$1.17, its fourteenth consecutive record quarter. Fourth quarter earnings per share rose 14 percent from \$1.03 the prior year. Net income in the fourth quarter increased 11 percent, to an all-time quarterly record of \$549 million. For the full year, Household reported earnings per share of \$4.08, representing a 15 percent increase from \$3.55 in 2000. Net income for 2001 totaled \$1.9 billion, also an all-time high, 13 percent above \$1.7 billion earned in 2000."</p> <p>"Household's fourth quarter results were simply outstanding . . . demonstrating the tremendous strength and earnings power of the Household franchise. Receivable and revenue growth exceeded our expectations while credit indicators weakened only modestly in a tough economic environment. . . . In 2001, we demonstrated that our business model generates superior results in a weak economy as well as in the strong economic periods of previous years. Exceptional revenue growth of 18 percent more than offset the increases in credit losses during the year." [HHS 03110403 - HHS 03110404]</p>

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25.	02/06/2002	<i>Copley News Services</i> article Plaintiffs' Exhibit 1442	<p>* * * * *</p> <p>"Credit Quality and Loss Reserves At December 31st, the managed delinquency ratio (60+days) was 4.46 percent, up 3 basis points from 4.43 percent in the third quarter. The managed delinquency ratio was 4.20 percent a year ago. The annualized managed net chargeoff ratio for the fourth quarter was 3.90 percent, up 16 basis points from 3.74 percent in the third quarter. The managed net chargeoff ratio in the year-ago quarter was 3.41 percent." [HHS 03110405]</p> <p><i>Copley News Services</i> - February 6, 2002: "You simply cannot stay in business for 125 years by misleading your borrowers . . . . We do the right thing for our borrowers. We make good loans that not only are legal loans, but are beneficial for our customers." [p.1]</p>																																				
26.	02/18/2002	<i>National Mortgage News</i> article Plaintiffs' Exhibit 1291	<p><i>National Mortgage News</i> - February 18, 2002:</p> <p>"Our first take on [the allegations of predatory lending raised in the ACORN action] is that it is not a significant issue, not indicative of any widespread problem and certainly not a concern that it will spread elsewhere." [YEL 002227]</p>																																				
27.	03/13/2002	Household FY01 Report on Form 10-K Defendants' Exhibit 852	<p>Household FY01 Report on Form 10-K filed with the SEC on March 13, 2002 Household reported Net Income of \$1.923 billion in 2001, and E.P.S. of \$4.13 [HHT 0015815 - HHT 0015816]:</p> <p>Household International, Inc. and Subsidiaries CREDIT QUALITY STATISTICS - OWNED BASIS All dollar amounts are stated in millions. 2001 2000 1999 1998 1997</p> <p>At December 31, unless otherwise indicated. Owned Two-Month-and-Over Contractual Delinquency Ratios</p> <table border="1"> <tr> <td>Real estate secured</td> <td>2.63%</td> <td>2.58%</td> <td>3.10%</td> <td>3.95%</td> <td>3.66%</td> </tr> <tr> <td>Auto finance</td> <td>2.92</td> <td>2.46</td> <td>2.02</td> <td>2.90</td> <td>1.48</td> </tr> <tr> <td>MasterCard/Visa</td> <td>5.67</td> <td>4.90</td> <td>3.59</td> <td>5.09</td> <td>3.55</td> </tr> <tr> <td>Private label</td> <td>5.99</td> <td>5.60</td> <td>6.09</td> <td>6.03</td> <td>5.60</td> </tr> <tr> <td>Personal non-credit card</td> <td>9.04</td> <td>7.99</td> <td>9.06</td> <td>8.24</td> <td>7.55</td> </tr> <tr> <td>Total consumer</td> <td>4.53%</td> <td>4.26%</td> <td>4.82%</td> <td>5.31%</td> <td>4.87%</td> </tr> </table> <p>[HHT 0015809]</p>	Real estate secured	2.63%	2.58%	3.10%	3.95%	3.66%	Auto finance	2.92	2.46	2.02	2.90	1.48	MasterCard/Visa	5.67	4.90	3.59	5.09	3.55	Private label	5.99	5.60	6.09	6.03	5.60	Personal non-credit card	9.04	7.99	9.06	8.24	7.55	Total consumer	4.53%	4.26%	4.82%	5.31%	4.87%
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			<p>Household International, Inc. and Subsidiaries  <b>CREDIT QUALITY STATISTICS - MANAGED BASIS</b>                      All dollar amounts are stated in millions.                      At December 31, unless otherwise indicated.</p> <table border="1"> <thead> <tr> <th></th> <th>2001</th> <th>2000</th> <th>1999</th> <th>1998</th> <th>1997</th> </tr> </thead> <tbody> <tr> <td>Managed Two-Month-and-Over Contractual Delinquency Ratios</td> <td>2.68%</td> <td>2.63%</td> <td>3.27%</td> <td>3.67%</td> <td>3.69%</td> </tr> <tr> <td>Real estate secured</td> <td>3.16</td> <td>2.55</td> <td>2.43</td> <td>2.29</td> <td>2.09</td> </tr> <tr> <td>Auto finance</td> <td>4.10</td> <td>3.49</td> <td>2.78</td> <td>3.75</td> <td>3.10</td> </tr> <tr> <td>MasterCard/Visa</td> <td>5.48</td> <td>5.48</td> <td>5.97</td> <td>6.20</td> <td>5.81</td> </tr> <tr> <td>Private label</td> <td>8.87</td> <td>7.97</td> <td>8.81</td> <td>7.94</td> <td>7.81</td> </tr> <tr> <td>Personal non-credit card</td> <td>4.46%</td> <td>4.20%</td> <td>4.66%</td> <td>4.90%</td> <td>4.64%</td> </tr> <tr> <td>Total consumer</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>[HHT 0015810]</p> <p style="text-align: center;">* * * *</p> <p>"Management has long recognized its responsibility for conducting the company's affairs in a manner which is responsive to the interest of employees, shareholders, investors and society in general. This responsibility is included in the statement of policy on ethical standards which provides that the company will fully comply with laws, rules and regulations of every community in which it operates and adhere to the highest ethical standards. Officers, employees and agents of the company are expected and directed to manage the business of the company with complete honesty, candor and integrity." [HHT 0015848]</p> <p style="text-align: center;">* * * *</p> <p>"Our credit and portfolio management procedures focus on risk-based pricing and effective collection efforts for each loan. We have a process which we believe gives us a reasonable basis for predicting the credit quality of new accounts. This process is based on our experience with numerous marketing, credit and risk management tests. We also believe that our frequent and early contact with delinquent customers, as well as policies designed to manage customer relationships, such as reaging delinquent accounts to current in specific situations, are helpful in maximizing customer collections. . . . As a result, charge-off and delinquency performance has been well within our expectations." [HHT 0015797]</p>		2001	2000	1999	1998	1997	Managed Two-Month-and-Over Contractual Delinquency Ratios	2.68%	2.63%	3.27%	3.67%	3.69%	Real estate secured	3.16	2.55	2.43	2.29	2.09	Auto finance	4.10	3.49	2.78	3.75	3.10	MasterCard/Visa	5.48	5.48	5.97	6.20	5.81	Private label	8.87	7.97	8.81	7.94	7.81	Personal non-credit card	4.46%	4.20%	4.66%	4.90%	4.64%	Total consumer					
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28.	04/09/2002	Household Financial Relations Conference Plaintiffs' Exhibit 135	<p style="text-align: center;">* * *</p> <p>"We believe our policies are responsive to the specific needs of the customer segment we serve. ... <i>Our policies have been consistently applied and there have been no significant changes to any of our policies during any of the periods reported.</i> Our loss reserve estimates consider our charge-off policies to ensure appropriate reserves exist for products with longer charge-off lives. We believe our charge-off policies are appropriate and result in proper loss recognition." [HHT 0015798]</p> <p style="text-align: center;">* * *</p> <p>"Our policies for consumer receivables permit reset of the contractual delinquency status of an account to current, subject to certain limits, if a predetermined number of consecutive payments has been received and there is evidence that the reason for the delinquency has been cured. Such reaging policies vary by product and are designed to manage customer relationship and maximize collections." [HHT 0015798]</p>
			<p>April 9, 2002 Financial Relations Conference:</p> <ul style="list-style-type: none"> <li>• Credit Quality Trend – Manageable, Modest Increases [chart on HHS 01883530]</li> <li>• Credit Policies – Overview – In some cases charge-off policy is longer than bank policy to optimize customer management. [HHS 01883554]</li> <li>• Reage Policies – Overview             <ul style="list-style-type: none"> <li>• Reage policies are an inherent part of value proposition for our customers for which they pay above bank prices</li> <li>• Not intended to defer credit loss recognition or to overstate net income</li> <li>• Policies have been consistently applied and are appropriate for each product [HHS 01883557]</li> </ul> </li> <li>• Credit Policies – Personal Non-Credit Card Restructures             <ul style="list-style-type: none"> <li>• If an account is ever 90+, lifetime limit of 4 restructures allowed [HHS 01883579]</li> </ul> </li> </ul> <p>Defendants included information regarding Household's reage portfolio in a number of charts included in Plaintiffs' Exhibit 135 – the charts are located at HHS01883560, HHS01883561, HHS01883562, HHS01883564, HHS01883565, HHS01883566, and HHS01883567.</p>

Stat No.	Date	Document Title	Statement
29.	04/17/2002	Household Press Release Plaintiffs' Exhibit 635	<p>April 17, 2002 Household Press Release entitled "Household Reports Record First Quarter Net Income": Household "reported first quarter earnings per share of \$1.09, its fifteenth consecutive record quarter. First quarter earnings per share rose 20 percent from \$.91 the prior year. Net income in the first quarter increased 18 percent, to a record \$511 million."</p> <p>"Household turned in a very strong first quarter. . . . In addition to delivering record results this quarter, we strongly added to our capital and reserve levels and further enhanced liquidity. We remain committed to maintaining a strong balance sheet and maximum financial flexibility."</p> <p>"Our credit quality performance was well within our expectations in light of the continued weakness in the economy. . . . We anticipate a very manageable credit environment for the remainder of the year." [HHS 02980361]</p> <p>* * *</p> <p>"Credit Quality and Loss Reserves</p> <p>At March 31st, the <i>managed basis</i> delinquency ratio (60+days) was 4.63 percent, up 17 basis points from 4.46 percent at year-end 2001 and up 38 basis points from 4.25 percent a year ago. The annualized <i>managed basis</i> net charge-off ratio for the first quarter of 4.09 percent increased 19 basis points from 3.90 percent in the fourth quarter of 2001. . . ."</p> <p>"The <i>owned basis</i> delinquency ratio at March 31st was 4.77 percent, compared to 4.53 percent at December 31st and 4.36 percent a year ago. The annualized <i>owned basis</i> charge-off ratio for the first quarter was 3.61 percent compared to 3.43 percent in the previous quarter and 3.12 percent a year ago." [HHS 02980363]</p>
30.	04/21/2002	Bellingham Herald article Plaintiffs' Exhibit 1445	<p>Bellingham Herald - April 21, 2002: "It is absolutely against our policy to in any way quote a rate that is different than what the true rate is . . . . I can't underscore that enough." [p.1]</p>

Strmt No.	Date	Document Title	Statement																												
31.	05/03/2002	Chicago Tribune article Plaintiffs' Exhibit 1440	Chicago Tribune – May 3, 2002: "Household denied that it misleads customers. 'Acorn continues to launch baseless accusations and lawsuits rather than work to enact real solutions to help eliminate predatory lending from the marketplace,' the lender's statement said." [p.1]																												
32.	05/10/2002	Household 10-Q Plaintiffs' Exhibit 232	Household 10-Q for quarter ended 3/31/2002. Household reported net income of \$511 million, and E.P.S of \$1.09 [HHS 02135167]  CREDIT QUALITY  Delinquency – Owned Basis Two-Months-and-Over Contractual Delinquency (as a percent of consumer receivables): <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th>March 31, 2002</th> <th>December 31, 2001</th> <th>March, 31 2001</th> </tr> </thead> <tbody> <tr> <td>Real estate secured</td> <td>2.88%</td> <td>2.63%</td> <td>2.55%</td> </tr> <tr> <td>Auto finance</td> <td>2.04</td> <td>2.92</td> <td>1.74</td> </tr> <tr> <td>MasterCard/Visa</td> <td>6.54</td> <td>5.67</td> <td>5.02</td> </tr> <tr> <td>Private label</td> <td>6.33</td> <td>5.99</td> <td>5.62</td> </tr> <tr> <td>Personal non-credit card</td> <td>9.60</td> <td>9.04</td> <td>8.79</td> </tr> <tr> <td>Total Owned</td> <td>4.77%</td> <td>4.53%</td> <td>4.36%</td> </tr> </tbody> </table> [HHS 02135187]		March 31, 2002	December 31, 2001	March, 31 2001	Real estate secured	2.88%	2.63%	2.55%	Auto finance	2.04	2.92	1.74	MasterCard/Visa	6.54	5.67	5.02	Private label	6.33	5.99	5.62	Personal non-credit card	9.60	9.04	8.79	Total Owned	4.77%	4.53%	4.36%
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Stunt No.	Date	Document Title	Statement
33.	05/10/2002	<i>The Record</i> article Plaintiffs' Exhibit 1443	<i>The Record</i> – May 10, 2002: “Our position is that the accusations [regarding predatory lending] are baseless . . . . The loans are legal, they are compliant with state and federal laws and our own policies, and in each instance they have benefits for each customer. . . . Hayden says the loan[s] conform[] to the company’s ‘tangible benefits test.’”
34.	05/31/2002	<i>American Banker</i> article Plaintiffs' Exhibit 1446	<i>American Banker</i> – May 31, 2002: “It is our regulators’ and the attorney general’s job to investigate any complaints brought forth by consumers in their state, and we don’t find anything unique or surprising that they are doing their job. . . . [W]e take proper steps to work with the department to uncover the facts and if necessary formulate an appropriate resolution for the borrower.” . . . “some customers in Bellingham may have indeed been justified in their confusion about the rate of their loans” and claimed Household “took full and prompt responsibility” and is “satisfied that this situation was localized to the Bellingham branch.”
35.	07/02/2002	<i>The Oregonian</i> Plaintiffs' Exhibit 1447	<i>The Oregonian</i> – July 2, 2002: “‘We’ve made mistakes,’ said Megan Hayden, spokeswoman for the Prospect Heights, Ill., company. ‘Is there a companywide pattern of abuse? Absolutely not.’”
36.	07/17/2002	Household Press Release Plaintiffs' Exhibit 788	July 17, 2002 Household Press Release entitled “Household Reports Record Second Quarter Results on Strong Receivables Growth”: Household “reported second quarter earnings per share increased 16 percent to \$1.08, from \$.93 the prior year. These results mark Household’s sixteenth consecutive record quarter. Second quarter net income increased 17 percent, to a record \$514 million.”  * * * * * “Our results this quarter were fueled by ongoing strong demand for our loan products. . . . Growth this quarter was strong, while we have maintained our conservative underwriting criteria. . . .” [HHS 03195884]

Stmnt No.	Date	Document Title	Statement
37.	08/14/2002.	Household Press Release Plaintiffs' Exhibit 227	<p style="text-align: center;">* * *</p> <p>“Credit Quality and Loss Reserves At June 30th, the <i>managed basis</i> delinquency ratio (60+days) was 4.53 percent, down 10 basis points from 4.63 percent at the end of March, led by improvement in the MasterCard/Visa portfolio. The managed basis delinquency ratio was 4.27 percent a year ago. The annualized <i>managed basis</i> netcharge-off ratio for the second quarter of 4.26 percent was 17 basis points higher than the first quarter and 55 basis points higher than a year ago.”</p> <p>“The <i>owned basis</i> delinquency ratio at June 30th was 4.61 percent, compared to 4.77 percent at March 31st and 4.48 percent a year ago. The annualized <i>owned basis</i> net charge-off ratio for the second quarter was 3.76 percent compared to 3.61 percent in the previous quarter and 3.26 a year ago.” [HHS 03195886]</p> <p>August 14, 2002 Household Press Release entitled “Household International Certifies Accuracy of SEC filings in 2002”. “Household’s results for the year-to-date have been fueled by strong demand for our loan products throughout our businesses. Our loan underwriting approach continues to be conservative in these times of economic uncertainty, and we remain committed to strong reserve and capital levels.” [HHS 02133695]</p>

Stunt No.	Date	Document Title	Statement																												
38.	08/14/2002	Household 10-Q Defendants' Exhibit 874	<p>Household 10-Q for quarter-ended 6/30/2002 issued on 8/14/2002: Household reported net income of \$507 million and E.P.S. of \$1.08 [HHT 0017112]</p> <p>CREDIT QUALITY Delinquency - Owned Basis Two-Months-and-Over Contractual Delinquency (as a percent of consumer receivables):</p> <table border="1"> <thead> <tr> <th></th> <th>June 30, 2002</th> <th>March 31, 2002</th> <th>June 30, 2001</th> </tr> </thead> <tbody> <tr> <td>Real estate secured</td> <td>2.78%</td> <td>2.88%</td> <td>2.59%</td> </tr> <tr> <td>Auto finance</td> <td>2.99</td> <td>2.04</td> <td>2.35</td> </tr> <tr> <td>MasterCard/Visa</td> <td>6.13</td> <td>6.54</td> <td>4.80</td> </tr> <tr> <td>Private label</td> <td>6.19</td> <td>6.33</td> <td>6.54</td> </tr> <tr> <td>Personal non-credit card</td> <td>9.12</td> <td>9.60</td> <td>8.79</td> </tr> <tr> <td>Total Owned</td> <td>4.61%</td> <td>4.77%</td> <td>4.48%</td> </tr> </tbody> </table> <p>[HHT 0017131]</p> <p>* * *</p> <p>"Our credit policies for consumer loans permit the reset of the contractual delinquency status of an account to current, subject to certain limits, if a predetermined number of consecutive payments has been received and there is evidence that the reason for the delinquency has been cured. Such reaging</p> <p>policies vary by product and are designed to manage customer relationship and ensure maximum collections." [HHT 0017132]</p> <p>* * *</p> <p>Household reiterated this disclosure in its Form 10-K/A for fiscal year 2001, filed with the SEC on August 27, 2002.</p>		June 30, 2002	March 31, 2002	June 30, 2001	Real estate secured	2.78%	2.88%	2.59%	Auto finance	2.99	2.04	2.35	MasterCard/Visa	6.13	6.54	4.80	Private label	6.19	6.33	6.54	Personal non-credit card	9.12	9.60	8.79	Total Owned	4.61%	4.77%	4.48%
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Total Owned	4.61%	4.77%	4.48%																												
39.	08/23/2002	Origination News article Plaintiffs' Exhibit 1439	<p>Origination News - August 23, 2002: "We clearly follow all state and federal laws and regulations," Household spokeswoman Megan Hayden said."</p>																												

TABLE B

<u>Date</u>	<u>Amount</u>
07/30/99	\$ <u>0</u> per share
08/02/99	\$ <u>0</u> per share
08/03/99	\$ <u>0</u> per share
08/04/99	\$ <u>0</u> per share
08/05/99	\$ <u>0</u> per share
08/06/99	\$ <u>0</u> per share
08/09/99	\$ <u>0</u> per share
08/10/99	\$ <u>0</u> per share
08/11/99	\$ <u>0</u> per share
08/12/99	\$ <u>0</u> per share
08/13/99	\$ <u>0</u> per share
08/16/99	\$ <u>0</u> per share
08/17/99	\$ <u>0</u> per share
08/18/99	\$ <u>0</u> per share
08/19/99	\$ <u>0</u> per share
08/20/99	\$ <u>0</u> per share
08/23/99	\$ <u>0</u> per share
08/24/99	\$ <u>0</u> per share
08/25/99	\$ <u>0</u> per share
08/26/99	\$ <u>0</u> per share
08/27/99	\$ <u>0</u> per share
08/30/99	\$ <u>0</u> per share
08/31/99	\$ <u>0</u> per share
09/01/99	\$ <u>0</u> per share
09/02/99	\$ <u>0</u> per share
09/03/99	\$ <u>0</u> per share
09/07/99	\$ <u>0</u> per share
09/08/99	\$ <u>0</u> per share
09/09/99	\$ <u>0</u> per share
09/10/99	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
09/13/99	\$ <u>0</u> per share
09/14/99	\$ <u>0</u> per share
09/15/99	\$ <u>0</u> per share
09/16/99	\$ <u>0</u> per share
09/17/99	\$ <u>0</u> per share
09/20/99	\$ <u>0</u> per share
09/21/99	\$ <u>0</u> per share
09/22/99	\$ <u>0</u> per share
09/23/99	\$ <u>0</u> per share
09/24/99	\$ <u>0</u> per share
09/27/99	\$ <u>0</u> per share
09/28/99	\$ <u>0</u> per share
09/29/99	\$ <u>0</u> per share
09/30/99	\$ <u>0</u> per share
10/01/99	\$ <u>0</u> per share
10/04/99	\$ <u>0</u> per share
10/05/99	\$ <u>0</u> per share
10/06/99	\$ <u>0</u> per share
10/07/99	\$ <u>0</u> per share
10/08/99	\$ <u>0</u> per share
10/11/99	\$ <u>0</u> per share
10/12/99	\$ <u>0</u> per share
10/13/99	\$ <u>0</u> per share
10/14/99	\$ <u>0</u> per share
10/15/99	\$ <u>0</u> per share
10/18/99	\$ <u>0</u> per share
10/19/99	\$ <u>0</u> per share
10/20/99	\$ <u>0</u> per share
10/21/99	\$ <u>0</u> per share
10/22/99	\$ <u>0</u> per share
10/25/99	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
10/26/99	\$ <u>0</u> per share
10/27/99	\$ <u>0</u> per share
10/28/99	\$ <u>0</u> per share
10/29/99	\$ <u>0</u> per share
11/01/99	\$ <u>0</u> per share
11/02/99	\$ <u>0</u> per share
11/03/99	\$ <u>0</u> per share
11/04/99	\$ <u>0</u> per share
11/05/99	\$ <u>0</u> per share
11/08/99	\$ <u>0</u> per share
11/09/99	\$ <u>0</u> per share
11/10/99	\$ <u>0</u> per share
11/11/99	\$ <u>0</u> per share
11/12/99	\$ <u>0</u> per share
11/15/99	\$ <u>0</u> per share
11/16/99	\$ <u>0</u> per share
11/17/99	\$ <u>0</u> per share
11/18/99	\$ <u>0</u> per share
11/19/99	\$ <u>0</u> per share
11/22/99	\$ <u>0</u> per share
11/23/99	\$ <u>0</u> per share
11/24/99	\$ <u>0</u> per share
11/26/99	\$ <u>0</u> per share
11/29/99	\$ <u>0</u> per share
11/30/99	\$ <u>0</u> per share
12/01/99	\$ <u>0</u> per share
12/02/99	\$ <u>0</u> per share
12/03/99	\$ <u>0</u> per share
12/06/99	\$ <u>0</u> per share
12/07/99	\$ <u>0</u> per share
12/08/99	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
12/09/99	\$ <u>0</u> per share
12/10/99	\$ <u>0</u> per share
12/13/99	\$ <u>0</u> per share
12/14/99	\$ <u>0</u> per share
12/15/99	\$ <u>0</u> per share
12/16/99	\$ <u>0</u> per share
12/17/99	\$ <u>0</u> per share
12/20/99	\$ <u>0</u> per share
12/21/99	\$ <u>0</u> per share
12/22/99	\$ <u>0</u> per share
12/23/99	\$ <u>0</u> per share
12/27/99	\$ <u>0</u> per share
12/28/99	\$ <u>0</u> per share
12/29/99	\$ <u>0</u> per share
12/30/99	\$ <u>0</u> per share
12/31/99	\$ <u>0</u> per share
01/03/00	\$ <u>0</u> per share
01/04/00	\$ <u>0</u> per share
01/05/00	\$ <u>0</u> per share
01/06/00	\$ <u>0</u> per share
01/07/00	\$ <u>0</u> per share
01/10/00	\$ <u>0</u> per share
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01/12/00	\$ <u>0</u> per share
01/13/00	\$ <u>0</u> per share
01/14/00	\$ <u>0</u> per share
01/18/00	\$ <u>0</u> per share
01/19/00	\$ <u>0</u> per share
01/20/00	\$ <u>0</u> per share
01/21/00	\$ <u>0</u> per share
01/24/00	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
01/25/00	\$ <u>0</u> per share
01/26/00	\$ <u>0</u> per share
01/27/00	\$ <u>0</u> per share
01/28/00	\$ <u>0</u> per share
01/31/00	\$ <u>0</u> per share
02/01/00	\$ <u>0</u> per share
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02/03/00	\$ <u>0</u> per share
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02/07/00	\$ <u>0</u> per share
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02/29/00	\$ <u>0</u> per share
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03/02/00	\$ <u>0</u> per share
03/03/00	\$ <u>0</u> per share
03/06/00	\$ <u>0</u> per share
03/07/00	\$ <u>0</u> per share
03/08/00	\$ <u>0</u> per share



<u>Date</u>	<u>Amount</u>
03/09/00	\$ <u>0</u> per share
03/10/00	\$ <u>0</u> per share
03/13/00	\$ <u>0</u> per share
03/14/00	\$ <u>0</u> per share
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04/11/00	\$ <u>0</u> per share
04/12/00	\$ <u>0</u> per share
04/13/00	\$ <u>0</u> per share
04/14/00	\$ <u>0</u> per share
04/17/00	\$ <u>0</u> per share
04/18/00	\$ <u>0</u> per share
04/19/00	\$ <u>0</u> per share
04/20/00	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
04/24/00	\$ <u>0</u> per share
04/25/00	\$ <u>0</u> per share
04/26/00	\$ <u>0</u> per share
04/27/00	\$ <u>0</u> per share
04/28/00	\$ <u>0</u> per share
05/01/00	\$ <u>0</u> per share
05/02/00	\$ <u>0</u> per share
05/03/00	\$ <u>0</u> per share
05/04/00	\$ <u>0</u> per share
05/05/00	\$ <u>0</u> per share
05/08/00	\$ <u>0</u> per share
05/09/00	\$ <u>0</u> per share
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05/12/00	\$ <u>0</u> per share
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05/16/00	\$ <u>0</u> per share
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05/18/00	\$ <u>0</u> per share
05/19/00	\$ <u>0</u> per share
05/22/00	\$ <u>0</u> per share
05/23/00	\$ <u>0</u> per share
05/24/00	\$ <u>0</u> per share
05/25/00	\$ <u>0</u> per share
05/26/00	\$ <u>0</u> per share
05/30/00	\$ <u>0</u> per share
05/31/00	\$ <u>0</u> per share
06/01/00	\$ <u>0</u> per share
06/02/00	\$ <u>0</u> per share
06/05/00	\$ <u>0</u> per share
06/06/00	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
06/07/00	\$ <u>0</u> per share
06/08/00	\$ <u>0</u> per share
06/09/00	\$ <u>0</u> per share
06/12/00	\$ <u>0</u> per share
06/13/00	\$ <u>0</u> per share
06/14/00	\$ <u>0</u> per share
06/15/00	\$ <u>0</u> per share
06/16/00	\$ <u>0</u> per share
06/19/00	\$ <u>0</u> per share
06/20/00	\$ <u>0</u> per share
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06/28/00	\$ <u>0</u> per share
06/29/00	\$ <u>0</u> per share
06/30/00	\$ <u>0</u> per share
07/03/00	\$ <u>0</u> per share
07/05/00	\$ <u>0</u> per share
07/06/00	\$ <u>0</u> per share
07/07/00	\$ <u>0</u> per share
07/10/00	\$ <u>0</u> per share
07/11/00	\$ <u>0</u> per share
07/12/00	\$ <u>0</u> per share
07/13/00	\$ <u>0</u> per share
07/14/00	\$ <u>0</u> per share
07/17/00	\$ <u>0</u> per share
07/18/00	\$ <u>0</u> per share
07/19/00	\$ <u>0</u> per share
07/20/00	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
07/21/00	\$ <u>0</u> per share
07/24/00	\$ <u>0</u> per share
07/25/00	\$ <u>0</u> per share
07/26/00	\$ <u>0</u> per share
07/27/00	\$ <u>0</u> per share
07/28/00	\$ <u>0</u> per share
07/31/00	\$ <u>0</u> per share
08/01/00	\$ <u>0</u> per share
08/02/00	\$ <u>0</u> per share
08/03/00	\$ <u>0</u> per share
08/04/00	\$ <u>0</u> per share
08/07/00	\$ <u>0</u> per share
08/08/00	\$ <u>0</u> per share
08/09/00	\$ <u>0</u> per share
08/10/00	\$ <u>0</u> per share
08/11/00	\$ <u>0</u> per share
08/14/00	\$ <u>0</u> per share
08/15/00	\$ <u>0</u> per share
08/16/00	\$ <u>0</u> per share
08/17/00	\$ <u>0</u> per share
08/18/00	\$ <u>0</u> per share
08/21/00	\$ <u>0</u> per share
08/22/00	\$ <u>0</u> per share
08/23/00	\$ <u>0</u> per share
08/24/00	\$ <u>0</u> per share
08/25/00	\$ <u>0</u> per share
08/28/00	\$ <u>0</u> per share
08/29/00	\$ <u>0</u> per share
08/30/00	\$ <u>0</u> per share
08/31/00	\$ <u>0</u> per share
09/01/00	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
09/05/00	\$ <u>0</u> per share
09/06/00	\$ <u>0</u> per share
09/07/00	\$ <u>0</u> per share
09/08/00	\$ <u>0</u> per share
09/11/00	\$ <u>0</u> per share
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09/14/00	\$ <u>0</u> per share
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09/20/00	\$ <u>0</u> per share
09/21/00	\$ <u>0</u> per share
09/22/00	\$ <u>0</u> per share
09/25/00	\$ <u>0</u> per share
09/26/00	\$ <u>0</u> per share
09/27/00	\$ <u>0</u> per share
09/28/00	\$ <u>0</u> per share
09/29/00	\$ <u>0</u> per share
10/02/00	\$ <u>0</u> per share
10/03/00	\$ <u>0</u> per share
10/04/00	\$ <u>0</u> per share
10/05/00	\$ <u>0</u> per share
10/06/00	\$ <u>0</u> per share
10/09/00	\$ <u>0</u> per share
10/10/00	\$ <u>0</u> per share
10/11/00	\$ <u>0</u> per share
10/12/00	\$ <u>0</u> per share
10/13/00	\$ <u>0</u> per share
10/16/00	\$ <u>0</u> per share
10/17/00	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
10/18/00	\$ <u>0</u> per share
10/19/00	\$ <u>0</u> per share
10/20/00	\$ <u>0</u> per share
10/23/00	\$ <u>0</u> per share
10/24/00	\$ <u>0</u> per share
10/25/00	\$ <u>0</u> per share
10/26/00	\$ <u>0</u> per share
10/27/00	\$ <u>0</u> per share
10/30/00	\$ <u>0</u> per share
10/31/00	\$ <u>0</u> per share
11/01/00	\$ <u>0</u> per share
11/02/00	\$ <u>0</u> per share
11/03/00	\$ <u>0</u> per share
11/06/00	\$ <u>0</u> per share
11/07/00	\$ <u>0</u> per share
11/08/00	\$ <u>0</u> per share
11/09/00	\$ <u>0</u> per share
11/10/00	\$ <u>0</u> per share
11/13/00	\$ <u>0</u> per share
11/14/00	\$ <u>0</u> per share
11/15/00	\$ <u>0</u> per share
11/16/00	\$ <u>0</u> per share
11/17/00	\$ <u>0</u> per share
11/20/00	\$ <u>0</u> per share
11/21/00	\$ <u>0</u> per share
11/22/00	\$ <u>0</u> per share
11/24/00	\$ <u>0</u> per share
11/27/00	\$ <u>0</u> per share
11/28/00	\$ <u>0</u> per share
11/29/00	\$ <u>0</u> per share
11/30/00	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
12/01/00	\$ <u>0</u> per share
12/04/00	\$ <u>0</u> per share
12/05/00	\$ <u>0</u> per share
12/06/00	\$ <u>0</u> per share
12/07/00	\$ <u>0</u> per share
12/08/00	\$ <u>0</u> per share
12/11/00	\$ <u>0</u> per share
12/12/00	\$ <u>0</u> per share
12/13/00	\$ <u>0</u> per share
12/14/00	\$ <u>0</u> per share
12/15/00	\$ <u>0</u> per share
12/18/00	\$ <u>0</u> per share
12/19/00	\$ <u>0</u> per share
12/20/00	\$ <u>0</u> per share
12/21/00	\$ <u>0</u> per share
12/22/00	\$ <u>0</u> per share
12/26/00	\$ <u>0</u> per share
12/27/00	\$ <u>0</u> per share
12/28/00	\$ <u>0</u> per share
12/29/00	\$ <u>0</u> per share
01/02/01	\$ <u>0</u> per share
01/03/01	\$ <u>0</u> per share
01/04/01	\$ <u>0</u> per share
01/05/01	\$ <u>0</u> per share
01/08/01	\$ <u>0</u> per share
01/09/01	\$ <u>0</u> per share
01/10/01	\$ <u>0</u> per share
01/11/01	\$ <u>0</u> per share
01/12/01	\$ <u>0</u> per share
01/16/01	\$ <u>0</u> per share
01/17/01	\$ <u>0</u> per share

<u>Date</u>	<u>Amount</u>
01/18/01	\$ <u>0</u> per share
01/19/01	\$ <u>0</u> per share
01/22/01	\$ <u>0</u> per share
01/23/01	\$ <u>0</u> per share
01/24/01	\$ <u>0</u> per share
01/25/01	\$ <u>0</u> per share
01/26/01	\$ <u>0</u> per share
01/29/01	\$ <u>0</u> per share
01/30/01	\$ <u>0</u> per share
01/31/01	\$ <u>0</u> per share
02/01/01	\$ <u>0</u> per share
02/02/01	\$ <u>0</u> per share
02/05/01	\$ <u>0</u> per share
02/06/01	\$ <u>0</u> per share
02/07/01	\$ <u>0</u> per share
02/08/01	\$ <u>0</u> per share
02/09/01	\$ <u>0</u> per share
02/12/01	\$ <u>0</u> per share
02/13/01	\$ <u>0</u> per share
02/14/01	\$ <u>0</u> per share
02/15/01	\$ <u>0</u> per share
02/16/01	\$ <u>0</u> per share
02/20/01	\$ <u>0</u> per share
02/21/01	\$ <u>0</u> per share
02/22/01	\$ <u>0</u> per share
02/23/01	\$ <u>0</u> per share
02/26/01	\$ <u>0</u> per share
02/27/01	\$ <u>0</u> per share
02/28/01	\$ <u>0</u> per share
03/01/01	\$ <u>0</u> per share
03/02/01	\$ <u>0</u> per share



<u>Date</u>	<u>Amount</u>
03/05/01	\$ <u>0</u> per share
03/06/01	\$ <u>0</u> per share
03/07/01	\$ <u>0</u> per share
03/08/01	\$ <u>0</u> per share
03/09/01	\$ <u>0</u> per share
03/12/01	\$ <u>0</u> per share
03/13/01	\$ <u>0</u> per share
03/14/01	\$ <u>0</u> per share
03/15/01	\$ <u>0</u> per share
03/16/01	\$ <u>0</u> per share
03/19/01	\$ <u>0</u> per share
03/20/01	\$ <u>0</u> per share
03/21/01	\$ <u>0</u> per share
03/22/01	\$ <u>0</u> per share
03/23/01	\$ <u>23.94</u> per share
03/26/01	\$ <u>23.94</u> per share
03/27/01	\$ <u>23.94</u> per share
03/28/01	\$ <u>23.94</u> per share
03/29/01	\$ <u>23.94</u> per share
03/30/01	\$ <u>23.94</u> per share
04/02/01	\$ <u>23.94</u> per share
04/03/01	\$ <u>23.94</u> per share
04/04/01	\$ <u>23.94</u> per share
04/05/01	\$ <u>23.94</u> per share
04/06/01	\$ <u>23.94</u> per share
04/09/01	\$ <u>23.94</u> per share
04/10/01	\$ <u>23.94</u> per share
04/11/01	\$ <u>23.94</u> per share
04/12/01	\$ <u>23.94</u> per share
04/16/01	\$ <u>23.94</u> per share
04/17/01	\$ <u>23.94</u> per share

<u>Date</u>	<u>Amount</u>
04/18/01	\$ <u>23.94</u> per share
04/19/01	\$ <u>23.94</u> per share
04/20/01	\$ <u>23.94</u> per share
04/23/01	\$ <u>23.94</u> per share
04/24/01	\$ <u>23.94</u> per share
04/25/01	\$ <u>23.94</u> per share
04/26/01	\$ <u>23.94</u> per share
04/27/01	\$ <u>23.94</u> per share
04/30/01	\$ <u>23.94</u> per share
05/01/01	\$ <u>23.94</u> per share
05/02/01	\$ <u>23.94</u> per share
05/03/01	\$ <u>23.94</u> per share
05/04/01	\$ <u>23.94</u> per share
05/07/01	\$ <u>23.94</u> per share
05/08/01	\$ <u>23.94</u> per share
05/09/01	\$ <u>23.94</u> per share
05/10/01	\$ <u>23.94</u> per share
05/11/01	\$ <u>23.94</u> per share
05/14/01	\$ <u>23.94</u> per share
05/15/01	\$ <u>23.94</u> per share
05/16/01	\$ <u>23.94</u> per share
05/17/01	\$ <u>23.94</u> per share
05/18/01	\$ <u>23.94</u> per share
05/21/01	\$ <u>23.94</u> per share
05/22/01	\$ <u>23.94</u> per share
05/23/01	\$ <u>23.94</u> per share
05/24/01	\$ <u>23.94</u> per share
05/25/01	\$ <u>23.94</u> per share
05/29/01	\$ <u>23.94</u> per share
05/30/01	\$ <u>23.94</u> per share
05/31/01	\$ <u>23.94</u> per share

<u>Date</u>	<u>Amount</u>
06/01/01	\$ <u>23.94</u> per share
06/04/01	\$ <u>23.94</u> per share
06/05/01	\$ <u>23.94</u> per share
06/06/01	\$ <u>23.94</u> per share
06/07/01	\$ <u>23.94</u> per share
06/08/01	\$ <u>23.94</u> per share
06/11/01	\$ <u>23.94</u> per share
06/12/01	\$ <u>23.94</u> per share
06/13/01	\$ <u>23.94</u> per share
06/14/01	\$ <u>23.94</u> per share
06/15/01	\$ <u>23.94</u> per share
06/18/01	\$ <u>23.94</u> per share
06/19/01	\$ <u>23.94</u> per share
06/20/01	\$ <u>23.94</u> per share
06/21/01	\$ <u>23.94</u> per share
06/22/01	\$ <u>23.94</u> per share
06/25/01	\$ <u>23.94</u> per share
06/26/01	\$ <u>23.94</u> per share
06/27/01	\$ <u>23.94</u> per share
06/28/01	\$ <u>23.94</u> per share
06/29/01	\$ <u>23.94</u> per share
07/02/01	\$ <u>23.94</u> per share
07/03/01	\$ <u>23.94</u> per share
07/05/01	\$ <u>23.94</u> per share
07/06/01	\$ <u>23.94</u> per share
07/09/01	\$ <u>23.94</u> per share
07/10/01	\$ <u>23.94</u> per share
07/11/01	\$ <u>23.94</u> per share
07/12/01	\$ <u>23.94</u> per share
07/13/01	\$ <u>23.94</u> per share
07/16/01	\$ <u>23.94</u> per share

<u>Date</u>	<u>Amount</u>
07/17/01	\$ <u>23.94</u> per share
07/18/01	\$ <u>23.94</u> per share
07/19/01	\$ <u>23.94</u> per share
07/20/01	\$ <u>23.94</u> per share
07/23/01	\$ <u>23.94</u> per share
07/24/01	\$ <u>23.94</u> per share
07/25/01	\$ <u>23.94</u> per share
07/26/01	\$ <u>23.94</u> per share
07/27/01	\$ <u>23.94</u> per share
07/30/01	\$ <u>23.94</u> per share
07/31/01	\$ <u>23.94</u> per share
08/01/01	\$ <u>23.94</u> per share
08/02/01	\$ <u>23.94</u> per share
08/03/01	\$ <u>23.94</u> per share
08/06/01	\$ <u>23.94</u> per share
08/07/01	\$ <u>23.94</u> per share
08/08/01	\$ <u>23.94</u> per share
08/09/01	\$ <u>23.94</u> per share
08/10/01	\$ <u>23.94</u> per share
08/13/01	\$ <u>23.94</u> per share
08/14/01	\$ <u>23.94</u> per share
08/15/01	\$ <u>23.94</u> per share
08/16/01	\$ <u>23.94</u> per share
08/17/01	\$ <u>23.94</u> per share
08/20/01	\$ <u>23.94</u> per share
08/21/01	\$ <u>23.94</u> per share
08/22/01	\$ <u>23.94</u> per share
08/23/01	\$ <u>23.94</u> per share
08/24/01	\$ <u>23.94</u> per share
08/27/01	\$ <u>23.94</u> per share
08/28/01	\$ <u>23.94</u> per share

<u>Date</u>	<u>Amount</u>
08/29/01	\$ <u>23.94</u> per share
08/30/01	\$ <u>23.94</u> per share
08/31/01	\$ <u>23.94</u> per share
09/04/01	\$ <u>23.94</u> per share
09/05/01	\$ <u>23.94</u> per share
09/06/01	\$ <u>23.94</u> per share
09/07/01	\$ <u>23.56</u> per share
09/10/01	\$ <u>23.94</u> per share
09/17/01	\$ <u>22.61</u> per share
09/18/01	\$ <u>22.53</u> per share
09/19/01	\$ <u>22.38</u> per share
09/20/01	\$ <u>22.02</u> per share
09/21/01	\$ <u>21.54</u> per share
09/24/01	\$ <u>22.62</u> per share
09/25/01	\$ <u>22.29</u> per share
09/26/01	\$ <u>23.03</u> per share
09/27/01	\$ <u>23.42</u> per share
09/28/01	\$ <u>23.94</u> per share
10/01/01	\$ <u>23.94</u> per share
10/02/01	\$ <u>23.94</u> per share
10/03/01	\$ <u>23.94</u> per share
10/04/01	\$ <u>23.94</u> per share
10/05/01	\$ <u>23.94</u> per share
10/08/01	\$ <u>23.94</u> per share
10/09/01	\$ <u>23.94</u> per share
10/10/01	\$ <u>23.94</u> per share
10/11/01	\$ <u>23.94</u> per share
10/12/01	\$ <u>23.59</u> per share
10/15/01	\$ <u>23.94</u> per share
10/16/01	\$ <u>23.94</u> per share
10/17/01	\$ <u>23.94</u> per share

<u>Date</u>	<u>Amount</u>
10/18/01	\$ <u>23.94</u> per share
10/19/01	\$ <u>23.94</u> per share
10/22/01	\$ <u>23.94</u> per share
10/23/01	\$ <u>23.94</u> per share
10/24/01	\$ <u>23.83</u> per share
10/25/01	\$ <u>23.94</u> per share
10/26/01	\$ <u>23.94</u> per share
10/29/01	\$ <u>23.42</u> per share
10/30/01	\$ <u>23.00</u> per share
10/31/01	\$ <u>22.48</u> per share
11/01/01	\$ <u>22.73</u> per share
11/02/01	\$ <u>22.67</u> per share
11/05/01	\$ <u>23.10</u> per share
11/06/01	\$ <u>23.94</u> per share
11/07/01	\$ <u>23.94</u> per share
11/08/01	\$ <u>23.94</u> per share
11/09/01	\$ <u>23.94</u> per share
11/12/01	\$ <u>23.94</u> per share
11/13/01	\$ <u>23.94</u> per share
11/14/01	\$ <u>23.94</u> per share
11/15/01	\$ <u>23.94</u> per share
11/16/01	\$ <u>23.60</u> per share
11/19/01	\$ <u>23.94</u> per share
11/20/01	\$ <u>23.85</u> per share
11/21/01	\$ <u>23.94</u> per share
11/23/01	\$ <u>23.94</u> per share
11/26/01	\$ <u>23.94</u> per share
11/27/01	\$ <u>23.94</u> per share
11/28/01	\$ <u>23.94</u> per share
11/29/01	\$ <u>23.94</u> per share
11/30/01	\$ <u>23.94</u> per share

<u>Date</u>	<u>Amount</u>
12/03/01	\$ <u>22.59</u> per share
12/04/01	\$ <u>23.94</u> per share
12/05/01	\$ <u>23.94</u> per share
12/06/01	\$ <u>23.94</u> per share
12/07/01	\$ <u>23.94</u> per share
12/10/01	\$ <u>23.30</u> per share
12/11/01	\$ <u>22.20</u> per share
12/12/01	\$ <u>19.80</u> per share
12/13/01	\$ <u>20.29</u> per share
12/14/01	\$ <u>19.64</u> per share
12/17/01	\$ <u>20.61</u> per share
12/18/01	\$ <u>21.84</u> per share
12/19/01	\$ <u>22.04</u> per share
12/20/01	\$ <u>21.75</u> per share
12/21/01	\$ <u>21.37</u> per share
12/24/01	\$ <u>21.60</u> per share
12/26/01	\$ <u>21.82</u> per share
12/27/01	\$ <u>23.30</u> per share
12/28/01	\$ <u>23.94</u> per share
12/31/01	\$ <u>23.28</u> per share
01/02/02	\$ <u>22.58</u> per share
01/03/02	\$ <u>22.41</u> per share
01/04/02	\$ <u>23.94</u> per share
01/07/02	\$ <u>23.19</u> per share
01/08/02	\$ <u>22.29</u> per share
01/09/02	\$ <u>22.42</u> per share
01/10/02	\$ <u>21.70</u> per share
01/11/02	\$ <u>19.85</u> per share
01/14/02	\$ <u>18.53</u> per share
01/15/02	\$ <u>20.28</u> per share
01/16/02	\$ <u>19.87</u> per share

<u>Date</u>	<u>Amount</u>
01/17/02	\$ <u>18.90</u> per share
01/18/02	\$ <u>20.03</u> per share
01/22/02	\$ <u>19.24</u> per share
01/23/02	\$ <u>18.59</u> per share
01/24/02	\$ <u>18.86</u> per share
01/25/02	\$ <u>19.70</u> per share
01/28/02	\$ <u>18.10</u> per share
01/29/02	\$ <u>16.58</u> per share
01/30/02	\$ <u>15.76</u> per share
01/31/02	\$ <u>17.12</u> per share
02/01/02	\$ <u>17.34</u> per share
02/04/02	\$ <u>16.06</u> per share
02/05/02	\$ <u>14.99</u> per share
02/06/02	\$ <u>12.47</u> per share
02/07/02	\$ <u>15.56</u> per share
02/08/02	\$ <u>18.71</u> per share
02/11/02	\$ <u>17.94</u> per share
02/12/02	\$ <u>17.49</u> per share
02/13/02	\$ <u>18.36</u> per share
02/14/02	\$ <u>18.04</u> per share
02/15/02	\$ <u>18.00</u> per share
02/19/02	\$ <u>17.84</u> per share
02/20/02	\$ <u>17.72</u> per share
02/21/02	\$ <u>16.00</u> per share
02/22/02	\$ <u>16.24</u> per share
02/25/02	\$ <u>16.45</u> per share
02/26/02	\$ <u>16.72</u> per share
02/27/02	\$ <u>18.55</u> per share
02/28/02	\$ <u>17.81</u> per share
03/01/02	\$ <u>19.02</u> per share
03/04/02	\$ <u>22.21</u> per share



<u>Date</u>	<u>Amount</u>
03/05/02	\$ <u>21.17</u> per share
03/06/02	\$ <u>22.17</u> per share
03/07/02	\$ <u>23.00</u> per share
03/08/02	\$ <u>23.94</u> per share
03/11/02	\$ <u>23.94</u> per share
03/12/02	\$ <u>23.37</u> per share
03/13/02	\$ <u>22.86</u> per share
03/14/02	\$ <u>21.87</u> per share
03/15/02	\$ <u>22.69</u> per share
03/18/02	\$ <u>22.93</u> per share
03/19/02	\$ <u>22.77</u> per share
03/20/02	\$ <u>21.93</u> per share
03/21/02	\$ <u>22.23</u> per share
03/22/02	\$ <u>22.39</u> per share
03/25/02	\$ <u>21.06</u> per share
03/26/02	\$ <u>21.66</u> per share
03/27/02	\$ <u>21.80</u> per share
03/28/02	\$ <u>21.25</u> per share
04/01/02	\$ <u>21.68</u> per share
04/02/02	\$ <u>21.52</u> per share
04/03/02	\$ <u>20.53</u> per share
04/04/02	\$ <u>21.39</u> per share
04/05/02	\$ <u>22.28</u> per share
04/08/02	\$ <u>23.24</u> per share
04/09/02	\$ <u>23.16</u> per share
04/10/02	\$ <u>23.23</u> per share
04/11/02	\$ <u>21.73</u> per share
04/12/02	\$ <u>22.40</u> per share
04/15/02	\$ <u>22.24</u> per share
04/16/02	\$ <u>23.65</u> per share
04/17/02	\$ <u>23.94</u> per share

<u>Date</u>	<u>Amount</u>
04/18/02	\$ <u>23.94</u> per share
04/19/02	\$ <u>23.94</u> per share
04/22/02	\$ <u>23.94</u> per share
04/23/02	\$ <u>23.94</u> per share
04/24/02	\$ <u>23.94</u> per share
04/25/02	\$ <u>23.94</u> per share
04/26/02	\$ <u>23.94</u> per share
04/29/02	\$ <u>22.70</u> per share
04/30/02	\$ <u>23.34</u> per share
05/01/02	\$ <u>22.61</u> per share
05/02/02	\$ <u>21.92</u> per share
05/03/02	\$ <u>21.64</u> per share
05/06/02	\$ <u>21.00</u> per share
05/07/02	\$ <u>20.25</u> per share
05/08/02	\$ <u>21.83</u> per share
05/09/02	\$ <u>21.26</u> per share
05/10/02	\$ <u>19.64</u> per share
05/13/02	\$ <u>20.72</u> per share
05/14/02	\$ <u>21.31</u> per share
05/15/02	\$ <u>20.03</u> per share
05/16/02	\$ <u>19.24</u> per share
05/17/02	\$ <u>18.40</u> per share
05/20/02	\$ <u>18.19</u> per share
05/21/02	\$ <u>17.54</u> per share
05/22/02	\$ <u>17.74</u> per share
05/23/02	\$ <u>17.87</u> per share
05/24/02	\$ <u>17.85</u> per share
05/28/02	\$ <u>17.98</u> per share
05/29/02	\$ <u>17.89</u> per share
05/30/02	\$ <u>16.88</u> per share
05/31/02	\$ <u>16.26</u> per share

<u>Date</u>	<u>Amount</u>
06/03/02	\$ <u>16.67</u> per share
06/04/02	\$ <u>16.66</u> per share
06/05/02	\$ <u>17.91</u> per share
06/06/02	\$ <u>19.83</u> per share
06/07/02	\$ <u>19.06</u> per share
06/10/02	\$ <u>18.58</u> per share
06/11/02	\$ <u>19.54</u> per share
06/12/02	\$ <u>18.92</u> per share
06/13/02	\$ <u>17.44</u> per share
06/14/02	\$ <u>17.62</u> per share
06/17/02	\$ <u>18.20</u> per share
06/18/02	\$ <u>18.08</u> per share
06/19/02	\$ <u>17.24</u> per share
06/20/02	\$ <u>16.02</u> per share
06/21/02	\$ <u>16.16</u> per share
06/24/02	\$ <u>16.50</u> per share
06/25/02	\$ <u>15.68</u> per share
06/26/02	\$ <u>16.25</u> per share
06/27/02	\$ <u>16.78</u> per share
06/28/02	\$ <u>16.19</u> per share
07/01/02	\$ <u>14.84</u> per share
07/02/02	\$ <u>14.94</u> per share
07/03/02	\$ <u>15.76</u> per share
07/05/02	\$ <u>16.69</u> per share
07/08/02	\$ <u>16.28</u> per share
07/09/02	\$ <u>14.58</u> per share
07/10/02	\$ <u>12.48</u> per share
07/11/02	\$ <u>13.14</u> per share
07/12/02	\$ <u>14.69</u> per share
07/15/02	\$ <u>14.17</u> per share
07/16/02	\$ <u>15.01</u> per share

<u>Date</u>	<u>Amount</u>
07/17/02	\$ <u>11.59</u> per share
07/18/02	\$ <u>12.56</u> per share
07/19/02	\$ <u>11.33</u> per share
07/22/02	\$ <u>10.38</u> per share
07/23/02	\$ <u>9.30</u> per share
07/24/02	\$ <u>11.68</u> per share
07/25/02	\$ <u>10.57</u> per share
07/26/02	\$ <u>8.68</u> per share
07/29/02	\$ <u>9.19</u> per share
07/30/02	\$ <u>9.55</u> per share
07/31/02	\$ <u>11.49</u> per share
08/01/02	\$ <u>10.63</u> per share
08/02/02	\$ <u>9.59</u> per share
08/05/02	\$ <u>8.11</u> per share
08/06/02	\$ <u>10.06</u> per share
08/07/02	\$ <u>8.28</u> per share
08/08/02	\$ <u>9.60</u> per share
08/09/02	\$ <u>8.73</u> per share
08/12/02	\$ <u>8.29</u> per share
08/13/02	\$ <u>7.06</u> per share
08/14/02	\$ <u>6.39</u> per share
08/15/02	\$ <u>7.61</u> per share
08/16/02	\$ <u>5.76</u> per share
08/19/02	\$ <u>5.22</u> per share
08/20/02	\$ <u>4.65</u> per share
08/21/02	\$ <u>4.98</u> per share
08/22/02	\$ <u>8.14</u> per share
08/23/02	\$ <u>5.85</u> per share
08/26/02	\$ <u>6.77</u> per share
08/27/02	\$ <u>5.58</u> per share
08/28/02	\$ <u>5.22</u> per share


<u>Date</u>	<u>Amount</u>
08/29/02	\$ <u>4.69</u> per share
08/30/02	\$ <u>4.33</u> per share
09/03/02	\$ <u>2.96</u> per share
09/04/02	\$ <u>3.53</u> per share
09/05/02	\$ <u>2.87</u> per share
09/06/02	\$ <u>3.10</u> per share
09/09/02	\$ <u>5.02</u> per share
09/10/02	\$ <u>4.16</u> per share
09/11/02	\$ <u>4.57</u> per share
09/12/02	\$ <u>3.73</u> per share
09/13/02	\$ <u>4.35</u> per share
09/16/02	\$ <u>3.35</u> per share
09/17/02	\$ <u>-0.17</u> per share
09/18/02	\$ <u>0.41</u> per share
09/19/02	\$ <u>0.73</u> per share
09/20/02	\$ <u>0.64</u> per share
09/23/02	\$ <u>-0.85</u> per share
09/24/02	\$ <u>-0.35</u> per share
09/25/02	\$ <u>-0.24</u> per share
09/26/02	\$ <u>0.34</u> per share
09/27/02	\$ <u>-0.56</u> per share
09/30/02	\$ <u>-0.10</u> per share
10/01/02	\$ <u>-1.12</u> per share
10/02/02	\$ <u>-1.13</u> per share
10/03/02	\$ <u>-0.66</u> per share
10/04/02	\$ <u>-1.87</u> per share
10/07/02	\$ <u>-2.45</u> per share
10/08/02	\$ <u>-3.17</u> per share
10/09/02	\$ <u>-4.66</u> per share
10/10/02	\$ <u>-0.68</u> per share
10/11/02	\$ <u>0.00</u> per share

# EXHIBIT B

REPORTER: LORRIE L. MARCHANT, RPR, CHR, CSP, NO. 10524

EXHIBIT: 80  
Witness: Aldinger  
Date: 1-24-2007 # of pages: 14

Goldman Sachs Presentation  
December 4, 2001



**HOUSEHOLD**

Helping everyday people. Everyday.<sup>SM</sup>


**Bill Aldinger**  
Chairman and  
Chief Executive Officer

Goldman Sachs • December 4, 2001


**Household**

*Company Profile*

- **Founded in 1878**
- **48 million customers**
- **\$105 billion in managed assets**
- **Approximately \$2 billion in net income in 2001**
- **\$28 billion market capitalization**

HOUSEHOLD  2

Case # 02-C-5893  
Jaffe v. Household  
**Plaintiffs' Exhibit**  
**P1248**

**HOUSEHOLD**   
PFG 000148  
Confidential  
Subject to Protective Order

Goldman Sachs Presentation  
December 4, 2001

## Diversified Consumer Lender

- **Multiple products**
- **Multiple distribution channels**
  - Over 40% of receivables originated through partners
  - Well known brands – Best Buy, GMCard®
- **Broad geographic reach**
- **Strong market share in all businesses**

HOUSEHOLD 

3

## Consumer Focus

### *Characteristics of Consumer Market*

- **Our core customer is middle income market**
  - Average income of \$45,000-\$60,000 per year
- **60% of our portfolio is prime**
- **44% of portfolio is real estate secured**
  - 72% in first lien position

HOUSEHOLD 

4

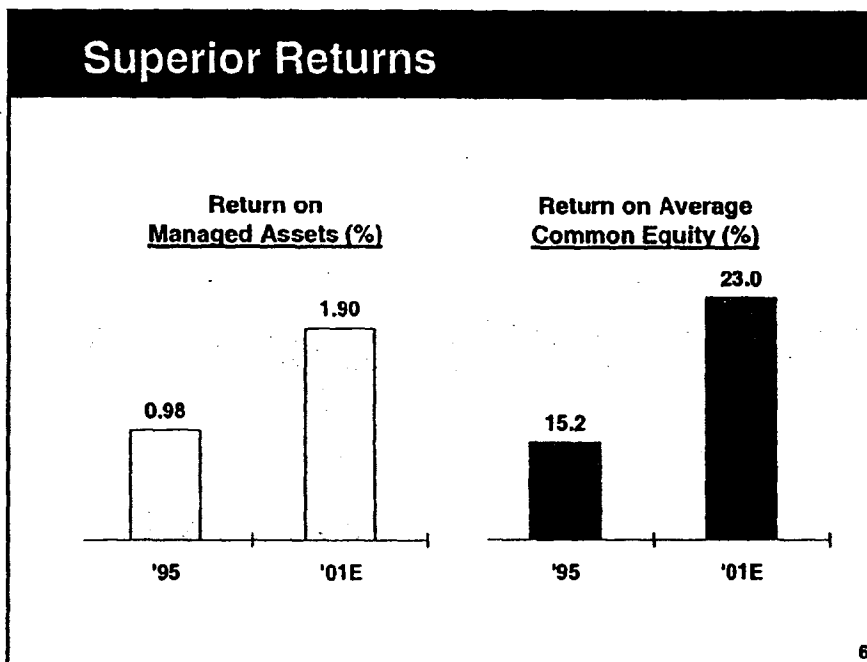
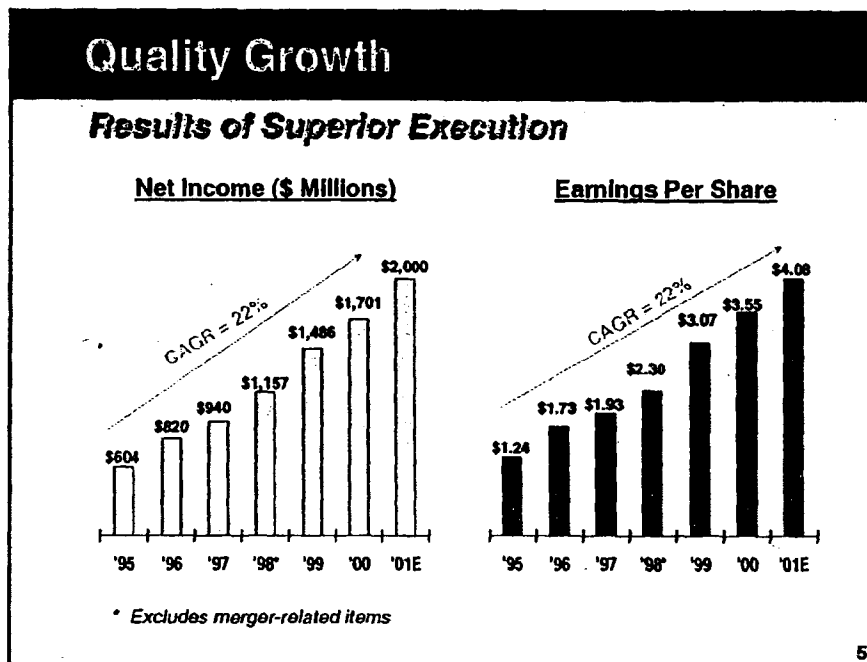
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Confidential

Subject to Protective Order



**Goldman Sachs Presentation  
December 4, 2001**



**Goldman Sachs Presentation  
December 4, 2001**

## **"Ahead of the Curve"**

- **Manufactured Housing**
- **Commercial Lending**
- **Low Margin Credit Card Loans**

HOUSEHOLD  7

## **2001 Credit Losses**

*We Are Not Immune to a Softening Economy*

- **Losses up 3 consecutive quarters**
- **Up 33 basis points through 3Q**
- **Expect to be up in 4Q and into 2002**

HOUSEHOLD  8

Goldman Sachs Presentation  
December 4, 2001

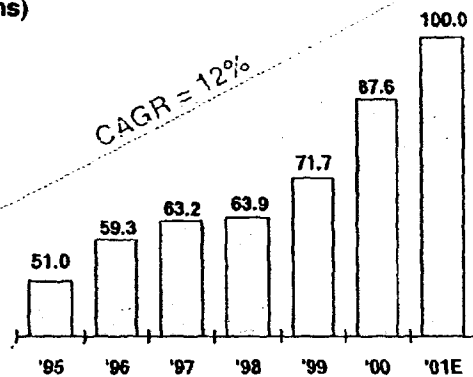
## Why are Household's Credit Losses Better?

- Prudent growth rates
- Lower risk portfolio mix
- Better credit skills

HOUSEHOLD  9

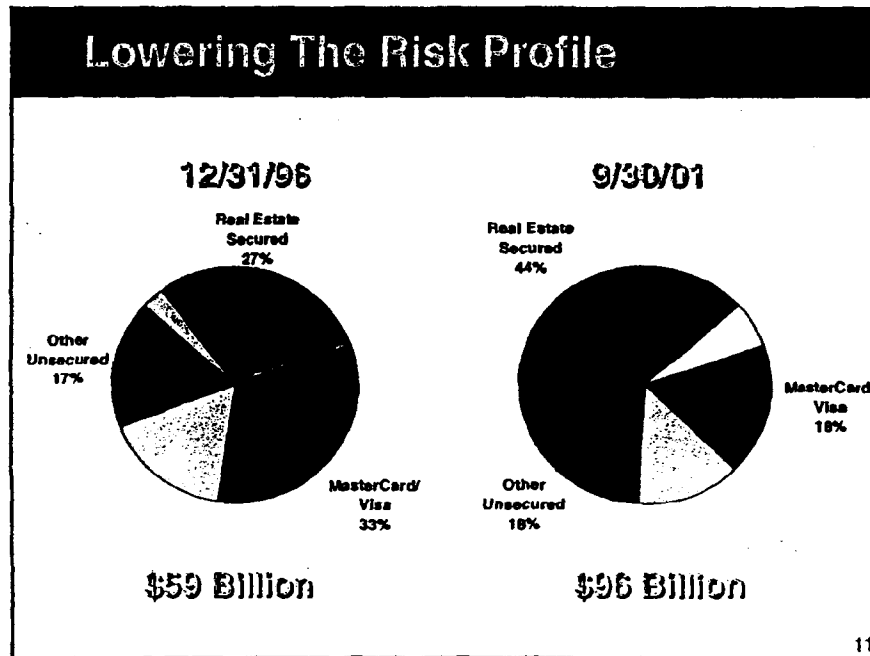
## Prudent Growth

Managed Receivables  
(\$ Billions)



10

**Goldman Sachs Presentation  
December 4, 2001**



### Why are HI's Real Estate Losses Lower?

- 72% of real estate portfolio is first lien versus 53% in '96
- Centralized underwriting
- Centralized appraisal control
- No broker loans in branches
- Real estate values in our market are holding up

Goldman Sachs Presentation  
December 4, 2001

## Better Credit Skills

### *Prepared for Slowdown Over Last 2 Years*

- Emphasized real estate secured loans
- Doubled collectors
- Raised cutoff scores
- Reduced credit lines in U.S. credit card businesses
- Eliminated unsecured loans to renters in U.S. HFC and Beneficial branches
- Continuous strengthening of risk modeling capabilities
- Real-time monitoring of account performance

HOUSEHOLD  13

## Are Household Reserves Adequate?

- Reserves at an all-time high of \$3.6 billion
- Grown reserves by \$2.1 billion since 1996
- Reserve ratio increased from 3.50% in '96 to 3.72% at 9/01
- Built reserves for 9 consecutive quarters
- Over the last 12 months:
  - Added \$430 million of owned provision in excess of chargeoff (\$.58 per share)
  - Reserves now at 107% of chargeoff

HOUSEHOLD  14

Goldman Sachs Presentation  
December 4, 2001

## Capital Growth

- TETMA increased from 6.20% at 12/96 to 7.82% at 9/01
- Generated \$7.7 billion in capital from cash flow in last 5 years
- Will generate \$2.8 billion in 2001 to fund:
  - Dividends
  - Receivable growth
  - Stock buybacks
  - TETMA increases
- Maintain stable "A" rating

HOUSEHOLD  15

## EPS Target

*In '93, we established a goal of  
13-15% EPS growth for  
the three-year period  
2000-2002*

HOUSEHOLD  16

Goldman Sachs Presentation  
December 4, 2001

### Household's Performance in Strong Economy

2000

- Receivables growth 22%
- Margins narrowed
- Chargeoffs improved
- Reserves increased \$525 million
- Expenses up 20%
- Buybacks of \$200 million
- EPS growth 16%

HOUSEHOLD  17

### Household's Performance in Weak Economy

First Months 2001

- Receivables up 12%
- Margins expanded
- Losses increased
- Reserves increased \$360 million,  
ratios up
- Expenses up 16%
- Buybacks of \$775 million
- EPS growth 15%

HOUSEHOLD  18

**Goldman Sachs Presentation**  
**December 4, 2001**

## 2002 Outlook

- Receivable growth 11-14%
- Margins expanding
- Losses increasing
- Reserves increasing
- Expenses up 10%
- Buybacks of \$1 billion
- EPS growth of 13-15%

HOUSEHOLD  19

## What is "Other Unsecured Loans"?

*(\$ Billions)*

	12/96	3/01
Branch Based Non-Real Estate	\$ 7.2	\$ 9.4
PHL	1.2	4.6
International	1.8	2.6
Union Privilege Loan Program	0.4	1.0
Student Loans	1.0	-
	<b>\$11.6</b>	<b>\$17.6</b>

HOUSEHOLD  20



Goldman Sachs Presentation  
December 4, 2001

## Have Household's Accounting Policies Impacted Results?

- Conformed unsecured loan and private label chargeoff policies to industry standards in 1996
- No significant changes made since 1996
- Chargeoff policies are appropriate for our target market and result in proper loss recognition
- All policies have been consistently applied and realistically report results

HOUSEHOLD  21

## Has Household "Hidden" Changes in Accounting Policies?

"Before we leave credit quality let me review one of the changes we've adopted in 1996 in our HFC consumer finance business.

As Bill will review with you, throughout 1995, we have been focused on better servicing our core customer. After extensive testing in 1995 we are returning to a recency chargeoff policy for HFC unsecured loans in the U.S. and Canada. We are not making any changes for secured or credit card loans. Delinquency will continue to be reported on a contractual basis.

Previously, we charged-off unsecured loans which were 9 months contractually past due. Going forward, accounts will be charged-off when an account is 9 months contractually past due and where essentially no payment has been made in 6 months.

The combined recency and contractual basis is fairly standard in the consumer finance industry."

*D. Schoenholz  
1/96 Investor Conference Call*

HOUSEHOLD  22

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PFG 000158

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December 4, 2001

### Has Household "Hidden" Changes in Accounting Policies?

**"The application of the new procedure did not have a significant impact on the company's delinquency statistics in the first quarter of 1996, but positively impacted the first quarter chargeoff ratio by 8 basis points."**

*Household's 1Q '96 10-Q  
In May 1996*

HOUSEHOLD  23

### Has Household "Hidden" Changes in Accounting Policies?

**"Another area that I'm enthusiastic about is moving to recency for our HFC unsecured loans. This is more consistent with the rest of the industry and our core customers' expectations. By the way of background, I asked our team to test recency in a few markets during 1995. The results were very good; we are collecting more cash, the promises kept percent improved, our collectors are more productive, and most importantly, our customers are happier. That's why we are implementing the change in 1996."**

*W. F. Aldinger  
1/96 Investor Conference Call*

HOUSEHOLD  24

Goldman Sachs Presentation  
December 4, 2001

## Have Household's Accounting Policies Impacted Results?

- **Conformed unsecured loan and private label chargeoff policies to industry standards in 1996**
- **No significant changes made since 1996**
- **Chargeoff policies are appropriate for our target market and result in proper loss recognition**
- **All policies have been consistently applied and realistically report results**


HOUSEHOLD  25

## Summary

- **6 years – 22% EPS growth\***
- **Superior ROE and ROMA**
- **Fortress balance sheet**
- **Lowest cost producer in industry**
- **Best technology and people**
- **Strong cash flow to support profitable growth and share repurchase**

HOUSEHOLD  26

HC

  
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**Goldman Sachs Presentation  
December 4, 2001**

*Certain matters discussed today may constitute forward-looking statements within the meaning of the Private Litigation Reform act of 1995 and as such may involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Household to be materially different from those that have been expressed or applied. These forward-looking statements are based on the views and assumptions of Household as of today and they may not be correct for any subsequent date. You should review the list of important factors that could affect Household's results included in our filings with the SEC.*

HOUSEHOLD  27

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Helping everyday people. Everyday.<sup>SM</sup>

Goldman Sachs • December 4, 2001

# **EXHIBIT C-1**

1 IN THE UNITED STATES DISTRICT COURT  
2 FOR THE NORTHERN DISTRICT OF ILLINOIS  
3 EASTERN DIVISION

4 LAWRENCE E. JAFFE PENSION PLAN, )  
5 on behalf of itself and all )  
6 others similarly situated, )  
7 Plaintiff, )  
8 vs. ) No. 02 C 5893  
9 HOUSEHOLD INTERNATIONAL, INC., )  
10 et al., ) Chicago, Illinois  
11 Defendants. ) April 21, 2009  
12 ) 9:00 a.m.

13 VOLUME 15  
14 TRANSCRIPT OF PROCEEDINGS - TRIAL  
15 BEFORE THE HONORABLE RONALD A. GUZMAN, and a jury

16 APPEARANCES:

17 For the Plaintiff: COUGHLIN STOIA GELLER RUDMAN &  
18 ROBBINS LLP  
19 BY: MR. LAWRENCE A. ABEL  
20 MR. SPENCER A. BURKHOLZ  
21 MR. MICHAEL J. DOWD  
22 MR. DANIEL S. DROSMAN  
23 MS. MAUREEN E. MUELLER  
24 655 West Broadway  
25 Suite 1900  
26 San Diego, California 92101  
27 (619) 231-1058  
28  
29 COUGHLIN STOIA GELLER RUDMAN &  
30 ROBBINS LLP  
31 BY: MR. DAVID CAMERON BAKER  
MR. LUKE O. BROOKS  
MR. JASON C. DAVIS  
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1 APPEARANCES: (Continued)

2 For the Plaintiff:

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9 CAHILL, GORDON & REINDEL LLP  
BY: MS. SUSAN BUCKLEY  
MS. PATRICIA FARREN  
MR. THOMAS J. KAVALER  
MR. DAVID R. OWEN  
MR. HOWARD G. SLOANE  
MS. JANET A. BEER  
MR. JASON M. HALL  
MR. JOSHUA M. NEWVILLE  
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Chicago, Illinois 60604  
(312) 435-6890  
Nancy\_LaBella@ilnd.uscourts.gov



Aldinger - direct

3020

1 started.

2 Are you ready?

3 MR. DROSMAN: Yes, your Honor.

4 MR. KAVALER: Ready, your Honor.

09:54:39 5 MR. MILLER: Judge, can we have the switch,  
8 please?

6 (Jury in.)

7 THE COURT: Good morning, ladies and gentlemen.

I

8 apologize for the delay, but a series of things seemed  
12 to  
13 intervene. But welcome back. We're ready to proceed  
14 now.

09:55:48 10 Sir, you understand that you're still under  
15 oath.

11 THE WITNESS: Yes, I do.

12 THE COURT: Proceed, counsel.

13 MR. DROSMAN: Thank you, your Honor.

14 WILLIAM ALDINGER, PLAINTIFF'S WITNESS, PREVIOUSLY

SWORN

15 DIRECT EXAMINATION - Resumed

16 BY MR. DROSMAN:

17 Q. Mr. Aldinger, when we broke for the day yesterday,  
23 we were  
24 discussing a press release.

19 Do you recall that?

09:55:57 20 A. I do.

21 Q. And that was the press release Household  
28 International

22 released on October 19, 1999?

23 A. That's my recollection.

24 Q. Do you have that in front of you, sir?

09:56:04 25 A. I do.



Aldinger - direct

3057

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1 A. That's what it says.  
2 Q. And this was a document, like you told me, that had  
3 been  
4 received by Household in 1998, correct?  
5 A. That's correct.  
6 10:32:20 7 Q. I'll show you what's been marked as Plaintiffs'  
8 Exhibit  
9 1248 for identification.  
10 (Document tendered to counsel and the witness.)  
11 BY MR. DROSMAN:  
12 Q. Mr. Aldinger, you recognize Plaintiffs' Exhibit  
13 1248,  
14 10:32:58 10 right?  
15 11 A. Yes, I do.  
16 12 Q. And this was a presentation that you made, wasn't  
17 it?  
18 13 A. Yes, it was.  
19 14 Q. On December 4th, 2001, correct?  
20 10:33:05 15 A. That's what it says, yes.  
21 16 MR. DROSMAN: Plaintiffs offer Exhibit 1248  
22 into  
23 17 evidence.  
24 18 THE COURT: It's admitted.  
25 19 (Plaintiffs' Exhibit No. 1248 received in  
26 evidence.)  
27 20 BY MR. DROSMAN:  
28 21 Q. You made this -- these are PowerPoint slides, right?  
29 22 A. That's correct.  
30 23 Q. And what you do is you'd show up at this Goldman  
31 Sachs  
24 conference and you'd give a PowerPoint presentation to  
the  
10:33:24 25 folks there, right?

Aldinger - direct

3058

1 A. That's right.

2 Q. These were big institutional investors and analysts,  
3 right?

4 A. That's right.

10:33:28 5 Q. Okay.

6 And this was the presentation that you gave on  
7 December 4th, 2001, right?

8 A. Certainly the front page of it. I haven't looked at  
9 the rest, but I assume it is.

10:33:37 10 Q. You don't have any reason to believe that this is an  
11 inaccurate representation of what you gave?

12 A. I would -- I don't. I don't have any reason to  
13 believe

14 that.

15 Q. Okay.

10:33:45 16 Go ahead, if you would, and turn to the --  
17 there's

18 small print "PFG." Do you see that Bates number down at  
19 the

20 bottom right?

21 A. Yes, I do.

22 Q. Turn to the page ending 158, if you would.

10:34:05 23 And the top slide there --

24 A. I'm not there yet.

25 Q. Okay. Let me know when you arrive.

26 (Brief pause.)

27 BY THE WITNESS:

10:34:24 28 A. I'm there.

Aldinger - direct

3059

1 BY MR. DROSMAN:

2 Q. Okay.

3 The top slide there, you ask the question,  
4 "Have Household's accounting policies impacted results?"  
5 Right?

6 10:34:31 5 A. That's right.

7 6 Q. And, then, you proceeded to answer that question to  
8 all of the investors and analysts present, correct?

9 7 A. That's right.

10 8 Q. And in the third bullet point, you wrote, "Chargeoff  
11 9 policies are appropriate for our target market and  
12 10 result in

13 11 proper loss recognition," right?

14 12 A. That's right.

15 13 Q. And that's what you told folks, right?

16 14 A. Yes.

17 10:34:49 15 Q. And, then, you said, "All policies have been  
18 consistently applied and realistically report results," right?

19 16 A. That's right.

20 17 Q. And when you said "policies" there, you were telling  
21 folks

22 18 about your accounting policies, weren't you?

23 10:35:00 20 A. Yes.

24 21 Q. I'll show you what's been marked as Plaintiffs'  
25 Exhibit 759 for identification.

26 22 (Document tendered to counsel and the witness.)

27 23 BY MR. DROSMAN:

28 10:35:36 25 Q. Plaintiffs' Exhibit 759 consists of a number of documents



Aldinger - cross

3092

1 Q. Now, let's put the Goldman Sachs conference in  
2 perspective. Let's look at Defendants' Exhibit 625.

3 MR. KAVALER: And, for the jury, this is Tab 12  
4 in your notebook.

5 Here's a copy for you, counsel, and a copy for  
6 you,

7 Mr. Aldinger.

8 (Document tendered to counsel and the witness.)

9 BY MR. KAVALER:

10 Q. Do you know what this is?

11 A. Yes, I do.

12 Q. What is it?

13 A. It's a Barron's article that came out shortly before  
14 the Goldman Sachs conference.

15 Q. About Household?

16 A. Yes.

17 MR. KAVALER: I offer 625, your Honor --  
18 Defendants'

19 625.

20 THE COURT: Admitted.

21 (Defendants' Exhibit No. 625 received in evidence.)

22 BY MR. KAVALER:

23 Q. Now, Mr. Aldinger, when did you first find out about  
24 the existence of this Barron's article?

25 A. I found out about it on a Saturday night. It  
26 typically

27 comes out Saturday morning.

28 Craig Stroom called me Saturday night and said that  
29  
30  
31

Aldinger - cross

3093

1 this article had come out and it was not -- it was very  
2 unflattering and we needed to respond to it.

3 Q. Did you read the Barron's article?

4 A. I did.

11:11:53 5 Q. What was your takeaway? What did you understand the  
main

6 thrust of the Barron's article about your company to be?

7 A. Well, again, I'm going back a bit, but, you know,  
the main  
8 thrust was that we had made accounting changes back in  
1996

9 that were not disclosed to investors, according to the  
10 article, so investors didn't understand.  
11:12:11 10

11 There was some suggestions that Household was  
12 aggressive in its growth in accounting and some other  
13 things  
14 that we thought were not accurate.

15 And --

11:12:21 15 Q. What did you -- I'm sorry.

16 A. No, that's okay.

17 Q. What did you do after Mr. Stroom -- you said he  
called

18 you.

19 Where were you Saturday night when he called  
you?

11:12:29 20 A. I was actually at a dinner party and he called me on  
my

21 cell and we -- it wasn't much fun after that, at the  
22 dinner  
23 party. I can tell you that.

24 Q. What did you do the following day?

25 A. The next day we met in the office. We brought in  
Dave

11:12:43 25 Schoenholz and myself and Craig Stroom and sat down, and some

Aldinger - cross

3094

1 of the Investor Relations people, and -- because,  
2 fortunately,  
3 we were scheduled to speak at the Barron's conference on  
4 Monday.

5 Q. I'm sorry, the Barron's conference?

6 A. I'm sorry, at the Goldman Sachs conference on  
7 Monday.

8 Q. Monday or Tuesday?

9 A. I thought it was Monday night. It could have been  
10 Tuesday.

11 Q. You were there?

12 A. It could have been Tuesday. I don't remember now.  
13 It's

14 been a lot of years.

15 But -- so, we came in; and, fortunately, we  
16 were able

17 to specifically respond during my presentation to some  
18 of the  
19 issues that were raised in this -- in this -- article.

20 Q. And what was your purpose in going to -- I'm sorry,  
21 you

22 said the Goldman Sachs conference had been previously  
23 scheduled?

24 A. Previously scheduled, yes.

25 Q. So, you were scheduled to speak at Goldman Sachs  
26 before  
27 you found out about the Barron's article?

28 A. That's correct.

29 Q. Was this one of these conferences where lots of CEOs  
30 were

31 going to speak?

A. Yes, dozens, dozens.

11:13:40 Q. Dozens.



Aldinger - cross

3095

1 And the audience consisted, I think you said,  
2 of 400  
3 professionals?

4 A. I would say at least 400 that day, yes.

5 Q. And where was it?

6 A. It was at a hotel in New York City.

7 Q. That was sponsored by Goldman Sachs?

8 A. That's correct.

9 Q. And what is Goldman Sachs?

10 A. Goldman Sachs is one of the biggest investment banks  
11 in

12 the world, and a very successful company and considered  
13 a very  
14 astute investor.

15 Q. Now, let's look at Defendants' 46.

16 MR. KAVALER: Your Honor, I should have said  
17 when I

18 offered 625 -- let me make sure I'm right -- that comes  
19 with a  
20 limiting instruction.

21 THE COURT: Yes, it does.

22 MR. KAVALER: Thank you, your Honor.

23 BY MR. KAVALER:

24 Q. Let me show you Defendants' 46.

25 MR. KAVALER: And a copy for counsel.

26 (Document tendered to counsel and the witness.)

27 BY MR. KAVALER:

28 Q. And ask you if you know what that is?

29 A. Yes, this is my presentation at the Goldman Sachs  
30

31 11:14:51 25 conference.

Aldinger - cross

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3096

1 Q. Now, unlike the version Mr. Drosman showed you,  
which has

2 two slides on a page above and below, this is actually  
3 you had in your hands at Goldman Sachs?  
4 A. That's correct.

5 MR. KAVALER: I offer Defendants' 46, your  
6 Honor.

7 MR. DROSMAN: This comes with a limiting  
8 instruction,  
9 too, your Honor.

10 THE COURT: This is a statement by a party?  
11 What  
12 limiting instruction applies?

13 MR. DROSMAN: Hearsay, your Honor.

14 MR. KAVALER: I'm hard-pressed to understand  
15 how it's  
16 hearsay, your Honor, what the limiting instruction would  
17 be.

18 THE COURT: Are you making an objection or are  
19 you  
20 asking for a limiting instruction?

21 MR. DROSMAN: Your Honor, this was a document  
22 to

23 which the parties agreed there would be a limiting  
24 instruction. This is what's on the exhibit list.

25 THE COURT: I guess I don't have a recollection  
26 of  
27 that.

28 What limiting instruction did we agree would  
29 apply to  
30 this document?

31 MR. DROSMAN: Your Honor, I think the same one  
that  
would apply to analyst reports. This was a presentation  
given  
to analysts.

MR. KAVALER: Do you want me to respond, your Honor?



Aldinger - cross

3097

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1 THE COURT: I don't recall that.  
2 I'll overrule that.  
3 MR. DROSMAN: Okay.  
4 MR. KAVALER: Your Honor, I think counsel may  
5 be  
6 referring to Paragraph third of Limiting Instruction No.  
7 1.  
8 But it's not an analyst report. It's exactly the  
9 opposite.  
10 It's a statement to analysts.  
11 But if he wants Limiting Instruction third of  
12 No. 1,  
13 I have no problem with that.  
14 MR. DROSMAN: I don't have the limiting  
15 instructions  
16 in front of me, your Honor. I apologize.  
17 THE COURT: I don't believe it applies.  
18 MR. KAVALER: Okay.  
19 May I proceed, your Honor?  
20 THE COURT: Yes.  
21 MR. KAVALER: The document is received?  
22 THE COURT: Yes.  
23 MR. KAVALER: Thank you, your Honor.  
24 (Defendants' Exhibit No. 46 received in evidence.)  
25 MR. KAVALER: For the jury, this appears at Tab  
26 15 of  
27 your binders.  
28 BY MR. KAVALER:  
29 Q. Now, Mr. Aldinger, who prepared Defendants' Exhibit  
30 46?  
31 A. It would have been a combination of our Investor  
Relations  
group, combined with Dave Schoenholz and me.

Aldinger - cross

3098

1 Q. And is that something the Investor Relations group  
2 regularly did?

3 A. Yes.

4 Q. All right.

11:17:05 5 Do you have personal knowledge of the contents  
8 of  
9 Defendants' Exhibit 46?

7 A. Yes, I do.

11 the 8 Q. Did you have personal knowledge when you attended

9 Goldman Sachs conference?

11:17:13 10 A. Yes, I did.

15 as a 11 Q. Now, you described this on Mr. Drosman's examination  
16 PowerPoint. Do you remember that?

13 A. Yes.

14 Q. Tell me what a PowerPoint is.

11:17:21 15 A. Well, it's a series of slides. It's not a written  
19 speech,

21 these 16 where I read from a prepared statement. It's a -- I use  
22 slides effectively to talk through.

23 like 18 Q. These are broadcast up on the screen or something,

19 the screen here (indicating)?

11:17:34 20 A. Absolutely. They're on a screen like that  
26 (indicating).

27 21 And they're also broadcast to people who are not in the  
28 room,

22 under the regulations -- FD regulations -- for --

23 Q. What is "FD"?

24 A. "Full Disclosure."

11:17:45 25 So, when you make a presentation like a Goldman

Aldinger - cross

3099

1                   1    Sachs, even though there are 400 investors in the room  
2  
3  
4    and  
5                   2    they represent a large segment of the population of  
6    investors,  
7  
8                   3    you have to make it available on a Web cast or on the  
9                   4    telephone to anybody else who wants to call in and  
10   listen.

11:18:02 5    Q.   And whose regulation is that?

6    A.   That's the SEC regulation.

7    Q.   That's the Securities and Exchange Commission?

8    A.   That's correct.

9    Q.   So, the situation at Goldman Sachs was very similar  
10   to

11:18:10 10   this room, the PowerPoint was up on a screen like this  
11   screen

12                   11   here (indicating)?

13                   12   A.   That's right.

14                   13   Q.   You had a microphone, as you do here?

15                   14   A.   Yes.

11:18:16 15   Q.   And there was a large audience, as there is here?

16                   16   A.   Yes.

17                   17   Q.   Okay.

18                                    18                   And you walked through these slides?

19                   19   A.   That's correct.

11:18:21 20   Q.   And these are the actual slides you walked through?

21                   21   A.   Yes.

22                   22   Q.   Did you believe these slides were accurate when you  
23   made

24                   23   that presentation?

25                   24   A.   I did.

11:18:28 25   Q.   How did you know that?



Aldinger - cross

3100

1 A. Well, we prepared them and -- from data we had and  
2 -- I was very comfortable.

3 Q. And the data you had -- the data that underlies this  
4 presentation -- was that, itself, public data?

5 A. Yes, it was.

6 Q. Where did it come from?

7 A. It came from our 10-Ks and 10-Qs and other documents  
8 we  
9 filed.

10 Q. Other documents previously filed by Household with  
11 the  
12 United States Securities and Exchange Commission?

13 A. That's correct.

14 Q. Is it your understanding that a document filed with  
15 the  
16 SEC is available to everybody?

17 A. Yes, it is.

18 Q. And, at these conferences, is the process you just  
19 described a standard practice: A CEO stands up and  
20 makes a  
21 PowerPoint presentation with slides and commentary?

22 A. Yes, it is, very standard.

23 Q. And, then, you take questions thereafter?

24 A. Yes, you do. That -- that's probably a big part of  
25 it, is  
26 the questions after.

27 Q. Okay.

28 Let's walk through the presentation. We won't  
29 pause  
30 on every page; but, obviously, the jury has the whole  
31 presentation, Mr. Aldinger. They can look at it.

Aldinger - cross

3101

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1 Let's go to Page -- I'm sorry.  
2 And is there any connection between the  
3 contents --  
4 or some of the contents -- of this document and the  
5 Barron's  
6 article, which you learned about Saturday night when  
7 Mr. Stroom interrupted your dinner?  
8 11:19:47 5 A. Yes, there is. We made, towards the end, some  
9 specific  
10 comments that I think refuted the comments in the  
11 article.  
12 8 Q. Okay.  
13 9 Let's turn, if we can, together to Page 5. I'm  
14 using  
15 11:20:04 10 the numbers of the document, not the Bates numbers at  
16 the  
17 11 bottom.  
18 12 And that's labeled "Quality Growth"?  
19 13 A. Yes.  
20 14 Q. And there's an entry in there called, "Earnings Per  
21 11:20:14 15 Share"?  
22 16 A. Yes.  
23 17 Q. What did you tell the people at the Goldman Sachs  
24 18 conference was the significance of this slide?  
25 19 A. Well, I think the significance is that we,  
26 obviously, have  
27 11:20:23 20 grown earnings every year during the eight years that I  
28 was  
29 21 CEO there. And the growth rate here would have been  
30 higher  
31 22 than 90 percent of the large financial companies.  
32 23 So, I think what we were saying is we had very  
33 good  
34 24 results. We had consistent results that grew over time.  
35 And  
36 11:20:43 25 we, for the most part, would have been one of the higher

Aldinger - cross

3102

1 performing companies, in terms of EPS growth during this  
2 period for large companies -- large financial companies,

I

3 should say.

4 Q. Now, counsel has asked other witnesses -- when this

11:20:58 5 subject has come up -- but that's before the

restatement,

6 right? You certainly didn't maintain that kind of  
7 growth rate

8 after the restatement; is that accurate?

9 A. Well, it is true that these numbers are before the

10 restatement. And I think what we said, when we made the

11:21:13 11 restatement, is that before the restatement, our

earnings had

12 grown at 22 percent per year for eight years or  
13 thereabouts;

14 and, after the restatement, we had grown at 21.8  
15 percent.

16 So, the difference was very small, in terms of  
17 the

18 growth rate of the company, and still would have left us  
19 as

20 one of the higher performing large financial services  
21 companies.

22 Q. So, the difference --

23 A. So, the difference was pretty small.

24 Q. -- the difference between the numbers, as originally  
25 stated and as restated, was two-tenths of one percent?

11:21:41 26 A. The growth rate, yes.

27 And I think there are numerous analysts'  
28 comments to

29 that effect at the time we made the restatement. So,  
30 this

31 isn't just me.

11:21:54 32 Q. Turn to Page 8. That's headed, "2001 Credit Losses."



Aldinger - cross

3103

1 And underneath there it says, "We are not  
2 immune to a

3  
4 softening economy."

5  
6 Tell us what you told the people in attendance  
7 at the  
8 Goldman Sachs conference about this slide.

9 11:22:09 5 A. Yeah, I think the point we were making is that our  
6 performance on the loss side will vary greatly based on  
7 good

10  
11 would 7 economy/bad economy. When the economy is worse, you  
12 expect your losses to go up.

13 softening 8  
9 And, indeed, we had been seeing that with a

14 11:22:29 10 economy. We had had our losses go up for three  
15 consecutive 11 quarters. I point out it's 33 basis points. We  
16 expected

17  
18 those losses to continue up in the fourth quarter and,  
19 possibly, beyond.

20 Q. What's a basis point?

21 11:22:43 15 A. It's 100th of one percent.

22 Q. Sometimes called a "BIP"?

23 A. Yeah, sometimes called a "BIP."

24 Q. Turn to the next page, Page 9.

25 Better?" 19 It says, "Why Are Household's Credit Losses

26 11:22:58 20 Do you see that?

27 A. Yes.

28 Q. Better than whose, Mr. Aldinger?

29 A. Well, better than some of the competition.

30 been, 24 Some of the questions raised about us have

31 11:23:03 25 "Well, how come your losses are better?"

Aldinger - cross

3104

1 And there are a lot of factors that went into  
2 that.

3 And these were some of them.

4 Our growth rates were not as fast as many of  
5 our  
6 competitors. We had competitors growing 30, 40 percent  
7 per

8 11:23:16 5 year. In the credit card business, we grew it at 12 or  
9 13  
10 percent.

11 7 So, we made a conscious decision to give up  
12 some

13 8 growth in order to avoid some risk. Because anybody  
14 who's  
15 9 been in the banking world knows that the faster you grow  
16 at

17 11:23:30 10 some point, you take on more risk if you grow much  
18 beyond what

19 11 the normal growth rate is of the economy.

20 12 We also dramatically changed the mix of our  
21 portfolio. And, so, what you'll see -- and I think  
22 there's a

23 14 slide right after this, or two to three pages back --  
24 each

25 11:23:50 15 business had its own inherent loss rate. So, if you  
26 were a

27 16 credit card business, you would have losses that are  
28 much

29 17 higher than a first mortgage business.

30 18 When people buy homes, the loss rates there for  
31 19 companies are very low. But credit card losses are very  
high.

11:24:06 20 Auto lending can be a very high loss rate.

21 So, what we did -- and you'll see if we could  
22 go

23 forward --

24 Q. We'll get there in a minute.

25 A. Okay.

11:24:13 25 -- we shift our risk profile.



Aldinger - cross

3255

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1 A. Yes.  
2 Q. Tell us what a benchmark study is or what a  
3 benchmark  
4 study was in the life of Household around this time on  
5 the  
6 subject of re-aging.  
7 04:04:03 A. Well, as I mentioned to you post the Barron's  
8 article and  
9 my Goldman presentation, a number of investors were  
10 asking  
11 about re-age and its impacts. And so we, one, had the  
12 corporate team start to develop more extensive data that  
13 we  
14 could put together for the 10-K.  
15 04:04:19 But we also said, look, we want to get an  
16 independent  
17 look at this. And so I engaged KPMG, one of the largest  
18 accounting firms in the world, and prior to their  
19 becoming our  
20 auditor --  
21 Q. Let me stop you there.  
22 04:04:33 A. Yes.  
23 Q. That's the same KPMG that became your auditor.  
24 A. Later, yes.  
25 Q. This was earlier?  
26 A. Absolutely.  
27 04:04:38 Q. At the time Arthur Andersen was your auditor?  
28 A. Yes.  
29 Q. Was there any conflict issue in engaging KPMG to do  
30 this  
31 work?  
32 A. No. I picked KPMG because they were not our  
33 auditor. Our  
34 auditor had previously approved everything and supported

# **EXHIBIT C-2**

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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

LAWRENCE E. JAFFE PENSION PLAN, )  
on behalf of itself and all )  
others similarly situated, )  
Plaintiff, )  
vs. ) No. 02 C 5893  
HOUSEHOLD INTERNATIONAL, INC., )  
et al., ) Chicago, Illinois  
Defendants. ) April 28, 2009  
9:10 a.m.

VOLUME 20  
TRANSCRIPT OF PROCEEDINGS - TRIAL  
BEFORE THE HONORABLE RONALD A. GUZMAN, and a jury

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1 4076

2  
3 1 THE CLERK: 02 C 5893, Jaffe v. Household.

4 2 THE COURT: Good morning, everyone.

5 3 Are we ready to proceed with the jury?

6 up --  
7 09:10:16 4 MR. KAVALER: Your Honor, you asked us to hand

8 I thought I'd hand you before we start -- the spoliation  
9 language --

10 7 THE COURT: Sure.

11 8 MR. KAVALER: -- that you asked us to prepare.

12 A

13 9 copy for counsel.

14 09:10:24 10 I want to be clear, your Honor, we're handing  
15 this up

16 11 without prejudice to our position that there should be  
17 no

18 12 spoliation instruction whatsoever. Your Honor indicated  
19 the

20 13 other day that this was for our own benefit. We decline  
21 that

22 14 benefit. Thank you very much.

23 09:10:36 15 Apparently, subsequent to that, you decided sua

24 16 sponte to change your mind. I'd like to be heard on

25 that  
26 17 tomorrow. Meanwhile, we're giving you the language that  
27 we

28 18 said we would.

29 19 THE COURT: Sure.

30 09:10:49 20 Anything else?

31 21 MR. BURKHOLZ: No, your Honor.

32 22 THE COURT: Okay. Let's bring the jury out.

23 (Jury in.)

24 THE COURT: Good morning, ladies and gentlemen.

09:13:32 25 Welcome back.

1 Bajaj - direct  
2 4077  
3 1 Are we ready to proceed?  
4 2 MR. KAVALER: Yes, your Honor. The defendants  
5 call  
6 3 Dr. Mukesh Bajaj.  
7 4 (Witness sworn.)  
8 09:14:07 5 MR. KAVALER: Your Honor, we have a jury binder  
9 of 6 exhibits that were previously approved by plaintiffs'  
10 counsel.  
11 7 May we pass it out?  
12 8 THE COURT: Yes.  
13 9 MR. KAVALER: Thank you, your Honor.  
14 09:14:32 10 (Brief pause.)  
15 11 MUKESH BAJAJ, DEFENDANTS' WITNESS, SWORN  
16 12 DIRECT EXAMINATION  
17 13 BY MR. KAVALER:  
18 14 Q. Good morning, Dr. Bajaj. You're the one we've all  
19 been 15 waiting for, the last witness.  
20 09:15:17 16 Would you state your name for the record,  
21 please?  
22 17 A. Good morning, counsel. My name is Mukesh Bajaj.  
23 18 Q. And what is your educational background, sir?  
24 19 A. I got an undergraduate degree in chemical  
25 09:15:31 20 engineering from the Indian University of Technology in Delhi, India.  
26 And I  
27 21 got interested in social sciences, so I joined the MBA  
28 program 22 at the University of Texas at Austin. And then I  
29 developed an  
30 23 interest for financial economics, and I enrolled in the  
31 Ph.D. 24 program at University of California, Berkeley. I  
32 graduated  
33 09:15:53 25 with a Ph.D. in finance in 1988.

Bajaj - direct

4181

1 balance sheet and a conservative approach."

2 Do you see that?

3 A. Yes, I do.

4 Q. Okay.

01:28:31 5 Now, Professor Fischel picked this article for  
8 his

9 information 6 third disclosure date claiming that it disclosed

10 7 which inflated Household's stock price; is that right?

11 8 A. That is correct.

12 9 Q. Did you analyze this disclosure, as well?

13 01:28:44 10 A. I did.

14 11 Q. And had the investors found out about this  
15 information 12 previously?

16 13 A. Yes. In fact, right after the Barron's article,  
17 there

18 14 were several analyst reports that anticipated Mr.  
19 Aldinger's 15 remarks at a Goldman Sachs news con- -- investor  
20 01:29:02 16 conference --

21 17 on Tuesday, December the 4th. It was a well-publicized  
22 event.

23 18 And Mr. Aldinger spoke at that event between  
24 2:30 and

25 19 3:20 Eastern. And as this article says, he gave his  
26 address 20 on Tuesday, which is December 4th. American Banker is

27 simply 21 reporting on what happened the previous day.

01:29:31 22 Q. Let's mark Plaintiffs' Exhibit 1248.

29 23 MR. KAVALER: A copy for counsel.

30 24 BY MR. KAVALER:

31 25 Q. A copy for you, Professor.

32 01:29:42 26 (Document tendered to counsel and the witness.)

# EXHIBIT D



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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION  
  
LAWRENCE E. JAFFE PENSION PLAN, )  
on behalf of Itself and All )  
Others Similarly Situated, )  
Plaintiffs, )  
vs. ) No. 02 C 5893  
HOUSEHOLD INTERNATIONAL, INC., )  
et al., )  
Defendants. ) Volume No. 1

The videotape deposition of DAVID A.  
SCHOENHOLZ, taken before Richard H. Dagdigian,  
Illinois CSR No. 084-000035, Notary Public, Cook  
County, Illinois, pursuant to the Federal Rules of  
Civil Procedure for the United States District Courts  
pertaining to the taking of depositions, at 311 South  
Wacker Drive, Suite 1800, Conference Room II, Chicago,  
Illinois, commencing at 9:08 a.m. on the 28th of  
February 2007.

APPEARANCES:

1           02           LERACH, COUGHLIN, STOIA, GELLER,  
 2           03           RUDMAN & ROBBINS, LLP, by:  
 3           04           MR. LUKE O. BROOKS,  
 4           05           MR. JOHN GRANT,  
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                  on behalf of the plaintiffs;

11           12           CAHILL, GORDON & REINDEL, LLP, by:  
 12           13           MR. DAVID R. OWEN,  
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                  on behalf of the defendants;

19           20  
 20           21  
 21           22  
 22           23  
 23           24

00003:01 APPEARANCES: (Cont'd)

25           02           BOUDREAUX, LEONARD, HAMMOND & CURCIO, P.C.

1           03           BY: MR. TIM S. LEONARD,  
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6           08                   additional counsel for the witness.

7           09   ALSO PRESENT:

8           10           MR. DEAN MARIS, Legal Videographer;

9           11

10          12           MR. MARK F. LEOPOLD,

11          13           Deputy General Counsel - Litigation,

12          14           Employment & Antitrust

13          15           HSBC - North America

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23   00004:01                           I N D E X

24           02   February 28, 2007

25           03   THE WITNESS                           EXAMINATION BY COUNSEL FOR

1 11 please swear in the witness.

2 12 DAVID ANSTON SCHOENHOLZ,

3 13 called as a witness, having been first duly sworn by

4 14 the Notary Public, was examined and testified as

5 15 follows:

6 16 EXAMINATION

7 17 BY MR. BROOKS:

8 18 Q Good morning, Mr. Schoenholz. Would you

9 19 please state your full name for the record?

10 20 A David Anston Schoenholz.

11 21 Q What is your home address?

12 22 A 1350 Oak Ridge Road, Barrington, Illinois.

13 23 Q Are you currently employed?

14 24

15 00012:01 A No.

16 02 Q When did you retire?

17 03 A May 1st of 2004.

18 04 Q I know you've had your deposition taken

19 05 before, but I will go over some of the ground rules

20 06 just to refresh.

21 07 I will be asking you a series of questions

22 08 today and tomorrow. The court reporter sitting to

23 09 your left is taking down my questions and your

24 10 answers.

25 11 Please let me finish my question before you



1           20 people who had extensive experience within other  
2           21 areas of HI, and understood finance company lending  
3           22 practices.

4           23                 I think that board evaluated seriously and  
5           24 in good faith the input that the OTS had, and came to  
6   00171:01 the conclusions that those practices were appropriate  
7           02 practices for Household International and for HFC,  
8           03 but respected the OTS's position that the OTS -- it  
9           04 didn't fit the OTS's regulatory model; and also  
10          05 understood and respected the OTS's position as it,  
11          06 the OTS, looked at its regulatory mission with regard  
12          07 to the thrift holding company.

13          08                 Those deliberations led ultimately to the  
14          09 decision to vacate the thrift charter but, in  
15          10 essence, to continue that business in HFC because it  
16          11 viewed that that was an entirely appropriate  
17          12 business.

18          13                 Q    When was the thrift charter vacated?

19          14                 A    I think it was finally vacated some time  
20          15 late in 2002.

21          16                 Q    Turning back to December of 2001 and the  
22          17 Ryan analyst report and the Barron's article that  
23          18 came out, what did senior management of Household  
24          19 do -- strike that.

25          20                 Do you recall attending a meeting on the

1 21 weekend the Barron's article came out?

2 22 A I don't have a specific recollection of  
3 23 that.

4 24 Q Do you recall at attending a conference on  
5 00172:01 December 4th, a Goldman Sachs conference?

6 02 A I do.

7 03 Q And Mr. Aldinger made a presentation at  
8 04 that conference, correct?

9 05 A Correct.

10 06 Q Did he discuss Household's reaging or  
11 07 charge-off policies?

12 08 A My recollection is, it wasn't that  
13 09 specific, in that the Barron's article wasn't that  
14 10 specific.

15 11 Q What did Mr. Aldinger discuss, if anything,  
16 12 with respect to the Barron's article at the Goldman  
17 13 Sachs conference?

18 14 A I think there were two broad contentions.  
19 15 First -- and this was perhaps more fueled by Ryan  
20 16 than specifically the Barron's article -- was that  
21 17 Household had made accounting changes that were not  
22 18 properly disclosed or somehow were hidden.

23 19 And Aldinger went through and pointed very  
24 20 clearly -- and these were practices that dated back  
25 21 largely to conforming HFC and Beneficial subsequent

1           22 to the Beneficial merger, but also dated back into  
2           23 the 96-97 timeframe.

3           24           Aldinger in his presentation pointed out  
4 00173:01 where these things had been disclosed and were  
5           02 continuing to be disclosed to rebut the presumption  
6           03 that there was a lack of transparency.

7           04           Q    And did that relate to charge-off policies?

8           05           A    I believe that was largely charge-off  
9           06 policies.

10          07           The second major issue -- or the thrust of  
11          08 the Barron's article and the thrust of the Ryan  
12          09 article was that Household was under-reserved, and  
13          10 was going to have a credit blow-up or a credit  
14          11 surprise.

15          12           So, therefore, investors had to be wary  
16          13 because there was this lurking credit problem.

17          14           And we know that that's not true because  
18          15 that never -- that credit blow-up has never happened.

19          16           But Aldinger's presentation was dealing  
20          17 primarily with the issue that there is not a latent  
21          18 -- there are not latent unrecognized credit losses in  
22          19 this portfolio.

23          20           That was really the point -- that was the  
24          21 central theme of his presentation.

25          22           Q    And was there a question and answer session