

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

LAWRENCE E. JAFFE PENSION PLAN, On )	Lead Case No. 02-C-5893
Behalf of Itself and All Others Similarly )	(Consolidated)
Situated, )	
	<u>CLASS ACTION</u>
Plaintiff, )	
	Judge Ronald A. Guzman
vs. )	Magistrate Judge Nan R. Nolan
HOUSEHOLD INTERNATIONAL, INC., et )	
al., )	
Defendants. )	
_____ )	

**MOTION FOR PRELIMINARY APPROVAL OF PLAINTIFFS' SETTLEMENT WITH  
ARTHUR ANDERSEN LLP**

1. On December 18, 2002, the Court appointed the Glickenhau Institutional Group comprising of Glickenhau & Company, PACE Industry Union Management Pension Fund and The International Union of Operating Engineers Local No. 132 Pension Plan lead plaintiffs and Lerach Coughlin Stoia Geller Rudman & Robbins LLP (formerly Milberg Weiss Bershad Hynes & Lerach LLP), lead counsel for lead plaintiffs and the Class.

2. On March 13, 2003, lead plaintiffs filed the [Corrected] Amended Consolidated Class Action Complaint for Violation of the Federal Securities Laws (the "Complaint") against Household International ("Household" or the "Company"), the Individual Defendants, and the Company's auditor, Arthur Andersen LLP ("Andersen").

3. As a result of a private mediation that occurred on May 23, 2005, lead plaintiffs and Andersen agreed to enter into a settlement memorialized in the Stipulation of Settlement with Arthur Andersen LLP ("Settlement Stipulation"), a copy of which was filed with the Court on December 12, 2005.

4. Pursuant to the Settlement Stipulation, plaintiffs seek preliminary approval of the settlement agreed to by lead plaintiffs and Andersen. Plaintiffs hereby move the Court for entry of an Order: (1) preliminarily approving the Stipulation of Settlement with Arthur Andersen LLP; (2) approving the form and method for providing notice of the settlement to the Class Members; and (3) scheduling a Final Settlement Hearing.

5. This Motion is based upon the Stipulation of Settlement with Arthur Andersen LLP and all exhibits attached thereto, the [Proposed] Order Preliminarily Approving Settlement with Arthur Andersen LLP and Providing for Notice, the Notice of Filing and all other pleadings and matters of record, and such additional evidence or argument as may be presented at the hearing.

6. Accordingly, plaintiffs request that the Court enter the [Proposed] Order Preliminarily Approving Settlement with Arthur Andersen LLP and Providing for Notice, a copy of which is attached hereto.

DATED: December 14, 2005

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*/s/ Azra Z. Mehdi*

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DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare:

1. That declarant is and was, at all times herein mentioned, a citizen of the United States and employed in the City and County of San Francisco, over the age of 18 years, and not a party to or interested party in the within action; that declarant's business address is 100 Pine Street, Suite 2600, San Francisco, California 94111.

2. That on December 14, 2005, declarant served by email the: **MOTION FOR PRELIMINARY APPROVAL OF PLAINTIFFS' SETTLEMENT WITH ARTHUR ANDERSEN LLP** to the parties listed on the attached Service List. The parties' email addresses are as follows:

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I declare under penalty of perjury that the foregoing is true and correct. Executed this 14th day of December, 2005, at San Francisco, California.

/S/ Carolyn Burr  
\_\_\_\_\_  
CAROLYN BURR

HOUSEHOLD INTERNATIONAL (LEAD)

Service List - 12/13/2005 (02-0377)

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HOUSEHOLD INTERNATIONAL (LEAD)

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