

**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.)	
_____)	

**SUPPLEMENTAL DECLARATION OF D. CAMERON BAKER IN SUPPORT OF THE
CLASS' MOTION TO COMPEL RESPONSES TO SECOND SET OF
INTERROGATORIES FROM HOUSEHOLD DEFENDANTS**

REDACTED VERSION

I, D. CAMERON BAKER, declare as follows:

1. I am an attorney duly licensed to practice before all of the courts of the State of California, New York and am admitted to the General Bar of the United States District Court in the Northern District of Illinois. I am of counsel at the law firm of Lerach Coughlin Stoia Geller Rudman & Robbins LLP, lead counsel for plaintiffs and the Class in the above-entitled action. I have personal knowledge of the matters stated herein and, if called upon, I could and would competently testify thereto.

2. The objections raised in Household International, Inc. and Household Finance Corporation's (collectively, "Household") October 24, 2005 initial response, including the General Objections, were not raised by the Household defendants during the meet and confer process subsequent to their December 16, 2005 amended response. During that process, the parties discussed the provision of the discount point revenue and net income information requested in Interrogatory No. 6(a). The Household defendants did not express any confusion as to what information was requested. Instead, the focus of the discussion was on their ability to separate discount point information from origination fee information. On January 4, 2006, when the Household defendants indicated that they could only provide blended information, *i.e.* the discount points and origination fees combined, I requested that Household take the blended information and subtract out the origination fees. The Household defendants refused to perform this calculation based on the contention that it would be unduly burdensome. Further, the Class has limited these requests to revenue information only and not net income based on Household's assertion that it did not charge expenses against this particular revenue stream.

3. I have attached hereto true and correct copies of documents produced to the Class by the Washington Attorney General's Office, specifically a June 24, 2002 letter from David Huey, Esq., to Kathleen Curtin, Esq. with attachments, a July 17, 2002 letter from Kathleen Curtin, Esq. to

David Huey, Esq. with attachments and an undated document setting forth a report as to revenue and loan number information with regard to predatory lending practices in 14 states. These documents are attached respectively as Exhibits 1 through 3 hereto.

4. I have attached hereto as Exhibit 4 a true and correct copy of excerpts from the February 2, 2006 transcript of the Rule 30(b)(6) deposition of Household International, Inc. (Peter A. Sesterhenn).

5. As the result of discovery in this case, Household International, Inc. has produced numerous documents relating to its predatory lending practices. I have attached a true and correct copy of excerpts from a document relating to the Mortgage Services business unit as Exhibit 5. I have attached four documents relating to discount points, true and correct copies of which are attached respectively as Exhibits 6 through 8 and 19. I have attached three documents relating to EZ Pay, true and correct copies of which are attached hereto as Exhibits 9 through 11. I have attached hereto three documents relating to second loans or “side loans,” true and correct copies of which are attached hereto as Exhibits 12 through 14. I have also attached as Exhibit 15 a true and copy of an email relating to the collection of data for the Attorneys General. These materials have been marked Confidential pursuant to the Protective Order in this case and have been filed under seal. The Class has requested that the Household defendants de-designate each of these documents so that they can be unsealed.

6. On February 2, 2006, the Household defendants submitted Defendants Household International, Inc., Household Finance Corporation, and J.A. Vozar’s Third Amended Responses and Objections to Lead Plaintiffs’ Second Set of Interrogatories. I have attached hereto a true and correct copy of that response as Exhibit 16.

7. I have attached hereto as Exhibit 17 a true and correct copy of excerpts from Household Finance Corporation's Report on Form 10-Q with the Securities and Exchange Commission for the quarter ending September 30, 2004.

8. During the meet and confer process, the parties always treated Lead Plaintiffs' Second Set of Interrogatories Propounded to Defendants Household International, Inc., Household Finance Corporation, William F. Aldinger, David A. Schoenholz, Gary Gilmer, and J.A. Vozar ("Interrogatories") as calling for 2003 information. I requested that information in my December 27, 2005 letter to Landis Best. Throughout the meet and confer process, the Household defendants objected to production of 2003 information based on relevance, not on the language in the Interrogatories. Not once during the meet and confer process did the Household defendants contend that this information was not requested in the Interrogatories. By letter dated February 9, 2006, the Class sent the Household defendants a corrected version of the Interrogatories. In response, Ms. Best faxed Sylvia Sum a letter dated February 10, 2006, a true and correct copy of which I have attached hereto as Exhibit 18.

I declare under penalty of perjury under the laws of the State of Illinois that the foregoing is true and correct. Executed this 13th day of February, 2006, at San Francisco, California.

/s/ D. Cameron Baker
D. CAMERON BAKER

DECLARATION OF SERVICE BY UPS OVERNIGHT AND 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 February 13, 2006, declarant served by UPS Overnight (with exhibits) and by email (without exhibits) the: **SUPPLEMENTAL DECLARATION OF D. CAMERON BAKER IN SUPPORT OF THE CLASS' MOTION TO COMPEL RESPONSES TO SECOND SET OF INTERROGATORIES FROM HOUSEHOLD DEFENDANTS** to the parties listed on the attached Service List. The parties' email addresses are as follows:

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mmiller@millerfaucher.com

lfanning@millerfaucher.com

I declare under penalty of perjury that the foregoing is true and correct. Executed this 13th day of February, 2006, at San Francisco, California.

/s/ Monina O. Gamboa

MONINA O. GAMBOA

HOUSEHOLD INTERNATIONAL (LEAD)

Service List - 2/13/2006 (02-0377)

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HOUSEHOLD INTERNATIONAL (LEAD)

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