

**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.)	
_____)	

**STATUS CONFERENCE STATEMENT TO HONORABLE RONALD A. GUZMAN IN
ADVANCE OF THE JANUARY 10, 2007 STATUS CONFERENCE**

In advance of the January 10, 2007 status conference before this Court, Lead Plaintiffs and the Class respectfully submit this status conference statement to facilitate a productive and meaningful discussion.

I. STATUS OF FACT DISCOVERY

Fact discovery is scheduled to end on January 31, 2007. Class counsel are working diligently to meet this deadline. As a result of defendants' incomplete document production, pending objections and pending motions to compel, certain depositions or follow up on certain later-produced discovery will likely occur after this January 31, 2007 date. *See supra* §III. At the last status conference, Magistrate Judge Nan R. Nolan recognized the possibility of some spillover.

II. PROPOSED SCHEDULE AFTER FACT DISCOVERY

This case has been pending since August 18, 2002 and has been at issue since March 19, 2004 when this Court denied defendants' motions to dismiss the Complaint. Accordingly, Lead Plaintiffs urge the Court to move expeditiously to summary judgment and trial using the following schedule:

Defendants Motions for Summary Judgment	March 1, 2007
Class Oppositions to Motions for Summary Judgment	March 30, 2007
Reply In Support of Summary Judgment	April 13, 2007
Class Designates Experts	April 30, 2007
Defendants Designate Experts	May 14, 2007
Class Designates Rebuttal Experts	May 28, 2007
Expert Discovery & Depositions completion	July 31, 2007
Proposed Trial Date	November 1, 2007

Further, Lead Plaintiffs are amenable to mediation, but have reservations concerning how serious defendants are about resolving this litigation since they not made any serious offers to resolve this case thus far. Due to the magnitude of the litigation, defendants have every incentive to delay meaningful discussions aimed at resolving this matter.

III. OBJECTIONS

There are currently five objections pending before this Court that impact the completion of fact discovery:

1. The Class' Objection to the Magistrate Judge's July 6, 2006 Order: This objection has been fully briefed. There are at least two depositions directly impacted by this ruling – former Arthur Andersen employees Christopher Bianucci and John Keller.

2. The Class' Objection to the Magistrate Judge's September 19, 2006 Order: This objection also has been fully briefed.

3. Defendants' Objection to the Magistrate Judge's November 13, 2006 Order: This objection has been fully briefed. Defendants filed their objection on December 1, 2006, and the Class filed its response on December 19, 2006.

4. Defendants' Partial Objection to the Magistrate Judge's December 6, 2006 Order relating to Ernst & Young: Defendants filed their objection on December 21, 2006. No further briefing has been done. The Class anticipates filing a response this week. There are at least five depositions impacted by this ruling – (1) Defendant David Schoenholz; (2) former Household employee Robin Allcock; (3) Ernst & Young; (4) former Arthur Andersen employee Christopher Bianucci; and (5) former Arthur Andersen employee John Keller.

5. The Class' Partial Objection to the Magistrate Judge's December 6, 2006 Order: The Class filed its objection on December 21, 2006. No further briefing has been submitted.

DATED: January 8, 2007

Respectfully submitted,

LERACH COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP
PATRICK J. COUGHLIN (90785466)
AZRA Z. MEHDI (90785467)
D. CAMERON BAKER (154452)
MONIQUE C. WINKLER (90786006)
LUKE O. BROOKS (90785469)
JASON C. DAVIS (4165197)
BING Z. RYAN (228641)

s/ Azra Z. Mehdi

AZRA Z. MEHDI

100 Pine Street, Suite 2600
San Francisco, CA 94111
Telephone: 415/288-4545
415/288-4534 (fax)

LERACH COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP
WILLIAM S. LERACH
655 West Broadway, Suite 1900
San Diego, CA 92101
Telephone: 619/231-1058
619/231-7423 (fax)

Lead Counsel for Plaintiffs

MILLER LAW LLC
MARVIN A. MILLER
LORI A. FANNING
101 North Wacker Drive, Suite 2010
Chicago, IL 60606
Telephone: 312/525-8320
312/525-8231(fax)

Liaison Counsel

LAW OFFICES OF LAWRENCE G.
SOICHER

LAWRENCE G. SOICHER
110 East 59th Street, 25th Floor
New York, NY 10022
Telephone: 212/883-8000
212/355-6900 (fax)

Attorneys for Plaintiff

T:\CasesSF\household Intl\STA00037853.doc

DECLARATION OF SERVICE BY EMAIL AND BY U.S. MAIL

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 January 8, 2007, declarant served by electronic mail and by U.S. Mail to the parties the: **STATUS CONFERENCE STATEMENT TO HONORABLE RONALD A. GUZMAN IN ADVANCE OF THE JANUARY 10, 2007 STATUS CONFERENCE.** The parties' email addresses are as follows:

TKavaler@cahill.com PSloane@cahill.com PFarren@cahill.com LBest@cahill.com DOwen@cahill.com	NEimer@EimerStahl.com ADeutsch@EimerStahl.com Marvin_miller_hp@yahoo.com FanningLori@hotmail.com
--	--

and by U.S. Mail to:

Lawrence G. Soicher, Esq.
Law Offices of Lawrence G. Soicher
110 East 59th Street, 25th Floor
New York, NY 10022

David R. Scott, Esq.
Scott & Scott LLC
108 Norwich Avenue
Colchester, CT 06415

I declare under penalty of perjury that the foregoing is true and correct. Executed this 8th day of January, 2006, at San Francisco, California.

s/ Monina O. Gamboa

MONINA O. GAMBOA