

United States District Court, Northern District of Illinois

Name of Assigned Judge or Magistrate Judge	Ronald A. Guzman	Sitting Judge if Other than Assigned Judge	Nan R. Nolan
CASE NUMBER	02 C 5893	DATE	01/10/07
CASE TITLE	Jaffe vs. Household Intl Inc, et al		

DOCKET ENTRY TEXT

Status hearing held. Class' Motion to Compel Documents Responsive to Class' Fourth Document Request [Doc. 819] is granted in part and denied in part as stated in open court.

■ [For further details see text below.]

Docketing to mail notices.

4:15

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Defendants' objections to providing documents showing compensation paid to Andrew Kahr and billing statements from Eugene Ludwig are overruled. These documents must be produced by January 19, 2007. Defendants have confirmed that their production of "Over-NIM" reports is complete, and that they do not have any reports/memoranda generated by Mr. Ludwig or describing the scope of his duties. By January 19, 2007, Defendants are to either (1) produce documents regarding price negotiations/valuation materials relating to the Household/HSBC merger, or (2) submit a certification confirming that Plaintiffs have all such documents in Defendants' possession. Defendants must also produce by January 12, 2007 a privilege log regarding the merger disclosure schedules and appendixes. Finally, Defendants must produce by January 19, 2007 calendars for the following individuals: William F. Aldinger, David A. Schoenholz, and Douglas Friedrich.

Defendants' Motion to Compel Responses to Fourth Set of Interrogatories [Doc. 852] is granted in part and denied in part as stated in open court. In the event Judge Guzman affirms this court's September 20, 2006 Order regarding the counting of interrogatories, Plaintiffs will answer Nos. 41, 42, and 43 within five (5) days after receiving that ruling. Also within that time frame, Plaintiffs will answer Nos. 35 and 40 in full, as written, and the following interrogatories as re-written by the court:

- 36. Identify the particular facts Household failed to disclose to the market regarding its purported "Illegal Predatory Lending Practices" as alleged in Part VI.A of the Complaint.
- 37. Identify the particular facts Household failed to disclose to the market regarding its purportedly "Improper[] Reaging or Restructuring [of] Delinquent Accounts" as alleged in Part VI.B of the Complaint.
- 38. Identify the particular facts Household failed to disclose to the market regarding its purported

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“Improper Accounting of Costs Associated With Various Credit Card Co-Branding, Affinity and Marketing Agreements” as alleged in Part VI.C of the Complaint.

39. Identify any facts Household failed to disclose to the market regarding its restructure policies and practices.

The court’s actions in this regard are a direct result of the poor behavior of the parties, including their inability to cooperate or conduct meaningful meet and confers.

Defendants’ Motion for Sanctions and to Compel Responses to Supplemental Interrogatories Authorized by the Court’s August 10, 2006 Order [Doc. 857] is granted in part and denied in part as stated in open court. Plaintiffs are instructed to answer the following, edited interrogatories by January 19, 2007:

10. Identify the Household products utilizing “discount points” that Plaintiffs contend were part of any alleged illegal practices, including any revenues illegally derived thereby.
11. Identify the Household products utilizing “single premium credit insurance” that Plaintiffs contend were part of any alleged illegal practices, including any revenues illegally derived thereby.
12. Identify the Household products utilizing “prepayment penalties” that Plaintiffs contend were part of any alleged illegal practices, including any revenues illegally derived thereby.
13. Identify the Household products utilizing “EZ Pay or any bi-weekly payment plan” that Plaintiffs contend were part of any alleged illegal practices, including any revenues illegally derived thereby.
14. Identify the Household products utilizing “second loans at rates in excess of 20%” that Plaintiffs contend were part of any alleged illegal practices, including any revenues illegally derived thereby.

The court expects Plaintiffs’ answers to all interrogatories at issue in this Order to be specific and complete. Defendants’ request for sanctions is denied.

The Class’ Motion to Compel Production of Missing Documents, Documents Improperly Withheld or Redacted, and for a Finding of Waiver Due to Failure to Assert Privilege Over Withheld or Redacted Documents Not on Privilege Logs [Doc. 885] is entered and continued. Defendants are ordered to produce a privilege log by January 12, 2007, and to produce other responsive documents by January 19, 2007. With respect to the “skip sheet” issue, Defendants are to file a short response by 5:00pm CST on January 16, 2007. Plaintiffs have agreed to forego a reply.

The Class’ Motion to Compel Andrew Kahr Documents [Doc. 895] is briefed as follows: response due January 17, 2007; reply due January 24, 2007. The Class’ Motion for Leave to File a Brief in Excess of Ten Pages in connection with that motion [Doc. 893] is granted. The Class’ Motion to Unseal the Motion to Compel Andrew Kahr Documents [Doc. 898] is entered and continued.

Defendants are to provide the court by January 12, 2007 with a list of KPMG documents they seek to recall as privileged, including an indication whether the documents are identical to those at issue with respect

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to Arthur Andersen.

The parties are reminded that “[a]bsent a claim of privilege, it is improper for counsel at a deposition to instruct a client not to answer.” *Jockell v. Village of Lake Zurich*, No. 01 C 5421, 2003 WL 736679, at *1 (N.D. Ill. Mar. 3, 2003). Plaintiffs may conduct a further deposition of Tom Detelich, by telephone, regarding any questions he was instructed not to answer at his previous deposition, plus an additional five minutes of questioning, for a total of not more than 30 minutes of questioning.

The parties are also reminded of their obligations pursuant to the court’s November 30, 2006 Order that “[b]oth deposition coordinators must be on the telephone when any third-party deposition is being scheduled to ensure that the times selected are mutually agreeable.”

In light of the court’s rulings regarding Defendants’ Fourth and Supplemental interrogatory requests, the parties are expected to meet and confer about Defendants’ Fifth Set of Interrogatories, and to resolve any related disputes without further court intervention.

Status hearing is set for January 24, 2007 at 3:00pm CST. The parties should be prepared to discuss their expected need for experts and an expert discovery schedule at that time.