

**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,)

v.)

HOUSEHOLD INTERNATIONAL, INC.,)
et al.,)

Defendants.)

No. 02 C 5893

Judge Ronald A. Guzman

Magistrate Judge Nan R. Nolan

**THE CLASS' MOTION TO WITHDRAW ITS MOTION TO COMPEL PRODUCTION
OF E-MAILS AND DEPOSITION TESTIMONY BY MORGAN STANLEY**

The Class hereby moves to withdraw its Motion to Compel Production of E-mails and Deposition Testimony By Morgan Stanley Pursuant To the Class' March 7, 2006 Subpoena. [Docket No. 956] In support the Class states as follows:

1. By leave of this Court, on February 14, 2007, the Class filed a motion to compel production of e-mails and deposition testimony from Morgan Stanley and declaration in support thereof. [Docket Nos. 956 and 958]

2. On February 15, 2007, the Court issued a minute order setting a briefing schedule for that motion. [Docket No. 960]

3. Morgan Stanley has agreed to produce the deponents, Messrs. Posner and Pruzan, and their e-mails on terms and conditions that are acceptable to the Class. That agreement is memorialized in the February 20, 2007 letter from Todd S. Fishman of Allen & Overy, Counsel for Morgan Stanley, to one of the Class' attorneys, Jason C. Davis of Lerach Coughlin Stoia Geller Rudman & Robbins, LLP. See Exhibit A.

4. Morgan Stanley's agreement to produce the deponents and their e-mails makes unnecessary further action by the Court on this motion at this time.

WHEREFORE, for the foregoing reasons, the Class requests that the Court grant its Motion to Withdraw the Class Motion Filed By Leave of Court Pursuant to the February 12, 2007 Order to Compel Production of E-mails and Deposition Testimony By Morgan Stanley.

Dated: February 21, 2007

Respectfully submitted,

s/ Marvin A. Miller

Marvin A. Miller

Lori A. Fanning

MILLER LAW LLC

101 North Wacker Drive, Suite 2010

Chicago, Illinois 60606

(312) 525-8316

Liaison Counsel

Patrick J. Coughlin

Azra Z. Mehdi

D. Cameron Baker

Luke O. Brooks

LERACH COUGHLON STOIA GELLER

RUDMAN & ROBBINS LLP

100 Pine Street, Suite 2600

San Francisco, California 94111

(415) 288-4545

LERACH COUGHLON STOIA GELLER

RUDMAN & ROBBINS LLP

655 West Broadway, Suite 1900

San Diego, California 92101

(619) 231-1058

Lead Counsel for Plaintiffs

Lawrence G. Soicher
LAW OFFICES OF LAWRENCE G. SOICHER
305 Madison Avenue, 46th Floor
New York, New York 10165
(212) 883-8000

Attorneys for Plaintiff

EXHIBIT A

ALLEN & OVERY

February 20, 2007

BY E-MAIL

Jason C. Davis, Esq.
Lerach Coughlin Stoia Geller Rudman & Robbins LLP
100 Pine Street, Suite 2600
San Francisco, California 94111

Allen & Overy LLP
1221 Avenue of the Americas
New York NY 10020 USA

Tel +1 212 610 6300
Fax +1 212 610 6399
Direct Line +1 212 756 1130
todd.fishman@newyork.allenoverly.com

Re: Jaffe v. Household International, Inc. et al., No. 02 Civ. 5893 (N.D. Ill.)

Dear Jason:

As discussed further today, I write to set forth our agreement reached by telephone concerning the response of Morgan Stanley that will satisfy its obligations under the Subpoena dated March 7, 2006, issued by plaintiffs in the referenced action.

Counsel to Morgan Stanley and plaintiffs have agreed as follows:

1. Morgan Stanley will search the e-mail boxes of three New York employees: Kenneth Posner, Athina Meehan and Jonathan Pruzan.
2. For the two research analysts (Posner and Meehan), Morgan Stanley will search messages created, sent or received during time period from July 1, 1999 through December 31, 2002. For the investment banker (Pruzan), Morgan Stanley will search messages created, sent or received during the time period from August 1, 2002 through April 1, 2003.
3. Morgan Stanley will apply the search terms provided in the January 2, 2007 e-mail from yourself to Riche McKnight, Esq., subject to the modifications we discussed last week and any further modifications to be agreed upon between counsel to account for concerns that may arise out of matters relating to relevance, burden and privilege.
4. Morgan Stanley recognizes the need to produce responsive materials in an efficient manner. At this point in time, Morgan Stanley believes that the searches will be completed by early March and that production of responsive materials should commence shortly thereafter, following an appropriate review by Morgan Stanley's counsel.

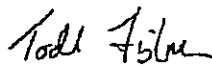
Allen & Overy LLP is a limited liability partnership registered in England and Wales with registered number OC306763. It is regulated by the Law Society of England and Wales. Allen & Overy LLP is a multi-jurisdictional law firm with lawyers admitted to practice in a variety of jurisdictions. A list of the members of Allen & Overy LLP and their professional qualifications is open to inspection at its registered office, One New Change, London, EC4M 9DF and at the above address. Any reference to a partner in relation to Allen & Overy LLP means a member, consultant or employee of Allen & Overy LLP.

Allen & Overy LLP or an affiliated undertaking has an office in each of: Amsterdam, Antwerp, Bangkok, Beijing, Bratislava, Brussels, Budapest, Dubai, Frankfurt, Hamburg, Hong Kong, London, Luxembourg, Madrid, Milan, Moscow, New York, Paris, Prague, Rome, Shanghai, Singapore, Tokyo, Turin, Warsaw

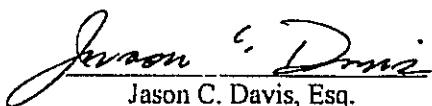
5. Morgan Stanley will produce Messrs. Posner and Pruzan for deposition each for one half-day, not to occur later than March 21, 2007 or as the parties may otherwise agree. The specific date (or dates) must be acceptable to defendants and plaintiffs. Production of responsive materials will be substantially completed at least one week before the deposition of either witness. As to Mr. Pruzan, Morgan Stanley will not object to questions by plaintiffs concerning matters relating to the HSBC transaction that occurred either in the United Kingdom or the United States.
6. On notice to Morgan Stanley, plaintiffs will withdraw their motion to compel dated February 14, 2007 as soon as practicable, but by no later than Wednesday, February 21, 2007 at ~~12:00 noon~~ ^{5:00 p.m.} Central Time. Such withdrawal will be without prejudice to the respective positions of Morgan Stanley and plaintiffs.

Please confirm your agreement by signing the acknowledgement in the space below and returning a copy to me. If this letter does not reflect our agreement, please advise me as soon as possible.

Very truly yours,


Todd S. Fishman

AGREED AND ACKNOWLEDGED:

 ^{2/21/07}
Jason C. Davis, Esq.