

**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.)	
_____)	

[PROPOSED] ORDER APPROVING THE FORM AND MANNER OF NOTICE

WHEREAS, a consolidated action is pending before this Court styled *Lawrence E. Jaffe Pension Plan v. Household International, Inc., et al.*, Lead Case No. 02-C-5893 (the "Action"):

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Court does hereby approve, as to form and content, the Notice of Verdict in Favor of Plaintiff Class and Against Household International, Inc., William Aldinger, David Schoenholz, and Gary Gilmer ("Notice of Verdict"), the Proof of Claim form (the "Proof of Claim"), and the Summary Notice annexed as Exhibits 1, 2, and 3 hereto. The Court finds that the mailing and distribution of the Notice and publishing of the Summary Notice substantially in the manner and form set forth in ¶¶2-3 of this Order meet the requirements of Federal Rule of Civil Procedure 23 and due process, and is the best notice practicable under the circumstances and shall constitute due and sufficient notice to all persons entitled thereto.

2. The firm of Gilardi & Co. LLC ("Claims Administrator") is hereby appointed to supervise and administer the notice procedure as well as the processing of claims as more fully set forth below:

(a) Lead Counsel shall make reasonable efforts to identify all Persons who are Members of the Class and not later than January 24, 2011 (the "Notice Date"), Lead Counsel shall cause a copy of the Notice of Verdict and the Proof of Claim, substantially in the forms annexed as Exhibits 1 and 2 hereto, to be mailed by first class mail to all Class Members who can be identified with reasonable effort; and

(b) Not later than February 1, 2011, Lead Counsel shall cause the Summary Notice to be published once in *USA Today*.

3. Nominees who purchased the common stock of Household for the beneficial ownership of Class Members during the Class Period shall send the Notice of Verdict and the Proof of Claim to all beneficial owners of such Household common stock within ten (10) days after receipt thereof, or, if they have not already done so in connection with the Andersen Settlement, send a list

of the names and addresses of such beneficial owners to the Claims Administrator within ten (10) days of receipt thereof, in which event the Claims Administrator shall promptly mail the Notice of Verdict and Proof of Claim to such beneficial owners. Lead Counsel shall, if requested, reimburse banks, brokerage houses or other nominees solely for their reasonable out-of-pocket expenses incurred in providing notice to beneficial owners who are Class Members, which expenses would not have been incurred except for the sending of such Notice of Verdict, subject to further order of this Court with respect to any dispute concerning such compensation.

4. Class Members who wish to participate in any award of damages shall complete and submit Proof of Claim forms in accordance with the instructions contained therein. Unless the Court orders otherwise, all Proof of Claim forms must be postmarked no later than one hundred twenty (120) days from the Notice Date. Any Class Member who does not timely submit a Proof of Claim within the time provided for, shall be barred from sharing in the distribution of the proceeds of any award of damages, unless otherwise ordered by the Court. Notwithstanding the foregoing, Lead Counsel may, in their discretion, accept late-submitted claims for processing by the Claims Administrator so long as further proceedings in the Action are not materially delayed thereby.

IT IS SO ORDERED.

DATED: _____, 2011

THE HONORABLE RONALD A. GUZMAN
UNITED STATES DISTRICT JUDGE

Submitted by:

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& DOWD LLP
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MICHAEL J. DOWD
SPENCER A. BURKHOLZ
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**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.)	
_____)	

**NOTICE OF VERDICT IN FAVOR OF PLAINTIFF CLASS AND AGAINST
HOUSEHOLD INTERNATIONAL, INC., WILLIAM ALDINGER, DAVID
SCHOENHOLZ, AND GARY GILMER**

EXHIBIT 1

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF HOUSEHOLD INTERNATIONAL, INC. (“HOUSEHOLD”), BETWEEN OCTOBER 23, 1997 AND OCTOBER 11, 2002, INCLUSIVE

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A VERDICT IN FAVOR OF THE PLAINTIFF CLASS IN THIS SECURITIES CLASS ACTION AND IF YOU ARE A CLASS MEMBER CONTAINS IMPORTANT INFORMATION AS TO YOUR RIGHTS TO OBTAIN A SHARE OF THE AMOUNTS THAT MAY BE RECOVERED PURSUANT TO THE JURY VERDICT AS WELL AS THE AMOUNTS RECOVERED IN AN EARLIER SETTLEMENT WITH ARTHUR ANDERSEN LLP (“ANDERSEN”)

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure, that a jury verdict (the “Jury Verdict”) in the case of *Lawrence E. Jaffe Pension Plan v. Household International, Inc., et al.*, Lead Case No. 02-C-5893 (the “Litigation”) pending in the United States District Court for the Northern District of Illinois, Eastern Division (the “Court”) was returned in favor of the plaintiff Class (defined below) and against defendants Household International, Inc. (“Household”), William Aldinger (“Aldinger”), David Schoenholz (“Schoenholz”), and Gary Gilmer (“Gilmer”) (collectively, the “Trial Defendants”) after a six (6) week trial of the Litigation. As a result of that verdict, Class Members (defined below) who purchased Household common stock from March 23, 2001 through October 11, 2002 were found to be entitled – subject to approval in a claims proceeding – to recover damages (the “Verdict Fund”) against the Trial Defendants as a result of the jury’s finding that: (i) all the Trial Defendants violated §10(b) of the Securities Exchange Act of 1934 (the “1934 Act”), and SEC Rule 10b-5; and (ii) all the Trial Defendants except Gilmer violated the control person provisions (§20a) of the 1934 Act, in connection with public statements about Household made from March 23, 2001 to October 11, 2002. The Jury Verdict determined that, for any purchases of Household stock made prior to March 23, 2001, there will be no recovery. The Jury Verdict will result in the payment of the Verdict Fund, less certain deductions described below, to eligible Class Members who file a timely and valid Proof

of Claim form (which accompanies this Notice of Verdict) and evidence a Recognized Loss as set forth herein and whose claims are approved. Class Members whose claims are approved will be entitled to receive 100% of their Recognized Loss less their proportionate share of any fees and expenses awarded by the Court.

I. DEFINITION OF THE CLASS AND CERTAIN PRIOR PROCEEDINGS

By order entered December 3, 2004, the Court certified a class (the "Class") with the Class defined as follows: all Persons who purchased or otherwise acquired the securities of Household during the period between October 23, 1997 and October 11, 2002. Excluded from the Class are defendants herein, members of defendants' immediate families, any person, firm, trust, corporation, officer, director or other individual or entity in which any defendant has a controlling interest or which is related to or affiliated with any defendant, and the legal representatives, agents, affiliates, heirs, successors-in-interest or assigns of any such excluded party.

On January 31, 2006, a notice (the "Andersen Notice") was sent to Class Members informing them of a settlement of \$1.5 million with defendant Andersen (the "Andersen Settlement"), of the certification of the Class, and notifying Class Members of the right to be excluded from the Litigation.

On February 28, 2006, the Court issued an order that all claims based on purchases of Household stock from October 23, 1997 through July 29, 1999 were barred by the applicable statute of limitations provisions of the federal securities laws. Plaintiffs do not intend to appeal this determination.

The purpose of this Notice is to advise you of the return of the Jury Verdict in favor of the Class for the time period of March 23, 2001 through October 11, 2002, and of your rights to make a claim for damages pursuant to the Andersen Settlement and the Jury Verdict.

II. THE RIGHTS OF CLASS MEMBERS

“Class Members” are all members of the Class defined above, except those persons who have filed valid and timely requests for exclusion in accordance with the procedures described in the Andersen Notice.

If you previously validly requested exclusion from the Class (a) you are excluded from the Class, (b) you will not share in the proceeds of the Andersen Settlement or any judgment rendered pursuant to the Jury Verdict, (c) you will not be bound by any judgment entered in the Litigation, and (d) you are not precluded, by reason of your decision to request exclusion from the Class, from otherwise prosecuting an individual claim, if timely, against defendants and others based on the matters complained of in the Litigation.

If you have not previously requested to be excluded from the Class, you will be bound by any and all determinations or judgments in the Litigation and the Andersen Settlement (which was previously approved by the Court), whether or not favorable to the Class.

You may do nothing at all and not file a claim. If you choose this option, you will not share in the proceeds of any judgment rendered as a result of the Jury Verdict in favor of the Class which has already been returned or the Andersen Settlement which was previously approved by the Court, but you will be bound by any judgments entered by the Court.

If you are a member of the Class, you may, but are not required to, enter an appearance through counsel of your own choosing at your own expense. If you do not do so, you will be represented by Plaintiffs’ Counsel: Robbins Geller Rudman & Dowd LLP, 655 W. Broadway, Suite 1900, San Diego, California 92101.

III. THE ANDERSEN SETTLEMENT

As previously noticed to the Class, a Settlement was reached in the Litigation between the Class and Andersen for \$1.5 million which is embodied in a Stipulation of Settlement (the

“Stipulation”) dated as of June 16, 2005, on file with the Court. The settlement was approved by the Court on April 6, 2006. Distributions from the Andersen Settlement will be calculated in accordance with the same formula set forth in §IV below.

IV. THE JURY VERDICT

A six (6) week trial of the Litigation commenced on March 30, 2009 against the Trial Defendants on behalf of all purchasers of Household stock from July 30, 1999 through October 11, 2002. On May 7, 2009, the jury rendered a verdict in the case. The jury found that the Trial Defendants did not violate the federal securities laws for statements made during the time period of July 30, 1999 through March 22, 2001. Plaintiffs do not intend to appeal this determination. For Class Members who purchased Household common stock during that time frame only, there is no recovery. The jury found that the Trial Defendants did violate the federal securities laws for public statements regarding Household made in connection with purchases of Household common stock from March 23, 2001 through October 11, 2002. The jury also awarded per share damages for each trading day during this period. A table which shows the daily inflation (*i.e.*, the per share damages) found by the jury is attached as Exhibit A.

Pursuant to the Jury Verdict, Class Members who file timely and valid claims which are approved are entitled to recover pursuant to the following Recognized Loss calculation which is based on the Jury Verdict:

1. For Household common stock that was purchased from March 23, 2001 through October 10, 2002, and:

- (a) sold prior to November 15, 2001, the Recognized Loss is zero;
- (b) sold from November 15, 2001 through October 10, 2002, the Recognized Loss

per share is the difference between: (i) the inflation on the date of purchase as shown on Exhibit A less (ii) the inflation on the date of sale as shown on Exhibit A;

(c) retained at the close of trading on October 10, 2002, the Recognized Loss per share is the inflation on the date of purchase as shown on Exhibit A.

2. For the purpose of calculating Recognized Loss using the formula above, the minimum inflation will be zero and not a negative number.

3. Any investor's aggregate Recoverable Loss shall be offset by any gains, or avoidance of loss, resulting from sales of Household shares from March 23, 2001 through October 10, 2002 at artificially inflated prices. These gains (if any) will be calculated as the difference between the inflation per share at the time of sale less the inflation per share at the time of purchase. Shares purchased prior to March 23, 2001 will have an inflation of zero at the time of purchase.

4. Recognized Loss will be limited by the so-called 90-Day "Bounce Back Rule" as required by The Private Securities Litigation Reform Act of 1995, as follows:

(a) For Household shares sold prior to October 11, 2002 there will be no limitation of Recognized Loss by reason of the Bounce Back Rule;

(b) For Household shares sold on or from October 11, 2002 through and including January 8, 2003 (*i.e.*, sold during the 90-Day Bounce Back Period), Recognized Loss shall be limited to a maximum of the purchase price per share less the average closing price of Household stock from October 11, 2002 through the date of sale; and

(c) For Household shares retained at the close of trading on January 8, 2003 (*i.e.*, retained at the end of the 90-Day Bounce Back Period) Recognized Loss shall be limited to a maximum of the purchase price per share less the 90-Day average closing price from October 11, 2002 through January 8, 2003 of \$27.05.

5. For purposes of calculating Recognized Loss, the Court has adopted the First-In-First-Out ("FIFO") method.

Class Members do not have to perform any of the calculations described above. All of these calculations will be performed by the Claims Administrator based on the purchase and sale transaction information provided by Class Members on the Proof of Claim form enclosed.

All of the Court's rulings and the Jury Verdict are subject to appeal. An appellate court may uphold, modify or reverse the verdict.

The amount of the Class' total recovery will be reduced by such amounts as may be awarded by the Court to Plaintiffs' Counsel for attorneys' fees and the expenses of bringing and prosecuting the Litigation. Plaintiffs' Counsel do not anticipate making an application for fees and expenses until the claims process for Class Members is complete. Another notice will be sent to Class Members setting a hearing date for this application and a date to file any objections to the request for attorneys' fees and expenses.

To recover pursuant to the Jury Verdict, you must submit a valid Proof of Claim form enclosed with this notice no later than May 24, 2011, to the address set forth in the Proof of Claim form.

V. NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

Banks, brokerage firms, institutions and other persons who are nominees who purchased the common stock of Household for the beneficial interest of other persons on any day from October 23, 1997 through and including October 11, 2002, inclusive, are requested within ten (10) days of receipt of this Notice of Verdict: (1) to provide Plaintiffs' Counsel with the names and addresses of such beneficial owners ***IF THEY HAVE NOT ALREADY DONE SO IN CONNECTION WITH THE ANDERSEN SETTLEMENT***; or, (2) to forward copies of this Notice of Verdict and the Proof of Claim form to each such beneficial purchaser and provide Plaintiffs' Counsel with written confirmation that the notice has been so forwarded. Plaintiffs' Counsel offer to prepay your reasonable costs and expenses of complying with this provision upon submission of appropriate

documentation. Additional copies of the Notice may be obtained from Plaintiffs' Counsel for forwarding to such beneficial owners. All such correspondence should be addressed as follows:

Household Securities Litigation
c/o Gilardi & Co.
P. O. Box 808003
Petaluma, CA 94975-8003

VI. EXAMINATION OF PAPERS AND INQUIRIES

For a more detailed statement of the matters involved in this Litigation, reference is made to the pleadings, to the Andersen Stipulation of Settlement and to other papers filed in this action, which may be inspected at the Office of the Clerk of the United States District Court, Northern District of Illinois, Eastern Division, Everett McKinley Dirksen United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604, during business hours of each business day. The operative complaint, the Jury Verdict and other relevant pleadings may also be viewed at www.HouseholdFraud.com.

Inquiries regarding the Litigation should be addressed as follows:

ROBBINS GELLER RUDMAN & DOWD LLP
MICHAEL DOWD
KEITH F. PARK
SPENCER BURKHOLZ
DANIEL DROSMAN
655 West Broadway, Suite 1900
San Diego, CA 92101
or
HouseholdFraud@rgrdlaw.com

DATED: _____

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS,
EASTERN DIVISION

EXHIBIT A

EXHIBIT A

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
03/23/01	\$23.94 per share	05/07/01	\$23.94 per share
03/26/01	\$23.94 per share	05/08/01	\$23.94 per share
03/27/01	\$23.94 per share	05/09/01	\$23.94 per share
03/28/01	\$23.94 per share	05/10/01	\$23.94 per share
03/29/01	\$23.94 per share	05/11/01	\$23.94 per share
03/30/01	\$23.94 per share	05/14/01	\$23.94 per share
04/02/01	\$23.94 per share	05/15/01	\$23.94 per share
04/03/01	\$23.94 per share	05/16/01	\$23.94 per share
04/04/01	\$23.94 per share	05/17/01	\$23.94 per share
04/05/01	\$23.94 per share	05/18/01	\$23.94 per share
04/06/01	\$23.94 per share	05/21/01	\$23.94 per share
04/09/01	\$23.94 per share	05/22/01	\$23.94 per share
04/10/01	\$23.94 per share	05/23/01	\$23.94 per share
04/11/01	\$23.94 per share	05/24/01	\$23.94 per share
04/12/01	\$23.94 per share	05/25/01	\$23.94 per share
04/16/01	\$23.94 per share	05/29/01	\$23.94 per share
04/17/01	\$23.94 per share	05/30/01	\$23.94 per share
04/18/01	\$23.94 per share	05/31/01	\$23.94 per share
04/19/01	\$23.94 per share	06/01/01	\$23.94 per share
04/20/01	\$23.94 per share	06/04/01	\$23.94 per share
04/23/01	\$23.94 per share	06/05/01	\$23.94 per share
04/24/01	\$23.94 per share	06/06/01	\$23.94 per share
04/25/01	\$23.94 per share	06/07/01	\$23.94 per share
04/26/01	\$23.94 per share	06/08/01	\$23.94 per share
04/27/01	\$23.94 per share	06/11/01	\$23.94 per share
04/30/01	\$23.94 per share	06/12/01	\$23.94 per share
05/01/01	\$23.94 per share	06/13/01	\$23.94 per share
05/02/01	\$23.94 per share	06/14/01	\$23.94 per share
05/03/01	\$23.94 per share	06/15/01	\$23.94 per share
05/04/01	\$23.94 per share	06/18/01	\$23.94 per share

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
06/19/01	\$23.94 per share	08/02/01	\$23.94 per share
06/20/01	\$23.94 per share	08/03/01	\$23.94 per share
06/21/01	\$23.94 per share	08/06/01	\$23.94 per share
06/22/01	\$23.94 per share	08/07/01	\$23.94 per share
06/25/01	\$23.94 per share	08/08/01	\$23.94 per share
06/26/01	\$23.94 per share	08/09/01	\$23.94 per share
06/27/01	\$23.94 per share	08/10/01	\$23.94 per share
06/28/01	\$23.94 per share	08/13/01	\$23.94 per share
06/29/01	\$23.94 per share	08/14/01	\$23.94 per share
07/02/01	\$23.94 per share	08/15/01	\$23.94 per share
07/03/01	\$23.94 per share	08/16/01	\$23.94 per share
07/05/01	\$23.94 per share	08/17/01	\$23.94 per share
07/06/01	\$23.94 per share	08/20/01	\$23.94 per share
07/09/01	\$23.94 per share	08/21/01	\$23.94 per share
07/10/01	\$23.94 per share	08/22/01	\$23.94 per share
07/11/01	\$23.94 per share	08/23/01	\$23.94 per share
07/12/01	\$23.94 per share	08/24/01	\$23.94 per share
07/13/01	\$23.94 per share	08/27/01	\$23.94 per share
07/16/01	\$23.94 per share	08/28/01	\$23.94 per share
07/17/01	\$23.94 per share	08/29/01	\$23.94 per share
07/18/01	\$23.94 per share	08/30/01	\$23.94 per share
07/19/01	\$23.94 per share	08/31/01	\$23.94 per share
07/20/01	\$23.94 per share	09/04/01	\$23.94 per share
07/23/01	\$23.94 per share	09/05/01	\$23.94 per share
07/24/01	\$23.94 per share	09/06/01	\$23.94 per share
07/25/01	\$23.94 per share	09/07/01	\$23.56 per share
07/26/01	\$23.94 per share	09/10/01	\$23.94 per share
07/27/01	\$23.94 per share	09/17/01	\$22.61 per share
07/30/01	\$23.94 per share	09/18/01	\$22.53 per share
07/31/01	\$23.94 per share	09/19/01	\$22.38 per share
08/01/01	\$23.94 per share	09/20/01	\$22.02 per share

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
09/21/01	\$21.54 per share	11/05/01	\$23.10 per share
09/24/01	\$22.62 per share	11/06/01	\$23.94 per share
09/25/01	\$22.29 per share	11/07/01	\$23.94 per share
09/26/01	\$23.03 per share	11/08/01	\$23.94 per share
09/27/01	\$23.42 per share	11/09/01	\$23.94 per share
09/28/01	\$23.94 per share	11/12/01	\$23.94 per share
10/01/01	\$23.94 per share	11/13/01	\$23.94 per share
10/02/01	\$23.94 per share	11/14/01	\$23.94 per share
10/03/01	\$23.94 per share	11/15/01	\$23.94 per share
10/04/01	\$23.94 per share	11/16/01	\$23.60 per share
10/05/01	\$23.94 per share	11/19/01	\$23.94 per share
10/08/01	\$23.94 per share	11/20/01	\$23.85 per share
10/09/01	\$23.94 per share	11/21/01	\$23.94 per share
10/10/01	\$23.94 per share	11/23/01	\$23.94 per share
10/11/01	\$23.94 per share	11/26/01	\$23.94 per share
10/12/01	\$23.59 per share	11/27/01	\$23.94 per share
10/15/01	\$23.94 per share	11/28/01	\$23.94 per share
10/16/01	\$23.94 per share	11/29/01	\$23.94 per share
10/17/01	\$23.94 per share	11/30/01	\$23.94 per share
10/18/01	\$23.94 per share	12/03/01	\$22.59 per share
10/19/01	\$23.94 per share	12/04/01	\$23.94 per share
10/22/01	\$23.94 per share	12/05/01	\$23.94 per share
10/23/01	\$23.94 per share	12/06/01	\$23.94 per share
10/24/01	\$23.83 per share	12/07/01	23.94 per share
10/25/01	\$23.94 per share	12/10/01	\$23.30 per share
10/26/01	\$23.94 per share	12/11/01	\$22.20 per share
10/29/01	\$23.42 per share	12/12/01	\$19.80 per share
10/30/01	\$23.00 per share	12/13/01	\$20.29 per share
10/31/01	\$22.48 per share	12/14/01	\$19.64 per share
11/01/01	\$22.73 per share	12/17/01	\$20.61 per share
11/02/01	\$22.67 per share	12/18/01	\$21.84 per share

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
12/19/01	\$22.04 per share	02/05/02	\$14.99 per share
12/20/01	\$21.75 per share	02/06/02	\$12.47 per share
12/21/01	\$21.37 per share	02/07/02	\$15.56 per share
12/24/01	\$21.60 per share	02/08/02	\$18.71 per share
12/26/01	\$21.82 per share	02/11/02	\$17.94 per share
12/27/01	\$23.30 per share	02/12/02	\$17.49 per share
12/28/01	\$23.94 per share	02/13/02	\$18.36 per share
12/31/01	\$23.28 per share	02/14/02	\$18.04 per share
01/02/02	\$22.58 per share	02/15/02	\$18.00 per share
01/03/02	\$22.41 per share	02/19/02	\$17.84 per share
01/04/02	\$23.94 per share	02/20/02	\$17.72 per share
01/07/02	\$23.19 per share	02/21/02	\$16.00 per share
01/08/02	\$22.29 per share	02/22/02	\$16.24 per share
01/09/02	\$22.42 per share	02/25/02	\$16.45 per share
01/10/02	\$21.70 per share	02/26/02	\$16.72 per share
01/11/02	\$19.85 per share	02/27/02	\$18.55 per share
01/14/02	\$18.53 per share	02/28/02	\$17.81 per share
01/15/02	\$20.28 per share	03/01/02	\$19.02 per share
01/16/02	\$19.87 per share	03/04/02	\$22.21 per share
01/17/02	\$18.90 per share	03/05/02	\$21.17 per share
01/18/02	\$20.03 per share	03/06/02	\$22.17 per share
01/22/02	\$19.24 per share	03/07/02	\$23.00 per share
01/23/02	\$18.59 per share	03/08/02	\$23.94 per share
01/24/02	\$18.86 per share	03/11/02	\$23.94 per share
01/25/02	\$19.70 per share	03/12/02	\$23.37 per share
01/28/02	\$18.10 per share	03/13/02	\$22.86 per share
01/29/02	\$16.58 per share	03/14/02	\$21.87 per share
01/30/02	\$15.76 per share	03/15/02	\$22.69 per share
01/31/02	\$17.12 per share	03/18/02	\$22.93 per share
02/01/02	\$17.34 per share	03/19/02	\$22.77 per share
02/04/02	\$16.06 per share	03/20/02	\$21.93 per share

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
03/21/02	\$22.23 per share	05/06/02	\$21.00 per share
03/22/02	\$22.39 per share	05/07/02	\$20.25 per share
03/25/02	\$21.06 per share	05/08/02	\$21.83 per share
03/26/02	\$21.66 per share	05/09/02	\$21.26 per share
03/27/02	\$21.80 per share	05/10/02	\$19.64 per share
03/28/02	\$21.25 per share	05/13/02	\$20.72 per share
04/01/02	\$21.68 per share	05/14/02	\$21.31 per share
04/02/02	\$21.52 per share	05/15/02	\$20.03 per share
04/03/02	\$20.53 per share	05/16/02	\$19.24 per share
04/04/02	\$21.39 per share	05/17/02	\$18.40 per share
04/05/02	\$22.28 per share	05/20/02	\$18.19 per share
04/08/02	\$23.24 per share	05/21/02	\$17.54 per share
04/09/02	\$23.16 per share	05/22/02	\$17.74 per share
04/10/02	\$23.23 per share	05/23/02	\$17.87 per share
04/11/02	\$21.73 per share	05/24/02	\$17.85 per share
04/12/02	\$22.40 per share	05/28/02	\$17.98 per share
04/15/02	\$22.24 per share	05/29/02	\$17.89 per share
04/16/02	\$23.65 per share	05/30/02	\$16.88 per share
04/17/02	\$23.94 per share	05/31/02	\$16.26 per share
04/18/02	\$23.94 per share	06/03/02	\$16.67 per share
04/19/02	\$23.94 per share	06/04/02	\$16.66 per share
04/22/02	\$23.94 per share	06/05/02	\$17.91 per share
04/23/02	\$23.94 per share	06/06/02	\$19.83 per share
04/24/02	\$23.94 per share	06/07/02	\$19.06 per share
04/25/02	\$23.94 per share	06/10/02	\$18.58 per share
04/26/02	\$23.94 per share	06/11/02	\$19.54 per share
04/29/02	\$22.70 per share	06/12/02	\$18.92 per share
04/30/02	\$23.34 per share	06/13/02	\$17.44 per share
05/01/02	\$22.61 per share	06/14/02	\$17.62 per share
05/02/02	\$21.92 per share	06/17/02	\$18.20 per share
05/03/02	\$21.64 per share	06/18/02	\$18.08 per share

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
06/19/02	\$17.24 per share	08/02/02	\$9.59 per share
06/20/02	\$16.02 per share	08/05/02	\$8.11 per share
06/21/02	\$16.16 per share	08/06/02	\$10.06 per share
06/24/02	\$16.50 per share	08/07/02	\$8.28 per share
06/25/02	\$15.68 per share	08/08/02	\$9.60 per share
06/26/02	\$16.25 per share	08/09/02	\$8.73 per share
06/27/02	\$16.78 per share	08/12/02	\$8.29 per share
06/28/02	\$16.19 per share	08/13/02	\$7.06 per share
07/01/02	\$14.84 per share	08/14/02	\$6.39 per share
07/02/02	\$14.94 per share	08/15/02	\$7.61 per share
07/03/02	\$15.76 per share	08/16/02	\$5.76 per share
07/05/02	\$16.69 per share	08/19/02	\$5.22 per share
07/08/02	\$16.28 per share	08/20/02	\$4.65 per share
07/09/02	\$14.58 per share	08/21/02	\$4.98 per share
07/10/02	\$12.48 per share	08/22/02	\$8.14 per share
07/11/02	\$13.14 per share	08/23/02	\$5.85 per share
07/12/02	\$14.69 per share	08/26/02	\$6.77 per share
07/15/02	\$14.17 per share	08/27/02	\$5.58 per share
07/16/02	\$15.01 per share	08/28/02	\$5.22 per share
07/17/02	\$11.59 per share	08/29/02	\$4.69 per share
07/18/02	\$12.56 per share	08/30/02	\$4.33 per share
07/19/02	\$11.33 per share	09/03/02	\$2.96 per share
07/22/02	\$10.38 per share	09/04/02	\$3.53 per share
07/23/02	\$9.30 per share	09/05/02	\$2.87 per share
07/24/02	\$11.68 per share	09/06/02	\$3.10 per share
07/25/02	\$10.57 per share	09/09/02	\$5.02 per share
07/26/02	\$8.68 per share	09/10/02	\$4.16 per share
07/29/02	\$9.19 per share	09/11/02	\$4.57 per share
07/30/02	\$9.55 per share	09/12/02	\$3.73 per share
07/31/02	\$11.49 per share	09/13/02	\$4.35 per share
08/01/02	\$10.63 per share	09/16/02	\$3.35 per share

<u>Date</u>	<u>Amount</u>
09/17/02	\$ -0.17 per share
09/18/02	\$0.41 per share
09/19/02	\$0.73 per share
09/20/02	\$0.64 per share
09/23/02	\$ -0.85 per share
09/24/02	\$ -0.35 per share
09/25/02	\$ -0.24 per share
09/26/02	\$0.34 per share
09/27/02	\$ -0.56 per share
09/30/02	\$ -0.10 per share
10/01/02	\$ -1.12 per share
10/02/02	\$ -1.13 per share
10/03/02	\$ -0.66 per share
10/04/02	\$ -1.87 per share
10/07/02	\$ -2.45 per share
10/08/02	\$ -3.17 per share
10/09/02	\$ -4.66 per share
10/10/02	\$ -0.68 per share
10/11/02	\$0.00 per share

**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.)	
_____)	

PROOF OF CLAIM

EXHIBIT 2

GENERAL INSTRUCTIONS

1. To recover as a member of the Class based on your claims in the action entitled *Lawrence E. Jaffe Pension Plan v. Household International, Inc.* (the "Litigation"), you must complete and, on page __ hereof, sign this Proof of Claim. If you fail to submit a properly addressed (as set forth in Paragraph 3 below) Proof of Claim and Release, your claim may be rejected and you may be precluded from any recovery pursuant to the verdict entered against Household International, Inc. ("Household") and certain individuals and from the Settlement Fund created in connection with the settlement with Arthur Andersen LLP.

2. Submission of this Proof of Claim, however, does not assure that you will share in the proceeds of the verdict or the Andersen settlement in the Litigation.

3. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM POSTMARKED ON OR BEFORE MAY 24, 2011, ADDRESSED AS FOLLOWS:

Household Securities Litigation
c/o Gilardi & Co.
P.O. Box 808003
Petaluma, CA 94975-8003

4. If you are a member of the Class and you did not timely request exclusion, you are bound by the terms of any judgment entered in the Litigation **WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.**

5. If you did **NOT** purchase Household common stock during the period from March 23, 2001 through October 11, 2002 **DO NOT** submit a Proof of Claim and Release Form.

CLAIMANT IDENTIFICATION

1. If you purchased Household common stock and held the certificate(s) in your name, you are the beneficial purchaser as well as the record purchaser. If, however, you purchased Household common stock and the certificate(s) were registered in the name of a third party, such as

a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

2. Use Part I of this form entitled "Claimant Identification" to identify each purchaser of record, if different from the beneficial purchaser, of Household common stock which forms the basis of this claim. **THIS CLAIM MUST BE SUBMITTED BY THE ACTUAL BENEFICIAL PURCHASER OR PURCHASERS, OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER OR PURCHASERS, OF HOUSEHOLD COMMON STOCK UPON WHICH THIS CLAIM IS BASED.**

3. All joint purchasers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The social security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

CLAIM FORM

1. Use Part II of this form entitled "Schedule of Transactions in Household Common Stock" to supply all required details of your transaction(s) in Household common stock. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same format. Sign and print or type your name on each additional sheet.

2. On the schedules, provide all of the requested information with respect to *all* of your purchases and *all* of your sales of Household common stock which took place at any time between the dates indicated on the claim form, whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

3. List each transaction separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

4. Brokerage commissions and transfer taxes paid by you in connection with your purchase and sale of Household common stock should be included in computing the “total purchase price” and deducted from the “total sales price.”

5. Brokers’ confirmations or other documentation of your transactions in Household common stock should be attached to your claim. Failure to provide this documentation could delay verification of your claim and result in rejection of your claim.

6. YOU MUST ANSWER THE QUESTIONS IN PART III OF THE CLAIM FORM IN ORDER TO BE ELIGIBLE TO RECOVER PURSUANT TO THE VERDICT. IF YOU HAVE ANY QUESTIONS CONCERNING PART III OR ANY OTHER PART OF THE CLAIM FORM YOU SHOULD CONTACT COUNSEL FOR THE PLAINTIFF:

Robbins Geller Rudman & Dowd LLP
Michael Dowd
Keith Park
Spencer Burkholz
Daniel Drosman
In re Household Securities Litigation
655 W. Broadway, Suite 1900
San Diego, CA 92101

or

HouseholdFraud@rgrdlaw.com

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

In re Household Securities Litigation
Lead Case No. 02-C-5893

PROOF OF CLAIM

Please Type or Print

MUST BE POSTMARKED NO LATER THAN:

MAY 24, 2011

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Filer's Name (if different than Beneficial Owner)

Filer's Capacity (e.g., Counsel, Custodian, Third-Party Filer)

Mailing Address

City

State

Zip Code

Foreign Province

Foreign Country

Social Security Number or Taxpayer Identification Number

Individual

Corporation/Other

Filer Tax ID (If Appropriate)

Account Number

Area Code Telephone Number (work)

Area Code Telephone Number (home)

Email Address

Name of Purchaser of Record (if different from Beneficial Owner listed above)

In re Household Securities Litigation
Lead Case No. 02-C-5893

PART II: SCHEDULE OF TRANSACTIONS IN HOUSEHOLD COMMON STOCK

A) NUMBER OF SHARES OF HOUSEHOLD COMMON STOCK HELD AT THE CLOSE OF TRADING ON MARCH 22, 2001: _____

B) PURCHASES (MARCH 23, 2001 – OCTOBER 11, 2002), INCLUSIVE, OF HOUSEHOLD COMMON STOCK

TRADE DATE MONTH/DAY/YEAR	NUMBER OF SHARES PURCHASED	TOTAL GROSS PURCHASE PRICE	PROOF OF PURCHASE ENCLOSED	
			YES	No
1. _____	1. _____	1. _____	_____	_____
2. _____	2. _____	2. _____	_____	_____
3. _____	3. _____	3. _____	_____	_____

C) SALES (MARCH 23, 2001 – JANUARY 8, 2003), INCLUSIVE, OF HOUSEHOLD COMMON STOCK

TRADE DATE MONTH/DAY/YEAR	NUMBER OF SHARES SOLD	TOTAL NET SALES PRICE	PROOF OF SALE ENCLOSED	
			YES	No
1. _____	1. _____	1. _____	_____	_____
2. _____	2. _____	2. _____	_____	_____
3. _____	3. _____	3. _____	_____	_____

D) NUMBER OF SHARES OF HOUSEHOLD COMMON STOCK HELD AT THE CLOSE OF TRADING ON JANUARY 8, 2003: _____

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

PART III: YOU MUST ALSO ANSWER THE FOLLOWING QUESTION IN ORDER TO BE ELIGIBLE FOR RECOVERY ON YOUR CLAIM PURSUANT TO THE VERDICT

1. The jury in this case found that certain public statements issued about Household International, Inc. were false or misleading and that the price you paid for Household stock was inflated from March 23, 2001 – October 11, 2002 due to the defendants' violation of the securities laws. The jury found that Household's stock was inflated by the amounts on Exhibit A to the Notice of Verdict which accompanies this form.

Question: If you had known at the time of your purchase of Household stock that defendants' false and misleading statements had the effect of inflating the price of Household stock and thereby caused you to pay more for Household stock than you should have paid, would you have still purchased the stock at the inflated price that you paid? No ____ Yes _____. (A "No" answer to this question means you may be entitled to share in the recovery. A "Yes" answer to this question means you may be subject to additional requests for information and may or may not recover any money.)

TO RECOVER FROM THE SETTLEMENT FUND YOU MUST READ AND SIGN THIS FORM ON PAGE ____.

SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGEMENTS

I submit this Proof of Claim under the terms of the Andersen Settlement and orders of the Court. I also submit to the jurisdiction of the United States District Court for the Northern District of Illinois with respect to my claim as a Class Member. I further acknowledge that I am bound by and subject to the terms of any judgment that may be entered in the Litigation. I agree to furnish additional information to Plaintiffs' Counsel or the Claims Administrator to support this claim if required to do so. I have not submitted any other claim covering the same purchases or sales of Household common stock and know of no other person having done so on my behalf.

I hereby warrant and represent that I have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any claim covered by this Claim Form or any portion thereof.

I (we) certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a)(1)(c) of the Internal Revenue Code.

Note: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

I declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct and that this Proof of Claim and Release was executed this ____ day of _____, 2011 in _____
(City, State, Country).

(Sign your name here)

(Type or Print your name here)

(Capacity of persons signing, e.g., Beneficial Purchaser, Executor or Administrator)

Reminder Checklist:

1. Please sign the above declaration.
2. Remember to attach supporting documentation, if available.
3. Remember to answer the questions in Part III.
4. Do not send original or copies of stock certificates.
5. If you move, please send us your new address.
6. If you desire an acknowledgement of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.

**ACCURATE CLAIMS PROCESSING TAKES
A SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

**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.)	
_____)	

SUMMARY NOTICE

EXHIBIT 3

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED HOUSEHOLD INTERNATIONAL, INC. ("HOUSEHOLD") COMMON STOCK DURING THE PERIOD BEGINNING OCTOBER 23, 1997 THROUGH OCTOBER 11, 2002, INCLUSIVE (THE "CLASS")

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the Northern District of Illinois (the "Court") that a jury has returned a verdict (the "Jury Verdict") against Household and certain individuals (the "Trial Defendants") and in favor of purchasers of Household common stock between March 23, 2001 and October 11, 2002, for monetary damages caused by reason of the Trial Defendants' violations of the federal securities laws.

If you purchased or otherwise acquired Household common stock during the period beginning March 23, 2001 through October 11, 2002, inclusive, you may be entitled to a payment by reason of the Jury Verdict. To obtain a payment, you must submit a Proof of Claim form. If you have not received a detailed Notice of Verdict in Favor of Plaintiff Class and Against Household International, Inc., William Aldinger, David Schoenholz, and Gary Gilmer ("Notice") and Proof of Claim form, you may obtain a copy by writing to *Household Securities Litigation*, c/o Gilardi & Co. LLC, P.O. Box 808003, Petaluma, CA 94975-8003 or from the Internet at www.HouseholdFraud.com or www.gilardi.com.

Proof of Claim forms must be submitted no later than May 24, 2011.

If you have any questions about the Jury Verdict, you may contact Lead Counsel at the address listed below:

ROBBINS GELLER RUDMAN & DOWD LLP
MICHAEL DOWD
KEITH PARK
SPENCER BURKHOLZ
DANIEL DROSMAN
655 West Broadway, Suite 1900
San Diego, CA 92101
or
HouseholdFraud@rgrdlaw.com

PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.

DATED: _____

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS,
EASTERN DIVISION