

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

| | | |
|---|---|--------------------------|
| -----X | : | |
| In re: | : | Chapter 11 |
| | : | |
| WASHINGTON MUTUAL, INC., <i>et al.</i> , ¹ | : | Case No. 08-12229 (MFW) |
| | : | |
| Debtors. | : | (Jointly Administered) |
| -----X | : | |
| WASHINGTON MUTUAL, INC. AND | : | |
| WMI INVESTMENT CORP., | : | Adv. Proc. No. 09-50934 |
| | : | |
| Plaintiffs, | : | |
| | : | |
| v. | : | |
| | : | |
| JPMORGAN CHASE BANK, NATIONAL | : | |
| ASSOCIATION, | : | |
| | : | |
| Defendant. | : | |
| -----X | : | |
| JPMORGAN CHASE BANK, NATIONAL | : | |
| ASSOCIATION, | : | |
| | : | |
| Cross-Claimant, | : | |
| | : | |
| v. | : | |
| | : | |
| FEDERAL DEPOSIT INSURANCE | : | |
| CORPORATION, as Receiver of Washington | : | |
| Mutual Bank, Henderson, Nevada, | : | |
| | : | |
| Cross-Claim Defendant. | : | Re: Docket No. 14 |
| -----X | : | |

¹ The Debtors in these Chapter 11 cases and the last four digits of each Debtor's federal tax identification numbers are: (i) Washington Mutual, Inc. (3725) and (ii) WMI Investment Corp. (5395). The Debtors continue to share their principal offices with the employees of JPMorgan Chase located at 1301 Second Avenue, Seattle, Washington 98101.



**APPENDIX TO REPLY BRIEF IN SUPPORT OF THE
MOTION OF PLAINTIFFS FOR SUMMARY JUDGMENT**

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September 18, 2009

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Mutual, Inc. and WMI Investment Corp.*

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Exhibit 10.1

INVESTMENT AGREEMENT

dated as of April 7, 2008

between

WASHINGTON MUTUAL, INC.

and

THE INVESTORS PARTY HERETO

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INVESTMENT AGREEMENT, dated as of April 7, 2008 (this "*Agreement*"), between Washington Mutual, Inc., a Washington corporation (the "*Company*"), Olympic Investment Partners, L.P., a Delaware limited partnership ("*Olympic Partners*"), and TPG Partners VI, L.P., a Delaware limited partnership ("*TPG VI*" and collectively with Olympic Partners, and any of their permitted assignees pursuant to this Agreement, the "*TPG Investors*" or the "*Investors*").

RECITALS:

A. **The Investment.** The Company intends to sell to each Investor, and each Investor severally and not jointly intends to purchase from the Company, as an investment in the Company, shares of Common Stock, no par value, of the Company (the "*Common Stock*"), shares of a series of contingent convertible perpetual non-cumulative preferred stock, no par value, of the Company, having the terms set forth on Exhibit A (the "*Convertible Preferred Stock*"), and/or warrants to purchase shares of Common Stock in the form set forth on Exhibit B (the "*Warrants*"), all as described herein with respect to such Investor.

B. **The Securities.** The term "*Securities*" refers collectively to (1) the shares of Common Stock and Convertible Preferred Stock purchased, and the Warrants issued, under this Agreement and (2) any securities (including shares of Common Stock) into which any of the foregoing are converted in accordance with the terms thereof and of this Agreement. When purchased, the Convertible Preferred Stock will be evidenced by a share certificate incorporating the terms set forth in an Articles of Amendment to the Company's Articles of Incorporation for the Convertible Preferred Stock in the form attached as Exhibit A (the "*Preferred Stock Articles of Amendment*").

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements set forth herein, the parties agree as follows:

ARTICLE I

PURCHASE; CLOSINGS

1.1 **Purchase.** On the terms and subject to the conditions set forth herein, each Investor, severally and not jointly, will (i) purchase from the Company, and the Company will sell to each such Investor, the respective number of shares of Common Stock, if any, and Convertible Preferred Stock as are set forth opposite such Investor's name in Schedule 1 to this Agreement and (ii) receive from the Company such Warrants, if any, as are set forth opposite such Investor's name on Schedule 1 to this Agreement.

1.2 Closing.

(a) Subject to the satisfaction or waiver of the conditions set forth in this Agreement, (i) the closing of the purchase of the Securities by TPG VI pursuant hereto (the "*Initial Closing*") shall occur at 9:30 a.m., New York time, on April 10, 2008, and (ii) the closing of the purchase of the Securities by the other Investors pursuant hereto (the "*Closing*") shall occur at 9:30 a.m., New York time, on April 11, 2008, *provided* that, in each case, if such conditions have not been so satisfied or waived on such applicable date, the Initial Closing shall occur on the first business day after (and the Closing shall occur on the second business day after) the satisfaction or waiver (by the party entitled to grant such waiver) of the conditions to the Initial Closing and Closing set forth in this Agreement (other than those conditions that by their nature are to be satisfied at the Initial Closing or Closing, as the case may be, but subject to fulfillment or waiver of those conditions), at the offices of Simpson Thacher & Bartlett LLP located at 425 Lexington Avenue, New York, New York 10017 or such other date or location as agreed by the parties. The date of the Initial Closing is referred to as the "*Initial Closing Date*." The date of the Closing is referred to as the "*Closing Date*."

(b) Subject to the satisfaction or waiver on the Initial Closing Date or Closing Date, as the case may be, of the applicable conditions to such Initial Closing or Closing in Section 1.2(c):

(1) at the Initial Closing, the Company will deliver to TPG VI:

(A) (x) certificates representing a number of shares of Common Stock equal to (A) the dollar amount applicable to the shares of Common Stock set forth opposite such Investor's name in Schedule 1 *divided by* (B) the lower of (i) \$8.75 and (ii) the lowest purchase or conversion price of any share of Common Stock or Convertible Preferred Stock sold, or committed

to be sold, on the Closing Date pursuant to the transactions referred to in Section 1.2(c)(1)(B) (the lower of (i) and (ii), the "Reference Purchase Price") and (y) certificates representing a number of shares of Convertible Preferred Stock equal to (A) the dollar amount applicable to the shares of Preferred Stock set forth opposite such Investor's name on Schedule 1 *divided by* (y) \$100,000, in each case, against payment of an amount equal to the amount set forth, with respect to each of the Common Stock and Preferred Stock, respectively, opposite such Investor's name on Schedule 1 to this Agreement; and

(B) a Warrant to purchase a number of shares of Common Stock equal to (x) the aggregate amount set forth opposite such Investor's name on Schedule 1 *divided by* (y) the Reference Purchase Price *divided by* (z) four.

(2) on the Delayed Delivery Date, the Company will deliver to Olympic Partners:

(A) certificates representing a number of shares of Convertible Preferred Stock equal to (x) the amount set forth opposite such Investor's name on Schedule 1 *divided by* (y) \$100,000, against payment, by wire transfer of immediately available funds to an account designated by the Company, of an amount equal to the amount set forth opposite such Investor's name on Schedule 1; and

(B) a Warrant to purchase a number of shares of Common Stock equal to (x) the aggregate amount set forth opposite such Investor's name on Schedule 1 *divided by* (y) the Reference Purchase Price *divided by* (z) four.

For the avoidance of doubt, following the occurrence of the Closing, the obligations of the Company to deliver the Securities on the Delayed Delivery Date and the TPG Investors to pay for such Securities shall become irrevocable and unconditional save for the condition that the other party shall have made the required delivery of the Securities certificates or payment, as applicable, as stated in this Section 1.2(b)(3). As used herein, "Delayed Delivery Date" means the later of the Closing Date and April 21, 2008. On the Initial Closing Date, the Company shall deliver to the Investors a certificate signed on behalf of the Company by a senior officer certifying to the Reference Purchase Price.

(c) Closing Conditions. (1) The respective obligations of each Investor on the one hand, and the Company, on the other hand, to consummate the Initial Closing and the Closing is subject to the fulfillment or written waiver by the applicable Investor and the Company prior to each of the Initial Closing and the Closing of the following conditions; *provided* that the condition set forth in Section 1.2(c)(1)(B) shall not be a condition to the Initial Closing:

(A) no provision of any applicable law or regulation and no judgment, injunction, order or decree shall prohibit the Closing or shall prohibit or restrict any Investor or its Affiliates from owning, voting, or, subject to the receipt of approval of the Shareholder Proposals, converting or exercising, any Securities in accordance with the terms thereof and no lawsuit shall have been commenced by a Governmental Entity seeking to effect any of the foregoing;

(B) the Company shall have received proceeds of the sale of shares of Common Stock and Convertible Preferred Stock of not less than \$3,000,000,000 on or prior to the Closing Date, including at least \$1,750,000,000 in gross proceeds received (not including fees or underwriting discounts paid) from a minimum of six existing shareholders of the Company owning in the aggregate not less than 100,000,000 shares of Common Stock; and

(C) the shares of Common Stock to be issued at the Closing shall have been authorized for listing on the New York Stock Exchange or such other market on which the Common Stock is then listed or quoted, subject to official notice of issuance.

(2) The obligation of each Investor to consummate the purchase of Securities to be purchased by it at the Initial Closing and Closing is also subject to the fulfillment or written waiver by the applicable Investor prior to the Initial Closing or Closing, as the case may be, of each of the following conditions:

(A) the Company shall have performed in all material respects all obligations required to be performed by it at or prior to Closing under Sections 3.1, 3.2(a), 3.3, 4.6 and 4.10 of this Agreement; and

(B) such Investor shall have received a certificate signed on behalf of the Company by a senior executive officer certifying to the effect that the condition set forth in Section 1.2(c)(2)(A) has been satisfied.

(3) The obligation of the Company to consummate the Initial Closing or the Closing, as the case may be, of the sale of Securities to each Investor is also subject to the fulfillment or written waiver by the Company prior to the Initial Closing or the Closing, as the case may be, of each of the following conditions:

(A) such Investor has performed in all material respects all obligations required to be performed by it at or prior to the Initial Closing or Closing, as the case may be, under Sections 3.1 and 3.2(b) of this Agreement; and

(B) the Company shall have received a certificate signed on behalf of such Investor by a senior executive officer certifying to the effect that the conditions set forth in Section 1.2(c)(3)(A) has been satisfied.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

2.1 Disclosure. (a) On or prior to the date hereof, the Company delivered to each Investor and the TPG Investors delivered to the Company a schedule ("*Disclosure Schedule*") setting forth, among other things, items the disclosure of which is necessary or appropriate either in response to an express disclosure requirement contained in a provision hereof or as an exception to one or more representations or warranties contained in Section 2.2 with respect to the Company, or in Section 2.3 with respect to such Investor, or to one or more of its covenants contained in Article III.

(b) As used in this Agreement, any reference to any fact, change, circumstance or effect being "material" with respect to the Company means such fact, change, circumstance or effect is material in relation to the business, assets, results of operations or financial condition of the Company and the Company Subsidiaries taken as a whole. As used in this Agreement, the term "*Material Adverse Effect*" means any circumstance, event, change, development or effect that, individually or in the aggregate, (1) is material and adverse to the business, assets, results of operations or financial condition of the Company and Company Subsidiaries taken as a whole or (2) would materially impair the ability of the Company to perform its obligations under this Agreement or to consummate the Closing; *provided, however*, that in determining whether a Material Adverse Effect has occurred, there shall be excluded any effect to the extent resulting from the following: (A) changes, after the date hereof, in generally accepted accounting principles or regulatory accounting principles generally applicable to banks, savings associations or their holding companies, (B) changes, after the date hereof, in laws, rules and regulations of general applicability or interpretations thereof by Governmental Entities, (C) actions or omissions of the Company expressly required by the terms of this Agreement or taken with the prior written consent of each Investor, (D) changes in general economic, monetary or financial conditions, including changes in prevailing interest rates, credit markets, secondary mortgage market conditions or housing price appreciation/depreciation trends, (E) changes in the market price or trading volumes of the Common Stock or the Company's other securities (but not the underlying causes of such changes), (F) the failure of the Company to meet any internal or public projections, forecasts, estimates or guidance (including guidance as to "earnings drivers") for any period ending on or after December 31, 2007 (but not the underlying causes of such failure), (G) changes in global or national political conditions, including the outbreak or escalation of war or acts of terrorism, and (H) the public disclosure of this Agreement or the transactions contemplated hereby; except, with respect to clauses (A), (B), (D) and (G), to the extent that the effects of such changes have a disproportionate effect on the Company and the Company Subsidiaries, taken as a whole, relative to other banks, savings associations and their holding companies generally.

(c) "*Previously Disclosed*" with regard to (1) a party means information set forth on its Disclosure Schedule, *provided, however*, that disclosure in any section of such Disclosure Schedule shall apply only to the indicated section of this Agreement except to the extent that it is reasonably apparent from the face of such disclosure that such disclosure is relevant to another section of this Agreement, and (2) the Company means information publicly disclosed by the Company in (A) its Annual Report on Form 10-K for the fiscal year ended December 31, 2007, as filed by it with the Securities and Exchange Commission ("*SEC*") on February 29, 2008 (the "*Company 10-K*"), (B) its Definitive Proxy Statement on Schedule 14A, as filed by it with the SEC on March 14, 2008 or (C) any Current Report on Form 8-K filed or furnished by it with the SEC since January 1, 2008 and publicly available prior to the date of this Agreement (excluding any risk factor disclosures contained in such documents under the heading "Risk Factors" and any disclosure of risks included in any "forward-looking statements" disclaimer or other statements that are similarly non-specific and are predictive or forward-looking in nature).

2.2 Representations and Warranties of the Company. Except as Previously Disclosed, the Company represents and warrants to the Investors, as of the date of this Agreement and as of the Closing Date, that:

(a) Organization and Authority. (1) The Company is a corporation duly organized and validly existing under the laws of the State of Washington, is duly qualified to do business and is in good standing in all jurisdictions where its ownership or leasing of property or the conduct of its business requires it to be so qualified and where failure to be so qualified would have a Material Adverse Effect, and has the corporate power and authority to own its properties and assets and to carry on its business as it is now being conducted. The Company is duly registered as a savings and loan holding company under the Home Owners' Loan Act, as amended ("*HOLA*"). The Company has furnished to the Investors true, correct and complete copies of the Company's Articles of Incorporation and bylaws as in effect on the date of this

Agreement.

(2) Exhibit 21 to the Company 10-K sets forth a correct and complete list of the Company Subsidiaries, including the Company's Significant Subsidiaries. Each Company Subsidiary is duly organized and validly existing under the laws of its jurisdiction of organization, is duly qualified to do business and is in good standing in all jurisdictions where its ownership or leasing of property or the conduct of its business requires it to be so qualified and where failure to be so qualified would have a Material Adverse Effect, and has the corporate power and authority and governmental authorizations to own its properties and assets and to carry on its business as it is being conducted. Each of Washington Mutual Bank ("WMB") and Washington Mutual Bank fsb ("WMBfsb") is duly organized and in good standing as a federal savings association under HOLA and its deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") to the fullest extent permitted by law, and all premiums and assessments required to be paid in connection therewith have been paid when due. WMB is a member in good standing of the Federal Home Loan Bank of San Francisco and WMBfsb is a member in good standing of the Federal Home Loan Bank of Seattle. As used herein, "Subsidiary" means, with respect to any person, any corporation, partnership, joint venture, limited liability company or other entity (x) of which such person or a subsidiary of such person is a general partner or (y) of which a majority of the voting securities or other voting interests, or a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or persons performing similar functions with respect to such entity, is directly or indirectly owned by such person and/or one or more subsidiaries thereof; "Company Subsidiary" means any Subsidiary of the Company; and "Significant Subsidiary" means, with respect to any person, any Subsidiary that would constitute a "significant Subsidiary" of such person within the meaning of Rule 1-02 of Regulation S-X of the SEC.

(b) Capitalization. The authorized capital stock of the Company consists of 1,600,000,000 shares of Common Stock and 10,000,000 shares of Company Preferred Stock, no par value, of the Company (the "Company Preferred Stock"). As of the close of business on March 31, 2008 (the "Capitalization Date"), there were 882,140,637 shares of Common Stock outstanding and 3,000,500 shares of Company Preferred Stock outstanding, consisting of 500 shares of Series K Perpetual Non-cumulative Floating Rate Preferred Stock and 3,000,000 shares of 7.75% Series R Non-cumulative Perpetual Convertible Preferred Stock (the "Series R Preferred Stock"). As of the close of business on the Capitalization Date, no shares of Common Stock or Company Preferred Stock were reserved or to be made available for issuance, except for (1) (A) 83,311,421 shares of Common Stock reserved or to be made available for issuance upon the exercise of options to purchase Common Stock, (B) 2,186,394 share of Common Stock reserved or to be made available for issuance upon the vesting of restricted stock units and (C) 949,369 shares of Common Stock reserved or to be made available for issuance upon the vesting of performance share awards, (2) 834,322 shares of Common Stock reserved or to be made available for issuance under the 2002 Employee Stock Purchase Plan, (3) 563 shares of Common Stock reserved or to be made available for issuance upon conversion of the Company's 2.75% Convertible Cash to Accreting Senior Notes due March 15, 2016, (4) 1,176,502 shares of Common Stock reserved or to be made available for issuance upon conversion of the Company's 4% Convertible Senior Notes due May 15, 2008, (5) 141,176,471 shares of Common Stock reserved or to be made available for issuance upon conversion of the Series R Preferred Stock, (6) 29,242,092 shares of Common Stock reserved or to be made available for issuance pursuant to the Company's Trust Warrants issued pursuant to the Warrant Agreement, dated as of April 30, 2001 between the Company and The Bank of New York, (7) approximately 11,900,000 shares of Common Stock reserved or to be made available for issuance pursuant to Litigation Warrants issued pursuant to the Amended and Restated Warrant Agreement, dated as of March 11, 2003 between the Company and Mellon Investor Services LLC, (8) 700,000 shares of Company Preferred Stock designated as Series RP Preferred Stock, par value \$0.01 per share, reserved or to be made available for issuance upon the exercise of rights granted under the Rights Agreement, dated as of December 20, 2000 (the "Rights Plan") between the Company and Mellon Investor Services, L.L.C., (9) 1,250 shares of Series I Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock reserved or to be made available for issuance upon conversion of the Series 2006-A Convertible Preferred Securities issued by Washington Mutual Preferred Funding LLC ("Washington Mutual Funding"), (10) 750 shares of Series J Perpetual Non-cumulative Fixed Rate Preferred Stock reserved or to be made available for issuance upon conversion of the Series 2006-B Convertible Preferred Securities of Washington Mutual Funding, (11) 500 shares of Series L Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock reserved or to be made available for issuance upon conversion of the Series 2006-C Convertible Preferred Securities of Washington Mutual Funding, (12) 500 shares of Series M Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock reserved or to be made available for issuance upon conversion of the Series 2007-A Convertible Preferred Securities of Washington Mutual Funding and (13) 1,000 shares of Washington Mutual Series N Non-cumulative Fixed-to-Floating Rate Preferred Stock reserved or to be made available for issuance upon conversion of the Series 2007-B Convertible Preferred Securities of Washington Mutual Funding. All of the issued and outstanding shares of Common Stock and Company Preferred Stock have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. No bonds, debentures, notes or other indebtedness having the right to vote on any matters on which the shareholders of the Company may vote ("Voting Debt") are issued and outstanding. As of the date of this Agreement, except (i) pursuant to any cashless exercise provisions of any Company stock options or pursuant to the surrender of shares to the Company or the withholding of shares by the Company to cover tax withholding obligations under the Benefit Plans, and (ii) as set forth elsewhere in this Section 2.2(b), the Company does not have and is not bound by any

outstanding subscriptions, options, warrants, calls, commitments or agreements of any character calling for the purchase or issuance of, or securities or rights convertible into or exchangeable for, any shares of Common Stock or Company Preferred Stock or any other equity securities of the Company or Voting Debt or any securities representing the right to purchase or otherwise receive any shares of capital stock of the Company (including any rights plan or agreement).

(c) Company's Subsidiaries. The Company owns, directly or indirectly, all of the issued and outstanding shares of capital stock of or all other equity interests in each of the Company Subsidiaries, free and clear of any liens, charges, encumbrances, adverse rights or claims and security interests whatsoever ("*Liens*"), and all of such shares or equity interests are duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. No Company Subsidiary has or is bound by any outstanding subscriptions, options, warrants, calls, commitments or agreements of any character calling for the purchase or issuance of any shares of capital stock, any other equity security or any Voting Debt of such Company Subsidiary or any securities representing the right to purchase or otherwise receive any shares of capital stock, any other equity security or Voting Debt of such Company Subsidiary.

(d) Authorization. (1) The Company has the corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated hereby have been duly and unanimously authorized by the board of directors of the Company (the "*Board of Directors*"). This Agreement has been duly and validly executed and delivered by the Company and, assuming due authorization, execution and delivery by the Investors, is a valid and binding obligation of the Company enforceable against the Company in accordance with its terms. No other corporate proceedings are necessary for the execution and delivery by the Company of this Agreement, the performance by it of its obligations hereunder or the consummation by it of the transactions contemplated hereby, subject, in the case of the authorization and issuance of the shares of Common Stock to be issued on conversion or exercise of the Convertible Preferred Stock or Warrants to be purchased or acquired under this Agreement, to receipt of the approval of the Shareholder Proposals. The only vote of the shareholders of the Company required to approve (i) the conversion of the Convertible Preferred Stock into, and exercise of the Warrants for, Common Stock for purposes of Section 312.03 of the NYSE Listed Company Manual, is a majority of the votes cast on such proposal, provided that the total vote cast on the proposal represents over 50% in interest of all securities entitled to vote on the proposal, and (ii) the amendment of the Company's Articles of Incorporation to increase the number of authorized shares of Common Stock to at least such number as shall be sufficient to permit the full conversion of the Convertible Preferred Stock into, and exercise of the Warrants for, Common Stock, is the affirmative vote of the holders of not less than a majority of the outstanding Common Stock. To the Company's knowledge, all shares of Common Stock outstanding on the record date for a meeting at which a vote is taken with respect to the Shareholder Proposals shall be eligible to vote on such proposals.

(2) Neither the execution and delivery by the Company of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance by the Company with any of the provisions hereof (including, without limitation, the conversion or exercise provisions of the Convertible Preferred Stock or Warrants), will (A) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration of, or result in the creation of any lien, security interest, charge or encumbrance upon any of the material properties or assets of the Company or any Company Subsidiary under any of the terms, conditions or provisions of (i) subject in the case of the authorization and issuance of the shares of Common Stock to be issued on conversion or exercise of the Convertible Preferred Stock or Warrants to be purchased under this Agreement, to receipt of the approval of the Shareholder Proposals, its articles of incorporation or bylaws (or similar governing documents) or the articles of incorporation, charter, bylaws or other governing instrument of any Company Subsidiary or (ii) any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which the Company or any Company Subsidiary is a party or by which it may be bound, or to which the Company or any Company Subsidiary or any of the properties or assets of the Company or any Company Subsidiary may be subject, or (B) subject to compliance with the statutes and regulations referred to in Section 2.2(e), violate any law, statute, ordinance, rule, regulation, permit, concession, grant, franchise or any judgment, ruling, order, writ, injunction or decree applicable to the Company or any Company Subsidiary or any of their respective properties or assets except in the case of clauses (A)(ii) and (B) for such violations, conflicts and breaches as would not reasonably be expected to have a Material Adverse Effect.

(e) Governmental Consents. Other than as Previously Disclosed, and the securities or blue sky laws of the various states, no material notice to, registration, declaration or filing with, exemption or review by, or authorization, order, consent or approval of, any Governmental Entity, nor expiration or termination of any statutory waiting periods, is necessary for the consummation by the Company of the transactions contemplated by this Agreement. As used herein, "*Governmental Entity*" means any court, administrative agency or commission or other governmental authority or instrumentality, whether federal, state, local or foreign, and any applicable industry self-regulatory organization.

(f) Financial Statements. Each of the consolidated balance sheets of the Company and the Company Subsidiaries and the related consolidated statements of income, shareholders' equity and cash flows, together with the notes thereto (collectively, the "*Company Financial Statements*") included in any Company Report filed with the SEC prior to the date of this Agreement, (1) have been prepared from, and are in accordance with, the books and records of the Company and the Company Subsidiaries, (2) complied as to form, as of their respective date of filing with the SEC, in all material respects with applicable accounting requirements and with the published rules and regulations of the SEC with respect thereto, (3) have been prepared in accordance with generally accepted accounting principles applied on a consistent basis during the period involved and (4) present fairly in all material respects the consolidated financial position of the Company and the Company Subsidiaries as of the dates set forth therein and the consolidated results of operations, changes in shareholders' equity and cash flows of the Company and the Company Subsidiaries for the periods stated therein, subject, in the case of any unaudited financial statements, to normal recurring year-end audit adjustments.

(g) Reports. (1) Since December 31, 2005, the Company and each Company Subsidiary has timely filed all material reports, registrations, documents, filings, statements and submissions, together with any required amendments thereto, that it was required to file with any Governmental Entity (the foregoing, collectively, the "*Company Reports*") and has paid all fees and assessments due and payable in connection therewith. As of their respective dates, the Company Reports complied in all material respects with all statutes and applicable rules and regulations of the applicable Governmental Entities. To the knowledge of the Company, as of the date of this Agreement, there are no outstanding comments from the SEC or any other Governmental Entity with respect to any Company Report. In the case of each such Company Report filed with or furnished to the SEC, such Company Report did not, as of its date or if amended prior to the date of this Agreement, as of the date of such amendment, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made in it, in light of the circumstances under which they were made, not misleading and complied as to form in all material respects with the applicable requirements of the Securities Act of 1933, as amended (the "*Securities Act*"), and the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"). With respect to all other Company Reports, the Company Reports were complete and accurate in all material respects as of their respective dates. No executive officer of the Company or any Company Subsidiary has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act of 2002.

(2) The records, systems, controls, data and information of the Company and the Company Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of the Company or the Company Subsidiaries or their accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expected to have a material adverse effect on the system of internal accounting controls described below in this Section 2.2(g). The Company (A) has implemented and maintains disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) to ensure that material information relating to the Company, including the consolidated Company Subsidiaries, is made known to the chief executive officer and the chief financial officer of the Company by others within those entities, and (B) has disclosed, based on its most recent evaluation prior to the date hereof, to the Company's outside auditors and the audit committee of the Board of Directors (x) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and (y) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting. Since December 31, 2006 and until the date of this Agreement, (A) neither the Company nor any Company Subsidiary nor, to the knowledge of the Company, any director, officer, employee, auditor, accountant or representative of the Company or any Company Subsidiary has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of the Company or any Company Subsidiary or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that the Company or any Company Subsidiary has engaged in questionable accounting or auditing practices, and (B) no attorney representing the Company or any Company Subsidiary, whether or not employed by the Company or any Company Subsidiary, has reported evidence of a material violation of securities laws, breach of fiduciary duty or similar violation by the Company or any of its officers, directors, employees or agents to the Board of Directors or any committee thereof or to any director or officer of the Company.

(h) Properties and Leases. Except as would not reasonably be expected to have a Material Adverse Effect, the Company and the Company Subsidiaries have good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, encumbrances, claims and defects that would affect the value thereof or interfere with the use made or to be made thereof by them. Except as would not reasonably be expected to have a Material Adverse Effect, the Company and the Company Subsidiaries hold all leased real or personal property under valid and enforceable leases with no exceptions that would interfere with the use made or to be made thereof by them.

(i) Taxes. (1) Each of the Company and the Company Subsidiaries has (x) duly and timely filed (including pursuant to applicable extensions granted without penalty) all material Tax Returns (as hereinafter defined) required to be filed by it and (y) paid in full all Taxes due or made adequate provision in the financial statements of the Company (in accordance with GAAP) for any such Taxes (as hereinafter defined), whether or not shown as due on such Tax Returns; (2) no material deficiencies for any Taxes have been proposed, asserted or assessed in writing against or with respect to any Taxes due by or Tax Returns of the Company or any of the Company Subsidiaries which deficiencies have not since been resolved, except for Taxes proposed, asserted or assessed that are being contested in good faith by appropriate proceedings and for which reserves adequate in accordance with GAAP have been provided; and (3) there are no material Liens for Taxes upon the assets of either the Company or the Company Subsidiaries except for statutory liens for current Taxes not yet due or Liens for Taxes that are being contested in good faith by appropriate proceedings and for which reserves adequate in accordance with GAAP have been provided. None of the Company or any of the Company Subsidiaries has been a “distributing corporation” or a “controlled corporation” in any distribution occurring during the last two years in which the parties to such distribution treated the distribution as one to which Section 355 of the Internal Revenue Code of 1986, as amended (the “Code”) is applicable. None of the Company or any Company Subsidiary has engaged in any transaction that is a “listed transaction” for federal income tax purposes within the meaning of Treasury Regulations section 1.6011-4, which has not yet been the subject of an audit. To the Company’s knowledge, to the extent the Company or any Company Subsidiary has or will record for GAAP purposes an allowance for loan losses or similar reserve for bad debts, the Company can properly record for GAAP purposes at such time a deferred tax asset for the related deduction for Taxes. For purposes of this Agreement, “Taxes” shall mean all taxes, charges, levies, penalties or other assessments imposed by any United States federal, state, local or foreign taxing authority, including any income, excise, property, sales, transfer, franchise, payroll, withholding, social security or other taxes, together with any interest or penalties attributable thereto, and any payments made or owing to any other person measured by such taxes, charges, levies, penalties or other assessment, whether pursuant to a tax indemnity agreement, tax sharing payment or otherwise (other than pursuant to commercial agreements or Benefit Plans). For purposes of this Agreement, “Tax Return” shall mean any return, report, information return or other document (including any related or supporting information) required to be filed with any taxing authority with respect to Taxes, including without limitation all information returns relating to Taxes of third parties, any claims for refunds of Taxes and any amendments or supplements to any of the foregoing

(j) Absence of Certain Changes. Since December 31, 2007 until the date hereof, (1) the Company and the Company Subsidiaries have conducted their respective businesses in all material respects in the ordinary course, consistent with prior practice, (2) except for publicly disclosed ordinary dividends on the Common Stock and outstanding Company Preferred Stock, the Company has not made or declared any distribution in cash or in kind to its shareholders or issued or repurchased any shares of its capital stock or other equity interests and (3) no event or events have occurred that has had or would reasonably be expected to have a Material Adverse Effect.

(k) No Undisclosed Liabilities. Neither the Company nor any of the Company Subsidiaries has any liabilities or obligations of any nature (absolute, accrued, contingent or otherwise) which are not properly reflected or reserved against in the Company Financial Statements to the extent required to be so reflected or reserved against in accordance with U.S. generally accepted accounting practices, except for (1) liabilities that have arisen since December 31, 2007 in the ordinary and usual course of business and consistent with past practice, (2) contractual liabilities under (other than liabilities arising from any breach or violation of) agreements Previously Disclosed or not required by this Agreement to be so disclosed and (3) liabilities that have not had and would not reasonably be expected to have a Material Adverse Effect.

(l) Commitments and Contracts. The Company has Previously Disclosed or provided to the Investors true, correct and complete copies of, each of the following to which the Company or any Company Subsidiary is a party or subject (whether written or oral, express or implied) (each, a “Company Significant Agreement”):

(1) any contract or agreement which is a “material contract” within the meaning of Item 601(b)(10) of Regulation S-K to be performed in whole or in part after the date of this Agreement;

(2) any contract or agreement which limits the freedom of the Company or any of the Company Subsidiaries to compete in any line of business;

(3) any material contract or agreement with a labor union or guild (including any collective bargaining agreement);

(4) any contract or agreement which grants any person a right of first refusal, right of first offer or similar right with respect to any material properties, assets or businesses of the Company or the Company Subsidiaries;

(5) any contract relating to the acquisition or disposition of any material business or material assets (whether by merger, sale of stock or assets or otherwise), which acquisition or disposition is not yet complete or where such contract contains continuing material obligations, including continuing material indemnity obligations, of the Company or any of the Company Subsidiaries; and

(6) any contract or agreement which is a consulting agreement or service contract (including data processing, software programming and licensing contracts and outsourcing contracts) which involves the payment of \$50 million or more in annual fees.

Except as Previously Disclosed: (i) each of the Company Significant Agreements is valid and binding on the Company and the Company Subsidiaries, as applicable, and in full force and effect; (ii) the Company and each of the Company Subsidiaries, as applicable, are in all material respects in compliance with and have in all material respects performed all obligations required to be performed by them to date under each Company Significant Agreement; and (iii) as of the date hereof, neither the Company nor any of the Company Subsidiaries knows of, or has received notice of, any material violation or default (or any condition which with the passage of time or the giving of notice would cause such a violation of or a default) by any party under any Company Significant Agreement. To the Company's knowledge as of the date hereof, except as Previously Disclosed, there are no material transactions, or series of related transactions, agreements, arrangements or understandings, nor are there any currently proposed material transactions, or series of related transactions, between the Company or any Company Subsidiary, on the one hand, and any current or former director or executive officer of the Company or any Company Subsidiary or any person who beneficially owns 5% or more of the outstanding shares of Common Stock (or any of such person's immediate family members or Affiliates (other than Company Subsidiaries), on the other hand, other than Benefit Plans entered into in the ordinary course of business.

(m) Offering of Securities. Neither the Company nor any person acting on its behalf has taken any action (including any offering of any securities of the Company under circumstances which would require the integration of such offering with the offering of any of the Securities to be issued pursuant to this Agreement under the Securities Act and the rules and regulations of the SEC thereunder) which might subject the offering, issuance or sale of any of the Securities to the Investors pursuant to this Agreement to the registration requirements of the Securities Act.

(n) Status of Securities. The shares of Common Stock and shares of Convertible Preferred Stock and Warrants to be issued pursuant to this Agreement have been duly authorized by all necessary corporate action. When issued and sold against receipt of the consideration therefor as provided in this Agreement, such shares of Common Stock and Convertible Preferred Stock and Warrants will be validly issued, fully paid and nonassessable, will not subject the holders thereof to personal liability and will not be subject to preemptive rights of any other shareholder of the Company. The shares of Common Stock issuable upon the conversion of the Convertible Preferred Stock and exercise of the Warrants will, upon receipt of the approval of the Shareholder Proposals and filing of the related articles of amendment with the Washington Secretary of State, have been duly authorized by all necessary corporate action and when so issued upon such conversion or exercise will be validly issued, fully paid and nonassessable, will not subject the holders thereof to personal liability and will not be subject to preemptive rights of any other shareholder of the Company.

(o) Litigation and Other Proceedings. There is no pending or, to the knowledge of the Company, threatened, claim, action, suit, investigation or proceeding, against the Company or any Company Subsidiary or to which any of their assets are subject, nor is the Company or any Company Subsidiary subject to any order, judgment or decree, in each case except as would not reasonably be expected to have a Material Adverse Effect. Except as would not reasonably be expected to have a Material Adverse Effect, there is no unresolved violation, criticism or exception by any Governmental Entity with respect to any report or relating to any examinations or inspections of the Company or any Company Subsidiaries.

(p) Compliance with Laws; Insurance. (1) The Company and each Company Subsidiary have all material permits, licenses, franchises, authorizations, orders and approvals of, and have made all filings, applications and registrations with, Governmental Entities that are required in order to permit them to own or lease their properties and assets and to carry on their business as presently conducted and that are material to the business of the Company or such Company Subsidiary. The Company and each Company Subsidiary has complied in all material respects and is not in default or violation in any respect of, and none of them is, to the knowledge of the Company, under investigation with respect to or, to the knowledge of the Company, has been threatened to be charged with or given notice of any material violation of, any applicable material domestic (federal, state or local) or foreign law, statute, ordinance, license, rule, regulation, policy or guideline, order, demand, writ, injunction, decree or judgment of any Governmental Entity, other than such noncompliance, defaults or violations that would not reasonably be expected to have a Material Adverse Effect. Except for statutory or regulatory restrictions of general application, no Governmental Entity has placed any material restriction on the business or properties of the Company or any Company Subsidiary.

(2) The Company and each Company Subsidiary are presently insured, and during each of the past five calendar years (or during such lesser period of time as the Company has owned such Company Subsidiary) have been insured, for reasonable amounts with financially sound and reputable insurance companies against such risks as companies engaged in a similar business would, in accordance with good business practice, customarily be insured.

(q) Labor. Employees of the Company and the Company Subsidiaries are not represented by any labor union nor are any collective bargaining agreements otherwise in effect with respect to such employees. No labor organization or group of employees of the Company or any Company Subsidiary has made a pending demand for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending or threatened to be brought or filed with the National Labor Relations Board or any other labor relations tribunal or authority. There are no organizing activities, strikes, work stoppages, slowdowns, lockouts, material arbitrations or material grievances, or other material labor disputes pending or threatened against or involving the Company or any Company Subsidiary.

(r) Company Benefit Plans.

(1) Except as has not had or would not reasonably be expected to have a Material Adverse Effect, (A) with respect to each Benefit Plan, the Company and the Company Subsidiaries have complied, and are now in compliance, in all respects, with all provisions of ERISA, the Code and all laws and regulations applicable to such Benefit Plan; and (B) each Benefit Plan has been administered in all respects in accordance with its terms. “*Benefit Plan*” means any employee welfare benefit plan within the meaning of Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended (“*ERISA*”), any employee pension benefit plan within the meaning of Section 3(2) of ERISA and any bonus, incentive, deferred compensation, vacation, stock purchase, stock option, severance, employment, change of control, consulting or fringe benefit plan, program, agreement or policy.

(2) Except as has not had or would not reasonably be expected to have a Material Adverse Effect, and except for liabilities fully reserved for or identified in the Financial Statements, and except as disclosed on the Disclosure Schedule, no claim has been made, or to the knowledge of the Company or any of the Company Subsidiaries threatened, against the Company or any of the Company Subsidiaries related to the employment and compensation of employees or any Benefit Plan, including without limitation any claim related to the purchase of employer securities or to expenses paid under any defined contribution pension plan.

(3) Except as has not had or would not reasonably be expected to have a Material Adverse Effect, neither the Company nor the Company Subsidiaries has incurred any withdrawal liability as a result of a complete or partial withdrawal from a “multiemployer plan”, as that term is defined in Part I of Subtitle E of Title IV of ERISA, that has not been satisfied in full.

(4) Except as would not reasonably be expected to have a Material Adverse Effect, (A) neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby will (i) result in any payment (including severance, unemployment compensation, “excess parachute payment” (within the meaning of Section 280G of the Code), forgiveness of indebtedness or otherwise) becoming due to any current or former employee, officer or director of the Company or any Company Subsidiary from the Company or any Company Subsidiary under any Benefit Plan or otherwise, (ii) increase any benefits otherwise payable under any Benefit Plan, (iii) result in any acceleration of the time of payment or vesting of any such benefits, (iv) require the funding or increase in the funding of any such benefits or (v) result in any limitation on the right of the Company or any Company Subsidiary to amend, merge, terminate or receive a reversion of assets from any Benefit Plan or related trust and (B) neither the Company nor any Company Subsidiary has taken, or permitted to be taken, any action that required, and no circumstances exist that will require the funding, or increase in the funding, of any benefits or resulted, or will result, in any limitation on the right of the Company or any Company Subsidiary to amend, merge, terminate or receive a reversion of assets from any Benefit Plan or related trust.

(s) Risk Management Instruments. All material derivative instruments, including, swaps, caps, floors and option agreements, whether entered into for the Company’s own account, or for the account of one or more of the Company Subsidiaries or their customers, were entered into (1) only in the ordinary course of business, (2) in accordance with prudent practices and in all material respects with all applicable laws, rules, regulations and regulatory policies and (3) with counterparties believed to be financially responsible at the time; and each of them constitutes the valid and legally binding obligation of the Company or one of the Company Subsidiaries, enforceable in accordance with its terms. Neither the Company or the Company Subsidiaries, nor, to the knowledge of the Company, any other party thereto, is in breach of any of its material obligations under any such agreement or arrangement.

(t) Agreements with Regulatory Agencies. Except as Previously Disclosed, neither the Company nor any

Company Subsidiary is subject to any cease-and-desist or other similar order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any capital directive by, or since December 31, 2005, has adopted any board resolutions at the request of, any Governmental Entity that currently restricts in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its liquidity and funding policies and practices, its ability to pay dividends, its credit, risk management or compliance policies, its internal controls, its management or its operations or business (each item in this sentence, a “*Regulatory Agreement*”), nor has the Company or any Company Subsidiary been advised since December 31, 2005 and until the date hereof by any Governmental Entity that it is considering issuing, initiating, ordering, or requesting any such Regulatory Agreement. The Company and each Company Subsidiary are in compliance in all material respects with each Regulatory Agreement to which it is party or subject, and neither the Company nor any Company Subsidiary has received any notice from any Governmental Entity indicating that either the Company or any Company Subsidiary is not in compliance in all material respects with any such Regulatory Agreement.

(u) Environmental Liability. There is no legal, administrative, arbitral or other proceeding, claim, action or notice of any nature seeking to impose, or that could result in the imposition of, on the Company or any Company Subsidiary, any liability or obligation of the Company or any Company Subsidiary with respect to any environmental health or safety matters or any private or governmental, health or safety investigations or remediation activities of any nature arising under common law or under any local, state or federal environmental, health or safety statute, regulation or ordinance, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (“*CERCLA*”), pending or, to the Company’s knowledge, threatened against the Company or any Company Subsidiary the result of which has had or would reasonably be expected to have a Material Adverse Effect; to the Company’s knowledge, there is no reasonable basis for, or circumstances that are reasonably likely to give rise to, any such proceeding, claim, action, investigation or remediation; and to the Company’s knowledge, neither the Company nor any Company Subsidiary is subject to any agreement, order, judgment, decree, letter or memorandum by or with any court, Governmental Entity or third party imposing any such environmental liability.

(v) Mortgage Banking Business. Except as has not had and would not reasonably be expected to have a Material Adverse Effect:

(1) The Company and each Company Subsidiary has complied with, and all documentation in connection with the origination, processing, underwriting and credit approval of any mortgage loan originated, purchased or serviced by the Company or any Company Subsidiary satisfied, (A) all applicable federal, state and local laws, rules and regulations with respect to the origination, insuring, purchase, sale, pooling, servicing, subservicing, or filing of claims in connection with mortgage loans, including all laws relating to real estate settlement procedures, consumer credit protection, truth in lending laws, usury limitations, fair housing, transfers of servicing, collection practices, equal credit opportunity and adjustable rate mortgages, (B) the responsibilities and obligations relating to mortgage loans set forth in any agreement between the Company or any Company Subsidiary and any Agency, Loan Investor or Insurer, (C) the applicable rules, regulations, guidelines, handbooks and other requirements of any Agency, Loan Investor or Insurer and (D) the terms and provisions of any mortgage or other collateral documents and other loan documents with respect to each mortgage loan; and

(2) No Agency, Loan Investor or Insurer has (A) claimed in writing that the Company or any Company Subsidiary has violated or has not complied with the applicable underwriting standards with respect to mortgage loans sold by the Company or any Company Subsidiary to a Loan Investor or Agency, or with respect to any sale of mortgage servicing rights to a Loan Investor, (B) imposed in writing restrictions on the activities (including commitment authority) of the Company or any Company Subsidiary or (B) indicated in writing to the Company or any Company Subsidiary that it has terminated or intends to terminate its relationship with the Company or any Company Subsidiary for poor performance, poor loan quality or concern with respect to the Company’s or any Company Subsidiary’s compliance with laws.

(3) For purposes of this Section 2.2(v):

(A) “*Agency*” shall mean the Federal Housing Administration, the Federal Home Loan Mortgage Corporation, the Farmers Home Administration (now known as Rural Housing and Community Development Services), the Federal National Mortgage Association, the Federal National Mortgage Association, the United States Department of Veterans’ Affairs, the Rural Housing Service of the U.S. Department of Agriculture or any other federal or state agency with authority to (i) authority to determine any investment, origination, lending or servicing requirements with regard to mortgage loans originated, purchased or serviced by the Company or any Company Subsidiary or (ii) originate, purchase, or service mortgage loans, or otherwise promote mortgage lending, including without limitation state and local housing finance authorities.

(B) “*Loan Investor*” shall mean any person (including an Agency) having a beneficial interest in any mortgage loan originated, purchased or serviced by the Company or any Company Subsidiary or a security backed by or representing an interest in any such mortgage loan; and

(C) “*Insurer*” means a person who insures or guarantees for the benefit of the mortgagee all or any portion of the risk of loss upon borrower default on any of the mortgage loans originated, purchased or serviced by the Company or any Company Subsidiary, including, the Federal Housing Administration, the United States Department of Veterans’ Affairs, the Rural Housing Service of the U.S. Department of Agriculture and any private mortgage insurer, and providers of hazard, title or other insurance with respect to such mortgage loans or the related collateral.

(w) Securitization Matters. (1) Except as disclosed in any Company Reports filed by the Company or any Company Subsidiary with the SEC prior to the date of this Agreement, the Company and each Company Subsidiary has timely filed all Company Reports required to be filed with any Governmental Entity in connection with any Company Sponsored Asset Securitization Transaction (the “Company Sponsored Asset Securitization Transaction”) and such reports, as of their respective dates, complied in all material respects with all statutes and applicable rules and regulations of the applicable Governmental Entities. With respect to each Company Securitization Trust, to the extent required by applicable law, an appropriate officer of the Company or a Company Subsidiary has certified to the SEC in the appropriate form required by the SEC pursuant to Item 601(b)(ii) of Regulation S-K of Regulation AB of the SEC. All assessments and attestations regarding servicing compliance pursuant to Item 1122 of Regulation AB of the SEC required to be delivered or filed by the Company or any Company Subsidiary have been timely and accurately filed, and no material instances of noncompliance have been identified in such assessments or attestations. With respect to each Company Securitization Trust, (A) neither the Company nor any Company Subsidiary nor, to the knowledge of the Company, any director, officer, employee, auditor, accountant or representative of the Company or any Company Subsidiary has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of any Company Securitization Trust or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that any Company Securitization Trust has engaged in questionable accounting or auditing practices, and (B) no attorney representing the Company, any Company Subsidiary or any Company Securitization Trust, whether or not employed by the Company or any Company Subsidiary, has reported evidence of a violation of securities laws, breach of fiduciary duty or similar violation by the Company or any of its officers, directors, employees or agents to the Board of Directors or any committee thereof or to any director or officer of the Company or any other authorized person.

(2) No event or condition exists which does now or with either notice or the passage of time would constitute a default, event of default, early redemption event, payout event, early amortization event or other similar event under any Company Securitization Document. No Adverse Development has occurred and is continuing in connection with any Company Securitization Trust. No event or condition exists which constitutes a Servicer Default or other similar event permitting the termination of the servicer under any of the Company Securitization Documents (a “*Servicer Default or Termination*”). The consummation of the transactions contemplated hereby shall not cause the occurrence of any Adverse Development or Servicer Default or Termination. Each Company Subsidiary which acts as a servicer, master servicer or trustee and, to the knowledge of the Company, each other party which acts as servicer, master servicer or trustee under the Company Securitization Documents has properly administered all accounts in accordance with the terms of the Company Securitization Documents and applicable law and the accountings for each such account in all material respects are true and correct and accurately reflect the assets of such account. The Company and each applicable Company Subsidiary has timely made all required advances in all Company Securitization Trusts for which it serves as servicer or master servicer or is otherwise required to make advances.

(3) No registration statement, prospectus, preliminary prospectus, free writing prospectus, term sheet, computational materials, or any report or schedule filed with or furnished to the SEC or any other Governmental Entity, or any amendments or supplements to any of the foregoing, utilized in connection with the offering of securities to the public, as of its effective date (in the case of a registration statement) or its issue date (in the case of any other such document) and as of the date on which the Company or any Company Subsidiary agreed to sell any such security to the public, contained any untrue statement of any material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

(4) To the knowledge of the Company, the issuer of any security issued in any Company Securitization Trust, and all such securities, meet the requirements for, and are entitled to, the Tax characterization or Tax treatment for federal, state or local income or franchise Tax purposes described in the related prospectus and prospectus supplement and applicable private placement memorandum, if any. To the knowledge of the Company, neither the Company nor any Company Subsidiary nor any trustee, master servicer, servicer or issuer with respect to any Company Asset Securitization Trust, has taken or failed to take any action which action or failure to act might adversely affect the intended Tax characterization or

Tax treatment for federal, state or local income or franchise Tax purposes of the issuer or any securities issued in any such Company Securitization Trust. To the knowledge of the Company, all federal, state and local income or franchise Tax and information returns and reports required to be filed by the issuer, master servicer, servicer or trustee relating to any Company Securitization Trust, and all Tax elections required to be made in connection therewith, have been properly and timely filed or made and are correct in all material respects.

(5) For purposes of this Section 2.2(w):

(A) “*Adverse Development*” means any event or condition which is or with either notice or the passage of time would (i) constitute a breach, default, event of default, early redemption event, payout event, early amortization event or other similar event under any Company Securitization Document or (ii) trigger any requirement under any Company Securitization Document to (x) fund an increase in any form of internal credit enhancement, external credit enhancement, spread account or similar account (other than with respect to spread accounts that have already been funded), (y) draw on any such internal or external credit enhancement or account under the terms of any Company Securitization Document or (z) otherwise increase any otherwise required credit enhancement required under the Company Securitization Documents; *provided, however*, that changes required by the Company Securitization Documents with respect to (i) the priority of payment of allocation of losses among classes of securities or (ii) amounts deposited in or withdrawn from any account held for the benefit of the related security holders shall not be deemed to constitute an “Adverse Development”.

(B) “*Company Securitization Documents*” includes each security issued by any Company Securitization Trust, and each loan sale agreement, pooling and servicing agreement, indenture, bond insurance agreement (and related policy), pool insurance agreement (and related policy), guarantee, swap or derivative contract, prospectus, offering circular, underwriting agreement, purchase agreement and each other material agreement related to any such security and each supplement, terms or pricing agreement or other agreement relating to the foregoing and each document required to be delivered in connection therewith.

(C) “*Company Securitization Trust*” means any trust or other special purpose vehicle created by the Company after December 31, 2005 for the purpose of issuing “asset backed securities” as such term is defined in Item 1100 (c) of Regulation AB of the SEC.

(D) “*Servicer Default*” means a servicer or master servicer default or similar event, as specified in the relevant pooling and servicing agreement, indenture or other Company Securitization Document, as the case may be.

(x) Anti-takeover Provisions Not Applicable. The Board of Directors has taken all necessary action to ensure that the transactions contemplated by this Agreement and any of the transactions contemplated hereby will be deemed to be exceptions to the provisions of Section 23B.19.040 of the Revised Code of Washington and Article X of the articles of incorporation of the Company, and that any other similar “moratorium,” “control share,” “fair price,” “takeover” or “interested shareholder” law does not and will not apply to this Agreement or to any of the transactions contemplated hereby.

(y) Rights Plan. The Company has taken all actions necessary to render the Rights Plan inapplicable to this Agreement and the transactions contemplated hereby, including the conversion or exercise of any of the Securities in accordance with their terms.

(z) Intellectual Property. The Company and the Company Subsidiaries own (free and clear of any claims, liens or encumbrances) or have a valid license to use all Intellectual Property used in or necessary to carry on their business as currently conducted. Neither the Company nor any such Company Subsidiary has received any notice of infringement of or conflict with, and to the Company’s knowledge, there are no infringements of or conflicts with, the rights of others with respect to the use of any Intellectual Property. To the knowledge of the Company, no Intellectual Property owned or licensed by the Company or any of the Company Subsidiaries is being used or enforced in a manner that would be expected to result in the abandonment, cancellation or unenforceability of such Intellectual Property, except for such infringement or violation as would not reasonably be expected to result in a Material Adverse Effect. “*Intellectual Property*” shall mean trademarks, service marks, brand names, certification marks, trade dress and other indications of origin, the goodwill associated with the foregoing and registrations in any jurisdiction of, and applications in any jurisdiction to register, the foregoing, including any extension, modification or renewal of any such registration or application; inventions, discoveries and ideas, whether patentable or not, in any jurisdiction; patents, applications for patents (including divisions, continuations, continuations in part and renewal applications), and any renewals, extensions or reissues thereof, in any jurisdiction; nonpublic information, trade secrets and confidential information and rights in any jurisdiction to limit the use or disclosure thereof by any person; writings and other works, whether copyrightable or not, in any jurisdiction; and registrations or applications for registration of copyrights in any jurisdiction, and any renewals or extensions thereof; and any similar intellectual property or proprietary

rights

(aa) Knowledge as to Conditions. As of the date of this Agreement, the Company knows of no reason why any regulatory approvals and, to the extent necessary, any other approvals, authorizations, filings, registrations, and notices required or otherwise a condition to the consummation of the transactions contemplated by this Agreement will not be obtained.

(bb) Brokers and Finders. Except for Goldman, Sachs & Co. and Lehman Brothers Inc., neither the Company nor any Company Subsidiary nor any of their respective officers or directors has employed any broker or finder or incurred any liability for any financial advisory fees, brokerage fees, commissions or finder's fees, and no broker or finder has acted directly or indirectly for the Company or any Company Subsidiary, in connection with this Agreement or the transactions contemplated hereby.

2.3 Representations and Warranties of the Investor. Except as Previously Disclosed, each Investor, severally and not jointly, hereby represents and warrants to the Company, as of the date of this Agreement and as of the Closing Date, that:

(a) Organization and Authority. Such Investor is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, is duly qualified to do business and is in good standing in all jurisdictions where its ownership or leasing of property or the conduct of its business requires it to be so qualified and where failure to be so qualified would be reasonably expected to materially adversely affect such Investor's ability to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis, and such Investor has the corporate or other power and authority and governmental authorizations to own its properties and assets and to carry on its business as it is now being conducted.

(b) Authorization. (1) Such Investor has the corporate or other power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution, delivery and performance of this Agreement by such Investor and the consummation of the transactions contemplated hereby have been duly authorized by the Investor's board of directors, general partner or managing members, as the case may be, and no further approval or authorization by any of its shareholders, partners or other equity owners, as the case may be, is required. This Agreement has been duly and validly executed and delivered by such Investor and assuming due authorization, execution and delivery by the Company, is a valid and binding obligation of such Investor enforceable against such Investor in accordance with its terms.

(2) Neither the execution, delivery and performance by such Investor of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance by such Investor with any of the provisions hereof, will (A) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or accelerate the performance required by, or result in a right of termination or acceleration of, or result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of such Investor under any of the terms, conditions or provisions of (i) its articles of incorporation or bylaws, its certificate of limited partnership or partnership agreement or its similar governing documents or (ii) any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which the Investor is a party or by which it may be bound, or to which such Investor or any of the properties or assets of such Investor may be subject, or (B) subject to compliance with the statutes and regulations referred to in the next paragraph, violate any law, statute, ordinance, rule or regulation, permit, concession, grant, franchise or any judgment, ruling, order, writ, injunction or decree applicable to such Investor or any of its properties or assets except in the case of clauses (A) (ii) and (B) for such violations, conflicts and breaches as would not reasonably be expected to materially adversely affect such Investor's ability to perform its obligations under this Agreement or consummate the transactions contemplated hereby on a timely basis.

(3) Other than as Previously Disclosed, and the securities or blue sky laws of the various states, no notice to, registration, declaration or filing with, exemption or review by, or authorization, order, consent or approval of, any Governmental Entity, nor expiration or termination of any statutory waiting period, is necessary for the consummation by such Investor of the transactions contemplated by this Agreement.

(c) Purchase for Investment. Such Investor acknowledges that the Securities have not been registered under the Securities Act or under any state securities laws. Such Investor (1) is acquiring the Securities pursuant to an exemption from registration under the Securities Act solely for investment with no present intention to distribute any of the Securities to any person, (2) will not sell or otherwise dispose of any of the Securities, except in compliance with the registration requirements or exemption provisions of the Securities Act and any other applicable securities laws, (3) has such knowledge and experience in financial and business matters and in investments of this type that it is capable of evaluating the merits and

risks of its investment in the Securities and of making an informed investment decision and (4) is an “accredited investor” (as that term is defined by Rule 501 of the Securities Act).

(d) Ownership. As of the date of this Agreement, such Investor and its Affiliates (other than any portfolio company with respect to which such Investor is not the party exercising control over investment decisions) are the owners of record or the Beneficial Owners of the number of shares of Common Stock or securities convertible into or exchangeable for Common Stock set forth opposite such Investor’s name in Schedule 1 to this Agreement.

(e) Financial Capability. Such Investor currently has or at Closing will have available funds necessary to consummate the Closing on the terms and conditions contemplated by this Agreement

(f) Knowledge as to Conditions. As of the date of this Agreement, such Investor knows of no reason why any regulatory approvals and, to the extent necessary, any other approvals, authorizations, filings, registrations, and notices required or otherwise a condition to the consummation of the transactions contemplated by this Agreement will not be obtained.

(g) Brokers and Finders. Neither such Investor nor its Affiliates or any of their respective officers or directors has employed any broker or finder or incurred any liability for any financial advisory fees, brokerage fees, commissions or finder’s fees, and no broker or finder has acted directly or indirectly for such Investor, in connection with this Agreement or the transactions contemplated hereby.

ARTICLE III

COVENANTS

3.1 Filings; Other Actions.

(a) Each Investor, on the one hand, and the Company, on the other hand, will cooperate and consult with the other and use reasonable best efforts to prepare and file all necessary documentation, to effect all necessary applications, notices, petitions, filings and other documents, and to obtain all necessary permits, consents, orders, approvals and authorizations of, or any exemption by, all third parties and Governmental Entities, and the expiration or termination of any applicable waiting periods, necessary or advisable to consummate the transactions contemplated by this Agreement, and to perform the covenants contemplated by this Agreement. Each party shall execute and deliver both before and after the Closing such further certificates, agreements and other documents and take such other actions as the other parties may reasonably request to consummate or implement such transactions or to evidence such events or matters. In particular, each Investor will use its reasonable best efforts to promptly obtain or submit, and the Company will cooperate as may reasonably be requested by such Investor to help such Investor promptly obtain or submit, as the case may be, as promptly as practicable, the approvals and authorizations of, filings and registrations with, and notifications to, or expiration or termination of any applicable waiting period, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “*HSR Act*”) or applicable competition or merger control laws of other jurisdictions, all notices to and, to the extent required by applicable law or regulation, consents, approvals or exemptions from bank regulatory authorities, for the transactions contemplated by this Agreement. Without limiting the foregoing, the Company and each Investor that is required to file a notification under the HSR Act in connection with the transactions contemplated by this Agreement shall prepare and file a Notification and Report Form pursuant to the HSR Act as promptly after the date of this Agreement. Without limiting the foregoing, each Investor which will upon the Closing own or be deemed to own more than 10% of the outstanding shares of Common Stock and be subject to a “control factor” (as such term is defined in 12 C.F.R. §574.4(c)) shall prepare and file, and cause any of its applicable Affiliates to prepare and file, with the Office of Thrift Supervision (the “*OTS*”), as promptly as practicable but in no event more than five business days after the date of this Agreement, a rebuttal of control submission with respect to the transactions contemplated by this Agreement, and shall use, and cause its Affiliates to use, all reasonable best efforts to obtain OTS approval and acceptance of such rebuttal as promptly as possible, including without limitation responding fully to all requests for additional information from the OTS, entering into one or more rebuttal of control agreements in the form set forth in 12 C.F.R. §574.100 and providing such other non-control and related commitments as the OTS may require as a condition to approving and accepting such rebuttal of control submission (in each case to the extent it has not done so prior to the date of this Agreement. Each Investor, with respect to the transactions applicable to it, and the Company will have the right to review in advance, and to the extent practicable each will consult with the other, in each case subject to applicable laws relating to the exchange of information, all the information relating to such other party, and any of their respective Affiliates, which appears in any filing made with, or written materials submitted to, any third party or any Governmental Entity in connection with the transactions to which it will be party contemplated by this Agreement. In exercising the foregoing right, each of the parties hereto agrees to act reasonably and as promptly as practicable. Each party hereto agrees to keep the other

party apprised of the status of matters referred to in this Section 3.1(a). Each Investor and the Company shall promptly furnish the other with copies of written communications received by it or its Subsidiaries from, or delivered by any of the foregoing to, any Governmental Entity in respect of the transactions contemplated by this Agreement (other than any portions thereof that relate to confidential supervisory matters).

(b) Unless this Agreement has been terminated pursuant to Section 5.1, the Company shall call a special meeting of its shareholders, as promptly as practicable following the later of (1) the Closing and (2) the 2008 annual meeting of its shareholders, to vote on proposals (collectively, the “*Shareholder Proposals*”) to (A) approve the conversion of the Convertible Preferred Stock into, and exercise of the Warrants for, Common Stock for purposes of Section 312.03 of the NYSE Listed Company Manual, and (B) amend the Company’s articles of incorporation to, among other things, increase the number of authorized shares of Common Stock to at least such number as shall be sufficient to permit the full conversion of the Convertible Preferred Stock into, and exercise of the Warrants for, Common Stock. The Board of Directors shall recommend to the Company’s shareholders that such shareholders vote in favor of the Shareholder Proposals. In connection with such meeting, the Company shall promptly prepare (and each Investor will reasonably cooperate with the Company to prepare) and file (but in no event more than ten business days after the date of this Agreement) with the SEC a preliminary proxy statement, shall use its reasonable best efforts to respond to any comments of the SEC or its staff and to cause a definitive proxy statement related to such shareholders’ meeting to be mailed to the Company’s shareholders not more than five business days after clearance thereof by the SEC, and shall use its reasonable best efforts to solicit proxies for such shareholder approval. The Company shall notify each Investor promptly of the receipt of any comments from the SEC or its staff and of any request by the SEC or its staff for amendments or supplements to such proxy statement or for additional information and will supply each Investor with copies of all correspondence between the Company or any of its representatives, on the one hand, and the SEC or its staff, on the other hand, with respect to such proxy statement. If at any time prior to such shareholders’ meeting there shall occur any event that is required to be set forth in an amendment or supplement to the proxy statement, the Company shall as promptly as practicable prepare and mail to its shareholders such an amendment or supplement. Each Investor and the Company agrees promptly to correct any information provided by it or on its behalf for use in the proxy statement if and to the extent that such information shall have become false or misleading in any material respect, and the Company shall as promptly as practicable prepare and mail to its shareholders an amendment or supplement to correct such information to the extent required by applicable laws and regulations. The Company shall consult with the Investors prior to filing any proxy statement, or any amendment or supplement thereto, and provide each Investor with a reasonable opportunity to comment thereon. In the event that the approvals necessary to permit the Convertible Preferred Stock and Warrants to be converted into or exercised for Common Stock are not obtained at such special shareholders meeting, the Company shall include a proposal to approve (and the Board of Directors shall recommend approval of) such issuance at a meeting of its shareholders no less than once in each subsequent six-month period beginning on July 1, 2008 until such approval is obtained or made.

(c) Each Investor, on the one hand, and the Company, on the other hand, agrees, upon request, to furnish the other party with all information concerning itself, its Affiliates, directors, officers, partners and shareholders and such other matters as may be reasonably necessary or advisable in connection with the proxy statement in connection with any such shareholders meeting and any other statement, filing, notice or application made by or on behalf of such other party or any of its Subsidiaries to any Governmental Entity in connection with the Closing and the other transactions contemplated by this Agreement.

(d) Unless this Agreement has been terminated pursuant to Section 5.1, each Investor hereby agrees that at any meeting of the shareholders of the Company held to vote on the Shareholder Proposals, however called, such Investor shall vote, or cause to be voted, all of the shares of Common Stock Beneficially Owned by such Investor and its Affiliates in favor of the Shareholder Proposals.

(e) In the event that the Shareholder Proposal to approve the conversion of the Convertible Preferred Stock into, and exercise of the Warrants for, Common Stock for purposes of Section 312.03 of the NYSE Listed Company Manual is approved by the Company’s shareholders, but the other Shareholder Proposal is not so approved, the Company shall negotiate in good faith with each Investor to provide promptly each Investor with the option of exchanging its Convertible Preferred Stock into (and to exchange its Warrants for securities exercisable for) depositary receipts for a junior participating preferred stock with rights as to voting, liquidation and dividends identical to those of Common Stock, all on such terms and conditions as the Company and such Investor may mutually agree.

(f) Olympic Partners shall take all actions reasonably necessary to enforce the obligations of each of the Sponsors, as defined in the Equity Financing Commitments to which Olympic Partners is a party.

3.2 Access, Information and Confidentiality

(a) From the date hereof, until the date when the Securities purchased pursuant to this Agreement and Beneficially Owned by an Investor represent less than 5% of the outstanding Common Stock (counting as shares owned by such Investor all shares into which shares of Convertible Preferred Stock or Warrants owned by such Investor are convertible or exercisable and assuming that to the extent such Investor shall purchase any additional shares of Common Stock, any later sales of Common Stock by such Investor shall be deemed to be shares other than Securities to the extent of such additional purchases) (the “*Qualifying Ownership Interest*”), the Company will permit such Investor to visit and inspect, at such Investor’s expense, the properties of the Company and the Company Subsidiaries, to examine the corporate books and to discuss the affairs, finances and accounts of the Company and the Company Subsidiaries with the principal officers of the Company, all upon reasonable notice and at such reasonable times and as often as such Investor may reasonably request. Any investigation pursuant to this Section shall be conducted during normal business hours and in such manner as not to interfere unreasonably with the conduct of the business of the Company, and nothing herein shall require the Company or any Company Subsidiary to disclose any information to the extent (i) prohibited by applicable law or regulation, (ii) that the Company reasonably believes such information to be competitively sensitive proprietary information (except to the extent such Investor provides assurances reasonably acceptable to the Company that such information shall not be used by the Investor or its Affiliates to compete with the Company and Company Subsidiaries), or (iii) that such disclosure would reasonably be expected to cause a violation of any agreement to which the Company or any Company Subsidiary is a party or would cause a risk of a loss of privilege to the Company or any Company Subsidiary (*provided* that the Company shall use commercially reasonable efforts to make appropriate substitute disclosure arrangements under circumstances where the restrictions in this clause (iii) apply). In the event, and to the extent, that, as a result of any change in applicable law or regulation or a judicial or administrative interpretation of applicable law or regulation, it is reasonably determined that the rights afforded pursuant to this Section 3.2 are not sufficient for purposes of the Department of Labor’s “plan assets” regulations, Investors and the Company shall cooperate in good faith to agree upon mutually satisfactory management access and information rights which satisfy such regulations.

(b) Each party to this Agreement will hold, and will cause its respective Affiliates and their directors, officers, employees, agents, consultants and advisors to hold, in strict confidence, unless disclosure to a regulatory authority is necessary or appropriate in connection with any necessary regulatory approval or unless disclosure is required by judicial or administrative process or, in the written opinion of its counsel, by other requirement of law or the applicable requirements of any regulatory agency or relevant stock exchange, all non-public records, books, contracts, instruments, computer data and other data and information (collectively, “*Information*”) concerning the other party furnished to it by such other party or its representatives pursuant to this Agreement (except to the extent that such information can be shown to have been (1) previously known by such party on a non-confidential basis, (2) in the public domain through no fault of such party or (3) later lawfully acquired from other sources by the party to which it was furnished), and neither party shall release or disclose such Information to any other person, except its auditors, attorneys, financial advisors, other consultants and advisors.

3.3 Conduct of the Business. Prior to the earlier of the Closing Date and the termination of this Agreement pursuant to Section 5.1 (the “*Pre-Closing Period*”), the Company shall, and shall cause each Company Subsidiary to, use commercially reasonable efforts to carry on its business in the ordinary course of business and use reasonable best efforts to maintain and preserve its and such Company Subsidiary’s business (including its organization, assets, properties, goodwill and insurance coverage) and preserve its business relationships with customers, strategic partners, suppliers, distributors and others having business dealings with it; *provided* that nothing in this sentence shall limit or require any actions that the Company’s Board of Directors may, in good faith, determine to be inconsistent with their duties or the Company’s obligations under applicable law. During the Pre-Closing Period, (i) the Company shall not declare or pay any dividend or distribution on the Common Stock (other than ordinary quarterly cash dividends declared prior to the date hereof to be paid in the first quarter of 2008 and regular quarterly cash dividends of not more than \$0.01 for each quarter thereafter) and (ii) if the Company takes any action that would require any antidilution adjustment to be made under the Preferred Stock Articles of Amendment as if issued on the date of this Agreement, the Company shall make appropriate adjustments with respect to each Investor such that such Investor will receive the benefit of such transaction as if the Securities to be purchased by such Investor at the Closing had been outstanding as of the date of such action.

ARTICLE IV

ADDITIONAL AGREEMENTS

4.1 Standstill Agreement. Each Investor agrees that until such time as such Investor no longer has a Qualifying Ownership Interest, without the prior written approval of the Company, neither such Investor nor any of its Affiliates will, directly or indirectly:

(a) in any way acquire, offer or propose to acquire or agree to acquire, Beneficial Ownership of any Voting Securities if such acquisition would result in such Investor and its Affiliates having Beneficial Ownership of 15% or more of

the outstanding shares of Common Stock of the Company (counting as shares owned by such Investor all shares into which shares of Convertible Preferred Stock owned by such Investor are convertible), other than solely as a result of the exercise of any rights or obligations set forth in this Agreement;

(b) enter into or agree, offer, propose or seek (whether publicly or otherwise) to enter into, or otherwise be involved in or part of, any acquisition transaction, merger or other business combination relating to all or part of the Company or any of the Company Subsidiaries or any acquisition transaction for all or part of the assets of the Company or any Company Subsidiary or any of their respective businesses;

(c) make, or in any way participate in, any "solicitation" of "proxies" (as such terms are defined under Regulation 14A under the Exchange Act, disregarding clause (iv) of Rule 14a-1(1)(2) and including any otherwise exempt solicitation pursuant to Rule 14a-2(b)) to vote, or seek to advise or influence any person or entity with respect to the voting of, any voting securities of the Company or any Company Subsidiary;

(d) call or seek to call a meeting of the shareholders of the Company or any of the Company Subsidiaries or initiate any shareholder proposal for action by shareholders of the Company or any of the Company Subsidiaries, form, join or in any way participate in a "group" (within the meaning of Section 13(d)(3) of the Exchange Act and the rules and regulations thereunder) with respect to any Voting Securities, or seek, propose or otherwise act alone or in concert with others, to influence or control the management, board of directors or policies of the Company or any Company Subsidiaries; or

(e) bring any action or otherwise act to contest the validity of this Section 4.1 or seek a release of the restrictions contained herein, or make a request to amend or waive any provision of this Section 4.1;

provided that without limiting each Investor's obligation under Section 3.1(d), nothing in this Section 4.1 shall prevent any Investor or its Affiliates from voting any Voting Securities then Beneficially Owned by such Investor or its Affiliates in any manner; *provided, further*, that nothing in clauses (b), (c) or (d) of this Section 4.1 shall apply to such Investor's Board Representative solely in his or her capacity as a director of the Company.

(f) For purposes of this Agreement, a person shall be deemed to 1) "*Beneficially Own*" any securities of which such person is considered to be a "*Beneficial Owner*" under Rule 13d-3 under the Exchange Act. For purposes of this Agreement, "*Voting Securities*" shall mean at any time shares of any class of capital stock of the Company that are then entitled to vote generally in the election of directors.

(g) Notwithstanding the foregoing, the parties hereby agree that nothing in this Section 4.1 shall apply to any portfolio company with respect to which such Investor is not the party exercising control over the decision to purchase Voting Securities; *provided* that such Investor does not provide to such entity any non-public information concerning the Company or any Company Subsidiary and such portfolio company is not acting at the request or direction of or in coordination with such Investor; and *provided, further*, that ownership of such shares is not attributed to such Investor under 12 C.F.R. Part 574.

4.2 Transfer Restrictions

(a) Restrictions on Transfer. Except as otherwise permitted in this Agreement, the Investors will not transfer, sell, assign or otherwise dispose of ("*Transfer*") any Securities acquired pursuant to this Agreement, except as follows: (1) following the eighteen-month anniversary of the Closing Date, each Investor may Transfer 1/18th of the Securities owned by such Investor per month; *provided* that, such Investor shall be entitled to Transfer any non-Transferred portion of such 1/18th amount during any later period; and (2) if the approval of the Shareholder Proposals shall not have been obtained by the six-month anniversary of the Closing Date, each Investor may Transfer (A) 50% of the Convertible Preferred Stock owned by such Investor during the six-month period commencing on such six-month anniversary and (B) the remaining 50% of the Convertible Preferred Stock owned by such Investor commencing on the first anniversary of the Closing Date; *provided* that, except for Transfers pursuant to Rule 144 under the Securities Act or a registered underwritten offering, the Investor must reasonably believe that any transferee in any such Transfer would not own more than 4.9% of the Common Stock of the Company after such Transfer unless being transferred to a person the Investor reasonably believes would upon such purchase be eligible to file a Schedule 13G in respect thereof. The Transfer restrictions set forth in this Section 4.2(a) shall terminate and be of no further force or effect on the third anniversary of the occurrence of the Closing Date.

(b) Permitted Transfers. Notwithstanding Section 4.2(a), each Investor shall be permitted to Transfer any

portion or all of its Securities at any time under the following circumstances:

(1) Transfers to (A) any Affiliate under common control with such Investor's ultimate parent entity, general partner or investment advisor of such Investor or (B) any limited partner or shareholder of such Investor, but in each case only if the transferee agrees in writing for the benefit of the Company (with a copy thereof to be furnished to the Company) to be bound by the terms of this Agreement (any such transferee shall be included in the term "Investor");

(2) Transfers pursuant to a merger, tender offer or exchange offer or other business combination, acquisition of assets or similar transaction or change of control involving the Company or any Company Subsidiaries; *provided* that such transaction has been approved by the Board of Directors. In order to facilitate Transfers into a tender or exchange offer permitted hereby, the Company agrees, to the fullest extent legally permitted, to effect an exercise of Warrants in accordance with the terms set forth in the Warrants and, notwithstanding the transfer restrictions contained in Section 4.2(a), permit the Investor to Transfer Warrants to a transferee conditioned upon such transferee exercising the Warrants in connection with such tender or exchange offer; and

(3) In the event that, as a result of any share repurchases, recapitalizations, redemptions or similar actions by the Company not caused by the Investor, an Investor reasonably determines, based on the advice of legal counsel and following consultation with the Company and, if the Company reasonably so requests, the OTS, that unless it disposes of all or a portion of its Securities, it or any of its Affiliates could reasonably be deemed to "control" the Company for purposes of 12 C.F.R. part 574 (or any successor provision), then the Investor shall be permitted to Transfer the portion of the Securities reasonably necessary to avoid such control determination; *provided* that any such Transfer may only be made in the manner described in the second proviso to Section 4.2(a).

(c) Hedging. Each Investor agrees that, during the one-year period following the Closing, it shall not, directly or indirectly, enter into any hedging agreement, arrangement or transaction, the value of which is based upon the value of any of the Securities purchased pursuant to this Agreement, except for transactions involving an index-based portfolio of securities that includes Common Stock (*provided* that the value of such Common Stock in such portfolio is not more than 5% of the total value of the portfolio of securities).

4.3 Governance Matters. (a) The Company will promptly cause one person nominated by TPG VI (the "*Board Representative*") to be elected or appointed to the Board of Directors, subject to satisfaction of all legal and governance requirements regarding service as a director of the Company and to the reasonable approval of the Governance Committee of the Board of Directors (such approval not to be unreasonably withheld or delayed). After such appointment, so long as the TPG Investors Beneficially Own at least 2% of the outstanding Common Stock (including for this purpose shares of Common Stock issuable upon conversion of the Convertible Preferred Stock and exercise of the Warrants acquired pursuant to this Agreement), the Company will be required to recommend to its shareholders the election of the Board Representative at the Company's annual meeting, subject to satisfaction of all legal and governance requirements regarding service as a director of the Company and to the reasonable approval of the Governance Committee of the Board of Directors (such approval not to be unreasonably withheld or delayed), to the Board of Directors. If the TPG Investors no longer Beneficially Own the minimum number of Securities specified in the prior sentence, TPG VI will have no further rights under Sections 4.3(a) through 4.3(d), including the right to have an observer attend meetings of the Board of Directors, and, at the written request of the Board of Directors, shall use all reasonable best efforts to cause its Board Representative to resign from the Board of Directors as promptly as possible thereafter. At the option of the Board Representative, the Board of Directors shall cause the Board Representative to be appointed to the Human Resources Committee of the Board of Directors (or any successor committee thereto).

(b) The Board Representative (including any successor nominee) duly selected in accordance with Section 4.3(a) shall, subject to applicable law, be the Company's and the Company's Governance Committee's nominee to serve on the Board of Directors. The Company shall use all reasonable best efforts to have the Board Representative elected as a director of the Company and the Company shall solicit proxies for each such person to the same extent as it does for any of its other nominees to the Board of Directors.

(c) Subject to Section 4.3(a), TPG VI shall have the power to designate the Board Representative's replacement upon the death, resignation, retirement, disqualification or removal from office of such director. The Board of Directors will use its reasonable best efforts to take all action required to fill the vacancy resulting therefrom with such person (including such person, subject to applicable law, being the Company's and the Company's Governance Committee's nominee to serve on the Board of Directors, using all reasonable best efforts to have such person elected as director of the Company and the Company soliciting proxies for such person to the same extent as it does for any of its other nominees to the Board of Directors).

(d) The Company further agrees that, from and after the Initial Closing Date, subject to the approval of the OTS, for so long as the TPG Investors Beneficially Own 2% or more of the outstanding shares of Common Stock (including for this purpose shares of Common Stock issuable upon conversion of the Convertible Preferred Stock or exercise of the Warrants), the Company shall invite a person designated by TPG VI (the "Observer") to attend all meetings of the Board of Directors in a nonvoting observer capacity. Each person designated pursuant to this Section 4.3(d) shall be required to satisfy all legal and governance requirements regarding service as a director of the Company and shall be subject to the reasonable approval of the Governance Committee of the Board of Directors (such approval not to be unreasonably withheld or delayed).

(e) The Board Representative shall be entitled to the same compensation and same indemnification in connection with his or her role as a director as the other members of the Board of Directors, and each Board Representative and Observer shall be entitled to reimbursement for documented, reasonable out-of-pocket expenses incurred in attending meetings of the Board of Directors or any committees thereof, to the same extent as the other members of the Board of Directors. The Company shall notify the Board Representative and Observer of all regular and special meetings of the Board of Directors and shall notify the Board Representative of all regular and special meetings of any committee of the Board of Directors of which the Board Representative is a member. The Company shall provide the Board Representative and the Observer with copies of all notices, minutes, consents and other materials provided to all other members of the Board of Directors concurrently as such materials are provided to the other members.

4.4 Legend. (a) The Investors agree that all certificates or other instruments representing the Securities subject to this Agreement will bear a legend substantially to the following effect:

(1) THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS.

(2) THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO TRANSFER AND OTHER RESTRICTIONS SET FORTH IN AN INVESTMENT AGREEMENT, DATED AS OF APRIL 7, 2008, COPIES OF WHICH ARE ON FILE WITH THE SECRETARY OF THE ISSUER.

(b) Upon request of an Investor, upon receipt by the Company of an opinion of counsel reasonably satisfactory to the Company to the effect that such legend is no longer required under the Securities Act and applicable state laws, the Company shall promptly cause clause (1) of the legend to be removed from any certificate for any Securities to be Transferred in accordance with the terms of this Agreement and clause (2) of the legend shall be removed upon the expiration of such transfer and other restrictions set forth in this Agreement. The Investor acknowledges that the Securities have not been registered under the Securities Act or under any state securities laws and agrees that it will not sell or otherwise dispose of any of the Securities, except in compliance with the registration requirements or exemption provisions of the Securities Act and any other applicable securities laws.

4.5 Reservation for Issuance. The Company will reserve that number of shares of Common Stock and Convertible Preferred Stock sufficient for issuance upon exercise or conversion of Securities owned at any time by the Investors without regard to any limitation on such conversion; *provided* that in the case of the Convertible Preferred Stock and Warrants, the Company will reserve such sufficient number of shares of Common Stock following the approval of the shareholders pursuant to Section 3.1(b).

4.6 Certain Transactions. The Company will not merge or consolidate into, or sell, transfer or lease all or substantially all of its property or assets to, any other party unless the successor, transferee or lessee party, as the case may be (if not the Company), expressly assumes the due and punctual performance and observance of each and every covenant and condition of this Agreement to be performed and observed by the Company.

4.7 Indemnity. (a) The Company agrees to indemnify and hold harmless each Investor and its Affiliates and each of their respective officers, directors, partners, members and employees, and each person who controls such Investor within the meaning of the Exchange Act and the regulations thereunder, to the fullest extent lawful, from and against any and all actions, suits, claims, proceedings, costs, losses, liabilities, damages, expenses (including reasonable attorneys' fees and disbursements), amounts paid in settlement and other costs (collectively, "Losses") arising out of or resulting from (1) any inaccuracy in or breach of the Company's representations or warranties in this Agreement or (2) the Company's breach of agreements or covenants made by the Company in this Agreement or (3) any action, suit, claim, proceeding or investigation

by any Governmental Entity, shareholder of the Company or any other person (other than the Company) relating to this Agreement or the transactions contemplated hereby (other than any Losses attributable to the acts, errors or omissions on the part of such Investor, but not including the transactions contemplated hereby).

(b) Each Investor, severally and not jointly, agrees to indemnify and hold harmless each of the Company and its Affiliates and each of their respective officers and directors, and each person who controls the Company within the meaning of the Exchange Act and the regulations thereunder, to the fullest extent lawful, from and against any and all Losses arising out of or resulting from (1) any inaccuracy in or breach of such Investor's representations or warranties in this Agreement or (2) such Investor's breach of agreements or covenants made by the Investor in this Agreement.

(c) A party entitled to indemnification hereunder (each, an "*Indemnified Party*") shall give written notice to the party indemnifying it (the "*Indemnifying Party*") of any claim with respect to which it seeks indemnification promptly after the discovery by such Indemnified Party of any matters giving rise to a claim for indemnification; *provided* that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 4.7 unless and to the extent that the Indemnifying Party shall have been actually prejudiced by the failure of such Indemnified Party to so notify such party. Such notice shall describe in reasonable detail such claim. In case any such action, suit, claim or proceeding is brought against an Indemnified Party, the Indemnified Party shall be entitled to hire, at its own expense, separate counsel and participate in the defense thereof; *provided, however*, that the Indemnifying Party shall be entitled to assume and conduct the defense thereof, unless the counsel to the Indemnified Party advises such Indemnifying Party in writing that such claim involves a conflict of interest (other than one of a monetary nature) that would reasonably be expected to make it inappropriate for the same counsel to represent both the Indemnifying Party and the Indemnified Party, in which case the Indemnified Party shall be entitled to retain its own counsel at the cost and expense of the Indemnifying Party (except that the Indemnifying Party shall only be liable for the legal fees and expenses of one law firm for all Indemnified Parties, taken together with respect to any single action or group of related actions). If the Indemnifying Party assumes the defense of any claim, all Indemnified Parties shall thereafter deliver to the Indemnifying Party copies of all notices and documents (including court papers) received by the Indemnified Party relating to the claim, and each Indemnified Party shall cooperate in the defense or prosecution of such claim. Such cooperation shall include the retention and (upon the Indemnifying Party's request) the provision to the Indemnifying Party of records and information that are reasonably relevant to such claim, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. The Indemnifying Party shall not be liable for any settlement of any action, suit, claim or proceeding effected without its written consent; *provided, however*, that the Indemnifying Party shall not unreasonably withhold or delay its consent. The Indemnifying Party further agrees that it will not, without the Indemnified Party's prior written consent (which shall not be unreasonably withheld or delayed), settle or compromise any claim or consent to entry of any judgment in respect thereof in any pending or threatened action, suit, claim or proceeding in respect of which indemnification has been sought hereunder unless such settlement or compromise includes an unconditional release of such Indemnified Party from all liability arising out of such action, suit, claim or proceeding.

(d) For purposes of the indemnity contained in Section 4.7(a)(1) and Section 4.7(b)(1), all qualifications and limitations set forth in such representations and warranties as to "materiality," "Material Adverse Effect" and words of similar import, shall be disregarded in determining whether there shall have been any inaccuracy or breach of any representations and warranties in this Agreement.

(e) The Company shall not be required to indemnify the Indemnified Parties pursuant to Section 4.7(a)(1), disregarding all qualifications or limitations set forth in such representation and warranties as to "materiality," "Material Adverse Effect" and words of similar import, (1) with respect to any claim for indemnification if the amount of Losses with respect to such claim are less than \$250,000 (any claim involving Losses less than such amount being referred to as a "*De Minimis Claim*") and (2) unless and until the aggregate amount of all Losses incurred with respect to all claims (other than De Minimis Claims) pursuant to Section 4.7(a)(1) exceed 0.75% of the aggregate purchase price paid by the TPG Investors for all Securities purchased pursuant to this Agreement (the "*Threshold Amount*"), in which event the Company shall be responsible for only the amount of such Losses in excess of the Threshold Amount. No Investor shall be required to indemnify the Indemnified Parties pursuant to Section 4.7(b)(1), disregarding all qualifications or limitations set forth in such representation and warranties as to "materiality," "Material Adverse Effect" and words of similar import, (1) with respect to any De Minimis Claim and (2) unless and until the aggregate amount of all Losses incurred with respect to all claims (other than De Minimis Claims) pursuant to Section 4.7(b)(1) exceed the Threshold Amount, in which event such Investor shall be responsible for only the amount of such Losses in excess of the Threshold Amount. The cumulative indemnification obligation of (1) the Company to any Investor and all of the Indemnified Parties affiliated with (or whose claims are permitted by virtue of their relationship with) such Investor or (2) an Investor to the Company and the Indemnified Parties affiliated with (or whose claims are permitted by virtue of their relationship with the) Company for inaccuracies in or breaches of representations and warranties shall in no event exceed the purchase price set forth opposite such Investor's name in Schedule 1 to this Agreement.

(f) Any claim for indemnification pursuant to this Section 4.7 for breach of any representation or warranty can only be brought on or prior to the second anniversary of the Closing Date; *provided* that if notice of a claim for indemnification pursuant to this Section 4.7 for breach of any representation or warranty is brought prior to such second anniversary, then the obligation to indemnify in respect of such breach shall survive as to such claim, until such claim has been finally resolved.

(g) The indemnity provided for in this Section 4.7 shall be the sole and exclusive monetary remedy of Indemnified Parties after the Closing for any inaccuracy of any representation or warranty or any other breach of any covenant or agreement contained in this Agreement; *provided* that nothing herein shall limit in any way any such party's remedies in respect of fraud by any other party in connection with the transactions contemplated hereby. No party to this Agreement (or any of its Affiliates) shall, in any event, be liable or otherwise responsible to any other party (or any of its Affiliates) for any consequential or punitive damages of such other party (or any of its Affiliates) arising out of or relating to this Agreement or the performance or breach hereof.

(h) No investigation by any Investor of the Company or by the Company of any Investor prior to or after the date hereof shall limit any Indemnified Party's exercise of any right hereunder or be deemed to be a waiver of any such right.

(i) Any indemnification payments pursuant to this Section 4.7 shall be treated as an adjustment to the purchase price for the Securities for U.S. federal income and applicable state and local Tax purposes, unless a different treatment is required by applicable law.

4.8 Exchange Listing. The Company shall promptly use its reasonable best efforts to cause the shares of Common Stock to be issued pursuant to this Agreement and the shares of Common Stock reserved for issuance pursuant to the conversion of the Convertible Preferred Stock and exercise of the Warrants to be approved for listing on the New York Stock Exchange, subject to official notice of issuance (and, in the case of the shares of Common Stock issuable upon conversion of the Convertible Preferred Stock and exercise of the Warrants, upon receipt of the approval of the Shareholder Proposals), as promptly as practicable, and in any event before the Closing if permitted by the rules of the New York Stock Exchange.

4.9 Registration Rights.

(a) Demand Registrations.

(1) Requests for Registration. At any time following the expiration of the transfer restrictions set forth in Section 4.2(a), if the Company has not filed, and caused to be effective and maintained the effectiveness of a "shelf" registration statement pursuant to Section 4.9(a)(3), Investors holding at least \$250 million based on expected public offering price of the Registrable Securities (on an as-converted basis) (the "*Initiating Investors*") may request in writing that the Company effect the registration of all or any part of the Registrable Securities (as defined below) held by the Investors which are then eligible for Transfer pursuant to Section 4.2 (a "*Registration Request*"). Promptly after its receipt of any Registration Request but no later than ten days after receipt of such Registration Request, the Company will give written notice of such request to the other Investors and any transferees, and will use its reasonable best efforts to register, in accordance with the provisions of this Agreement, all Registrable Securities that have been requested to be registered in the Registration Request or by the Investors or transferees by written notice to the Company given within fifteen business days after the date the Company has given such notice of the Registration Request; *provided* that, except for a Short-Form Registration of an unspecified amount of securities, with respect to an underwritten offering, the Company will not be required to effect a registration pursuant to this Section 4.9(a)(1) unless the value of Registrable Securities included in the Registration Request is at least \$100 million, or \$20 million in the case of a Short-Form Registration. The Company will pay all Registration Expenses incurred in connection with any registration pursuant to this Section 4.9(a). Any registration requested by the Investors pursuant to Section 4.9(a)(1) or 4.9(a)(3) is referred to in this Agreement as a "*Demand Registration*." For purposes of this Agreement, "*Registrable Securities*" means (i) all Common Stock, including Common Stock issued or issuable pursuant to the conversion of the Convertible Preferred Stock or exercise of the Warrants, (ii) all Convertible Preferred Stock, (iii) all Warrants and (iv) any equity securities issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clause (ii) or (iii) by way of conversion or exchange thereof or share dividend or share split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization. As to any particular securities constituting Registrable Securities, such securities will cease to be Registrable Securities when (w) a registration statement with respect to the sale by the holder thereof shall have been declared effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, (x) they have been sold to the public pursuant to Rule 144 or Rule 145 or other exemption from registration under the Securities Act, (y) they have been acquired by the Company or (z) they are able to be sold by the Investor or transferee holding such securities without restriction as to volume or manner of sale pursuant to Rule 144(k) under the Securities Act. In addition, for

purposes of this Agreement, “*Registration Statement*” means the prospectus and other documents filed with the SEC to effect a registration under the Securities Act.

(2) Limitation on Demand Registrations. The Investors will be entitled to initiate no more than six (6) Demand Registrations, and the Company will not be obligated to effect more than one Demand Registration in any six month period. Upon filing a Registration Statement, the Company will use its reasonable best efforts to keep such Registration Statement effective with the SEC at all times until the Investors or any transferee who would require such registration to effect a sale of the Registrable Securities no longer holds the Registrable Securities. No request for registration will count for the purposes of the limitations in this Section 4.9(a)(2) if (i) the Investors determine in good faith to withdraw the proposed registration prior to the effectiveness of the Registration Statement relating to such request due to marketing conditions or regulatory reasons relating to the Company (*provided* that this clause (i) shall cease to apply to any Investor that has previously withdrawn a proposed registration), (ii) the Registration Statement relating to such request is not declared effective within 180 days of the date such Registration Statement is first filed with the SEC (other than solely by reason of the Investors having refused to proceed or provide any required information for inclusion therein) and the Investors withdraw the Registration Request prior to such Registration Statement being declared effective, (iii) prior to the sale of at least 90% of the Registrable Securities included in the applicable registration relating to such request, such registration is adversely affected by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court for any reason and the Company fails to have such stop order, injunction or other order or requirement removed, withdrawn or resolved to the Investors’ reasonable satisfaction within thirty days of the date of such order, (iv) more than 25% of the Registrable Securities requested by the Investors to be included in the registration are not so included pursuant to Section 4.9(a)(6), or (v) the conditions to closing specified in the underwriting agreement or purchase agreement entered into in connection with the registration relating to such request are not satisfied (other than as a result of a material default or breach thereunder by the Investors). Notwithstanding the foregoing, the Company will pay all Registration Expenses in connection with any request for registration pursuant to Section 4.9(a)(1) regardless of whether or not such request counts toward the limitation set forth above.

(3) Short-Form Registrations. Prior to the expiration of the transfer restrictions set forth in Section 4.2(a), the Company will use its reasonable best efforts to qualify for registration on, and will promptly file, Form S-3 or any comparable or successor form or forms or any similar short-form registration (“*Short-Form Registration*”), and such Short-Form Registration will be a “shelf” registration statement providing for the registration, and the sale on a continuous or delayed basis, of the Registrable Securities pursuant to Rule 415. In no event shall the Company be obligated to effect any shelf other than pursuant to a Short-Form Registration. Upon filing a Short-Form Registration, the Company will, if applicable, use its reasonable best efforts to cause such Short-Form Registration Statement to be declared effective, will keep such Short-Form Registration effective with the SEC at all times and any Short-Form Registration shall be re-filed upon its expiration, and shall cooperate in any shelf take-down by amending or supplementing the prospectus statement related to such Short-Form Registration as may be requested by the Investor or any transferees or as otherwise required, until the Investor or any transferees who would require such registration to effect a sale of the Registrable Securities no longer hold the Registrable Securities, regardless of whether or not the transfer restrictions set forth in Section 4.2(a) have expired or terminated; *provided* that no Investor or transferee may be permitted to sell under such “shelf” registration statement during such times as the trading window is not open for Company senior management in accordance with the Company’s policies. The Company will pay all Registration Expenses incurred in connection with any Short-Form Registration. The Company shall use its commercially reasonable efforts to take such actions as are under its control to remain a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)).

(4) Restrictions on Demand Registrations. If the filing, initial effectiveness or continued use of a registration statement, other than a shelf registration statement pursuant to Rule 415, with respect to a Demand Registration would require the Company to make a public disclosure of material non-public information, which disclosure in the good faith judgment of the Board of Directors (i) would be required to be made in any Registration Statement so that such Registration Statement would not be materially misleading, (ii) would not be required to be made at such time but for the filing, effectiveness or continued use of such Registration Statement, (iii) would in the good faith judgment of the Board of Directors reasonably be expected to adversely affect the Company or its business if made at such time or (iv) reasonably be expected to interfere with the Company’s ability to effect a planned or proposed acquisition, disposition, financing, reorganization, recapitalization or similar transaction, then the Company may upon giving prompt written notice of such action to the participants in such registration (each of whom hereby agrees to maintain the confidentiality of all information disclosed to such participants) delay the filing or initial effectiveness of, or suspend use of, such Registration Statement; *provided* that the Company shall not be permitted to do so (x) for more than 60 days for a given occurrence of such a circumstance, (y) more than three times during any twelve-month period or (z) for periods exceeding, in the aggregate, 90 days during any twelve-month period. In the event the Company exercises its rights under the preceding sentence, the Investors or such transferees agree to suspend, promptly upon its receipt of the notice referred to above, its use of any

prospectus relating to such registration in connection with any sale or offer to sell Registrable Securities. If the Company so postpones the filing of a prospectus or the effectiveness of a Registration Statement, the Investors will be entitled to withdraw such request and, if such request is withdrawn, such registration request will not count for the purposes of the limitation set forth in Section 4.9(a)(2). The Company will pay all Registration Expenses incurred in connection with any such aborted registration or prospectus.

(5) Selection of Underwriters. If the Initiating Investors intend that the Registrable Securities covered by the Registration Request shall be distributed by means of an underwritten offering, the Initiating Investors will so advise the Company as a part of the Registration Request, and the Company will include such information in the notice sent by the Company to the Investors and any transferees with respect to such Registration Request. In such event, the lead underwriter to administer the offering will be chosen by the Company, subject to the prior written consent of the participating Investors selling a majority of the securities to be sold by the Investors in such offering, not to be unreasonably withheld or delayed. If the offering is underwritten, the right of any Investor or transferee to registration pursuant to this Section 4.9(a) will be conditioned upon such Investor or transferee's participation in such underwriting and the inclusion of such Investor's or transferee's Registrable Securities in the underwriting, and each such Investor or transferee will (together with the Company, the participating Investors and any other transferees distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting. If any Investor or transferee disapproves of the terms of the underwriting, such Investor or transferee may elect to withdraw therefrom by written notice to the Company, the managing underwriter and the Initiating Investors.

(6) Priority on Demand Registrations. The Company will not include in any underwritten registration pursuant to this Section 4.9(a) any securities that are not Registrable Securities, without the prior written consent of the Initiating Investors. If the managing underwriters advise the Company that in their reasonable opinion the number of Registrable Securities (and, if permitted hereunder, other securities requested to be included in such offering) exceeds the number of securities that can be sold in such offering without adversely affecting the marketability of the offering (including an adverse effect on the per share offering price), the Company will include in such offering only such number of securities that in the reasonable opinion of such managing underwriters can be sold without adversely affecting the marketability of the offering (including an adverse effect on the per share offering price), which securities will be so included in the following order of priority: (i) first, Registrable Securities of the participating Investors (including the Initiating Investors), pro rata (if applicable), based on the number of Registrable Securities owned by each such Investor, (ii) second, Registrable Securities of any transferee who have delivered written requests for registration pursuant to Section 4.9(a)(1), pro rata on the basis of the aggregate number of Registrable Securities owned by each such person, and (iii) third, any other securities of the Company that have been requested to be so included, subject to the terms of this Agreement.

(7) Effective Registration Statement. A registration requested pursuant to Section 4.9(a)(1) shall not be deemed to have been effected unless it is declared effective by the SEC or is automatically effective upon filing pursuant to Rule 462 of the Securities Act and remains effective for the period specified in Section 4.9(a)(2).

(b) Piggyback Registrations.

(1) Right to Piggyback. Whenever the Company proposes to register any of its securities, other than a registration pursuant to Section 4.9(a)(1) or a Special Registration (as defined below), and the registration form to be filed may be used for the registration or qualification for distribution of Registrable Securities, the Company will give prompt written notice to the Investors and all transferees of its intention to effect such a registration (but in no event less than 10 days prior to the anticipated filing date) and, subject to Section 4.9(a)(4), will include in such registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten business days after the date of the Company's notice (a "Piggyback Registration"). Any such person that has made such a written request may withdraw its Registrable Securities from such Piggyback Registration by giving written notice to the Company and the managing underwriter, if any, on or before the fifth business day prior to the planned effective date of such Piggyback Registration. The Company may terminate or withdraw any registration under this Section 4.9(b)(1) prior to the effectiveness of such registration, whether or not the Investors or any transferees have elected to include Registrable Securities in such registration. "Special Registration" means the registration of (i) equity securities and/or options or other rights in respect thereof solely registered on Form S-4 or Form S-8 (or successor form) or (ii) shares of equity securities and/or options or other rights in respect thereof to be offered to directors, members of management, employees, consultants, customers, lenders or vendors of the Company or its direct or indirect Subsidiaries or in connection with dividend reinvestment plans.

(2) Underwritten Registration. If the registration referred to in Section 4.9(b)(1) is proposed to be underwritten, the Company will so advise the Investors and any transferees as a part of the written notice given pursuant to Section 4.9(b)(1). In such event, the right of the Investors or any transferees to registration pursuant to this Section 4.9(b) will be conditioned upon such persons' participation in such underwriting and the inclusion of such person's Registrable

Securities in the underwriting, and each such person will (together with the Company and the other persons distributing their securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company. If any participating person disapproves of the terms of the underwriting, such person may elect to withdraw therefrom by written notice to the Company, the managing underwriter and the Investors.

(3) Piggyback Registration Expenses. The Company will pay all Registration Expenses in connection with any Piggyback Registration, whether or not any registration or prospectus becomes effective or final.

(4) Priority on Primary Registrations. If a Piggyback Registration relates to an underwritten primary offering on behalf of the Company, and the managing underwriters advise the Company that in their reasonable opinion the number of securities requested to be included in such registration exceeds the number which can be sold without adversely affecting the marketability of such offering (including an adverse effect on the per share offering price), the Company will include in such registration or prospectus only such number of securities that in the reasonable opinion of such underwriters can be sold without adversely affecting the marketability of the offering (including an adverse effect on the per share offering price), which securities will be so included in the following order of priority: (i) first, the securities the Company proposes to sell, (ii) second, Registrable Securities of the Investors and any transferees who have requested registration of Registrable Securities pursuant to Sections 4.9(a) or 4.9(b), pro rata on the basis of the aggregate number of such securities or shares owned by each such person and (iii) third, any other securities of the Company that have been requested to be so included, subject to the terms of this Agreement.

(c) Registration Procedures. Subject to Section 4.9(a)(4), whenever the Investor or any transferees of Registrable Securities have requested that any Registrable Securities be registered pursuant to Section 4.9(a) or 4.9(b) of this Agreement, the Company will use its reasonable best efforts to effect the registration and sale of such Registrable Securities as soon as reasonably practicable in accordance with the intended method of disposition thereof and pursuant thereto. The Company shall use its reasonable best efforts to as expeditiously as possible:

(1) prepare and file with the SEC a Registration Statement with respect to such Registrable Securities, make all required filings with the National Association of Securities Dealers and the Financial Industry Regulatory Authority and thereafter use its reasonable best efforts to cause such Registration Statement to become effective as soon as reasonably practicable and to remain effective as provided herein, *provided* that before filing a Registration Statement or any amendments or supplements thereto, the Company will, at the Company's expense, furnish or otherwise make available to the Holders' Counsel copies of all such documents proposed to be filed and such other documents reasonably requested by such counsel, which documents will be subject to review and comment of such counsel at the Company's expense, including any comment letter from the SEC with respect to such filing or the documents incorporated by reference therein, and if requested by such counsel, provide such counsel reasonable opportunity to participate in the preparation of such Registration Statement and such other opportunities to conduct a reasonable investigation within the meaning of the Securities Act, including reasonable access to the Company's financial books and records, officers, accountants and other advisors;

(2) prepare and file with the SEC such amendments and supplements to such Registration Statement as may be necessary to keep such Registration Statement effective for a period of either (A) not less than (i) six months, (ii) if such Registration Statement relates to an underwritten offering, such longer period as, based upon the opinion of counsel for the underwriters, a prospectus is required by law to be delivered in connection with sales of Registrable Securities by an underwriter or dealer or (iii) continuously in the case of shelf registration statements and any shelf registration statement shall be re-filed upon its expiration (or in each case such shorter period ending on the date that the securities covered by such shelf registration statement cease to constitute Registrable Securities) or (B) such shorter period as will terminate when all of the securities covered by such Registration Statement have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such Registration Statement (but in any event not before the expiration of any longer period required under the Securities Act), and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement until such time as all of such securities have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such Registration Statement, and cause the related prospectus to be supplemented by any prospectus supplement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of the securities covered by such Registration Statement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provisions then in force) under the Securities Act;

(3) furnish to each seller of Registrable Securities, and each managing underwriter, if any, such number of copies, without charge, of such Registration Statement, each amendment and supplement thereto, including each preliminary prospectus, final prospectus, any other prospectus (including any prospectus filed under Rule 424, Rule 430A or Rule 430B under the Securities Act and any "issuer free writing prospectus" as such term is defined under Rule 433 promulgated under

the Securities Act), all exhibits and other documents filed therewith and such other documents as such seller or such managing underwriter may reasonably request including in order to facilitate the disposition of the Registrable Securities owned by such seller, and upon request a copy of any and all transmittal letters or other correspondence to or received from, the SEC or any other Governmental Entity relating to such offer;

(4) register or qualify (or exempt from registration or qualification) such Registrable Securities, and keep such registration or qualification (or exemption therefrom) effective, under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests and do any and all other acts and things that may be reasonably necessary or reasonably advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (*provided* that the Company will not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subsection, (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

(5) notify each seller of such Registrable Securities, the Holders' Counsel and the managing underwriter(s), if any, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, upon discovery that, or upon the discovery of the happening of any event that makes any statement made in the Registration Statement or related prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires the making of any changes in such Registration Statement, prospectus or documents and, as soon as reasonably practicable (but subject to the delay provisions of Section 4.9(a)(4)), prepare and furnish to such seller a reasonable number of copies of a supplement or amendment to such prospectus so that, in the case of the Registration Statement, it will not contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, not misleading, and that in the case of any prospectus, it will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statement therein, in light of the circumstances in which they were made, not misleading;

(6) notify each seller of any Registrable Securities covered by such Registration Statement, the Holders' Counsel and the managing underwriter(s), if any, (i) when such Registration Statement or the prospectus or any prospectus supplement or post-effective amendment has been filed and, with respect to such Registration Statement or any post-effective amendment, when the same has become effective, (ii) of any request by the SEC for amendments or supplements to such Registration Statement or to amend or to supplement such prospectus or for additional information, (iii) of the issuance by the SEC of any stop order suspending the effectiveness of such Registration Statement or the initiation of any proceedings for any of such purposes, (iv) if at any time the representations and warranties of the Company contained in any underwriting agreement contemplated by Section 4.9(c)(11) below cease to be true and correct, and (v) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any proceeding for such purpose;

(7) upon the occurrence of an event contemplated in Section 4.9(c)(5) or in Section 4.9(c)(6)(ii), (c)(6)(iii), (c)(6)(iv) or (c)(6)(v) (but subject to the delay provisions of Section 4.9(a)(4)), prepare a supplement or amendment to the Registration Statement or supplement to the related prospectus or any document incorporated or deemed to be incorporated therein by reference, or file any other required document so that such prospectus as thereafter delivered to the sellers of such Registrable Securities will not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading in the light of the circumstances under which they were made;

(8) cause all such Registrable Securities to be listed on each securities exchange on which similar securities issued by the Company are then listed or, if no similar securities issued by the Company are then listed on any securities exchange, use its reasonable best efforts to cause all such Registrable Securities to be listed on the New York Stock Exchange or the NASDAQ stock market, as determined by the Company;

(9) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such Registration Statement;

(10) enter into such customary agreements (including underwriting agreements and, subject to Section 4.9(g), lock-up agreements in customary form, and including provisions with respect to indemnification and contribution in customary form) and take all such other customary actions as the Investor, the participating transferees or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (including, making members of management and executives of the Company available to participate in "road show," similar sales events and other marketing activities; *provided* that the Company shall not be required to make members of management and executives of the Company so available for more than five consecutive days or more than 10 days in any 365 day period);

(11) in connection with any underwritten offering, make such representations and warranties to the sellers and the managing underwriter(s), if any, with respect to the business of the Company and the Company Subsidiaries, and the Registration Statement, prospectus, and documents incorporated or deemed to be incorporated by reference therein, in each case, in form, substance and scope as are customarily made by the issuer in underwritten offerings, and, if true, make customary confirmations of the same if and when requested;

(12) if requested by any seller of Registrable Securities, or the managing underwriter(s), if any, promptly include in a prospectus supplement or amendment such information as the seller or managing underwriter(s), if any, may reasonably request in order to permit the intended method of distribution of such securities and make all required filings of such prospectus supplement or such amendment as soon as practicable after the Company has received such request;

(13) in the case of certificated Registrable Securities, cooperate with the sellers of such Registrable Securities and the managing underwriter(s), if any, to facilitate the timely preparation and delivery of certificates (not bearing any legends) representing Registrable Securities to be sold after receiving written representations from each seller that the Registrable Securities represented by the certificates so delivered by such seller will be transferred in accordance with the Registration Statement, and enable such Registrable Securities to be in such denominations and registered in such names as the sellers or managing underwriters, if any, may request at least two business days prior to any sale of Registrable Securities;

(14) make available for inspection by any seller of Registrable Securities and the Holders' Counsel, any underwriter participating in any disposition pursuant to such Registration Statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and documents relating to the business of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such Registration Statement, *provided* that it shall be a condition to such inspection and receipt of such information that the inspecting person (i) enter into a confidentiality agreement in form and substance reasonably satisfactory to the Company and (ii) agree to minimize the disruption to the Company's business in connection with the foregoing;

(15) otherwise use its reasonable best efforts to comply with all applicable rules and regulations of the SEC and any applicable national securities exchange;

(16) timely provide to its security holders earning statements satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(17) in the event of the issuance of any stop order suspending the effectiveness of a Registration Statement, or of any order suspending or preventing the use of any related prospectus or ceasing trading of any securities included in such Registration Statement for sale in any jurisdiction, use every reasonable effort to promptly obtain the withdrawal of such order;

(18) obtain one or more comfort letters, addressed to the underwriters, if any, dated the effective date of such Registration Statement and the date of the closing under the underwriting agreement for such offering, signed by the Company's independent public accountants (and if necessary, any other independent certified public accountants of any business acquired by the Company for which financial statements and financial data are, or are required to be, included in the Registration Statement) in customary form and covering such matters of the type customarily covered by comfort letters as such underwriters shall reasonably request;

(19) provide legal opinions of the Company's counsel, addressed to the underwriters, if any, dated the date of the closing under the underwriting agreement, with respect to the Registration Statement, each amendment and supplement thereto (including the preliminary prospectus) and such other documents relating thereto as the underwriter shall reasonably request in customary form and covering such matters of the type customarily covered by legal opinions of such nature; and

(20) obtain any required regulatory or shareholder approval necessary for the Investor or any transferee to sell its Registrable Securities in an offering.

(21) As a condition to registering Registrable Securities, the Company may require each Investor and transferee holding Registrable Securities as to which any registration is being effected to furnish the Company with such information regarding such person and pertinent to the disclosure requirements relating to the registration and the distribution of such securities as the Company may from time to time reasonably request in writing.

(d) Registration Expenses.

(1) Except as otherwise provided in this Agreement, all expenses incidental to the Company's performance of or compliance with this Agreement, including all registration and filing fees, fees and expenses of compliance with securities or blue sky laws, word processing, duplicating and printing expenses, messenger, telephone and delivery expenses, expenses incurred in connection with any road show, and fees and disbursements of counsel for the Company and all independent certified public accountants and other persons retained by the Company (all such expenses, "*Registration Expenses*"), will be borne by the Company. The Company will, in any event, pay its internal expenses (including all salaries and expenses of its officers and employees performing legal or accounting duties), the expenses of any annual audit or quarterly review, the expenses of any liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange on which similar securities issued by the Company are then listed or on the New York Stock Exchange or the NASDAQ stock market. The holders of the securities so registered shall pay all underwriting discounts, selling commissions and transfer taxes applicable to the sale of Registrable Securities hereunder and any other Registration Expenses required by law to be paid by a selling holder *pro rata* on the basis of the amount of proceeds from the sale of their shares so registered.

(2) In connection with each Demand Registration and each Piggyback Registration, the Company will reimburse the Sellers of Registrable Securities for the reasonable fees and disbursements of their counsel ("*Holders' Counsel*").

(e) Participation in Underwritten Registrations.

(1) None of the Investors or any transferee may participate in any registration hereunder that is underwritten unless such person (i) agrees to sell its Registrable Securities on the basis provided in the underwriting arrangements in customary form entered into pursuant to this Agreement (including pursuant to the terms of any over-allotment or "green shoe" option requested by the managing underwriter(s), *provided* that no such person will be required to sell more than the number of Registrable Securities that such person has requested the Company to include in any registration), (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements, *provided* that such person shall not be required to make any representations or warranties other than those related to title and ownership of shares and as to the accuracy and completeness of statements made in a Registration Statement, prospectus, offering circular, or other document in reliance upon and in conformity with written information furnished to the Company or the managing underwriter(s) by such person, and (iii) cooperates with the Company's reasonable requests in connection with such registration or qualification (it being understood that the Company's failure to perform its obligations hereunder, which failure is caused by such person's failure to cooperate with such reasonable requests, will not constitute a breach by the Company of this Agreement). Notwithstanding the foregoing, the liability of any Investor or transferee participating in such an underwritten registration shall be limited to an amount equal to the amount of gross proceeds attributable to the sale of such person's Registrable Securities.

(2) Each person that is participating in any registration hereunder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 4.9(c)(5) and (c)(6), such person will forthwith discontinue the disposition of its Registrable Securities pursuant to the Registration Statement until such person receives copies of a supplemented or amended prospectus as contemplated by such Section 4.9(c)(5), (c)(6) and (c)(7). In the event the Company gives any such notice, the applicable time period mentioned in Section 4.9(c)(2) during which a Registration Statement is to remain effective will be extended by the number of days during the period from and including the date of the giving of such notice pursuant to this Section 4.9(e)(2) to and including the date when each seller of a Registrable Security covered by such Registration Statement will have received the copies of the supplemented or amended prospectus contemplated by Section 4.9(c)(5), (c)(6) and (c)(7).

(f) Rule 144. The Company will use its reasonable best efforts to timely file all reports and other documents required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder (or, if the Company is not required to file such reports, it will, upon the request of an Investor or transferee, make publicly available such information as necessary to permit sales pursuant to Rule 144 or Regulation S under the Securities Act), and it will take such further action as any Investor or transferee may reasonably request, to the extent required from time to time to enable such person to sell shares of Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (i) Rule 144 or Regulation S under the Securities Act, as such rules may be amended from time to time, or (ii) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any Investor or transferee, the Company will deliver to such person a written statement as to whether it has complied with such information requirements, and, if not, the specifics thereof.

(g) **Holdback.** In consideration for the Company agreeing to its obligations under this Agreement, each Investor (and any transferee) agrees in connection with any registration of the Company's securities (whether or not such person is participating in such registration) upon the request of the Company and the underwriters managing any underwritten offering of the Company's securities, not to effect (other than pursuant to such registration) any public sale or distribution of Registrable Securities, including any sale pursuant to Rule 144 or Rule 144A, or make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any Registrable Securities, any other equity securities of the Company or any securities convertible into or exchangeable or exercisable for any equity securities of the Company without the prior written consent of the Company or such underwriters, as the case may be, during the Holdback Period; *provided* that nothing herein will prevent any such holder that is a partnership or corporation from making a distribution of Registrable Securities to the partners or shareholders thereof or a transfer to an Affiliate that is otherwise in compliance with applicable securities laws, so long as such distributees or transferees agree to be bound by the restrictions set forth in this Section 4.9(g). With respect to such underwritten offering of Registrable Securities covered by a registration pursuant to Section 4.9(a) or 4.9(b), the Company further agrees not to effect (other than pursuant to such registration or pursuant to a Special Registration) any public sale or distribution, or to file any Registration Statement (other than such registration or a Special Registration) covering any of its equity securities, or any securities convertible into or exchangeable or exercisable for such securities, during the Holdback Period with respect to such underwritten offering, if required by the managing underwriter. "*Holdback Period*" means, with respect to any registered offering covered by this Agreement, (1) 90 days after and during the ten days before, the effective date of the related Registration Statement or, in the case of a takedown from a shelf registration statement, 90 days after the date of the prospectus supplement filed with the Commission in connection with such takedown and during such prior period (not to exceed ten days) as the Company has given reasonable written notice to the holder of Registrable Securities or (2) such shorter period as the Investor, the Company and the underwriter of such offering, if any, shall agree.

4.10 **Articles of Amendment.** In connection with the Closing, the Company shall file the Preferred Stock Articles of Amendment for the Convertible Preferred Stock in the form attached to this Agreement as Exhibit A in the State of Washington, and such Preferred Stock Articles of Amendment shall continue to be in full force and effect as of the Closing Date.

4.11 **Reset.**

(a) If, from the date hereof until the date that is eighteen months after the Closing Date:

(1) the Company issues or sells, or agrees to issue or sell, more than \$500 million of Common Stock (or other securities that are convertible into or exchangeable or exercisable for, or are otherwise linked to, Common Stock) at a purchase (or reference, implied, conversion, exchange or comparable) price (the "*New Issuance Price*") per share less than the Reference Purchase Price (a "*Reset Issuance*"), or

(2) there occurs any Fundamental Change in which the Underlying Security Price (together with the New Issuance Price, the "*Reset Price*") is less than the Reference Purchase Price (a "*Triggering Fundamental Change*" and, together with a Reset Issuance, a "*Reset Event*").

then, on the earlier of (A) the second business day after the closing of any Reset Issuance and (B) the date of the occurrence of a Triggering Fundamental Change (or, if later, on the Closing Date, or, if later, on the second business day following the later of (x) the average price calculation specified below in this Section 4.11 and (y) the shareholder approval specified below in this Section 4.11, if and as applicable), the Company shall make a payment to each Investor (the "*Reset Payment*"), equal to the product of (i) an amount equal to the (z) Reference Purchase Price minus the Reset Price, divided by (y) the Reference Purchase Price multiplied by (ii) the aggregate amount paid by such Investor pursuant to Article I (including, (1) if any Warrant has been exercised by such Investor prior to such date, the aggregate exercise price paid by such Investor for the Warrant shares and (2) if any Warrant has been exchanged for convertible preferred stock by such Investor prior to such date, the value of Warrant as calculated pursuant to the terms of the Warrant), grossed up as required to compensate each Investor for any diminution in value in the Securities resulting from such Reset Payment; *provided* that the Company may, at its option and as an alternative to making all or any portion of such Reset Payment, instead pay the Reset Payment due each Investor by delivering to such Investor shares of Common Stock valued at the lower of the Market Price of a share of Common Stock as of (x) the last trading day prior to the date on which this payment occurs or (y) the first date of the announcement of the Reset Issuance or the Preliminary Fundamental Change that resulted in a Triggering Fundamental Change, but solely to the extent that any such issuance of shares of Common Stock would not result in (A) such Investor owning or being deemed for applicable regulatory purposes to own 25% or more of the voting securities of the Company (or the surviving corporation resulting from such Triggering Change of Control), (B) unless the OTS shall have issued a written acceptance of a rebuttal of control submission by such Investor pursuant to 12 C.F.R. §574.4(e), such Investor owning or being deemed for applicable regulatory purposes to own 10% or more of the total number of voting securities of the

Company Common Stock then outstanding (or the surviving corporation resulting from such Triggering Change of Control) or (C) the Company failing to comply with applicable New York Stock Exchange requirements or the requirement of any other Governmental Entity (provided that, in the case of this clause (C), the Company shall, at its election, have a reasonable period of time in which to seek any shareholder approval required to satisfy such requirements and the Company's payment obligation pursuant hereto shall be postponed until such time as such shareholder approval shall have been obtained or denied).

(b) For purposes of this Section 4.11:

- (1) "*Fundamental Change*" has the meaning set forth in the Warrant Certificate.
- (2) "*Market Price*" has the meaning set forth in the Warrant Certificate.
- (3) "*Preliminary Fundamental Change*" has the meaning set forth in the Warrant Certificate.
- (4) "*Underlying Security Price*" has the meaning set forth in Exhibit A to the Warrant Certificate.

(c) Any such Reset Payment shall be treated by the parties as an adjustment to the purchase price paid by the Investor for the shares of Common Stock, Convertible Preferred Stock and/or Warrants, as relevant.

4.12 Repurchase Obligation. If the Closing does not occur within three business days of the Initial Closing, the Company shall repurchase from TPG VI the shares of Common Stock and Convertible Preferred Stock and Warrants purchased by TPG VI pursuant to this Agreement for an aggregate purchase price in cash equal to the total of the amounts set forth opposite TPG VI's name in Schedule 1 to this Agreement.

ARTICLE V

TERMINATION

5.1 Termination. This Agreement may be terminated prior to the Closing:

- (a) by mutual written agreement of the Company and the Investors;
- (b) by any party, upon written notice to the other parties, in the event that the Closing does not occur on or before January 31, 2009; *provided, however*, that the right to terminate this Agreement pursuant to this Section 5.1(b) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date; or
- (c) by any party, upon written notice to the other parties, in the event that any Governmental Entity shall have issued any order, decree or injunction or taken any other action restraining, enjoining or prohibiting any of the transactions contemplated by this Agreement, and such order, decree, injunction or other action shall have become final and nonappealable.

5.2 Effects of Termination. In the event of any termination of this Agreement as provided in Section 5.1, this Agreement (other than Section 3.2(b) and Article VI, which shall remain in full force and effect) shall forthwith become wholly void and of no further force and effect; *provided* that nothing herein shall relieve any party from liability for intentional breach of this Agreement.

ARTICLE VI

MISCELLANEOUS

6.1 Survival. Each of the representations and warranties set forth in this Agreement shall survive the Closing under this Agreement but only for a period of two years following the Closing Date (or until final resolution of any claim or action arising from the breach of any such representation and warranty, if notice of such breach was provided prior to the second anniversary of the Closing Date) and thereafter shall expire and have no further force and effect, including in respect of Section 4.7. Except as otherwise provided herein, all covenants and agreements contained herein, other than those which

by their terms are to be performed in whole or in part after the Closing Date, shall terminate as of the Closing Date.

6.2 Expenses. Each of the parties will bear and pay all other costs and expenses incurred by it or on its behalf in connection with the transactions contemplated pursuant to this Agreement.

6.3 Amendment. No amendment or waiver of any provision of this Agreement will be effective with respect to any party unless made in writing and signed by an officer of a duly authorized representative of such party. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

6.4 Waivers. The conditions to each party's obligation to consummate the Closing are for the sole benefit of such party and may be waived by such party in whole or in part to the extent permitted by applicable law. No waiver of any party to this Agreement, as the case may be, will be effective unless it is in a writing signed by a duly authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

6.5 Counterparts and Facsimile. For the convenience of the parties hereto, this Agreement may be executed in any number of separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts will together constitute the same agreement. Executed signature pages to this Agreement may be delivered by facsimile and such facsimiles will be deemed as sufficient as if actual signature pages had been delivered.

6.6 Governing Law. **This Agreement will be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.** The parties hereby irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the state and federal courts located in the Borough of Manhattan, State of New York for any actions, suits or proceedings arising out of or relating to this Agreement and the transactions contemplated hereby.

6.7 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

6.8 Notices. Any notice, request, instruction or other document to be given hereunder by any party to the other will be in writing and will be deemed to have been duly given (a) on the date of delivery if delivered personally or by telecopy or facsimile, upon confirmation of receipt, (b) on the first business day following the date of dispatch if delivered by a recognized next-day courier service, or (c) on the third business day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

(a) If to any of the TPG Investors:

such Investor
c/o TPG Capital, L.P.
Olympic Investment Partners, L.P.
301 Commerce Street, Suite 3300
Fort Worth, Texas 76102
Attention: Clive D. Bode
Vice President and Secretary
Fax: (817) 871-4001

with a copy (which copy alone shall not constitute notice):

Cleary Gottlieb Steen & Hamilton LLP
2000 Pennsylvania Avenue, NW
Washington, DC 20006
Attention: Kenneth L. Bachman, Jr.
Derek M. Bush
Fax: (202) 974-1999

and

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
Attention: Michael L. Ryan
Benet J. O'Reilly
Fax: (212) 225-3999

(b) If to the Company:

Washington Mutual, Inc.
Legal Department
1301 Second Avenue
Seattle, Washington 98101, WMC 3501
Attn: Charles Smith
Facsimile: (206) 377-2236

with a copy (which copy alone shall not constitute notice):

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
Attn: Lee Meyerson
Maripat Alpuche
Telephone: (212) 455-2000
Fax: (212) 455-2502

6.9 Entire Agreement, Etc. (a) This Agreement (including the Exhibits, Schedules and Disclosure Schedules hereto) constitutes the entire agreement, and supersedes all other prior agreements, understandings, representations and warranties, both written and oral, among the parties, with respect to the subject matter hereof; and (b) this Agreement will not be assignable by operation of law or otherwise (any attempted assignment in contravention hereof being null and void); *provided* that any Investor may assign its rights and obligations under this Agreement to any Affiliate under common control with such Investor's ultimate parent entity or general partner of such Investor, but in each case only if the transferee agrees in writing for the benefit of the Company (with a copy thereof to be furnished to the Company) to be bound by the terms of this Agreement (any such transferee shall be included in the term "Investor"); *provided, further*, that no such assignment shall relieve such Investor of its obligations hereunder. Without limiting the foregoing, none of the rights of any Investor hereunder shall be assigned to, or enforceable by, any person to whom an Investor may Transfer Securities (including any shares of Common Stock issued upon conversion or exercise of the Convertible Preferred Stock or Warrants).

6.10 Other Definitions. Wherever required by the context of this Agreement, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa, and references to any agreement, document or instrument shall be deemed to refer to such agreement, document or instrument as amended, supplemented or modified from time to time.

(a) the term "*Affiliate*" means, with respect to any person, any person directly or indirectly controlling, controlled by or under common control with, such other person. For purposes of this definition, "*control*" (including, with correlative meanings, the terms "*controlled by*" and "*under common control with*") when used with respect to any person, means the possession, directly or indirectly, of the power to cause the direction of management or policies of such person, whether through the ownership of voting securities by contract or otherwise;

(b) the word "*or*" is not exclusive;

(c) the words "*including*," "*includes*," "*included*" and "*include*" are deemed to be followed by the words "without limitation"; and

(d) the terms "*herein*," "*hereof*" and "*hereunder*" and other words of similar import refer to this Agreement as a whole and not to any particular section, paragraph or subdivision;

(e) “*business day*” means any day except Saturday, Sunday and any day which shall be a legal holiday or a day on which banking institutions in the State of New York or in the State of Washington generally are authorized or required by law or other governmental actions to close;

(f) “*person*” has the meaning given to it in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act; and

(g) all article, section, paragraph or clause references not attributed to a particular document shall be references to such parts of this Agreement, and all exhibit, annex and schedule references not attributed to a particular document shall be references to such exhibits, annexes and schedules to this Agreement.

6.11 Captions. The article, section, paragraph and clause captions herein are for convenience of reference only, do not constitute part of this Agreement and will not be deemed to limit or otherwise affect any of the provisions hereof.

6.12 Severability. If any provision of this Agreement or the application thereof to any person (including, the officers and directors of the Investors and the Company) or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it has been held invalid or unenforceable, will remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

6.13 No Third Party Beneficiaries. Nothing contained in this Agreement, expressed or implied, is intended to confer upon any person or entity other than the parties hereto, any benefit right or remedies, except that the provisions of Sections 4.7 and 4.9 shall inure to the benefit of the persons referred to in that Section.

6.14 Time of Essence. Time is of the essence in the performance of each and every term of this Agreement.

6.15 Certain Adjustments. If the representations and warranties set forth in Section 2.2(b) shall not be true and correct as of the Closing Date, the number of shares of Common Stock and the number of shares of Convertible Preferred Stock shall be, at the Investors’ option, proportionately adjusted to provide the Investors the same economic effect as contemplated by this Agreement in the absence of such failure to be true and correct.

6.16 Public Announcements. Subject to each party’s disclosure obligations imposed by law or regulation or the rules of any stock exchange upon which its securities are listed, each of the parties hereto will cooperate with each other in the development and distribution of all news releases and other public information disclosures with respect to this Agreement and any of the transactions contemplated by this Agreement, and no party hereto will make any such news release or public disclosure without first consulting with the other party hereto and receiving its consent (which shall not be unreasonably withheld or delayed) and each party shall coordinate with the other with respect to any such news release or public disclosure.

6.17 Specific Performance. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms. It is accordingly agreed that the parties shall be entitled to seek specific performance of the terms hereof, this being in addition to any other remedies to which they are entitled at law or equity.

* * *

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officers of the parties hereto as of the date first herein above written.

WASHINGTON MUTUAL, INC.

By: _____
Name:
Title:

OLYMPIC INVESTMENT PARTNERS, L.P.

By: _____
Name:
Title:

TPG Partners VI, L.P.

By: _____
Name:
Title:

[Signature Page to Investment Agreement]

| | | |
|---|---|--|
| UNITED STATES BANKRUPTCY COURT | District of Delaware | PROOF OF CLAIM |
| Name of Debtor: Washington Mutual, Inc. | | Case Number: 08-12229 (Jointly Administrated) |
| NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503. | | |
| Name of Creditor (the person or other entity to whom the debtor owes money or property): Federal Deposit Insurance Corporation | | <input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____ |
| Name and address where notices should be sent: DLA Piper LLP (US), 1251 Avenue of the Americas, New York, New York 10020-1104, Attn: Thomas R. Callahan | | |
| Telephone number: (212) 335-4500 | | <input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case. |
| Name and address where payment should be sent (if different from above): Federal Deposit Insurance Corporation, 1601 Bryant Street, Dallas, Texas 75201, Attn: Robert C. Schoppe, Receiver in Charge | | |
| Telephone number: | | |
| 1. Amount of Claim as of Date Case Filed: <u>SEE ATTACHED</u> | | 5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5). <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input checked="" type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(9). Amount entitled to priority: <u>SEE ATTACHED</u> *Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment. |
| If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges. | | |
| 2. Basis for Claim: <u>SEE ATTACHED</u> (See instruction #2 on reverse side.) | | |
| 3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.) | | |
| 4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate: % _____ Amount of arrearage and other charges as of time case filed included in secured claim, _____ If any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____ | | |
| 6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. | | |
| 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain: | | |
| Date: 03/26/2009 | Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. <i>Robert C. Schoppe</i> Robert C. Schoppe - Federal Deposit Insurance Corporation, 1601 Bryant Street, Dallas, Texas 75201 | RECEIVED MAR 30 2009 MURPHY CARLSON CONSULTANTS |

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

Addendum to Proof of Claim
The Federal Deposit Insurance Corporation, as
Receiver for Washington Mutual Bank, Henderson, Nevada

A. Introduction

1. This proof of claim is submitted pursuant to 11 U.S.C. § 501 and Bankruptcy Rule 3001 by the Federal Deposit Insurance Corporation, as receiver for Washington Mutual Bank, Henderson, Nevada (the “FDIC-Receiver”). The FDIC-Receiver was appointed receiver of Washington Mutual Bank (“WMB”) by the Office of Thrift Supervision (the “OTS”) on September 25, 2008, by order number 2008-36. On September 26, 2008, WMI and Washington Mutual Investment Corp. (together, the “Debtors”) commenced these voluntary cases under chapter 11 of the Bankruptcy Code.

2. Pursuant to 12 U.S.C. § 1821(d)(2), the FDIC-Receiver succeeds by operation of law to the rights, titles, powers, and privileges, including legal claims, of WMB, and of any stockholder, member, accountholder, depositor, officer or director of WMB. The FDIC-Receiver is entitled to a superpriority with respect to the portion of its claims relating to the avoidance and recovery of fraudulent transfers that are subject to 12 U.S.C. § 1821(d)(17). In addition, some of the FDIC-Receiver’s claims are entitled to administrative priority under 11 U.S.C. § 507, including priority under 11 U.S.C. § 507(a)(9) for commitments to a Federal depository institutions regulatory agency to maintain the capital of an insured depository institution.

3. In its capacity as receiver, the Federal Deposit Insurance Corporation acts to protect insured depositors and creditors of failed depository institutions. The claims set forth herein arise, in part, out of WMI’s actions by and through its agents to direct WMB for the benefit of WMI and at the expense of WMB. In addition to the specific bases for the FDIC-Receiver’s claims discussed below, the Debtors are liable to WMB under various theories including, without limitation, subrogation, unjust enrichment and quasi contract, because WMB

provided money, goods or valuable services to or on behalf of the Debtors for which WMB is entitled to be repaid.

4. Immediately after its appointment, the FDIC-Receiver sold substantially all of the assets of WMB, including the stock of WMB's thrift subsidiary, Washington Mutual Bank fsb ("WMBfsb"), to JPMorgan Chase Bank, N.A. ("JPMC") pursuant to a Purchase and Assumption Agreement Whole Bank dated as of September 25, 2008 (the "P&A Agreement").¹ Certain of the claims asserted herein may have been sold to JPMC under the P&A Agreement and, to that extent, are asserted by the FDIC-Receiver in accordance with the P&A Agreement. Nothing in this proof of claim (i) alters in any respect the terms of the P&A Agreement or the schedules or exhibits thereto or (ii) should be construed as reflecting the FDIC-Receiver's interpretation of the P&A Agreement, including without limitation the assets or rights related to claims that may have been sold, or that JPMC may claim to have been sold, pursuant to the P&A Agreement.

B. Tax-Related Claims

5. The FDIC-Receiver asserts claims arising from consolidated tax returns filed by WMI on behalf of, among others, WMB. All federal and state tax related refunds that have been paid to WMI already or that may be paid in the future based on consolidated tax returns, are due and owing in substantial part to WMB, and not WMI. A tax refund resulting from offsetting losses of one member of a consolidated filing group against the income of that same member in a prior or subsequent year inures to the benefit of that member, in this instance, WMB.

6. Any such amounts received by WMI are or will be held in trust for WMB and are not property of the Debtors' estate as a matter of law. To the extent the Debtors have received any such tax refunds, or might receive any such refunds in the future, the funds should be turned

¹ Publicly available at <http://www.fdic.gov/about/freedom/popular.html>.

over immediately to the FDIC-Receiver. The FDIC-Receiver reserves all rights relating to its claim for turnover of such assets.

7. Without limiting the foregoing, based on investigation to date the FDIC-Receiver believes that the tax refunds or tax overpayments to which WMB is entitled from tax authorities, or from the Debtors to the extent that payments of such amounts have been or will be made to the Debtors, amount to no less than \$4,269,507,909.00, as summarized in the following table.

| <u>Category</u> | <u>Amount (all years)</u> |
|---|---------------------------|
| Federal Tax Litigation Items | \$228,830,412 |
| State Claims for Litig. Items | \$29,081,702 |
| Federal Audit Cycle Items | \$670,255,737 |
| State Claims for Fed. Audits | \$275,242,708 |
| Federal Overpayments | \$40,000,000 |
| State Overpayments | \$89,867,260 |
| Federal Loss Carryback Claims | \$1,906,654,329 |
| State Loss Carryback Claims | \$2,464,064 |
| Miscellaneous | \$173,825,241 |
| Federal Refunds Held by WMI | \$241,798,079 |
| State Refunds Held by WMI | \$94,668,862 |
| Amounts Due from WMI to WMB for Intercompany Taxes | \$516,819,516 |

8. WMI and other members of the consolidated group were parties to a Tax Sharing Agreement dated as of August 31, 1999 (the "Tax Sharing Agreement"). The provisions of the Tax Sharing Agreement do not alter WMB's entitlement to the tax refunds. To the extent that the Debtors assert that the Tax Sharing Agreement somehow empowers them to withhold tax

refunds that are WMB's property, the Tax Sharing Agreement would constitute an unsafe and unsound banking practice. Further, pursuant to the Internal Revenue Code, regulations promulgated thereunder, and state tax laws, as applicable, WMB has an independent right to pursue, contest, compromise, or settle any tax related adjustment or deficiency relating to WMB. To the extent that WMI attempts to interpose the Tax Sharing Agreement to prevent the FDIC-Receiver, or JPMC in accordance with the provisions of the P&A Agreement, from exercising such rights on behalf of WMB or WMBfsb, such an interpretation of the Tax Sharing Agreement would be burdensome to the receivership. The FDIC-Receiver reserves its right to repudiate the Tax Sharing Agreement pursuant to 12 U.S.C. § 1821(e) for these and any other reasons that it deems appropriate in its sole discretion as provided for under that statute.

9. The FDIC-Receiver specifically reserves the right to litigate, prosecute, dispute, contest, compromise or settle any purported right of set off or offset claimed by the Debtors relating to tax refunds in the proper venue under title 12 of the United States Code. Such claims and defenses are not subject to the jurisdiction of the Bankruptcy Court but are, rather, independent property rights and claims that are subject to the exclusive jurisdiction provided for under title 12.

C. Trust Preferred Securities

10. In February 2006, Washington Mutual Preferred Funding LLC ("WMPF"), a Delaware limited liability company, was formed as an indirect subsidiary of WMB to facilitate core capital financing transactions for WMB through the issuance of "trust" preferred securities to investors by certain special purpose entities ("SPEs"). WMPF's assets were limited to direct or indirect interests in mortgages or mortgage-related assets, cash and other permitted assets. These assets were held in certain Delaware statutory trusts. WMPF issued preferred securities,

which were held by and were the sole asset of the SPEs and which were senior in priority to the common stock in WMPF, which was held indirectly by WMB.

11. The following series of trust preferred securities were issued by SPE subsidiaries of WMPF using this structure. The Debtors have asserted that these series of trust preferred securities have a liquidation preference of approximately \$4 billion.

- a. Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Noncumulative Preferred Securities, Series A-1;
- b. Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Noncumulative Preferred Securities, Series A-2;
- c. Washington Mutual Preferred Funding Trust (Delaware) Fixed-to-Floating Rated Perpetual Noncumulative Trust Securities;
- d. Washington Mutual Preferred Funding Trust II (Delaware) Fixed-to-Floating Rated Perpetual Noncumulative Trust Securities;
- e. Washington Mutual Preferred Funding Trust III (Delaware) Fixed-to-Floating Rated Perpetual Noncumulative Trust Securities;
- f. Washington Mutual Preferred Funding Trust IV (Delaware) Fixed-to-Floating Rated Perpetual Noncumulative Trust Securities.

12. The following series of WMPF preferred securities were issued in connection with the offerings of the trust preferred securities and were designed to include mirror-image terms for the purpose of funding payments to investors in the trust preferred securities:

- a. Washington Mutual Preferred Funding LLC 7.25% Perpetual Noncumulative Preferred Securities, Series 2006-A;
- b. Washington Mutual Preferred Funding LLC 7.25% Perpetual Noncumulative Preferred Securities, Series 2006-B;
- c. Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Noncumulative Preferred Securities, Series 2006-C;
- d. Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Noncumulative Preferred Securities, Series 2007-A;
- e. Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Noncumulative Preferred Securities, Series 2007-B.

13. The trust preferred securities were sold to investors subject to a “conditional exchange” feature under which the trust preferred securities would be exchanged into shares of preferred stock of WMI (or depository shares relating thereto) if certain regulatory events occurred. As a condition to authorizing WMI to treat the trust preferred securities as core capital of WMI’s principal thrift subsidiary, WMB, the OTS required WMI to provide a written commitment to the OTS that if there was a “conditional exchange,” any resulting interest that WMI obtained in the trust preferred securities or, indirectly, in the WMPF preferred securities that funded those securities, would be contributed to WMB. WMI provided that commitment to the OTS in a letter dated February 23, 2006. A copy of the commitment letter is attached as Exhibit 1.

14. On September 25, 2008, WMI entered into an Assignment Agreement with WMB (the “Assignment Agreement”). A copy of the Assignment Agreement is attached as Exhibit 2. Under the Assignment Agreement, and effective upon its execution, WMI transferred to WMB, without recourse, all of its right, title and interest in and to all of the trust preferred securities, the WMPF preferred securities and the SPE subsidiaries of WMPF.

15. Also on September 25, 2008, the OTS notified WMI that an “exchange event” occurred, triggering the “conditional exchange” feature of the trust preferred securities. Thereafter, a “conditional exchange” occurred automatically on September 26, 2008, at 8 a.m. Eastern time, when WMI issued a press release announcing the exchange event.

16. Pursuant to 11 U.S.C. § 365(o), WMI was deemed to have assumed and was required to cure any defects under the February 23, 2006 capital maintenance commitment and the Assignment Agreement as a condition to filing its petition under chapter 11 of the Bankruptcy Code. The FDIC-Receiver demands that the Debtors immediately take all steps, or

authorize third parties to take such steps, that may be necessary to complete the transfer of the trust preferred securities, and any right, title or interest that the Debtors may claim in or to the WMPF preferred securities or the SPE subsidiaries of WMPF, to JPMC as purchaser of the trust preferred securities and related assets from the FDIC-Receiver under the P&A Agreement. The FDIC-Receiver reserves all of its rights in the event that WMI fails to take such immediate actions, including without limitation seeking the conversion of WMI's chapter 11 case to a liquidation under chapter 7 of the Bankruptcy Code.

17. In the alternative, and without waiving or limiting the foregoing, the FDIC-Receiver reserves its rights to effect the transfer of ownership of the trust preferred securities in the ownership registers of the SPE subsidiaries of WMPF as an action that does not affect the property of the debtors' estates and therefore is not subject to the automatic stay provided under section 362(a) of the Bankruptcy Code.

18. In the alternative, and without waiving or limiting the foregoing, the FDIC-Receiver demands that the Debtors turnover to JPMC, without recourse, all of the trust preferred securities and any right, title or interest that the Debtors may claim in or to the WMPF preferred securities or the SPE subsidiaries of WMPF, because any such interests are held by the Debtors in trust for WMB.

19. In the alternative, and without waiving or limiting the foregoing, the FDIC-Receiver asserts an administrative claim under 11 U.S.C. § 507(a)(9) for the full value of the trust preferred securities or for payment of the full amount of any liquidation preference accompanying such trust preferred securities, together with the value of any right, title or interest that the Debtors may claim in or to the WMPF preferred securities or the SPE subsidiaries of WMPF.

20. The FDIC-Receiver specifically reserves the right to litigate, prosecute, dispute, contest, compromise or settle any purported rights with respect to the trust preferred securities, the WMPF preferred securities and the SPE subsidiaries of WMPF in the proper venue under title 12 of the United States Code.

D. Intercompany Amounts

21. In asserting claims against the FDIC-Receiver for certain intercompany notes and other intercompany amounts, the Debtors have not taken into account amounts that are due and payable by those entities under the system of intercompany settlement of accounts that was in place prior to the receivership. While reserving all of its rights to dispute the Debtors' intercompany claims in the appropriate forum, the FDIC-Receiver also is entitled to payment of amounts owed by the Debtors and their non-debtor subsidiaries with respect to such claims, or in the alternative, to set-off such amounts owed to the FDIC-Receiver against amounts claimed by WMI pursuant to section 553 of the Bankruptcy Code.

22. Based on the investigation to date and subject to amendment based on further investigations, the FDIC-Receiver asserts claims against the Debtors and their non-debtor subsidiaries for intercompany amounts in the aggregate amount of \$310,761,288.47. Of this total, \$273,616,108 reflects a general ledger entry in WMB's favor relating to the change in accounting for pension contributions in excess of pension expenses prior to the implementation of Statement of Financial Accounting Standards No. 158. The other intercompany amounts owed by the Debtors or their non-debtor subsidiaries are:

| <u>Obligor/Description</u> | <u>Amount</u> |
|--|-----------------|
| Ahmanson Obligation Corp. (general ledger account 49328) | \$6,676.78 |
| Washington Mutual Inc. (Payroll) (general ledger account 28462) | \$17,369,814.37 |

| <u>Obligor/Description</u> | <u>Amount</u> |
|--|-----------------|
| Washington Mutual 1031 Exchange (Payroll) (general ledger account 28497) | \$37,024.10 |
| Ahmanson Residential Development (general ledger account 28058) | \$214.50 |
| Sutter Bay Corp. (general ledger account 28088) | \$56.12 |
| Washington Mutual Finance Group LLC (general ledger account 28108) | \$49,754.56 |
| Washington Mutual 1031 Exchange (general ledger account 28040) | \$55,508.19 |
| Washington Mutual Inc. (general ledger account 28162) | \$17,829.35 |
| Washington Mutual Inc. (Clearing Account) (general ledger account 28162) | \$3,239,907.00 |
| Washington Mutual Inc. (Sept. Mgmt Fees) (general ledger account 28162) | \$14,530,007.97 |
| Washington Mutual Inc. (Stock Option Amort.) (general ledger account 28162) | \$28,557.64 |
| Washington Mutual Inc. (Rent for Admin. Bldg.) (general ledger account 28162) | \$58,652.00 |
| Washington Mutual Inc. (Clearing Account) (general ledger account 49896) | \$1,751,137.89 |

E. Deposit Accounts

23. The Debtors have asserted that as of the petition date, the Debtors and certain of WMI's non-debtor subsidiaries had funds on deposit with WMB in the approximate amount of \$707,000,000 and that WMI had funds on deposit with WMBfsb of \$3,668,000,000. Since the petition date an additional \$234,687,816 has been received in these accounts as payment of tax refunds that are, in all or substantial part, the property of WMB, for the reasons discussed above. Without conceding that the funds at issue are in fact deposits, the funds are collectively referred to herein as the "Deposit Funds."

24. Based on public filings by JPMC and the Debtors, there appear to be significant doubts as to whether satisfactory account documentation exists with respect to some or all of the funds at issue. Pending further investigation, the FDIC-Receiver therefore reserves all of its rights under 12 U.S.C. § 1823(e) and under 12 U.S.C. § 1821(d)(9) to defeat any claim asserted by the Debtors with respect to the Deposit Funds.

25. Separately, the FDIC-Receiver expressly reserves all of its rights with respect to the Deposit Funds under section 9.5 of the P&A Agreement, under which the FDIC-Receiver may, in its discretion, determine that all or any portion of any deposit balance assumed by JPMC pursuant to the P&A Agreement does not constitute a “Deposit” or otherwise, in its discretion, determine that it is in the best interest of the FDIC-Receiver or Corporation to withhold all or any portion of any deposit, and may direct JPMC to withhold all or any portion of any such deposit balance.

26. The FDIC-Receiver further asserts that to the extent any of the Deposit Accounts is subject to a security interest and lien in favor of WMB, the FDIC-Receiver is entitled to enforce the terms thereof with respect to funds in such an account. Upon information and belief, WMI entered into at least one specific security agreement with WMB with respect to funds in account number 177-8911206.

27. Separately, and in the alternative, the FDIC-Receiver reserves all of its rights of setoff under 11 U.S.C. § 553, 12 U.S.C. § 1821(d) or federal or state law with respect to the Deposit Funds.

28. The FDIC-Receiver specifically reserves the right to litigate, prosecute, dispute, contest, compromise or settle any purported rights with respect to the Deposit Funds in the proper venue under title 12 of the United States Code.

F. Capital Maintenance Obligations

29. The FDIC-Receiver's claims arise in part from WMI's obligation to maintain and guarantee the appropriate capital levels of WMB pursuant to applicable capital and liquidity requirements including, but not limited to the statutory and regulatory provisions set forth in 12 U.S.C. § 1831o, 12 U.S.C. § 1464(s) and regulations promulgated thereunder.

30. Events since the closing of WMB have raised questions about whether WMI, WMB or their directors or officers were accounting and reserving for anticipated losses appropriately, thereby resulting in an overstatement of WMB's capital. The FDIC-Receiver has only recently begun its investigation into these facts, but it notes that in connection with its acquisition of WMB, JPMC announced that it would write down approximately \$31 billion of WMB's loan portfolio based on JPMC's assessment of remaining credit losses in that portfolio. Only months earlier, WMI's chief financial officer had predicted substantially lower write-downs by WMB for non-performing assets of between \$12 billion and \$19 billion over the next several years.

31. WMI's failure to sufficiently maintain the appropriate capitalization of WMB damaged WMB in an unliquidated amount. The capital maintenance claims may be subject to priority under 11 U.S.C. § 507(a)(9), if applicable.

G. Fraudulent Transfers/Dividends

32. Although its investigation only recently has commenced, the FDIC-Receiver may avoid and recover fraudulent transfers within five years before the receivership under federal and state law. See 12 U.S.C. § 1821(d)(17); R.C.W. §§ 19.40.011, et seq.; 6 Del. C. §§ 1301, et seq. The FDIC-Receiver reserves all rights to recover property transferred, or the value of such property from the initial transferee, the institution-affiliated party, or the person for whose

benefit the transfer was made, or from any immediate or mediate transferee of any such initial transferee. The FDIC-Receiver's rights under section 1821(d)(17) are superior to any rights of a trustee or any other party (other than any party which is a federal agency) under title 11 or the Debtors in these bankruptcy cases. See 12 U.S.C. § 1821(d)(17).

33. Similarly, to the extent the FDIC-Receiver's claims relate to unlawful dividends paid, or other unlawful distributions made by WMB to its stockholders, or, as successor by merger to New American Capital, Inc. ("NACI"), by NACI to its stockholders, the FDIC-Receiver reserves the right to recover such amounts as provided for under the Washington Business Corporation Act, title 23B of the Revised Code of Washington, or in the case of NACI under the Delaware General Corporation Law, 8 Del C. §§ 101, et seq.

34. The Debtors have asserted claims for recovery of various allegedly fraudulent transfers against the FDIC-Receiver in the amount of at least \$10.5 billion. In support of those claims, the Debtors have alleged, inter alia, that "WMI or WMB may have been insolvent at the time" of the challenged transfers and that if "WMB was insolvent, had unreasonably small capital, and/or was unable to pay its own debt obligations as they matured, WMI did not receive any value in exchange" for certain transfers.

35. If WMB or NACI was insolvent during some or all of the period within five years prior to the FDIC-Receiver's appointment on September 25, 2008, then the FDIC-Receiver may have claims for actual or constructive fraudulent transfers against WMI as the initial transferee, the institution-affiliated party, the person for whose benefit a transfer was made, or from any immediate or mediate transferee of any such initial transferee, for transfers of at least \$15,041,000,000 in the form of cash dividends between September 2003 and September 2008.

Of these dividends, \$7.2 billion were distributed to WMI in 2006 and \$5.49 billion were distributed to WMI in 2007.²

H. Litigation

36. WMB is or was a plaintiff or the successor in interest to a plaintiff in certain litigation prior to the receivership or, if it was not a named plaintiff, was the real party in interest in such litigation being prosecuted by WMI. Without limiting the foregoing, this litigation includes American Savings Bank FA v. United States, No. 92-872C (Fed. Court of Claims), Anchor Savings Bank FSB v. United States, No. 95-39C (Federal Court of Claims) and Washington Mutual Inc. v. Internal Revenue Service (W.D. Wash.).³

37. The FDIC-Receiver succeeded to WMB's interests in such litigation and is the rightful recipient of any recoveries therein. To the extent that WMI has received or may in the future receive any proceeds from such litigation, any such payments are held in trust for WMB and are not property of the Debtors' estate. The FDIC-Receiver demands the turnover of all such amounts by the Debtors or the right to receive such payments directly from the defendant(s). In the alternative, the FDIC-Receiver asserts a claim for any and all recoveries in such litigation.

² WMB paid dividends on its common and preferred stock of as much as \$17.1 billion during the five year period. During that time, WMB's stock was held by NACI, a wholly-owned subsidiary of WMI that, upon information and belief, WMI dominated and controlled. WMB succeeded by merger to assets and liabilities of NACI as the result of a reorganization that WMI caused to occur in late 2007. The FDIC-Receiver is continuing its investigation into whether the NACI reorganization itself resulted in fraudulent transfers as to which WMI is liable to the FDIC-Receiver and reserves the right to supplement this claim to provide additional detail with respect to such claims.

³ The last of these cases was listed in the Debtors' statement of financial affairs dated December 19, 2008 without a docket number. It was not listed in the subsequent version of the Debtors' statement of financial affairs. Upon information and belief, the action concerns tax issues relating to Winstar claims.

I. Insurance Proceeds

38. Prior to the receivership, WMI and/or WMB purchased insurance for which WMB was, at least in part, a named insured or an intended beneficiary. Such insurance includes, without limitation: the 2007/2008 Lloyd's of London Washington Mutual Financial Institution Blended Program, Policy No. 509/QA015407 and various policies of excess insurance relating thereto (the "2007/08 Blended Tower"); the 2008/09 Aon Financial Institutions Bond, Electronic and Computer Crime, Bankers Professional Liability, Employment Practices Liability and Fiduciary Liability Policy, Policy No. B0823FD0806211 and various policies of excess insurance relating thereto (the "2008/09 Blended Tower"); and the 2008/2009 XL Specialty Insurance Company Management Liability and Company Reimbursement Insurance Policy, Policy No. ELU104380-08 and National Union Policy No. 463-3347 (the "D&O Policies").

39. To the extent that covered loss within the meaning of the relevant insurance policies has been suffered by WMB, the FDIC-Receiver is entitled to all proceeds paid under applicable insurance coverage for such loss. Without limiting the foregoing, the FDIC-Receiver claims any proceeds under the applicable insurance policies for insured wrongful acts that caused harm in any respect to WMB.

40. To the extent that proofs of loss have been or may be filed with respect to such matters with the relevant insurer, the FDIC-Receiver hereby claims any payments in respect of such loss, which are not property of the Debtors' estate and, to the extent paid to the Debtors, are held in trust for the FDIC-Receiver as the rightful recipient thereof. This includes, without limitation, proofs of loss submitted to the insurers under the 2007/08 Blended Tower on or about July 18, 2008 (C.I.P. Mortgage Company), September 17, 2008 (Encino, California), September 18, 2008 (Campbell Pruneyard, California) and October 3, 2008 (Newport Beach,

California). The amount of loss claimed and other details are known to the Debtors; those details are omitted from this proof of claim for reasons of confidentiality.

41. The FDIC-Receiver reserves the right to tender to the insurers any insured matter that has been or may be asserted against the receivership notwithstanding any claim that proceeds under such insurance policies are, in whole or in part, property of the Debtors' estate.

42. The FDIC-Receiver also has succeeded to rights, claims and causes of action by WMB against directors, officers, and professionals and others who provided services to WMB. The FDIC-Receiver reserves all of its rights and remedies in and to any insurance policies potentially covering the FDIC-Receiver's claims against such persons and entities including policies pursuant to which the Debtors or WMB are insureds or additional insureds.

J. Other Matters Subject to the P&A Agreement

43. The FDIC-Receiver asserts a protective unliquidated claim for matters as to which (i) JPMC may assert a claim against the Debtors as the successor in interest to WMB and the FDIC-Receiver under the P&A Agreement and (ii) the Debtors may object to such a claim due to JPMC's lack of standing.

44. Without limiting the foregoing, the matters as to which the FDIC-Receiver asserts this protective claim include:

- a. Claims relating to employee or retiree benefit plans, trusts or insurance policies, including Rabbi trusts, BOLI/COLI policies and retirement or welfare plans, to the extent such plans, trusts or policies are or should be the property or responsibility of WMB;
- b. Claims relating to litigation proceeds as to which (i) JPMC claims an entitlement as successor to WMB and (ii) the FDIC-Receiver agrees that

JPMC has succeeded to WMB's interests under the terms of the P&A Agreement;

- c. Claims relating to WMB assets as to which (i) JPMC claims an entitlement as successor to WMB and (ii) the FDIC-Receiver agrees that JPMC has succeeded to WMB's interests under the terms of the P&A Agreement.

K. Other Unliquidated Claims

45. The FDIC-Receiver has or may have claims based upon breaches of fiduciary duties owed by the directors and officers of WMI to WMB and the liability of WMI in connection therewith. Such directors and officers may have failed to meet their lawful obligations and act in the best interests of WMB including, but not limited to, directing and/or authorizing the various upstream dividend and other avoidable transfers, failing to adequately maintain WMB's capital or liquidity, failing to establish or maintain adequate internal controls, failing to engage in suitable risk management, implementing substandard practices for loan underwriting and asset purchases and sales for WMB and otherwise taking or omitting to take actions that would serve WMB's interests.

46. Further, according to the Debtors, before the petition date approximately sixty WMB employees were officers of WMI. All of WMB's directors also were directors of WMI, and the boards of directors of WMB and WMI regularly met in joint session. To the extent that such officers or directors (or any other persons as to whom WMI owes a duty of indemnification or advancement) assert claims against the FDIC-Receiver for indemnification or advancement, the FDIC-Receiver asserts a claim for reimbursement of such amounts against WMI.

47. The FDIC-Receiver also asserts an unliquidated claim for indemnity or contribution to the extent that WMB is entitled to assert such claims against WMI with respect to any pending or future litigation in which WMB or the FDIC-Receiver is or may be a named defendant.

48. To the extent any governmental authority obtains or enters an order directing restitution for the criminal or otherwise wrongful acts of the officers or directors of WMB, such orders are for the benefit of the FDIC-Receiver as successor to WMB. If WMI receives any payment in respect of such an order, it shall hold such amounts in trust for WMB, and the FDIC-Receiver demands that such funds be turned over to the receivership estate.

L. Reservation of Rights

49. Neither this proof of claim nor any subsequent appearance, pleading, claim, document, suit, motion nor any other writing or conduct, shall constitute a waiver by the FDIC-Receiver of any: (a) right of the FDIC-Receiver to assert a defense of sovereign immunity; (b) right to have any and all final orders entered only after appropriate administrative procedures and/or de novo review by a United States district court; (c) right to elect a trial by jury in any matters so triable; (d) right to have the reference of this matter withdrawn by the United States district court in any matter or proceeding subject to mandatory or discretionary withdrawal; or (e) other rights, claims, actions, defenses, setoffs, recoupments or other matters to which the FDIC-Receiver is entitled under any agreements, at law or in equity or under the United States Constitution. All of the above rights are expressly reserved and preserved without exception and with no purpose of conceding jurisdiction in any way by this filing or by any other participation in this matter. The FDIC-Receiver expressly reserves all rights to assert the preemption of the Bankruptcy Court's jurisdiction and the exclusive jurisdiction provided under title 12.

50. The identification or enumeration of the FDIC-Receiver's rights and remedies set forth in this proof of claim is not intended to be exhaustive. In addition, the FDIC-Receiver's investigation and review of the books and records of WMB is ongoing, and the FDIC-Receiver and its professional advisers have not yet had a sufficient opportunity to evaluate and determine all claims that the FDIC-Receiver may have against the Debtors. The FDIC-Receiver reserves the right to further amend, revise or supplement this proof of claim in any respect, and to file such additional claims and requests for payment. Without limiting the foregoing, the FDIC-Receiver reserves the right to assert specific claims or counterclaims for as-yet unliquidated, unmatured or contingent claims currently known or unknown, including without limitation, claims for indemnification, contribution, subrogation or reimbursement from the Debtors for any claims of third parties that may be asserted against the FDIC-Receiver or payments made by or on behalf of the FDIC-Receiver for which the Debtors are responsible.

51. The FDIC-Receiver further reserves the right to amend or supplement this proof of claim, including, without limitation, to: cure a defect in the original claim, correct the claim amount or priority status, include additional supporting documents, describe the claim in greater detail, or add additional claims presently unknown to the FDIC-Receiver that, if known, could have affected this claim or resulted in the assertion of additional damages. In addition, nothing herein shall be deemed to waive or otherwise affect the rights of any other person, including without limitation, JPMC, to make claims similar to or parallel with this claim.

52. The FDIC-Receiver reserves all rights to setoff against the Debtors any interests that are subject to setoff under section 553 of the Bankruptcy Code. Accordingly, the FDIC-Receiver asserts and reserves all of its rights, if any, to setoff any sums due to the Debtors against sums due the FDIC-Receiver from the Debtors or their non-debtor subsidiaries.

53. Nothing in this proof of claim describing or in any way relating to property in which the Debtors now or hereafter may assert an interest shall be construed or deemed in any way as evidence that such assets are property of the estate or an admission that the Debtors have any rights in such property. This claim is submitted to assert and preserve the rights of the FDIC-Receiver in the Debtors' pending bankruptcy cases, and neither the submission of this proof of claim nor any provision in it shall be construed or deemed as evidence that FDIC-Receiver has waived or intends to waive any rights or claims afforded it under applicable law. Without limiting the foregoing, the FDIC-Receiver reserves any rights at law or equity that it has or may have against any other entity, person or persons, including without limitation the insiders, directors or officers of the Debtors, of WMB or of their affiliated entities, or any of their insurers or indemnitors.

54. This proof of claim is not intended to be, and shall not be construed as: (a) an election of remedies; (b) waiver of any right to the determination or any issue or matter by a jury; (c) a waiver of any defaults; or (d) a waiver or limitation of any rights at law or equity, remedies, claims or interests of the FDIC-Receiver.

55. Copies of various documents in support of this proof of claim are not attached because of the size of such documents and because the relevant provisions are described herein. In addition, many if not all of those documents are in the Debtors' possession or are matters of public record.

M. Notices

56. All notices and requests for documents to the FDIC-Receiver relating to this proof of claim shall be served upon:

Tom Reeves
Counsel - Legal Division
Federal Deposit Insurance Company
Room VS-D-7608
3501 Fairfax Drive
Arlington, VA 22226-3500
treeves@fdic.gov

Thomas R. Califano
DLA Piper LLP (US)
1251 Avenue of the Americas
New York, New York 10020
Telephone: (212) 335-4500
thomas.califano@dlapiper.com

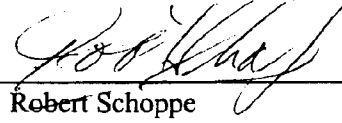
57. The claims herein include (1) claims to funds that may be held by third parties, (2) claims to funds that are held by the Debtors or subject to express or equitable trust, (3) general unsecured claims, and (4) administrative and priority claims. Based on the state of the records currently available to the FDIC-Receiver, on the fact that many records were not available to the FDIC-Receiver at the time of preparation and filing of this proof of claim, and on information derived from various records reviewed, it is possible that certain assets which the Debtors assert to own in their schedules or otherwise, may in fact be owned by the FDIC-Receiver, and may not be property of the Debtors' estate. The FDIC-Receiver is investigating the circumstances as thoroughly and expeditiously as possible. The FDIC-Receiver hereby asserts its claim to such assets and will submit more specific claims as soon as information is made available in order to evaluate, ascertain and determine specific ownership interests.

[INTENTIONALLY LEFT BLANK]

Dated: March 26, 2009

FEDERAL DEPOSIT INSURANCE CORPORATION,
as Receiver for Washington Mutual Bank, Henderson,
Nevada

By: _____



Robert Schoppe
Receiver-in-Charge

EXHIBIT 1

CONFIDENTIAL TREATMENT REQUESTED

Washington Mutual

John F. Robinson
Executive Vice President
Corporate Risk Management

February 23, 2006

Darrel Dochow
Deputy Regional Director, West Region
Office of Thrift Supervision
101 Stewart Street, Suite 1010
Seattle, WA 98101-1048

Re: Washington Mutual Bank (Docket Number: 08551) – Request for
confirmation of capital treatment of two classes of preferred stock.

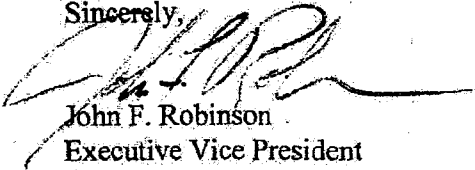
Dear Mr. Dochow:

On behalf of Washington Mutual, Inc. (“WMI”), I am writing with reference to the notice filed January 30, 2006 by Washington Mutual Bank (“WMB”) to establish a new subsidiary, Washington Mutual Preferred Funding LLC (“WMPF”), for the purpose of issuing two classes of preferred securities to be eligible for inclusion in core capital of WMB (the “Notice”). You provided notice of the non-objection of the Office of Thrift Supervision (“OTS”) to the establishment of WMPF by your letter dated February 9, 2006.

As you are aware, in the Notice WMB requested the OTS confirm that the sale of the Cayman Co. Preferred Securities and the Delaware Issuer Securities (as defined in the Notice) to outside investors constitutes the sale of the LLC Preferred Securities (as defined in the Notice) to outside investors and that the LLC Preferred Securities qualify for inclusion in core capital of WMB. In connection with that request, WMI hereby undertakes that if, as a result of a Supervisory Event (as defined in the Notice), WMI exchanges its Holding Company Shares (as defined in the Notice) for Cayman Co. Preferred Securities and the Delaware Issuer Securities, or if WMI subsequent to such exchange acquires the LLC Preferred Securities, WMI will contribute to WMB the Cayman Co. Preferred Securities and the Delaware Issuer Securities or, as appropriate, the LLC Preferred Securities.

If you have any questions regarding this letter, please call Robert Monheit at (212) 326-6104 or me at (206) 490-6100.

Sincerely,


John F. Robinson
Executive Vice President
Corporate Risk Management

1201 Third Avenue
WMT 1601
Seattle, WA 98101
phone 206.490.6100
fax 206.377.5318

EXHIBIT 2

ASSIGNMENT AGREEMENT

between

**WASHINGTON MUTUAL BANK,
as Assignee**

and

**WASHINGTON MUTUAL, INC.,
as Assignor**

Effective as of September 25, 2008

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (as amended, modified or supplemented from time to time after the date hereof, the "Agreement") is effective as of September 25, 2008, and is made by and between WASHINGTON MUTUAL BANK, a federally-chartered savings association, as Assignee (the "Assignee"), and WASHINGTON MUTUAL, INC., a Washington corporation, as Assignor (the "Assignor").

RECITALS

(A) Assignor wishes to assign to Assignee certain securities, and Assignee wishes to accept such assignment, which Securities shall be assigned upon the execution of this Agreement.

AGREEMENT

In consideration of the premises and the mutual agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignee and Assignor agree as follows:

ARTICLE I

DEFINITIONS; GENERAL INTERPRETIVE PRINCIPLES

Section 1.01. Definitions.

Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

Agreement: This Assignment Agreement, including all exhibits hereto, and all amendments hereof and supplements hereto.

Certificate: Any instrument constituting evidence of ownership of a Security.

Effective Date: September 25, 2008.

Code: The Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder and rulings issued thereunder. Section references to the Code are to the Code, as in effect as the date of this Agreement and any subsequent provisions of the Code, amendatory thereof, supplemental thereto or substituted therefore.

Assignment: The assignment to Assignee by Assignor of Securities pursuant to this Agreement.

Delivery: Is deemed to occur as of September 25, 2008.

WMB/WMI Master Securities
Assignment Agreement

17535196 05129267

Person: Any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

Assignee: Washington Mutual Bank, a federally-chartered savings association, and its successors and assigns.

Securities: The securities listed in Exhibit A that are the subject of this Agreement. The term "Securities" includes, without limitation, such securities, any Certificates corresponding to such securities, and all other rights, benefits, proceeds and obligations of the owner of such securities arising from or in connection with such securities, whether now owned or hereafter acquired.

Assignor: Washington Mutual, Inc., a Washington corporation, and its successors and assigns.

Section 1.02. General Interpretive Principles.

For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- a) the terms defined in this Agreement have the meanings assigned to them in this Agreement and include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender;
- b) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles;
- c) references herein to "Articles," "Sections," "Subsections," "Paragraphs," and other subdivisions without reference to a document are to designated Articles, Sections, Subsections, Paragraphs and other subdivisions of this Agreement;
- d) a reference to a Subsection without further reference to a Section is a reference to such Subsection as contained in the same Section in which the reference appears, and this rule shall also apply to Paragraphs and other subdivisions;
- e) the words "herein," "hereof," "hereunder," and other words of similar import refer to this Agreement as a whole and not to any particular provision; and
- f) the term "include" or "including" shall mean without limitation by reason of enumeration.

ARTICLE II

ASSIGNMENT OF SECURITIES

Section 2.01. Assignment of Securities.

With respect to the Securities listed on Exhibit A attached hereto, Assignor hereby contributes, transfers, assigns, sets over and conveys to Assignee, without recourse, but subject to the terms of this Agreement, all of Assignor's right, title and interest, whether now owned or hereafter acquired, in and to the Securities.

Upon execution and delivery of this Agreement by Assignor and Assignee, all rights and benefits arising out of the Securities which come into the possession of Assignor, including but not limited to funds which may be received by Assignor on or in connection with the Securities, and the ownership of all records and documents with respect to the Securities which are prepared by or which come into the possession of Assignor, shall immediately vest in Assignee.

Assignee acknowledges that the assignment by Assignor to Assignee under this Agreement are intended to qualify as tax-free transactions under Section 351 of the Code.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.01. Mutual Representations and Warranties. Each party hereby represents and warrants to the other that it has all requisite power and authority to enter into and perform its obligations under this Agreement.

It is understood and agreed that the representations and warranties set forth in this Article V shall survive delivery of the respective Securities to the Assignee, and shall continue throughout the term of this Agreement.

ARTICLE IV

COSTS

Section 4.01. Costs.

Each party shall bear its own costs and expenses. All other costs and expenses incurred in connection with the transfer and delivery of the Securities, including without limitation recording and filing fees, shall be paid by Assignee.

Each remittance or distribution made pursuant to this Agreement shall be made in the manner agreed to by the parties. To the extent that the amount of a remittance or distribution made pursuant to this Agreement is greater than the amount that was supposed to be made, each party agrees to give prompt written notice thereof to the other party after discovery thereof, including the amount of such remittance or distribution that was paid in error, and to refund such overpayment immediately.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.01. Amendment.

This Agreement may be amended from time to time only by written agreement signed by Assignor and Assignee.

Section 5.02. Governing Law.

This Agreement shall be construed in accordance with the internal laws of the State of Washington, except to the extent preempted by federal law and without reference to the choice of law doctrine of such state, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

Section 5.03. Notices.

All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by registered or certified mail, postage prepaid, to (a) in the case of Assignor,

Washington Mutual, Inc.
1301 Second Avenue, WMC 1411
Seattle, Washington 98101
Attention: Corporate Secretary

or such other address as may hereafter be furnished by Assignor to Assignee in writing;
and

b) in the case of Assignee,

Washington Mutual Bank
1301 Second Avenue, WMC 1411
Seattle, Washington 98101
Attention: Corporate Secretary

or such other address as may hereafter be furnished by Assignee to Assignor in writing.

Section 5.04. Merger; Severability of Provisions.

This Agreement, and the documents and instruments referred to herein, constitute the entire agreement of and is the final and complete expression of the parties relating to the subject matter of this Agreement, and supersedes all prior or contemporaneous negotiations and agreements, whether oral or written, relating to the subject matter hereof.

If any one or more of the covenants, agreements, provisions or terms of this Agreement shall be held invalid for any reason whatsoever, then such covenants,

agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement. If the invalidity of any part, provision, representation or warranty of this Agreement shall deprive any party of the economic benefit intended to be conferred by this Agreement, the parties shall negotiate in good faith to develop a structure the economic effect of which is nearly as possible the same as the economic effect of this Agreement without regard to such inability.

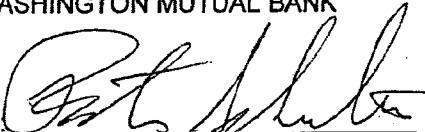
Section 5.05. Execution; Successors and Assigns.

This Agreement may be executed in one or more counterparts and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed to be an original; such counterparts, together, shall constitute one and the same agreement. This Agreement shall inure to the benefit of and be binding upon Assignor and Assignee and their respective successors and assigns.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers on the dates shown below, to be effective as of the effective date first set forth above.

WASHINGTON MUTUAL BANK

By: 
Name: Patricia Schultz
Title: Senior Vice President

WASHINGTON MUTUAL, INC.

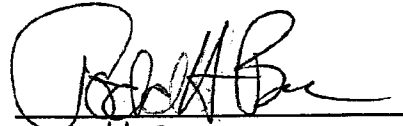
By: 
Name: Todd Baker
Title: Executive Vice President

EXHIBIT A

SECURITIES

- (i) Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Non-cumulative Preferred Securities, Series A-1
- (ii) Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Non-cumulative Preferred Securities, Series A-2
- (iii) Washington Mutual Preferred Funding Trust Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- (iv) Washington Mutual Preferred Funding Trust II Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- (v) Washington Mutual Preferred Funding Trust III Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- (vi) Washington Mutual Preferred Funding Trust IV Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- (vii) Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series 2006-A
- (viii) Washington Mutual Preferred Funding LLC 7.25% Perpetual Non-cumulative Preferred Securities, Series 2006-B
- (ix) Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series 2006-C
- (x) Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series 2007-A
- (xi) Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series 2007-B
- (xii) Any and all right, title and interest of the Washington Mutual, Inc. in and to Washington Mutual Preferred (Cayman) I Ltd. ("WaMu Cayman"), Washington Mutual Preferred Funding Trust ("WaMu Delaware I"), Washington Mutual Preferred Funding Trust II ("WaMu Delaware II"), Washington Mutual Preferred Funding Trust III ("WaMu Delaware III") and Washington Mutual Preferred Funding Trust IV ("WaMu Delaware IV" and, together with WaMu Cayman, WaMu Delaware I, WaMu Delaware II and WaMu Delaware III, the "Trusts"), including any interests of the Trusts in any of the Securities

United States Bankruptcy Court District of Delaware

PROOF OF CLAIM

Name of Debtor (check only one):

Washington Mutual, Inc. 08-12229 (MFW)

WMI Investment Corp. 08-12228 (MFW)

Name and address of Creditor (and name and address where notices should be sent if different from Creditor):

JPMorgan Chase Bank, National Association
c/o Hydee R. Feldstein
Sullivan & Cromwell LLP
1888 Century Park East
Los Angeles, California 90067-1725
310.712.6600
feldsteinh@sullcrom.com

With a copy to:

JPMorgan Chase Bank, National Association
c/o Kevin G. Mruk
10 South Dearborn, Mail Code IL1-0080
Chicago, Illinois 60603-2003
312.732.7105
kevin.g.mruk@jpmchase.com

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: _____
(If known)
Filed on: _____

Your Claim Is Scheduled as Follows:

- Date Stamped Copy Returned
- No self addressed stamped envelope
- No copy to return

Name and address where payment should be sent (if different from above):

JPMorgan Chase Bank, National Association
c/o Joseph A. Giampapa
1111 Polaris Parkway, 4P0265
Columbus, Ohio 43271-0152
614.248.6056
joseph.a.giampapa@jpmchase.com

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

You have a claim scheduled against the Debtor listed above in the amount and priority set forth above. (This scheduled amount may be an amendment to a previously scheduled amount.) If you agree that you have a claim against the Debtor listed above and in the amount and priority set forth above and you have no other claim against that Debtor, you do not need to file this proof of claim form, EXCEPT AS FOLLOWS: If the amount shown is DISPUTED, UNLIQUIDATED or CONTINGENT, a proof of claim MUST be filed in order to receive any distribution in respect of your claim. If you have already filed a proof of claim in accordance with the attached instructions, you need not file again.

1. Type of Claim:

Claim existing as of the date case was filed. Amount of Claim as of Date Case Filed: \$ See Attachment A.

If all or part of your claim is secured, complete Item 4 below, however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority (other than under 11 U.S.C. § 507(a)(2)), complete Item 5.

Check this box if claim is filed by a governmental unit.

Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges.

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim:

- Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).
- Wages, salaries or commissions (up to \$10,950), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier under 11 U.S.C. § 507(a)(4).
- Contributions to an employee benefit plan under 11 U.S.C. § 507(a)(5).
- Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use under 11 U.S.C. § 507(a)(7).
- Taxes or penalties owed to governmental units under 11 U.S.C. § 507(a)(8).
- Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(_____).

Amount entitled to priority: \$ _____

2. Basis for Claim: See Attachment A.
(See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: Federal Tax ID Number 3725

3a. Debtor may have scheduled account as: _____
(See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.) See Attachment A.

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: Real Estate Motor Vehicle Other

Describe: See Attachment A.

Value of Property: \$ See Attachment A. Annual Interest Rate _____ %

Amount of arrearage and other charges as of time case filed included in secured claim, if any:

\$ See Attachment A. Basis for perfection: See Attachment A.

Amount of Secured Claim: \$ See Attachment A. Amount of Unsecured: \$ See Attachment A.

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.


7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

Date:

March 30, 2009

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.


Donald H. McCree III, Managing Director
JPMorgan Chase Bank, National Association
270 N. Park Ave., Floor 46
New York, New York 10017-2104; 212-270-4360

FOR COURT USE ONLY

RECEIVED

MAR 30 2009

KURTZMAN CARSON CONSULTANTS

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

03 Deposit Accounts (non-complaint)
WMI original



081222909033000000000277

ATTACHMENT A

Intercompany Deposit Accounts

On September 26, 2008 (the "Petition Date"), Washington Mutual, Inc. ("WMI") and WMI Investment Corp. ("WMI Investment") filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). References herein to the "Debtor" or "Debtors" are intended to refer to WMI and WMI Investment Corp. as debtors and debtors-in-possession in their pending Chapter 11 cases. Prior to the Petition Date, on September 25, 2008, the Director of the Office of Thrift Supervision (the "OTS") appointed the Federal Deposit Insurance Corporation (the "FDIC") as receiver (the "Receiver") for Washington Mutual Bank, Henderson, Nevada, a federal savings banking association ("WMB"), a subsidiary of the Debtors, and advised that the Receiver was immediately taking possession of WMB. On September 25, 2008, the FDIC, as Receiver and in its corporate capacity, also entered into a Purchase and Assumption Agreement Whole Bank (the "P&A Agreement") with JPMorgan Chase Bank, National Association ("JPMCB"), whereby JPMCB acquired substantially all of the assets of WMB's banking operations, including one of its subsidiaries, Washington Mutual Bank fsb ("WMB fsb" and collectively with WMB, the "Affiliated Banks"), and assumed the deposit liabilities and certain other liabilities of WMB's banking operations. The Affiliated Banks also had a number of direct and indirect subsidiaries that are now subsidiaries of or have been merged into JPMCB or one of its subsidiaries or affiliates. JPMCB asserts its claims herein on behalf of itself and its subsidiaries and affiliates. JPMCB believes that its claims are against WMI rather than WMI Investment, but because the intercompany relationships between the Debtors are not clear and because these are jointly administered cases, JPMCB files its claims against both Debtors out of an abundance of caution.

Although JPMCB purchased the assets of WMB, the Debtors have wrongfully refused to acknowledge that purchase in material respects, and have interfered with JPMCB's ability to use and enjoy the benefits of its purchase of those assets. On March 20, 2009, the Debtors jointly filed a complaint before the United States District Court for the District of Columbia (the "District Court") placing at issue a number of the claims and assets JPMCB acquired from the FDIC under the P&A Agreement (the "District Court Action"). On March 24, 2009, JPMCB filed its Complaint commencing Adversary Proceeding No. 09-50551-MFW (the "Adversary Proceeding") before the Bankruptcy Court seeking, among other things, declaratory relief regarding a number of the assets at issue in the District Court Action and to interplead any amounts that may be due from JPMCB to the Debtors. On March 30, 2009, JPMCB moved to intervene in the District Court Action.

JPMCB is submitting this and certain other proofs of claim to preserve JPMCB's right to distributions from the estate for (a) any amounts awarded as monetary damages to JPMCB in the District Court Action or the Adversary Proceeding; (b) the amounts paid or contributed by WMB or its subsidiaries on or prior to the Petition Date for the acquisition, creation or maintenance of various identified assets, including the assets at issue in the Adversary Proceeding; and (c) the amounts paid or contributed by JPMCB after the Petition Date on account of the assets at issue in the Adversary Proceeding or otherwise for costs and expenses arising on account of or relating to such estates, including without limitation, payments to or for

the benefit of participants in the pension, 401(k) and other benefit plans at issue. This claim, together with certain of the other claims of JPMCB that are filed in these Chapter 11 cases, is filed as (1) a secured claim under section 506(a) to the extent of any liabilities of JPMCB or any of its subsidiaries or affiliates to the Debtors or to the extent JPMCB or any of its subsidiaries or affiliates is secured, possesses a lien, or is entitled to a lien under contract, applicable non-bankruptcy law, or equity; (2) an administrative claim under section 503(b) for amounts paid by JPMCB or its subsidiaries, or damages to JPMCB resulting from acts or omissions of the Debtors, on or after the Petition Date; (3) a priority claim to the extent specified in each individual proof of claim; and (4) a general unsecured claim to the extent it is not deemed to be entitled to secured, priority or administrative status.

JPMCB believes that with respect to the assets at issue in the District Court Action or the Adversary Proceeding, ownership will be determined by the District Court or the Bankruptcy Court in those actions, as applicable. JPMCB hereby reserves all of its rights and remedies against the Debtors, including the right to continue the District Court Action and the Adversary Proceeding, to commence other actions or proceedings, to seek allowance and payment of administrative claims and amounts by application, motion or other appropriate proceeding before the Bankruptcy Court at any time, to request and seek adequate protection of JPMCB's interest in property, to seek relief from and request the lifting of the stay at any time, whether to permit the exercise of its rights of setoff, recoupment or other remedies or otherwise.

On the Petition Date, WMI claimed a total purported deposit liability of approximately \$4,358,492,498 (the "Intercompany Amounts") identified on the books of the Affiliated Banks and associated with twenty-nine different account numbers in the name of WMI or one of its non-bank subsidiaries (the "Accounts"). According to WMI, the Intercompany Amounts represented deposits maintained by WMI and its non-banking subsidiaries at the Affiliated Banks, all as non-interest bearing demand deposit accounts. With the exception of signature cards for several of the smaller Accounts, JPMC has not located and believes there do not exist pre-petition any deposit account agreements, signature cards or any other documentation for the Accounts as deposit accounts.

On or about October 15, 2008, JPMCB and the Debtors entered into a stipulation with respect to the Accounts (the "Account Stipulation") that was filed with the Bankruptcy Court for approval. The Account Stipulation was ultimately withdrawn following objections filed by certain creditors of the Receivership and the FDIC and was never entered by the Bankruptcy Court. Pursuant to the Account Stipulation, and before it was withdrawn, JPMCB and the Debtors executed customary deposit account agreements regarding the Accounts on or about October 21, 2008 that provided, among other things, customary rights of setoff, recoupment and banker's liens to secure JPMCB's rights to recover claims JPMCB may have against the Debtors or their subsidiaries and affiliates from the funds in the Accounts. After the execution of the customary account agreement documents, JPMCB acceded to a request of the Debtors and the Official Committee of Unsecured Creditors (the "Committee") to agree to the accrual of interest on the Intercompany Amounts as a sign of good faith in the event that it were ultimately determined that any of the Intercompany Amounts were in fact deposit accounts, without prejudice to its rights. Similarly, JPMCB agreed to release \$292 million of the Intercompany Amounts attributable to the Accounts of the non-debtor subsidiaries of WMI, without prejudice to its rights.

JPMCB agreed to those requests from the Debtors in good faith and on the understanding that the parties were working diligently to resolve open questions and issues with respect to the Intercompany Amounts. It did so in reliance on the Debtors' execution of account documentation for the Accounts that protected the interests of JPMCB, and on the understanding that the Debtors would respect those rights. However, on or about December 19, 2008, after obtaining from JPMCB the benefit of these concessions, the Debtors advised JPMCB that the execution of those deposit account agreements, was only in anticipation of the proposed Account Stipulation and, since that stipulation had never been approved, the execution and delivery of the agreements was in error, unauthorized and considered by the Debtors to be null, void and without legal effect. While JPMCB does not dispute that the Account Stipulation was never ordered, to the extent that such documentation is not effective, it should be ineffective for all parties and for all purposes, including the effectiveness of any post-petition book entries reflecting any portion of the Intercompany Amounts or Accounts as deposit liabilities and the release of any funds to the Debtors or their non-Debtor affiliates.

Deposit Liabilities

JPMCB still has not discovered any pre-petition deposit account agreements, signature cards or other customary documentation for the Accounts as deposit accounts except for the few accounts described above, but to the extent the Intercompany Amounts in the Accounts assumed by JPMCB under the P&A are in fact deposit liabilities, WMI and its subsidiaries are expressly or otherwise bound by the standard terms and conditions for deposits at the Affiliated Bank. These Accounts were established by WMI or one of its non-bank subsidiaries at the Affiliated Banks pursuant to WMI's Internal Corporate Demand Deposit Account Establishment and Usage Policy (the "On-Us Policy"). According to that policy, WMB had the right to use the Intercompany Amounts for, among other things, processing and clearing transactions between WMB and WMI or their respective subsidiaries, customers, vendors, or investors, again raising the question of whether the Intercompany Amounts represented a continuing deposit liability or should be characterized as a capital contribution, a liquidity reserve or other form of intercompany advance to the Affiliated Banks.

WMI and the Affiliated Banks maintained a detailed, forty-page policy, named the Master Business Account Disclosures and Regulations (the "MBA Policy"), that operated as a contract setting forth the terms and conditions governing all deposit accounts established at the Affiliated Banks. The MBA Policy contained, among other things, a self-executing clause that made the terms of the policy binding upon all depositors, even those who did not expressly give permission, through consent implied by the opening and continued use of the deposit account. The MBA Policy and its terms and conditions apply to and govern any accounts that are in fact deposit accounts at the Affiliated Banks, including the Accounts to the extent any are deposit accounts. The MBA Policy expressly grants the Affiliated Banks a right to offset any and all claims against all deposit account liabilities. Specifically, the MBA Policy provides, "you agree we have the right to offset any account or asset of yours then held by us, by our sister bank, or any subsidiary of ours or our sister bank." Said differently, to the extent the Accounts and the Intercompany Amounts contained therein are deposit liabilities of the Affiliated Banks, the MBA Policy created a broad contractual right of setoff against the Accounts and the Intercompany Amounts for the benefit of the Affiliated Banks and their subsidiaries. Whether pursuant to the

MBA Policy or otherwise, under applicable law, JPMCB has a security interest in, lien rights against and rights of set off and recoupment against the Intercompany Amounts.

JPMCB's Express Security Interest

WMI entered into at least two security agreements with WMB, copies of which are attached hereto (the "Security Agreements"). Pursuant to the Security Agreements, WMI granted a security interest in and lien upon at least two accounts to WMB—Account No. 177-8911206 and Account No. 314-197966-3.

JPMCB believes that its secured claims against Account No. 177-8911206 exceed the balance therein. With respect to Account No. 314-197966-3, JPMCB is entitled to recover any amounts WMI may owe under that certain Indemnification and Collateral Account Pledge and Security Agreement, dated March 1, 2006 (the "Indemnification Agreement"), between WMI and WMB, pursuant to which WMI agreed to indemnify WMB and its subsidiaries for certain liabilities of Long Beach Mortgage Company, a Delaware corporation ("Long Beach"). At the time the parties entered into the Indemnification Agreement, Long Beach became a wholly owned subsidiary of WMB in a series of reorganization transactions. As a condition to its receipt of regulatory approval of the reorganization transactions, WMI indemnified WMB for certain future Long Beach liabilities and secured its indemnification obligations by establishing a blocked deposit account (the "Pledged Account") with WMB. WMI granted WMB a security interest in the Pledged Account and all deposits credited thereto, which JPMCB believes do not exceed \$750,000.

The September \$3.67 Billion Book Entry Transfer for Account No. 44100000064234

WMI has asserted that JPMCB is liable for a WMI deposit account allegedly maintained at WMB as of the Petition Date and identified as Account No. 44100000064234. It appears that neither WMBfsb nor JPMCB ever received cash or other funds at any time from or after the establishment of that account. Accordingly, even if that account were a deposit account, JPMCB is not liable therefor and is entitled to recover and recoup the full balance claimed for WMI's failure to deposit funds.

The Debtor has been receiving monthly statements reflecting the account due to its agreement to the terms of the Account Stipulation and the deposit agreements that provide JPMCB on behalf of itself and its affiliates and subsidiaries with broad post-petition lien rights and rights of set off and recoupment resulted in the entry of the \$3.67 Billion Book Entry Transfer as a deposit liability on the books and records of JPMCB. Having executed the standard deposit agreements with JPMCB necessary to have this account reflected as a deposit at JPMCB, WMI should be estopped from taking the position that these account agreements were a mistake and not binding on it or from enjoying the benefit of having the Accounts reflected as deposit liabilities free of the lien and setoff rights created by those very same agreements. To the extent that any post-petition book entry is considered as relevant to the status of the purported deposit, any such resulting deposit should similarly be considered subject to the depository institution's rights, including post-petition contractual and statutory rights of setoff, that accompany the post-petition deposit.

The Tax Refunds in the Accounts

A substantial portion of the Intercompany Amounts were, at the time of the Receivership and the Petition Date, in fact the property of the Affiliated Banks, representing tax payments made by the Affiliated Banks either as (i) accelerated payments of amounts previously claimed by WMI against the Affiliated Banks purportedly for taxes paid in prior years by WMI on behalf of the Affiliated Banks; or (ii) amounts transferred to WMI in payment of estimated or actual 2008 taxes. JPMCB believes those payments totaled at least \$922 million between August 19 and September 19, 2008.

In addition, after the Petition Date, an amount equal to at least \$248 million of tax refunds due to WMB—the rights to which were purchased by JPMCB as assets of WMB (the “Tax Refunds Received”)—were paid to WMI. An amount equal to at least approximately \$234 million of the Tax Refunds Received are included in the balance of the Intercompany Amounts and the Accounts and should be paid over to JPMCB as the lawful owner of those funds.

The Tax Refunds Received should not have been, and at various times were not in fact, recorded in any way as a deposit liability. The Tax Refunds Received were and are property of JPMCB purchased under the P&A Agreement.

The following documents, all of which are attached to the Declaratory Relief Complaint are submitted in support of this claim:

- Exhibit A: List of the Accounts provided to JPMCB by WMI shortly after the Petition Date.
- Exhibit B: Account Stipulation, dated October 15, 2008, by and between JPMCB and the Debtors.
- Exhibit C: Deposit Account Agreements, dated on or about October 21, 2008, executed by Debtors for the Accounts.
- Exhibit D: WMI’s Internal Corporate Demand Deposit Account Establishment and Usage Policy (the “On-Us Policy”).
- Exhibit E: WaMu’s Master Business Account Disclosures and Regulations (the “MBA Policy”).
- Exhibit F: Security Agreement for Account No. 177-8911206.
- Exhibit G: General Ledger Journal Entry for \$3.67 Billion Book Entry Transfer.
- Exhibit H: On-Us Elevation Reports for August, September and October of 2008.
- Exhibit I: Tax related support.

- Exhibit J: Form of Indemnification and Collateral Account Pledge and Security Agreement, dated March 1, 2006.

Assertion of this proof of claim, and any election, exercise or grant of any rights or remedies referred to, implied by or set forth in this claim does not, and is not intended to, preclude the election, exercise or grant of any other rights or remedies that may now or subsequently exist in law, in equity, by statute or otherwise. The identification or enumeration of JPMCB's rights and remedies set forth in this claim is not intended to be and should not be deemed to be exhaustive or to preclude JPMCB from asserting specific claims or counterclaims for as-yet unliquidated, unmaturing or contingent claims currently known or unknown, including without limitation, indemnification, contribution, and/or reimbursement from the Debtors for any claims of third parties that may be asserted against JPMCB.

JPMCB reserves all rights to amend, augment, supplement, reduce or withdraw, in whole or in part, this proof of claim, including, without limitation, to: cure a defect in the original claim, correct the claim amount or priority status, include additional supporting documents, describe the claim in greater detail, add additional claims presently unknown to JPMCB that, if known, could have affected this claim or resulted in the assertion of additional damages. In addition, nothing herein shall be deemed to waive or otherwise affect the rights of any other person, including without limitation, the FDIC, to make claims similar to or parallel with this claim.

In some instances, supporting documents identified herein as relating to claims have not been submitted herewith because (i) the specific documents identified are voluminous and either believed to already be in the Debtors' possession, or of such quantity that their submission herewith would be administratively impracticable, (ii) such documents are subject to confidentiality restrictions or some other agreement or restriction binding on JPMCB that prevents their lawful inclusion in a filing of this nature without additional steps being taken to assure they are provided under seal or otherwise in compliance with law and any agreements binding on JPMCB, and (iii) of JPMCB's limited familiarity at this point in time with the extensive books and records of WMB acquired from the FDIC and time constraints resulting from the claims deadline. In each such case, JPMCB includes herein a detailed reference, and in some cases a description and summary, of documents identified to date by JPMCB on which the claim is based. Any party in interest seeking additional access to or copies of such documents or other related information may contact Cecelia Rodine at JPMorgan Chase & Co., Legal & Compliance Department, 1 Chase Manhattan Plaza, 25th Floor, Mail Code: NY1-A425, New York, New York 10081 with respect thereto.

Nothing in this claim describing or in any way relating to property in which the Debtors now or hereafter may assert an interest shall be construed or deemed in any way as evidence that such assets are property of the estate or an admission that the Debtors have any rights in such property. This claim is submitted to assert and preserve this claim in the Debtors' pending bankruptcy cases, and neither the submission of this claim, nor any provision hereof or statement herein shall be construed or deemed to be evidence that JPMCB or any other person has waived or intends to waive any rights or claims afforded it under the P&A Agreement, any other agreement with persons other than the Debtors, or as may otherwise be available under applicable law, including, without limitation, the Bankruptcy Code.

EXHIBIT A

Washington Mutual Inc and Subsidiaries
JPM Bank Accounts - Post 09/26/2008

| Legal Entity Name | Federal ID | Co. No | DDA No. | 07/21/2008 |
|--|------------|--------|--------------|---------------|
| Washington Mutual Inc. | 91-1653725 | 70 | 179-165066-7 | 261,346,985 |
| Washington Mutual Inc. | 91-1653725 | 70 | 441-006423-4 | 3,867,643,173 |
| Washington Mutual Inc. | 91-1653725 | 70 | 177-891120-8 | 52,659,715 |
| Washington Mutual Inc. | 91-1653725 | 70 | 181-252962-6 | 4,850 |
| Washington Mutual Inc. | 91-1653725 | 70 | 314-197966-3 | 747,799 |
| WMI Investment Corp (fka WAMU Investments Corp) | 20-5885395 | 467 | 314-197470-4 | 53,493,453 |
| Debtor Companies | | | | 4,036,195,775 |
| Great Western Service Corp. No. 2 | 95-4132223 | 113 | 095-014218-1 | 2,048,994 |
| Washington Mutual Finance Group, LLC | 59-3637422 | 422 | 441-006352-5 | 1,832,765 |
| Washington Mutual Finance Group, LLC | 59-3637422 | 422 | 314-197787-3 | - |
| WaMu 1031 Exchange (fka TIMCOR Exchange) - General | 20-4242904 | 481 | 440-043508-9 | 64,874 |
| WaMu 1031 Exchange (fka TIMCOR Exchange) - Deposit | 20-4242904 | 481 | 440-043508-1 | 29,764,187 |
| WaMu 1031 Exchange (fka TIMCOR Exchange) - MIM Acc | 20-4242904 | 481 | 342-890084-4 | 156,388 |
| WM Mortgage Reinsurance Company, Inc. | 99-0347524 | 136 | 179-170835-9 | 37,862 |
| Marion Insurance Company Inc. | 91-2006036 | 139 | 179-170773-1 | 25,493,030 |
| WM Aircraft Holdings, LLC | 91-2092536 | 141 | 179-170718-7 | 1,625,243 |
| Ahmanson Developments Inc. | 95-2758479 | 231 | 195-072341-1 | 74,623,241 |
| Ahmanson GGC LLC | 91-1984608 | 240 | 195-023626-2 | 3,097,999 |
| Ahmanson Residential Development | 95-4388137 | 247 | 195-072342-9 | 41,813 |
| ACD2 | 95-4388136 | 248 | 195-072348-7 | 83,998,770 |
| Sutter Bay LLC | 91-1984607 | 253 | 195-072349-5 | 82,490,542 |
| Sutter Bay Corp. | 95-4605800 | 255 | 195-023629-0 | 13,166,938 |
| Flower Street Corp. | 95-4605799 | 256 | 195-023630-7 | 282 |
| ACD4 | 95-4466602 | 258 | 195-072344-5 | 73,356 |
| ACD3 | 95-4466606 | 260 | 195-072346-1 | 1,677 |
| Ahmanson Residential 2 | 95-4466607 | 261 | 195-072347-9 | 11,568,788 |
| Ahmanson Obligation Company | 95-4385770 | 275 | 876-463771-9 | 2,108,996 |
| Riverpoint Associates | 95-4234896 | 280 | 195-023632-3 | 105,000 |
| Riverpoint Associates | 95-4234896 | 280 | 179-170367-2 | - |
| WMI Rainier LLC | 20-4753452 | 462 | 314-197968-7 | 322,296,723 |
| Non-debtor Companies | | | | - |

EXHIBIT B

EXECUTION COPY

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

-----X
: **Chapter 11**
:
:
In re : **Case No. 08-12229 (MFW)**
:
WASHINGTON MUTUAL, INC., et al.,¹ : **(Jointly Administered)**
:
Debtors. :
:
-----X

**STIPULATION BY AND BETWEEN DEBTORS AND
JPMORGAN CHASE BANK, N.A. CONCERNING CERTAIN ACCOUNTS**

Washington Mutual, Inc. ("WMI") and WMI Investment Corporation ("WMI Investment" and together with WMI, collectively, the "Debtors"), as debtors and debtors in possession, and JPMorgan Chase Bank, N.A. ("Chase" and together with the Debtors, collectively, the "Parties"), hereby submit this Stipulation By And Between Debtors And JPMorgan Chase Bank, N.A. (the "Stipulation"), and in support thereof, respectfully stipulate as follows:

RECITALS

WHEREAS, on September 25, 2008, the Federal Deposit Insurance Corporation (the "FDIC"), in its corporate capacity and as receiver of Washington Mutual Bank, Henderson, Nevada ("WMB") and Chase entered into that certain Purchase and Assumption Agreement, Whole Bank, dated as of September 25, 2008 (the "Purchase Agreement"), which Purchase Agreement is publicly available at <http://www.fdic.gov/about/freedom/popular.html>;

WHEREAS, on September 26, 2008 (the "Commencement Date"), each of the Debtors commenced with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy

¹ The Debtors in these chapter 11 cases along with the last four digits of each Debtor's federal tax identification number are: (i) Washington Mutual, Inc. (3725); and (ii) WMI Investment Corp. (5395). The Debtors' principal offices are located at 1301 Second Avenue, Seattle, Washington 98101.

Court") a voluntary case (collectively, the "Bankruptcy Cases") pursuant to chapter 11 of title 11 of the United States Code (the "Bankruptcy Code");

WHEREAS, as of the date hereof, the Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;

WHEREAS, the books and records transferred to Chase in connection with the Purchase Agreement reflect the accounts (the "Accounts") and balances (the "Funds") specified on Exhibit A hereto, at least one of which Chase asserts is subject to an Account Security Agreement, dated as of May 31, 2002 (the "Security Agreement"), with respect to certain intercompany obligations between WMI and WMB;

WHEREAS, Chase and Washington Mutual Bank fsb ("WMBfsb" and together with Chase, "JPM") assert that they have not located, other than with respect to a limited number of Accounts, any deposit account agreements establishing the Accounts, any other agreements regarding the maintenance of or withdrawals from the Accounts or any signature cards or other specification of any authorized signatories with respect to the Accounts;

WHEREAS, JPM has been and still is engaged in the transition of the operations it acquired on September 25, 2008 under the Purchase Agreement, including working with the FDIC, closing the books of WMB as required under the Purchase Agreement, and transitioning and integrating the customers, employees and vendors of WMB and WMBfsb into JPM;

WHEREAS, in addition to the transition of WMB's and WMBfsb's operations, the Debtors and JPM have been cooperating to provide information requested by the Debtors in connection with the Bankruptcy Cases and to facilitate the operations of the Debtors, WMB and WMBfsb, including providing information regarding creditors and the Accounts;

WHEREAS, JPM asserts that it has not had the opportunity to fully evaluate the nature or extent of the rights, if any, JPM may have (including as a result of the Purchase Agreement) with respect to setoff, statutory bankers' liens, intercompany agreements, or otherwise;

WHEREAS, the Debtors continue to evaluate the information provided by JPM on Exhibit A;

WHEREAS, the Debtors assert that the Funds in the Accounts are the deposits of the Debtors and the Debtors' non-bank subsidiaries and have requested that JPM release the Funds from the Accounts and transfer them to other accounts of the Debtors not held with Chase or with WMBfsb;

WHEREAS, Chase is a national banking association and, accordingly, the withdrawal of funds from an account at Chase is subject to customary regulatory policies and procedures; and

WHEREAS, JPM is prepared to accede to the Debtors' request, provided that (a) the Debtors comply with the requirements for the transfer specified in paragraph 2 below; and (b) any right, title, priority or other interest, if any, that JPM may have (including as a result of the Purchase Agreement) in connection with the Accounts and the Funds contained therein is preserved upon the terms and conditions specified in this Stipulation.

NOW, THEREFORE, IT IS HEREBY STIPULATED, CONSENTED AND AGREED AS FOLLOWS:

1. JPM and the Debtors agree that, upon execution, delivery and approval of the deposit account documentation specified in paragraph 2 and the approval of this Stipulation by the Bankruptcy Court, the Funds in the Accounts (each as identified on Exhibit A) are agreed to be deposit accounts of the Debtors and the Debtors' non-bank subsidiaries.

2. Within one (1) business day following entry of an order approving this Stipulation, JPM shall transfer the Funds from the Accounts as the Debtors, in their sole and absolute discretion, may direct; provided, however, that the Debtors comply with the procedures required in connection with such a transaction, including, but not limited to, delivering to JPM (a) certified resolutions from

the respective boards of directors of each entity listed as a depositor for the Accounts that (i) designate and approve the signatories for such Accounts and (ii) approve the transfer of the Funds, any related transactions and the execution of all related documentation, including deposit account agreements (to the extent deposit account agreements for such Accounts have not been located) in the form customary and standard for deposit accounts of WMB and WMBfsb (as of the date prior to the Commencement Date) providing for customary setoff and bankers rights, which documentation is and shall be deemed to be effective at all relevant times from and after the establishment of each of the Accounts, (b) authorized, verified and executed signature cards containing an IRS Form W-9 certification in the case of interest-bearing Accounts and instructions for each of the Accounts, (c) executed incumbency certificates for each authorized signatory, (d) the desired transaction instructions (e.g., specify the (i) Account to be debited; (ii) amount to be debited from each Account; (iii) name of institution receiving the Funds; and (iv) ABA, routing, and account numbers of the assuming institution), and (e) such other information or documentation as may be reasonably required to effectuate the withdrawals and transfers of the Funds from the Accounts; and provided, further, that, notwithstanding the foregoing, without the express consent of JPM, the Debtors shall not request the transfer of the Funds in the Account subject to the Security Agreement. All Funds in the Account subject to the Security Agreement shall be in compliance with section 345 of the Bankruptcy Code.

3. Prior to and after the transfer thereof, the Funds will remain subject to all claims, rights and remedies, if any, that JPM may have including (a) those arising under or related to the Purchase Agreement and the Security Agreement, (b) any available right of setoff, recoupment or other remedy, including such rights under customary deposit account agreements now existing or executed in connection with the withdrawal of the Funds from the Accounts under this Stipulation and (c) any statutory bankers' lien with respect to the Funds or the Accounts, in each case as if the

Funds had not been transferred and had remained on deposit in the Accounts at JPM.

4. As adequate protection for any claims that would have been entitled to be paid or to priority by way of setoff, recoupment or lien rights, or pursuant to the Security Agreement, against the Accounts held by Chase or the Accounts held by WMBfsb, the Debtors hereby grant (subject to Bankruptcy Court approval) to Chase or to WMBfsb, as applicable, a replacement lien in the respective Funds from such Accounts transferred in the new accounts and in any successive accounts into which such Funds may be transferred, with such replacement lien to have the same force, effect, validity and priority as any setoff or lien rights would have had in such Funds and such Accounts had such Funds and such Accounts continued to be maintained where and as they were on the Commencement Date. In the event such Funds are utilized by the Debtors for other purposes and the replacement lien approved by the Bankruptcy Court is insufficient to pay any claim as to which WMBfsb or Chase would have had a valid and enforceable right of setoff, recoupment or statutory lien on the Funds in the Accounts held by Chase or WMBfsb, as applicable, on the Commencement Date, Chase or WMBfsb shall be entitled to adequate protection thereof and to seek payment of an administrative claim under section 503(b)(1) of the Bankruptcy Code in the amount of any such shortfall.

5. Notwithstanding the foregoing provisions, the replacement liens provided to Chase and WMBfsb shall not preclude the Debtors from using the Funds to pay administrative expenses or make distributions under a chapter 11 plan and such replacement liens shall not encumber any amounts paid to third parties or distributed to creditors of the Debtors, whether pursuant to a chapter 11 plan or otherwise; provided that JPM may seek a determination at any time regarding the rights, claims and remedies reserved under this Stipulation.

6. Nothing in this Stipulation shall be deemed to constitute a waiver of any claim, right

or defense of the Debtors (or any of their non-bank subsidiaries), including, without limitation, as to the nature, amount or priority of any claim asserted by Chase or WMBfsb or the entitlement of Chase or WMBfsb to any right of setoff, recoupment, or statutory banker's lien in these cases. Furthermore, nothing in this Stipulation shall be deemed to constitute a waiver of any claim, right or defense of Chase or WMBfsb, including, without limitation, any objection Chase or WMBfsb may have to a use of the Funds out of the ordinary course of the business of the Debtors and any objection to any proposed plan of reorganization, including any use of the Funds therein or the confirmation thereof.

7. The Parties agree that, prior to the effectiveness of the Purchase Agreement, Chase had no relationship with or access to the Funds in the Accounts.

8. This Stipulation is without prejudice to the rights of (i) the Debtors to identify additional accounts at Chase or WMBfsb, or demonstrate that the Accounts have more Funds than specified on Exhibit A and (ii) JPM to contest the existence of additional accounts at Chase or WMBfsb, or additional amounts in the Accounts.

9. Any provision of this Stipulation may be amended if, and only if, such amendment is in writing and is signed by all the Parties hereto. Material amendments must be approved by the Bankruptcy Court.

10. Whether or not this Stipulation is approved by the Bankruptcy Court, nothing contained herein may be used as, or deemed to be, an admission of liability of any party with respect to any matter.

11. This Stipulation may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same document.


12. The Parties hereto represent and warrant to each other that: (i) they are authorized to execute this Stipulation; (ii) each has full power and authority to enter into and perform in accordance

with the terms of this Stipulation (subject to Bankruptcy Court approval); and (iii) this Stipulation is duly executed and delivered and constitutes a valid and binding agreement in accordance with its terms (subject to Bankruptcy Court approval).

13. This Stipulation shall become effective immediately upon entry of an order approving the Stipulation by the Bankruptcy Court in form and substance acceptable to the Debtors and JPM.

Dated: Wilmington, Delaware
October __, 2008

LANDIS RATH & COBB LLP


Adam G. Landis (No. 3407)
919 Market Street, Suite 600
Wilmington, Delaware 19801
Telephone: (302) 467-4400
Facsimile: (302) 467-4450

-and-

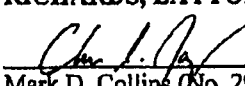
SULLIVAN & CROMWELL LLP

Hydee R. Feldstein, Esq.
1888 Century Park East, Suite 2100
Los Angeles, California 90067
Telephone: (310) 712-6600
Facsimile: (310) 712-8800

Robinson B. Lacy, Esq.
125 Broad Street
New York, New York 10004
Telephone: (212) 558-4000
Facsimile: (212) 558-3588

Counsel to JPMorgan Chase Bank, N.A.

RICHARDS, LAYTON & FINGER, P.A.


Mark D. Collins (No. 2981)
Chun I. Jang (No. 4790)
One Rodney Square
902 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701

-and-

WEIL, GOTSHAL & MANGES LLP

Marcia L. Goldstein, Esq.
Brian S. Rosen, Esq.
Michael F. Walsh, Esq.
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Counsel for Debtors

Exhibit A

| Account Number | Balance in Account as of September 30, 2008 |
|----------------|---|
| xxxxxx1206 | \$52,600,201.01 |
| xxxxxx0844 | \$38,321,197.03 |
| xxxxxx4234 | \$3,667,943,172.50 |
| xxxxxx2184 | \$2,048,993.84 |
| xxxxxx3525 | \$1,881,775.10 |
| xxxxxx0667 | \$264,068,186.05 |
| xxxxxx9626 | \$4,650.22 |
| xxxxxx9663 | \$747,799.23 |
| xxxxxx8359 | \$167,040.92 |
| xxxxxx7731 | \$140,775.81 |
| xxxxxx7187 | \$25,493,030.18 |
| xxxxxx3411 | \$1,625,209.48 |
| xxxxxx6282 | \$74,623,240.91 |
| xxxxxx3429 | \$3,097,999.14 |
| xxxxxx3487 | \$41,812.64 |
| xxxxxx3495 | \$93,996,770.14 |
| xxxxxx6290 | \$62,490,542.45 |
| xxxxxx6307 | \$13,166,938.46 |
| xxxxxx3445 | \$281.83 |
| xxxxxx3461 | \$73,356.39 |
| xxxxxx3479 | \$1,676.99 |
| xxxxxx7719 | \$11,566,787.62 |
| xxxxxx6323 | \$2,108,985.71 |
| xxxxxx3672 | \$105,000.00 |
| xxxxxx7873 | \$2,393,845.53 |
| xxxxxx9697 | \$0.00 |
| xxxxxx4704 | \$53,145,275.33 |
| xxxxxx5081 | \$2,900,309.33 |
| xxxxxx5099 | \$0 |


EXHIBIT C

Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")

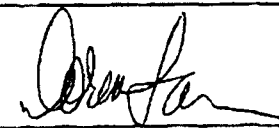
**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|--|----------|--------------------------------|----------------------------|-----------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 8909 | ACCOUNT NUMBER 179-00001650867 |
| 1. ACCOUNT TITLE WASHINGTON MUTUAL, INC. | | | | |
| 2. ACCOUNT TITLE Attn: Treasury Acctg/Lulu St John | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS - STREET 1301 2 nd Avenue, WMC1411 | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 91-1853725 | | CONTACT PERSON Lulu St John | | BUSINESS PHONE 206-302-4232 |
| DATE OPENED 08/17/2002 | BY | TAX LINK | DATE CHANGED 08/12/2008 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


By signing below, we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Please sign within the box

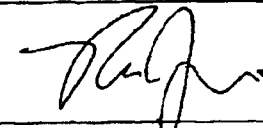
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|--|----------|-----------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT 83 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000072348-7 |
| 1. ACCOUNT TITLE A C D 2 | | | | |
| 2. ACCOUNT TITLE C/O REO-REI ACCTG NATIONAL OPS CENTER | | | | |
| 3. ACCOUNT TITLE M/S 3545 BOTX | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 555 Dividend Drive, Ste 150 | | CITY Coppell | STATE TX | ZIP 75019 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4478213 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 05/25/1999 | BY | TAX LINK | DATE CHANGED 10/20/2008 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Please sign within the box

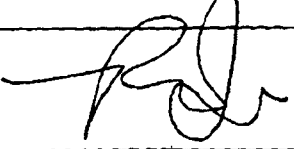
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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")

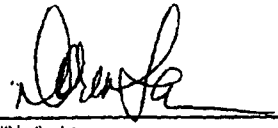
**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|--|----------|-------------------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B6 | FC NUMBER 9909 | ACCOUNT NUMBER 0342-0000890084-4 |
| 1. ACCOUNT TITLE WAMU 1031 EXCHANGE | | | | |
| 2. ACCOUNT TITLE MMKT ITF VARIOUS INVESTORS | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS: STREET 3801 N Aviation Blvd, Suite 1000 | | CITY Manhattan Beach | STATE CA | ZIP 90266 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 20-4242904 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 10/31/2006 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |

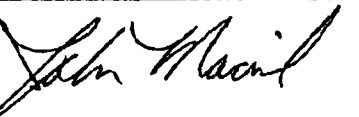
By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Please sign within the box

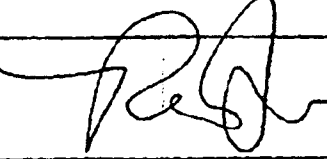
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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")


**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|--|----------|--------------------------------|----------------------------|-----------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 179-00001650667 |
| 1. ACCOUNT TITLE WASHINGTON MUTUAL, INC. | | | | |
| 2. ACCOUNT TITLE Attn: Treasury Acctg/Lulu St John | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 1301 2 nd Avenue, WMC1411 | | CITY Seattle | STATE WA | ZIP 98101 |
| IDENTIFICATION | | | PROVINCE | COUNTRY |
| TAX ID 91-1653725 | | CONTACT PERSON Lulu St John | | VERIFICATION STATUS |
| DATE OPENED 08/17/2002 | BY | TAX LINK | DATE CHANGED 08/12/2008 | BUSINESS PHONE 206-302-4232 |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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|---|----------|-----------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000072348-7 |
| 1. ACCOUNT TITLE A C D 2 | | | | |
| 2. ACCOUNT TITLE C/O REO-REI ACCTG NATIONAL OPS CENTER | | | | |
| 3. ACCOUNT TITLE M/S 3545 BOTX | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 555 Dividend Drive, Ste 150 | | CITY Coppell | STATE TX | ZIP 75019 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4478213 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 05/25/1999 | BY | TAX LINK | DATE CHANGED 10/20/2008 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. Use (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> | | | | |
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By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")


**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|--|----------|-------------------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B6 | FC NUMBER 9909 | ACCOUNT NUMBER 0342-0000890084-4 |
| 1. ACCOUNT TITLE WAMU 1031 EXCHANGE | | | | |
| 2. ACCOUNT TITLE MMKT ITF VARIOUS INVESTORS | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS: STREET 3601 N Aviation Blvd, Suite 1000 | | CITY Manhattan Beach | STATE CA | ZIP 90266 |
| | | | PROVINCE | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 20-4242904 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 10/31/2008 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |

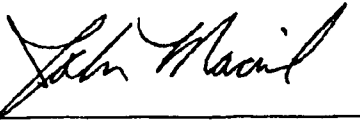
By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")

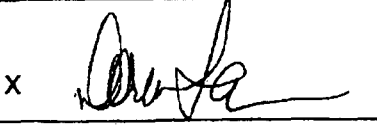
**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|--|----------|-------------------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT BS | FC NUMBER 9909 | ACCOUNT NUMBER 0440-0000043508-1 |
| 1. ACCOUNT TITLE WAMU 1031 EXCHANGE | | | | |
| 2. ACCOUNT TITLE MMKT ITF VARIOUS INVESTORS | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 3601 N Aviation Blvd, Suite 1000 | | CITY Manhattan Beach | STATE CA | ZIP 90266 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 20-4242904 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 08/29/2006 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |

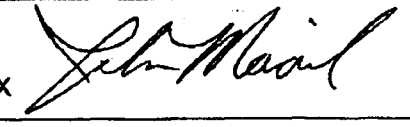
By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Please sign within the box

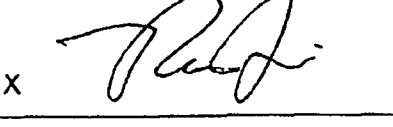
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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")

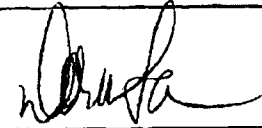
**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|--|----------|----------------------------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT 83 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000072347-9 |
| 1. ACCOUNT TITLE AHMANSON RESIDENTIAL DEVELOPMENT 2 | | | | |
| 2. ACCOUNT TITLE BANK RECON N080101 | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS - STREET 9401 Oakdale Drive | | CITY Chatsworth | STATE CA | ZIP 91311 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4486807 | | CONTACT PERSON Bill Longbrake | | BUSINESS PHONE |
| DATE OPENED 05/25/1999 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| 1) The Tax ID number shown on this form is my correct Taxpayer Identification Number. | | | | |
| 2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding. | | | | |
| 3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above. | | | | |
| 4) I am a U.S. person (including U.S. resident alien). | | | | |
| The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application. | | | | |

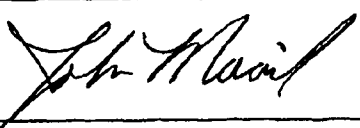
By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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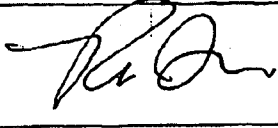
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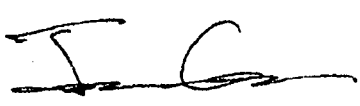
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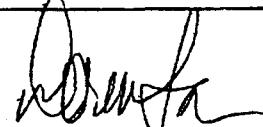
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|---|----------|-------------------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B5 | FC NUMBER 9909 | ACCOUNT NUMBER 0440-0000043509-9 |
| 1. ACCOUNT TITLE WAMU 1031 EXCHANGE | | | | |
| 2. ACCOUNT TITLE DISBURSEMENT ACCOUNT | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS - STREET 3801 N Aviation Blvd, Suite 1000 | | CITY Manhattan Beach | STATE CA | ZIP 90266 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 20-4242904 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 08/29/2006 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> | | | | |
| The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application. | | | | |


By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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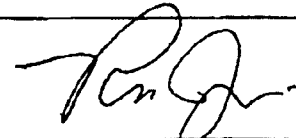
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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")

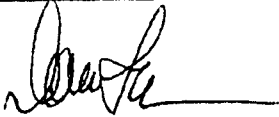
BUSINESS
MASTER ACCOUNT AGREEMENT

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|--|----------|-----------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT 83 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000072349-5 |
| 1. ACCOUNT TITLE SUTTER BAY ASSOCIATES LLC | | | | |
| 2. ACCOUNT TITLE C/O REO REI ACCTG NATIONAL OPS CENTER | | | | |
| 3. ACCOUNT TITLE M/S 3545 BOTX | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS - STREET 555 Dividend Drive | | CITY Coppell | STATE TX | ZIP 75019 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 68-0203737 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 05/25/1999 | BY | TAX LINK | DATE CHANGED 05/21/2007 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Association
(the "Bank")

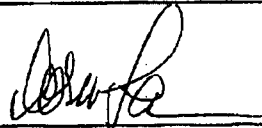
**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|--|----------|-----------------|----------------------------|------------------------------------|
| COMP NO. | OWN CODE | PRODUCT 83 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-000072341-1 |
| 1. ACCOUNT TITLE AHMANSON DEVELOPMENTS IINC. | | | | |
| 2. ACCOUNT TITLE C/O REO-REI ACCTG NATIONAL OPS CENTER | | | | |
| 3. ACCOUNT TITLE MS 3545 BPTX | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS: STREET 555 Dividend Drive, Ste 150 | | CITY Coppell | STATE TX | ZIP 75019 |
| | | | PROVINCE | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-2758479 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 05/25/1999 | BY | TAX LINK | DATE CHANGED 02/24/2005 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION – UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-9BEN must be completed as an attachment to this application.</p> | | | | |


By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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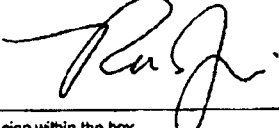
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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")


**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|--|----------|----------------------------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT 83 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000023828-2 |
| 1. ACCOUNT TITLE AHMANSON GGC LLP | | | | |
| 2. ACCOUNT TITLE BANK RECON N080101 | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 9401 Oakdale Avenue | | CITY Chatsworth | STATE CA | ZIP 91311 |
| | | | PROVINCE | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4385704 | | CONTACT PERSON Rita Jorgensen | | BUSINESS PHONE |
| DATE OPENED 06/04/1999 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Please sign within the box

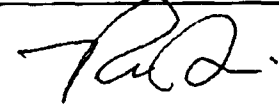
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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")

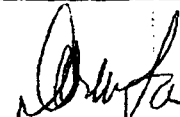
BUSINESS
MASTER ACCOUNT AGREEMENT

| | | | | |
|---|----------|-----------------|----------------------------|------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-000072348-1 |
| 1. ACCOUNT TITLE A C D 3 | | | | |
| 2. ACCOUNT TITLE C/O REO-REI ACCTG NATIONAL OPS CENTER | | | | |
| 3. ACCOUNT TITLE M/S 3545 BOTX | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 555 Dividend Drive, Ste 150 | | CITY Coppell | STATE TX | ZIP 75019 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4466606 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 05/25/1999 | BY | TAX LINK | DATE CHANGED 11/14/2005 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations) shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Please sign within the box

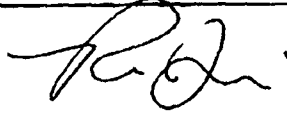
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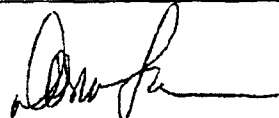
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|--|----------|-----------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0876-0000483771-9 |
| 1. ACCOUNT TITLE AHMANSON OBLIGATION COMPANY | | | | |
| 2. ACCOUNT TITLE ATTN: LOURDES ST JOHN | | | | |
| 3. ACCOUNT TITLE TREASURY ACCOUNTING WMC1411 | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS - STREET 1301 2 nd Avenue FL 14 | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4365770 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 08/07/1997 | BY | TAX LINK | DATE CHANGED 08/15/2007 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |

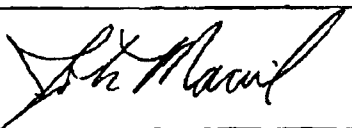
By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")


BUSINESS
MASTER ACCOUNT AGREEMENT

| | | | | |
|--|----------|-----------------|----------------------------|-------------------------------------|
| CDMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000072342-9 |
| 1. ACCOUNT TITLE AHMANSON RESIDENTIAL DEVELOPMENT | | | | |
| 2. ACCOUNT TITLE C/O REO-REI ACCTG NATIONAL OPS CENTER | | | | |
| 3. ACCOUNT TITLE MS 3545 BPTX | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 555 Dividend Drive, Ste 150 | | CITY Coppell | STATE TX | ZIP 75019 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4388137 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 05/25/1999 | BY | TAX LINK | DATE CHANGED 02/24/2005 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
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| 1) The Tax ID number shown on this form is my correct Taxpayer Identification Number. | | | | |
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| 3) Check this box <input type="checkbox"/> If you are subject to backup withholding and can not certify the provisions of (2) above. | | | | |
| 4) I am a U.S. person (including U.S. resident alien). | | | | |
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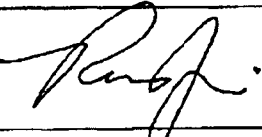
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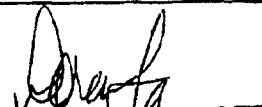
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|--|----------|-----------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0179-0000170718-7 |
| 1. ACCOUNT TITLE WM AIRCRAFT HOLDINGS LLC | | | | |
| 2. ACCOUNT TITLE ATTN: GENERAL ACCOUNTING | | | | |
| 3. ACCOUNT TITLE MAILSTOP WMC3701 | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS: STREET 1301 2 nd Avenue | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 91-2092536 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 01/26/2001 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |

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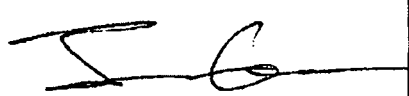
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|--|----------|-----------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT 83 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000023629-0 |
| 1. ACCOUNT TITLE SUTTER BAY CORPORATION | | | | |
| 2. ACCOUNT TITLE C/O REQ-REI ACCTG NATIONAL OPS CENTER | | | | |
| 3. ACCOUNT TITLE MS 3545 BPTX | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS - STREET 555 Dividend Drive, Ste 150 | | CITY Coppell | STATE TX | ZIP 75019 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4805800 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 06/04/1999 | BY | TAX LINK | DATE CHANGED 11/13/2007 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


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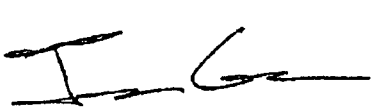
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|--|----------|-------------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT 83 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000023632-3 |
| 1. ACCOUNT TITLE RIVERPOINT ASSOCIATES | | | | |
| 2. ACCOUNT TITLE C/O LINDA BRILMAN CAS3080 | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS: STREET 4900 Rivergrade Road | | CITY Irwindale | STATE CA | ZIP 91706 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4234896 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 06/04/1999 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> | | | | |
| The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application. | | | | |


By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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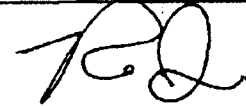
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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")


**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|---|----------|-----------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B5 | FC NUMBER 9909 | ACCOUNT NUMBER 0314-0000197787-3 |
| 1. ACCOUNT TITLE WM FINANCE GROUP LLC | | | | |
| 2. ACCOUNT TITLE C/O MONICA WANG MAILSTOP WMC1315 | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 1301 2 nd Avenue | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 59-3637422 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 04/17/2007 | BY | TAX LINK | DATE CHANGED 07/03/2007 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosure and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION – UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| 1) The Tax ID number shown on this form is my correct Taxpayer Identification Number. | | | | |
| 2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding. | | | | |
| 3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above. | | | | |
| 4) I am a U.S. person (including U.S. resident alien). | | | | |
| The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application. | | | | |


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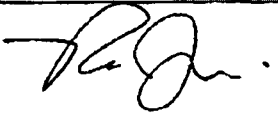
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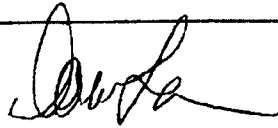
BUSINESS
MASTER ACCOUNT AGREEMENT

| | | | | |
|--|----------|--------------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0179-0000170387-2 |
| 1. ACCOUNT TITLE RIVERPOINT ASSOCIATES | | | | |
| 2. ACCOUNT TITLE BANK RECON N110902 | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 9200 Oakdale Road | | CITY Chatsworth | STATE CA | ZIP 91311 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 95-4234898 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 11/09/2000 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION – UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |

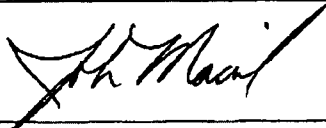
By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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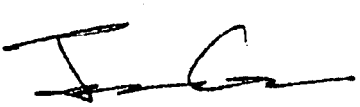
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|--|----------|---------------------------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0179-0000170773-1 |
| 1. ACCOUNT TITLE MARION INSURANCE COMPANY INC. | | | | |
| 2. ACCOUNT TITLE OPERATING ACCOUNT | | | | |
| 3. ACCOUNT TITLE ATTN: BRENT NORWOOD | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS: STREET 1301 2 ND Avenue, Fl 13 | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 91-2006036 | | CONTACT PERSON Brent Norwood | | BUSINESS PHONE 206-500-3282 |
| DATE OPENED 02/14/2001 | BY | TAX LINK | DATE CHANGED 05/28/2008 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> | | | | |
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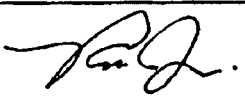
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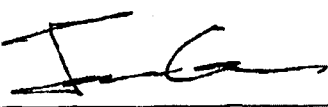
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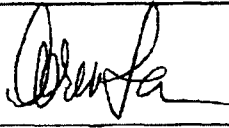
**BUSINESS
MASTER ACCOUNT AGREEMENT**

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|--|----------|-----------------|----------------------------|-------------------------------------|------------------------------|---------|
| COMP NO. | OWN CODE | PRODUCT 83 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000023630-7 | | |
| 1. ACCOUNT TITLE FLOWER STREET CORPORATION | | | | | | |
| 2. ACCOUNT TITLE C/O REO-REI ACCTG NATIONAL OPS CENTER | | | | | | |
| 3. ACCOUNT TITLE MS 3545 BPTX | | | | | | |
| 4. ACCOUNT TITLE | | | | | | |
| ADDRESS: STREET 555 Dividend Drive, Ste 150 | | CITY Coppell | STATE TX | ZIP 75019 | PROVINCE | COUNTRY |
| IDENTIFICATION | | | | | VERIFICATION STATUS | |
| TAX ID 95-4605799 | | | CONTACT PERSON | | BUSINESS PHONE | |
| DATE OPENED 06/04/1999 | BY | TAX LINK | DATE CHANGED 07/23/2007 | | | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | | Ownership/Subownership Code: | |
| This type of account is described in the Account Disclosures and Regulations. | | | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | | | |


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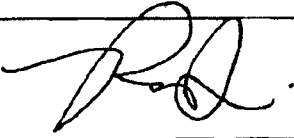
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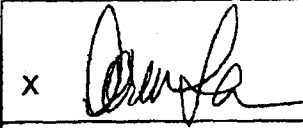
**BUSINESS
MASTER ACCOUNT AGREEMENT**

| | | | | |
|--|----------|---------------------------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0179-0000170835-9 |
| 1. ACCOUNT TITLE WM MORTGAGE REINSURANCE CO INC. | | | | |
| 2. ACCOUNT TITLE OPERATING ACCOUNT | | | | |
| 3. ACCOUNT TITLE ATTN: BRENT NORWOOD | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 1301 2 nd Avenue, Fl 13 | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 99-0347524 | | CONTACT PERSON Brent Norwood | | BUSINESS PHONE 206-500-3282 |
| DATE OPENED 02/27/2001 | BY | TAX LINK | DATE CHANGED 03/02/2007 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


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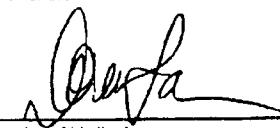
**BUSINESS
MASTER ACCOUNT AGREEMENT**

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|--|--------------------|-----------------|-------------------|------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 314-0000197470-4 |
| 1. ACCOUNT TITLE WAMU INVESTMENT CORP | | | | |
| 2. ACCOUNT TITLE | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS - STREET 1301 2 nd Avenue, WMC1409 | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 20-5885395 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 10/31/2006 | BY Doreen Logan | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |

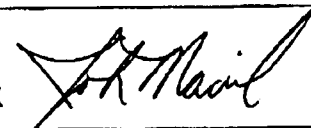
By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). THE INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

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Washington Mutual, a division of
JPMorgan Chase Bank, National
Association
(the "Bank")


**BUSINESS
MASTER ACCOUNT AGREEMENT**

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|--|----------|-----------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B5 | FC NUMBER 9331 | ACCOUNT NUMBER 0441-0000006352-5 |
| 1. ACCOUNT TITLE WM FINANCE GROUP LLC | | | | |
| 2. ACCOUNT TITLE ATTN: COMMERCIAL GROUP ACCOUNTING | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS: STREET 1301 2 nd Avenue, WMC3701 | | CITY Seattle | STATE WA | ZIP 98101 |
| | | | PROVINCE | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 59-3637422 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 12/17/2007 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION -- UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> | | | | |
| The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application. | | | | |


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(the "Bank")


BUSINESS
MASTER ACCOUNT AGREEMENT

| | | | | |
|--|----------|--------------------------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 8909 | ACCOUNT NUMBER 0314-0000197986-3 |
| 1. ACCOUNT TITLE WASHINGTON MUTUAL, INC. | | | | |
| 2. ACCOUNT TITLE TO INDEMNITY FOR 03/01/2006 | | | | |
| 3. ACCOUNT TITLE LBMC TRANSFER | | | | |
| 4. ACCOUNT TITLE ATTN: TREASURY ACCOUNTING LULU ST JOHN | | | | |
| ADDRESS: STREET 1301 2 nd Avenue, WMC1409 | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 91-1653725 | | CONTACT PERSON Lulu St John | | BUSINESS PHONE 206-302-4232 |
| DATE OPENED 09/12/2007 | BY | TAX LINK | DATE CHANGED 03/31/2008 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> | | | | |
| The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application. | | | | |


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(the "Bank")


**BUSINESS
MASTER ACCOUNT AGREEMENT**

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|--|------------------------------|---------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0181-0000252962-6 |
| 1. ACCOUNT TITLE WASHINGTON MUTUAL, INC. | | | | |
| 2. ACCOUNT TITLE ATTN: ERIK STROM | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS - STREET 1301 2 nd Avenue, WMC4201 | CITY Seattle | STATE WA | ZIP 98101 | PROVINCE COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 91-1653725 | CONTACT PERSON Erik Strom | | | BUSINESS PHONE 206-500-4945 |
| DATE OPENED 03/03/2005 | BY Doreen Logan | TAX LINK | DATE CHANGED 03/31/2008 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


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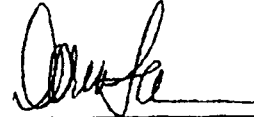
**BUSINESS
MASTER ACCOUNT AGREEMENT**

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|--|-----------------|----------------|-------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0314-0000197989-7 |
| 1. ACCOUNT TITLE WMI RAINIER LLC | | | | |
| 2. ACCOUNT TITLE | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS : STREET 1301 2 nd Avenue, WMC1411 | CITY Seattle | STATE WA | ZIP 98101 | PROVINCE COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 20-4753452 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 09/20/2007 | BY | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. We (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a Judge or Jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


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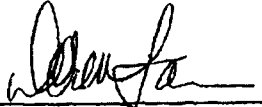
**BUSINESS
MASTER ACCOUNT AGREEMENT**

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|---|----------|-----------------|----------------------------|-------------------------------------|
| COMP NO. | OWN CODE | PRODUCT U5 | FC NUMBER 9908 | ACCOUNT NUMBER 0177-0000891120-6 |
| 1. ACCOUNT TITLE WASHINGTON MUTUAL, INC. | | | | |
| 2. ACCOUNT TITLE FBO WASHINGTON MUTUAL BANK FA | | | | |
| 3. ACCOUNT TITLE WASHINGTON MUTUAL | | | | |
| 4. ACCOUNT TITLE ROWENA LITTLE | | | | |
| ADDRESS: STREET 1301 2 nd Avenue, WMC1411 | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | | COUNTRY |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 91-1653725 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 05/30/2002 | BY | TAX LINK | DATE CHANGED 03/31/2008 | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the election is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | |
| <p>TAX CERTIFICATION – UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


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**BUSINESS
MASTER ACCOUNT AGREEMENT**

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|---|--------------------|-----------------|-------------------|------------------------------------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9911 | ACCOUNT NUMBER 441-0000006423-4 |
| 1. ACCOUNT TITLE WMI | | | | |
| 2. ACCOUNT TITLE | | | | |
| 3. ACCOUNT TITLE | | | | |
| 4. ACCOUNT TITLE | | | | |
| ADDRESS - STREET 1301 2 nd Avenue | | CITY Seattle | STATE WA | ZIP 98101 |
| PROVINCE | | | COUNTRY | |
| IDENTIFICATION | | | | VERIFICATION STATUS |
| TAX ID 91-1653725 | | CONTACT PERSON | | BUSINESS PHONE |
| DATE OPENED 09/19/2008 | BY Doreen Logan | TAX LINK | DATE CHANGED | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | Ownership/Subownership Code: |
| This type of account is described in the Account Disclosures and Regulations. | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosure and Regulations.</p> | | | | |
| TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT: | | | | |
| <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-8BEN must be completed as an attachment to this application.</p> | | | | |


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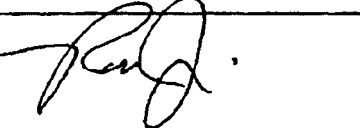
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**BUSINESS
MASTER ACCOUNT AGREEMENT**

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|--|----------|-----------------|----------------------------|-------------------------------------|------------------------------|-----------|
| COMP NO. | OWN CODE | PRODUCT B3 | FC NUMBER 9909 | ACCOUNT NUMBER 0195-0000072344-5 | | |
| 1. ACCOUNT TITLE A C D 4 | | | | | | |
| 2. ACCOUNT TITLE C/O REO-REI ACCTG NATIONAL OPS CENTER | | | | | | |
| 3. ACCOUNT TITLE M/S 3545 BOTX | | | | | | |
| 4. ACCOUNT TITLE | | | | | | |
| ADDRESS: STREET 555 Dividend Drive, Ste 150 | | CITY Coppell | STATE TX | ZIP 75019 | PROVINCE | COUNTRY 1 |
| IDENTIFICATION | | | | | VERIFICATION STATUS | |
| TAX ID 95-4466602 | | CONTACT PERSON | | | BUSINESS PHONE | |
| DATE OPENED 05/25/1999 | BY | TAX LINK | DATE CHANGED 11/14/2005 | | | |
| The account opened under this Master Account Agreement shall be of the following type: | | | | | Ownership/Subownership Code: | |
| This type of account is described in the Account Disclosures and Regulations. | | | | | | |
| <p>1. I/we (the Depositor) agree that the Business Account Disclosures and Regulations, including any amendments Bank may make from time to time and any related disclosures (the Account Disclosures and Regulations), shall govern all accounts, products, services selected by Depositor by Bank. This Agreement and the Account Disclosures and Regulations shall govern all accounts, products, services selected by Depositor now or in the future, regardless of whether the selection is made in person, in writing, orally, electronically or by use of the account, product, or service.</p> <p>2. Withdrawals or transfer transactions may be paid by Bank on the authorization of any one account owner or signer even if you have given any contrary instructions. Depositor agrees that any one account owner or signer, if more than one, may authorize Bank to open or provide other accounts, products, or services from time to time in the same ownership capacity. Further, Depositor agrees that any one account owner or signer, if more than one, is authorized to endorse, cash, or deposit any check or draft payable to the any of them.</p> <p>3. Most disputes arising under this Agreement related to accounts or services hereunder are subject to mandatory binding arbitration. Rights to trial by a judge or jury are waived hereby. Bank must be notified by Depositor of claims and proceedings to enforce any such claims must be brought, within the time requirements established in the Business Account Disclosures and Regulations.</p> | | | | | | |
| <p>TAX CERTIFICATION - UNDER PENALTIES OF PERJURY I CERTIFY THAT:</p> <p>1) The Tax ID number shown on this form is my correct Taxpayer Identification Number.</p> <p>2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding, or (c) this account is owned by an entity exempt from backup withholding.</p> <p>3) Check this box <input type="checkbox"/> if you are subject to backup withholding and can not certify the provisions of (2) above.</p> <p>4) I am a U.S. person (including U.S. resident alien).</p> <p>The certification above does not apply if you are not a U.S. person (or a U.S. resident alien). A form W-9BEN must be completed as an attachment to this application.</p> | | | | | | |


By signing below, I/we agree to be bound by the terms and conditions of this Master Account Agreement (the "Agreement") as set forth herein, and, if applicable, make the tax certification set forth above. In addition, I/we acknowledge receipt of the Business Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Funds Transfer Agreement and Disclosures ("Business Account Disclosures and Regulations"). The INTERNAL REVENUE SERVICE DOES NOT REQUIRE MY CONSENT TO ANY PROVISION OF THIS DOCUMENT OTHER THAN THE CERTIFICATIONS REQUIRED TO AVOID BACKUP WITHHOLDING.

X 
Please sign within the box


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EXHIBIT D

Washington Mutual GL Administration Policy

Internal Corporate Demand Deposit Account (DDA) Establishment and Usage Policy

Summary

This document is intended to communicate policies for the establishment and usage of "On-Ups" bank accounts for all Washington Mutual entities and departments. "On-Ups" accounts are corporately owned Demand Deposit Account (DDA) accounts residing on Washington Mutual Bank's deposit system (Hogan). "On-Ups" DDA's are typically assigned one of Washington Mutual's, or subsidiary, Taxpayer ID (TIN) numbers. The purpose of these corporate accounts is to process and clear transactions between the bank and its subsidiaries, customers, vendors, investors, or other banks.

Policy

Establishing an On-Ups Corporate Checking Account

As a byproduct of the significant growth in all our major business segments, the number of corporately owned checking accounts continues to increase. These bank accounts should be used for one or more of the following purposes:

- To expedite the receipt of customer and corporate funds (clearing customer deposits or customer loan payments);
- To account for payments received for loans serviced for outside government entities (FNMA, FHLMC, etc) and third party investors.
- To maintain operating funds for our (WaMu) subsidiaries.
- To maintain funds held on DDA's for other purposes (WaMu as trustee or receivership, for testing purposes, for further investigation due to fraud, etc)
- To hold in trust for investors

The establishment of all accounts must be centralized, and must be done through the Back Office Branch/Monetary Posting Unit (BOB). It is important that internal accounts be opened by BOB to ensure the accounts are opened with the correct sub-product type, cost center, and service charge/waive codes. If you are unclear as to whether a new internal bank account is needed, please contact Teresa.Kreiger@wamu.net for guidance. To set up an account or change an existing account, a [New Account Request Form](#) or [Account Change Request Form](#) must be completed and sent to BOB, mail stop STA5FCR. This form can be received by contacting Teresa.Kreiger@wamu.net, and must be completed prior to being submitted. Forms not containing

all required information and proper signatures will be returned to the requester and will not be processed.

Approvals

Note that this form requires the approval of a Senior Vice President

Requests for a preauthorized approver on behalf of the SVP at the FVP level may be granted after meeting certain criteria as stated in the Exception Form for Delegating SVP Approval to Open Internal DDAs..

If delegated to the **FVP** level must provide:

- Business requirement for having an approval at the FVP level
- Controls (separation of duties) clearly stating how the risks have been mitigated with regards to which persons/groups:
 1. Open and close accounts, but do not post (make deposits/withdrawals)
 2. Post (make deposits/withdrawals), but can not open/close accounts
 3. Reconciliation – can not open/close or post to accounts (make deposits/withdrawals)

If delegated to the **VP** level must provide:

- Business requirement for having an approval at the FVP level
- Controls (separation of duties) clearly stating how the risks have been mitigated with regards to which persons/groups:
 1. Open and close accounts, but don't post (make deposits/withdrawals)
 2. Post (make deposits/withdrawals), but can't open/close accounts
 3. Reconciliation – can't open/close or post to accounts (make deposits/withdrawals)
- Due to the number of VPs throughout the bank (approximately 4,000) a certification statement (with the exception form) signed off by the SVP and FVP stating they have reviewed the controls currently in place and any potential risk for fraud has been mitigated since approval is at the VP level, and will sign off monthly (retain record of the sign offs) after the fact involving internal DDA accounts opened during the month.

The New Account Request form requires the following information:

1. **Account Owner** - responsible for ensuring that controls are in place over the protection of assets, in this case, bank account balances, and assigning on-going oversight to a Reconciliation Manager. Account Owners are required to submit Elevation Reports to the Reconciliation Control Department (Controller's Division) each month. Reconciliation Control receives notification from the Account Owner of any new accounts or account changes. Generally Account Owner is VP level.

2. **Reconciliation Manager** - responsible for ensuring that a monthly reconciliation of each assigned account is performed. Any outstanding checks are to be footnoted on the On-Us Elevation Report. The Reconciliation Manager should also assess whether there are any escheatable items and as applicable, follow the procedures as outlined in the Bank's Unclaimed Property (Escheatment) Policy and the Abandoned Property (Escheatment) Guidelines and Procedures.

3. **Account Type** –

CA – Loss Drafts
LR – Loan Reserve Accounts
LN - Investor Accounts
ON – On Us
PF – Public Funds

4. If applicable, the **Related GL Company, Related GL Account, and Related GL CC.**

5. **Reconciliation Method** –

0 – None
1 – Manual
2 – Actual/Actual
3 – Scheduled/Actual
4 – Scheduled/Scheduled
5 – Recon +/-Frontier
8 – BREC

6. **Purpose** – A few lines detailing the purpose of the account.

Note: Check requests are processed through the BOB by submitting an approved BOB Check Request Form (attached). Checks are not issued to the account owner to disburse funds from the DDA.

WaMu's B3 sub-product code is reserved for internal accounts on the Hogan deposit's system. B3's are non-interest bearing DDA accounts. They can be coded to avoid all service charges/fees as well as to avoid dynamic closure when the ledger balance is equal to or less than zero. It is required that internal accounts are opened as a B3 sub-product. Exceptions can be arranged (i.e. B6 for Loan Reserve accounts) if the account has regulatory or special requirements such as money market, interest bearing, or unique account analysis reporting features.

It is also required that internal accounts be opened within designated cost centers for segment reporting purposes (usually assigned within the 0009XXX series of numbers). The Segment Controller is responsible for activity within their cost center and should ensure that the proper cost center is being used by the individuals opening accounts.

Once the completed forms are received by BOB, the information is entered into the 3270 screen. The checking account will need to be initially funded at the time it is set up. Instructions for funding will need to be received on the New Account Request Form to ensure that the proper account is credited

at time of account creation. No wires or ACH transactions can be processed through this account until funding has been completed.

Once the DDA account has been set up, the GL clearing account 52915 will be used as a clearing account for all DDA account entries on VB using the cost center of the submitting department. It will be the responsibility of each business owner to request and set-up a new "triple" (company, account and cost center). Please refer to the Request New Triple policy. The business owner is also responsible for posting and clearing the GL 52915 for their cost center on FCS.

The BOB Posting Authorization Request Form defines at the department level which Washington Mutual employees will have access to perform transactions on DDA accounts on behalf of the account owner. Due to contractual agreements and/or tax implications, for example, it may be necessary to allow third parties access to internal DDA accounts directly. Third parties requesting access to internal DDA accounts will be reviewed on a case-by-case basis. Valid business reasons and an explanation of controls in place to prevent fraud must be provided in a written memo to obtain this type of exception.

The account owner is responsible for all account reconciliation responsibilities as well as any overdrafts and losses associated with this DDA. The posting authorization document is held by the BOB team, and is reviewed for accuracy each time a transaction request is received. Any transaction requests received by this team not matching to the Posting Authorization Form will not be processed and will be returned to the requestor. Note that any maintenance needing to be performed on the corporately owned DDA will need to be requested on BOB Account Change Form which must be approved by a VP or higher titled officer.

Accounts Obtained through Acquisition

With every deposit acquisition, WAMU will inherit many new internal deposit accounts. BFS-Deposit Services is responsible to sponsor the project to convert these accounts to the Hogan Deposit system. Responsibilities include:

- Work with acquired bank for understanding of the accounts and determining their need
- Identify accounts that issue checks
- Assign appropriate WAMU owners for all identified accounts
- Capture lists of closed accounts to identify reconciliation records for future research needs
- Facilitate new WAMU owner talking to owner from acquired bank to ensure transfer of reconciliations, history and knowledge
- Obtain written agreement of ownership from WAMU owners
- Track account mapping/ownership to Hogan to provide for historical references
- Ensure WAMU ownership is assigned before closing accounts prior to conversion
- Inclusion of relevant WAMU support departments in conversion task force (i.e. Corporate Unclaimed Property Compliance Reporting, Reconciliation Control, Record Management, etc.)
- Identify and communicate process to support financial centers when customer presents stale dated checks that have not been transferred to CUPCR

Accounts will often times be closed instead of converting onto WAMU's deposit System. The new WAMU owner will be responsible for coordinating the closure with the Acquired Bank, obtaining a reconciliation of any outstanding items against the accounts, obtaining historical reconciliations and stop payment/reissue records, and ensuring unclaimed property concerns have been addressed.

This may include providing the cash and an outstanding check listing with appropriate documentation to WAMU's Corporate Unclaimed Property Compliance Reporting department at CUPCR@wamu.net.

General DDA Overdraft Policy

It is Washington Mutual's general policy to pay transactions on DDA accounts up to the system assigned Overdraft Limit. Transactions exceeding the Overdraft Limit are rejected (checks and electronic transactions are returned to the originator of the transactions).

Note: In certain circumstances, exceptions to this policy are made for high-value business accounts with the appropriate approvals.

Policy Exceptions

Due to the nature and activity on Corporate Owned DDA Accounts, it may be necessary as standard business practice to authorize exceptions to Washington Mutual's DDA Overdraft policy.

Exceptions to policy can be accomplished by changing the account's OBP code (Out of Bounds Processing) to a Pay All Status code. Only a Senior Vice President (or higher titled officer) has the authorization to approve these exceptions.

When a "Pay All" status is placed on a DDA Account, all transactions will pay by automatically overdrawing the checking account. Transactions presented at financial centers, through inclearing checks, and through ACH will be paid against non-sufficient funds.

Ongoing Exception Approval Process

To establish exceptions for Pay All on newly established Corporate Owned DDA Accounts, the following procedure must be followed:

All exceptions to Washington Mutual's default disposition for OBP codes MUST be approved by a Senior Vice President or higher titled officer.

- The BOB department in Stockton will be only the group authorized to perform OBP maintenance on Corporate DDA's.
- Complete the Account Change form and obtain the Senior Vice President approval. Note that this form will require a detailed description of why the Pay All status is required.
- Forward completed form to BOB, mail stop STA5FCR , Stockton or fax to (209) 460-7043.
- Once an exception is placed on a Corporate DDA, it is the responsibility of the business owner/unit to monitor the account on a daily basis and ensure that only appropriate items are clearing and initiate returns, when needed.

Ongoing Usage Business Owner Responsibility

The responsibility for monitoring Corporate DDA account activity lies with the account business owner. Any and all activity is to be monitored daily to ensure that appropriate items are clearing, and if not, to initiate returns. Since the nature of some of these accounts includes being overdrawn for funding reasons, full ownership lies within a corporate business unit.

Risks to the Bank for potential losses arising from the special processing services detailed above must be acknowledged by the approving manager. When requesting these services, consider the following risks factors:

- There will be no limit on the number or dollar amount of transactions that can be posted to the account.
- The manager who approves a "Pay All" status on an account will assume responsibility for all overdrafts, even if the overdraft is the result of fraudulent activity.

Reconciliation/Elevation Requirements

Each On-Us DDA must have an identified Account Owner. Each month BOB provides the Reconciliation Control Department (Corporate Controller's Group) a summary of new accounts opened which identifies the Account Owner. The Account Owner is responsible for ensuring that controls are in place over the protection of the bank account balances, and assigning on-going oversight to a Reconciliation Manager. Account Owners are required to submit On-Us Elevation Reports to the Reconciliation Control Department (Controller's Division) each month. Reconciliation Control receives notification from the Account Owner of any new accounts or account changes.

Each month the Account Owner certifies that:

- adequate internal controls exist over accounts/reconciliation
- all aging and reconciliation information has been reviewed and is accurate
- all reconciliation work has been completed in accordance with Washington Mutual policy
- all date of last reconciliation fields have been reviewed and are accurate, and
- all significant issues have been communicated to the Reconciliation Control Department.

In addition, Account Owners are also responsible for identifying outstanding checks that are escheatable to comply with the Unclaimed Property (Escheatment) Policy and abandoned Property (Escheatment) Guidelines and Procedures

Timing

The service level agreement (SLA) for BOB new account openings is 24 hours. Note that the SLA for larger requests (defined as over 50 accounts) is 48 hours. The SLA for processing account transaction requests (check requests, withdrawals, deposit etc) is same day if the request is received by 4:30 p.m. (PST) or the next business day if received after 4:30 p.m.

Vesting

All vesting changes must be completed using the Account Change Request form. They must be approved by a VP or higher titled officer. The completed forms should be sent to BOB, mail stop STA5FCR or faxed to (209) 460-7043 for processing.

EXHIBIT E

Any questions?



Stop by any WaMu branch.

Or call customer service:

800.788.7000

Para información en español, oprima el 8.

800.841.1743

TDD for the deaf and hearing impaired.

Our Business Account Disclosures and Regulations

The legal details about your business
deposit accounts and related services.

Washington Mutual Bank and Washington Mutual Bank fsb are FDIC insured



Equal Housing Lender

91001 (04/08)

Effective April 2008

BUSINESS ACCOUNT DISCLOSURES AND REGULATIONS QUICK REFERENCE GUIDE

This booklet and other documents we give you provide information about how your accounts and services work and about your and our rights and responsibilities. You should review all material we provide thoroughly and carefully.

Some of the topics most frequently referenced by customers are noted below. You may also find the Table of Contents useful to locate information.

Check Holds—See the *Funds Availability* section.

Electronic Fund Transfers—For information on automated teller machine (ATM), Point of Sale (POS), Automated Clearinghouse (ACH) and other types of electronic transfers, see the *Electronic Fund Transfer Agreement and Disclosures* section.

Identification—For account opening and identification requirements, see the *Identification* section and *Taxpayer Information* section.

Overdrafts/Non-Sufficient Funds Practices—See the *Non-Sufficient Funds Transactions Including Overdrafts* section.

Problem Reporting and Resolution—For requirements to report problems related to your account, see the *Customer Responsibilities and Limit on Time to Assert Claims* section. For dispute resolution procedures, see the *Resolution of Disputes (Including Arbitration)* section.

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INTRODUCTION

Welcome to WaMu. These *Business Account Disclosures and Regulations* (also referred to as *Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Fund Transfer Agreement and Disclosures*) and certain other documents we provide to you include the rules and terms of the accounts and services you have selected or may select in the future. Please read these materials carefully and keep a copy for future reference. The words "you," "your," "depositor" and "acountholder," mean each and all of the account owners, all of the Authorized Signers and all others who use your accounts and services. The words "Washington Mutual," "WaMu," "Bank," "we," "us" and "our" mean Washington Mutual Bank or Washington Mutual Bank fsb, as the case may be.

THE CONTRACT

The *Master Account Agreement*, these *Account Disclosures and Regulations*, the *Bank Rate Information Sheet* or other rate documents (*Rate Sheet*), the *Business Statement of Fees*, other account and service agreements and amendments to any of them (including electronic documents) provided when you open an account or select a service make up a legally binding contract between you and us (the "Contract" or "Agreement"). This Contract shall also apply to your heirs, successors and beneficiaries.

This Contract applies even if you have not expressly given us a document showing your acceptance of the agreement with us (e.g., by signature), unless this is prohibited by law; in that case, you must not use the account or service until you have agreed. Your continued use of our accounts and services is your agreement to the Contract and confirmation that all the information you have given us is true and complete.

You also agree that if there is more than one owner, any one of you can open other accounts and services in the same names and capacities and the terms and conditions related to that account or service will be binding on all of you.

WaMu may change or terminate the terms of this Contract, including these *Account Disclosures and Regulations*, at any time without notice to you, except where we cannot terminate because we have agreed to a product or service for a specified time period (e.g., a Time Deposit). We will tell you in advance about any changes adverse to you, if required by law. Whether or not we give notice, you agree to these changes by not closing your accounts or by continuing to use a service. You can get the most current copy of the Contract at any time by visiting one of our financial centers or calling Customer Service.

If any of the terms of this Contract is found to be void or unenforceable, the remaining terms of the Contract will continue to apply.

Accounts and services described below may not be available at all times, in all areas, or to all acountholders, whether or not noted below.

CUSTOMER SERVICE QUESTIONS

You may call us 24 hours a day, 7 days a week at 1-800-788-7000.*

If you use a Telephone Device for the Deaf, call us at 1-800-841-1743.* If this number is not available, dial 711 for Telecommunications Relay Service assistance.

*Calls may be monitored or recorded to ensure quality and for training purposes.

RESOLUTION OF DISPUTES (INCLUDING ARBITRATION)

We try to solve any problems and disputes as fast as we can. In most cases, we can resolve a problem in a financial center or by telephone. When we cannot, you and we agree to this dispute resolution procedure.

YOU AND WE ARE WAIVING THE RIGHT TO HAVE OUR DISPUTE HEARD BEFORE A JUDGE OR JURY. This applies to disputes that are arbitrated or resolved by judicial reference.

Agreement to Arbitration: Except as set forth below, you and we agree to arbitrate any dispute described below WHEN EITHER OF US requests it. You and we agree to be bound by the Federal Arbitration Act. This applies whether or not the dispute arises out of Federal or state law or regulation or otherwise.

What Can and Cannot be Submitted to Arbitration? Disputes about your deposit account, safebox, and any related service with us are subject to this process. They include, for example, disputes related to debit/ATM cards, checks, deposits, withdrawals, treasury/cash management services, ACH, online or telephone banking and wire transfers. Except as set forth below, a dispute involving one deposit account or safebox relationship, or two or more deposit accounts and/or safebox relationships with at least one common owner, is eligible for arbitration hereunder. Actions eligible for small claims court, class actions, or actions filed on behalf of the general public under applicable state statutes are not eligible for arbitration.

Certain rights and responsibilities are not affected by arbitration. For example, we can offset against your account in the appropriate circumstance; we can exercise our security interest in any property in case of default on a loan secured by your deposit account; and, we can comply with legal process, such as a writ of garnishment, involving you or any account or safebox. You also retain certain legal rights, such as the right to file bankruptcy.

How Does it Work? If arbitration is requested, the Commercial Arbitration Rules of the American Arbitration Association (AAA) as modified by AAA's Supplementary Procedures for the Resolution of Consumer-Related Disputes will apply. (The modification does not apply if the account or service is not opened and used primarily for personal, family or household purposes.)

Under the procedure, the dispute is submitted to a neutral party for determination. Together, you and we will select the arbitrator. If you and we cannot agree, the arbitrator will be selected in accordance with the procedure provided in the rules of the arbitration service selected to resolve the matter. If there is no such procedure, or if you and we do not agree on an arbitration service, the arbitrator will be selected according to Section 5 of the Federal Arbitration Act.

If our dispute involves someone who is not subject to this Agreement, then arbitration will not be stayed pending resolution of the dispute with them, unless you and we agree differently.

You agree to the service of legal process by mail, including demand for arbitration, at the most recent address we have for you.

The decision of the arbitrator is final and binding unless vacated or modified in accordance with the Federal Arbitration Act. The decision of the arbitrator can be entered in the court as a judgment and enforced according to the state and/or Federal laws. An award may also be enforced pursuant to the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards of 1958 (the "New York Convention").

Costs: You and we will be subject to the AAA fee schedule, which may be changed from time to time. The costs of arbitration will be equally borne by you and the Bank unless the arbitrator's decision allocates costs differently.

In California: If any dispute described in this paragraph is filed or asserted in California as a class action or as a representative action under the Business and Professions Code section 17200, it will be decided by a referee under the California Code of Civil Procedure section 638 or related sections and not as an arbitration WHEN EITHER OF US requests it. This paragraph applies to any dispute involving your deposit account relationship with us including, without limit, debit or ATM cards, ACH Transactions, and wire transfers or safeboxes. A referee is selected according to the procedures for selecting arbitrators of the AAA and is then appointed by the court in which the action commenced. The referee may be either an active attorney or a retired judge. The decision of the referee stands as the decision of the court, and judgment may be entered on that decision in the same manner as if the action had been tried in court.

DISCLOSURE OF ACCOUNT TERMS

Accounts described below may not be available at all times, in all areas, or to all accountholders, whether or not noted below.

BUSINESS CHECKING ACCOUNTS

FREE BUSINESS CHECKING/BUSINESS CHECKING/BUSINESS ANALYSIS CHECKING/BUSINESS ANALYSIS BANCONTROL RECEIVABLES

Rate Information: These are non-interest bearing accounts.

Minimum Balance Requirements: The minimum deposit to open this account is set forth in the *Business Statement of Fees* applicable to your account.

Fees: Any fees associated with these accounts are set forth on the *Business Statement of Fees* applicable to your account.

Limitations: These accounts are intended for business/commercial purposes and cannot be used for personal, family or household uses. If this account is being used for personal, family or household purposes, we reserve the right to change the account to a personal checking type account.

BUSINESS INTEREST CHECKING/BUSINESS ANALYSIS INTEREST CHECKING/POOLED CLIENT CHECKING

Rate Information: Refer to the *Rate Sheet* applicable to your account for the interest rate and annual percentage yield (APY) for these accounts. The interest rate and the corresponding APY are established at our discretion, are variable, and are subject to change without notice or limit.

Interest may be set on a tiered basis. If your daily ending collected balance is equal to or greater than the balance stated for that tier the interest rate and APY paid on the balance deemed collected in your account will be as quoted for that tier. Refer to the *Balance Calculation/Definitions and Interest Payments and Calculations* section of these *Account Disclosures and Regulations*.

Compounding and Crediting: Interest on your account will be compounded monthly and credited to your account on the last day of each monthly cycle, on a 365/365 day basis (366/366 day in leap years). For California government agency (public funds) accounts that require interest to be calculated on 360-day basis, the interest rate will be reduced from the rate disclosed in the *Rate Sheet* to a rate which, when calculated on a 360-day basis, will result in the equivalent APY unless a specific rate is otherwise noted in the *Rate Sheet* applicable to such California Public Funds account.

For interest accrual, refer to the *Balance Calculation/Definitions and Interest Payments and Calculations* sections of these *Account Disclosures and Regulations*.

Minimum Balance Requirements: The minimum deposit to open this account is set forth in the *Business Statement of Fees* applicable to your account.

Balance Computation Method: We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account at the end of each day, subject to the interest accrual method described above.

Fees: Any fees associated with these accounts are set forth on the *Business Statement of Fees* applicable to your account.

Pooled Client Checking: If your account is set up in our records as a multi-client trust account under programs such as IOLTA (Interest on Lawyers Trust Account), or IRETA (Interest on Real Estate Trust Account), the account will be opened as a Pooled Client Checking account. We reserve the right to charge fees directly to your multi-client trust account. You represent and warrant to us that you will account for these fees in accordance with applicable law.

Limitations: These accounts are intended for business/commercial purposes and cannot be used for personal, family or household uses. If this account is being used for personal, family or household purposes, we reserve the right to change the account to a personal checking type account.

Except for Pooled Client Checking, only sole proprietors, non-profit organizations and governmental entities are eligible.

BUSINESS MONEY MARKET ACCOUNTS

BUSINESS MONEY MARKET/BUSINESS ANALYSIS MONEY MARKET

Rate Information: Refer to the *Rate Sheet* applicable to your account for the interest rates, corresponding annual percentage yields and tiers for your account.

Interest rate may be set on a tiered basis. If your daily ending collected balance is equal to or greater than the balance stated for the tier the interest rate and APY paid on the balance deemed to be collected in your account will be as quoted for that tier. Refer to the *Balance Calculation/Definitions and Interest Payments and Calculations* sections of these *Account Disclosures and Regulations*.

The interest rate and the corresponding annual percentage yield (APY) are established at our discretion, are variable, and are subject to change without notice or limit.

Compounding and Crediting: Money Market Deposit Account – Interest will be compounded monthly.

For each account, interest will be credited to your account on the last day of each monthly cycle, on a 365/365 day basis (366/366 day in leap years). For California government agency (public funds) accounts that require interest to be calculated on a 360-day basis, the interest rate

will be reduced from the rate disclosed in the *Rate Sheet* to a rate which, when calculated on a 360-day basis, will result in the equivalent APY unless a specific rate is otherwise noted in the *Rate Sheet* applicable to such California Public Funds account.

For interest accrual, refer to the *Balance Calculation/Definitions* and *Interest Payments and Calculations* sections of these *Business Account Disclosures and Regulations*.

Minimum Balance Requirements: The minimum deposit to open this account is set forth in the *Business Statement of Fees* applicable to your account.

Balance Computation Method: We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account at the end of each day, subject to the interest accrual method described above.

Transaction Limitations: These are Limited Transaction Accounts. Please refer to the *Limited Transaction Accounts* section of these *Business Account Disclosures and Regulations* for detailed information regarding transaction limitations.

- You may make unlimited deposits.
- The Bank reserves the right to require written notice seven (7) calendar days prior to any withdrawal or transfer from these accounts.

Fees: Any fees associated with these accounts are set forth on the *Business Statement of Fees* applicable to your account.

Limitations: These accounts are intended for business/commercial purposes and cannot be used for personal, family or household uses. If this account is being used for personal, family or household purposes, we reserve the right to change the account to a personal checking type account.

BUSINESS SAVINGS ACCOUNTS

PLATINUM BUSINESS SAVINGS

Limitations: These accounts are intended for business/commercial purposes and cannot be used for personal, family or household uses. If this account is being used for personal, family or household purposes, we reserve the right to change the account to a personal type account.

Platinum Business Savings is not offered for public funds, institutional investors or brokers.

Rate Information: Refer to the *Rate Sheet* applicable to your account for the interest rates, corresponding annual percentage yields and tiers for your account.

Interest rate may be set on a tiered basis. If your daily ending collected balance is equal to or greater than the balance stated for the tier, the interest rate and APY paid on the balance deemed to be collected in your account will be as quoted for that tier. Refer to the *Balance Calculation/Definitions* and *Interest Payments and Calculations* sections of these *Account Disclosures and Regulations*.

The interest rate and the corresponding annual percentage yield (APY) are established at our discretion, are variable, and are subject to change without notice or limit.

Compounding and Crediting:

Interest on your account will be compounded monthly and credited to your account on the last day of each monthly cycle, on a 365/365 day basis (366/366 day in leap years).

For interest accrual, refer to the *Balance Calculation/Definitions* and *Interest Payments and Calculations* sections of these *Account Disclosures and Regulations*.

Minimum Balance Requirements: The minimum deposit to open this account is set forth in the *Business Statement of Fees* applicable to your account.

Balance Computation Method: We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account at the end of each day, subject to the interest accrual method described above.

Transaction Limitations: These are Limited Transaction Accounts. Please refer to the *Limited Transaction Accounts* section of these *Account Disclosures and Regulations* for detailed information regarding transaction limitations.

- You may make unlimited deposits.
- You may NOT use checks or similar items to debit this account.
- The Bank reserves the right to require written notice seven (7) calendar days prior to any withdrawal or transfer from these accounts.

Fees: Any fees associated with these accounts are set forth on the *Business Statement of Fees* applicable to your account.

TIME DEPOSITS (CDs)

CDs including Traditional Certificate of Deposit, Promotional Certificate of Deposit, \$100,000 Certificate of Deposit, Liquid Certificates of Deposits and Retirement Certificate of Deposit accounts are subject to the terms of the CD Certificate with Additional Terms Sheet ("Certificate") provided at account opening (or if provided, at renewal). The terms of the CD Certificate are part of this Agreement.

TERMS APPLICABLE TO CHECKING, MONEY MARKET AND SAVINGS ACCOUNTS

ACCOUNT ANALYSIS – GENERAL INFORMATION

Introduction: Fees and charges related to Account Analysis are based on monthly activity volumes, services used and balances maintained as set forth in the *Business Statement of Fees* and any other statement of fees applicable to your account or services used. Fees and services used by you will be assessed in full to your accounts except to the extent they may be offset through Account Analysis by applying the Earnings Allowance to your eligible service charges to determine a single monthly net service charge as set forth herein. We reserve the right to charge any interest earned in your Business Analysis Money Market account as an analyzed fee that may be offset by the Earnings Allowance. If your Earnings Allowance is less than the amount of fees and charges due hereunder, you agree that such amounts are immediately due and payable to Bank without demand and may be debited from any of your accounts. If the Earnings Allowance is greater than the amount of the fees, excess Earnings Allowance will not be paid nor carried forward.

Earnings Allowance: Earnings Allowance for the month is calculated by dividing the result by 365 (366 in leap year).

Earnings Allowance Rate: The Earnings Allowance Rate is established by Bank at its discretion and may change from time to time without notice or limit.

Funds Deposited: If you deposit funds belonging to third parties in an analyzed account, you represent that your use of any related earnings credit will not violate any law, regulation or agreement with such parties.

Collected Balance and Monthly Average Collected Balance: The Collected Balance is the daily ending Ledger Balance of the account(s), less amounts for which we are deemed not to have received credit. (We determine the day we are deemed to have received credit for your deposit in the same manner as described in the *Balance Calculation/Definitions* section of these *Account Disclosures and Regulations*.) The Monthly Average Collected Balance is the sum of the Collected Balances (positive or negative) for the monthly period divided by the number of calendar days in the month.

Average Positive Collected Balance and Average Negative Collected Balance: The Average Positive Collected Balance is the sum of the Collected Balances during the month equal to or greater than zero divided by the number of calendar days in the month. The Average Negative Collected Balance is the sum of the Collected Balances during the month less than zero divided by the number of calendar days in the month.

Investable Balance: The Investable Balance is the Average Positive Collected Balance, less the Reserve Factor (also sometimes referred to as "Reserve Requirements") applicable to the account(s) for the month.

Reserve Factor: The Reserve Factor for each month is the Average Positive Collected Balance for the month multiplied by the highest reserve rate (Federal Reserve Rate) established by the Federal Reserve Board from time to time for the account type. An account designated by us as a checking account shall be treated for this purpose as a checking account without regard to whether such account is treated as a master account with a checking and money market deposit account (MMDA) subaccount for purposes of establishing actual reserve requirements. The Reserve Factor deduction on your analyzed account statement may not necessarily reflect the actual reserves incurred by the Bank.

FDIC Assessment: The Bank reserve the right to charge your accounts an FDIC (Federal Deposit Insurance Corporation) Assessment based on your average monthly Ledger Balance(s). The rate used by us to determine the FDIC Assessment is the same as that charged to the Bank by the FDIC.

AUTOMATIC SAVINGS PLAN

You may be able to enroll in our Automatic Savings Plan (ASP). ASP lets you automatically transfer money from your eligible checking, savings, or money market account to another of these. Ask us if your account is eligible.

You may choose weekly, biweekly, monthly, semi-monthly or quarterly ASP transfers. ASP transfers are processed the next Business Day if: the scheduled transfer date is not a Business Day; or, if the month does not have the scheduled transfer date (e.g., you select the 30th and the month is February).

If the Available Balance is not enough to cover the transfer, we may: not process the ASP transfer and charge an NSF Fee; or, process it and apply an Overdraft Charge.

If we allow the transfer to be made from a savings or money market account, the transfer is counted as one of the six monthly transfers that may be made from the account. You agree not to initiate transactions on your savings or money market account which, when added to this transfer, would cause you to exceed the transaction limits. If you do, we may charge you an Excess Activity Fee; we may also close your account; or change your account type to one not subject to these limits. (See the *Limited Transaction Accounts* section for more details.)

FREE ID THEFT SERVICES

You will enjoy the benefits of this free service if you are the individual owner of or authorized signer on a WaMu business checking and a resident of the U.S. This service does not apply if your account is not owned in your individual capacity (e.g., fiduciary or attorney in fact, or any individual on whose behalf the account is held).

The service includes:

1. Toll-free access to identity theft recovery specialists who can assist you if you become a victim of identity theft. Services which are supplied by Europ Assistance USA ("Provider") include:
 - Providing a uniform Identity Theft Affidavit and assistance with completion of the Affidavit. (Note: You are responsible for submitting the Affidavit to appropriate law enforcement authorities, credit bureaus and creditors.);
 - Notifying the three major credit reporting agencies (Experian, TransUnion and Equifax) on your behalf and placing a fraud alert on your credit records with the agencies;
 - Assisting with credit card replacement; and
 - Providing information on how identity theft can occur and information regarding protective measures that you can take to limit further occurrences.
2. On-line access to our identity theft assistance web site. Visit www.wamu.com/identitytheft to learn more about safeguarding your credit information, helpful tips and contact information for sources you can use to respond to identity theft incidents.
3. Identity theft insurance up to \$5,000 (with no deductible for one claim per 12 month period) to help offset recovery costs (e.g., legal fees, lost wages and expenses paid out of pocket in connection with the theft of your identity). For coverage details, see the *Free ID Theft Services Program Provisions* section at the end of the booklet.

WaMu reserves the right to change the benefits and features of the Free ID Theft Services Program at any time without prior notice, except as may be required by law.

We seek in good faith to make arrangements with reputable companies to provide goods and services to members of the Free ID Theft Services Program. We do not endorse, warrant or guarantee these goods or services. The Free ID Theft Services Program is NOT FDIC Insured—NOT Bank Guaranteed—NOT Insured by any Federal Government Agency.

CHECK CASHING

We may require anyone who presents an item drawn on your account to provide additional information. This information may include, for example, fingerprints and identification satisfactory to us. We may also require a valid signature guarantee. We may also require a non-customer to pay a Non-Customer Check Cashing Fee; we may but are not required to allow a non-customer to avoid this fee if they go to the financial center where the account is assigned in our records (if your account was opened in person at a financial center) or our home office. We may refuse to cash or accept an item if these requirements are not met.

CHECK IMAGING AND SAFEKEEPING

At times we may make or receive electronic images of checks or other items (Image Replacement Documents or IRDs). These may be used for any purpose. If we create an IRD we may destroy the original item. We may also act upon IRDs received from other banks.

You may also ask or we may require that checks (or check images) not be returned with your statement; we call this Safekeeping.

If your account has Safekeeping or check image service, or if an IRD or other substitute check (see *Check 21/Expedited Reredit* section) is made of your check, your original check will not be returned to you. Canceled checks and other items will be deemed to be made available to you when your statement is made available. We have no obligation to retain the original or a copy, except when required by law. You agree that our statements provide sufficient information for you to determine if each paid check is proper and authorized if the statement includes the item number, amount, and date the item posted to your account. You agree to examine your statements promptly. Any time limits for notifying us of any error concerning the statement or items listed still apply, even if the original items are not returned to you.

You can request a copy of a check if you call or write us. We may charge a Research Fee; we will also charge a Copy Fee for each item, unless you have Safekeeping.

CHECK ORDERS, BANK BY MAIL KITS AND CHECK FORMAT

You can order checks and Bank by Mail Kits (if available) by visiting your nearest financial center, by using our online banking service for check orders only or by calling us. We will deduct from your account any fees for checks and Kits you order through us.

You are responsible for reviewing the accuracy of all information shown on your checks whether ordered through us or a third party. We are not liable for losses resulting from incorrectly printed checks.

We establish format and other specifications for checks and can change them at any time without notice. We may not honor checks that do not meet our then current specifications even if they met our specifications at the time they were initially printed or drawn.

Without limiting the above, we may refuse to process documentary drafts, automobile drafts and other irregular (non-standard) items drawn on your account.

CHECK PROCESSING CUTOFF TIME

Our processing cutoff time with respect to knowledge, notice, Stop Payment Orders or legal process received by us involving a check under the applicable State's version of the Uniform Commercial Code is the later of 10:00 a.m. on a Business Day or one hour after we open on a Business Day following the Business Day on which we receive the check.

LIMITED TRANSACTION ACCOUNTS

For Limited Transaction Accounts, certain transactions are limited in number even if your Available Balance is enough to cover the transaction. Generally, the following transactions are not limited in number for purposes of this section: transfers and withdrawals payable to you if made in person, by mail, by messenger, or at an automated teller machine (ATM). However, they may be limited for security purposes and, for example, transactions at ATMs are also limited in amount as disclosed in the *Electronic Funds Transfer Agreement and Disclosure* section of this booklet. In addition, some limitations may apply for security or other reasons. Other transfers or withdrawals from your account are limited to no more than a total of 6 per monthly cycle as follows: Type-A preauthorized, automatic or telephonic transfers or withdrawals, electronic transfers between accounts, and transfers to an overdrawn checking account; and Type B checks, drafts, point of sale or point of purchase debits or similar orders. No more than 3 of the 6 total may be of Type B above. These may also be further limited (e.g., for security purposes). We count transactions on the date we process them, which may be different than the date you write the check or initiate the transaction. Thus, we may count a transaction in a later cycle period. (See the *Date and Time of Transaction* section.)

Each time you exceed these limits, we may charge an Excess Activity Fee. If you frequently exceed these limits, we may either convert your account to an account not subject to these limits or close your account.

MINIMUM BALANCE TO MAINTAIN ACCOUNT

The minimum balance to maintain your account is \$.01, unless otherwise stated.

NON-SUFFICIENT FUNDS TRANSACTIONS INCLUDING OVERDRAFTS

NSF Transactions: If the Available Balance in your account is not enough to cover a transaction, we may pay, authorize, or reject the transaction. We call these Non-Sufficient Funds (NSF) Transactions. Types of NSF Transactions include any transfer or withdrawal request, such as, checks, ATM withdrawals and transfers, debit card purchases and electronic bill payments.

We may choose when to determine if the Available Balance is enough to cover a transaction. For example, we may make this determination when we receive a transaction, when we process it, when we receive notice of it, or when we receive a request to authorize it. We will not be liable to you based on our determination that a transaction is an NSF Transaction even if the Available Balance is enough to cover the item at a different time. We also will not be liable to you for paying, authorizing or rejecting a transaction regardless of whether we have established an Overdraft Limit or you have requested that we do not establish an Overdraft Limit.

Fees: Whether we pay or reject an NSF Transaction, we will charge you a fee. Fees will be assessed regardless of the amount of the NSF Transaction:

- Overdraft Charge if we pay an NSF Transaction; or
- Non-Sufficient Fund (NSF) Charge if we do not pay it.
- If the NSF Transaction is paid under the terms of our Overdraft Transfer Service, you will be charged an Overdraft Transfer Fee rather than an Overdraft Charge.
- If the NSF Transaction is paid under the terms of an overdraft line of credit, you will be charged an Advance Fee and finance and other charges described in other documents you receive from us, including the *Business Statement of Fees* and your line of credit agreement, rather than an Overdraft Charge. We will not charge the Advance Fee if you do not have a negative Available Balance at the end of the business day in which an Advance occurred.
- Any of these fees may be charged at any time, including on the day the NSF Transaction occurs, the day we make the determination that it is an NSF Transaction or any day after that.

Overdrawn Balance Immediately Due: You agree to pay any overdrawn amount immediately and without notice or demand. We may require you to make payment in cash or other good funds (such as a cashier's check). We may also exercise our right of offset by taking

money from any other account you (or any of you if there is more than one accountholder) have with us. (See the *Offset Rights* section for more information.) If you do not pay us immediately, we may close your account at any time without notice, except where notice may be required by law. This is in addition to any other rights we have to close your account.

Overdraft Limit (OD Limit): We may set an OD Limit on your account to help us make the decision to pay or not to pay an NSF Transaction. If we set an OD Limit, we may pay (or authorize) an NSF Transaction up to the amount of the OD Limit, but we are not obligated to do so. When we determine whether the OD Limit has been reached, we may include any charges to your account, for example, prior overdrafts, the current NSF Transaction, and any other deductions from your account, like fees or returned deposited items.

If we set an OD Limit, we may list it on your statement. If we do, it will be accurate as of the statement end date. We may have changed it since that date, even before you receive your statement.

The OD Limit is not a line of credit. You still must pay any overdrawn amount immediately and without notice or demand. The OD Limit is provided at our sole option, and we may increase, decrease, or remove it at any time without notice. We may also choose not to pay (or authorize) a particular NSF Transaction at any time without notice, even if we have in the past, and even if the OD Limit has not been reached.

You can ask that we do not use an OD Limit on your account. Just call us or visit your local financial center. If we do not set an OD Limit, we may still pay or authorize NSF transactions, and your account may still become overdrawn due to NSF Transactions or other deductions from your account.

ORDER OF PROCESSING TRANSACTIONS

We may process and account for transactions on your account received on the same Business Day in any order we want. This may not be in the order you initiate them. This applies to all types of transactions—credits, debits (e.g., fees, checks, ACH, ATM, Point of Sale or other electronic transactions) and returns. For example, we may process payment to us or any of our affiliated companies first.

The order of processing may affect which transactions are paid or returned and the fees that may be charged if the Available Balance in your account is not enough to cover all your transactions.

POST-DATED, STALE-DATED AND CONDITIONAL CHECKS

We may either pay or return any: (1) post-dated check (dated after the date we receive it for payment); (2) stale-dated check (dated six months before we receive it for payment); (3) check without a date; and (4) "conditional" check (e.g., stating that it can be paid only if one or more conditions are satisfied, such as payable only for a specified time, with specified number of signers, or in a maximum amount). We can do so without confirming with you and without confirming the dates or conditions on the check. Our check processing system does not distinguish these checks from any other checks you write. If we decide to pay it, you agree that your account will be charged for the amount of the check. Whether we decide to pay it or return it, you agree that we will not be liable to you or anyone else for doing so or for any return or delay because the endorser or maker placed a writing or marking on the front or back of the check or item.

If you do not want us to pay a check, including a check of any of the types listed above, you must place a Stop Payment Order according to the *Stop Payments* section of this booklet and pay a Stop Payment Fee.

PRE-ENCODED DEPOSIT ITEMS

With the Bank's consent, which may be given or denied at its option, you may use pre-encoded checks or other items for deposit. If you pre-encode checks or other items for deposit, you agree to comply with the pre-encoded deposit specifications as may be established and revised by the Bank from time to time. You also agree to indemnify and hold the Bank harmless from any and all claims, costs, damages, losses, liabilities and expenses, including reasonable attorney's fees, that result from a failure to comply with the Bank's pre-encoded deposit specifications or encoding items with incorrect information.

REGULATORY CLASSIFICATION OF CHECKING ACCOUNTS

Checking accounts include a master account with two sub accounts: 1) Checking sub account; and 2) Money Market Deposit Account (MMDA) sub account. Your transactions will be through the master account. Balances for purposes of interest fees and funds availability will be based on the combined balances of the sub accounts in accordance with this Agreement. Statements will show activity on the master account.

The sub accounts will be in our records for our accounting purposes only and you will not have direct access to them. Except for this section, all terms and conditions of this Agreement apply to the entire master account without reference to the sub accounts.

At the beginning of each monthly cycle, we will allocate funds between your Checking and MMDA sub accounts we deem appropriate to meet your anticipated transaction needs. Periodically, we will transfer funds between your sub accounts. Funds in your Checking sub account will be transferred to the MMDA sub account when not needed or expected to be needed to pay transactions on your master account. Funds will be transferred to your Checking sub account from the MMDA sub account as needed to pay your transactions, so that you will have access to your funds as provided for in this Agreement.

In accordance with Federal regulations, no more than six transfers per monthly period will be made from your MMDA sub account. On the sixth transfer from the MMDA sub account during the monthly cycle we establish for this purpose, all of the funds on deposit will be transferred to the Checking sub account for the remainder of the cycle. These transfers will not appear on any periodic statement or other transaction report and will not cause any fees.

STOP PAYMENTS

You may ask us to stop payment on an Item. For purposes of stopping payment, "Items" includes checks (or series of checks), ACH debits, electronic transactions initiated by use of a check (including Point of Purchase (POP) and Returned Check (RCK) transactions).

You must give us a Stop Payment Order or revocation (Order) following our requirements including the provisions of this section. Even if you do this, we may not honor your request under certain circumstances described below.

Who? You and any other owner or person authorized to act on your account may place an Order, even if the person placing the Order is not the person who made or initiated the Item.

What? You must give us exact, specific information to describe the Item: the account number, the exact amount of the Item, and the Item number or serial number. We may also require the date of the Item, the name of the person who signed or authorized the Item, and the

name of the person to whom the Item was made payable. Accuracy is required. If you give us incomplete or inaccurate information, we may not honor your Order and we will not be liable for payment of the Item. You agree that our records will be conclusive as to what information you gave us. You also agree that we may record any phone conversation with you in which you give us any information regarding an Order.

Where and How? To place a proper Order, you must visit or call one of our financial center stores, call our Customer Service number, use the stop payment function through our online banking service at wamu.com, or deliver to us a proper written Order at our address in the Communications section. However, if you have initiated an electronic transaction using a check (including POP and RCK transactions), you must contact us by calling our Customer Service number or by visiting one of our financial centers where we will help you contact our Customer Service number.

Written or Oral? Except as noted otherwise for a specific type Item, you must give us a written Order unless we agree to take it orally. If you call us and we agree to take an oral Order, we may ask you to confirm your Stop Payment Order in writing in a form we require. We may give you a confirmation of an Order, but we are not required to do so.

When? You must give us an Order in a timely manner. You must give us a reasonable opportunity to act on the Order before we are required to stop payment, pay or take other action on the Item. Your Order will not be effective until after we have verified: 1) that the Item is unpaid; 2) that the Item can be charged back without creating an overdraft if the Item was credited to another account at any Bank location; and, 3) that the Item has not been cashed at any Bank location.

You may renew an Order by giving us a new Order as described in this section before the existing Order expires. We may give you notice of the expiration of an Order, but we are not required to do so.

Effect? If the Item is received for payment on the day the Order is received or when it expires (if not previously renewed) or afterwards, we may pay it. Otherwise, if the Item is presented for payment while the Order is in effect, we will return the Item and may designate it (for paper Items) "payment stopped" or "refer to maker." You agree to hold us harmless for the amount of the Item and to indemnify us against any loss, expenses, and costs incurred by reason of our refusal to pay the Item. If we pay an Item against a valid Order, we may be liable to you for up to the amount of the Item if you had a legal right to stop payment and if you establish that you suffered a loss because of the payment, but we will not be liable for any amount over and above the face amount of the Item unless the law requires otherwise.

How Long? Orders are effective for six months from the date initially requested (unless a shorter period applies, such as for an oral Order as described below or for an Order which expires on the effective date of a post-dated check, or unless we have agreed in writing to a longer period). For purposes of this section, six months means 182 days, including the date you placed your Order.

If you give us an oral Order and we have agreed to take it, but told you it must be confirmed in writing, it will be effective for only 14 calendar days, unless confirmed in writing during that period.

Fee? You agree to pay us a fee for each Order placed or renewed, as set forth in the *Business Statement of Fees*.

Please also refer to the *Electronic Fund Transfer Agreement and Disclosures Rights Regarding Preauthorized Transfers and Stop Payment on ECK Transactions* sections for more information on those types of transactions.

INFORMATION ON ALL ACCOUNTS AND SERVICES

ACCOUNT OWNERSHIP

Ownership Types: YOUR ACCOUNT OWNERSHIP TYPE MAY DETERMINE HOW PROPERTY PASSES ON YOUR DEATH. YOUR WILL MAY NOT CONTROL DISPOSITION OF FUNDS. YOU SHOULD CONSULT YOUR PROFESSIONAL TAX, ESTATE OR LEGAL ADVISOR TO FIND OUT WHICH ACCOUNT OWNERSHIP IS RIGHT FOR YOU.

We offer several types of account ownerships. We may restrict the ownership types available for any account. The account ownership you choose may depend on several criteria, for example, whether you are opening the account by yourself or with someone else and what you want to happen to your money if you die while the account is open. Not all accounts and services are available for all ownership types. Ask us for information about ownership types we offer or check online at www.wamu.com/thedetails.

Your ownership type will be indicated on the *Master Account Agreement* or other record we maintain for your account.

Authority to Transact: If you are a signer or owner on an account, you agree individually and in any capacity, that you:

- (1) are authorized to execute all documents individually and in any applicable capacity;
- (2) have provided documents necessary to show that authority;
- (3) will furnish any other documents we may request;
- (4) will give written or oral instruction in your representative capacity, whether indicated at the time of the instruction or for the benefit of the person or entity represented; and
- (5) are entitled to funds if you initiate a transaction (e.g., make a withdrawal payable to cash or to yourself).

Honoring Requests: The Bank may rely on the account ownership type and the Contract terms at the time the payments are made or the instructions are followed. The Bank does not need to determine the source, ownership or *pro rata* interest of any funds received or payments made. Unless the Bank has actual knowledge that a dispute exists or that there has been a death or incompetency of a depositor, beneficiary, payee or other person claiming an interest in the funds, all payments made by the Bank at your request (or request of any of you) will constitute a complete release and discharge of the Bank from all claims for the amounts paid. The Bank is released even if payment is inconsistent with the actual ownership of the funds deposited by a depositor and/or the beneficiaries and payees of a Totten Trust or Pay on Death account, and/or their heirs, successors, personal representatives and assigns, unless the law states otherwise. This means, for example, that we may honor a request from any of you, if more than one, to pay the entire amount to any of you and to pay any items drawn by or withdrawal (including transfer requests) initiated by, or on behalf of, any of you.

As used herein, "actual knowledge" of the Bank means that the Bank has received written notice in accordance with the requirements of this Agreement. Notice must be given to a financial center manager, or an officer in the course of that officer's employment and must pertain to funds held in an account maintained by the financial center, or to any other product or service offered by us. We must have time to act upon the knowledge.

Accounts with More than One Owner or Signer: IF YOU ELECTED TO HAVE AN ACCOUNT WITH MORE THAN ONE OWNER OR SIGNER, EACH OF YOU AUTHORIZES EACH OTHER TO TAKE ALL ACTIONS WITH RESPECT TO THE ACCOUNT. This includes, for example:

1. to endorse any check or debit payable to any of you;
2. to cash or deposit the same;
3. to open additional accounts and request additional products or services in the same ownership capacity; and,
4. to receive cash back from any check payable to you, whether or not endorsed by you.

If more than one person is named on the account, but not everyone has signed the *Master Account Agreement* or otherwise agreed to the terms of this Agreement, we may treat the non-signing (non-agreeing) person in any respect: as if they had signed/agreed, for example, to transact or perform activity on the account; or, as a non-owner having no rights on the account. If you establish a joint account without the other accountholder's signature or agreement, you agree to hold us harmless if we rely on your designation of the other joint accountholder's interest on our records.

Information for New York Jointly Owned Accounts: For New York joint accounts, one of the following is applicable:

1. Joint Account with Right of Survivorship is an account opened in the names of two or more people and will be paid to any of them or the survivor of them. Each is an owner and has the right to all of the funds in the account. On the death of one, the survivor(s) owns the account. In the absence of a contrary indication on the *Master Account Agreement*, a joint account is deemed to be a Joint Account with Right of Survivorship.
2. Joint Tenancy Without Right of Survivorship not designated as a Convenience account is a Tenants in Common account. This account is opened in the names of two or more people and will be paid to any of them. Each is an owner and has the right to all of the funds in the account. On the death of one, their share passes to their estate.
3. Joint Tenancy Without Right of Survivorship account designated as "Joint Account for Convenience Only" for which a convenience signer has been identified. For these types of accounts, the account is opened in the name of the depositor and another person for the convenience of the depositor. On the death of the depositor, the convenience signer has no right of survivorship. The convenience signer is not considered an owner; the owner is the person identified as the account owner/depositor in our records.

Information for New Jersey Jointly Owned Accounts: If this is a New Jersey jointly owned account, it is subject to the New Jersey Multiple Party Deposit Account Act (MPDAA). Bank will not be liable for payments made pursuant to the MPDAA. By signing the *Master Account Agreement*, or otherwise indicating your agreement to the terms of this Contract, you acknowledge reading the contract.

Information for Texas Jointly Owned Accounts: On the death of one party to a joint account, all sums in the account on the date of the death vest in and belong to the surviving party as his or her separate property and estate, unless our records tell us that your account is owned jointly without right of survivorship.

Payable on Death and Totten Trust Accounts: Accounts designated as Payable on Death (POD) or Totten Trust are payable to the owners during their lifetime. If the account is co-owned, it is payable to the surviving co-owner, and after the death of the last surviving co-owner, it is payable to one or more designated beneficiaries sometimes called payees. We may pay any funds remaining on deposit after payment of any amount due the Bank, to the beneficiaries named in our records when we receive satisfactory proof of death of all owners. If there is more than one beneficiary, they will share equally, unless our records tell us differently.

ACCOUNT OWNERSHIP AND CONTACT INFORMATION CHANGES

Ownership Changes: Once your account is open, you may ask us to change the ownership (e.g., joint ownership, POD or Totten Trust beneficiary designation) of the account, but we do not have to agree to the change. You agree to notify us (in writing, if we require it) of any change in the ownership of your account or if a signer dies or becomes incompetent. You also agree that if there is more than one owner, any one of you may request to close out the account or to remove any other owner or authorized signer terminating their interest. If you are removed as an owner, your liability continues for anything occurring prior to the time your ownership is removed. Additionally, your liability regarding this account will continue after the account is closed.

If ownership of your account changes or you want to terminate the account, we reserve the right to require: all owners to confirm that change in writing; you to close the account (assessing any applicable fees and early withdrawal penalty); or, you to open a new account under the new ownership (if you meet all the requirements for the new account).

Contact Information Changes: You must notify us of any change, temporary or permanent, in your telephone number or mailing or e-mail address. (This includes changes related to military duty.) This notice may change the record for all of your accounts, but it is your responsibility to confirm that.

See the *Communications* section for more information.

ADJUSTMENTS

We may make adjustments to your account to reflect corrections or changes to your balances, rates and fees. Adjustments might occur, for example, if deposits or charges are posted for the wrong amount, or to the wrong account, posting is delayed or if items are returned unpaid for any reason at any time. Also, if any item is lost, stolen or destroyed during the collection process (except for our gross negligence or willful misconduct), you agree that we have the right to make an adjustment to your account. In the event of an error or something else which has caused an overstated balance, you agree to reimburse the Bank for the overstated amount immediately and without prior notice.

AUTHORIZED SIGNERS

Authorized Signers are distinct from "owners". Owners are accountholders who may be individuals or, if an entity, may be, a partnership, a limited liability company, corporation or an association. Authorized Signers are those authorized, on behalf of the owner, to: (a) write any check and/or execute any other written, telephonic, oral or computer-originated authorization or instructions to debit or transfer funds from any authorized deposit account; (b) withdraw funds from any deposit account authorized; (c) endorse and deposit any negotiable item payable to the owner; and/or (d) authorize disclosure of account information to third parties.

We may, at our option, permit encashment of any negotiable item payable to the owner at the request of an Authorized Signer. The Bank has no obligation to determine that funds or proceeds of any item payable to the owner are applied to a specific deposit account or for the benefit of the owner. Endorsement made by a rubber stamp or facsimile signature will bind the owner.

Without limiting any other rights we may have, we may pay checks drawn on the business account by any Authorized Signer, owner, or other agent, acting alone, even if the check(s) are made payable to the person writing the check, to cash (although at our discretion, we may decide not to pay a business check payable to cash), to the Bank, or to credit a personal account of such Authorized Signer, owner, or agent. We may do so without investigating or questioning the check.

Unless otherwise indicated, any Authorized Signer can give us oral instructions to open additional accounts in the same owner's name, but the signature requirements and statement mailing address must be the same. Unless you contact us to make corrections or further changes within thirty (30) calendar days from the date of the first statement containing the corrections or evidencing the new account, or such information is otherwise made available to you (e.g., via online banking service), we will assume that all changes or new accounts are authorized by the owner and such will be deemed so authorized.

BALANCE CALCULATION/DEFINITIONS

We calculate the balance in your account differently for different purposes. A check or transaction may still be returned unpaid or later payment reversed by the paying bank even if it has been included in your Collected Balance, Ledger Balance or Available Balance.

Available Balance: Your Available Balance is the balance that is available for withdrawal (e.g., transfers, paying checks and electronic transactions) and authorizing transactions. The Available Balance in your account is reduced by funds on hold in accordance with our *Funds Availability Policy*. It can also be reduced when we receive legal process relating to your account or when your account is used as security for a loan. It may also be (but is not always) reduced when we authorize a transaction or have received notice that a transaction will be presented or returned, even before the transaction is actually processed on your account.

Sometimes the Available Balance might not be available for withdrawal and authorizing transactions. This happens when you transfer funds between WaMu accounts after our cutoff time for transfers; while the transfer may be reflected in the Available Balances for both accounts immediately, the funds from the transfer may not be used for some purposes (e.g., check processing and point of sale and POP authorizations). Ask us what our current cutoff time is. You should ask periodically, as the cutoff time may change at any time without notice.

The Available Balance may be different than your Collected Balance and Ledger Balance.

Collected Balance: Your Collected Balance is the balance used to determine what interest tier applies, if any, and the amount on which interest will accrue. Deposits that are "deemed collected" are included in your Collected Balance.

We delay including check deposits in your Collected Balance until they are deemed collected; they are deemed collected when we are deemed to have received credit for the check based on our check payment and collection processing experience. This may be later than the day we are deemed to have received your deposit for other purposes (like funds availability). If actual collection of a check is delayed beyond our average experience for checks, we may retroactively adjust your Collected Balance and interest. If you withdraw funds that are not deemed collected, you may be assessed fees and/or charges, if applicable to your account.

Non-cash deposits to a CD, *School Savings*® account, and deposit account in a Washington Mutual IRA, QRP or CESA plan, as well as, cash deposits (made to an employee at a financial center), incoming internal transfers (other than those designated as External Transfers) and wire transfers are deemed collected on the Business Day they are deemed received. External Transfers to your account from External Accounts (transfers from accounts at other financial institutions) and transfers from WaMu accounts designated as External Accounts for purpose of the transfer initiated through our online banking will be included in your Collected Balance no later than the effective date of the transfer. Funds otherwise electronically transferred to your account (such as direct deposits) are deemed collected on the effective date of the transfer to your account.

Your Collected Balance may be different than your Ledger Balance and Available Balance.

Investable Balance – Your Investable Balance is defined in the Account Analysis-General Information section of these Account Disclosures and Regulations. This balance may be different than your Available, Collected, and Ledger Balances.

Ledger Balance (sometimes referred to as "Current Balance"): Your Ledger Balance is the money we are deemed to have received less any amounts paid from your account. Whether we are deemed to have received your deposit is based on a number of things, for example, how and when you made your deposit, and what our cutoff times are (ask about current cutoff times). Fees based on balances use the daily ending Ledger Balance, unless we tell you differently in writing. The "daily ending balance" is the Ledger Balance after nightly processing at the end of each Business Day.

Your Ledger Balance may be different than your Available Balance and Collected Balance.

BRANCH/FINANCIAL CENTER/FINANCIAL STORE

Certain accounts and services may only be available at certain financial centers or through certain channels (e.g., phone or Internet). Usually, the financial center where you open your account is the financial center assigned to your account, if you open your account in person. Otherwise, your account opening documents may identify the state or pricing region assigned to your account. If you do not know, ask us. Your assigned financial center will not change just because you changed your address on file with the Bank. If you move to another state, you can request us to change your assigned financial center (but we do not have to). We may decide to change your assigned financial center; if we do, we will let you know.

CASH VOUCHERS AND ELECTRONIC CAPTURE DEVICES

Cash Vouchers: In some of our financial centers, cash may be dispensed to you from a machine. You will be given a voucher with an access number by the employee assisting you. Your account records will show your cash transaction as if the employee had handed you the money, rather than as a separate withdrawal transaction. These transactions are teller transactions and are not electronic funds transfers.

When the number is entered at the machine, your cash will be dispensed. You will have a short time to use the access number to get your cash. If you do not get it by the expiration, return the voucher to us and we will give you a new one. If the cash is not obtained by the time we close our financial center on a calendar day, we may: mail or hold for pick up an official check for the cash amount; or, deposit the funds into any of your accounts or into the account of any owner of the account on which the transaction was initially processed.

Treat the voucher as you would cash. If you lose it, tell us immediately. If the voucher has already been redeemed by you or a third party, we may not replace it and you may not be paid the cash. The voucher is not transferable or negotiable.

Electronic Capture Devices: Sometimes we use an electronic process to expedite your transactions in our financial centers with a bank employee, such as electronic key or signature pads; these are considered teller-initiated transactions and not electronic funds transfers.

CHANGES TO YOUR ACCOUNT TYPE

We may allow or require you to change your account from one type to another. If we do, we may require you to open a replacement account with a new account number. Certain features or services you have enjoyed with the old account may not be available with the new account

or may only be available for a fee.

If we let you keep your old account number, previous activity may apply to the new account for certain purposes. For example: balances during the entire fee cycle, including prior to the change, may apply when we determine whether to charge a monthly fee; transactions processed prior to the change may count when we determine whether you have exceeded transaction limits for determining whether to charge an Excess Activity Fee; and, fee waivers for certain transactions (e.g., if your original and new account type each include one OD or NSF fee waiver per year, any fee waiver used on the original account, may count towards any fee waiver benefit on the new account and you may not receive the waiver for the new account). This does not apply to interest calculation, which is based on the rate in effect for the account type you had on the particular Business Day.

If the old account included a service, and the new account allows the service as an add-on for an additional fee, you agree to the add-on service and related fee. If you do not want the add-on service, you must tell us at the time you make the change.

CLOSING ACCOUNTS AND TERMINATION

We may close your account, stop providing service to you or terminate our Contract at any time for any reason (unless the specific terms for the account or service state otherwise). We may not send prior notice to you, unless the law says we have to.

When we close your account, we will stop paying interest on any interest earning account. Additionally, any linked or add-on services will terminate immediately, unless the terms for that service say otherwise. We will return any unpaid items presented after your account is closed. We will not be liable to you for any losses or damages that may be caused by the return of these items.

If we decide to close your account, we may take one or more of the following actions: We may charge a fee if we close your account because of account abuse (e.g., fraudulent activity or excessive overdrafts). We may hold funds from your account after closure (including funds received afterwards) until we are reasonably satisfied that no checks or other deposits will be returned unpaid or that no other claim may be made against us related to the account or any of the services provided to you. We may allow you to leave on deposit sufficient funds to cover any outstanding items to be paid from your account. We may hold any remaining funds for your pick up. We may terminate your right to perform all or some types of transactions on your account. We may deposit the balance in another open account any of you have with us or, we may mail you a check at the most recent address we have in our account records for any of you.

This Contract will continue to apply to matters relating to your account and services that arose prior to termination or account closure or which may arise later. This includes, for example, your liability on items cashed against or deposited to your account, even if the item is disputed or returned after the account has been closed.

COLLECTIONS

We may help you collect items, such as bonds, coupons, certain checks, and drafts, we believe are not appropriate for automated processing. If we do, we will send the item to the bank or other entity responsible for paying it. When we receive credit for the item, we will credit your account. We will not credit your account nor be held responsible if the item is lost, stolen or destroyed during this process (except for our gross negligence or willful misconduct). We will return any unpaid item to you once we receive it back.

We will charge a Collection Fee, even if the item is not paid. We will also charge a Collection Fee for items we receive to be paid from your account using a collection process. Other financial institutions may charge a fee and costs of collection and you will pay these charges, too. We will charge for any special handling of an item (e.g., tracking or faster delivery) that you request. We may take these fees directly from your account or from the proceeds of the items.

COMMUNICATIONS

Communicating with You: We may send (including deliver) any Communications about your account or service to any of you. This includes, for example, notices of change affecting your rights and obligations, statements and other information (all referred to as Communications). Communications may be addressed and sent (by mail or electronically, if the addressee has signed up for that service) to any of you.

Communications delivered in accordance with this section will constitute notice to each of you. They may be sent either separately or as a part of another Communication. Communications to be sent will be mailed or electronically delivered to the current address (electronic address, if applicable) maintained for any of you in our records related to this or any other of your accounts or services (except as limited by law). They will be treated as received when mailed or sent electronically (as applicable).

Any of you may also request that your mail be held for pickup. (This service is not available for accounts held in IRAs, QRRs or CESAs.) That request, if approved by us, will be effective as to each of you, but we reserve the right to send mail to any of you. Held mail generally will be held at the financial center of account. It will generally be held for at least thirty (30) calendar days and then may be destroyed or sent to you. Any mail returned by the post office or otherwise obtained by us may be held or destroyed.

If Communications have been returned by the post office, or electronic service provider, we may handle them in a variety of ways. For a returned Communication: we may attempt redelivery to any of you; send it to a forwarding address for any of you; or, destroy it. For a future Communication we may: print it and immediately destroy it; send it to a forwarding address for any of you; deliver it to a financial center or office; or not print it and, instead, prepare it electronically with the information stored in our records. These electronically prepared Communications will be treated as if sent on the date they would have been sent had the address you provided been valid. A copy of a destroyed or electronically prepared Communication will be made available within a reasonable time upon request.

Held Communications include Communications held at your request and those treated as held because they were returned and not forwarded or Communications were previously returned. Held Communications will be treated as delivered to you when prepared. The returned and not forwarded Communications will be treated as delivered when initially sent.

We need a telephone number to contact you about your account. You may choose a number as your primary contact number, but we can contact you at any number we have for you, including numbers for mobile, cellular, or similar devices. We may also require a telephone number for other services we offer. You agree we may contact you by phone to any telephone number in our records for any lawful purpose, including but not limited to: suspected fraud or identity theft; obtaining information necessary or desirable; your account transactions or servicing; and, collecting on your Account. Numbers you provide include numbers you give us and/or numbers from which you call us. You agree to pay any fees or charges that you may incur for incoming calls from us, and/or outgoing calls to us, to or from any such number without reimbursement from us.

Communicating with Us: Unless we have designated a different address for a specific purpose, mail and notices directed to us should be sent to P.O. Box 1165, Northridge, CA 91328-1165 or such other address as we may specify from time to time. For Retirement and CESA accounts, mail correspondence to P.O. Box 1023, Northridge, CA 91328-1023, Mailstop N110607.

Unless prohibited by law, if you send us mail to any other address, we may treat it as if it had not been received until received at the correct address specified by us. Mail sent to a financial center or any other address not designated by us may be redirected to our mail processing center. In order to avoid delay, use the address we specify for a particular purpose or, if not specified, the above address.

We may, but don't have to, act upon instruction, notice, or order, by you or any third party, received via telephone, fax, voice mail or e-mail, unless expressly agreed by us in writing or as otherwise required by law.

CONFLICTING INSTRUCTIONS AND DISPUTES

Nothing in these Account Disclosures and Regulations shall be deemed to require the Bank, and the Bank shall not be required, to make payment from or provide services related to an account to a depositor, or to any trust or P.O.D. account beneficiary or payee, or any other person claiming an interest in any funds deposited in the account, if the Bank has actual knowledge (as defined in the Account Ownership section of these Account Disclosures and Regulations) of, or otherwise believes there may be, a dispute between the depositors, beneficiaries, payees, or other persons concerning the account including, without limit, their respective rights of ownership to or authority to act with respect to the funds contained in or proposed to be withdrawn or previously withdrawn from the account, or in the event the Bank is otherwise uncertain as to who is entitled to the funds pursuant to the contract of deposit, or otherwise receives instructions which Bank determines, in its discretion, to be unclear or conflicting. We may, but are not required to, place the funds in a court for resolution. We will deduct from your account all expenses and fees that we incur, including attorney fees.

We may, but are not required to, continue honoring instructions based on current Agreement or close account and send a check for the balance to you. We also may permit you to withdraw funds from your account if you provide us with a security bond that is acceptable to us. In our discretion, we may require the bond to be in excess of the amount in the account.

CREDIT REPORTING AGENCIES AND DEPARTMENT OF MOTOR VEHICLE RECORDS

Obtaining Information: We can obtain credit information about you individually or in any other capacity and about anyone you represent from any credit reporting agencies (including check reporting agencies) or by any other means. We can do so if you: request to open an account with us; are an owner or signer on an account with us; or, obtain a service from us. We can obtain this information at any time and can use it for any purpose, including offering you other accounts and services, unless the law says we cannot.

Authorization to Obtain Personal Information from State Motor Vehicle Departments and Records: State Departments of Motor Vehicles maintain records, including personal information, about people who obtain driver's licenses or state identification from these departments. Personal information includes, for example, information such as your name, address, telephone number, driver's identification number, social security number, medical and disability information, and photograph. Under Federal and State law, a State Department of Motor Vehicles may only release your Personal Information under certain limited conditions.

You acknowledge that we may have a legitimate need to obtain your Personal Information from the State Department of Motor Vehicles which issued your driver's license. For example, we may need to use the information to verify the accuracy of information given to us by you, to prevent fraud by you, or to pursue legal remedies against you.

You hereby give your express permission and express consent to all States' Departments of Motor Vehicles to provide us with all Personal Information about you maintained in their records. By this provision you give us your written waiver and release of Section 1808.21 of the California Vehicle Code, and all other States' and Federal laws establishing and protecting the privacy of this Personal Information. You agree that you are granting to us your written waiver, release, permission, and consent as described in this section: when you sign the *Master Account Agreement* or otherwise enter an Agreement with us; when you sign, or any one else authorized signs, any check issued in connection with your Account; or, when you use or anyone else authorized uses any service or makes any transaction in connection with your Account.

Reporting Information: We may report information about you and your account (e.g., account activity or losses we may suffer related to your account) to credit (including check) or other reporting services. We may report information about your accounts to Credit Reporting Agencies. Late payments, missed payments or other defaults on your account may be reflected in your credit report.

CUSTOMER RESPONSIBILITIES AND LIMIT ON TIME TO ASSERT CLAIMS

You agree to exercise reasonable control over all bank checks, unissued checks, time or certificates of deposit, passbooks, cards (of any kind), personal and user identification numbers and codes and access devices and any other item, instrument or card related to any of the above. It is your responsibility to keep all of the above information and items safe and secure and to promptly discover and immediately report if any of them are, or believed to be at risk of becoming, missing in time to prevent misuse.

You agree to notify us immediately if any of these items may be lost, stolen or used without your authorization, or if you believe there is an error in your periodic statement or that an unauthorized transaction has occurred or may occur on your account or otherwise may be related to any of the above. In addition to any other liability you may have hereunder, and except as limited by applicable law, if you give your Personal Identification Number (PIN), User ID and any other code or other access device to anyone, you will be liable for any use made of such until you advise us that such person is not authorized to use them. You acknowledge that your account, service or any of the above may have to be closed if any of these events occurs. In addition, you assume full responsibility for the monitoring and reviewing the work of your employees, agents (including Authorized Signers) and accountants.

You are responsible for exercising reasonable promptness and care in examining your account statements, and, if provided, originals or imaged copies of cancelled checks, advices of debit or credit, transaction reports, or your account activity through the internet if we provide you such access via online banking services, to determine whether any payment or debit was not authorized because of an alteration of an item or because a signature or endorsement on the item was unauthorized, or for any error related to your account or service, or any forgery, alteration, unauthorized transaction, including an unauthorized payment order, or other problem (collectively, a Problem). The parties agree that reasonable promptness means within fourteen (14) calendar days from the date that the statement, advice or transaction report or other information is sent or otherwise made available to you, whichever first occurs.

If you discover or should have discovered a problem, you must promptly notify us in writing of the relevant facts. You should also report the Problem to us orally by contacting your branch of account or the telephone number at the end of these *Account Disclosures and Regulations*.

However, your oral report shall not relieve you of your obligation to report the Problem to us in writing, except where required by law. Your written report must identify the specific items, debits or credits that you are challenging and the nature of the Problem.

In addition, if your claim involves a series of items containing unauthorized signatures or alterations by the same wrongdoer, you shall be precluded from asserting against us any unauthorized signature or alteration by the same wrongdoer on any item paid in good faith that you do not report within fourteen (14) calendar days after the first item in the series or first statement containing that item was sent or made available to you, whichever first occurs. By these provisions, the parties intend to define a reasonable time period for the "Repeater Rule," as provided in §4-406(d) of the UCC.

Without regard to the care or lack of care of either you or us, without limiting the foregoing: (a) if you fail within thirty (30) calendar days after the statement or item is sent or made available to you, whichever occurs first, to discover and report with respect to an item (i) your unauthorized signature, (ii) any unauthorized or missing endorsement, or (iii) any alteration on an item, you shall be precluded from asserting against us the unauthorized signature, the unauthorized or missing endorsement or alteration on that item; (b) if you fail within thirty (30) calendar days after the statement or other advice of debit or execution of a wire transfer Payment Order is sent or made available to you, whichever occurs first, to discover and report an unauthorized Payment Order, you shall be precluded from asserting against us the unauthorized Payment Order; and (c) without limiting the foregoing, if you fail within thirty (30) calendar days after the statement or other advice, transaction report or other information revealing the Problem is sent or made available to you, whichever occurs first, to discover and report any Problem, you shall be precluded from asserting against us the Problem.

These absolute preclusions apply (i) to each item, unauthorized Payment Order or any other Problem that you fail to report in writing within thirty (30) calendar days and (ii) regardless of the legal theory you assert. By these provisions, the parties intend to shorten the absolute statutory preclusion period for reporting unauthorized signatures, alterations and endorsements specified in §4-406(f) of the UCC (and even if not specified in §4-406(f)) and for reporting unauthorized Payment Orders specified in §4A-505 of the UCC, and any other reporting period established by any law or regulation, and to establish a contractual condition precedent for reporting claims on Problems.

If we provide you with access to your account via the internet through online banking services, or hold mail services, then for purposes of this section, account statements, items, advices, reports, and all other information will be deemed to be "made available" on the date the subject debit or credit is reflected online, or the date that the information is delivered to the hold mail area, whether or not you accessed your account through the Internet or picked up your mail, respectively.

If we truncate your checks or you subscribe to an electronic statement service, you understand that your original checks will not be returned to you with your statement. Unless otherwise required by law, we may not send you the original or copies of checks or other items representing debits or credits to your account. We may impose a charge for reproducing the original or copies of such items. Our retention of checks does not alter or waive your responsibility to examine your statements or change the time limits for notifying us of any Problems, as specified in this section.

If you do not timely receive any account statement or other information concerning your account that you expect to receive, or you cannot access your account through the internet, you shall notify us as soon as possible but in no event later than ten (10) calendar days after such information or access would ordinarily be received by or available to you. If you fail to advise us of these facts, the time for discovery and reporting shall not be affected by your failure to receive or access the subject information.

If the time periods for discovery and reporting contained in this section differ from the time periods for discovery and reporting contained in any other agreement between us, or by law, the shortest time period shall apply and govern the claim, except where such longer period is required by law.

Except for shorter periods provided under this Agreement or other agreement or by applicable law, any action or proceeding brought by you to enforce any obligation, duty, or right arising under or relating to this Agreement or otherwise relating to your account or services provided to you hereunder, must be commenced within one year after the event that gives rise to the cause of action occurs.

You agree to pursue all rights you may have under any insurance coverage you maintain before making a claim against us in connection with any account transaction, and to provide us with all reasonable information about your insurance coverage (such requirement does not extend the time limits set forth above). Our liability to you is reduced by the amount of any and all insurance proceeds you receive, or are entitled to receive.

In the event you do assert a claim against us regarding a Problem, you must cooperate with us and assist us in seeking criminal and civil penalties against the person responsible. You must file reports and complaints with appropriate law enforcement authorities. If we ask, you must also give us a statement, under oath, about the facts and circumstances relating to your claim and provide such other proof as we may reasonably request. If you do these things, and provide such security or indemnification as we may require, we may, at our option, replace any item in question. If you fail or refuse to do these things, we will consider your failure or refusal to be your acknowledgment of the defect in the statement, or item, unauthorized transaction or other Problem and your agreement that we can charge the full amount to your account and have no liability to you for the Problem, except as required by law.

You agree that we will have a reasonable time to investigate the circumstances surrounding your claim. During our investigation we will have no obligation to provisionally credit your account, except as may otherwise be required by law.

You agree to indemnify, defend and hold us harmless from any claims arising from your breach of these *Account Disclosures and Regulations* or any agreement with us or your act or omission.

DATE AND TIME OF TRANSACTION

Business Days are Monday through Friday, except Federal holidays. Transactions on non-Business Days are considered made the next Business Day.

We may set cutoff times for certain types of transactions. Transactions after those times are treated as made the next Business Day. Unless we have established a different cutoff time for the service you are requesting, our cutoff time for transactions with a teller in financial centers on a Business Day is 6 p.m. We do not have to state our cutoff times for various services unless the law says we must. We have stated some of our cutoff times in this booklet, in documents for particular services and at our financial centers. We may set a different cutoff time based on the financial center or pricing region to which your account is assigned by us or the location of the transaction. We may also change our cutoff times without notice, unless the law says we have to notify you. Ask us about our cutoff times.

DEATH OR INCOMPETENCE

You agree to notify us immediately if anyone with an interest in your account dies or is declared incompetent by a court. We may require proof of death or adjudication of incompetency (e.g., certified copy of court order or official record).

Until we receive notice and any required proof of death or incompetence, we may act as if all owners are alive and competent. After we receive notice and any required proof, we may freeze the account and refuse to accept transactions, reverse deposits and/or return government or benefit payments made to the account.

We may treat any instructions regarding your account which may be effective upon account maturity as invalid if we receive notice and proof of death or incompetence before we honor the instructions.

DEPOSITS

Subject to applicable account rules, deposits in current funds, within the limits hereinafter prescribed, may be received at any time, with our consent. All deposits received are subject to final collection or subsequent return. Credit for items, deposits received via fund transfer service (e.g., wire or automated clearinghouse), or otherwise deposited is provisional and subject to revocation if the item or transaction is not paid or for which payment is reversed for any reason. You agree that you will not deposit any item into your account which does not bear either a true original signature of the person on whose account the item is drawn, or an authorized mechanical reproduction of that person's signature, without our prior express written consent, which may be withheld at our discretion. If we do consent to deposit of such items, such consent may be withdrawn at any time without cause or prior notice.

Except as may otherwise be required by law, we shall not be deemed to have received items sent by mail or placed in lobby or night depositories or any other type depository we operate until we have received actual delivery of items sent by mail at the address we designate for receipt of such item or have removed the contents from such depositories. Items sent by mail must be sent to the address noted for your account in the *Statements* section of these *Account Disclosures and Regulations*. Until we remove items from the depositories, we are only responsible for loss of such items caused by our gross negligence or willful misconduct. Deposits placed in a Night Depository may not be processed until the following Business Day, as set forth in the *Funds Availability* section of these *Account Disclosures and Regulations*.

In our discretion, we may permit a first deposit and a minimum balance in an account in an amount which is lower than that otherwise required for such account.

The Bank may, in its discretion, refuse to open an account, receive a deposit, or accept a deposit on a collection basis, or may in our discretion at any time return all or any part of any deposits previously received or require the withdrawal of any interest paid to the account. We reserve the right to reverse credit for any deposited item that we later reject or lose in the clearing/collection process. Without limiting the foregoing, we may, at our option, refuse to process documentary drafts and other irregular (non-standard) items deposited into our account or sent to us for processing.

If the depositors have elected to have joint accounts, each of the depositors authorize each other as attorney-in-fact to endorse any check or debit payable to the order of any one or more of the depositors and to cash or deposit the same and to open additional accounts and request additional products or services in the same ownership capacity. You also authorize us to accept or process items/transactions payable to any of you and to deposit such to your account from any source without questioning the authority of the person making the deposit, and to give cash back to you or any Authorized Signer(s) or agent on any check payable to any one or more of you, whether or not endorsed by you.

If we receive a deposit or payment for you or your account which is not accompanied by an instruction satisfactory to us, in our discretion, indicating how or where it is to be credited, we may apply it at our discretion to any loan or deposit account any of you maintain with us and you will be responsible for any loss or expense related thereto.

You may request the Bank and the Bank may, at its option, agree to accept deposits through certain banking channels, including without limitation, messenger and armored car service, night and lobby depository services, and/or mail, whose amounts are not verified in your presence prior to deposit. These deposits shall be counted and credited to your account and our count and record of the amount presented for deposit shall be binding and conclusive upon you. Deposits may be credited in the amount shown on your deposit slip, but will be subject to adjustment to reflect the Bank's own count. The Bank may agree to accept deposits to your account electronically. In addition to these *Account Disclosures and Regulations*, such deposits shall be governed by the applicable service terms.

Sending Deposits to Us: The addresses designated for deposits sent by mail are:

ID, OR, UT and WA accounts: P.O. Box 1106, Northridge, CA 91328

AZ, CA, CO, NV and Telephone and Online Banking—West accounts: P.O. Box 30810, Los Angeles, CA 90030

CT, FL, GA, IL, NJ, NY, TX and Telephone and Online Banking—East accounts: P.O. Box 6868, Lake Worth, FL 33463.

Retirement and CESA accounts: P.O. Box 1023, Northridge, CA 91328-1023, Mallstop N110607. (Contact us in advance to receive a Contribution instruction form.)

We may credit deposits in the amount shown on the deposit slip. This credit is subject to verification. Our count and record of the amount presented for deposit is binding. For Retirement and CESA accounts, deposits are further subject to the terms of your plan.

When a check is cashed or accepted for deposit we act as your agent in the collection of the check. We are not responsible if the check is lost in the collection process, unless caused by our gross negligence or willful misconduct. We also do not guarantee that a check will be paid, even if we do not place a hold on the check.

All non-cash deposits are subject to final payment or subsequent return by the payor bank regardless of when returned. Credits to your account are provisional and subject to revocation. This includes any interest paid to your account.

For our rules on deposits received via fund transfer service refer to the *Electronic Fund Transfer Agreement and Disclosures* and *Wire Transfer Services* sections, as applicable. For our rules on availability of deposits refer to the *Funds Availability* section.

DISCLOSURE OF INFORMATION TO THIRD PARTIES

Reasons Why We Disclose Information: We will disclose information to third parties for a variety of reasons, unless the law says we cannot. For example, we will disclose information:

- Where it is necessary or helpful for completing a transaction or conducting our business;
- To verify information about you or your account or service for a third party, such as a credit bureau or merchant;
- In connection with Legal Process (see the *Legal Process* section for more information);

- If you give us your permission;
- To offer you additional products and services from us and others; and
- As otherwise permitted or required by law.

Sharing of Your Information: You agree that we may share any information we have about you, and your accounts and services with: any other account holder or signer on your account; any of their heirs, successors, representatives, beneficiaries; and, anyone else authorized to receive such information.

If your account or service is linked by you or someone else to another account or service, you agree we can share any information we have about that account or service with anyone authorized to receive information about the linked account or service. This applies, for example, to accounts linked to an Overdraft Transfer Service, Automatic Savings Plans, Combined Statements, and Permanent Interest Orders. You agree that if someone makes a deposit to your account, we may release information to them about your account. This information may include, for example, your balance, holds on deposited funds, and reasons for any holds.

You agree that we may share information about you and your account and service with affiliates, and to affiliates sharing such information with us, for purposes of conducting transactions, investigations and loss recoveries.

ENDORSEMENTS

You agree to endorse each check on the top 1½ inches at the end (when viewed vertically from the trailing edge) of the check. If you endorse a check outside of that area, mark or otherwise obscure the other area or a prior endorsement or make an endorsement that is illegible or incomplete, we may, at our option, accept such nonconforming endorsement and you agree to hold us harmless from any loss, delay, liability, claim or damage which may arise as a result. We may endorse and/or collect items deposited to your account without your endorsement but may, at our option, require your personal endorsement prior to accepting an item for deposit. If you deposit items which bear the endorsement of more than one person or persons who are not signers on the accounts, we may refuse the item or may require all endorser to be present and to provide identification acceptable to us, in our discretion or to have their endorsement guaranteed before we accept an item. If you provide an endorsement to or encode the amount on an item deposited to your account, such must adhere to any standards set by Federal and state law and banking industry practice. Without limiting any other rights we may have, and not withstanding anything to the contrary herein, you agree that we may, but are not required to, accept for deposit or collection to your account an item initially made payable to anyone other than you. If we do so, we may, at our option, require such other person to endorse the item in our presence to provide identification acceptable to us, and for you to provide an endorsement guarantee acceptable to us.

FACSIMILE SIGNATURES

You may wish to use a facsimile signature stamp or other mechanical signature device to sign checks or other orders relating to your accounts. If you do, we may, without contacting you, debit your account for items bearing an imprint that looks substantially like your authorized mechanical signature, whether or not such items bear the actual facsimile signature stamp. You agree to notify us and give us a sample imprint if you plan to use such a device. If you do not give us a sample, this section still applies to your use of the device. You are responsible for the security of any mechanical signature device. We will not be responsible for payment of unauthorized items bearing an imprint from, or similar to, your authorized mechanical signature.

FDIC INSURED

Washington Mutual Bank (WMB) and Washington Mutual Bank fsb (WMBfsb) are two different companies, although both use "Washington Mutual" and "WaMu." Deposits at WMB and WMBfsb are insured separately by the FDIC to the maximum amount permitted by law.

WMB also operates under the name Washington Mutual Bank, FA (WMBFA). When you deposit funds or contract with WMBFA, you are doing business with WMB. Deposits at WMB include those at WMBFA and are combined when determining the maximum insurance provided by the FDIC.

FEES AND COSTS

The Bank may establish fees applicable to deposit accounts and related services, and such fees shall be set forth in the *Business Statement of Fees* applicable to your account or other documentation provided to you for the account or Bank service, and shall be incorporated by this reference into these *Account Disclosures and Regulations*. The Bank reserves the right to change its fees from time to time without notice, except as may be required by law.

If you request a service, including without limit, wire transfers and check collection, which are processed by or through or in conjunction with a third party, you agree to pay all fees/cost assessed by such third party on Bank in connection with such service or transaction. Such third party fees/cost may be debited from the proceeds of such transaction or any of your accounts with Bank, at our option.

FOREIGN TRANSACTIONS

All transactions (e.g., ATM, debit card, check) conducted inside or outside of the United States (U.S.) must be in U.S. Dollars. If you attempt a transaction in some other currency, we may refuse the transaction; if it is a deposit, we may also choose to process it on a collection basis. If we process the transaction, we may use: the foreign currency exchange rate imposed on us on the Business Day we receive the deposit or debit transaction, or if it is a deposit sent for collection, the Business Day we receive the collected funds; or, a rate we set, which may be higher than the rate charged to us. If any of these debits or credits are reversed we may use the rate imposed on us on the Business Day we receive the reversal or higher rate we set. These rates may be different from the rate in effect on the day you conducted the underlying transaction or the merchant processed the reversal.

You agree to pay any charges and fees assessed by a third party in connection with processing the foreign transaction or reversal.

For card transactions processed through the MasterCard® system (including Cirrus® and Maestro®), the exchange rate between the transaction currency (the currency for the location at which the transaction is processed) and U.S. currency is either a government-mandated rate in effect for the applicable processing date, or a rate selected by MasterCard® from the range of rates available in wholesale currency markets for the applicable processing date.

A Foreign Transaction Fee may be charged for International Business Debit MasterCard® transactions, whether or not currency conversion occurred. The fee is a percentage as shown on the *Business Statement of Fees* and the resulting amount, based on the amount of the

transaction, will be shown on your statement. An International Card transaction is one conducted in foreign currency with a merchant or at an ATM outside of the U.S. and its territories or within the U.S. with a merchant or at an ATM owned or operated by a foreign person or entity. The fee may also be assessed when you return merchandise or due to a credit in an international Card transaction. This fee is in addition to the Bank's International ATM fee, if any.

GOVERNING LAW

This Contract and all accounts and services provided to you are generally governed and interpreted according to Federal law. When not superseded by Federal law, the applicable state law is as follows: 1) The law of the state where the account was opened, if opened by you in person; 2) If not opened in person, the law of the state where you live if we have a financial center in that state (see below); and, 3) if neither of those apply, then the law of the Bank's home office (Nevada for Washington Mutual Bank and Utah for Washington Mutual Bank fsb.)

As of publication, Washington Mutual Bank operates in AZ, CA, CO, CT, FL, GA, ID, IL, NJ, NV, NY, OR, TX, UT, and WA; Washington Mutual Bank fsb operates in ID and UT.

If governing law prohibits taking action otherwise permitted by this Agreement or requires action which is otherwise excused by this Agreement, and does not allow us to agree otherwise, then governing law applies.

IDENTIFICATION

We may require you to provide identifying information, such as your Taxpayer Identification Number, that meets our requirements at any time and for any reason. We also may require you to provide information and certifications meeting our requirements of your authority to open accounts, conduct transactions or otherwise engage in business with us. At all times you must comply with all legal requirements of doing business with us.

Important information about procedures for opening a new account: To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your legal name, street address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

INACTIVE AND ABANDONED ACCOUNTS

Inactive Accounts: We may consider your account inactive if there has not been a transaction on your account for a period of time we set. We will not consider as activity for this purpose any bank initiated transaction such as fees and interest. If we consider your account inactive, we may stop sending you periodic statements and interest checks; we may also charge you an Inactive Account Fee if stated in the *Business Statement of Fees*.

Abandoned Accounts: The law requires us to turn over abandoned property to the state. You abandon your account when a transaction you initiated has not been processed on your account and you or any beneficiary or authorized signer has not contacted us about the account during a time period set by law. Preauthorized automatic transfers and bank-initiated account activities (like fees and interest) do not count as activity for this purpose.

You will be charged for our costs to comply with this law and a fee for sending you notice, unless the law says we cannot charge these amounts to you.

If we turn your property over to the state, we will not be liable to you. We do not have to assist you in recovering your property from the state.

INTERBANK AND INTERSTATE TRANSACTIONS

We operate two banks using the Washington Mutual and WaMu names: Washington Mutual Bank and Washington Mutual Bank fsb. Sometimes one or both of these banks may operate under more than one name.

We may allow you to conduct transactions on your account with one of these banks at a financial center of the other. Sometimes we will only allow this if the assisting bank acts as your agent; you agree the assisting bank is acting as your agent, unless the receipt or other document you get at the time states differently. Also, when the transaction is a deposit or withdrawal, the transaction is not considered made until an accounting entry has been made on the bank holding your account.

This does not create a general agency between these banks. Also, the banks are not agents for, nor authorized to accept service or process for each other.

We may restrict certain activity to the bank of account, at a financial center in the same state and/or pricing region as the one to which your account is assigned by us, or in some cases, only to the financial center to which your account is assigned.

INTEREST PAYMENTS AND CALCULATIONS

This section applies to accounts which pay interest. Unless otherwise stated for your account:

Annual Percentage Yield (APY) assumes interest remains on deposit. Withdrawals and fees reduce earnings. We may change the interest and APY for your account at any time without notice or limit. If interest tiers apply to your account, we may set interest rates and APY for various tiers in any amount; thus, interest and APY for one tier may be the same as for a lower tier. We may set interest rates and APYs on a specific account, pricing region assigned to an account, or customer basis and they may be higher or lower than our standard, at our discretion.

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the Collected Balance at the end of each day. Interest is paid on the last day of your monthly interest cycle, on a 365/365 day basis (366/366 day in leap years). Interest is compounded monthly unless otherwise stated for your account.

Interest is not earned for the date of withdrawal. Interest accrued but not yet credited to your account is not available for withdrawal except at account closure. For our convenience, we may process the interest payment on the last Business Day of the cycle, to be effective the last calendar day of the cycle. We may adjust the interest payment if there is a transaction between those days.

LANGUAGE

We conduct business in English. In some cases, we may provide documents in other languages as a courtesy, along with the English version of those documents; when we do, the English version applies unless we tell you differently in writing. Even if we have provided documents in another language in the past, we might not do so in the future and we might not provide other documents or service in that other language.

Some of our employees may be able to talk to you in another language. However, they are not always available. We currently offer a third-party language line that may also assist with transactions for some, but not all languages. Ask us how the language line works. This is a courtesy service and may be terminated at any time (for some or all languages). Keep in mind that the people providing this service (employees or third parties) are not acting as your independent financial or legal advisor. If you need help with translating applications, disclosures, or other documents related to a deposit or other product or service we offer, you should consult with a trusted family member, friend or other non-WaMu related person fluent in both languages.

Whether you speak English or another language, if you need help understanding the documents and your or our obligations, you should consider seeking separate legal counsel, at your expense.

LARGE CURRENCY TRANSACTIONS, OFAC AND OTHER LAWS

Accounts, transaction and services are governed by the laws and regulations administered by the Office of Foreign Assets Control (OFAC) and all other applicable Federal, state and local laws and regulations. In addition to any other rights we may have, we may provide information regarding your account(s), restrict your account(s) and/or refuse transactions and services when required to do so, or when we reasonably believe we are required to do so, by applicable Federal, state and local law or regulation, including, without limit, laws and regulations administered by OFAC. You agree to use any services, accounts, checks, cards (of any kind), Personal Identification Numbers, user identification numbers, pass codes or other codes and access devices, and instruments related to any of the foregoing for lawful purposes only. Without limiting the foregoing, you agree that such may not be used for, or otherwise in connection with, any illegal transaction or activity. Government regulations require us to report transactions occurring in the same Business Day that involve currency in excess of \$10,000 and other transactions to the Internal Revenue Service (IRS) and other government agencies. We have this obligation even if the \$10,000 is spread out over several transactions in one Business Day, or if two or more transactions that total more than \$10,000 occur on different days but are processed by us on the same Business Day. This can happen if you made a deposit or withdrawal after the cutoff time on one day, then make a second deposit or withdrawal the following day.

LEGAL PROCESS

Legal Process includes, for example, a subpoena, restraining order, injunction, writ of attachment or execution, levy, garnishment, tax withholding order, search warrant, forfeiture or other similar order or government request for information relating to your account, safebox, or other service, which we believe to be valid.

The Bank may comply with any legal process that is served in any manner at any of our locations, even if it is served at a location or in a state other than a location or state where the account, property, or records are held. We may provide access to any bank or third-party location that maintains our records. We may also require that any Legal Process be served in the manner and at the place established by law.

We may charge your account a Legal Processing Fee for each legal process that we receive related to you or your account (or any of you) as provided by law or in the *Business Statement of Fees*. You also agree to pay our expenses for responding (e.g., researching, copying documents, attorney's fees and any other costs). We may deduct these fees and costs from any of your accounts without prior notice to you even if this deduction creates an overdraft or results in an early withdrawal penalty.

If we pay any Legal Process related to your account, we may debit any of your accounts even if this causes an overdraft. We may also charge an early withdrawal penalty if applicable to the account debited.

LIABILITY AND LIMIT OF LIABILITY

Your Liability: Each account owner and signer on the account and user of a service will be responsible jointly and individually for all costs related to the account or service regardless of the amount contributed or percentage ownership or use. This includes, for example: any items given for payment or received for deposit to or cashed against the account; transactions on or related to the account; overdrafts and related fees of you or any of you if more than one; offset rights; and, obligations secured by the account. You will be responsible even if you did not: write, deposit or cash the item; authorize the transaction; agree to the obligation; or, benefit in any way.

We can honor, and you will continue to be responsible for, any items and transactions authorized by an account owner or signer prior to the termination of their authority. This includes items or transactions that are presented or processed after termination of the account.

Limit of Liability: UNLESS PROHIBITED BY LAW, YOU AGREE THAT OUR LIABILITY WILL BE LIMITED TO: THE FACE VALUE OF AN ITEM OR TRANSACTION IMPROPERLY DISHONORED OR PAID; THE ACTUAL VALUE OF ANY DEPOSITS NOT PROPERLY CREDITED; OR, WITHDRAWALS NOT PROPERLY DEBITED. YOU FURTHER AGREE THAT WE WILL HAVE NO LIABILITY TO YOU FOR CONSEQUENTIAL, SPECIAL, INCIDENTAL, OR PUNITIVE DAMAGES.

In addition, any claim you have against us will be further reduced by: your (or any co-owner, authorized signer, your agents or employees) negligence or failure to use reasonable care; any damages which we could not have avoided by our using ordinary care; your failure to comply with the reporting requirements in this Agreement; and, any proceeds from an insurance carrier or other third party you receive or are entitled to receive.

You will pursue your rights under any insurance policy and against any third party if they cover or may cover the loss. You will provide us with all information applicable to those policies and third parties. Any proceeds from them that you receive or are entitled to receive will be applied first to reduce our obligations to you. If we repay you for the loss before you receive compensation, you will assign us your rights under those policies and against any third parties.

You will reimburse us for any liability, loss and expense we incur in connection with your account unless it was caused by our fault. We will not be responsible to you for losses beyond our control. This includes, for example, natural disasters, wars, riots, strikes, computer failure, loss of power, communication or transportation facilities or third-party actions, such as those involving networks, fund transfer systems, clearinghouses, or other third-party vendors.

LIMITATION ON USE OF ACCOUNT

You agree to use your accounts and services for lawful purposes only. We may reject any transaction or attempted transaction we believe to be unlawful. We may also limit transactions and services for security or other reasons.

We may restrict the ownership types available for any account. These accounts and services may be used for business purposes; this means, for example, that they cannot be used for personal, family or household uses. If used for purposes other than business, we reserve the right to change the account or service to an account or service we offer to consumers or to close it.

MARRIED ACCOUNTHOLDERS / DOMESTIC PARTNERSHIPS

The Bank may enter into a deposit contract with you even if you are married (or are a registered domestic partner) or if money in your account is community or separate property. Rights and obligations relating to one or more spouse or parent also apply to domestic partners, unless the law provides otherwise.

MINORS' AND INCOMPETENTS' ACCOUNTS

Minors and Incompetents have the same rights and obligations as any other owner. This means that we may follow their instructions about their accounts. No defense may be made based on a minor's or incompetent's capacity to contract.

Minors and Incompetents agree that we may release any account information to a parent, guardian, custodian or conservator of their estate. We may also follow written instructions from any of them to withhold payment from the Minor's or Incompetent's account.

If the beneficiary / payee of any account is a Minor or Incompetent, we may require an order from a court of competent

MONTHLY, QUARTERLY AND OTHER CYCLES

Your account may be charged fees for services and credited interest on a periodic basis. We also may elect to send you statements on a periodic basis for certain accounts. These periods are sometimes called cycle periods and may be, for example, monthly, quarterly or semi-annually. These statement, interest and fee cycle periods may not match. Thus, for example, you may get quarterly statements and incur a monthly service charge.

These cycle periods (e.g., monthly) are roughly the same length, but they will not be exactly the same. For example, one monthly cycle period might be 29 days (and end on the 15th) in one month and be 32 days (and end on the 17th) in another month. This means, for example, that we may charge a monthly fee because you did not maintain a specific average balance or an Excess Activity Fee due to too many transaction during the cycle when we might not have charge it if the cycle period had ended or started on a different day.

If a cycle period changes (e.g., for statements), we may require that the other cycle periods (e.g., for purposes of fees and interest) change to fall on the same date. If we do, your last cycle prior to the change and first cycle following the change may be shorter or longer than usual. And, as described above, the cycles may not fall on the same day or be precisely the same length from cycle period to cycle period (e.g., from month to month).

MULTIPLE PARTY INSTRUCTIONS

We do not offer accounts on which two or more signatures are required for transacting on your account. Any instruction that more than one signature is required for a transaction is for your own purposes only and is not binding on us. We may follow instructions from any one of you.

OFFSET RIGHTS

If we are unable to collect what you owe us related to an account or service or any other amount owed by you to the Bank, you agree we have the right to offset any account or asset of yours then held by us, by our sister bank, or any subsidiary of ours or our sister bank. When we take this action, we do not have to provide notice, unless the law says we have to. If we offset from a CD, an early withdrawal penalty may apply.

If there is more than one owner on your account, we can offset against any account any of you owns (entirely or partially); this applies even if the debt is a result of a transaction by another of you. We may do so without regard to contributions made, the source of funds, any restrictions on the account, or the death or incompetence of an owner.

If it is later determined that you did not owe us the money, we will reimburse you for the amount of the offset and refund any applicable early withdrawal penalties. You also agree we will have no other liability related to the offset.

OTHER AGREEMENTS

You may have another agreement with us which, by its terms, supersedes this agreement in whole or in part. For example, certain provisions of your other written agreements with us (e.g., the Treasury Management Services Terms and Conditions) may supersede some of the terms of this agreement to the extent that they are inconsistent, but only if the other agreement is in writing and accepted by the Bank

PASS-THROUGH FDIC INSURANCE

Under Federal law, whether an employee benefit plan deposit is entitled to per-participant (or "pass-through") deposit insurance coverage (excluding SEPs which are not subject to pass-through insurance coverage) is based, in part, upon the capital status of the insured institution at the time each deposit is made. Specifically, "pass-through" coverage is not provided if, at the time an employee benefit plan deposit is accepted by an FDIC-insured bank or savings association, the institution may not accept brokered deposits under the applicable provisions of the Federal Deposit Insurance (FDI) Act. Whether an institution may accept brokered deposits depends, in turn, upon the institution's capital level. If an institution's capital category is either "well-capitalized" or is "adequately capitalized" and the institution has received the necessary broker deposit waiver from the FDIC, then the institution may accept brokered deposits. If an institution is either "adequately capitalized" without a waiver from the FDIC or is in a capital category below "adequately capitalized", then the institution may not accept brokered deposits. The FDI Act and FDIC regulations provide an exception from this general rule on the availability of "pass-through" insurance coverage for employee benefit plan deposits when, although an institution is not permitted to accept brokered deposits, the institution is "adequately capitalized" and the depositor receives a written statement from the institution indicating that such deposits are eligible for insurance coverage on a "pass-through" basis. The availability of "pass-through" insurance coverage for employee benefit plan deposits also is dependent upon the institution complying with FDIC's recordkeeping requirements.

The Bank's capital category currently is "well capitalized". Thus, in our best judgment, employee benefit plan deposits are currently eligible for "pass-through" insurance coverage under the applicable Federal law and FDIC insurance regulations.

PAYMENT IN FULL

If you send a check to us intended as full satisfaction of a disputed debt, you must comply with all legal requirements and send it to our Legal Department at one of the addresses below. We may refuse or return any such payment even if sent there and received by us, unless the law says we must accept it.

- Attn: Legal Department (Mailstop N110701) 9200 Oakdale Avenue, Chatsworth, CA 91311
- Attn: Legal Department (Mailstop 4812LGFL) 8050 S.W. 10th St. Bldg. Four, Ste. 1000, Plantation, FL 33324
- Attn: Legal Department (Mailstop WMC3501) 1301 Second Ave., Seattle, WA 98101

PERMANENT INTEREST ORDERS

If you have an account offering Permanent Interest Order (PIO) you or any other account owner or signer may elect to have PIO for such account. With a PIO, interest payments may be sent by check to any of you or a third party you designate, or paid to another eligible account any of you has with us.

We may require the PIO to be in writing, signed by any or all of you. When you make a PIO, you represent, at the time of the election and of each PIO payment, that: neither the funds in the account nor evidence of account, have been pledged, assigned or transferred; no one other than you has any interest in the payment, funds in the account and evidence of account; you hold all rights to the funds in the account and evidence of accounts; and, you are authorized to direct payment of interest in accordance with the PIO.

We reserve the right to deposit interest earned into the account and not forward interest under the PIO for any reason (e.g., if the amount of interest paid is below any threshold we may set from time to time or if your account is considered inactive or dormant).

You or any other accountholder or signer can change a PIO at any time. PIO is not available if you have elected deferred interest payments.

POWERS OF ATTORNEY / APPOINTMENT AND PAYMENT TO AGENTS

We may accept any instructions or actions on your account by your agent or attorney-in-fact (jointly "agent"). Prior to accepting the authority of your agent, we may require the appointment to be in a form satisfactory to us, which may include completing our power of attorney form. Instructions or actions include, for example, payments to, withdrawals from and transfers between accounts, regardless of from or to whom they are made and changing account information, types and terms. Unless prohibited by law, we may refuse to honor power of attorney or agency which you grant to others for any reason. We may require you or your agent to present the original form. In some cases, we may require that the agent confirm in an affidavit that the powers have not been revoked or terminated. We also reserve the right to restrict the types and size of transactions we permit an agent to conduct on a case-by-case basis.

We may continue to rely on the instructions and actions of your agent until we receive written notice in accordance with applicable law and this Agreement that the agent's authority has been terminated and we have had time to act on that notice.

You agree to indemnify, defend and hold the Bank harmless from any losses, claims, expenses, or damages (including, among other things, court costs and attorney fees) incurred by us for acting in reliance upon the authority granted to the agent and in accordance with the instructions of the agent. If we act in good faith upon any representation or instruction of the agent, we will not be liable to you, your estate, beneficiaries, or joint owners for such acts.

PRICING REGION

Interest rates, fees, and charges for accounts and services may vary based on the pricing region to which we assign to your account or within any pricing region, at our discretion. The pricing region may vary based on where your financial center is located or how you open your account. For accounts opened in person, your pricing region is the State or other pricing region in which the financial center is located. Some states may have more than one pricing region; some pricing regions may include more than one state. And, for accounts opened by telephone or online, your pricing region may be assigned differently than if opened in the financial center. We reserve the right to change the pricing region assigned to your account from time to time without notice. At any time, an account initially assigned to one pricing region may be reassigned to another pricing region, a pricing region may be subdivided into two or more new pricing regions, or two or more pricing regions may be combined into a single pricing region, all without prior notice to you.

PROTECT YOUR ACCOUNT

You play an important role in protecting yourself and your account. These are some steps we strongly recommend you take:

In General

- Call us immediately if your driver's license or other identification is lost, stolen or missing.
- Use our online banking service to check your account balances and transactions regularly.
- If your check order or Business Debit MasterCard® does not arrive within 14 days from the date of your order, call us.
- Keep your blank and canceled checks, deposit and withdrawal slips and account statements in a very safe place; otherwise you may be responsible for misuse of any of them. Call us immediately if any of them are lost, stolen or missing.
- Do not give any account or personal information to callers. Call them back at a number you know to be legitimate.
- If your account, card or other service is compromised in any way, open a new account or get a new card, and change your PIN, depending on the type of compromise. If you do not, you are accepting full responsibility for any future loss which might have been prevented if you had taken this action.

Checks

- Do not include your driver's license or taxpayer identification or social security number on a check unless you believe it is necessary and you are directly providing the check to a trusted person.
- Write checks in ink and fill in all lines completely. Make sure all numbers begin at the far left line.
- Do not give anyone a pre-signed check or allow someone else to sign your name on a check.
- Use tamper resistant checks.

ATM Cards and Debit MasterCard®

- Do not share your PIN with anyone.

- Ask for a copy of our ATM safety tips.
- Look for evidence of anything unusual when using an ATM; if concerned do not use the ATM.
- Memorize your PIN, do not write it on your card or carry it with you.

Online

- Do not share your user ID or password with anyone. Follow the online site guidelines for creating a password.
- Forward to spoof@wamu.com any e-mail that appears to come from WaMu but which is suspicious to you in any way. Do not open any attachments or click on any links in these e-mails. If you do, immediately call us and other financial institutions where you have accounts.

Statements

- Keep accurate records of your transactions.
- Check promptly to see that each statement is accurate. Look for: checks out of sequence or payable to cash; use of a previous used check number; and, balances which do not match what you think they should be.
- Review your statements yourself, do not rely on others.
- Call us immediately if you find any problems or have any questions about a statement or if you do not receive it when expected.

Mail

- Deposit mail only in a locked U.S. Postal Service mailbox and do not leave it for pick up from your home or an unsecured area at your work.
- Pick up your mail as soon as possible each day and promptly pick up any statements or other mail held for you at one of our financial centers.
- If you do not receive Communications from us when expected, call us immediately.

RECORDING AND MONITORING

You agree that we may record or monitor any telephone conversation you have with us. If we do record, we do not have to keep the recordings, unless the law says we have to.

RECORDS

If we cannot find a written record regarding your account or service, for example, the *Master Account Agreement*, the Bank's other records will control. Also, if there is a conflict between your records and ours, ours will control.

REFUSAL/TERMINATION/RESTRICTIONS ON ACCOUNTS AND SERVICES

We reserve the right to refuse to open any account or to provide any service or to accept additional deposits to or permit withdrawals from an existing account, or to comply with any instruction or request you make. Your account or other relationship with us may be terminated by you or by us at any time and without previous notice, except where specifically set forth in the terms of such account.

The Bank reserves the right to freeze or restrict accounts at any time, including by requiring written notice of an intended withdrawal from any account not less than seven (7) calendar days before the withdrawal is made, consistent with applicable law. The Bank reserves the right to terminate the account for any reason. If the Bank elects to exercise its right to terminate the account, the Bank shall have the right to hold any funds in the account for a reasonable period of time, to protect against loss from any outstanding or returned items on the account or other losses that Bank may suffer related to the account or other account any of you may have or to any accountholder or Authorized Signer.

If you or we terminate the account or service hereunder, rights and obligations accruing prior to such termination shall survive. Without limiting the foregoing, you agree that your liability with respect to items cashed against or deposited or transaction posted to the account shall continue even if such item or transaction is disputed, returned, rejected or reversed after the account is terminated.

If you are a co-owner or Authorized Signer on an account, and your ownership or authority is terminated, you acknowledge and agree that your liability continues after such termination with respect to any claim accruing or transaction initiated prior to that date, regardless of when posted, and such termination does not affect your liability with respect to any other account or service, whether or not such other account or service is linked to the terminating account. If you are a co-owner of an account and another co-owner's interest is terminated, you agree that we may continue to honor items and transactions authorized by such person prior to the termination, even if presented or processed after termination.

RETURNED DEPOSITED ITEMS

Checks You Cash or Deposit: If you cash or deposit an item which is later returned unpaid (or we get a notice that it will be returned unpaid), we may: charge your account the amount of that item and interest; or, resend the item through our standard check process, electronically or on a collection basis and, place or extend a hold related to the item, and charge your account any expenses for collection of the item. Whether or not we resend the item for collection, we will charge your account a Returned Deposited Item Fee, even if the item is ultimately paid.

We are not obligated to question why an item is returned. We are also not required to evaluate if the return was timely. You waive any claim against us regarding the paying bank's Midnight Deadline and final settlement; and, notice of dishonor and protest. You agree we will have no obligation to notify you of any item that is or may be returned.

You agree that if an item deposited to or cashed against your account is paid and at any later time returned by the maker bank claiming that it was altered, forged or unauthorized or should not have been paid for any reason, we may debit or hold any of your accounts for the amount of that item.

Checks You Write: If we return a check that you write unpaid, the depositing bank may redeposit it electronically. An electronically re-deposited item will appear in the Electronic Payments section of your statement as a debit and show the check number. The original check will be destroyed. Call us if you want a copy.

SIGNATURE VERIFICATION AND NOTATIONS

Checks written on, and other items debited from, your account may be processed mechanically based on information encoded on such items. Although we may visually review such checks and other items from time to time, reasonable commercial standards do not require us to do so. Any instructions to permit withdrawals only upon more than one signature do not apply to checks, electronic fund transfers, or debit withdrawal requests; such instructions are only binding on accountholders and are of no concern or limitation to us; and, we may follow the instructions of any one signer on the account.

If we do visually review any such check or other item, we may return it unpaid without liability to you if, in our opinion, it does not bear a signature matching the specimen signature (without limit on a *Master Account Agreement* or *Authorized Signer Agreement*) you have on file with us, does not have the correct number of signers or is otherwise unacceptable to us. In addition, we may, but are not obligated to, pay or accept items bearing restrictions or notations (e.g., "2 Signatures Required", "Void after 6 months"). You agree if you write or accept an item with such restrictions or notations, such is between you and the payee, payor, endorser, or drawer, as the case may be, and such shall have no effect on us. You agree, however, that we will not be liable to you for honoring any check or other item bearing a signature which, in our sole opinion, matches your signature on file with us or any check bearing restrictions, conditions, notation, or, at our option, for rejecting, such item in accordance with such restriction, condition or notation. You also agree to indemnify and hold us harmless from any and all losses, claims, damages, liability, costs and expenses (except attorneys' fees) arising directly or indirectly out of (a) the misuse or unauthorized use of any facsimile signature or logo bearing reasonable similarity to the logo applicable to your business on a check or other item or (b) the payment, acceptance or rejection of any item with restrictions or notations, whether you are the payee, payor, endorser, drawer or otherwise.

STATEMENTS

We may not send you statements, unless required by law. If we do provide a statement, we may stop sending you statements at anytime without notice; for example, we may choose not to send a statement for any month or other period when there is no activity on your account.

You may request, and we may require, combined statements if you have more than one eligible account with us. When statements are combined, whether or not at your request, you agree that copies of these statements (which include information on other accounts and services) may be provided to any account holder, authorized signer and other person authorized by any of them. (See the *Disclosure of Information to Third Parties* section.)

You agree that any Communication to you may be sent on or with any periodic statement we send.

THIRD-PARTY COURIERS

You may utilize a courier, armored or otherwise, to deliver or receive banking transactions, and in so doing, you agree at all times and in all respects that (1) courier is the Agent of Customer and not of the Bank, (2) we make no representation or warranty regarding, and assume no responsibility with respect to, services performed or promised by courier, and (3) you assume all risk of loss (including loss or theft by third parties, your employees, or the courier's employees) prior to our acceptance of deliveries from courier and subsequent to courier's acceptance of deliveries from the Bank. You also agree that you and courier will be responsible for all loss recovery procedures and processes, although we will undertake reasonable efforts to facilitate loss recovery.

THIRD-PARTY SERVICE PROVIDERS

Some services (e.g., ATM, check clearing, wire transfer, electronic funds transfer) are provided through third parties, for example, network service provider and clearing house organizations. Thus, these services depend upon the availability of the service provider's network, our membership and other conditions. We are subject to the provider's rules when we or you use their services. You also agree to those rules unless the law or a written agreement with us states otherwise. If the third party charges us a fee or passes through a cost, we can pass those fees and costs to you. These fees/costs may be deducted from either your account or the proceeds of your transaction.

We are not responsible if the third party stops providing the services (temporarily or permanently). We do not guarantee the services you receive from them and are not responsible for the services they provide you, unless law or written agreement with you says we are.

We can choose which service provider to use if we have an agreement with more than one to provide the same service. We can stop or have someone else provide these services at any time.

TRANSFER/ASSIGNMENT

You cannot give, transfer or assign any of your account rights to someone else without our written approval. We do not have to accept or recognize any attempt to do so; if we do, it will not be valid until we consent and it is reflected in our records.

WAIVER OF THESE RULES

The Bank may elect to waive any of these provisions, but any such waiver will only apply on that occasion. We may elect to delay enforcement of any of our rights without losing them. You waive diligence, demand, presentment, protest, and any notice of any kind, except as stated in this Agreement.

WIRE TRANSFER SERVICES

The Bank offers both incoming (credits to your account) and outgoing (debits from your account) wire transfer services. All outgoing wire transfer payment orders (sometimes referred to herein as "Payment Order") are subject to this section and any additional documentation to implement these services as may be required by us for the services you select and we agree to provide. Fund transfers are subject to Article 4A of the Uniform Commercial Code, as adopted by the state whose law applies to the account which you are using for the funds transfer service ("Article 4A"). This section does not apply to transactions governed by the Electronic Funds Transfer Act, Federal Reserve Board Regulation E, or transfers by check, draft, or other written item.

The applicable wire transfer service fees are reflected in the *Business Statement of Fees* applicable to your account. For the purposes of these services, "Domestic" refers to the 50 states of the United States and the District of Columbia. "International" and "Foreign" refer to foreign countries and parts of the United States that are not considered states (e.g., U.S. Territories). You also agree to pay any costs assessed by third parties for processing any special request related to a Payment Order. Intermediary and receiving banks, including the beneficiary's bank, may assess a fee for processing a Payment Order. If transfer is in foreign currency, Bank may set the rate to convert funds remitted in U.S. Dollars to local currency, at its discretion, which may be different than the conversion rate charged to Bank for purchasing funds. Alternatively the intermediary or receiving bank may apply a currency conversion fee to convert wire transfers remitted in U.S. Dollars to convert funds to the local currency (unless funds are remitted to a U.S. Dollar account). Any fees assessed by the intermediary or receiving bank, including the beneficiary's bank, may be debited from the amount of the wire and all or a portion of these fees may be paid by the intermediary or receiving bank back to Washington Mutual and not credited to your account. Cancellation of a Payment Order involving any currency other than U.S. Dollars is subject to any rate exchange loss as determined by Bank. Customer agrees to sell any cancelled Payment Order to Bank at the then current applicable foreign currency rate.

1. Sending Wire Transfer Payment Orders

- (A) **Processing Requests and Cutoff Times** – We have Cutoff Times for processing Payment Orders, and we process Payment Orders on a same-day basis until such Cutoff Times. Cutoff Times may vary depending on the particular office of the Bank and the type of Payment Order and may be changed by us at any time without notice. We will provide you our current Cutoff Times upon request. We treat Payment Orders we receive after a Cutoff Time as received on the next Business Day.
- (B) **Amendment or Cancellation of Requests** – You have no right to amend or cancel a Payment Order after we receive it. If you ask us to do this; we may make a reasonable effort to act on your request prior to the time we execute such Payment Order. However, we are not liable to you if, for any reason, a Payment Order is not amended or cancelled.
- (C) **Inconsistent Names and Account Numbers** – Bank and any other party executing or receiving Bank's Payment Order, including the beneficiary's bank, may rely on the number in the Payment Order that identifies the beneficiary and on any numbers that identify the beneficiary's bank and any intermediate financial institutions identified in the Payment Order, even if such numbers do not correspond to the name of the beneficiary or the financial institution. Bank and any other receiving financial institution have no obligation to determine whether a name and number identify the same person or institution. Customer acknowledges that payment of a Payment Order initiated by Customer might be made by the beneficiary's bank on the basis of an identifying or bank account number even if it identifies a person different from the named beneficiary.
- (D) **Transmission of Requests** – You authorize us to select any intermediary bank, funds transfer system, or means of transmittal to send your Payment Order. Our selection may differ from that indicated in your instructions. We shall not be responsible for any acts or omissions of any funds transfer system, any Federal Reserve Bank, any intermediary bank or any recipient of any Payment Order in any way related to your Payment Order, or any cancellation or amendment thereof, and no such entity or person shall be deemed to be our agent.
- (E) **Rejection of Requests** – The Bank may reject for any reason a Payment Order, including, without limitation, any Payment Order that we believe (a) contains incorrect, incomplete, ambiguous or missing information, (b) involves funds that are subject to lien, security interest, hold, dispute or legal process prohibiting transfer or withdrawal, or (c) would violate any applicable law or regulation. We will notify you of any rejection of a Payment Order from your account orally, electronically or in writing, at our option. We are not liable to you for the rejection or obligated to pay interest for the period before you receive notice of the rejection.
- (F) **Notices of Your Payment Orders** – We ordinarily notify you about executed Payment Orders by listing them on your account statement or, at our option, a customer advice.
- (G) **Interest Compensation** – If we are obligated to pay for a loss of interest that results from our error or delay regarding your Payment Order, we will calculate the interest as follows: With an account subject to analysis and Earnings Credits, we adjust the account under our account analysis procedures to recredit Earnings Credits for the period involved. With a non-analyzed account, we use a rate equal to the average of the Federal Funds rates set by the Federal Reserve Bank of New York.

2. Payment Order Initiation and Authorized Representatives

A Payment Order may be initiated in the manner and by the means agreed to by the Bank by any person who is an owner or Authorized Signer on the account from which the Payment Order is to be made, provided we receive confirmation of identification satisfactory to us in our discretion. In such case, no additional confirmation of authorization is required. In addition, you may designate to Bank, in the form required by us, those individuals authorized to instruct us regarding wire transfer services including, without limitation, appointing individuals authorized to initiate Payment Orders, select advice methods, select confirmation methods, and give any or all authorizations and instructions that may be requested by us (referred to as your "Authorized Representatives").

We may rely on any such authorization until it has been revoked by you in writing. We shall have a reasonable time to act on any such revocation. You shall have sole responsibility for selecting Authorized Representatives who may authorize or confirm Payment Orders and for their supervision, management and control of all such Authorized Representatives and their identifiers and passwords, if any. Bank may, but shall not be required to, assign each Authorized Representative a password(s) or other identifier for use with Payment Order requests.

If an Authorized Representative has authority to both initiate and confirm a Payment Order, you acknowledge that such authority increases the risk that a Payment Order will not be consistent with your wishes and you will be liable for such Payment Order. If you choose to appoint an Authorized Representative(s), we advise you not to waive confirmation of your Payment Orders and you acknowledge and agree that not using confirmation procedures substantially increases your risk of an unauthorized transaction. If you, however, choose to waive confirmation, you agree to be liable for all outgoing Payment Orders, except those Payment Orders where (1) you are able to conclusively prove that the unauthorized transfer could not have been prevented by the use of confirmation procedures; (2) we are unable to produce any evidence that the unauthorized transfer could have been prevented by the use of confirmation procedures; and (3) you are not otherwise liable for the transfer under this Agreement, or applicable law.

3. Security Procedures

You agree to use the Security Procedures offered by us to authenticate, initiate, confirm, amend or request a Payment Order as set forth herein. You acknowledge that Bank's Security Procedures, including, without limitation, passwords and other identifiers issued to you or your Authorized Representatives are highly confidential. You agree to establish and maintain procedures to ensure the confidentiality of all passwords and identifiers of Authorized Representatives and agree to promptly notify Bank when any Security Procedure has become compromised or any Authorized Representative is no longer authorized to act on your behalf. Bank may act in its complete discretion on the oral, written (including facsimile or other electronic requests) instructions from any person who has been reasonably identified by us in accordance with these procedures. You acknowledge and agree that the Bank's Security Procedures are designed to verify the authenticity of Payment Orders and not to detect errors in the content of any such Payment Order. You agree that Bank's Security Procedures are commercially reasonable and agree to be bound by any Payment Order sent in your name that is processed by us in accordance with these Security Procedures, whether or not authorized.

4. Incoming Wire Transfers

We may receive wire transfers directly to your account from a sender, through a funds transfer system or through some other communications system. We may reject an incoming funds transfer for any reason. We are not obligated to notify you if we reject any incoming wire transfer to your account.

We will tell you that we have accepted an incoming wire transfer to your account in accordance with applicable law. If we offer and you select advices by telephone, you will designate a person(s) to be contacted and telephone numbers to be used by us. We are not required to make more than one attempt to reach the designated location by telephone. If we are not able to reach your designated telephone number, we may leave a message with the information. If we offer and you select advices by facsimile, e-mail or other electronic transmission, you must exercise extreme care in maintaining security for the receipt of electronic advices. Any advice may include confidential information such as names, amounts, phone numbers, originating account information, and the text of incoming wires. You are responsible for having security procedures

to keep this information confidential. You agree to indemnify, defend and hold Bank harmless against any and all claims, demands, expenses, liabilities and damages, including attorney fees at trial and on any appeal or petition for review, incurred by the Bank arising directly or indirectly from providing the information by telephone or electronic transmission.

5. Standing and Recurring Payment Orders

You or any of your Authorized Representatives may initiate a standing or recurring Payment Order on the forms required by Bank. A standing Payment Order is an outgoing Payment Order by which you or your Authorized Representatives, at pre-determined times, transfer funds in the same amount or balance calculation from the same accounts at Bank to the same account at Bank or other financial institution for the same beneficiary. A recurring Payment Order is an outgoing wire transfer by which you or your Authorized Representatives from time to time transfer funds from the same account at Bank to the same account at the Bank or other financial institution for the same beneficiary, with the amount to be determined by you or your Authorized Representative at the time of the transfer. You may terminate a standing or recurring Payment Order at any time upon written notice to the Bank's designated representatives. Bank shall have a reasonable time to act on any such notice.

6. Reverse Wire Requests (Fedwire Drawdowns)

If requested by you or your Authorized Representative, you authorize Bank to debit your account upon receipt of a Fedwire drawdown request from another financial institution and to send such funds to the requesting financial institution. Each request will be processed on the Business Day received if received within a reasonable time for Bank to determine whether your account has sufficient funds and obtain access to the Federal Reserve network prior to the close of business. Bank may reject any drawdown request in excess of the available balance in the account or for any other reason in Bank's discretion. Your authorization for a drawdown request shall remain in effect until you give the Bank written notice of the cancellation. Bank shall have a reasonable time to act upon any such cancellation.

7. Errors and Questions about Your Payment Orders

You must notify us at once if you think a Payment Order or incoming funds transfer shown on your account statement or customer advice is incorrect. Notwithstanding anything else in this Agreement providing a longer time, you must send us a written notice describing any discrepancy no later than ten (10) calendar days after the date you receive the first notice or statement on which the problem or error appears. If you fail to notify us within this ten (10) calendar day period, the Bank is not liable for any loss of interest because of an unauthorized or erroneous Payment Order or an erroneous funds transfer.

WITHDRAWALS

You must provide oral or written instructions satisfactory to us to withdraw money from your account. We do not have to question or investigate any withdrawals or application of funds from your account for any reason. Unless you have agreed to leave your funds on deposit for a specified time or we have otherwise restricted your account, you may withdraw available funds in any amount, subject to our right to require advance notice. In addition, the Bank can discontinue or limit the practice of withdrawals by check, cash or otherwise, at any time, without notice. If an account is restricted, we may allow withdrawals, but we do not have to.

If an item drawn on your account is presented for payment or otherwise accepted by us on a weekend, holiday or after 2:00 p.m. on a Business Day, such item may be treated by us as received the next Business Day, except where prohibited by law.

If we receive notice of a transaction to be processed on your account, we may withdraw funds from your account prior to actual receipt of the transaction for processing. This might occur, for example, if we receive notice that a check you have written has been deposited at another financial institution, or a request to authorize a point of sale transaction.

We reserve the right to require at least seven (7) calendar days written notice before you can withdraw funds from your account. If we do require that notice, we may honor a withdrawal request before the seven (7) days has expired.

If you provide your account number to a third party to complete a transaction, you authorize us, but we are not required, to honor any draft or other withdrawal request from this third party. We may refuse to honor demand drafts without cause or prior notice even if we have honored these items previously.

FUNDS AVAILABILITY

YOUR ABILITY TO WITHDRAW FUNDS

Cash and check deposits made in person to a financial center employee will generally be available on the Business Day that we treat them as received. You can use your available funds to withdraw cash. We will use your Available Balance to pay your transactions (e.g., checks, point of purchase and point of sale transactions, and pre-authorized debits). If we do not make a deposit immediately available we will make available the first \$100 of the total deposits on the Business Day we treat your deposit as received.

Electronic Transfers: Electronic direct deposits (initiated through another financial institution) will be available on the effective date of deposit. Except as noted, electronic transfers between eligible WaMu deposit accounts (Internal Account) are available immediately if entered by our established cutoff time. Electronic transfers initiated by you through us from an External Deposit account, either an account with another financial institution or a WaMu account which has been designated as an External Deposit account for transfers (External Account) may not be available until the 4th Business Day after the effective transfer date. More information is available when you set up this Transfer Service and in the *Electronic Fund Transfer Agreement and Disclosures* section 1(j).

ATMs and Night and Express Boxes: The amount over \$100 (see above) of your total deposit at an ATM will be available the next Business Day following the date your deposit is treated as received. Generally your deposit is treated as received on the same Business Day if it is made on a Business Day we are open before:

- 4:00 p.m. local time at an ATM in the Pacific or Mountain Time Zones;
- 3:00 p.m. local time at an ATM in the Eastern or Central Time Zones;
- 8:30 a.m. local time for a Night Depository; and,
- Noon local time for an Express Box.

These times may vary but will never be earlier than noon for an ATM or Express Box, or 8:30 a.m. for a Night Depository. If we vary the time, we will post a notice.

Deposits received after the stated times, on a non-Business Day, or on a day we are closed will be treated as received on the next Business Day that we are open.

Mail: Funds received by mail will generally be available no later than the 2nd Business Day after the Business Day the deposit is treated as received. Deposits received before 2:00 p.m. local time are treated as received on the Business Day we receive the funds. Deposits received after that time, on a non-Business Day, or on a day we are closed will be treated as received on the next Business Day that we are open.

Business Days: For the purposes of this section, every day is a "Business Day" except Saturdays, Sundays, and Federal holidays.

Additional Hold: We may place or extend a hold on your deposit (see *Longer Delays May Apply to Check Deposits* in next section), even if we did not give you notice at the time your deposit was made or, if at that time, we told you there was no hold being placed.

LONGER DELAYS MAY APPLY TO CHECK DEPOSITS

Sometimes we delay the availability of a deposit longer. If this happens and the deposit is made to a financial center employee, we will usually notify the person making the deposit (except for deposits of foreign items) of the availability. If we take action to delay after the person depositing funds has left the financial center or the deposit is made in another way, notice will usually be sent by the following Business Day after the deposit is treated as received. If you need quick funds availability, you should ask us when they will be available.

Existing Customer: Unless a longer delay (described below) applies, funds (in excess of the first \$100) may not be made available until the 5th Business Day after the day your deposit is received.

Existing and New Customers: Also, availability may be delayed longer if: we believe a deposited check will be unpaid; check deposits total over \$5,000 in one Business Day; a foreign item is deposited; an item that has been returned unpaid is re-deposited; your account has been repeatedly overdrawn in the last 6 months; or, there is an emergency such as computer failure or communication equipment failure. In these circumstances, we may delay the availability of your funds (except the first \$100). Generally, this delay may be until the 11th Business Day after the day your deposit is treated as received and in some instances, even longer. Foreign Funds may also be delayed longer.

If we cash a check for you that is drawn on another bank, we may place a hold or extend a hold on funds in the same amount in any of your accounts with us. They will be treated as if you had deposited the item to an account subject to this policy.

Special Rules for New Accounts: Special rules may apply during the first 30 calendar days your account is open. Funds from electronic direct deposits will be available on the effective date of the deposit. Generally, cash, wire transfers, and first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's and Federal, State and local government checks will be available on the Business Day your deposit is treated as received if certain conditions are met. To receive this availability, the check must be payable to you and the deposit must be made in person to a financial center employee. Otherwise, these funds (other than U.S. Treasury checks) usually will be available on the 2nd Business Day after the day your deposit is treated as received. The amount over \$5,000 of those type of checks and any others will generally be available on the 7th Business Day after your deposit is treated as received. Funds deposited by check may also be delayed for a longer period under the circumstances described above. However, the first \$100 will be available to you the Business Day your deposit is treated as received.

ELECTRONIC FUND TRANSFER AGREEMENT AND DISCLOSURES

You authorize us to deposit, withdraw, and transfer funds to and from your account through electronic, telephone, or automated instructions from you where offered for your account. This authorization includes, for example, electronic transactions initiated by use of: 1) a check ("check electronic"); 2) our online banking service; or 3) an ATM. For certain services, a Personal Identification Number (PIN) will be issued to you so you can make deposits, withdrawals, and transfers.

If you request bill pay, automated clearing house (ACH) or other automated payment services, you authorize us to take money from your account and to pay the requested sums. The authorization must be satisfactory to us.

These disclosures apply to your WaMu® Business Debit MasterCard® ("Debit Card"), check electronic, telephonic, preauthorized, and other electronic fund transfers. They do not include wire transfers and in branch/in person, ticketless and Cash Voucher transactions. Some transactions may be made only if the ATM or point of sale (POS) terminal has a logo for one of the networks in which we are a participant ("Participant Networks") as described below. The reverse side of your Debit Card (Card) has the Participating Networks logos at the time the Card was issued. Call us for a current list.

Contact Us

Please call Customer Service, if you need to notify or contact us for any reason regarding services described in this section, including incidents where Cards or PINs may have been lost or stolen, or if there has been unauthorized use.

For Debit Card transactions, you can also write us at WaMu, ATM/Debit, P.O. Box 9017, Pleasanton, CA 94566-9020.

For ACH and electronic check transactions, notifications and other matters, you can write to us at WaMu, ACH, P.O. Box 65934, San Antonio, TX 78265.

For Business Bill Pay® and Online Banking transactions, notifications and other matters you can write to us at WaMu, Bill Pay Back Office, 400 E. Main Street, MS STA2BPC, Stockton, CA 95202.

Consumer Account: an account used primarily for personal, family, or household purposes and the accountholder is a natural person.

Non-Consumer Accounts: an account that is not a Consumer Accounts.

Linked Account: any account you have with us that is linked to your Debit Card, as stated in our records.

Service Terms and Disclosures

1. Services

Services described below may not be available at all times in all areas, for all ownership accounts or all ownership types. Some services require you to enroll or subscribe.

(A) **Deposits, Withdrawals and Cash Advances.** You may use your Debit Card and PIN to withdraw funds from linked accounts at WaMu ATMs (as defined in the *Charges and Fees* section) or from your Primary Checking and Primary Savings Accounts as designated in our records at other ATMs displaying a Participating Network logo and offering this service. Your Debit Card may be used to get cash (Cash Advance) at financial institutions participating in MasterCard® processing. You may use your Debit Card and PIN to make deposits at most of our ATMs to your linked accounts. Some WaMu ATMs do not allow deposits. If the ATM has this capability, you may choose the account to which the transaction will be processed. Otherwise, the transaction will be made to the Primary Account shown in our records. ATMs may not be available during routine maintenance periods or because of restricted business hours.

- (B) **Transfers with Card/PIN.** You may use your Debit Card and PIN to transfer funds from one Bank account (any eligible checking, money market or savings account) to another of these linked accounts. These transfers can be made at WaMu ATMs and between your Primary Checking and Primary Savings Accounts at ATMs displaying a Participating Network logo as long as the transfer capability is provided. You may also transfer funds between eligible accounts through our online services or by calling Customer Service at 800-788-7000 (CDs and other accounts for which monthly statements are not provided). Transfers between accounts at different banks within the WaMu family of companies may be permitted.
- You may electronically deposit funds to your primary account from another financial institution where permitted by the ATM, telephone banking or Internet based banking operator and the financial institution holding the account from which the debit will occur.
- You may withdraw funds from your Primary Checking account linked to your ATM or Debit Card by using the card or card number and PIN to be electronically deposited to an account at another financial institution where permitted by the ATM, telephone banking or Internet based banking operator and the financial institution holding the account to which the deposit will occur. These withdrawals will count towards your daily ATM withdrawal limit and may be subject to the fee for a withdrawal at a non-WaMu ATM whether or not the withdrawal occurs at an ATM, or through a telephone or Internet banking service.
- (C) **Purchases and other POS Transactions.** You may use your Debit Card and PIN for Point of Sale purchases from your Primary Account at participating terminals/merchants. For this purpose, your Primary Account is the first account linked to the card, unless you close that account or request, and we agree that another account may be the Primary Account. You may use your Debit Card to make POS purchases at merchants and other locations where the Debit MasterCard® symbol appears. If you are entitled to a refund for any reason for goods and services obtained with your Debit Card, you agree to accept credit to your account instead of a cash refund. You may not place a stop payment on any purchase described above, POS transaction, or Cash Advance (see below for information on stop payment of preauthorized transactions).
- (D) **Direct Deposit and ACH.** Your employer, the Treasury Department, financial institutions or other third parties may instruct us to accept direct deposits of your paycheck, Federal payments (e.g., Social Security), or other recurring payments.
- Credit for ACH transfers and Direct Deposits is provisional until the receiving financial institution obtains the final settlement. If final settlement does not occur the originator of the transfer is not deemed to have made payment to the beneficiary and the beneficiary's bank is entitled to a refund of the provisional credit. If we give you provisional credit for an ACH transfer, but do not receive final payment, you are obligated to us for the full amount.
- We are not required to give you a separate notice of our receipt of an ACH transfer. If we accept ACH credits to your account, you will receive notice of the credit on your next regular periodic statement. You may also call us or access our online banking service to determine if a transfer has been credited to your account.
- Direct Deposit and ACH made to or from your account may be affected by a change in the account status, number or location (e.g., transfer to another office). If any of these changes are planned, please call us in advance to determine any impact the change may have on your service. As a courtesy, we may provide the new information to the party with whom you have established such service to facilitate continuation of these transactions. You must contact your originators and provide updated information.
- (E) **Telephone Access.** You may make transfers and withdrawals by telephone from your eligible checking, money market or savings accounts, subject to any applicable limitations. If your line of credit offers direct advances to your deposit account, you may obtain draws against it by telephone; the advances will be subject to your credit agreement and credit limit.
- (F) **Transfers.** You may request transfers by telephone, ATM, online banking and as described in the agreement for the applicable service, depending upon your account. However, if the transfer is made after our Transfer cutoff time, the transferred funds may not be considered part of the balance for certain purposes, including processing certain transactions until the morning of the next calendar day. These funds may be unavailable for paying or authorizing certain transactions such as check clearing, POS or POP authorizations. Call us for our current Transfer cutoff times.
- (G) **Business Online Banking/Business Bill Pay®.** If you enroll in Business Online Banking/Business Bill Pay® service you will receive additional disclosures. If you have previously enrolled in one or more of these services, and you add an account eligible for such service(s), that account will automatically be linked to the service. All business checking accounts are eligible for our Business Bill Pay® service; checking accounts, savings accounts, money market accounts and CDs are eligible for Business Online Banking service, although, not all services available through online banking are available for all account types or all account ownerships. If you access your Consumer Accounts through Business Online Banking/Business Bill Pay®, those transactions will be governed by the consumer Account Disclosures and Regulations.
- (H) **Electronic Check Conversion (ECK).** You may authorize a merchant or other payee to make an electronic payment using your check information to pay for purchases or bills. Participating merchants or other payees will scan your check information and process the transaction electronically. ECK transactions include: POP (Point-of-Purchase Entry) transactions made in person by you using a blank check; ARC (Accounts Receivable Entry) transactions made after you mail or deliver a completed check as payment for a purchase or bill payment; and RCK (Re-presented Check Entry) transactions made by the merchant or others using a returned check that was returned for insufficient or uncollected funds.
- (I) **Other Automated Transactions.** We may allow you to initiate transfers from your account or Card to your account at any other financial institution or to pay eligible third parties. Preauthorized transfers may be affected by a change in account status, number or location. If we change your account or card number, as a courtesy, we may provide the new number (or card expiration date) to the party with whom you have established such recurring transactions. You must contact your originators and provide updated information.
- (J) **Electronic Transfers via Online Banking Service.** You may enroll and use our Online Banking Service to make electronic fund transfers by authorizing us to initiate transfers between eligible accounts you have with us or with other financial institutions. You will receive additional information as part of online banking that also apply to electronic transfers via Online Banking Service.
- An "Internal Transfer" is defined as a transfer initiated by you through our online banking service between Internal Accounts; transfers initiated to or from an External Account are referred to as an "External Transfer." Internal Transfers and External Transfers are collectively defined as "Transfers." External Accounts must be registered with us through our online banking service. The External Account must be a transaction account at a U.S. financial institution. If you register an External Account for transfers to and from your account, and for Internal Transfers that we deem to be completed as an External Transfer, we may use the ACH network to process the transfer. The ACH network is an automated payment system that moves funds between U.S. financial institutions for the purpose of debiting and crediting funds to and from designated accounts, and subject to the National Automated Clearinghouse Association (NACHA) rules.
- By requesting transfers to and from your eligible account and/or registering an External Account, you authorize us to initiate the credit and debit entries through the ACH network. You authorize us to verify the External Account by a process known as "micro

deposit.* This allows us to make one or two small deposits or withdrawals (less than one dollar) and matching withdrawal(s) or deposit(s) from the External Account so we may verify ownership of the External Account by asking you to confirm these amounts. You also authorize us to make adjustments or corrections to your entries as we deem necessary. You may revoke your authorization only by deleting the External Account(s) online or by calling our Customer Service number and requesting that we do so.

A transfer request may not be processed if: the Available Balance in the account is not enough to cover the transaction at the time it is to be initiated; or, you provide incorrect or insufficient information to complete the transfer, including an incorrect number of an External Account. If you provide an incorrect number for an External Account, we may delete the account and you must re-designate an External Account in order to initiate the transfer. We may also request you to re-designate an External Account for any reason. We may, but are not required to, notify you if a transfer is not completed and/or an External Account is deleted. We may limit the number of External Accounts you designate.

ACH transfers are generally initiated by us Sunday through Friday, excluding the day before a Federal holiday ("External Transfer Initiation Day").

If the transfer is not entered by you by our established cutoff time, or on a day on which ACH transfers are not initiated, it may not be initiated until the next External Transfer Initiation Day. We may debit the funds for any transfer at the time that the transfer is entered by you, or for repeat transfers, at the time the scheduled transfer is to be initiated. Transferred funds to and from your eligible accounts may not actually be received and deemed effective ("effective transfer date") for several business days. The transferred funds deposited to your account are subject to our Funds Availability policy. There may be additional delays if the payment system for your External Transfer is unavailable. We may initiate an ACH entry up to 2 Business Days after the transfer schedule date, depending on the account type and purpose of the transfer request. Our Internal and External Transfer cutoff times may vary based upon the state to which the transfer or deposit account is assigned in our records. The Transfer cutoff times may change without notice to you. Call us for current cutoff times.

When you use our Online Banking Service to schedule any Transfer from your eligible account, the Transfer Date will be scheduled as required by our online banking services at the time of the transfer. The Transfer Date will appear on our online banking website at the time you submit the transfer request.

If Transfers credited to your eligible accounts are returned or rejected, we may debit your account in the amount of the return or rejected transfer, or any account any of you have with us. We may also adjust or correct any Transfers to or from your account. Transfers are subject to transaction limits for Limited Transaction Accounts and other limits we may set from time to time (see *Limitations on Transactions* section).

All Transfers are governed by the terms and conditions of our online banking service, unless we state otherwise.

- (K) **PIN and Debit Cards.** Certain services require a PIN. If you forget your PIN, please visit our financial center and request another one. If you decide not to use your Debit Card(s); cut them in half, dispose of them securely and notify us immediately.
- (L) **Emergency Card Replacement Service.** If your Debit MasterCard® is lost or stolen and you are in urgent need of a replacement card, you may request that a Debit Card be sent to you. The account linked to your card must have been opened for at least 30 days, have a positive balance at the time of the request, and have no restraints. Emergency Card Replacements are limited to 3 requests in any calendar year.
- (M) **Emergency Cash Advance Service.** If you lose or have your Business Debit Card stolen, you may request an Emergency Cash Advance from the linked Primary Checking account (subject to funds availability and transfer limitations) if you are more than 100 miles from the mailing address listed for the account. You must have requested and been eligible for a replacement Debit Card, prior to requesting an Emergency Cash Advance. Advances are limited to 3 requests in any calendar year.

2. Limitations on Transactions

- (A) **Limited Transaction Accounts.** If you have a limited transaction account, do not initiate transactions including Transfers in excess of those limitations.
- (B) **Deposits, Withdrawals, POS and ECK Transactions and Transfers.** We may limit the frequency of deposits, withdrawals, POS or ECK transactions and transfers for security purposes and may change the limits without notice, except if the law tells us otherwise. There are daily dollar limits that apply to ATM withdrawals, POS transactions, retail purchases and MasterCard cash advances (if applicable) based on the following card types and are subject to the Available Balance in your account.

| Card Type | ATM Withdrawals, Cash Back and Negotiables Daily Limit | POS, Purchases and Other Transactions Daily Limit |
|----------------------------|--|---|
| Business Debit MasterCard® | \$500 | \$7,000 |

ATM Withdrawals, Cash Back and Negotiables Includes ATM withdrawals, the cash back portion of any POS transaction and purchases of negotiable items such as cashier's checks and money orders.

POS, Purchases and Other Transactions includes PIN and other POS transactions (excluding the cash back portion of any POS transaction and purchases of negotiable items), withdrawals when transferred to an account at another financial institution through a network interbank exchange service or other payments using your card number through a non-WaMu system (e.g., at an ATM, by phone or online). This limit also includes Cash Advances and cannot exceed either \$500 total or 9 advances per day.

We may agree to higher limits, upon request. Withdrawals, POS transactions, retail purchases, or cash advances made at terminals not owned by us and operating in the WaMu name may be subject to lower limits. Restrictions and fees imposed by third-party owners/operators may apply. All withdrawals, cash advances, POS, ECK transactions (including those at MasterCard locations) and other debit transactions processed electronically are subject to Available Balance in your account, plus any applicable overdraft protection product or service linked to your account. Funds being reserved for authorized but unposted purchases or other purposes may not be used to pay checks, other debits or withdrawals. We may pay a withdrawal, cash advance, POS, ECK or other debit transaction that exceeds the account's Available Balance, if we do, our Overdraft Charge may apply. The charge will not apply if a payment is made by an automatic advance from an Overdraft Line of Credit, or automatic transfer authorization (Overdraft Transfer Service). An Overdraft Transfer Fee may apply if payment is made by means of an automatic transfer authorization; an Advance Fee will apply if payment is made by an advance from an Overdraft Line of Credit. A merchant may reinitiate a ECK transaction if returned for insufficient or uncollected funds. Any limitations under applicable law, regulations, clearinghouse or other rule may apply. A Non-Sufficient Funds Charge may apply each time the transaction is returned.

- (C) **ATM Deposits.** Deposits before 4:00 p.m. local time at an ATM in the Pacific or Mountain Time Zones or 3:00 p.m. local time at an ATM in the Eastern or Central Time Zones on a Business Day we are open are considered made that day. Deposits made after 4:00 p.m. local time in the Pacific or Mountain Time Zones or 3:00 p.m. local time at an ATM in the Eastern or Central Time Zones on a Business Day or at any ATM not on a Business Day or any day we are not open are considered made the next Business Day. (For information about when these deposits are part of your Available Balance, see the *Funds Availability* section.)
- (D) **Direct Deposits.** We will accept an unlimited amount or number of direct deposits, subject to security limitations.
- (E) **Transfer Limitations.** We set Transfer limits. The Bank may, at its discretion, set a per-transfer dollar limit other than the Available Balance for any Transfer. The Bank reserves the right, at its discretion, not to complete any Transfer that exceeds the limit set by us, whether or not such Transfers may have been allowed on your account in the past. This limit may change from time to time at our discretion, except where prohibited by law. The Bank may also, at its discretion, set transfer limits on the type (e.g., Internal Transfers and/or External Transfers) and frequency of transfers permitted on a particular account offered by the Bank. We may but are not required to notify you of transfer limits in your Online Banking Service disclosures and/or if you exceed set limits at the time you schedule a transfer for transfers initiated through that service.
- (F) The Bank may reject any Internet gaming, gambling, lottery or other transaction we believe is unlawful. Logos displayed on a Debit Card or by a merchant/vendor does not mean the transaction is legal. If the transaction is not rejected, we can debit your account and will not be liable if you engage in any illegal transaction.
- (G) We may block your Debit Card if transactions are being made outside of your usual geographic location, transactions are inconsistent with your usual card usage, or upon receipt of legal process or if we believe there is a dispute about your account.
- 3. Right to Receive Documentation of Transfers**
- (A) **Terminal Transactions.** Generally, you will get a receipt at the time you make any transaction to or from your account at any of our ATMs or ATM displaying a Participating Network logo. Many ATMs offer customers the option not to get a receipt. If a receipt is unavailable, you should be notified prior to completing the transaction and be given the option to cancel the transaction.
- (B) **Direct Deposits.** If you have direct deposits made to your account at least once every 60 calendar days from the same person or company, you can call us to find out whether your deposit has been received.
- (C) **ECK Transactions.** Blank checks should be used for POP or other similar transactions. It should not be previously voided, negotiated or used in any prior transaction. After it is scanned, the merchant should mark it void and return it to you. You should sign and receive a copy of your authorization along with information relating to the merchant and transaction. Merchants who initiate an RCK transaction must provide you notice, before accepting your check, that your returned check may be collected electronically if the check is returned for insufficient or uncollected funds. POP, RCK and other ECK transactions will appear in the electronic payments section of your bank statement. The original checks will not be returned with your statement. The merchant retains the original check relating to an RCK entry for 90 calendar days. The merchant may then destroy the original check, but keep a copy. You may request the original or copy of the check relating to an RCK entry from the merchant or us.
- (D) **Other Transactions.** The merchant should give you a receipt when you make a POS purchase with your ATM or Debit Card, or obtain a cash advance at a MasterCard participating financial institution. A receipt may not be provided for small transactions where permitted by law.
- (E) **Periodic Statements.** Generally, for accounts subject to the Federal Electronic Funds Transfers Act you will get a monthly account statement if there is a transfer subject to the Federal Electronic Funds Transfers Act in a particular month and, if not such transfer. In any case, you will get a statement at least quarterly. This does not apply to inactive or dormant accounts and certain accounts to which allow only direct deposit electronic fund transfers subject to the Act.
- 4. If Your Card or Access Code is Lost, Stolen or Misused or If an Unauthorized Transfer Occurs; and Your Liability**
- Notify us immediately if your Debit Card, or PIN or any other access code or device has been lost, stolen or used without your permission; or if you believe an electronic funds transfer has been or may be made using information from your check; or if you believe someone has or may transfer money from your account (including any advance on a line of credit through a service described in this section). Refer to *Contact Us* section.
- Except as set forth below, you could lose your account balance and your maximum line of credit and transfer authorization. If your statement shows unauthorized transfers, or if you believe your receipt is wrong, tell us immediately.
- 5. Our Business Days**
- Business Days are Monday through Friday. Federal holidays are excluded.
- 6. Charges and Fees**
- All of our charges and fees are disclosed in this Contract, the *Business Statement of Fees* or other agreement applicable to your account or service. You will not be charged for deposits, withdrawals, balance inquiries, or funds transfers at our ATMs, unless stated.
- We may charge fees for transactions initiated using a Card (or Card Number) and PIN at a non-WaMu ATM, by telephone, or internet based service. These fees may differ for domestic and international ATM transactions. "Domestic" refers to the 50 states of the United States and the District of Columbia. "International" and "Foreign" refer to foreign countries and parts of the United States that are not considered states (e.g., U.S. Territories). A domestic ATM that is operated by a non-U.S. operator is considered International. Non-WaMu ATM ("Non-Proprietary ATMs") operators may also charge fees/surcharges. Any fees charged by any network or operator used to offer the transactions should be disclosed at the time of your transaction. We do not charge POS or POP purchase fees, but the merchant may. Fees for online banking, bill pay or other electronic services may be charged. Any applicable monthly fees will begin the month you request service, and will apply every month thereafter, unless we tell you otherwise.
- There is no direct deposit fee. There is no fee (other than the finance and other charges applicable to borrowings) for the telephonic draw feature online of credit accounts offering such service unless the credit agreement states otherwise. An Advance Fee may apply for automatic advances on your line of credit to your deposit account.
- If you exceed the number of transactions authorized for your Limited Transaction Account, an Excess Activity Fee may apply.
- If you conduct a transaction in foreign currency, see the *Foreign Transactions* section for details about related charges and exchange rates.
- 7. Information to Third Parties**
- Please see the *Disclosure of Information to Third Parties* section.

8. In Case of Errors or Inquiries about Your Electronic Transfers

If you think your statement or receipt is wrong, or need more information about a transfer listed on the statement or receipt, notify us immediately (refer to the *Contact Us* section).

For Consumer Accounts, you notify us within 60 calendar days after we send you the FIRST statement on which the error appeared. (For Non-Consumer Accounts, the provisions of Paragraph 12 of this *Electronic Fund Transfer Agreement and Disclosures*, including the notification requirements apply.) Please provide us the following:

- Your name and account number.
- Describe the error or the transfer you are unsure about, (including the date) and explain why you believe it is an error or want more information.
- The dollar amount of the suspected error.

We may require that you send us your complaint or question in writing within 10 Business Days (15 days for a check electronication issues).

Zero Liability (\$0 Liability Fraud Coverage): Notwithstanding Section 8 above, if you have a Business Account linked to your Business Debit MasterCard®, you will not be liable for the unauthorized use of that card for purchases and at ATMs, if (1) you exercised reasonable care in safeguarding your card from risk of loss or theft; (2) you have not reported two or more incidents of unauthorized use of your card in the preceding 12 months; and (3) your account is in good standing at the time the unauthorized transaction is posted to your account and when you make your claim. This feature is in addition to any protections afforded to you under applicable law. This feature does not apply to cards issued to non-U.S. cardholders, unless we tell you otherwise. It also does not apply if your card and PIN are used for transactions conducted at our store. The term "unauthorized use" means the use of our card by a person other than yourself who does not have actual, implied or apparent authority for such use, and from which you receive no benefit. For this purpose, the term "good standing" means that your account is open and not overdrawn, there has been no fraud by the account holder or breach of any agreement with us. This feature does not modify or amend the requirements for prompt notification to us of the unauthorized use of your card or PIN, as provided in the *Electronic Fund Transfer Agreement and Disclosures* section of this booklet. If you fail to notify us of an unauthorized card transaction within 60 days of your statement that first shows such unauthorized use, as set forth in that section, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

9. Our Liability for Failure to Make Transfers

If we do not complete a timely transfer to or from your Business Account or in the correct amount according to our agreement, we will not be liable to you if:

- Due to no fault of ours, your account does not have sufficient funds to make the transfer.
- Someone does not honor your Business Debit MasterCard®, or check.
- The transfer would cause you to exceed your line of credit limit, or other overdraft protection.
- The terminal where you are making the transfer has insufficient cash.
- The terminal was improperly working and you knew about the breakdown when starting the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer and reasonable precautions were taken.
 - We will not be liable for, and you agree to indemnify, defend and hold us harmless from, any and all losses, damages, costs, claims and expenses which may occur in connection with any authorized or unauthorized use of any service herein including, without limit, use of any card, PIN or other access device.

10. Rights Regarding Preauthorized Transfers

- (A) **Stop Payment Procedure.** If you have told us in advance to make regular payments out of your account or if you anticipate receiving an automatic transfer into your account, you can stop any of these payments. Call us or write us in time for us to receive your request three (3) Business Days or more before the payment is scheduled to be made. If you call, we may require you to put the request in writing and get it to us within 14 calendar day. A Stop Payment Fee may apply.
- (B) **Claims.** The *Customer Responsibilities and Limit on Time to Assert Claims* section apply to these claims. This includes claims under Paragraph 4, 8 and 9 of this section. If there is a conflict, then this section applies.

11. Stop Payment on ECK Transactions

You may stop electronic transactions initiated by use of a check (including POP, RCK and other ECK transactions) by calling Customer Service at 800-788-7000 or writing us. However, we must have a reasonable opportunity to act on the Stop Payment Order before acting on the electronic transaction.

12. Business and Other Non-Consumer Accounts / ACH Fraud Protection Services

The error resolution and liability provisions applicable to Consumers and Consumer Accounts at the end of or with any periodic statements or other documents you may receive from us (including these Account Disclosures and Regulations), do not apply to Non-Consumer Accounts (e.g., business or non-personal Accounts). The owners of Non-Consumer Accounts must notify us immediately if they discover any unauthorized transactions or errors. If such is not an ACH transaction, we must receive written notice of and, at our request, an affidavit regarding the problem in a form satisfactory to us within a reasonable time (not to exceed fourteen (14) calendar days) from the date of discovery or their receipt of the first statement, report or notice reflecting the problem, whichever occurs first. If such is an ACH transaction, we must receive notice, written or oral, by the established cutoff time on the Business Day following the posting date of the transaction. Except as provided in the Zero Liability section above, if you do not notify us within these timeframes, you will be deemed to have authorized the transaction.

The Bank offers ACH Fraud Protection Services as a way to prevent unauthorized ACH transactions. Upon your submission and the Bank's acceptance of a service application and Bank's confirmation that such service application has been implemented, all incoming ACH transactions shall be processed in accordance with the service application. Bank shall have a reasonable time to implement any service application submitted by customer (usually not to exceed five business days). By using this service, you agree that a) electronic payments originated by or through the Bank will not be affected by this Service; b) Account holder must provide the Bank with accurate information for single authorizations to be processed correctly; and c) Account holder must comply with the reporting requirements of this section for any unauthorized transaction.

You will be liable for all losses, costs or expenses that you incur as a result of the use of your card, PIN, access device or other electronic transaction, unless the laws governing your account require a lesser liability. Under no circumstances will we be liable for any special or

consequential damages involving such accounts. The owners of such accounts assume sole responsibility for any unauthorized use of the account's cards, and/or PIN, and/or any other access device or other electronic transaction, and shall indemnify, defend and hold the Bank harmless from all claims, actions, proceedings, losses and damages related to or arising out of any unauthorized transaction.

BUSINESS DEBIT MASTERCARD®/MASTERCARD® EASY SAVINGS™ REBATE PROGRAM

By using or allowing another person to use your card, or by receiving or accepting the benefit of any rebate under the MasterCard Easy Savings program, you agree to the Terms and Conditions of the MasterCard Easy Savings Program between you, MasterCard and Washington Mutual. This MasterCard® Easy Savings™ Program Agreement ("Agreement") sets forth the terms applicable to your use of the MasterCard® Easy Savings™ program (the "Program"). The Program is a rebate program currently offered to holders of the WaMu® Business Debit MasterCard® (a "Card") as well as certain other MasterCard®-branded, small business credit cards and signature debit cards. Please read this Agreement carefully and keep it for your records.

In this Agreement, the words "you" and "your" mean the person to whom a Card has been issued, the words "MasterCard", "we," "us" and "our" mean MasterCard International Incorporated, and the words "Washington Mutual" or "WaMu" mean your Card Issuing bank. "Program Web Site" means www.mastercardeasysavings.com/wamu or such other web site as we may establish for the Program.

Participation: You may participate in the Program if you are enrolled in the Program and, at the time you make a Qualifying Purchase at a merchant that is participating in the Program ("Merchant"), your Card has been determined by us and Washington Mutual to be eligible for participation in the Program ("Eligible Card"). A "Qualifying Purchase" is a signature debit purchase with your Card (i.e., a Card purchase in which you do not use your PIN) that is processed through our U.S.-based transaction processing system. To determine if your Card is an Eligible Card, please check with Washington Mutual or visit the Program Web Site prior to making a purchase at a Merchant. The Program is available only to holders of Eligible Cards located in the United States.

Enrollment: You will be automatically enrolled in the Program by Washington Mutual upon Card activation as a part of the benefits that are associated with your Card. You must be enrolled in the Program prior to using an Eligible Card at a Merchant to receive the benefits of the Program.

Merchant Offers: Merchants may provide offers for rebates on purchases of goods or services ("Offers") at participating Merchant locations. The amount of any rebate and other terms and conditions applicable to a rebate will be determined by us and the Merchant, and are subject to change at any time and without notice. Please refer to any disclosures provided by Washington Mutual and the Program Web Site for any Offer terms and condition details.

Offers may be redeemed only at participating Merchant locations. See the Program Web Site for the latest information on available Offers.

Offer Acceptance: When you make a Qualifying Purchase of goods or services using an Eligible Card from a participating Merchant location in the United States, you will receive a rebate on your purchase, subject to any terms and conditions of the Offer. The rebate will not appear on your receipt at the point of sale. The form of the rebate may be a credit to your Eligible Card account or the rebate may be in another form, as determined by Washington Mutual. If a rebate is credited to your Card account, please note that it might not appear on the same statement as the related purchase. There may be a delay of up to one statement cycle in crediting a rebate. To receive the rebate, your Eligible Card account must be open and in good standing on the posting date of the rebate credit.

Reversals: All or a portion of a rebate may be reversed in certain circumstances, including upon a return, dispute, adjustment, or fraudulent Card activity.

Disclaimer of Liability: Our role under the Program is limited to processing information regarding Offers and rebates on behalf of Merchants and issuers, including Washington Mutual, your Card issuer. MasterCard and Washington Mutual are not responsible for any Offers or rebates, your ability to use Offers or rebates, the crediting of any rebates to your Card account, reversals of Offers or rebates, accuracy or completeness of information about Offers or rebates, or any acts or omissions of Merchants or each other. The Program is provided on an "as is" basis, and each of MasterCard and Washington Mutual disclaim any and all warranties, including any warranties of merchant ability or fitness for a particular purpose, except as expressly set forth herein. MasterCard and Washington Mutual are not liable to you for any damages that you suffer in connection with your participation in the Program, unless the damage results directly from the failure to perform the express obligations in this Agreement. MasterCard and Washington Mutual are not responsible, and shall not be liable for, any indirect, special, incidental, or consequential damages (including lost profits). Without limiting the foregoing, neither MasterCard nor Washington Mutual are responsible for any Card account fees or penalties that you incur on your Card, including fees and penalties that may result from rebate reversals. Any tax liability resulting from your participation in the Program shall be your sole responsibility, and not the responsibility of MasterCard, Washington Mutual, or any Merchant.

Washington Mutual and Merchants may report information regarding the Program and your participation in it to tax authorities. Washington Mutual and Merchants may not vary these terms as applied to the relationship between you and MasterCard, and may not make any commitments that are binding on MasterCard.

Program Information: By activating your Card and providing us with your email address, you agree to receive Program information via e-mail and to advise us of any change in your e-mail address by providing updated information via the Program Web Site. Please note that we will use information regarding purchase transactions initiated with your enrolled Eligible Card(s) to provide you with reports via the Program Web Site as well as for other purposes as determined by MasterCard.

Termination: Since this benefit comes with your Card, you cannot remove the Card from the Program. Therefore, if you do not wish to participate in the Program, please contact Washington Mutual and refrain from using the Card at Merchants. MasterCard or Washington Mutual may terminate your participation in the Program at any time, without notice unless required by law. We reserve the right to add or terminate any participating Merchant or any Offer without notice.

Change of Terms: We can add to, delete from, or change (each, a "change") the terms of this Agreement at any time. We will notify you of changes by posting the revised Terms & Conditions on the Program Web Site.

Questions Regarding the Program: You should direct any questions related to the Program, Offers or rebates to Washington Mutual.

Disputes: Any disputes regarding Offers or rebates, or your ability to participate or receive them, may be determined by us, or by Washington Mutual or the Merchant. That resolution will be final and binding on you.

Additional Terms: Washington Mutual and Merchants may impose additional terms on your participation in the Program. This Agreement is in addition to, and does not amend or replace, your Card agreement with Washington Mutual.

Miscellaneous: These terms will be governed by the laws of New York State, without regard to conflict of law principles. You may not assign your rights under this Agreement. We may assign our rights and obligations at any time.

The invalidity of any provision of this Agreement will not affect the validity of the remaining portions. Any waiver by us of our rights under this Agreement is binding only if in a writing signed by us. The use of Washington Mutual's and the Merchants' names and logos in the Program is by permission and all trademarks are the property of their respective owners.

CHECK 21/EXPEDITED RECREDIT

The Check Clearing for the 21st Century Act (known as "Check 21"), a Federal law effective on October 28, 2004, was enacted to increase the efficiency of the U.S. check clearing system. Today this system relies heavily on the physical transport of checks between financial institutions. Check 21 permits banks to replace an original check with a paper reproduction, or "substitute check", and to accept substitute checks as they would the originals. Substitute checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Because of Check 21, some items may clear faster than before. As always, WaMu encourages customers to monitor their account activity and authorize transactions only against available funds. If you request a copy of a check or if you receive checks in your monthly statements, it is likely that some of the items received will be substitute checks. By Federal law, the substitute check is the legal equivalent of the original for any purpose. You should retain substitute checks in the same manner as original checks.

SUBSTITUTE CHECKS AND YOUR RIGHTS NIGHT DEPOSITORY

This section describes rights you have when you receive substitute checks from us. These rights do not apply to original checks or to electronic debits to your account. However, you have rights under other laws with respect to those transactions. In certain cases, Federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (e.g., if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (e.g., OD/NSF Charges). The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of the refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other laws. If you use this procedure, and your account is used for personal, family or household purposes, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account. If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account; please contact us at the telephone number listed at the end of this booklet. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances. Your claim must include:

- A description of why you have suffered a loss (e.g., you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check or the following information to help us identify the substitute check: account number, check number, dollar amount, and date deposited.

OTHER SERVICES

NIGHT DEPOSITORY

The Accountholder, by using a Night Depository, agrees to the terms and conditions set forth in this section.

1. Accountholder shall place checks, currency, deposit slips and, subject to our advance written consent, other items to be deposited in the Night Depository only in an undamaged Tamper Evident Night Depository Bag ("Night Depository Bag") or Bank-approved envelopes ("Envelopes") or Washington Mutual Deposit Envelope. Accountholder shall prepare a deposit slip that provides a detailed list of currency, checks, or other items placed in the Night Depository Bag or Envelope. Accountholder agrees to keep a copy of each deposit slip for Accountholder's records. Accountholder will then securely seal the Night Depository Bag or Envelope, place it in the Night Depository and close and, if a lock is provided, securely lock the Night Depository door. Deposits shall be subject to the terms and conditions of these *Account Disclosures and Regulations* and the Night Depository Set-Up Form (if any). Accountholder agrees to pay the Bank its standard fees and charges for this service.
2. Accountholder shall not place or allow to be placed in the Night Depository anything except as set forth above. Without limiting the foregoing, Accountholder shall not place or allow to be placed in the Night Depository any object or parcel or other item not enclosed in a sealed, Night Depository Bag or Envelope or whether in or out of the Night Depository Bag or Envelope any liquid, volatile, toxic chemicals, acids, flammable, perishable or illegal substance, explosive device or any dangerous or offensive material which might cause harm or offend the property interest, health or sensibilities of Bank, its officers, employees, customers or other third parties.
3. The Accountholder hereby authorizes Bank to open all Night Depository Bags and Envelopes placed in the Night Depository by or on behalf of Accountholder, count the checks, currency and other items enclosed therein and credit Accountholder's account referenced on the Night Depository Set-Up Form (or as otherwise requested by Accountholder) on the deposit slip for the amount deposited, subject to the same terms and conditions applicable to such items as if they had been directly deposited to Accountholder's account by Accountholder. Bank will not issue to Accountholder a receipt showing a deposit in the amount reflected on the deposit slip provided; however, if Bank finds a discrepancy between the amount of the deposit shown on the deposit slip and the actual amount of checks, currency or other items deposited, Bank will debit or credit the above referenced account to reflect the actual deposit received and provide Accountholder with a credit or debit advice reflecting the adjustment or issue a receipt showing the amount received by Bank. If a deposit is made after the time posted at the Night Depository, such will be considered made the following Business Day. The Bank's records of the Night Depository Bags and Envelopes and contents found in the Night Depository Bags and Envelopes shall be deemed complete, correct and final.

4. Bank will not be liable for any loss or injury to any person, including Accountholder and Accountholder's agents and employees, or to any property arising out of Accountholder's use or failure or inability for any reason to be able to make use of or to operate the Night Depository as provided herein. Accountholder acknowledges that Accountholder's or Accountholder's agents or employee's presence at a Night Depository may attract the attention of criminals and that use of the Night Depository service is made with the understanding that Accountholder assumes all risk in that regard.
5. Accountholder may authorize employees, representatives, agents or others referred to as "Agents" in this section to make deposits to the Night Depository on Accountholder's behalf. Accountholder agrees not to give the Night Depository keys, if issued, or deposits or other items to be deposited to anyone other than persons authorized to make deposits on Accountholder's behalf and who have been notified of and agree to the terms and conditions hereof. Accountholder agrees to notify Bank immediately if any Night Depository key is lost or stolen. Accountholder, and its Agents, shall not make copies of the Night Depository keys. Accountholder agrees to instruct its Agents on proper use of the Night Depository Bags and Envelopes, keys and the Night Depository including, without limit, what items may and may not be placed in the Night Depository and Night Depository Bags and Envelopes, safety procedures, and deliver to each such agent a copy of the Night Depository Safety and Use Tips.
6. Accountholder agrees to indemnify, defend and hold Bank, its officers, representatives, agents, parents, subsidiaries or any other affiliate of Bank (jointly "Bank Affiliate") harmless for any losses, damages and expenses incurred by Bank or Bank Affiliate including without limit: a) for losses of Accountholder or any of its representatives or agents; b) for losses of other Accountholders, including without limit Accountholders using the Night Depository facilities arising out of the acts, omissions or negligence of Accountholder, its employees, representatives or agents including, but not limited to: placing items in the Night Depository or Night Depository Bag or Envelope in violation of this Agreement; permitting access to the Night Depository by persons who cause loss of property deposited by other Night Depository users; the failure to properly secure the Night Depository door after use and the failure to observe reasonable prudent practices in the use of the Night Depository and Night Depository Bag or Envelope.
7. Bank maintains its Night Depository for the convenience of its Business customers. While Bank undertakes to maintain the Night Depository with reasonable care intended to secure the Night Depository Bags and Envelopes placed therein, Accountholder understands that other customers of Bank have access to the Night Depository, that Bank cannot assure that each Night Depository customer will carefully secure the Night Depository after each use or that all persons to whom keys, if any, will be issued or who otherwise have access to the Night Depository or other customers, or other third parties, will be honest. For these reasons, Bank cannot and will not become a bailee of nor will it take any responsibility for the safety and security of money or property placed in the Night Depository until a Bank employee opens the Night Depository and takes actual possession of the Night Depository Bags and Envelopes contained therein during normal business hours. Accountholder agrees to assume all risk of loss with regard to Night Depository Bags and Envelopes placed in the Night Depository until such actual possession occurs.
8. Bank reserves the right to immediately withdraw the Night Depository from use at any time without notice, and to revoke the privilege of Accountholder to use the Night Depository facilities of the Bank by mailing notice of such revocation to the Accountholder at the address indicated in the Bank's records. Such notice is effective when deposited in the mail. Upon receiving such notice of such revocation, Accountholder agrees to return to Bank the key, if any, to the Night Depository.

ELECTRONIC DATA INTERCHANGE (EDI)

If you elected to receive a daily report of our ACH transactions with you, this Section describes the terms and conditions governing the EDI Reporting Service ("EDI Report Service"). The accounts covered by this Service (the "Account(s)") will be the ones on the EDI Report Service Application Form ("Service Application Form"). This Section supplements any other rules, regulations and policies that may be issued by the Bank from time to time that relate to the EDI Report Service ("Service Rules"). In the event of any conflict between the terms of this Section and the *Account Disclosures and Regulations or Service Rules*, this Section shall control to the extent it relates to the Service. In the event a Service Rule (if any) conflicts with *Business Account Disclosures and Regulations*, the Service Rule will prevail to the extent it relates to the Service. Please read the entire Section carefully.

The Service

We will provide EDI payment information on related ACH transactions that have posted to your Account(s) (the "Report"). The Report will be sent by facsimile transmission ("fax"), via standard formats for unencrypted electronic mail through a computer network ("e-mail"), or by regular U.S. Mail ("mail"). If you elect to receive your Report by fax, we will transmit the Report to the fax number or the alternate fax number you have listed in your Service Application Form. If you have elected to receive your report by e-mail, we will transmit the Report to the e-mail address you have listed on the Service Application Form. If you elect to receive the Report by mail, we will send the Report to the mailing address you have listed in your Service Application Form. All account information in the Report will reflect the EDI payment activity on your Account for the previous Bank Business Day. For purposes of the Service, a Bank Business Day is any day Monday through Friday, other than Bank holidays, on which we are open for the conduct of business.

Fees

You agree to pay a service fee per item (i.e., each ACH payment) reported via fax, e-mail, or mail. These fees are set out in the *Business Statement of Fees*, which we may amend from time to time by providing you with ten (10) calendar days prior notice. Fee modifications may be made for any reason, in our sole discretion. The *Business Statement of Fees* as amended from time to time is incorporated into this Section by reference. Fees may either be offset against earnings credit, if the Account is an analyzed account, or debited from the Account each month. You specifically authorize us to debit any of the deposit accounts you may have with us if there are insufficient funds in your Account to pay the monthly fees. If you close your Account(s) during the month, we will not refund any portion of your per transaction service charge(s). You also agree to compensate us for extraordinary services, including, but not limited to compensation for unusually lengthy transmission requirements. You acknowledge that fees and charges for your Service may not apply equally to other customers.

Limitation of Liability

We cannot guarantee that the transmission of any Report will occur at a specified time during the Business Day. Therefore, we will not be responsible for any losses incurred due to delays in transmitting or mailing any Report. You further agree that we will not be liable for our failure to deliver a Report on any particular day.

You acknowledge that facsimile transmission is an inherently insecure means of communicating due to the possibility of error, delay and the potential of observation of transmitted Reports by unauthorized personnel. We will not be responsible for any loss of confidentiality with

respect to the Report that occurs after the Report is transmitted to the designated or alternate fax number. If you elect to receive Reports via facsimile, you agree to assume all risk of loss or disclosure resulting from such facsimile transmission or data. Similarly, you understand that we have no control over the confidentiality of any unencrypted information transmitted on a computer network. We will not be responsible for any loss of confidentiality with respect to the Report that arises from the transmission of unencrypted information via a computer network as long as we use the e-mail address you have designated. If you elect to receive Reports via e-mail, you agree to assume all risk of loss or disclosure resulting from such e-mail transmission of data. You understand and agree that you are responsible for ensuring the confidentiality of any Report you receive by fax, e-mail or mail and that we will not be liable for any losses or damages you may incur from loss of confidentiality once you receive a Report.

You acknowledge that the fees charged for this Reporting Service are small in relation to the dollar amounts of the ACH transactions involved. Therefore, to the extent we are deemed responsible under this Section for any losses you may incur due to our misdirection of a Report or for any inaccuracies contained in a Report, you agree that we will only be liable for direct actual damages or losses you incur and that in no event will we be liable for any consequential or special damages arising from the misdelivery or inaccuracy, nor will the amount of damages exceed the amount of your fees and charges for this Service incurred in the three (3) months preceding the misdelivery or inaccurate Report. You acknowledge that without the limitations on liability contained in this Section, the Bank would not be able to offer this Service for the amount of fees and charges quoted in the *Business Statement of Fees*.

Terminating the Service - Notices

You or we may terminate this Reporting Service in whole or with respect to one or more Accounts by written notice to the other at least five (5) Business Days before the effective date of the termination. If you request termination without stating an effective date we will terminate the Service at our earliest convenience following receipt of the notice. You may also add new Accounts, change an e-mail address, fax number or mailing address, or temporarily suspend the Service. All such requests or notices must be in writing and sent to us as follows:

Washington Mutual
ACH Business Operations, WST791
12655 S.W. Center Street, Suite 400
Beaverton, OR 97005

If we terminate the Service, we will send a written notice to the last address we have for you in our records or we may send the notice to your fax or e-mail address.

Amending the EDI Report Service Agreement - Waivers

We can amend this agreement regarding the EDI Report Service at any time upon at least ten (10) Business Days prior notice to you. You will be deemed to have accepted the change if you do not cancel the Service before the effective date of the amendment. If we fail to exercise or delay in exercising any of our rights under this Section or otherwise, that failure or delay will not operate as a waiver of our rights or preclude our exercising rights on that or any future occasion.

WM MORNING REPORT®

If you elected to receive a daily report of account activity for certain of your deposit accounts, this Section describes the terms and conditions governing the *WM Morning Report®* service. The accounts covered by this service (the "Account(s)") will be the ones on the *WM Morning Report Service Application Form* ("Service Application Form"). This Section supplements any other rules, regulations and policies that may be issued by the Bank from time to time that relate to the *WM Morning Report®* service ("Service Rules"). In the event a Service Rule (if any) conflicts with *Business Account Disclosures and Regulations*, the Service Rule will prevail to the extent it relates to the service. Please read the entire Section carefully.

The Service

We will provide certain information regarding your Account(s) via the *WM Morning Report®* service (the "Report") on the morning following each Business Day, sending the Report by either facsimile transmission ("fax") or electronic mail through a computer network ("e-mail"). If you elect to receive your Report by fax, we will transmit the Report to the fax number or the alternate fax number you have listed in your Service Application Form. If you elect to receive your report by e-mail, we will transmit the Report via standard formats for unencrypted e-mail to the e-mail address you have listed on Service Application Form. You may change your e-mail or fax number (or alternate fax number) by giving us notice of the change in writing. We will begin sending the Report to the new number(s) or e-mail address after we have had a reasonable opportunity to process your request.

All account information in the Report will reflect the activity in your Account(s) on the previous Bank Business Day. For purposes of this Service, a Bank Business Day is any day Monday through Friday, other than Bank holidays, on which we are open for the conduct of business.

Fees

You agree to pay a service charge for each Account reported to each report destination (fax number or e-mail address). These fees are set out in the *Business Statement of Fees*, which we may amend from time to time by providing you with ten (10) Business Days prior notice. Fee modifications may be made for any reason, in our sole discretion. The *Business Statement of Fees* as amended from time to time is incorporated into this Section by reference. Fees will either be offset against earnings credit, if the Account is an analyzed account, or debited from the Account each month. You specifically authorize us to debit any of the deposit accounts you may have with us if there are insufficient funds in your Account to pay the monthly fees. If you close your Account(s) during a monthly statement cycle, we will not refund any portion of your monthly service charge. You also agree to compensate us for extraordinary services, including, but not limited to compensation for unusually lengthy transmission requirements. You acknowledge that fees and charges for your Service may not apply equally to other customers.

Limitation of Liability

We cannot guarantee that the transmission of any Report will occur at a specified time during the Bank Business Day. Therefore, we will not be responsible for any losses incurred due to delays in transmitting or mailing the Report. You further agree that we will not be liable for our failure to deliver a Report on any particular day.

You acknowledge that facsimile transmission is an inherently insecure means of communicating due to the possibility of error, delay and the potential of observation of transmitted Reports by unauthorized personnel. We will not be responsible for any loss of confidentiality with respect to a Report that occurs after the Report is transmitted to the designated or alternate fax number. If you elect to receive Reports via

facsimile, you agree to assume all risk of loss or disclosure resulting from such facsimile transmission or data. Similarly, you understand that we have no control over the confidentiality of any unencrypted information transmitted by us on a computer network. We will not be responsible for any loss of confidentiality with respect to a Report that arises from the transmission of unencrypted information via a computer network as long as we use the e-mail address you have designated. If you elect to receive Reports via e-mail, you agree to assume all risk of loss or disclosure resulting from such e-mail transmission of data. You understand and agree that you are responsible for ensuring the confidentiality of the Report you receive by fax or e-mail and that we will not be liable for any losses or damages you may incur from loss of confidentiality once you receive the Report.

You acknowledge that the fees charged for this service are small in relation to the transactions and balances reported on the Report. Therefore, to the extent we are deemed responsible under this Section for any losses you may incur due to our misdirection of a Report or for any inaccuracies contained in a Report, you agree that we will only be liable for direct actual damages or losses you incur, and that in no event will we be liable for any consequential or special damages arising from the misdelivery or inaccuracy, nor will the amount of damages exceed the amount of your fees and charges for this service incurred in the three (3) months preceding the misdelivery or inaccurate Report. You acknowledge that without the limitations on liability contained in this Section, the Bank would not be able to offer this service for the amount of fees and charges quoted in the *Business Statement of Fees*.

Terminating the Service - Notices

You or we may terminate the *WM Morning Report*® service in whole or with respect to one or more Accounts by written notice to the other at least five (5) Business Days before the effective date of the termination. If you request termination without stating an effective date we will terminate the Service at our earliest convenience following receipt of the notice. You may also add new Accounts, change an e-mail address or fax number, or temporarily suspend the Service. All such requests or notices must be in writing and sent to us as follows:

Washington Mutual
P.O. Box 1165
Northridge, CA 91328-1165

If we terminate the Service, we will send a written notice to the last address we have for you in our records or we may send the notice to your fax number or e-mail address.

Amending the *WM Morning Report Service Agreement* - Waivers

We can amend this agreement regarding the *WM Morning Report*® service at any time upon at least ten (10) Business Days prior notice to you. You will be deemed to have accepted the change if you do not cancel the Service before the effective date of the amendment. If we fail to exercise or delay in exercising any of our rights under this Section or otherwise, that failure or delay will not operate as a waiver of our rights or preclude our exercising rights on that or any future occasion.

TAX PAYMENT SOLUTIONS

Bank is the owner or licensee of Washington Mutual systems and procedures for processing certain Federal, state or local tax deposits for businesses electronically. The Federal, state or local tax deposits to be covered by this section are described in the Service Application Form ("Service Application Form") that a subscriber must execute and deliver to the Bank. The Service Application Form is hereby incorporated into this Section by reference. If you elected to subscribe to the Bank's tax payment services and we have accepted and approved your Service Application Form, this Section will describe the agreement between you and Bank that will govern our provision of the tax payment services. Our agreement is also subject to any other rules about this Service we may issue from time to time. In the event of any conflict between those Rules, the terms of this Section shall control and specific Service Rules (if any) shall govern conflicting terms in the Disclosures. In this Section, Customer is referred to as the Subscriber. Subscriber also means any of Subscriber's employees and representatives that Subscriber permits to use these Services.

Subscriber desires that Bank provide those tax deposit and processing services that Subscriber has designated on the Service Application Form and such other tax payment services as Subscriber may authorize from time to time using the Tax Payment telephone response service (collectively referred to herein as "the Services").

1. Subscriber appoints Bank to act as Subscriber's reporting agent for such Federal, state or local tax payments as Subscriber has designated on the Service Application Form. Subscriber may direct Bank to make additional state or Federal tax payments in writing or electronically in such manner as the Bank may prescribe from time to time. As Subscriber's tax reporting agent, Bank shall be authorized to receive notices, correspondence, transcripts or other information related to tax payment obligation. Subscriber also authorizes Bank to execute and file such related forms and documents as required to affect such tax payments. Subscriber shall complete and maintain a current Reporting Agent Authorization (form 8655) for Federal taxes and any similar authorization required for reporting state taxes (State ACH Approval Forms).
2. Subscriber must open a checking account with Bank ("Designated Account") and maintain sufficient funds therein to cover all tax payments at the time Bank receives a tax payment request, as well as all fees charged by Bank for the Services. Bank will have no obligation to make any requested Federal, state or local tax deposits if Subscriber fails to maintain sufficient collected funds in said account. Subscriber agrees to comply with all of the rules and regulations that apply to the Designated Account when requesting Services under this Section.
3. Subscriber will furnish Bank with complete and accurate master file information required to file tax payments with each appropriate taxing agency and as reasonably requested by Bank from time to time. Subscriber will cause the transmission of all required filing data to Bank to be complete, accurate and timely. Subscriber acknowledges that all Services rendered by Bank will be based solely upon information furnished by Subscriber. Provision of the Services will not relieve Subscriber of any duty imposed on Subscriber by law to maintain records, or to verify and if necessary immediately correct in writing, data received by taxing agencies from Bank relative to Services provided by Bank.
4. Subscriber may authorize or cancel a particular tax payment or processing service (a "Transaction Request") only in the manner described in the Tax Payment Solutions User Guide ("User Guide") or in such other manner as the Bank may provide from time to time in writing. The User Guide will be provided to Subscriber with this Section and is hereby incorporated by reference. Methods provided for initiating Transaction Requests will incorporate security procedures to verify that the Transaction Request is accurate and has been authorized by Subscriber ("Authorized Security Procedures"). By signing the Service Application Form, and/or when using a particular security procedure to access Services provided by Bank, Subscriber agrees (i) that Authorized Security Procedures are commercially reasonable,

- (ii) that the Bank may conclusively rely on data submitted by anyone using an Authorized Security Procedure, and (iii) that Bank shall have no liability for unauthorized Transaction Requests, provided that Bank follows an Authorized Security Procedure in good faith when processing a Transaction Request.
5. To verify that Subscriber has authorized all tax payment requests or other Payment Orders, Bank may issue a confidential Access code and a PIN code ("Security Codes") to Subscriber. The Security Codes shall be used in conjunction with an Authorized Security Procedure described in the User Guide to request particular tax payment or tax processing services. Subscriber agrees that Bank may deliver the Security Codes to the person designated on the Service Application Form. Subscriber agrees to keep these Security Codes confidential and to assure that only Subscriber's authorized employees or representatives use those codes. Subscriber shall notify Bank immediately if it believes either its Access code or PIN code is compromised or misused.
 6. Bank will operate the Services during business hours designated for the service, Monday through Friday except for banking holidays ("Business Days"). Bank will process all Transaction Requests that are timely received, except when prevented from doing so by events beyond the Bank's reasonable control, including but not limited to strikes, telephone, equipment, or electrical failure, or the failure of Subscriber to maintain sufficient collected funds in the account to cover all tax liability and fees then due. Interruption of the Services for any reason whether or not listed above will not relieve Subscriber from its obligation to make the required tax payments when due.
 7. Bank will debit Subscriber's account on the Business Day that Subscriber submits a tax deposit request to Bank. Any request for a tax deposit received after the Bank's published cutoff time for tax deposit requests on a particular day shall be treated as having been submitted on the following Business Day. Cutoff times for Transaction Requests are published in the User Guide, but may be amended by the Bank from time to time in its discretion. Funds debited from Subscriber's account shall be held by Bank as a deposit liability of Bank until such a time as the funds are due and paid to the appropriate taxing agency. Subscriber is not entitled to interest on such funds and such funds will not accrue any earnings allowance if the Designated Account is subject to account analysis. Bank may invest the funds debited from Subscriber's Designated Account solely for Bank's benefit. Bank shall have no obligation to make any tax deposit or responsibility for any late payment of taxes if Subscriber does not submit a tax deposit request together with complete information required for processing at least two (2) Business Days before the tax payment due date.
 8. Subscriber may cancel any tax payment request and the electronic transfer of funds to a taxing agency, only if Bank is given sufficient notice to afford Bank a reasonable opportunity to act before the funds transfer Payment Order is executed. Subscriber may cancel a scheduled tax payment and recover funds debited from its account only in accordance with the procedures set forth in the User Guide or by such other method as Bank may provide in writing to Subscriber from time to time.
 9. Subscriber shall be free to make any tax deposit or payment, which may be part of the Services offered under this Section, directly to the appropriate government agency, provided that Bank shall have no liability or responsibility for any such deposit or payment. However, if Subscriber authorizes Bank to make any Federal tax deposits for tax types 941, 943 or 945, Subscriber agrees to make all tax type 941, 943 and 945 deposits through Bank. If Subscriber makes any such tax deposit by any means other than through Bank, Bank will not be liable for any penalty and/or interest charges directly or indirectly arising from the non-Bank deposit.
 10. Unless otherwise agreed in writing, Customer shall timely pay Bank, for all Services provided under this Section, the fees, charges and assessments set forth in the most current *Business Statement of Fees* as that schedule may be amended by Bank from time to time. Subscriber also agrees to pay additional fees and expenses to be determined by Bank for any extraordinary services provided by Bank, which are not listed on the *Business Statement of Fees*. Subscriber authorizes Bank to debit all fees and expenses owed to Bank from the Designated Account at the time of each Transaction Request or request for extraordinary service by Subscriber.
 11. The liability of the Bank and any of its tax service vendors to Subscriber is limited to correcting any error made by Bank or its tax service vendor, which shall be subscriber's sole and exclusive remedy under this provision. Neither Bank nor any of its tax service vendors will be liable for any penalties assessed by reason of customer's failure to make timely tax payments using this service. Neither Bank nor its tax service vendor is liable for special, incidental, or consequential damages. Subscriber acknowledges that these services would not be available or would be available at substantially increased rates without the liability and remedy limitations set forth in this Section.
 12. Bank makes no warranties with respect to the Services, express or implied, in law or in fact, including without limitation, any implied warranties of fitness for a particular purpose, or of merchantability, either to Subscriber or to any other party.
 13. Subscriber acknowledges that the Bank has not and is not giving Subscriber legal, accounting or tax advice; and without limitation, that Subscriber has relied solely upon its own legal, accounting or tax advisor in electing to execute the Agreement, to utilize the Services and to direct the Bank to make any payments or deposits hereunder.
 14. Subscriber hereby agrees and acknowledges that the Services are intended only for reporting of business taxes and shall not be used for any personal, family or household purposes.

GENERAL INFORMATION ABOUT SUBSTITUTE FORM W-9 AND OTHER TAXPAYER INFORMATION

INFORMATION REPORTING

As a payer of interest on deposit accounts, we are required to report to the Internal Revenue Service (IRS) interest payments aggregating \$10.00 or more that we make to any person during any calendar year, and any withholding of Federal Income Tax under the backup withholding rules. We report to the IRS under the first name listed on the account unless you instruct otherwise, using the Taxpayer Identification Number (TIN) you provided when you opened your account, unless you later provide us with an updated TIN certification.

The IRS provides an official Form W-9 (Request for Taxpayer Identification Number and Certification) for a U.S. payee to provide the correct TIN and other required certifications to the payor. If you are a U.S. person, you use Form W-9 to provide your correct TIN to the person requesting it and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

As permitted by the IRS, we have incorporated the required certifications into the *Master Account Agreement* or other form as a substitute Form W-9. The following information is designed to provide you with the substance of the instructions contained on the official Form W-9, with

information sufficient to enable you to determine if the correct TIN is given. If you need more information, please refer to the instructions contained on the official Form W-9, which is available from the official IRS Web site at www.irs.gov, or which you can request from a Bank financial center.

Note: Because we require a TIN before opening an account, the potential use of Form W-9 while waiting for a number to be issued does not apply to our situation. If you do not have a TIN, please refer to the instructions for IRS Form W-9 on how to get a TIN.

Each Account holder who does not qualify as U.S. person for U.S. Federal tax purposes must use the appropriate Form W-8 to certify their foreign status from time to time and, if requested by the Bank, provide proof of foreign residency in a form deemed acceptable by the Bank in its sole discretion. If you become a U.S. resident or citizen after opening your account, you must notify us within thirty (30) calendar days of your change in status and provide us with a certified TIN.

Note: All section references in the following discussion are to the Internal Revenue Code or the regulations promulgated under the Internal Revenue Code.

DEFINITION OF A U.S. PERSON

For U.S. Federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations Section 301.7701-7).

TAXPAYER IDENTIFICATION NUMBER (TIN)

In order to open an account, we require that you provide us with a TIN, certified under penalty of perjury, or certification of foreign status. We use such TIN information for identification purposes and also to comply with applicable tax law on information reporting and backup withholding.

For individuals, the TIN is generally your Social Security Number (SSN). If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). If you do not have an ITIN, please refer to the instructions for IRS Form W-9. For many entities, the TIN is generally the Employer Identification Number (EIN). If you are a sole proprietor and you have an EIN, you may use either your SSN or EIN. However, the IRS prefers that you use your SSN. If you are a single-member LLC that is disregarded as an entity separate from its owner for U.S. Federal Income Tax purposes, use the SSN or EIN of the owner. If the LLC is classified as a corporation or partnership, use the EIN of the entity.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

The table below, based on Form W-9 instructions, provides guidance on the correct TIN to use. Note that we require all parties listed on a joint or custodial account to provide their correct TINs for identification purposes.

| | |
|--|---|
| <p>For this type of account:</p> <ol style="list-style-type: none"> 1. Individual 2. Two or more individuals (joint account) 3. Custodian account of a minor (Uniform Gift to Minors Act) 4a. The usual revocable savings trust (grantor is also trustee) 4b. So-called trust account that is not a legal or valid trust under state law 5. Sole proprietorship or disregarded entity owned by an individual | <p>Give name and SSN of:</p> <p>The individual</p> <p>The actual owner of the account, or if combined funds, the first individual on the account</p> <p>The minor</p> <p>The grantor-trustee</p> <p>The actual owner</p> <p>The owner. You must show your individual name and may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN number (if you have one), but the IRS encourages you to use your SSN.</p> |
| <p>For this type of account:</p> <ol style="list-style-type: none"> 6. Disregarded entity not owned by an individual 7. A valid trust, estate, or pension trust 8. Corporate or LLC electing corporate status on Form 8832 9. Association, club, religious, charitable, educational, or other tax-exempt organization 10. Partnership or multi-member LLC 11. A broker or registered nominee 12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | <p>Give name and EIN of:</p> <p>The owner</p> <p>Legal entity. Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.</p> <p>The corporation</p> <p>The organization</p> <p>The partnership</p> <p>The broker or nominee</p> <p>The public entity</p> |

PENALTIES

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

BACKUP WITHHOLDING

Persons making interest payments are required to withhold and pay to the IRS a certain percentage (currently 28%) of such payments under certain conditions. This is called "backup withholding." Backup withholding is not an additional tax; any amount withheld is paid to the IRS and can be claimed as a credit on your Federal Income Tax return. Interest payments you receive from us will be subject to backup withholding if:

1. You do not furnish us with your TIN, OR
2. You do not certify your TIN when required, OR
3. The IRS notifies us that you furnished an incorrect TIN, OR
4. The IRS notifies you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return, OR
5. You do not certify to us that you are not subject to backup withholding under (4) above (for accounts opened after 1983 only).
6. You must sign the certification on the *Master Account Agreement*, other forms we give you or IRS Form W-9, if applicable, to avoid backup withholding. If you are subject to backup withholding and you are merely providing your correct TIN, you must cross out any inapplicable items in the certification prior to signing the certification. In particular, you must cross out item 2 in the certification if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

EXEMPT PAYEES

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. If you are exempt from backup withholding, you should still complete a W-9 or substitute W-9 to avoid erroneous backup withholding.

Payees exempt from backup withholding on interest payments include the following:

- An organization exempt from tax under Section 501(a), any IRA, or a custodial account under Section 403(b)(7) if the account satisfies the requirements of Section 401(f)(2),
- The United States or any of its agencies or instrumentalities,
- A state, the District of Columbia, a possession of the U.S., or any of their political subdivisions or instrumentalities,
- A foreign government or any of its political subdivisions, agencies, or instrumentalities,
- An international organization or any of its agencies or instrumentalities,
- A corporation,
- A foreign central bank of issue,
- A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
- A real estate investment trust,
- An entity registered at all times during the tax year under the Investment Company Act of 1940,
- A common trust fund operated by a bank under Section 584(a),
- A financial institution,
- A middleman known in the investment community as a nominee or custodian, or
- A trust exempt from tax under Section 664 or described in Section 4947.

BANK DEPOSIT INTEREST AND FOREIGN ACCOUNT OWNERS

Interest paid on deposits to accounts owned entirely by individuals who are not citizens or residents of the United States may or may not be reported to the IRS as determined by the Bank in its discretion, except that the Bank is required to report interest paid to Canadian non-resident individuals.

If the Bank is given proper certification of foreign status, deposit interest on these types of accounts will not be subject to backup withholding. Such certification can generally be established by completing a Certificate of Foreign Status of Beneficial Owner (W-BBEN), which is available at any Bank financial center. A new certification will be required at least every three years, or deposit interest earned on the account will be reportable and backup withholding will apply. If you become a U.S. resident or citizen after opening your account, you must notify us within thirty (30) calendar days of your change in status and provide us with a certified TIN.

PRIVACY ACT NOTICE

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. The IRS may also disclose this information to other countries under a tax treaty, to Federal and state agencies to enforce Federal nontax criminal laws, or to Federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

FREE ID THEFT SERVICES PROGRAM PROVISIONS

If you are a victim of identity theft you may be eligible for benefits under this coverage. You must use due diligence and act reasonable to avoid or diminish any loss or damage to property protected by the program. WaMu and the Provider will rely on the truth of statement made in any affidavit or declaration submitted by you.

Where coverage applies:

This service is offered to you, if you are the owner of an eligible Washington Mutual consumer checking account and are resident of the U.S., at no cost and is in effect for acts occurring while the checking account is open and the service is in effect. The terms and conditions contained in this program guide may be modified by subsequent amendments and endorsements. Modifications to the terms and conditions may be provided via mail, statement insert, statement message, or other reasonable means. MasterCard, Washington Mutual and/or Europ Assistance USA can cancel or non-renew these services at their discretion without prior notice, unless required by law. In the event substantially similar coverage takes effect without interruption, no such notice is necessary. For general questions regarding these services please contact the Program Administrator at 1-877-629-0753.

Identity Theft Expense Reimbursement Coverage

WaMu makes available to you the following insurance coverage issued by Virginia Surety Company, Inc.:

Guide to Benefits:

In the event of identity theft, eligible Washington Mutual checking accountholders can benefit from the security and safety offered through Identity Theft Expense Reimbursement coverage. If you are a victim of identity theft you may be eligible for benefits under this coverage. Identity Theft Expense Reimbursement is an insurance program.

Key terms:

- You or Yours means eligible Washington Mutual business or personal checking accountholders or signers.
- Identity Theft means the use of your name, address, Social Security number (SSN), bank or credit card account number, or other identifying information without your knowledge to commit fraud or deception.
- Loss means the eligible expenses related to your identity theft.
- Eligible Expense(s) means reasonable and necessary attorney fees or court costs associated in removing any civil suit wrongfully brought against you as a result of Identity theft or a any suit brought against you by a creditor or collection agency or other entity for non-payment of goods and/or services as a result of identity theft, actual U.S. wages lost due to time off relating to efforts in resolving your identity theft issues, loan applications fees, notarizing affidavits or other similar document cost, long distance telephone cost, and postage cost you may have incurred as a direct result of identity theft.

The kind of coverage you receive:

- Identity Theft Expense Reimbursement will reimburse you for certain losses you incur as a result of identity theft.
- Coverage is secondary to any other applicable insurance or coverage available to you. Coverage is limited to only those amounts not covered by any other insurance or coverage benefit.

Coverage limitations:

Coverage is limited to your actual losses, up to \$5,000 per claim, as a result of identity theft. There is a limit of one (1) claim per twelve (12) month period.

Where coverage applies:

Coverage applies only to losses arising out of an identity theft occurring within any of the fifty (50) United States of America and Canada.

What is NOT covered:

- an act of fraud, deceit, collusion, dishonesty or criminal act by you or any person acting in concert with you, or by any authorized representative of you, whether acting alone or in collusion with you or others;
- damages or losses arising out of any business pursuits, loss of profits, business interruption, loss of business information, or other pecuniary loss;
- damages or losses arising from the theft or unauthorized or illegal use of your business name, d/b/a or any other method of identifying your business activity or any lost wages due to sickness or emotional breakdown;
- damages or losses of any type for which the financial institution is legally liable;
- damages or losses of any type resulting from fraudulent charges or withdrawal of cash from a debit or credit card;
- damages or losses of any type resulting from fraudulent withdrawals from financial accounts;
- indirect or direct damages or losses of any nature;
- any incident involving a loss or potential loss not notified to the relevant police authority within seventy-two (72) hours from the date you had knowledge of the loss;
- any cost due to delay in providing services, or damages resulting from any delay in services;
- losses that were incurred or commenced prior to this coverage being provided to you;
- fees or costs associated with the use of any investigative agencies or private investigators;
- any loss that is not a direct result of identity theft;
- theft or damages of traveler's checks, tickets of any kind, negotiable instruments, cash or its equivalent, passports, or any documents;
- war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), rebellion, revolution, insurrection or military or usurped power;
- authorized charges that you have disputed based on the quality of goods or services, and
- authorized account transactions or trades that you have disputed, or are disputing, based on the execution (or non-execution) of electronic transfers, trades or other verbal or written instructions or directions.

What to do if you're a victim of identity theft in order to file a claim:

1. Call 1-877-629-0753 upon discovery of identity theft to report the incident.
2. Contact the major credit bureaus (Equifax, Experian, TransUnion) immediately after discovery of identity theft to place a fraud alert on your credit report;
3. File a police report in your local jurisdiction.
4. File a complaint with the Federal Trade Commission (FTC). If requested, file a report with other agencies.
5. Follow all procedures for recovery and reasonable requests for information and assistance at all institutions affected.
6. File a police report in your local jurisdiction.
7. File a complaint with the Federal Trade Commission (FTC). If requested, file a report with other agencies.
8. Follow all procedures for recovery and reasonable requests for information and assistance at all institutions affected.
9. Maintain copies of all receipts, bills or other records that support your claim for an Identity Theft Expense Reimbursement payment in order to help accurately determine the amount of any loss.
10. Take all other reasonable steps available to protect your identity from any further fraudulent use.

How to file a claim under Identity Theft Expense Reimbursement:

1. Contact 1-877-629-0753 to request a claim form.
2. Submit the following documentation within thirty (30) days after close of your identify fraud case or the claim will not be honored:
 - a. completed and signed claim form;
 - b. copy of your most recent Washington Mutual checking account statement;
 - c. proof that a fraud alert was placed with the major credit bureaus (Experian, Equifax, TransUnion), immediately after discovery of identity theft;
 - d. copy of a police report from your local jurisdiction;
 - e. copy of results of any settlement or denial from credit card companies, banks, creditors, collection agencies, etc. concerning your identity theft claim;
 - f. copy of the complaint filed with the Federal Trade Commission (FTC);
 - g. copy of all receipts, bills or other records that support your claim for an Identity Theft Expense Reimbursement payment;
 - h. any other documentation that may be reasonably requested to validate a claim.

Note: Please refer to the Final Legal Disclosure section below.

IDF-1 (12-04)

Final Legal Disclosure

This Guide is not a policy or contract of insurance or other contract.

Benefits are purchased by Washington Mutual and provided free for you, but non-insurance services may have associated costs, which will be your responsibility. Identity Theft Expense Reimbursement coverage is provided under a master policy of insurance issued by Virginia Surety Company, Inc. This Guide is intended as a summary of benefits provided to you. All information about the insurance benefits listed in this Guide is governed by the conditions, limitations, and exclusions of the master policy.

As the insurer of the Identity Theft Expense Reimbursement coverage described herein, Virginia Surety Company, Inc. ("VSC") collects personal information about you from the following sources: information the insurer gathers from you, from your request for insurance coverage or other forms you furnish to the insurer, such as your name, address, telephone number, and information about your transactions with the insurer such as claims made and benefits paid.

The insurer may disclose all information it collects, as described above, to companies that perform administrative or other services on our behalf solely in connection with the insurance coverage you have received. The insurer does not disclose any personal information about former insureds to anyone, except as required by law. The insurer restricts access to personal information about you to those employees who need to know that information in order to provide coverage to you. The insurer maintains physical, electronic, and procedural safeguards that comply with federal regulations to guard your personal information. Should you have any questions about the insurance procedures or the information contained within your file, please contact the insurer by writing to:

Compliance Department
Virginia Surety Company, Inc.
175 W. Jackson
Chicago, IL 60604

Effective date of benefits: Effective August 27, 2007, this Guide replaces all prior disclosures, program descriptions, advertising, and brochures by any party. Washington Mutual and the insurer reserve the right to change the benefits and features of these programs at anytime without prior notice, except as may be required by law.

Cancellation: Washington Mutual can cancel these benefits at any time or choose not to renew the insurance coverage for all checking accountholders. If Washington Mutual does cancel these benefits, you will be notified at least sixty (60) days in advance. If the insurance company terminates, cancels, or chooses not to renew the coverage to Washington Mutual, you will be notified as soon as is practicable. Insurance benefits will still apply for any benefits you were eligible for prior to the date of such terminations, cancellation, or non-renewal, subject to the terms and conditions of coverage.

Benefits to you: These benefits apply only to Washington Mutual checking accountholders whose accounts are issued by a U.S. financial institution. The United States is defined as the fifty (50) United States, the District of Columbia, American Samoa, Puerto Rico, Guam, and the U.S. Virgin Islands. No person or entity other than the Washington Mutual checking accountholder shall have any legal or equitable right, remedy, or claim for benefits, insurance proceeds and damages under or arising out of this program. These benefits do not apply if your checking account privileges have been cancelled. However, insurance benefits will still apply for any benefit you were eligible for prior to the date that your account is suspended or cancelled, subject to the terms and conditions of coverage.

Transfer of rights or benefits: No rights or benefits provided under these insurance benefits may be assigned without the prior written consent of the claim administrator for these benefits.

Misrepresentation and Fraud: Benefits shall be void if the Washington Mutual checking accountholder has concealed or misrepresented any material facts concerning this coverage.

Subrogation: If payment is made under these benefits, the insurance company is entitled to recover such amounts from other parties or persons. Any party or checking accountholder who receives payment under these benefits must transfer to the insurance company his or her rights to recovery against any other party or person and must do everything necessary to secure these rights and must do nothing that would jeopardize them, or these rights will be recovered from the checking accountholder.

In no event will these insurance benefits apply as contributing insurance. The non-contribution insurance clause will take precedence over the non-contribution clause found in any other insurance policies.

Benefits listed in this Guide are subject to the conditions, limitations, and exclusions described in each benefit section. Receipt and/or possession of this Guide to Benefits does not guarantee coverage or coverage availability.

FLD-2(3/05)

We seek in good faith to make arrangements with reputable companies to provide goods and services to members of the Free ID Theft Services program. We do not endorse, warrant or guarantee these goods or services.

The Free ID Theft Services program is NOT FDIC Insured - NOT Bank Guaranteed - NOT Insured by any Federal Government Agency

For customer service, you may contact us by phone at 1-800-788-7000
or by mail at Washington Mutual, P.O. Box 1165, Northridge, CA 91328-1165.

EXHIBIT F

ACCOUNT SECURITY AGREEMENT

WMMI-70
FA-002
MAY 31, 2002

THIS ACCOUNT SECURITY AGREEMENT ("Agreement") is made as of May 31, 2002, by and between Washington Mutual, Inc., a Washington corporation ("Debtor"), for the benefit of WASHINGTON MUTUAL BANK, FA a federal savings association ("Secured Party").

RECITALS

Debtor is an affiliate of Secured Party. From time to time Secured Party may pay certain expenses and obligations incurred by one or more other affiliates of Debtor (other than Long Beach Mortgage Company, which has entered into a separate account security agreement with Secured Party) (each, an "Affiliate") for which such Affiliate will be obligated to repay Secured Party together with such interest thereon and charges incidental thereto, if any, as such Affiliate and Secured Party may agree from time to time. All such expenses, obligations, interest and charges for which such Affiliate is obligated to pay or repay Secured Party are referred to, collectively, as the "Inter-Company Obligations."

Debtor maintains a deposit account numbered 177-8911206 with Secured Party. Such account, however titled or maintained is referred to as the "Deposit Account." All funds from time to time on deposit in the Deposit Account are referred to, collectively, as the "Deposit Funds."

Secured Party is required by law to hold certain collateral for the Inter-Company Obligations.

NOW, THEREFORE, in consideration of the above and the mutual promises contained in this Agreement, the receipt and sufficiency of which are acknowledged, Debtor and Secured Party agree as follows:

AGREEMENT

1. Grant of Security Interest, Etc. Debtor hereby assigns, transfers and pledges to Secured Party, and grants Secured Party a security interest in and lien upon, the Deposit Account and the Deposit Funds (collectively, the "Collateral") as security for all of the Inter-Company Obligations and for all obligations of Affiliates of Debtor to Secured Party under the terms of this Agreement. All obligations secured by this Agreement are referred to, collectively, as the "Secured Obligations."

2. Default and Remedies. It shall be an "Event of Default" under this Agreement if an Affiliate of Debtor at any time defaults in its obligation to timely pay or repay any of the Secured Obligations or fails to perform any obligation under the terms of this Agreement or if Debtor or such Affiliate becomes the subject of any bankruptcy, receivership or other insolvency proceeding. After the occurrence and during the continuance of an Event of Default, Secured Party in its sole and absolute discretion, may (i) apply the Collateral or any portion thereof to payment of the Secured Obligations; (ii) apply the Collateral or any portion thereof to reimburse Secured Party for any losses or expenses (including, without limitation, legal fees) suffered or incurred by Secured Party as a result of such Event of Default, and (iii) apply the Collateral or

any portion thereof in connection with exercising and exercise all rights and remedies available to Secured Party at law or in equity or under this Agreement.

3. Remedies Cumulative. None of the rights and remedies conferred upon or reserved to Secured Party under this Agreement are intended to be exclusive of any other rights or remedies, and each and every such right shall be cumulative and concurrent, and may be enforced separately, successively, or together, and may be exercised from time to time as often as may be deemed necessary by Secured Party.

4. Successors and Assigns Bound. This Agreement shall be binding upon Debtor and its successors and assigns, and shall inure to the benefit of, and may be enforced by Secured Party and its successors, transferees, and assigns.

5. Amendment and Waiver. No amendment to this Agreement will be valid unless it is made in writing and executed by the parties to this Agreement. No specific waiver or forbearance for any breach of any of the terms of this Agreement shall be considered as a general waiver of that or any other term of this Agreement.

6. Entire Agreement. This Agreement contains the complete and entire understanding of the parties and no changes shall be recognized as valid unless they are made in writing and signed by both Debtor and Secured Party.

7. Severability. The invalidity, illegality, or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall remain in full force and effect.

8. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Washington.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the day and year first above written.

DEBTOR:

Washington Mutual, Inc.

By: 

Name: RICHARD D LODGE
Title: SENIOR VICE PRESIDENT & TREASURER

NSCPDRN ACPR 0 CIS ACCOUNT/PRODUCT PROFILE 08/10/06 16.53.58
 ACPR CO 2 OP MS 64000 ACTION SUCCESSFUL
 ACTION: INQ (INQ NXT NXTCUS NXTACR NXTRMK ACDT ACDE)
 COID 2 PRD DDA ACCT 0177-0000891120-6 SSN/TID 91-1653725 NO 1 LINE 1
 T WASHINGTON MUTUAL INC BALANCE 52,600,201.01
 T FBO WASHINGTON MUTUAL BANK FA SUB-PRD U5 ST 99 CURR
 A WASHINGTON MUTUAL COST CTR 9909 BRN 9909
 A ROWENA LITTLE OPENED 1020530 OFF1
 A 1301 2ND AVE # WMC1411 CLOSED OFF2
 C SEATTLE WA 98101-2005 LST MNT 1080331 EMP? N

CNTRY SENS 0 LANG

ACTN: CUPR CUID RELATED CUSTOMERS NEXT: 1
 SEQ- COID CUSTOMER-----TIE-- REL----- APSP OWNER %
 0001 2 *WASHINGTON MUTUAL INC 10 N-I OWNE NNN 100.0000

SEQ- COID- PRD ACCOUNT-----RELATED ACCOUNTS NEXT: 1
 REL----- APSP OWNER %

TYPE EFF EXP REMARKS NEXT: 1
 TYPE EFF EXP
 PF: 1-HELP 2-CONT 3-PLVL 4-DECR 5-INCR 7-END

EXHIBIT G

JOURNAL ENTRY REQUEST FORM

| DR | | CR | | DESCRIPTION | | DESCRIPTION | |
|-----|-------|------|------------------------|-------------|-------|-------------|------------------------|
| CO. | GL | CC | AMT | CO. | GL | CC | AMT |
| 70 | 10441 | 9909 | 3,674,000,000.00 | 70 | 10450 | 9909 | 3,674,000,000.00 |
| | | | WMI contributes to fsb | | | | WMI contributes to fsb |
| 02 | 52915 | 9347 | 3,674,000,000.00 | 02 | 45798 | 9909 | 3,674,000,000.00 |
| | | | WMI contributes to fsb | | | | WMI contributes to fsb |
| 40 | 20601 | 9909 | 3,674,000,000.00 | 40 | 28201 | 9331 | 3,674,000,000.00 |
| | | | WMI contributes to fsb | | | | WMI contributes to fsb |
| 01 | 49241 | 9331 | 3,674,000,000.00 | 01 | 52915 | 9347 | 3,674,000,000.00 |
| | | | WMI contributes to fsb | | | | WMI contributes to fsb |

Total CR \$14,696,000,000.00

Total DR \$14,696,000,000.00
 balance check \$0.00

08/20/2008

930336
 9/24/2008

[Signature]

Yolanda Noblezada

Requested by:
 Approved by:
 Posted by:

EXHIBIT H

EXHIBIT I

WASHINSTEON MUTUAL
SPREADSHEET OPTION

Company No: _____
 Batch Number: _____
 Posting Date: 02/24/07

NOTE: BATCH NUMBER MUST BE FILLED IN!!!!

| Code | Effective Date | Amount | Balance |
|------|----------------|-------------|----------------|
| 21 | 10/30/06 | 234,526.524 | 234,526.524 |
| 22 | 6/18/00 | 1002306 | 234,526.524 |
| | | | 234,526.524.00 |

PLEASE SIGN AND DATE:

Prepared By: Shirley Xu
 Approved By: Mike Norman
 Posted By: Shirley Xu
 Verified by: _____

Documentation Attached: YES NO
 Reason for entry: 2007 IRS Refund Allocation

Washington Mutual Ins. & Brokerage Services
 2007 Return Payment Allocation
 For Year Ended December 31, 2007
 T3207/Estimate/Washington Mutual Credit/Insurance/Investment/Real Return/Estimate/2007 Return Payment Allocation

| Account | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Estimate | Year | Year |
|------------------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|
| | | | | | | | |
| WMI & Direct Buys | (1,886,329) | (7,47,808,868) | (281,788,485) | 144,828,728 | (77,288,724) | (77,288,724) | (77,288,724) |
| WMI & Subs | 1,886,193,242 | 1,891,714,418 | 898,502,045 | (810,703,250) | (77,288,724) | (77,288,724) | (77,288,724) |
| WMI FA & Subs | 86,009,383 | (28,163,459) | (104,357,202) | 144,828,728 | (77,288,724) | (77,288,724) | (77,288,724) |
| WMI Capital Corp | (72,718,874) | (28,163,459) | (104,357,202) | 144,828,728 | (77,288,724) | (77,288,724) | (77,288,724) |
| | 142,801,382 | 378,662,871 | 201,522,897 | (48,954,854) | (283,078,103) | (283,078,103) | (283,078,103) |
| Estimated Tax Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| WMI & Direct Buys (1) | 0 | (2,077,322) | 137,591,526 | 148,342,659 | 20,540,445 | (17,200,245) | (17,200,245) |
| WMI & Subs | 0 | 155,541,205 | (81,761,140) | (128,368,137) | (128,368,137) | (17,200,245) | (17,200,245) |
| WMI FA & Subs | 0 | 247,374,483 | 8,284,774 | 2,265,204 | (128,368,137) | (17,200,245) | (17,200,245) |
| WMI | 0 | 8,300,185 | 15,823,257 | (18,453,407) | (25,105,197) | (17,200,245) | (17,200,245) |
| WMI Capital Corp | 0 | 11,269,310 | 0 | (7,245,779) | (128,368,137) | (17,200,245) | (17,200,245) |
| | 0 | 246,000,000 | 111,358,570 | (24,458,771) | (283,078,103) | (283,078,103) | (283,078,103) |

(1) No payment made to the IRS in 2nd, 4th or 5th quarter. Extension of WMI to rest of all 4c settlements. Check refund was not accepted to SUBS/1005.

April 8

Sept 30

| WMI RECEIVES/PAYS | WMI |
|---------------------------|-----------------|
| CC | (19,461,912.25) |
| CC | (17,200,244.75) |
| CC | 283,078.10 |
| AMOUNT FROM WMI LIABILITY | (17,200,244.75) |
| WMI TOTAL | (34,361,879.90) |
| PAYMENT(REFUND) TO PRO | 31,238,724.10 |
| | (3,123,155.80) |
| | 301,001,878.30 |

Koh, Rolando V.

From: Xu, Shirley
Sent: Monday, September 15, 2008 11:04 AM
To: Koh, Rolando V.
Cc: Norman, Michael W.
Subject: FW: 2007 Federal Return/Refund

Rolando,

We electronically filed 2007 WMI & Subs federal consolidated return on Friday, September 12th, 2008. We also requested a refund of \$234,526,524. It should be received in approximately 2 to 3 weeks.

Please let us know once you receive the refund.

Thanks,

Shirley Xu
WAMU Center
1301 2nd Avenue
Twenty-second Floor
Seattle, WA 98101
Phone: 206-500-5779
Fax: 206-377-3295

99-999-999-00-
99-999-999-00-
24-526-526-00-
003
204-526-524-00*

From: Norman, Michael W.
Sent: Monday, September 15, 2008 10:45 AM
To: Xu, Shirley
Subject: FW: 19 2007 returns yet to be filed

Can you notify the people in Treasury that we filed the federal return and it was electronically accepted on Friday?

In that notice please let them know we requested a refund of \$234,526,524 and we should expect to receive that in approximately 2 to 3 weeks.

Thanks,
Mike

Michael Norman, CPA
V.P. and Senior Manager, Corporate Tax
206.500.5770 direct | 206.377.3295 fax

02/20/2009

EXHIBIT J

**INDEMNIFICATION
AND
COLLATERAL ACCOUNT PLEDGE AND SECURITY AGREEMENT**

This Indemnification and Collateral Account Pledge and Security Agreement is entered into as of March 1, 2006 by and between WASHINGTON MUTUAL, INC. ("Owner"), and WASHINGTON MUTUAL BANK, a federal association, ("Secured Party").

RECITALS

A. Owner owns all of the issued and outstanding capital stock of each of New American Capital, Inc., a Delaware corporation ("NACI"), and Long Beach Mortgage Company, a Delaware corporation ("Long Beach"). NACI owns all of the issued and outstanding capital stock of Secured Party.

B. Owner and certain of its affiliates desire to enter into a reorganization which, among other effects, will result in Long Beach becoming for an interim period, a wholly owned subsidiary of Secured Party. This part of the reorganization will be accomplished through the following steps: (1) Owner forms a new interim federal savings association ("Interim Association"); (2) Owner contributes all of the capital stock of Long Beach to Interim Association, and as a result Long Beach becomes a wholly owned subsidiary of Interim Association; (3) Owner contributes all of the capital stock of Interim Association to NACI, and as a result Interim Association becomes a wholly owned subsidiary of NACI; and (4) Interim Association merges with and into Secured Party (the "Merger") and as a result Long Beach becomes a wholly owned subsidiary of Secured Party.

C. Owner and certain of its affiliates have filed an application with the Office of Thrift Supervision (the "OTS") to approve steps (1) through (4) described in Recital B above. In connection with such application, Owner desires to agree to indemnify Secured Party in the event that, following the Merger, Secured Party suffers certain losses. In order to secure Owner's performance of such indemnity, the parties desire that Owner establish a deposit account with Secured Party and pledge and grant to Secured Party a perfected exclusive first-priority security interest in such account on the terms set forth herein.

In consideration of the foregoing, Owner and Secured Party agree as follows:

AGREEMENT

1. Certain Definitions. The following terms used herein shall have the following meanings:

"Agreement" means this Collateral Account Pledge and Security Agreement as now in effect and as it may be modified, extended, or renewed from time-to-time.

"Collateral" means: (1) all amounts from time-to-time on deposit in the Pledged Deposit Account; (2) all instruments, and other property from time-to-time received, receivable, or otherwise distributed in respect of, in renewal or replacement of, or in exchange for, any of the foregoing; and (3) all products and proceeds of the foregoing.

"Event of Default" means any one or more of the following:

(1) Any default or event of default in Owner's performance of the Obligations (as hereinafter defined); or

(2) Untruth or inaccuracy of any representation or warranty contained in this Agreement in any material respect; or

(3) Any failure by Owner to comply fully and timely with any provision of this Agreement; or

(4) Any levy, attachment, or execution on, or seizure of, any of the Collateral;
or

(5) Dissolution, termination of existence, insolvency, or bankruptcy of Owner, or the appointment of a receiver to take possession of any of the Collateral.

"Obligations" means the indemnification obligations of Owner as described in Section 2 hereof.

"Pledged Deposit Account" means that certain blocked, non-interest bearing deposit account established with Secured Party under Account No. 314-197966-3, and in the name of or belonging to Owner, as provided in Section 3, below.

"UCC" means the Uniform Commercial Code as enacted in the state the law of which applies to the relevant Collateral.

2. Indemnification Obligation. Owner hereby agrees to indemnify and hold harmless Secured Party and its subsidiaries from and against any and all losses, damages, expenses, fees, liabilities, claims, demands and causes of action (collectively, "Liabilities") arising out of or resulting from facts and circumstances existing as of the effective time (the "Effective Time") of the Merger or from actions or omissions of Long Beach prior to the Effective Time but only to the extent that (i) such Liabilities are not disclosed in the financial records of Long Beach immediately prior to the Effective Time, or, if so disclosed, the reserves for such Liabilities in such financial records are not sufficient to cover the amount of the Liabilities incurred by Secured Party, on a consolidated basis, after the Effective Time, and (ii) such Liabilities do not result from actions or omissions prior to the Effective Time, such as in loan servicing, for which Secured Party is or was contractually liable to Long Beach.

3. Pledged Deposit Account.

(a) Owner hereby authorizes and directs Secured Party to establish and maintain the Pledged Deposit Account at one of Secured Party's branches or offices, as applicable, as a blocked, non-interest bearing account under Account No. 314-197966-3.

(b) The Pledged Deposit Account shall be established in the name "Washington Mutual Bank, collateral account of Washington Mutual, Inc."

(c) The Pledged Deposit Account and/or the Pledged Certificate(s) shall be subject to the sole and exclusive control of Secured Party and the only individuals having signature authority over the Pledged Deposit Account shall be officers of Secured Party.

(d) Owner shall have no right to withdraw any funds from the Pledged Deposit Account unless and until Secured Party has become obligated to release all its liens on and security interests in the Collateral pursuant to Section 6 of this Agreement.

(e) Promptly upon execution of this Agreement, Owner shall deposit funds into the Pledged Deposit Account in the amount of \$10,000,000, whereupon such funds shall be subject to this Agreement

(f) All income or other applicable taxes, if any, payable with respect to other income earned on deposits made to the Pledged Deposit Account shall be paid by Owner. The tax identification number associated with the Pledged Deposit Account shall be that of Owner.

4. Pledge and Assignment of Security for Obligations. The Pledged Deposit Account and each deposit thereto made by Owner pursuant to this Agreement are hereby delivered, pledged, assigned, conveyed, and transferred to Secured Party, and Owner hereby pledges and assigns to Secured Party and grants to Secured Party an exclusive first-priority security interest in, and lien upon, all of Owner's right, title, and interest in and to the Pledged Deposit Account, and each and every deposit made thereto, and in and to all of the other Collateral, all as collateral security for the prompt payment and performance in full when due (including the payment of amounts that would become due but for the effect of any bankruptcy or insolvency proceedings) of the Obligations.

5. Delivery of Collateral. All certificates, documents, and instruments, if any, representing or evidencing the Collateral shall be delivered to and held by or on behalf of Secured Party in the Pledged Deposit Account, and shall be in suitable form for transfer by delivery and shall be accompanied by Owner's indorsement, where necessary, or duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to Secured Party, in its sole discretion.

6. Release of Lien. If, but only if, no Event of Default has occurred and is then continuing, Secured Party shall release its liens on and security interests in the Collateral at such time as the Obligations terminate.

7. Ownership of Collateral. Owner represents and warrants that Owner is and will be the owner of the Collateral, free and clear of any lien, claim, or security interest, except for the security interest in favor of Secured Party created by this Agreement, and Owner has and will have the full right, power, and authority to enter into this Agreement and to pledge the Collateral to Secured Party.

8. Transfers and Other Liens. Owner agrees not to (a) sell, assign (by operation of law or otherwise), withdraw, or otherwise dispose of any of the Collateral or (b) create, or suffer to exist, any lien or security interest upon any of the Collateral, except for the security interest granted to Secured Party under this Agreement.

9. Further Assurances. Owner agrees that from time-to-time, at the expense of Owner, Owner will promptly execute and deliver all further instruments and documents, and take all further action(s), that may be necessary or desirable, or that Secured Party may request (a) in order to create, perfect, and protect any security interest granted under this Agreement or (b) to enable Secured Party to exercise and enforce its rights and remedies under this Agreement with respect to the Collateral. Owner will, at Secured Party's request, appear in and defend any action or proceeding that may affect Owner's title to, or Secured Party's security interest in, the Collateral.

10. Secured Party Appointed Attorney-in-Fact. Owner hereby irrevocably appoints Secured Party as Owner's attorney-in-fact, with full authority in the place and stead of Owner and in the name of Owner, Secured Party or otherwise, from time-to-time, in Secured Party's sole discretion, to take any action and to execute any instrument that Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement including, without limitation (a) to execute any documents necessary or appropriate to perfect the security interests granted in this Agreement and (b) to receive, indorse, and collect any instruments made payable to Owner representing any principal or interest payment, or other distribution, in respect of the Collateral. The foregoing power of attorney is coupled with an interest and shall be irrevocable until the Obligations have been fully and finally paid and performed and Secured Party has become obligated to release all its liens on and security interests in the Collateral.

11. Secured Party May Perform. If Owner fails to perform any agreement contained in this Agreement, Secured Party may perform, or cause to be performed, such agreement, and the expenses of Secured Party so incurred shall be paid by Owner within ten days after demand by Secured Party or Secured Party, in its sole discretion, may debit the Pledged Account or exercise its right of offset against the Pledged Certificate(s), as applicable, for such expenses and Owner shall promptly deposit into the Pledged Account an amount sufficient to replenish the balance therein to its level immediately prior to Secured Party's debit.

12. Remedies.

(a) If any Event of Default occurs and is continuing, Secured Party may exercise, in addition to all other rights and remedies provided for in this Agreement or otherwise available to Secured Party, all rights and remedies of a secured party under the UCC (whether or not the UCC applies to the affected Collateral). If the proceeds of the Collateral are insufficient to pay the Obligations in full, Owner shall be liable for any deficiency.

(b) If any Event of Default occurs and is continuing, Secured Party shall have the right to set off and apply the following to the Obligations in such order as Secured Party may elect, in its sole discretion: (i) the Collateral; (ii) all deposits, including all deposits in the Pledged Account, and other property of Owner of every kind held by Secured Party or its subsidiaries, and (iii) all other liabilities and obligations of Secured Party, or its subsidiaries, to Owner.

13. Continuing Security Interest. This Agreement shall create a continuing security interest in, lien on, assignment of, and pledge of the Collateral and shall: (a) remain in full force and effect until the performance in full of the Obligations and Secured Party has become obligated to release all its liens on and security interests in the Collateral; (b) be binding upon Owner and Owner's successors and assigns; and (c) inure to the benefit of Secured Party and its successors and assigns.

14. Amendments, Etc. No amendment or waiver of any provision of this Agreement, or consent to any departure by Owner therefrom, shall be effective unless it is in writing and signed by Secured Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given and shall not be effective as to any other, or any subsequent, similar or different instance.

15. Legal Expenses. In the event of any Event of Default, or in the event any dispute arises relating to the interpretation, enforcement, or performance of this Agreement, Secured Party shall be entitled to collect from Owner, on demand, all fees and expenses incurred in connection therewith including, but not limited to, fees and expenses of attorneys, paralegals, expert witnesses, arbitrators, mediators, and court reporters. Without limiting the generality of the foregoing, Owner shall pay all such fees and expenses incurred in connection with: (a) arbitration or other alternative dispute resolution proceedings, trial court actions, and appeals therefrom, (b) bankruptcy or other insolvency proceedings of Owner, of any guarantor, of any party liable for any of the Obligations, or of any party having any interest in any security for any Obligations, (c) judicial or non-judicial foreclosure on any security for any Obligations, (d) post-judgment collection proceedings, (e) all claims, counterclaims, cross-claims, and defenses asserted in any of the foregoing, whether or not they arise out of, or are related to, this Agreement, (f) all preparation for any of the foregoing, and (g) all settlement negotiations with respect to any of the foregoing.

16. No Waiver; Remedies Cumulative. No failure or delay on the part of Secured Party in the exercise of any power, right, or privilege under this Agreement or under any other shall impair such power, right, or privilege, or be construed to be a waiver of any Event of Default or acquiescence therein, nor shall any single or partial exercise of any such power, right, or privilege preclude any other or further exercise thereof, or of any other power, right, or privilege. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available to Secured Party.

17. Severability. If any provision of, or obligation under, this Agreement shall be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality, and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

18. Captions. Section and subsection headings in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement for any other purpose, or be given any substantive effect.

19. Entire Agreement. This Agreement contains the final expression of the entire agreement of the parties with respect to the subject matter thereof. There are no oral agreements relating thereto.

20. Governing Law; Venue, Jurisdiction. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Washington, without reference to the choice of law principles of the State of Washington. Exclusive venue for any legal action related to this Agreement ("Legal Proceeding") brought by any party shall be the United States District Court for the Western District of Washington or, if filed in state court, any Washington state court sitting in the city of Seattle, Washington (collectively, the "Washington Courts"). Each party waives, to the fullest extent it may effectively do so, any objection that it may now or hereafter have to the laying of the venue of any Legal Proceeding brought in the Washington Courts and any claim that such Legal Proceeding brought in the Washington Courts has been brought in an inconvenient forum. In addition, each party waives, to the fullest extent it may effectively do so, any objection that it may now or hereafter have to the transfer of any Legal Proceeding to the Washington Courts. Each party expressly submits to the jurisdiction of the Washington Courts.

21. Jury Trial Waiver. EACH PARTY WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY LEGAL PROCEEDING.

22. Counterparts. This Agreement may be executed in one or more counterparts and by different parties on separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which together shall constitute but one and the same instrument.

[Remainder of page intentionally left blank]

DATED as of the date first written above.

OWNER: **WASHINGTON MUTUAL, INC.**

By: _____
Thomas W. Casey
EVP, Chief Financial Officer

SECURED PARTY: **WASHINGTON MUTUAL BANK**

By: _____
Gregg Sherrington
VP, Cash Management

United States Bankruptcy Court District of Delaware

PROOF OF CLAIM

Name of Debtor (check only one):

Washington Mutual, Inc. 08-12229 (MFW)

WMI Investment Corp. 08-12228 (MFW)

Name and address of Creditor (and name and address where notices should be sent if different from Creditor):

JPMorgan Chase Bank, National Association
c/o Hydee R. Feldstein
Sullivan & Cromwell LLP
1888 Century Park East
Los Angeles, California 90067-1725
310.712.6600
feldsteinh@sullcrom.com

With a copy to:

JPMorgan Chase Bank, National Association
c/o Kevin G. Mruk
10 South Dearborn, Mail Code IL1-0080
Chicago, Illinois 60603-2003
312.732.7105
kevin.g.mruk@jpmchase.com

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: _____
(if known)
Filed on: _____

Your Claim Is Scheduled as Follows:

- Date Stamped Copy Returned
- No self addressed stamped envelope
- No copy to return

Name and address where payment should be sent (if different from above):

JPMorgan Chase Bank, National Association
c/o Joseph A. Giampapa
1111 Polaris Parkway, 4P0265
Columbus, Ohio 43271-0152
614.248.6056
joseph.a.giampapa@jpmchase.com

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

You have a claim scheduled against the Debtor listed above in the amount and priority set forth above. (This scheduled amount may be an amendment to a previously scheduled amount.) If you agree that you have a claim against the Debtor listed above and in the amount and priority set forth above and you have no other claim against that Debtor, you do not need to file this proof of claim form, EXCEPT AS FOLLOWS: If the amount shown is DISPUTED, UNLIQUIDATED or CONTINGENT, a proof of claim MUST be filed in order to receive any distribution in respect of your claim. If you have already filed a proof of claim in accordance with the attached instructions, you need not file again.

1. Type of Claim:

Claim existing as of the date case was filed. Amount of Claim as of Date Case Filed: \$ See Attachment A.

If all or part of your claim is secured, complete Item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority (other than under 11 U.S.C. § 507(a)(2)), complete Item 5.

Check this box if claim is filed by a governmental unit.

Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges.

2. Basis for Claim: See Attachment A.
(See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: Federal Tax ID Number 3725

3a. Debtor may have scheduled account as:

(See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.) See Attachment A.

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: Real Estate Motor Vehicle Other

Describe: See Attachment A.

Value of Property: \$ See Attachment A. Annual Interest Rate _____ %

Amount of arrearage and other charges as of time case filed included in secured claim, if any:

\$ See Attachment A. Basis for perfection: See Attachment A.

Amount of Secured Claim: \$ See Attachment A. Amount of Unsecured: \$ See Attachment A.

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim:

Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Wages, salaries or commissions (up to \$10,950), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier under 11 U.S.C. § 507(a)(4).

Contributions to an employee benefit plan under 11 U.S.C. § 507(a)(5).

Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use under 11 U.S.C. § 507(a)(7).

Taxes or penalties owed to governmental units under 11 U.S.C. § 507(a)(8).

Other - Specify applicable paragraph of 11 U.S.C. § 507(a) (9).

Amount entitled to priority:

\$ See Attachment A

FOR COURT USE ONLY

RECEIVED

MAR 30 2009

KURTZMAN CARSON CONSULTANTS

Date:

March 30, 2009

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Donald H. McCree III, Managing Director
JPMorgan Chase Bank, National Association
270 N. Park Ave., Floor 46
New York, New York 10017-2104; 212-270-4360

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.



ATTACHMENT A

Trust Securities

On September 26, 2008 (the "Petition Date"), Washington Mutual, Inc. ("WMI") and WMI Investment Corp. ("WMI Investment") filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). References herein to the "Debtor" or "Debtors" are intended to refer to WMI and WMI Investment Corp. as debtors and debtors-in-possession in their pending Chapter 11 cases. Prior to the Petition Date, on September 25, 2008, the Director of the Office of Thrift Supervision (the "OTS") appointed the Federal Deposit Insurance Corporation (the "FDIC") as receiver (the "Receiver") for Washington Mutual Bank, Henderson, Nevada, a federal savings banking association ("WMB"), a subsidiary of the Debtors, and advised that the Receiver was immediately taking possession of WMB. On September 25, 2008, the FDIC, as Receiver and in its corporate capacity, also entered into a Purchase and Assumption Agreement Whole Bank (the "P&A Agreement") with JPMorgan Chase Bank, National Association ("JPMCB"), whereby JPMCB acquired substantially all of the assets of WMB's banking operations, including one of its subsidiaries, Washington Mutual Bank fsb ("WMBfsb") and collectively with WMB, the "Affiliated Banks"), and assumed the deposit liabilities and certain other liabilities of WMB's banking operations. The Affiliated Banks also had a number of direct and indirect subsidiaries that are now subsidiaries of or have been merged into JPMCB or one of its subsidiaries or affiliates. JPMCB asserts its claims herein on behalf of itself and its subsidiaries and affiliates. JPMCB believes that its claims are against WMI rather than WMI Investment, but because the intercompany relationships between the Debtors are not clear and because these are jointly administered cases, JPMCB files its claims against both Debtors out of an abundance of caution.

Although JPMCB purchased the assets of WMB, the Debtors have wrongfully refused to acknowledge that purchase in material respects, and have interfered with JPMCB's ability to use and enjoy the benefits of its purchase of those assets. On March 20, 2009, the Debtors jointly filed a complaint before the United States District Court for the District of Columbia (the "District Court") placing at issue a number of the claims and assets JPMCB acquired from the FDIC under the P&A Agreement (the "District Court Action"). On March 24, 2009, JPMCB filed its Complaint commencing Adversary Proceeding No. 09-50551-MFW (the "Adversary Proceeding") before the Bankruptcy Court seeking, among other things, declaratory relief regarding a number of the assets at issue in the District Court Action and to interplead any amounts that may be due from JPMCB to the Debtors. On March 30, 2009, JPMCB moved to intervene in the District Court Action.

JPMCB is submitting this and certain other proofs of claim to preserve JPMCB's right to distributions from the estate for (a) any amounts awarded as monetary damages to JPMCB in the District Court Action or the Adversary Proceeding; (b) the amounts paid or contributed by WMB or its subsidiaries on or prior to the Petition Date for the acquisition, creation or maintenance of various identified assets, including the assets at issue in the Adversary Proceeding; and (c) the amounts paid or contributed by JPMCB after the Petition Date on account of the assets at issue in the Adversary Proceeding or otherwise for costs and expenses arising on account of or relating to such estates, including without limitation, payments to or for

the benefit of participants in the pension, 401(k) and other benefit plans at issue. This claim, together with certain of the other claims of JPMCB that are filed in these Chapter 11 cases, is filed as (1) a secured claim under section 506(a) to the extent of any liabilities of JPMCB or any of its subsidiaries or affiliates to the Debtors or to the extent JPMCB or any of its subsidiaries or affiliates is secured, possesses a lien, or is entitled to a lien under contract, applicable non-bankruptcy law, or equity; (2) an administrative claim under section 503(b) for amounts paid by JPMCB or its subsidiaries, or damages to JPMCB resulting from acts or omissions of the Debtors, on or after the Petition Date; (3) a priority claim to the extent specified in each individual proof of claim; and (4) a general unsecured claim to the extent it is not deemed to be entitled to secured, priority or administrative status.

JPMCB believes that with respect to the assets at issue in the District Court Action or the Adversary Proceeding, ownership will be determined by the District Court or the Bankruptcy Court in those actions, as applicable. JPMCB hereby reserves all of its rights and remedies against the Debtors, including the right to continue the District Court Action and the Adversary Proceeding, to commence other actions or proceedings, to seek allowance and payment of administrative claims and amounts by application, motion or other appropriate proceeding before the Bankruptcy Court at any time, to request and seek adequate protection of JPMCB's interest in property, to seek relief from and request the lifting of the stay at any time, whether to permit the exercise of its rights of setoff, recoupment or other remedies or otherwise.

On January 30, 2006, WMB submitted a Notice of Establishment of an Operating Subsidiary (the "Notice") to the OTS and the FDIC regarding the establishment of a new operating subsidiary, Washington Mutual Preferred Funding LLC ("WMPF"), for the purpose of issuing preferred securities to investors. WMPF's assets consisted of indirect investments in various residential mortgages and home equity loans and other permitted investments. WMPF in turn issued preferred securities to certain issuer trusts (the "Issuing Trusts") formed by WMI and its affiliates that entitled the holders thereof to, among other things, a liquidation preference against the assets of WMPF. Between March 2006 and October 2007, the Issuing Trusts issued securities (the "Trust Securities") to investors in the aggregate face amount of approximately \$4 billion. The holders of the Trust Securities, in effect, had a pass-through economic interest in the preferred securities of WMPF held by the Issuer Trusts.

Under the terms of the various agreements governing the Trust Securities, the Trust Securities were automatically exchangeable into depository shares representing preferred stock of WMI upon the OTS declaring the occurrence of an Exchange Event, which included WMB becoming undercapitalized or subject to receivership.

As set out below, the Trust Securities qualified as regulatory core capital of WMB under applicable banking laws and regulations on the basis of specific OTS approvals obtained and requirements imposed governing their issuance and treatment. In its Notice to the OTS and the FDIC, WMB sought confirmation from the OTS that the Trust Securities would qualify for inclusion in the core capital of WMB. In order for the Trust Securities to be treated as core capital of WMB when issued, the OTS required that the Trust Securities had to be structured in a manner that assured they would become property of the regulated institution upon the automatic exchange described above. On February 23, 2006, WMI committed to the OTS in writing to contribute the Trust Securities to WMB and stated that WMI "hereby undertakes that if, as a

result of a[n] [Exchange] Event,” WMI exchanges its preferred stock for the Trust Securities, “WMI will contribute to WMB the [Trust Securities].” (John F. Robinson letter to Darrel Dochow, dated February 23, 2006.)

The next day, on February 24, 2006, the OTS approved the inclusion of the Trust Securities in the core capital of WMB. (Darrel Dochow letter to John F. Robinson, dated February 24, 2006.) WMI’s written commitment to contribute the Trust Securities to WMB in exchange for including the Trust Securities in the core capital of WMB constituted a capital commitment to a federal depository institutions regulatory agency or its predecessor, which was deemed assumed as of the Petition Date under 11 U.S.C. section 365(o). That commitment also constituted a binding agreement (the “Contribution Agreement”) of WMI. At all relevant times, it was the Contribution Agreement that permitted WMB to include the Trust Securities in its regulatory core capital. At all relevant times, WMB included the amount of the Trust Securities as regulatory core capital. The Trust Securities have at no time been beneficially owned by WMI because they have always been subject to WMI’s unconditional obligation to contribute the Trust Securities to WMB at the direction of the OTS as a necessary corollary to the treatment of the Trust Securities as core capital of WMB. The issuance of the Trust Securities and the Contribution Agreement were duly authorized by all requisite corporate action on the part of WMI and WMB.

On September 25, 2008, in a letter to WMI, the OTS declared that an Exchange Event had occurred and directed an immediate exchange of the Trust Securities for WMI preferred stock. (Darrel Dochow letter to Steve Frank and Alan Fishman, dated September 25, 2008.) WMI responded to the OTS letter later on September 25, 2008, confirming the exchange and contribution. (Steve Rotella letter to John Bisset and Benjamin Franklin, dated September 25, 2008.)

As required by the Contribution Agreement, on September 25, 2008, WMI contributed the Trust Securities to WMB pursuant to an Assignment Agreement, which, among other things, provided that effective September 25, 2008, WMI irrevocably transferred “all of [WMI’s] right, title and interest, whether now owned or hereafter acquired, in and to the [Trust] Securities” to WMB. Furthermore, upon execution, WMI assigned to WMB all present and future “rights and benefits arising out of the [Trust] Securities which come into the possession of [WMI].” (Assignment Agreement between WMB and WMI, effective September 25, 2008 at 3.)

Under the express terms of the P&A Agreement, JPMCB purchases “all right, title, and interest of the Receiver in and to all of the assets . . . of [WMB] whether or not reflected on the books of [WMB] as of Bank Closing,” which includes WMB’s and the Receiver’s rights to receive the Trust Securities, a transfer that was effected on September 25, 2008. The Receiver thus sold the Trust Securities to JPMCB on September 25, 2008 under the P&A Agreement and therefore JPMCB is the sole owner of all equitable and beneficial right, title and interest in the Trust Securities.

To the extent WMI ever held or now holds any interest in the Trust Securities—and JPMCB asserts that WMI had and has no legally cognizable interest in them—that interest has never consisted of anything more than bare legal title (in accordance with 11 U.S.C. Section 541(d)) to the Trust Securities for the moment in time of the exchange and contribution.

JPMCB understands that the automatic transfer of the Trust Securities to WMB that occurred on September 25, 2008 has not been evidenced by any recorded entries on the books and records of the Issuing Trusts and/or their trustees or the Depository Trust Company (“DTC”), as applicable. JPMCB is entitled to the ministerial remedy of correction of the books and records of the Issuing Trusts and/or their trustees or at DTC to properly reflect the completion of the Transfer prior to the filing of these Chapter 11 cases.

In addition, JPMCB is entitled to be indemnified and held harmless by WMI for any liabilities associated with the issuance, exchange, contribution or recovery of the Trust Securities, including without limitation any claims regarding authorization, enforceability, avoidability or inadequate disclosure. JPMCB also asserts a claim for unjust enrichment for the value recognized by the Debtors as a result of treatment of the Trust Securities as core capital.

The following documents are submitted in support of this claim:

- Exhibit A. List of the Trust Securities.
- Exhibit B. Letter from John F. Robinson (WMI) to Darrel Dochow (OTS), dated February 23, 2006.
- Exhibit C. Letter from Darrel Dochow (OTS) to John F. Robinson (WMI), dated February 24, 2006.
- Exhibit D. Letter from Darrel Dochow (OTS) to Steve Frank and Alan Fishman (WMI), dated September 25, 2008.
- Exhibit E. Letter from Steve Rotella (WMI) to John Bisset and Benjamin Franklin (OTS), dated September 25, 2008.
- Exhibit F. Assignment Agreement between WMB and WMI, effective September 25, 2008.
- Exhibit G. Relevant Minutes of WMI and WMB Board of Directors meetings, dated January 17, 2006, February 17, 2006, October 17, 2006, February 27, 2007, August 21, 2007 and October 16, 2007.

This proof of claim is submitted as a priority claim under section 507(a)(9) of the Bankruptcy Code because JPMCB’s claim is based upon a commitment by WMI to the OTS of the Trust Securities to maintain the regulatory capital of WMB.

Assertion of this proof of claim, and any election, exercise or grant of any rights or remedies referred to, implied by or set forth in this claim does not, and is not intended to, preclude the election, exercise or grant of any other rights or remedies that may now or subsequently exist in law, in equity, by statute or otherwise. The identification or enumeration of JPMCB’s rights and remedies set forth in this claim is not intended to be and should not be deemed to be exhaustive or to preclude JPMCB from asserting specific claims or counterclaims for as-yet unliquidated, unmatured or contingent claims currently known or unknown, including

without limitation, indemnification, contribution, and/or reimbursement from the Debtors for any claims of third parties that may be asserted against JPMCB.

JPMCB reserves all rights to amend, augment, supplement, reduce or withdraw, in whole or in part, this proof of claim, including, without limitation, to: cure a defect in the original claim, correct the claim amount or priority status, include additional supporting documents, describe the claim in greater detail, add additional claims presently unknown to JPMCB that, if known, could have affected this claim or resulted in the assertion of additional damages. In addition, nothing herein shall be deemed to waive or otherwise affect the rights of any other person, including without limitation, the FDIC, to make claims similar to or parallel with this claim.

In some instances, supporting documents identified herein as relating to claims have not been submitted herewith because (i) the specific documents identified are voluminous and either believed to already be in the Debtors' possession, or of such quantity that their submission herewith would be administratively impracticable, (ii) such documents are subject to confidentiality restrictions or some other agreement or restriction binding on JPMCB that prevents their lawful inclusion in a filing of this nature without additional steps being taken to assure they are provided under seal or otherwise in compliance with law and any agreements binding on JPMCB, and (iii) of JPMCB's limited familiarity at this point in time with the extensive books and records of WMB acquired from the FDIC and time constraints resulting from the claims deadline. In each such case, JPMCB includes herein a detailed reference, and in some cases a description and summary, of documents identified to date by JPMCB on which the claim is based. Any party in interest seeking additional access to or copies of such documents or other related information may contact Cecelia Rodine at JPMorgan Chase & Co., Legal & Compliance Department, 1 Chase Manhattan Plaza, 25th Floor, Mail Code: NY1-A425, New York, New York 10081 with respect thereto.

Nothing in this claim describing or in any way relating to property in which the Debtors now or hereafter may assert an interest shall be construed or deemed in any way as evidence that such assets are property of the estate or an admission that the Debtors have any rights in such property. This claim is submitted to assert and preserve this claim in the Debtors' pending bankruptcy cases, and neither the submission of this claim, nor any provision hereof or statement herein shall be construed or deemed to be evidence that JPMCB or any other person has waived or intends to waive any rights or claims afforded it under the P&A Agreement, any other agreement with persons other than the Debtors, or as may otherwise be available under applicable law, including, without limitation, the Bankruptcy Code.

EXHIBIT A

Trust Securities

- Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Non-cumulative Preferred Securities, Series A-1
- Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Non-cumulative Preferred Securities, Series A-2
- Washington Mutual Preferred Funding Trust I Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- Washington Mutual Preferred Funding Trust II Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- Washington Mutual Preferred Funding Trust III Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- Washington Mutual Preferred Funding Trust IV Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities

EXHIBIT B

CONFIDENTIAL TREATMENT REQUESTED

Washington Mutual

John F. Robinson
Executive Vice President
Corporate Risk Management

February 23, 2006

Darrel Dochow
Deputy Regional Director, West Region
Office of Thrift Supervision
101 Stewart Street, Suite 1010
Seattle, WA 98101-1048

Re: Washington Mutual Bank (Docket Number: 08551) - Request for
confirmation of capital treatment of two classes of preferred stock.

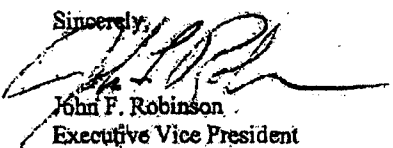
Dear Mr. Dochow:

On behalf of Washington Mutual, Inc. ("WMI"), I am writing with reference to the notice filed January 30, 2006 by Washington Mutual Bank ("WMB") to establish a new subsidiary, Washington Mutual Preferred Funding LLC ("WMPF"), for the purpose of issuing two classes of preferred securities to be eligible for inclusion in core capital of WMB (the "Notice"). You provided notice of the non-objection of the Office of Thrift Supervision ("OTS") to the establishment of WMPF by your letter dated February 9, 2006.

As you are aware, in the Notice WMB requested the OTS confirm that the sale of the Cayman Co. Preferred Securities and the Delaware Issuer Securities (as defined in the Notice) to outside investors constitutes the sale of the LLC Preferred Securities (as defined in the Notice) to outside investors and that the LLC Preferred Securities qualify for inclusion in core capital of WMB. In connection with that request, WMI hereby undertakes that if, as a result of a Supervisory Event (as defined in the Notice), WMI exchanges its Holding Company Shares (as defined in the Notice) for Cayman Co. Preferred Securities and the Delaware Issuer Securities, or if WMI subsequent to such exchange acquires the LLC Preferred Securities, WMI will contribute to WMB the Cayman Co. Preferred Securities and the Delaware Issuer Securities or, as appropriate, the LLC Preferred Securities.

If you have any questions regarding this letter, please call Robert Monheit at (212) 326-6104 or me at (206) 490-6100.

Sincerely,


John F. Robinson
Executive Vice President
Corporate Risk Management

1201 Third Avenue
WMI 1601
Seattle, WA 98101
phone 206.490.6100
fax 206.377.5318

EXHIBIT C



Office of Thrift Supervision
Department of the Treasury

101 Stewart Street, Suite 1010, Seattle, WA 98101-3419
Telephone: (206) 829-2600 • Fax: (206) 829-2620

West Region

Seattle Area Office

February 24, 2006

Mr. John F. Robinson
Executive Vice President
Corporate Risk Management
Washington Mutual Inc.
1201 Third Avenue, WMT 1601
Seattle, WA 98101

RECEIVED
FEB 28 2006
LEGAL DEPARTMENT

Dear Mr. Robinson:

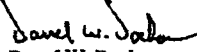
This letter further responds to the notice filed January 30, 2006 advising that Washington Mutual Bank ("WMB") plans to establish a new subsidiary, Washington Mutual Preferred Funding LLC ("WMPP"), for the purpose of issuing two classes of Preferred Securities to be eligible for inclusion in core capital of WMB. By letter dated February 9, 2006, we took no objection to the establishment of the new operating subsidiary and the issuance of securities by WMPP.

Please be advised that OTS will not exercise its supervisory authority and discretion to exclude the Preferred Securities from core capital under 12 CFR 567.5(a)(1) (footnote 4) or the reservation of authority provision (12 CFR 567.11) of the OTS capital rule, and we hereby confirm that the Preferred Securities will qualify for inclusion in WMB core capital. This decision is based on the representations in the Notice, attachment thereto, and commitment detailed in your confidential letter dated February 23, 2006.

Notwithstanding the above, the OTS reserves the right, in its sole discretion, to exclude the Preferred Securities (or prospective issuances of Preferred Securities) if the terms are revised or it otherwise ceases to provide meaningful capital support and a realistic ability to absorb losses, or otherwise raises supervisory concerns. This may include OTS concerns about the capital mix or asset structure of the Subsidiary or WMB.

If you have any questions regarding this letter, please contact me at (206) 829-2601.

Sincerely,


Darrel W. Dochow
Regional Deputy Director

cc: William L. Lynch, Secretary, Washington Mutual

EXHIBIT D



Office of Thrift Supervision
Department of the Treasury

West Region

Seattle Office • (206) 829-2600 • Fax: (206) 829-2620
101 Stewart Street, Suite 1010
Seattle, WA 98101

September 25, 2008

Board of Directors
Mr. Steve Frank, Chairman
Mr. Alan Fishman, Chief Executive Officer
Washington Mutual, Inc.
1301 Second Avenue
Seattle, WA 98101

Members of the Board or their Representative:

The deposit outflows from Washington Mutual Bank over the past two weeks and reduction in availability of alternative funding sources have created significant liquidity pressures for the institution. The September 7, 2008 OTS Memoranda of Understanding ("MOU") the bank entered into with OTS requires WaMu to provide OTS with an analysis of the earnings, profitability and stability of all existing and projected business lines. In addition, the MOU places limitations on the ability of the bank to pay dividends.

Pursuant to the conditional exchange provision in the prospectus of the REIT preferred offerings of the bank, OTS concludes an "Exchange Event" has occurred and therefore directs an exchange of WaMu REIT Preferred Securities to a like amount of preferred stock in Washington Mutual Incorporated.

Please let me know if you have any questions.

Sincerely,

Darrel W. Dochow
Regional Director

EXHIBIT E



Mailstop: WMC 3301
1301 Second Avenue
Seattle, WA 98101

206-500-8302 direct phone
steve.rotella@wamu.net

Via Electronic Mail

September 25, 2008

Office of Thrift Supervision
Examinations
Attn: John Bisset
Attn: Benjamin Franklin

WMI will issue a press release on September 26, 2008 announcing that each Conditional Exchange will occur at 8:00 a.m. New York time on September 26, 2008. Pursuant to Section 2 of each Exchange Agreement, the Conditional Exchange will then occur automatically at that time, and WMI will become the owner of all the Delaware issuer trust securities, and all the Preferred Securities issued by Washington Preferred Funding (Cayman) I Ltd. (the "Cayco Preferred Securities"). The occurrence of the Conditional Exchange has the effect of dissolving each of the Delaware issuer trusts, so that the WMPF Preferred Securities held by the trusts will be owned by WMI as a result of such dissolution. In any event, effective September 25, 2008, WMI has assigned to WMB all of its right, title and interest to the Delaware trust securities, the Cayco Preferred Securities and the WMPF Preferred Securities, and upon receipt of the Delaware trust securities, the Cayco Preferred Securities and the WMPF Preferred Securities, WMB will immediately contribute and transfer same to WMB, and such contribution and transfer will occur regardless of any events which may occur prior to such contribution and transfer.

Sincerely,

WASHINGTON MUTUAL, INC.

By: 
Name: Steve Rotella
Title: President and Chief Operating Officer

EXHIBIT F

ASSIGNMENT AGREEMENT

between

**WASHINGTON MUTUAL BANK,
as Assignee**

and

**WASHINGTON MUTUAL, INC.,
as Assignor**

Effective as of September 25, 2008

17535196 05129267

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (as amended, modified or supplemented from time to time after the date hereof, the "Agreement") is effective as of September 25, 2008, and is made by and between WASHINGTON MUTUAL BANK, a federally-chartered savings association, as Assignee (the "Assignee"), and WASHINGTON MUTUAL, INC., a Washington corporation, as Assignor (the "Assignor").

RECITALS

(A) Assignor wishes to assign to Assignee certain securities, and Assignee wishes to accept such assignment, which Securities shall be assigned upon the execution of this Agreement.

AGREEMENT

In consideration of the premises and the mutual agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignee and Assignor agree as follows:

ARTICLE I

DEFINITIONS: GENERAL INTERPRETIVE PRINCIPLES

Section 1.01. Definitions.

Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

Agreement: This Assignment Agreement, including all exhibits hereto, and all amendments hereto and supplements hereto.

Certificate: Any instrument constituting evidence of ownership of a Security.

Effective Date: September 25, 2008.

Code: The Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder and rulings issued thereunder. Section references to the Code are to the Code, as in effect as the date of this Agreement and any subsequent provisions of the Code, amendatory thereof, supplemental thereto or substituted therefore.

Assignment: The assignment to Assignee by Assignor of Securities pursuant to this Agreement.

Delivery: Is deemed to occur as of September 25, 2008.

WMB/WMI Master Securities
Assignment Agreement

17535196 05129267

Person: Any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

Assignee: Washington Mutual Bank, a federally-chartered savings association, and its successors and assigns.

Securities: The securities listed in Exhibit A that are the subject of this Agreement. The term "Securities" includes, without limitation, such securities, any Certificates corresponding to such securities, and all other rights, benefits, proceeds and obligations of the owner of such securities arising from or in connection with such securities, whether now owned or hereafter acquired.

Assignor: Washington Mutual, Inc., a Washington corporation, and its successors and assigns.

Section 1.02. General Interpretive Principles.

For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- a) the terms defined in this Agreement have the meanings assigned to them in this Agreement and include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender;
- b) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles;
- c) references herein to "Articles," "Sections," "Subsections," "Paragraphs," and other subdivisions without reference to a document are to designated Articles, Sections, Subsections, Paragraphs and other subdivisions of this Agreement;
- d) a reference to a Subsection without further reference to a Section is a reference to such Subsection as contained in the same Section in which the reference appears, and this rule shall also apply to Paragraphs and other subdivisions;
- e) the words "herein," "hereof," "hereunder," and other words of similar import refer to this Agreement as a whole and not to any particular provision; and
- f) the term "include" or "including" shall mean without limitation by reason of enumeration.

ARTICLE II

ASSIGNMENT OF SECURITIES

Section 2.01. Assignment of Securities.

With respect to the Securities listed on Exhibit A attached hereto, Assignor hereby contributes, transfers, assigns, sets over and conveys to Assignee, without recourse, but subject to the terms of this Agreement, all of Assignor's right, title and interest, whether now owned or hereafter acquired, in and to the Securities.

Upon execution and delivery of this Agreement by Assignor and Assignee, all rights and benefits arising out of the Securities which come into the possession of Assignor, including but not limited to funds which may be received by Assignor on or in connection with the Securities, and the ownership of all records and documents with respect to the Securities which are prepared by or which come into the possession of Assignor, shall immediately vest in Assignee.

Assignee acknowledges that the assignment by Assignor to Assignee under this Agreement are intended to qualify as tax-free transactions under Section 351 of the Code.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.01. Mutual Representations and Warranties. Each party hereby represents and warrants to the other that it has all requisite power and authority to enter into and perform its obligations under this Agreement.

It is understood and agreed that the representations and warranties set forth in this Article V shall survive delivery of the respective Securities to the Assignee, and shall continue throughout the term of this Agreement.

ARTICLE IV

COSTS

Section 4.01. Costs.

Each party shall bear its own costs and expenses. All other costs and expenses incurred in connection with the transfer and delivery of the Securities, including without limitation recording and filing fees, shall be paid by Assignee.

Each remittance or distribution made pursuant to this Agreement shall be made in the manner agreed to by the parties. To the extent that the amount of a remittance or distribution made pursuant to this Agreement is greater than the amount that was supposed to be made, each party agrees to give prompt written notice thereof to the other party after discovery thereof, including the amount of such remittance or distribution that was paid in error, and to refund such overpayment immediately.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.01. Amendment.

This Agreement may be amended from time to time only by written agreement signed by Assignor and Assignee.

Section 5.02. Governing Law.

This Agreement shall be construed in accordance with the internal laws of the State of Washington, except to the extent preempted by federal law and without reference to the choice of law doctrine of such state, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

Section 5.03. Notices.

All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at or mailed by registered or certified mail, postage prepaid, to (a) in the case of Assignor,

Washington Mutual, Inc.
1301 Second Avenue, WMC 1411
Seattle, Washington 98101
Attention: Corporate Secretary

or such other address as may hereafter be furnished by Assignor to Assignee in writing;
and

b) in the case of Assignee,

Washington Mutual Bank
1301 Second Avenue, WMC 1411
Seattle, Washington 98101
Attention: Corporate Secretary

or such other address as may hereafter be furnished by Assignee to Assignor in writing.

Section 5.04. Merger, Severability of Provisions.

This Agreement, and the documents and instruments referred to herein, constitute the entire agreement of and is the final and complete expression of the parties relating to the subject matter of this Agreement, and supersedes all prior or contemporaneous negotiations and agreements, whether oral or written, relating to the subject matter hereof.

If any one or more of the covenants, agreements, provisions or terms of this Agreement shall be held invalid for any reason whatsoever, then such covenants,

agreements, provisions or terms shall be deemed severable from the remaining covenants; agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement. If the invalidity of any part, provision, representation or warranty of this Agreement shall deprive any party of the economic benefit intended to be conferred by this Agreement, the parties shall negotiate in good faith to develop a structure the economic effect of which is nearly as possible the same as the economic effect of this Agreement without regard to such inability.

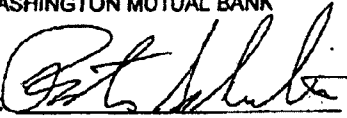
Section 5.05. Execution: Successors and Assigns.

This Agreement may be executed in one or more counterparts and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed to be an original; such counterparts, together, shall constitute one and the same agreement. This Agreement shall inure to the benefit of and be binding upon Assignor and Assignee and their respective successors and assigns.

(Signatures on Following Page)

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers on the dates shown below, to be effective as of the effective date first set forth above.

WASHINGTON MUTUAL BANK

By: 
Name: Pamela Schulte
Title: Senior Vice President

WASHINGTON MUTUAL, INC.

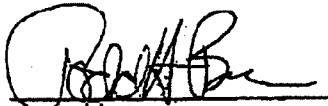
By: 
Name: Todd Baker
Title: Executive Vice President

EXHIBIT A

SECURITIES

- (i) Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Non-cumulative Preferred Securities, Series A-1
- (ii) Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Non-cumulative Preferred Securities, Series A-2
- (iii) Washington Mutual Preferred Funding Trust Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- (iv) Washington Mutual Preferred Funding Trust II Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- (v) Washington Mutual Preferred Funding Trust III Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- (vi) Washington Mutual Preferred Funding Trust IV Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities
- (vii) Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series 2006-A
- (viii) Washington Mutual Preferred Funding LLC 7.25% Perpetual Non-cumulative Preferred Securities, Series 2006-B
- (ix) Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series 2006-C
- (x) Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series 2007-A
- (xi) Washington Mutual Preferred Funding LLC Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series 2007-B
- (xii) Any and all right, title and interest of the Washington Mutual, Inc. in and to Washington Mutual Preferred (Cayman) I Ltd. ("WaMu Cayman"), Washington Mutual Preferred Funding Trust ("WaMu Delaware I"), Washington Mutual Preferred Funding Trust II ("WaMu Delaware II"), Washington Mutual Preferred Funding Trust III ("WaMu Delaware III") and Washington Mutual Preferred Funding Trust IV ("WaMu Delaware IV" and, together with WaMu Cayman, WaMu Delaware I, WaMu Delaware II and WaMu Delaware III, the "Trusts"), including any interests of the Trusts in any of the Securities

17335196 05129267

EXHIBIT G

Minutes of January 17, 2006 meeting of WMI Board of Directors

Minutes of January 17, 2006 meeting of WMB Board of Directors

Minutes of February 17, 2006 meeting of WMI Board of Directors

**WASHINGTON MUTUAL, INC.
CERTIFICATE OF ASSISTANT SECRETARY**

I, Linda O'Brien, Assistant Secretary of Washington Mutual, Inc., a Washington corporation ("WMI") and formerly Assistant Secretary of Washington Mutual Bank, former subsidiary of Washington Mutual, Inc. and now a division of JP Morgan Chase Bank ("WMB"), do hereby certify that at a meeting duly called and held on January 17, 2006, the Board of Directors of WMI gave approval (see excerpt of minutes Exhibit A) of the resolutions attached as Exhibit B;

The undersigned further certifies that at a meeting duly called and held on February 21, 2006, the Board of Directors of WMI gave approval (see excerpt of minutes Exhibit C) of the resolutions attached as Exhibit D;

The undersigned further certifies that at a meeting duly called and held on January 17, 2006, the Board of Directors of WMB gave approval (see excerpt of minutes Exhibit E) of the resolutions attached as Exhibit E;

EXHIBIT A

Support for Capital Raising Transaction by WMB

Ms. Pugh reported that the Finance Committee had received a report from the Treasurer on equity and funding strategies. The strategy with regard to equity capital is to minimize the cost of capital by using hybrid securities. The Committee reviewed a proposal for the issuance of securities (the "LLC Preferred Securities") by a Delaware limited liability company that would be organized as an operating subsidiary under WMB's indirect subsidiary, University Street, Inc. Investors would purchase certain other securities (the "SPE Securities") from two special purpose entities, each of which will use the proceeds of its issuance of SPE Securities to finance the purchase of one of the two classes of LLC Preferred Securities. The Company will serve as a source of strength for WMB, as the SPE Securities will automatically be exchangeable into one share of a new class of preferred stock of the Company ("WMI Preferred") or a share of depositary stock representing a fractional interest in WMI Preferred, upon the occurrence of a "Supervisory Event" (defined to refer to WMB (a) becoming "undercapitalized" under the OTS's "prompt corrective action" regulations, (b) being placed into bankruptcy, reorganization, conservatorship or receivership, or (c) being determined by the OTS, in its sole discretion, to be in such condition as to cause the OTS to direct an exchange of SPE Securities for WMI Preferred in anticipation that WMB will become "undercapitalized" in the near term, or to cause the OTS to take supervisory action that limits the payment of distributions or dividends). The Committee recommended approval of the proposal. On motion duly made and seconded, the Board unanimously resolved to approve this transaction. A copy of the resolutions adopted by the Board will be kept in the minute book as an appendix to these minutes.

EXHIBIT B

Appendix B – Approval of Issuance of REIT Preferred Securities

WHEREAS, Washington Mutual, Inc. (the "Company") indirectly owns all of the issued and outstanding common stock of University Street, Inc. ("University Street");

WHEREAS, University Street proposes to cause the formation of a Delaware limited liability company (the "LLC") and in connection therewith University Street and Washington Mutual Bank will contribute to the LLC assets of approximately \$5 billion in the aggregate;

WHEREAS, it is proposed that the LLC will issue common interests, substantially all of which will be issued to University Street;

WHEREAS, it is proposed that the LLC will issue to WMB or its designee two series or classes of preferred interests (the "LLC Preferred Interests") which LLC Preferred Interests in the aggregate will not exceed \$2.0 billion;

WHEREAS, it is proposed that one class of the LLC Preferred Interests will have a fixed dividend rate and the other class will have a dividend rate which is fixed for 5 years and thereafter is variable;

WHEREAS, it is proposed that the LLC Preferred Interests will be transferred to two special purpose entities which in turn will issue substantially similar securities (the "SPE Securities") to investors;

WHEREAS, under specified circumstances, each class of SPE Securities will automatically be exchanged for preferred stock of the Company or for depositary shares representing fractional interests in preferred stock of the Company; and

WHEREAS, the Board desires to authorize the issuance of two series of such preferred stock, to establish substantive terms of each series, to delegate authority to appropriate officers of the Company to determine, within the limits specifically prescribed in these resolutions, the designation and relative rights, preferences and limitations of each series and to provide for other matters relating to the preferred stock and the LLC preferred interests.

THEREFORE, IT IS HEREBY RESOLVED, that there is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock designated as the "Series I Perpetual Non-cumulative Fixed/Floating Rate Preferred Stock" (the "Series I Preferred Stock") and a series of preferred stock designated as the "Series J Perpetual Non-cumulative Fixed Rate Preferred Stock" (the "Series J Preferred Stock"). The number of shares constituting each series shall not exceed 2,000; provided that the aggregate amount of shares in both series shall not exceed 2,000. The stock in each series shall have no par value.

FURTHER RESOLVED, that the Series I Preferred Stock and the Series J Preferred Stock (collectively, the "Preferred Stock") shall each have rights, preferences and limitations which are consistent with the following:

Ranking. The Preferred Stock shall, with respect to dividend rights and liquidation rights, rank (a) on a parity with each series or class of the Company's preferred stock issued in the future unless the terms of such future series or class expressly state that it is junior to the Preferred Stock; (b) rank on a parity with each other; and (c) rank senior to the Company's common stock and the Company's Series RP Preferred Stock.

Liquidation Account. The per share liquidation amount of each share of the Preferred Stock will not exceed \$1,000,000.

Dividends. Dividends on the Preferred Stock, if and when declared by the Board, will be paid quarterly. Dividends will be non-cumulative.

The dividend rate on the Series I Preferred Stock will be at a fixed rate for a period of 5 years from the issuance of the SPE Securities. Such rate will be set on or about the date that the SPE Securities are issued and will not exceed 7.0% per annum, calculated on a 30/360 basis. After the expiration of such 5-year period, the dividend rate will become variable and for each dividend period will be an amount equal to the product of (A) the liquidation amount and (B) 3-month LIBOR applicable to such period plus a spread which shall not exceed 275 basis points, calculated on a 30/360 basis.

The dividend rate on the Series J Preferred Stock will be at a fixed rate and will be set on or about the date that the SPE Securities are issued. Such fixed rate shall not exceed 8.0% per annum, calculated on a 30/360 basis.

If dividends are not declared and paid in full on the Preferred Stock for any quarterly dividend period, then the Company shall not declare or pay, during such quarterly period, dividends or other distributions with respect to, or redeem, purchase, or acquire or make a liquidation payment with respect to, any of its capital securities, except dividends in connection with its shareholders' rights plan, or any successor plan, to the extent required therein, or dividends in connection with benefit plans.

Maturity. The Preferred Stock will be perpetual and, accordingly, will have no maturity date.

Redemption. The Preferred Stock will not be redeemable at the option of the holders.

The Company will be able to redeem the Preferred Stock at its option any time after 5 years from the date of issuance of the SPE Securities at a price equal to the liquidation amount with appropriate adjustments for declared and unpaid dividends, subject, however, to certain limits on the sources of funds for such redemption.

Sinking Fund. The Preferred Stock will not be subject to a sinking fund.

Convertibility. The Preferred Stock will not be convertible into any of the Company's other securities.

Voting. The holders of the Preferred Stock shall have no voting rights except (i) to the extent, if any, required by Washington law and (ii) in the event that dividends are not declared and paid on a series of Preferred Stock for 6 quarters (whether or not consecutive), then the holders of that series of Preferred Stock (together with the holders of any other parity series of preferred stock of WMI then outstanding which has the same voting rights) will have the right to elect two directors of WMI at the next annual shareholders meeting, provided that such right shall terminate when such holders have been paid dividends for 4 consecutive quarters (or in the case of the fourth quarter, dividends have been declared and set aside).

RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) the Executive Vice President – Corporate Strategy & Development, (vi) the Senior Vice President and Treasurer, (vii) the Senior Vice President and Assistant Treasurer and (viii) the Senior Vice President and Controller.

RESOLVED FURTHER, that the Board hereby authorizes, and delegates the authority to, any two of the Authorized Officers to designate, finalize, determine and complete the rights, preferences and limitations of the Preferred Stock, subject to the limits specified in these resolutions;

RESOLVED FURTHER, that the authorization and delegation in the immediately preceding resolutions shall include, without limitation, the authority to determine the number of shares of each series of Preferred Stock to be authorized, to determine the dividend rates and the liquidation amount, to designate further situations in which the Company has the option to redeem the Preferred Stock with or without make-whole provisions, to approve the form of any stock certificate and to prepare and authorize the filing of articles of amendment for each series of Preferred Stock with the Secretary of State of the State of Washington;

RESOLVED FURTHER, that the Preferred Stock may be issued to a depository, which shall issue depository shares each representing a fractional interest in the shares of a series of the Preferred Stock;

RESOLVED FURTHER, that the Company is hereby authorized to enter into and perform its obligations under a deposit agreement to issue depository shares, and any Authorized Officer is authorized to select the depository and to negotiate, execute and deliver such deposit agreement on behalf of the Company;

RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized and empowered, on behalf of the Company and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, pursuant to a power of attorney, in the event that it is deemed necessary or desirable so to do, in connection with the offering of the Preferred Stock, the LLC Preferred Interests or the SPE Securities in a private/Regulation S offering, to prepare, or cause to be prepared, an offering circular or offering memorandum with respect to such securities (and any supplements or amendments thereto), as the Authorized Officers, or any of them, taking such action

shall approve in connection therewith in order to effect the offering of such securities in a private offering; and

RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Company (including, without limitation, those authorized from time to time pursuant to the Company's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements (which agreements may include, without limitation, (i) purchase agreements with Goldman Sachs & Co. or an affiliate, (ii) exchange agreements relating to the exchange of the LLC Preferred Interests and the SPE Securities into the Preferred Stock, (iii) declaration of covenants or other agreements, in favor of holders of SPE Securities and/or specified indebtedness of the Company, prohibiting the issuance by the Company of preferred stock senior to the Preferred Stock, restricting sources of funds used to redeem the SPE Securities, or restricting dividends and distributions on the Company's stock if dividends are not paid on the SPE Securities), any undertakings or other documents or supplemental agreements on behalf of the Company (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the issuance of the Preferred Stock, the LLC Preferred Interests or the SPE Securities or to further the intent of these resolutions, subject to the limits set forth in these resolutions.

EXHIBIT C

Clarification of Support for Capital Raising Transaction by WMB

Mr. Killinger submitted a proposal for clarifying amendments of the resolutions adopted by the Board at its January meeting in connection with the planned issuance of securities (the "LLC Preferred Securities") by a Delaware limited liability company that would be organized as an operating subsidiary under WMB's indirect subsidiary, University Street, Inc. Investors would purchase certain other securities (the "SPE Securities") from two special purpose entities, each of which will use the proceeds of its issuance of SPE Securities to finance the purchase of one of the two classes of LLC Preferred Securities. The Company will serve as a source of strength for WMB, as the SPE Securities will automatically be exchangeable into one share of a new class of preferred stock of the Company ("WMI Preferred") or a share of depositary stock representing a fractional interest in WMI Preferred, upon the occurrence of a "Supervisory Event" (as defined in the materials submitted to the Board). In response to questions by Mr. Matthews, Mr. Casey confirmed that executives do not have any personal interest in the special purpose entities being used to effectuate this transaction. On motion duly made and seconded, the Board unanimously adopted the clarifying resolutions. A copy of these resolutions will be kept in the minute book as an appendix to these minutes.

EXHIBIT D

Appendix G – University Street, Inc. – Issuance of Preferred Securities

WHEREAS, Washington Mutual, Inc. (the "Company") indirectly owns all of the issued and outstanding common stock of University Street, Inc. ("University Street");

WHEREAS, University Street proposes to cause the formation of a Delaware limited liability company (the "LLC") and in connection therewith University Street and Washington Mutual Bank will contribute to the LLC assets of approximately \$5.4 billion in the aggregate;

WHEREAS, it is proposed that the LLC will issue common interests, substantially all of which will be issued to University Street;

WHEREAS, it is proposed that the LLC will issue to WMB or its designee two series or classes of preferred interests (the "LLC Preferred Interests") which LLC Preferred Interests in the aggregate will not exceed \$2.0 billion;

WHEREAS, it is proposed that one class of the LLC Preferred Interests will have a fixed dividend rate and the other class will have a dividend rate which is fixed for approximately 5 years and thereafter is variable;

WHEREAS, it is proposed that the LLC Preferred Interests will be transferred to two special purpose entities which in turn will issue substantially similar securities (the "SPE Securities") to investors;

WHEREAS, under specified circumstances, each class of SPE Securities will automatically be exchanged for preferred stock of the Company or for depositary shares representing fractional interests in preferred stock of the Company;

WHEREAS, in a set of resolutions adopted at its January 17, 2006 meeting (the "Prior Resolutions"), the Board previously authorized the issuance of two series of such preferred stock of the Company, established substantive terms of each series, delegated authority to appropriate officers of the Company to determine, within the limits specifically prescribed in the Prior Resolutions, the designation and relative rights, preferences and limitations of each series and provided for other matters relating to the preferred stock and the LLC preferred interests; and

WHEREAS, the Board now desires to amend and supplement certain of the terms of each of the series of preferred stock of the Company and certain of the provisions in the Prior Resolutions.

THEREFORE, IT IS HEREBY RESOLVED, that the two series of preferred stock authorized by the Prior Resolutions shall be designated as the "Series I Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock" (the "Series I Preferred Stock") and the "Series J Perpetual Non-cumulative Fixed Rate Preferred Stock" (the "Series J Preferred Stock"), respectively;

RESOLVED FURTHER, that notwithstanding the Prior Resolutions, the Series I Preferred Stock and the Series J Preferred Stock (collectively, the "Preferred Stock") shall each have rights, preferences and limitations which are set forth in the respective designations for each series presented at this meeting subject to the completion and any modification by Authorized Officers as herein provided (the "Designations");

RESOLVED FURTHER, that the Board hereby authorizes, and delegates the authority to, any two of the Authorized Officers (as defined in the Prior Resolutions) to designate, finalize, determine and complete the rights, preferences, privileges, restrictions and other matters, and to take such other actions, relating to the Preferred Stock, subject to the limits in the Prior Resolutions relating to the number of shares in each series, liquidation amount, maturity, holders' redemption rights, sinking fund and convertibility and to the following limits:

(i) the Series I Preferred Stock will be at a fixed rate from issuance not to exceed 7.50% per annum until March 15, 2011 or another date in March 2011 as provided in the completed Designation and thereafter will be at a floating rate for each dividend period at a rate equal to the 3-month LIBOR applicable to such period (or in circumstances set forth in the Designation 4.75% per annum, if higher) plus a spread which will not exceed 275 basis points;

(ii) the Series J Preferred Stock will be at a fixed rate not to exceed 8.0% per annum;

(iii) the Company will be able to redeem the Preferred Stock any time on or after March 15, 2011 or another date in March 2011 as provided in the completed Designation; and

(iv) the holders of the Preferred Stock will have no voting rights except (i) to the extent, if any, required by Washington law and (ii) in the event that dividends are not declared and paid on a series of the Preferred (or on certain other classes or series as described in the completed Designation) then holders of the Preferred Stock (together with any other classes or series described in the completed Designation) will have the right to elect two directors of the Company at the next annual meeting;

RESOLVED FURTHER, that the authorization and delegation in the immediately preceding resolution shall, subject to the limits therein, include, without limitation, the authority to determine the number of shares of each series of Preferred Stock to be authorized, to determine the dividend rates, to specify additional redemption rights of the Company, to specify limits on the Company's rights to pay dividends on other equity securities if dividends have not been paid on the Preferred Stock, to approve the form of any stock certificate and to prepare and authorize the filing of articles of amendment for each series of Preferred Stock with the Secretary of State of the State of Washington;

RESOLVED FURTHER, that the number of shares authorized in the Designations as completed by the Authorized Officers as provided herein shall upon filing of the articles of amendment for each series be fully reserved for issuance;

RESOLVED FURTHER, that the declaration of covenants or other agreements referred to in clause (iii) of the last resolution in the Prior Resolutions may also include such other provisions or items as any Authorized Officer deems necessary or advisable including without limitation restrictions on dividends and distributions on the Company's other equity securities if dividends are not paid on the Preferred Stock after its issuance and restrictions on the sources of funds for any redemptions;

RESOLVED FURTHER, that except as hereby amended and supplemented, the Prior Resolutions remain in full force and effect; and

RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Company (including, without limitation, those authorized from time to time pursuant to the Company's Asset and Liability Management Policy and the standards

and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements, any undertakings or other documents or supplemental agreements on behalf of the Company (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the issuance of the Preferred Stock, the LLC Preferred Interests or the SPE Securities or to further the intent of these resolutions or the Prior Resolutions, subject to the limits set forth in these resolutions.

EXHIBIT E

Capital Raising Transaction

Ms. Pugh reported that the Finance Committee had received a report from the Treasurer on equity and funding strategies. The strategy with regard to equity capital is to minimize the cost of capital by using hybrid securities. The Committee reviewed a proposal for the issuance of securities by a Delaware limited liability company that would be organized as an operating subsidiary under the Association's indirect subsidiary, University Street, Inc. Investors would purchase certain other securities (the "SPE Securities") from two special purpose entities (not under the Association's control), each of which will use the proceeds of its issuance of SPE Securities to finance the purchase of one of the two classes of LLC Preferred Securities. The Holding Company will serve as a source of strength for the Association, as the SPE Securities will automatically be exchangeable into one share of a new class of preferred stock of the Holding Company ("WMI Preferred") or a share of depositary stock representing a fractional interest in WMI Preferred, upon the occurrence of a "Supervisory Event" (defined to refer to the Association doing any of the following: (a) becoming "undercapitalized" under the OTS's "prompt corrective action" regulations, (b) being placed into bankruptcy, reorganization, conservatorship or receivership, or (c) being determined by the OTS, in its sole discretion, to be in such condition as to cause the OTS to direct an exchange of SPE Securities for WMI Preferred in anticipation that the Association will become "undercapitalized", or to cause the OTS to take supervisory action that limits the Association's payment of distributions or dividends). The Committee recommended approval of the proposal. On motion duly made and seconded, the Board unanimously resolved to approve this transaction. A copy of the resolutions adopted by the Board will be kept in the minute book as an appendix to these minutes.

EXHIBIT F

Appendix A – Approval of Issuance of REIT Preferred Securities

WHEREAS, Washington Mutual Bank (the "Bank") indirectly owns all of the issued and outstanding common stock of University Street, Inc. ("University Street");

WHEREAS, it is proposed that the Bank will make a contribution to University Street to consist of loans or interests thereon not to exceed \$1.2 billion in book value (the "University Street Contribution") in exchange for preferred stock issued by University Street;

WHEREAS, University Street proposes to cause the formation of a Delaware limited liability company (the "LLC") and in connection therewith University Street and the Bank will contribute to the LLC assets of approximately \$5 billion, with the Bank's portion (the "LLC Contribution") to consist of loans or interests therein not to exceed \$1.0 billion in book value;

WHEREAS, in exchange for such contributions, University Street will receive substantially all of the common interests of the LLC and the Bank or its designee will receive two classes or series preferred stock of the LLC ("LLC Preferred Interests");

WHEREAS, it is proposed that the LLC Preferred Interests will be transferred by WMB or its designee to two special purpose entities ("SPEs") which in turn will issue substantially similar securities (the "SPE Securities") to investors; and

WHEREAS, it is proposed that the Bank's parent, Washington Mutual, Inc. ("WMI"), will authorize two series of preferred stock (the "WMI Preferred Stock") for which under certain circumstances each class of SPE Securities will be automatically exchanged.

THEREFORE, IT IS HEREBY RESOLVED, that the University Street Contribution and the LLC Contribution are hereby authorized and approved, and any Authorized Officer (as defined below) is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements or documents as such Authorized Officer deems necessary or appropriate in connection with the University Street Contribution or the LLC Contribution.

RESOLVED FURTHER, that the Bank is hereby authorized to transfer, or to cause its designee to transfer, the LLC Preferred Interests to the SPEs in exchange for cash and any Authorized Officer is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements or documents as such Authorized Officer deems necessary or appropriate in connection with such transfers;

RESOLVED FURTHER, each of the Authorized Officers is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements with the LLC as such Authorized Officer deems necessary or appropriate in connection with the management, operation or administration of the LLC;

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**WASHINGTON MUTUAL, INC.
BOARD OF DIRECTORS MINUTES**

The Board of Directors of Washington Mutual, Inc. (the "Company") held its October meeting on Tuesday, October 17, 2006 in Seattle, Washington. Present were: Farrell, Frank, Killinger, Leppert, Lillis, Matthews, Montoya, Murphy, Osmer McQuade, Pugh, Reed, Smith and Stever. Mr. Killinger presided. Also present, at the beginning of the meeting, were the Company's officers, Casey, Cathcart, Chapman, Rotella, Schneider and Lynch (secretary). The Board of the Company met in joint session with the Board of Directors of the Company's primary banking institution subsidiary, Washington Mutual Bank ("WMB").

...

Support for WMB Capital Raising Transaction

Ms. Pugh reported that the Finance Committee had recommended a proposal for a contingent issuance of depositary shares representing fractional interests in a new series of preferred stock of the Company (the "Series L Preferred"). The Series L Preferred automatically would be exchanged, under specified circumstances, for securities (the "SPE Securities") issued by a special purpose entity (the "SPE"). The SPE would use the proceeds of its pending issuance of SPE Securities to finance the purchase of a third series of preferred securities (the "LLC Preferred Securities") that are to be issued by a Delaware limited liability company that was organized as an operating subsidiary under WMB's indirect subsidiary, University Street, Inc., as discussed at the January 2006 Board meeting. Thus the Company will serve as a source of strength for WMB. On motion duly made and seconded, the Board unanimously resolved to approve this transaction. A copy of the resolutions adopted by the Board will be kept in the minute book as an appendix to these minutes.

...

There being no further business the meeting was adjourned.

Appendices:

- A - Resolutions Declaring Dividend on Common Stock**
- B - Resolutions Authorizing Support for WMB Preferred Funding LLC Capital Issuance**
- C - Resolutions related to Trust Subsidiary's Redemption of Trust Preferred Stock**
- D - Schedule of Officer Elections, Promotions, Transfers and Other Changes**

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Appendix B - Resolutions Authorizing Support for WMB Preferred Funding LLC Capital Issuance

WHEREAS, Washington Mutual, Inc. (the "Company") indirectly owns all of the issued and outstanding common stock of University Street, Inc. ("University Street");

WHEREAS, Washington Mutual Preferred Funding LLC, a Delaware limited liability company ("WMPF LLC"), is a subsidiary of University Street;

WHEREAS, WMPF LLC previously issued \$2 billion liquidation preference of preferred membership interests, in two series, to Washington Mutual Bank ("WMB") in exchange for a corresponding amount of mortgage loan assets;

WHEREAS, it is proposed that WMPF LLC will issue to University Street or to a special purpose entity (the "SPE") a new series or class of preferred interests (the "LLC Preferred Interests") which LLC Preferred Interests in the aggregate will not exceed \$1.0 billion;

WHEREAS, if the LLC Preferred Interests are issued to University Street, then University Street will, in turn, transfer or sell the LLC Preferred Interests to the SPE;

WHEREAS, upon receipt of the LLC Preferred Interests, the SPE will, in turn, issue substantially similar securities (the "SPE Securities") to investors for cash and will pay University Street or WMPF LLC an amount equal to the proceeds of such sale in payment for the LLC Preferred Interests;

WHEREAS, under specified circumstances, the SPE Securities will automatically be exchanged for depositary shares representing fractional interests in a new series of preferred stock of the Company; and

WHEREAS, the Board desires to authorize the issuance of such new series of such preferred stock, to establish substantive terms of such series, to delegate authority to appropriate officers of the Company to determine, within the limits specifically prescribed in these resolutions, the designation and relative rights, voting powers, preferences and limitations of such series and to provide for other matters relating to the preferred stock and the LLC Preferred Interests.

THEREFORE, IT IS HEREBY RESOLVED, that there is hereby created out of the

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authorized and unissued shares of preferred stock of the Company a series of preferred stock designated as the "Series L Perpetual Non-cumulative Fixed/Floating Rate Preferred Stock" (the "Series L Preferred Stock"). The number of shares constituting such series shall not exceed 1,000. The stock in such series shall have no par value.

FURTHER RESOLVED, that the Series L Preferred Stock shall have preferences, limitations, voting powers and relative rights set forth below, subject to completion or modification by the Authorized Officers as provided herein:

DESIGNATION

I. Designation. There is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock designated as the "Series L Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock" (the "Series L Preferred Stock"). The number of shares constituting such series shall be _____. The Series L Preferred Stock shall have no par value per share and the liquidation preference of the Series L Preferred Stock shall be \$1,000,000.00 per share. Shares of Series L Preferred Stock shall be issued if and only if a Conditional Exchange occurs.

II. Ranking.

The Series L Preferred Stock will, with respect to dividend rights and rights on liquidation, winding-up and dissolution, rank (i) on a parity with the Company's Series I Perpetual Non-cumulative Fixed Floating Rate Preferred Stock (the "Series I Preferred Stock"), the Company's Series J Perpetual Non-cumulative Fixed Rate Preferred Stock (the "Series J Preferred Stock"), the Company's Series K Perpetual Non-Cumulative Floating Rate Preferred Stock (the "Series K Preferred Stock") and with each other class or series of preferred stock established after the Designation Date by the Company the terms of which expressly provide that such class or series will rank on a parity with the Series L Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company (collectively referred to as "Parity Securities") and (ii) senior to the Company's common stock (the "Common Stock"), the Company's Series RP Preferred Stock and each other class of capital stock outstanding or established after the Designation Date by the Company the terms of which do not expressly provide that it ranks on a parity with the Series L Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company, including the Common Stock (collectively referred to as "Junior Securities").

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III. Definitions. Unless the context or use indicates another meaning or intent, the following terms shall have the following meanings, whether used in the singular or the plural:

Section 1. "3-Month USD LIBOR" means, with respect to any Dividend Period, a rate determined on the basis of the offered rates for three-month U.S. dollar deposits of not less than a principal amount equal to that which is representative for a single transaction in such market at such time, commencing on the first day of such Dividend Period, which appears on US LIBOR Telerate Page 3750 as of approximately 11:00 a.m., London time, on the LIBOR Determination Date for such Dividend Period. If on any LIBOR Determination Date no rate appears on US LIBOR Telerate Page 3750 as of approximately 11:00 a.m., London time, the Company or an affiliate of the Company on behalf of the Company will on such LIBOR Determination Date request four major reference banks in the London interbank market selected by the Company to provide the Company with a quotation of the rate at which three-month deposits in U.S. dollars, commencing on the first day of such Dividend Period, are offered by them to prime banks in the London interbank market as of approximately 11:00 a.m., London time, on such LIBOR Determination Date and in a principal amount equal to that which is representative for a single transaction in such market at such time. If at least two such quotations are provided, 3-Month USD LIBOR for such Dividend Period will be the arithmetic mean (rounded upward if necessary to the nearest .00001 of 1%) of such quotations as calculated by the Company. If fewer than two quotations are provided, 3-Month USD LIBOR for such Dividend Period will be the arithmetic mean (rounded upward if necessary to the nearest .00001 of 1%) of the rates quoted as of approximately 11:00 a.m., New York time, on the first day of such Dividend Period by three major banks in New York City, New York selected by the Company for loans in U.S. dollars to leading European banks, for a three-month period commencing on the first day of such Dividend Period and in a principal amount of not less than \$1,000,000.

Section 2. "Business Day" means any day other than a Saturday, Sunday or any other day on which banks in New York City, New York, or Seattle, Washington are generally required or authorized by law to be closed.

Section 3. "Common Stock" has the meaning set forth in Section 2.

Section 4. "Company" means Washington Mutual, Inc., a Washington corporation.

Section 5. "Comparable Treasury Issue" means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the term remaining to the Dividend Payment Date in _____, 2016 that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of perpetual preferred securities having similar terms as the Series L Preferred Stock with respect to the payment of dividends and distributions of assets upon liquidation, dissolution or winding-up of the issuer of such preferred stock.

Section 6. "Comparable Treasury Price" means with respect to any Redemption Date the average of the Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

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Section 7. "Conditional Exchange" means the automatic exchange of the Trust Securities into depositary shares representing an interest in the Series L Preferred Stock which occurs upon the written direction of the OTS upon or after the occurrence of an Exchange Event.

Section 8. [Intentionally Omitted]

Section 9. "Designation Date" means _____, 2006.

Section 10. "Dividend Payment Date" has the meaning set forth in Section 4(b).

Section 11. "Dividend Period" has the meaning set forth in Section 4(b).

Section 12. "Exchange Event" means the occurrence of any one of the following at a time as the Trust Securities are issued and outstanding:

- (a) WMB becomes undercapitalized under the Prompt Corrective Action Regulations;
- (b) WMB is placed into conservatorship or receivership; or
- (c) the OTS, in its sole discretion, directs an exchange of the Trust Securities into depositary shares representing an interest in the Series L Preferred Stock in anticipation of WMB becoming undercapitalized under the Prompt Corrective Action Regulations or of the OTS taking any supervisory action that limits the payment of dividends by WMB.

Section 13. "Fixed-to-Floating Rate Delaware Preferred Securities" means the Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series [], liquidation preference \$[1,000] per security, issued or to be issued by Washington Mutual Preferred Funding LLC, a Delaware limited liability company.

Section 14. "Independent Investment Banker" means an independent investment banking institution of national standing appointed by the Company.

Section 15. "Junior Securities" has the meaning set forth in Section 2.

Section 16. "LIBOR Business Day" means any day on which commercial banks are open for general business (including dealings in deposits in U.S. dollars) in London.

Section 17. "LIBOR Determination Date" means, as to each Dividend Period, the date that is two LIBOR Business Days prior to the first day of such Dividend Period.

Section 18. "US LIBOR Telerate Page 3750" means the display page of Moneyline's Telerate Service designated as 3750 (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying rates comparable to 3-Month USD LIBOR).

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Section 19. "OTS" means the Office of Thrift Supervision or any successor regulatory entity.

Section 20. "Parity Securities" has the meaning set forth in Section 2.

Section 21. "Primary Treasury Dealer" has the meaning set forth in Section 3(x).

Section 22. "Prompt Corrective Action Regulation" means 12 C.F.R. Part 565 as in effect from time to time, or any successor regulation.

Section 23. "Redemption Date" means any date that is designated by the Company in a notice of redemption delivered pursuant to Section 7.

Section 24. "Reference Treasury Dealer" means each of the three primary U.S. government securities dealers (each, a "Primary Treasury Dealer"), as specified by the Company; provided that if any Primary Treasury Dealer as specified by the Company ceases to be a Primary Treasury Dealer, the Company will substitute for such Primary Treasury Dealer another Primary Treasury Dealer and if the Company fails to select a substitute within a reasonable period of time, then the substitute will be a Primary Treasury Dealer selected by the Independent Investment Banker after consultation with the Company.

Section 25. "Reference Treasury Dealer Quotations" means, with respect to the Reference Treasury Dealer and any Redemption Date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed, in each case, as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

Section 26. A "Regulatory Capital Event" occurs when the Company determines, based upon receipt of an opinion of counsel, that there is a significant risk that the Fixed-to-Floating Rate Delaware Preferred Securities will no longer constitute core capital of WMB for purposes of the capital adequacy regulations issued by the OTS as a result of a change in applicable laws, regulations or related interpretations after issuance of the Fixed-to-Floating Rate Delaware Preferred Securities.

Section 27. "Treasury Rate" means the rate per year equal to the quarterly equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the relevant Redemption Date. The Treasury Rate will be calculated on the third Business Day preceding the relevant Redemption Date.

Section 28. "Trust Securities" means the Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities, Series [A-___], liquidation preference \$100,000 per security, issued by Washington Mutual Preferred Funding Trust II, a Delaware statutory trust.

Section 29. "Voting Parity Securities" has the meaning set forth in Section 8(b).

Section 30. "WMB" means Washington Mutual Bank, a federal savings association and a subsidiary of the Company, or its successor.

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IV. Dividends.

Section 1. Holders of shares of Series L Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of the funds legally available therefor, non-cumulative cash dividends in the amount determined as set forth in Section 4(c), and no more.

Section 2. Subject to Section 4(a), dividends shall be payable in arrears on March 15, June 15, September 15 and December 15 of each year commencing on the first such day after the issuance of the Series L Preferred Stock or, in each case, if any such day is not a Business Day, the next Business Day (each, a "Dividend Payment Date"). Each dividend will be payable to holders of record as they appear on the stock books of the Company on the first day of the month in which the relevant Dividend Payment Date occurs or, if such date is not a Business Day, the first Business Day of such month. Each period from and including a Dividend Payment Date (or the date of the issuance of the Series L Preferred Stock) to but excluding the following Dividend Payment Date (or the Redemption Date) is herein referred to as "Dividend Period", except that, if the Series L Preferred Stock is outstanding on _____ 15, 2016, the Dividend Period ending in _____ 2016 shall be to but excluding _____ 15, 2016 (whether or not a Business Day) and the Dividend Period ending in _____ [2017] shall commence on _____, 2016 (whether or not a Business Day).

Section 3. If the date of issuance of the Series L Preferred Stock is prior to the day immediately preceding _____ 15, 2016 or, if _____ 15, 2016 is not a Business Day, the first Business Day after _____ 15, 2016, then from such date of issuance to but not including _____ 15, 2016 (whether or not a Business Day), dividends, if, when and as declared by the Board of Directors, will be, for each outstanding share of Series L Preferred Stock, at an annual rate of _____% on the per share liquidation preference of the Series L Preferred Stock. From the later of the (i) _____ 15, 2016 and (ii) the date of issuance of the Series L Preferred Stock, dividends, if, when and as declared by the Board of Directors, will be, for each outstanding share of Series L Preferred Stock, at an annual rate on the per share liquidation preference of the Series L Preferred Stock equal to [the greater of (x)] 3-Month USD LIBOR for the related Dividend Period plus _____% [or (y) _____ percent (___%)]. Dividends payable for any Dividend Period greater or less than a full Dividend Period will be computed on the basis of twelve 30-day months, a 360-day year, and the actual number of days elapsed in the period if such Dividend Period ends in or prior to _____ 2016; thereafter dividends payable for any period greater or less than a full dividend period will be computed on the basis of the actual number of days in the relevant period divided by 360. No interest will be paid on any dividend payment of the Series L Preferred Stock.

Section 4. Dividends in the Series L Preferred Stock are non-cumulative. If the Board of Directors does not declare a dividend on the Series L Preferred Stock or declares less than a full dividend in respect of any Dividend Period, the holders of the Series L Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for the Dividend Period, and the Company will have no obligation to pay a dividend or to pay full dividends for that Dividend Period, whether or not dividends are declared and paid for any future Dividend Period with respect to the Series L Preferred Stock or the Common Stock or any other class or series of the Company's preferred stock.

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Section 5. If full dividends on all outstanding shares of the Series L Preferred Stock for any Dividend Period have not been declared and paid, the Company shall not declare or pay dividends with respect to, or redeem, purchase or acquire any of, its equity capital securities during the next succeeding Dividend Period, except dividends in connection with the Series RP Preferred Stock or other shareholders' rights plan, if any, or dividends in connection with benefit plans.

V. Liquidation.

Section 1. In the event the Company voluntarily or involuntarily liquidates, dissolves or winds up, the holders of Series L Preferred Stock at the time outstanding shall be entitled to receive liquidating distributions in the amount of \$1,000,000 per share of Series L Preferred Stock, plus an amount equal to any declared but unpaid dividends thereon for the current Dividend Period to and including the date of such liquidation, out of assets legally available for distribution to its shareholders, before any distribution of assets is made to the holders of Common Stock or any securities ranking junior to the Series L Preferred Stock. After payment of the full amount of such liquidating distributions, the holders of Series L Preferred Stock will not be entitled to any further participation in any distribution of assets by, and shall have no right or claim to any remaining assets of, the Company.

Section 2. In the event the assets of the Company available for distribution to shareholders upon any liquidation, dissolution or winding-up of the affairs of the Company, whether voluntary or involuntary, shall be insufficient to pay in full the amounts payable with respect to all outstanding shares of the Series L Preferred Stock and the corresponding amounts payable on any other Securities of equal ranking, the holders of Series L Preferred Stock and the holders of such other securities of equal ranking shall share ratably in any distribution of assets of the Company in proportion to the full respective liquidating distributions to which they would otherwise be respectively entitled.

VI. Maturity. The Series L Preferred Stock shall be perpetual unless redeemed by the Company in accordance with Section 7.

VII. Redemptions.

Section 1. The Series L Preferred Stock shall not be redeemable at the option of the holders at any time.

Section 2. The Series L Preferred Stock shall be redeemable at the option of the Company, in whole but not in part, upon the occurrence of a Regulatory Capital Event at a cash redemption price equal to the sum of: (X) the greater of (i) \$1,000,000 per share, or (ii) the sum of present values of \$1,000,000 per share and all undeclared dividends for the Dividend Period from the Redemption Date to and including the Dividend Payment Date in _____, 2016, discounted to the Redemption Date on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as calculated by an Independent Investment Banker), plus 0.30%; and (Y) any declared but unpaid dividends to the Redemption Date.

Section 3. In addition to the redemption described in Section 7(b), the Series L Preferred Stock shall be redeemable in whole or in part at the option of the Company, on (i) _____ 15, 2016 (or, in the event that _____ 15, 2016 is not a

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Business Day, the next Business Day) and (ii) on each _____ 15 (or if such day is not a Business Day, the next Business Day) of each [fifth or tenth] year after 2016. Such redemption shall be at a cash redemption price of \$1,000,000 per share, plus any declared and unpaid dividends to the Redemption Date, without accumulation of any undeclared dividends.

Section 4. In the case of any redemption under this Section 7, notice shall be mailed to each holder of record of the Series L Preferred Stock, not less than thirty nor more than 60 days prior to the Redemption Date specified in such notice; provided, however, that a longer minimum notice may be agreed to by the Company, including in a deposit agreement relating to depositary shares representing interests in the Series L Preferred Stock. The notice of redemption shall include a statement of (i) the redemption date, (ii) the redemption price, and (iii) the number of shares to be redeemed.

Section 5. Any shares of Series L Preferred Stock redeemed pursuant to this Section 7 or otherwise acquired by the Company in any manner whatsoever shall become authorized but unissued preferred shares of the Company but such preferred shares shall not under any circumstances be reissued as Series L Preferred Shares. The Company shall from time-to-time take such appropriate action as may be necessary to reduce the authorized number of shares of Series L Preferred Stock accordingly.

VIII. Voting Rights.

Section 1. Holders of the Series L Preferred Stock will not have any voting rights, including the right to elect any directors, except (i) voting rights, if any, required by law, or (ii) voting rights, if any, described in Section 8(b).

Section 2. If after issuance of the Series L Preferred Stock the Company fails to pay, or declare and set aside for payment, full dividends on the Series L Preferred Stock or any other class or series of Parity Securities having similar voting rights ("Voting Parity Securities") for six Dividend Periods or their equivalent, the authorized number of the Company's directors will be increased by two. Subject to compliance with any requirement for regulatory approval of, or non-objection to, persons serving as directors, the holders of Series L Preferred Stock, voting together as a single and separate class with the holders of any outstanding Voting Parity Securities, will have the right to elect two directors in addition to the directors then in office at the Company's next annual meeting of shareholders. This right will continue at each subsequent annual meeting until the Company pays dividends on the Series L Preferred Stock and any Voting Parity Securities for three consecutive Dividend Periods or their equivalent and pays or declares and sets aside for payment dividends for the fourth consecutive Dividend Period or its equivalent.

Section 3. The term of such additional directors will terminate, and the total number of directors will be decreased by two, at the first annual meeting of shareholders after the Company pays dividends for three consecutive Dividend Periods or their equivalent and declares and pays or sets aside for payment dividends on the Series L Preferred Stock and any Voting Parity Securities for the fourth consecutive Dividend Period or its equivalent or, if earlier, upon the redemption of all Series L Preferred Stock. After the term of such additional directors terminates, the holders of the Series L Preferred Stock will not be able to elect additional directors unless dividends on the Series L Preferred Stock

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have again not been paid or declared and set aside for payment for six future Dividend Periods.

Section 4. Any additional director elected by the holders of the Series L Preferred Stock and the Voting Parity Securities may only be removed by the vote of the holders of record of the outstanding Series L Preferred Stock and Voting Parity Securities, voting together as a single and separate class, at a meeting of the Company shareholders called for that purpose. As long as dividends on the Series L Preferred Stock or any Voting Parity Securities have not been paid for six Dividend Periods or their equivalent, any vacancy created by the removal of any such director may be filled only by the vote of the holders of the outstanding Series L Preferred Stock and Voting Parity Securities, voting together as a single and separate class, at the same meeting at which such removal is considered.

IX. Certificates. The Company may at its option issue the Series L Preferred Stock without certificates.

RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) the Executive Vice President – Corporate Strategy & Development, (vi) the Senior Vice President and Treasurer, (vii) any Senior Vice President reporting directly to the Senior Vice President and Treasurer and (viii) the Senior Vice President and Controller.

RESOLVED FURTHER, that the Board hereby authorizes, and delegates the authority to, any one of the Authorized Officers to designate, finalize, determine and complete the preferences, limitations, voting powers and relative rights of the Series L Preferred Stock, subject to the limits specified in these resolutions;

RESOLVED FURTHER, that the authorization and delegation in the immediately preceding resolutions shall include, without limitation, the authority to determine the number of shares of the Series L Preferred Stock to be authorized, to determine the dividend rates and the liquidation amount, to designate further situations in which the Company has the option to redeem the Series L Preferred Stock with or without make-whole provisions, to designate circumstances involving amendments to the Company's articles of incorporation (as amended) or involving mergers or other combinations or similar events in which holders of Series L Preferred Stock shall have voting rights, to approve the form of any stock certificate and to prepare and authorize the filing of articles of amendment for each series of Series L Preferred Stock with the Secretary of State of the State of Washington; provided, however, that (i) the number of shares of Series L Preferred Stock authorized shall not

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exceed 1,000, (ii) the liquidation preferences shall not exceed \$1,000,000 per share, (iii) the dividend rate will be at a fixed rate not to exceed 9.00% per annum from the date of the issuance until a date which is approximately 10 years from the date of issuance of the LLC Preferred Interests, as provided in the completed Designation and thereafter will be at a floating rate equal to the 3-month LIBOR applicable to such period plus a spread which will not exceed 275 basis points, except that such floating rate may be subject each dividend period to a floor which shall not exceed 6.00% per annum, and (iv) the Company will have the right to redeem the Series L Preferred Stock on a date that occurs no later than the first dividend payment date which is more than 10 years after the date on which the LLC Preferred Interests and the SPE Securities are issued.

RESOLVED FURTHER, that the Series L Preferred Stock may be issued to a depositary, which shall issue depositary shares each representing a fractional interest in the shares of a series of the Series L Preferred Stock;

RESOLVED FURTHER, that the Company is hereby authorized to enter into and perform its obligations under a deposit agreement to issue depositary shares, and any Authorized Officer is authorized to select the depositary and to negotiate, execute and deliver such deposit agreement on behalf of the Company;

RESOLVED FURTHER, that the number of shares authorized in the Designation as completed by an Authorized Officer shall upon filing of the articles of amendment for the Series L Preferred Stock be fully reserved for issuance;

RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized and empowered, on behalf of the Company and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, pursuant to a power of attorney, in the event that it is deemed necessary or desirable so to do, in connection with the offering of the Preferred Stock, the LLC Preferred Interests or the SPE Securities in a private offering and/or in an offering effected in reliance on Regulation S promulgated under the Securities Act of 1933, as amended (the "Securities Act"), to prepare, or cause to be prepared, an offering circular or offering memorandum with respect to such securities (and any supplements or amendments thereto), as the Authorized Officers, or any of them, taking such action shall approve in connection therewith in order to effect the offering of such securities in a private offering; and

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RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Company (including, without limitation, those authorized from time to time pursuant to the Company's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements (which agreements may include, without limitation, (i) purchase agreements with Goldman Sachs & Co., or an affiliate thereof, and/or other institutional purchasers, (ii) exchange agreements relating to the exchange of the LLC Preferred Interests and the SPE Securities into the Series L Preferred Stock, and (iii) declaration of covenants or other agreements, in favor of holders of SPE Securities and/or specified indebtedness of the Company, prohibiting the issuance by the Company of preferred stock senior to the Series L Preferred Stock, restricting sources of funds used to redeem the SPE Securities, or restricting dividends and distributions on the Company's stock if dividends are not paid on the SPE Securities), any undertakings or other documents or supplemental agreements on behalf of the Company (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the issuance of the Series L Preferred Stock, the LLC Preferred Interests or the SPE Securities or to further the intent of these resolutions, subject to the limits set forth in these resolutions.

Minutes of October 17, 2006 meeting of WMB Board of Directors

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**WASHINGTON MUTUAL BANK
BOARD OF DIRECTORS MINUTES**

The Board of Directors of Washington Mutual Bank (the "Association") held its October meeting on Tuesday, October 17, 2006 in Seattle, Washington. Present were: Farrell, Frank, Killinger, Leppert, Lillis, Matthews, Montoya, Murphy, Osmer McQuade, Pugh, Reed, Smith and Stever. Mr. Killinger presided. Also present, at the beginning of the meeting, were the Association's officers, Casey, Cathcart, Chapman, Rotella, Schneider and Lynch (secretary). The Board met in joint session with the Board of Directors of Washington Mutual, Inc. (the "Holding Company").

...

Preferred Funding LLC Capital Issuance

Ms. Pugh reported that the Finance Committee had recommended a proposal for the issuance of a third series of preferred securities (the "LLC Preferred Securities") by a Delaware limited liability company that was organized as an operating subsidiary under the Association's indirect subsidiary, University Street, Inc., as previously discussed at the January 2006 Board meeting. Investors would purchase securities (the "SPE Securities") to be issued by a special purpose entity that will be organized (not under the Association's control), and that will use the proceeds of its issuance of SPE Securities to finance the purchase of LLC Preferred Securities. The Holding Company will serve as a source of strength for the Association, as the SPE Securities will automatically be exchangeable into depositary shares representing fractional interests in Series L preferred stock of the Holding Company upon the occurrence of certain events. The Committee recommended approval of the proposal. On motion duly made and seconded, the Board unanimously resolved to approve this transaction. A copy of the resolutions adopted by the Board will be kept in the minute book as an appendix to these minutes.

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There being no further business, the meeting was adjourned.

Appendices:

- A – Clarification of Pricing Authority for Covered Bonds**
- B – Preferred Funding LLC Capital Issuance**
- C – Schedule of Officer Elections, Promotions, Transfers and Other Changes**

Appendix B - Preferred Funding LLC Capital Issuance

WHEREAS, Washington Mutual Bank (the "Bank") indirectly owns all of the issued and outstanding common stock of University Street, Inc. ("University Street");

WHEREAS, University Street owns all of the issued and outstanding common interests in Washington Mutual Preferred Funding LLC ("WMPF LLC");

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WHEREAS, WMPF LLC proposes to issue a new class or series of preferred interests (the "LLC Preferred Interests") to either (a) a newly formed special purpose entity ("SPE") or (b) University Street;

WHEREAS, following such contribution, University Street will continue to own all of the common interests of WMPF LLC;

WHEREAS, it is proposed that the LLC Preferred Interests will be sold or transferred by WMPF LLC or University Street, as the case may be, to the SPE which, in turn, will issue substantially similar securities (the "SPE Securities") to investors; and

WHEREAS, it is proposed that the Bank's parent, Washington Mutual, Inc. ("WMI"), will authorize a new series of preferred stock (the "WMI Preferred Stock") and under certain circumstances the SPE Securities will be automatically exchanged into depositary shares representing interests in the WMI Preferred Stock.

THEREFORE, IT IS HEREBY RESOLVED,

RESOLVED FURTHER, each of the Authorized Officers (as defined below) is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements with WMPF LLC as such Authorized Officer deems necessary or appropriate in connection with the transactions contemplated by these resolutions, as well as the management, operation or administration of WMPF LLC;

RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized and empowered, on behalf of the Bank and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, in the event that it is deemed necessary or desirable so to do, in connection with the transfer, sale or offering of the LLC Preferred Interests or SPE Securities, as the case may be, in a private offering and/or in an offering effected in reliance on Regulation S promulgated under the Securities Act of 1933, as amended (a "Reg S Offering"), to prepare, cause to be prepared or to participate in the preparation of, an offering circular or offering memorandum with respect to such securities (and any supplements or amendments thereto), as the Authorized Officers, or any of them, taking such action shall approve in connection therewith in order to effect the offering of such securities in a private offering or a Reg S Offering;

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RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Bank (including, without limitation, those authorized from time to time pursuant to the Bank's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements, any undertakings or other documents or supplemental agreements on behalf of the Bank (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the transfers of the LLC Preferred Interests or to further the intent of these resolutions; and

RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) any Executive Vice President, (vi) the Senior Vice President and Treasurer, (vii) any Senior Vice President reporting directly to the Senior Vice President and Treasurer and (viii) the Senior Vice President and Controller.

Minutes of February 27, 2007 meeting of WMI Board of Directors

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WASHINGTON MUTUAL, INC.
BOARD OF DIRECTORS MINUTES

The Board of Directors of Washington Mutual, Inc. (the "Company") held its February meeting on Tuesday, February 27, 2007 in Seattle, Washington. Present were: Farrell, Frank, Killinger, Leppert, Lillis, Matthews, Montoya, Murphy, Osmer McQuade, Pugh, Reed, Smith and Stever. Mr. Killinger presided. Also present, at the beginning of the meeting, were Casey, Cathcart, Chapman, David, Rotella, Vuoto (to replace Mr. Saunders as Card Services President) and Lynch (secretary). The Board of the Company met in joint session with the Board of Directors of Washington Mutual Bank ("WMB"), which is the primary banking institution subsidiary of the Company.

...

Support for WMB Capital Raising Transaction

Mr. Killinger submitted a proposal for a contingent issuance of depositary shares representing fractional interests in a new series of preferred stock of the Company (the "Series M Preferred"). The Series M Preferred automatically would be exchanged, under specified circumstances, for securities (the "SPE Securities") issued by a special purpose entity (the "SPE"). The SPE would use the proceeds of its pending issuance of SPE Securities to finance the purchase of a third series of preferred securities (the "LLC Preferred Securities") that are to be issued by a Delaware limited liability company that was organized as an operating subsidiary under WMB's indirect subsidiary, University Street, Inc., as discussed at the January 2006 Board meeting. Thus the Company will serve as a source of strength for WMB. On motion duly made and seconded, the Board unanimously adopted the clarifying resolutions. A copy of these resolutions will be kept in the minute book as an appendix to these minutes.

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There being no further business the meeting was adjourned.

Appendices:

- A – Approval of Director Independence Determinations**
- B – Approval of Nominees for Election to the Board by Shareholders**
- C – Approval of Comprehensive Preparations for 2007 Annual Meeting**
- D – Approval of Actions related to REIT Preferred Issuance**
- E – Approval of Actions related to Trust Preferred Redemption**
- F – Designation of Section 16/Reg O Officers**
- G – Schedule of Officer Elections, Promotions, Transfers and Other Changes**

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Appendix D – Approval of Actions related to REIT Preferred Issuance

Board of Directors Resolutions

WHEREAS, Washington Mutual, Inc. (the “Company”) indirectly owns all of the issued and outstanding common stock of University Street, Inc. (“University Street”);

WHEREAS, Washington Mutual Preferred Funding LLC, a Delaware limited liability company (“WMPF LLC”), is a subsidiary of University Street;

WHEREAS, WMPF LLC previously issued \$2.5 billion liquidation preference of preferred membership interests to Washington Mutual Bank (“WMB”), in three series, in exchange for a corresponding amount of mortgage loan assets;

WHEREAS, it is proposed that WMPF LLC will issue to University Street, to a special purpose entity (the “SPE”) or to WMB, as the case may be, a new series or class of preferred interests (the “LLC Preferred Interests”) which LLC Preferred Interests in the aggregate will not exceed \$1 billion;

WHEREAS, if the LLC Preferred Interests are issued to University Street, then University Street will, in turn, transfer or sell the LLC Preferred Interests to the SPE and if the WMPF LLC interests are issued to WMB, then WMB will, in turn, transfer or sell the LLC Preferred interests to the SPE;

WHEREAS, upon receipt of the LLC Preferred Interests, the SPE will, in turn, issue substantially similar securities (the “SPE Securities”) to investors for cash;

WHEREAS, under specified circumstances, the SPE Securities will automatically be exchanged for depositary shares representing fractional interests in a new series of preferred stock of the Company; and

WHEREAS, the Board desires to authorize the issuance of such new series of such preferred stock, to establish substantive terms of such series, to delegate authority to appropriate officers of the Company to determine, within the limits specifically prescribed in these resolutions, the designation and relative rights, voting powers, preferences and limitations of such series and to provide for other matters relating to the preferred stock and the LLC Preferred Interests.

THEREFORE, IT IS HEREBY RESOLVED, that there is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock which, depending on whether the Authorized Officers select a fixed-to-floating dividend rate or a fixed dividend rate, shall be designated as the “Series M Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock” or the “Series M Perpetual Non-cumulative Fixed Rate Preferred Stock” (the “Series M Preferred Stock”). The number of shares constituting such series shall not exceed 1,000. The stock in such series shall have no par value.

FURTHER RESOLVED, that the Series M Preferred Stock shall have preferences, limitations, voting powers and relative rights set forth below, subject to completion or modification by the Authorized Officers as provided herein:

DESIGNATION

Section 1. Designation. There is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock designated as [the "Series M Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock" or the "Series M Perpetual Non-cumulative Fixed-Rate Preferred Stock", depending on whether a fixed-to-floating dividend rate or a fixed dividend rate is selected] (the "Series M Preferred Stock"). The number of shares constituting such series shall be _____. The Series M Preferred Stock shall have no par value per share and the liquidation preference of the Series M Preferred Stock shall be \$1,000,000.00 per share. Shares of the Series M Preferred Stock shall be issued if and only if a Conditional Exchange occurs.

Section 2. Ranking.

The Series M Preferred Stock will, with respect to dividend rights and rights on liquidation, winding-up and dissolution, rank (i) on a parity with the Company's Series I Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock (the "Series I Preferred Stock"), the Company's Series J Perpetual Non-cumulative Fixed Rate Preferred Stock (the "Series J Preferred Stock"), the Company's Series K Perpetual Non-Cumulative Floating Rate Preferred Stock (the "Series K Preferred Stock"), the Company's Series L Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock (the "Series L Preferred Stock") and with each other class or series of preferred stock established after the Designation Date by the Company the terms of which expressly provide that such class or series will rank on a parity with the Series M Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company (collectively referred to as "Parity Securities") and (ii) senior to the Company's common stock (the "Common Stock"), the Company's Series RP Preferred Stock and each other class of capital stock outstanding or established after the Designation Date by the Company the terms of which do not expressly provide that it ranks on a parity with or senior to the Series M Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company, including the Common Stock (collectively referred to as "Junior Securities"). The Company shall have the right to authorize and/or issue additional shares or series of Junior Securities and Parity Securities without the consent of the holders of the Series M Preferred Stock.

Section 3. Definitions. Unless the context or use indicates another meaning or intent, the following terms shall have the following meanings, whether used in the singular or the plural:

(a) "3-Month USD LIBOR" means, with respect to any Dividend Period, a rate determined on the basis of the offered rates for three-month U.S. dollar deposits of not less than a principal amount equal to that which is representative for a single transaction in such market at such time, commencing on the first day of such Dividend Period, which appears on US LIBOR Telerate Page 3750 as of approximately 11:00 a.m., London time, on the LIBOR Determination Date for such Dividend Period. If on any LIBOR Determination Date no rate appears on US LIBOR Telerate Page 3750 as of approximately 11:00 a.m., London time, the Company or an affiliate of the Company on behalf of the Company will on such LIBOR Determination Date request four major reference banks in the London interbank market selected by the Company to provide the Company with a quotation of the rate at which three-month deposits in U.S. dollars, commencing on the first day of such Dividend Period, are offered by them to prime banks in the London interbank market as of approximately 11:00 a.m., London time, on such LIBOR Determination Date and in a principal amount equal to that which is

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representative for a single transaction in such market at such time. If at least two such quotations are provided, 3-Month USD LIBOR for such Dividend Period will be the arithmetic mean (rounded upward if necessary to the nearest .00001 of 1%) of such quotations as calculated by the Company. If fewer than two quotations are provided, 3-Month USD LIBOR for such Dividend Period will be the arithmetic mean (rounded upward if necessary to the nearest .00001 of 1%) of the rates quoted as of approximately 11:00 am., New York time, on the first day of such Dividend Period by three major banks in New York City, New York selected by the Company for loans in U.S. dollars to leading European banks, for a three-month period commencing on the first day of such Dividend Period and in a principal amount of not less than \$1,000,000.

(b) "Business Day" means any day other than a Saturday, Sunday or any other day on which banks in New York City, New York, or Seattle, Washington are generally required or authorized by law to be closed.

(c) "Common Stock" has the meaning set forth in Section 2.

(d) "Company" means Washington Mutual, Inc., a Washington corporation.

(e) "Comparable Treasury Issue" means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the term remaining to the Dividend Payment Date in _____, [2017] that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of perpetual preferred securities having similar terms as the Series M Preferred Stock with respect to the payment of dividends and distributions of assets upon liquidation, dissolution or winding-up of the issuer of such preferred stock.

(f) "Comparable Treasury Price" means with respect to any Redemption Date the average of the Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

(g) "Conditional Exchange" means the automatic exchange of the Trust Securities into depositary shares representing an interest in the Series M Preferred Stock which occurs upon the written direction of the OTS upon or after the occurrence of an Exchange Event.

(h) "Delaware Preferred Securities" means [the Fixed-to-Floating Rate Perpetual Non-cumulative Preferred Securities, Series [] or the Fixed Rate Perpetual Non-cumulative Preferred Securities, Series []], depending on whether a fixed-to-floating rate or a fixed rate is selected], liquidation preference \$[1,000] per security, Issued or to be issued by Washington Mutual Preferred Funding LLC, a Delaware limited liability company.

(i) "Designation Date" means _____, 2007.

(j) "Dividend Payment Date" has the meaning set forth in Section 4(b).

(k) "Dividend Period" has the meaning set forth in Section 4(b).

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(l) "Exchange Event" means the occurrence of any one of the following at a time as the Trust Securities are issued and outstanding:

Action Regulations; (i) WMB becomes undercapitalized under the Prompt Corrective

(ii) WMB is placed into conservatorship or receivership; or

(iii) the OTS, in its sole discretion, directs an exchange of the Trust Securities into depositary shares representing an interest in the Series M Preferred Stock in anticipation of WMB becoming undercapitalized under the Prompt Corrective Action Regulations or of the OTS taking any supervisory action that limits the payment of dividends by WMB.

(m) "Independent Investment Banker" means an independent investment banking institution of national standing appointed by the Company.

(n) "Junior Securities" has the meaning set forth in Section 2.

(o) "LIBOR Business Day" means any day on which commercial banks are open for general business (including dealings in deposits in U.S. dollars) in London.

(p) "LIBOR Determination Date" means, as to each Dividend Period, the date that is two LIBOR Business Days prior to the first day of such Dividend Period.

(q) "OTS" means the Office of Thrift Supervision or any successor regulatory entity.

(r) "Parity Securities" has the meaning set forth in Section 2.

(s) "Primary Treasury Dealer" has the meaning set forth in Section 3(x).

(t) "Prompt Corrective Action Regulation" means 12 C.F.R. Part 565 as in effect from time to time, or any successor regulation.

(u) "Rating Agencies" means, at any time, Standard & Poor's Rating Services, a Division of the McGraw-Hill Companies, Inc., Moody's Investors Service, Inc. and Fitch, inc., but only in the case of each such agency if it is rating the relevant security, including the Delaware Preferred Securities at the relevant time or, if none of them is providing a rating for the relevant security, including the Delaware Preferred Securities at such time, then any "*nationally recognized statistical rating organization*" as that phrase is defined for purposes of Rule 436(g)(2) under the Securities Act of 1933, as amended, which is rating such relevant Security.

(v) A "Rating Agency Event" occurs when the Company reasonably determines that an amendment, clarification or change has occurred in the equity criteria for securities such as the Delaware Preferred Securities of any Rating Agency that then publishes a rating for the Company which amendment, clarification or change results in a lower equity credit for the Company than the respective equity credit assigned by such Rating Agency to the Delaware Preferred Securities on the Designation Date.

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(w) "Redemption Date" means any date that is designated by the Company in a notice of redemption delivered pursuant to Section 7.

(x) "Reference Treasury Dealer" means each of the three primary U.S. government securities dealers (each, a "Primary Treasury Dealer"), as specified by the Company; provided that if any Primary Treasury Dealer as specified by the Company ceases to be a Primary Treasury Dealer, the Company will substitute for such Primary Treasury Dealer another Primary Treasury Dealer and if the Company fails to select a substitute within a reasonable period of time, then the substitute will be a Primary Treasury Dealer selected by the Independent Investment Banker after consultation with the Company.

(y) "Reference Treasury Dealer Quotations" means, with respect to the Reference Treasury Dealer and any Redemption Date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed, in each case, as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

(z) A "Regulatory Capital Event" occurs when the Company determines, based upon receipt of an opinion of counsel, that there is a significant risk that the Fixed-to-Floating Rate Delaware Preferred Securities will no longer constitute core capital of WMB for purposes of the capital adequacy regulations issued by the OTS as a result of a change in applicable laws, regulations or related interpretations after issuance of the Fixed-to-Floating Rate Delaware Preferred Securities.

(aa) "Series I Preferred Stock" has the meaning set forth in Section 2.

(bb) "Series J Preferred Stock" has the meaning set forth in Section 2.

(cc) "Series K Preferred Stock" has the meaning set forth in Section 2.

(dd) "Series L Preferred Stock" has the meaning set forth in Section 2.

(ee) "Series M Preferred Stock" has the meaning set forth in Section 1.

(ff) "Ten-Year Date" means the Dividend Payment Date in [____ 2017] and the Dividend Payment Date of each tenth succeeding year (i.e., [____ 2027, ____ 2037], etc.) assuming in each case that the Series M Preferred Stock has been issued.

(gg) "Treasury Rate" means the rate per year equal to the quarterly equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the relevant Redemption Date. The Treasury Rate will be calculated on the third Business Day preceding the relevant Redemption Date.

(hh) "Trust Securities" means the Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities, Series [____], liquidation preference \$100,000 per security, issued by Washington Mutual Preferred Funding Trust III, a Delaware statutory trust.

(ii) "US LIBOR Telerate Page 3750" means the display page of Moneyline's Telerate Service designated as 3750 (or such other page as may replace that page on that

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service, or such other service as may be nominated as the information vendor, for the purpose of displaying rates comparable to 3-Month USD LIBOR).

(jj) "Voting Parity Securities" has the meaning set forth in Section 8(b).

(kk) "WMB" means Washington Mutual Bank, a federal savings association and a subsidiary of the Company, or its successor.

Section 4. Dividends.

(a) Holders of shares of Series M Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of the funds legally available therefor, non-cumulative cash dividends in the amount determined as set forth in Section 4(c), and no more.

(b) Subject to Section 4(a), dividends shall be payable in arrears on March 15, June 15, September 15 and December 15 of each year commencing on the first such day after the issuance of the Series M Preferred Stock or, in each case, if any such day is not a Business Day, the next Business Day (each, a "Dividend Payment Date"). Each dividend will be payable to holders of record as they appear on the stock books of the Company on the first day of the month in which the relevant Dividend Payment Date occurs or, if such date is not a Business Day, the first Business Day of such month. Each period from and including a Dividend Payment Date (or the date of the issuance of the Series M Preferred Stock) to but excluding the following Dividend Payment Date (or the Redemption Date) is herein referred to as "Dividend Period" [the following clause to be added if a fixed-to-floating rate is selected: , except that, if the Series M Preferred Stock is outstanding on _____ 15, [____], the Dividend Period ending in _____ [____] shall be to but excluding _____ 15, [____] (whether or not a Business Day) and the Dividend Period ending in _____ [____] shall commence on _____ 15, [____] (whether or not a Business Day)].

(c) If the date of issuance of the Series M Preferred Stock is prior to the day immediately preceding _____ 15, [____] or, if _____ 15, [____] is not a Business Day, the first Business Day after _____ 15, [____], then from such date of issuance to but not including _____ 15, [____] (whether or not a Business Day), [if fixed rate is selected, delete preceding language in Section 4(c) and insert "After issuance of the Series M Preferred Stock"], dividends, if, when and as declared by the Board of Directors, will be, for each outstanding share of Series M Preferred Stock, at an annual rate of _____% on the per share liquidation preference of the Series M Preferred Stock. [For fixed-to-floating rate selection: From the later of the (i) _____ 15, [____] and (ii) the date of issuance of the Series M Preferred Stock, dividends, if, when and as declared by the Board of Directors, will be, for each outstanding share of Series M Preferred Stock, at an annual rate on the per share liquidation preference of the Series M Preferred Stock equal to [the greater of (x) 3-Month USD LIBOR for the related Dividend Period plus _____% [or (y) _____ percent (____%)]]. Dividends payable for any Dividend Period greater or less than a full Dividend Period will be computed on the basis of twelve 30-day months, a 360-day year, and the actual number of days elapsed in the period [For fixed-to-floating rate – if such Dividend Period ends in or prior to _____ [____]; thereafter dividends payable for any period greater or less than a full dividend period will be computed on the basis of the actual number of days in the relevant period divided by 360.] No interest will be paid on any dividend payment of the Series M Preferred Stock.

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(d) Dividends on the Series M Preferred Stock are non-cumulative. If the Board of Directors does not declare a dividend on the Series M Preferred Stock or declares less than a full dividend in respect of any Dividend Period, the holders of the Series M Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for the Dividend Period, and the Company will have no obligation to pay a dividend or to pay full dividends for that Dividend Period, whether or not dividends are declared and paid for any future Dividend Period with respect to the Series M Preferred Stock or the Common Stock or any other class or series of the Company's preferred stock.

(e) If full dividends on all outstanding shares of the Series M Preferred Stock for any Dividend Period have not been declared and paid, the Company shall not declare or pay dividends with respect to, or redeem, purchase or acquire any of, its equity capital securities during the next succeeding Dividend Period, except dividends in connection with the Series RP Preferred Stock or other shareholders' rights plan, if any, or dividends in connection with benefit plans.

Section 5. Liquidation.

(a) In the event the Company voluntarily or involuntarily liquidates, dissolves or winds up, the holders of Series M Preferred Stock at the time outstanding shall be entitled to receive liquidating distributions in the amount of \$1,000,000 per share of Series M Preferred Stock, plus an amount equal to any declared but unpaid dividends thereon for the current Dividend Period to and including the date of such liquidation, out of assets legally available for distribution to its shareholders, before any distribution of assets is made to the holders of Common Stock or any securities ranking junior to the Series M Preferred Stock. After payment of the full amount of such liquidating distributions, the holders of Series M Preferred Stock will not be entitled to any further participation in any distribution of assets by, and shall have no right or claim to any remaining assets of, the Company.

(b) In the event the assets of the Company available for distribution to shareholders upon any liquidation, dissolution or winding-up of the affairs of the Company, whether voluntary or involuntary, shall be insufficient to pay in full the amounts payable with respect to all outstanding shares of the Series M Preferred Stock and the corresponding amounts payable on any other Securities of equal ranking, the holders of Series M Preferred Stock and the holders of such other securities of equal ranking shall share ratably in any distribution of assets of the Company in proportion to the full respective liquidating distributions to which they would otherwise be respectively entitled.

Section 6. Maturity. The Series M Preferred Stock shall be perpetual unless redeemed by the Company in accordance with Section 7.

Section 7. Redemptions.

(a) The Series M Preferred Stock shall not be redeemable at the option of the holders at any time.

(b) The Series M Preferred Stock shall be redeemable at the option of the Company in any of the following circumstances:

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(i) in whole but not in part, prior to the Dividend Payment Date in _____, [2017] upon the occurrence of a Regulatory Capital Event or a Rating Agency Event, at a cash redemption price equal to the sum of:

(A) the greater of:

(1) \$1,000,000 per share of Series M Preferred Stock

and

(2) The sum of the present value of \$1,000,000 per share of Series M Preferred Stock, discounted from the Dividend Payment Date in _____, [2017] to the redemption date, and the present values of all undeclared dividends for each Dividend Period from the redemption date to and including the Dividend Payment Date in _____, [2017] discounted from their applicable Dividend Payment Dates to the redemption date, in each case on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate, as calculated by an Independent Investment Banker, *plus 0.50%; plus*

(B) any declared but unpaid dividends to the redemption date;

(ii) in whole but not in part, on any Dividend Payment Date prior to the Dividend Payment Date in _____, [2017] for any reason other than the occurrence of a Rating Agency Event or a Regulatory Capital Event, at a cash redemption price equal to:

(A) the greater of:

(1) \$1,000,000 per share of Series M Preferred Stock,

or

(2) the sum of the present value of \$1,000,000 per share of Series M Preferred Stock discounted from the Dividend Payment Date in _____, [2017] to the redemption date, and the present values of all undeclared dividends for the Dividend Periods from the redemption date to and including the Dividend Payment Date in _____, [2017], discounted from their applicable Dividend Payment Dates to the redemption date, in each case on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate, as calculated by an Independent Investment Banker, *plus 0.35%; plus*

(B) any declared but unpaid dividends to the redemption date;

(iii) in whole but not in part, on any Dividend Payment Date after the Dividend Payment Date in _____, [2017] that is not a [Ten-Year Date], upon the occurrence of a Regulatory Capital Event or a Rating Agency Event, at a cash redemption price equal to \$1,000,000 per share of Series M Preferred Stock, *plus* any declared and unpaid dividends to the redemption date;

(iv) in whole or in part, on each Dividend Payment Date that is a [Ten-Year Date], at a cash redemption price of \$1,000,000 per share of Series M Preferred Stock, *plus* any declared and unpaid dividends to the redemption date; and

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(v) in whole but not in part, on any Dividend Payment Date after the Dividend Payment Date in _____, [2017] that is not a [Ten-Year Date] for any reason other than the occurrence of a Rating Agency Event or a Regulatory Capital Event, at a cash redemption price equal to:

(A) the greater of:

(1) \$1,000,000 per share of Series M Preferred Stock,

or

(2) the sum of the present value of \$1,000,000 per share of Series M Preferred Stock, discounted from the next succeeding [Ten-Year Date] to the redemption date, and the present values of all undeclared dividends for the Dividend Periods from the redemption date to and including the next succeeding [Ten-Year Date], discounted from their applicable Dividend Payment Dates to the redemption date, in each case on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at the 3-month USD LIBOR Rate applicable to the Dividend Period immediately preceding such redemption date (which 3-month USD LIBOR Rate will also, for the purposes of calculating such redemption price, be the rate used in calculating the amount for each undeclared dividend), as calculated by an Independent Investment Banker; *plus*

(B) any declared but unpaid dividends to the redemption date;

in each case, without accumulation of any undeclared dividends with respect to Dividend Payment Dates prior to the redemption date.

(c) Dividends will cease to accrue on the Series M Preferred Stock called for redemption on and as of the date fixed for redemption and such Series M Preferred Stock will be deemed to cease to be outstanding, *provided* that the redemption price, including any authorized and declared but unpaid dividends for the current Dividend Period, if any, to the date fixed for redemption, has been duly paid or provision has been made for such payment.

(d) In the case of any redemption under this Section 7, notice shall be mailed to each holder of record of the Series M Preferred Stock, not less than thirty nor more than 60 days prior to the Redemption Date specified in such notice; provided, however, that a longer minimum notice may be agreed to by the Company, including in a deposit agreement relating to depositary shares representing interests in the Series M Preferred Stock. The notice of redemption shall include a statement of (i) the redemption date, (ii) the redemption price, and (iii) the number of shares to be redeemed.

(e) Any shares of Series M Preferred Stock redeemed pursuant to this Section 7 or otherwise acquired by the Company in any manner whatsoever shall become authorized but unissued preferred shares of the Company but such preferred shares shall not under any circumstances be reissued as Series M Preferred Shares. The Company shall from time-to-time take such appropriate action as may be necessary to reduce the authorized number of shares of Series M Preferred Stock accordingly.

Section 8. Voting Rights.

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(a) Holders of the Series M Preferred Stock will not have any voting rights, including the right to elect any directors, except (i) voting rights, if any, required by law, and (ii) voting rights, if any, described in this Section 8.

(b) Holders of the Series M Preferred Stock will in the circumstances to the extent set forth in this Section 8(b), have the right to elect two directors.

(i) If after the issuance of the Series M Preferred Stock the Company fails to pay, or declare and set aside for payment, full dividends on the Series M Preferred Stock or any other class or series of Parity Securities having similar voting rights ("Voting Parity Securities") for six Dividend Periods or their equivalent, the authorized number of the Company's directors will be increased by two. Subject to compliance with any requirement for regulatory approval of, or non-objection to, persons serving as directors, the holders of Series M Preferred Stock, voting together as a single and separate class with the holders of any outstanding Voting Parity Securities, will have the right to elect two directors in addition to the directors then in office at the Company's next annual meeting of shareholders. This right will continue at each subsequent annual meeting until the Company pays dividends in full on the Series M Preferred Stock and any Voting Parity Securities for three consecutive Dividend Periods or their equivalent and pays or declares and sets aside for payment dividends in full for the fourth consecutive Dividend Period or its equivalent or, if earlier, upon the redemption of all Series M Preferred Stock.

(ii) The term of such additional directors will terminate, and the total number of directors will be decreased by two, at such time as the Company pays dividends in full on the Series M Preferred Stock and any Voting Parity Securities for three consecutive Dividend Periods or their equivalent and declares and pays or sets aside for payment dividends in full for the fourth consecutive Dividend Period or its equivalent or, if earlier, upon the redemption of all Series M Preferred Stock. After the term of such additional directors terminates, the holders of the Series M Preferred Stock will not be entitled to elect additional directors unless full dividends on the Series M Preferred Stock have again not been paid or declared and set aside for payment for six future Dividend Periods.

(iii) Any additional director elected by the holders of the Series M Preferred Stock and the Voting Parity Securities may only be removed by the vote of the holders of record of the outstanding Series M Preferred Stock and Voting Parity Securities, voting together as a single and separate class, at a meeting of the Company shareholders called for that purpose. Any vacancy created by the removal of any such director may be filled only by the vote of the holders of the outstanding Series M Preferred Stock and Voting Parity Securities, voting together as a single and separate class.

(c) So long as any shares of Series M Preferred Stock are outstanding, the vote or consent of the holders of at least 66 2/3% of the shares of Series M Preferred Stock at the time outstanding, voting as a class with all other classes and series of Parity Securities upon which like voting rights have been conferred and are exercisable, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or validating any of the following actions, whether or not such approval is required by Washington law:

(i) any amendment, alteration or repeal of any provision of the Company's Amended and Restated Articles of Incorporation (including the Articles of Amendment creating the Series M Preferred Stock) or the Company's bylaws that would alter or

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change the voting powers, preferences or special rights of the Series M Preferred Stock so as to affect them adversely;

(ii) any amendment or alteration of the Company's Amended and Restated Articles of Incorporation to authorize or create, or increase the authorized amount of, any shares of, or any securities convertible into shares of, any class or series of the Company's capital stock ranking prior to the Series M Preferred Stock in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Company; or

(iii) the consummation of a binding share exchange or reclassification involving the Series M Preferred Stock or a merger or consolidation of the Company with another entity, except that holders of Series M Preferred Stock will have no right to vote under this provision or under §23B.11.035 of the Revised Code of Washington or otherwise under Washington law if in each case (x) the Series M Preferred Stock remains outstanding or, in the case of any such merger or consolidation with respect to which the Company is not the surviving or resulting entity, is converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (y) such Series M Preferred Stock remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers of the Series M Preferred Stock, taken as a whole;

provided, however, that any increase in the amount of the authorized or issued Series M Preferred Stock or authorized preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of preferred stock ranking equally with and/or junior to the Series M Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and/or the distribution of assets upon the Company's liquidation, dissolution or winding up will not be deemed to adversely affect the voting powers, preferences or special rights of the Series M Preferred stock and, notwithstanding §23B.10.040(1)(a), (e) or (f) of the Revised Code of Washington or any other provision of Washington law, holders of Series M Preferred Stock will have no right to vote on such an increase, creation or issuance.

(d) If an amendment, alteration, repeal, share exchange, reclassification, merger or consolidation described above would adversely affect one or more but not all series of preferred stock with like voting rights (including the Series M Preferred Stock for this purpose), then only the series affected and entitled to vote shall vote as a class in lieu of all such series of preferred stock.

Section 9. Certificates. The Company may at its option issue the Series M Preferred Stock without certificates.

RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) the Executive Vice President – Corporate Strategy & Development, (vi) the Senior Vice President and Treasurer, (vii) any Senior Vice President reporting directly to the Senior Vice President and Treasurer and (viii) the Senior Vice President and Controller;

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RESOLVED FURTHER, that the Board hereby authorizes, and delegates the authority to, any one of the Authorized Officers to designate, finalize, determine and complete the preferences, limitations, voting powers and relative rights of the Series M Preferred Stock, subject to the limits specified in these resolutions;

RESOLVED FURTHER, that the authorization and delegation in the immediately preceding resolutions shall include, without limitation, the authority to determine the number of shares of the Series M Preferred Stock to be authorized, to determine the dividend rates and whether such rates are fixed or fixed-to-floating, to determine the liquidation amount, to designate situations in which the Company has the option to redeem the Series M Preferred Stock with or without make-whole provisions (including without limitation changing references to "10-Year Date" to a shorter time period), to designate circumstances involving amendments to the Company's articles of incorporation as amended or involving mergers or other combinations or similar events in which holders of Series M shall have voting rights, to approve the form of any stock certificate and to prepare and authorize the filing of articles of amendment for the Series M Preferred Stock with the Secretary of State of the State of Washington; provided, however, that (i) the number of shares of Series M Preferred Stock authorized shall not exceed 1,000, (ii) the liquidation preferences shall not exceed \$1,000,000 per share, (iii) the dividend rate will be at a fixed rate not to exceed 9.00% per annum from the date of the issuance and, in the case of a fixed-to-floating rate election, after a date which is approximately either 5 or 10 years from the date of issuance of the LLC Preferred Interests, as provided in the completed Designation and thereafter will be at a floating rate equal to the 3-month LIBOR applicable to such period plus a spread which will not exceed 300 basis points, except that such floating rate may be subject each dividend period to a floor which shall not exceed 4.00% per annum, and (iv) the Company will have the right to redeem the Series M Preferred Stock on a date that occurs no later than the first dividend payment date which is more than 10 years after the date on which the LLC Preferred Interests and the SPE Securities are issued;

RESOLVED FURTHER, that the Series M Preferred Stock may be issued to a depository, which shall issue depository shares each representing a fractional interest in the shares of a series of the Series M Preferred Stock;

RESOLVED FURTHER, that the Company is hereby authorized to enter into and perform its obligations under a deposit agreement to issue depository shares, and any Authorized Officer is authorized to select the depository and to negotiate, execute and deliver such deposit agreement on behalf of the Company;

RESOLVED FURTHER, that the number of shares authorized in the Designation as completed by an Authorized Officer as provided in these resolutions shall upon filing of the articles of amendment for the Series M Preferred Stock be fully reserved for issuance;

RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized and empowered, on behalf of the Company and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, pursuant to a power of attorney, in the event that it is deemed necessary or desirable so to do, in connection with the offering of the Preferred Stock, the LLC Preferred Interests or the SPE Securities in a private offering and/or in an offering effected in reliance on Regulation S promulgated under the Securities Act of 1933, as amended (the "Securities Act"), to prepare, or cause to be prepared, an offering circular or offering memorandum with respect to such securities (and any supplements or amendments thereto), as the Authorized Officers, or

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any of them, taking such action shall approve in connection therewith in order to effect the offering of such securities in a private offering;

RESOLVED FURTHER, that after filing with the Secretary of State of the State of Washington the respective articles of amendment designating the terms of the Series M Preferred Stock, the Company's Series L Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock, the Company's Series J Series Perpetual Non-cumulative Fixed Rate Preferred Stock or the Company's Series I Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock, but prior to the issuance of the shares of the respective series, the authority of each of the Authorized Officer to execute and file an amendment to each such articles of amendment is hereby authorized, approved and confirmed, provided that any such filing shall be made only in order to make technical, clarifying or similar corrections or modifications and provided further that such corrections or modifications are consistent with the limitations previously established in the prior board resolutions authorizing such series and with the description of such series in the offering circular relating to such series; and

RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Company (including, without limitation, those authorized from time to time pursuant to the Company's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements (which agreements may include, without limitation, (i) purchase agreements with Goldman Sachs & Co. or an affiliate and/or other institutional purchasers, (ii) exchange agreements relating to the exchange of the LLC Preferred Interests and the SPE Securities into the Series M Preferred Stock, and (iii) declaration of covenants or other agreements, in favor of holders of SPE Securities and/or specified indebtedness of the Company, prohibiting the issuance by the Company of preferred stock senior to the Series M Preferred Stock, restricting sources of funds used to redeem the SPE Securities, or restricting dividends and distributions on the Company's stock if dividends are not paid on the SPE Securities), any undertakings or other documents or supplemental agreements on behalf of the Company (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the issuance of the Series M Preferred Stock, the LLC Preferred Interests or the SPE Securities or to further the intent of these resolutions, subject to the limits set forth in these resolutions.

Minutes of February 27, 2007 meeting of WMB Board of Directors

**WASHINGTON MUTUAL BANK
BOARD OF DIRECTORS MINUTES**

The Board of Directors of Washington Mutual Bank (the "Association") held its February meeting on Tuesday, February 27, 2007 in Seattle, Washington. Present were: Farrell, Frank, Killinger, Leppert, Lillis, Matthews, Montoya, Murphy, Osmer McQuade, Pugh, Reed, Smith and Stever. Mr. Killinger presided. Also present, at the beginning of the meeting, were Casey, Cathcart, Chapman, David, Rotella, Vuoto (to replace Mr. Saunders as Card Services President) and Lynch (secretary). The Board of the Association met in joint session with the Board of Directors of Washington Mutual, Inc. (the "Holding Company").

...

Preferred Funding LLC Capital Issuance

Mr. Killinger submitted a proposal for the issuance of a third series of preferred securities (the "LLC Preferred Securities") by a Delaware limited liability company that was organized as an operating subsidiary under the Association's indirect subsidiary, University Street, Inc. Investors would purchase securities (the "SPE Securities") to be issued by a special purpose entity that will be organized (not under the Association's control), and that will use the proceeds of its issuance of SPE Securities to finance the purchase of LLC Preferred Securities. The Holding Company will serve as a source of strength for the Association, as the SPE Securities will automatically be exchangeable into depository shares representing fractional interests in Series M preferred stock of the Holding Company upon the occurrence of certain events. On motion duly made and seconded, the Board unanimously resolved to approve this transaction. A copy of the resolutions adopted by the Board will be kept in the minute book as an appendix to these minutes.

...

There being no further business the meeting was adjourned.

Appendices:

- A – Approve Director Independence Determinations**
- B – Amend Bylaws**
- C – Approve Actions related to REIT Preferred Issuance**
- D – Clarification of Officer Authority**
- E – Schedule of Officer Elections, Promotions, Transfers and Other Changes**

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Appendix C – Approve REIT Preferred Issuance

Board of Directors Resolutions

WHEREAS, Washington Mutual Bank (the "Bank") indirectly owns all of the issued and outstanding common stock of University Street, Inc. ("University Street");

WHEREAS, University Street owns all of the issued and outstanding common interests in Washington Mutual Preferred Funding LLC ("WMPF LLC");

WHEREAS, WMPF LLC proposes to issue a new class or series of preferred interests (the "LLC Preferred Interests") to either (a) a newly formed special purpose entity ("SPE"), (b) University Street or (c) the Bank;

WHEREAS, it is proposed that the LLC Preferred Interests will be sold or transferred by WMPF LLC, University Street or the Bank, as the case may be, to the SPE which, in turn, will issue substantially similar securities (the "SPE Securities") to investors; and

WHEREAS, it is proposed that the Bank's parent, Washington Mutual, Inc. ("WMI"), will authorize a new series of preferred stock (the "WMI Preferred Stock") and under certain circumstances the SPE Securities will be automatically exchanged into depositary shares representing interests in the WMI Preferred Stock.

THEREFORE, IT IS HEREBY RESOLVED, that each of the Authorized Officers (as defined below) is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements with WMPF LLC, the SPE or any other party as such Authorized Officer deems necessary or appropriate in connection with the transactions contemplated by these resolutions, as well as the management, operation or administration of WMPF LLC;

RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized and empowered, on behalf of the Bank and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, in the event that it is deemed necessary or desirable so to do, in connection with the transfer, sale or offering of the LLC Preferred Interests or SPE Securities, as the case may be, in a private offering and/or in an offering effected in reliance on Regulation S promulgated under the Securities Act of 1933, as amended (a "Reg S Offering"), to prepare, cause to be prepared or to participate in the preparation of, an offering circular or offering memorandum with respect to such securities (and any supplements or amendments thereto), as the Authorized Officers, or any of them, taking such action shall approve in connection therewith in order to effect the offering of such securities in a private offering or a Reg S Offering;

RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Bank (including, without limitation, those authorized from time to time pursuant to the Bank's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements, any undertakings or other documents or supplemental agreements on behalf of the Bank (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be

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necessary or advisable in connection with the issuance or transfers of the LLC Preferred Interests or to further the intent of these resolutions;

RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) any Executive Vice President, (vi) the Senior Vice President and Treasurer, (vii) any Senior Vice President reporting directly to the Senior Vice President and Treasurer and (viii) the Senior Vice President and Controller; and

RESOLVED FURTHER, that in the event WMPF LLC issues the LLC Preferred Interests to the SPE, then the Bank is hereby authorized from time to time to sell loans to WMPF LLC in exchange for some or all of the proceeds from the sale of the LLC Preferred Interests or otherwise for cash or cash equivalents.

Minutes of August 21, 2007 meeting of WMI Board of Directors

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WASHINGTON MUTUAL, INC.
BOARD OF DIRECTORS MINUTES

The Board of Directors of Washington Mutual, Inc. (the "Company") held a special telephonic meeting on August 21, 2007. Present were: Farrell, Frank, Killinger, Leppert, Lillis, Matthews, Montoya, Murphy, Pugh, Reed, Smith and Stever. The meeting was purely telephonic, with all Directors participating by means of a conference telephone enabling all participants to hear one another. Mr. Killinger presided. Also present, at the beginning of the meeting, were the Company's officers, Casey, Cathcart, Chapman, Rotella, Williams, and Lynch (secretary). The Board of the Company met in joint session with the Board of Directors of Washington Mutual Bank ("WMB"), which is the primary banking institution subsidiary of the Company.

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CEO's Report

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Mr. Casey noted that the Moody's bond rating agency is currently re-evaluating the Company's ratings, and has commented favorably on the Company's capital and liquidity. He submitted information about the short-term capital plan and capital forecast. Mr. Killinger noted the proposal to issue up to \$1.5 billion in preferred securities (the "Delaware Preferred Securities") by the Delaware limited liability company that was organized in 2006 as an indirect operating subsidiary of WMB (the "WaMu Preferred Funding IV" issuance). Investors would purchase certain other securities (the "Trust Securities") from a special purpose entity, which will use the proceeds of its issuance of Trust Securities to finance the purchase of the Delaware Preferred Securities. The Company will serve as a source of strength for WMB, as the Trust Securities will automatically be exchanged into depository shares representing a fractional interest in a share of a new class of preferred stock of the Company ("Series N Preferred") upon the occurrence of a "Exchange Event" (as defined in the resolutions submitted to the Board). In response to a question by Mr. Stever, Mr. Casey explained the possible interest rate to be paid on the securities. In response to a question by Mr. Stever, Mr. Casey identified likely investors and their locations. On motion duly made and seconded, the Board resolved to approve the Company's actions in support of the WaMu Preferred Funding IV issuance. A copy of the resolutions will be kept in the minute book as an appendix to these minutes.

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There being no further business, the meeting was adjourned.

A - Resolutions for Capital Raising Transaction

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APPROVED BY THE BOARD OF DIRECTORS SEPTEMBER 25, 2007

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Appendix A – Resolutions for Capital Raising Transaction

**Board of Directors Resolutions
(Series N Preferred Stock)**

WHEREAS, Washington Mutual, Inc. (the "Company") indirectly owns all of the issued and outstanding common stock of University Street, Inc. ("University Street");

WHEREAS, Washington Mutual Preferred Funding LLC, a Delaware limited liability company ("WMPF LLC"), is a subsidiary of University Street;

WHEREAS, WMPF LLC previously issued preferred membership interests to Washington Mutual Bank ("WMB"), in exchange for transfers of mortgage loan assets;

WHEREAS, it is proposed that WMPF LLC will issue to University Street, to a special purpose entity (the "SPE") and/or to WMB a new series or class of preferred interests (the "LLC Preferred Interests") which LLC Preferred Interests in the aggregate will not exceed \$[1.0] billion;

WHEREAS, if LLC Preferred Interests are issued to University Street, then University Street will, in turn, transfer or sell the LLC Preferred Interests to the SPE and if WMPF LLC interests are issued to WMB, then WMB will, in turn, transfer or sell the LLC Preferred interests to the SPE;

WHEREAS, upon or concurrently with receipt of the LLC Preferred Interests, the SPE will, in turn, issue substantially similar securities (the "SPE Securities") to investors for cash;

WHEREAS, under specified circumstances, the SPE Securities will automatically be exchanged for depositary shares representing fractional interests in shares of a new series of preferred stock of the Company; and

WHEREAS, the Board desires to authorize the issuance of such new series of such preferred stock, to establish substantive terms or limits of such series, to delegate authority to appropriate officers of the Company to determine, within the limits specifically prescribed in these resolutions, the designation and relative rights, voting powers, preferences and limitations of such series and to provide for other matters relating to the preferred stock and the LLC Preferred Interests.

THEREFORE, IT IS HEREBY RESOLVED, that there is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock which, unless an Authorized Officer determines that such series should bear a fixed-to-floating dividend rate or a floating dividend rate, shall be designated as the "Series N Perpetual Non-cumulative Fixed Rate Preferred Stock" (the "Series N Preferred Stock"). The number of shares constituting such series shall not exceed 1,000. The stock in such series shall have no par value.

FURTHER RESOLVED, that the Series N Preferred Stock shall have preferences, limitations, voting powers and relative rights set forth below, subject to completion or modification by the Authorized Officers as provided herein:

DESIGNATION

Section 1. Designation. There is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock designated as the "Series N Perpetual Non-cumulative Fixed Rate Preferred Stock" (the "Series N Preferred Stock"). The number of shares constituting such series shall be _____. The Series N Preferred Stock shall have no par value per share and the liquidation preference of the Series N Preferred Stock shall be \$1,000,000.00 per share. Shares of the Series N Preferred Stock shall be issued if and only if a Conditional Exchange occurs.

Section 2. Ranking.

The Series N Preferred Stock will, with respect to dividend rights and rights on liquidation, winding-up and dissolution, rank (i) on a parity with the Company's Series I Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock (the "Series I Preferred Stock"), the Company's Series J Perpetual Non-cumulative Fixed Rate Preferred Stock (the "Series J Preferred Stock"), the Company's Series K Perpetual Non-Cumulative Floating Rate Preferred Stock (the "Series K Preferred Stock"), the Company's Series L Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock (the "Series L Preferred Stock"), the Company's Series M Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock (the "Series M Preferred Stock") and with each other class or series of preferred stock established after the Designation Date by the Company the terms of which expressly provide that such class or series will rank on a parity with the Series N Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company (collectively referred to as "Parity Securities") and (ii) senior to the Company's common stock (the "Common Stock"), the Company's Series RP Preferred Stock and each other class of capital stock outstanding or established after the Designation Date by the Company the terms of which do not expressly provide that it ranks on a parity with or senior to the Series N Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company, including the Common Stock (collectively referred to as "Junior Securities"). The Company shall have the right to authorize and/or issue additional shares or series of Junior Securities and Parity Securities without the consent of the holders of the Series N Preferred Stock.

Section 3. Definitions. Unless the context or use indicates another meaning or intent, the following terms shall have the following meanings, whether used in the singular or the plural:

(a) "Business Day" means any day other than a Saturday, Sunday or any other day on which banks in New York City, New York, or Seattle, Washington are generally required or authorized by law to be closed.

(b) "Common Stock" has the meaning set forth in Section 2.

(c) "Company" means Washington Mutual, Inc., a Washington corporation.

(d) "Comparable Treasury Issue" means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the term remaining to the Dividend Payment Date in _____, [2012] that would be utilized,

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at the time of selection and in accordance with customary financial practice, in pricing new issues of perpetual preferred securities having similar terms as the Series N Preferred Stock with respect to the payment of dividends and distributions of assets upon liquidation, dissolution or winding-up of the issuer of such preferred stock.

(e) "Comparable Treasury Price" means with respect to any Redemption Date the average of the Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

(f) "Conditional Exchange" means the automatic exchange of the Trust Securities into depositary shares representing an interest in the Series N Preferred Stock which occurs upon the written direction of the OTS upon or after the occurrence of an Exchange Event.

(g) "Delaware Preferred Securities" means the ___% Perpetual Non-cumulative Preferred Securities, Series 2007-B, liquidation preference \$1,000 per security, issued or to be issued by Washington Mutual Preferred Funding LLC, a Delaware limited liability company.

(h) "Designation Date" means _____, 2007.

(i) "Dividend Payment Date" has the meaning set forth in Section 4(b).

(j) "Dividend Period" has the meaning set forth in Section 4(b).

(k) "Exchange Event" means the occurrence of any one of the following at a time as the Trust Securities are issued and outstanding:

(i) WMB becomes undercapitalized under the Prompt Corrective Action Regulations;

(ii) WMB is placed into conservatorship or receivership; or

(iii) the OTS, in its sole discretion, directs an exchange of the Trust Securities into depositary shares representing an interest in the Series N Preferred Stock in anticipation of WMB becoming undercapitalized under the Prompt Corrective Action Regulations or of the OTS taking any supervisory action that limits the payment of dividends by WMB.

(l) "Independent Investment Banker" means an independent investment banking institution of national standing appointed by the Company.

(m) "Junior Securities" has the meaning set forth in Section 2.

(n) "OTS" means the Office of Thrift Supervision or any successor regulatory entity.

(o) "Parity Securities" has the meaning set forth in Section 2.

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- (p) "Primary Treasury Dealer" has the meaning set forth in Section 3(u).
- (q) "Prompt Corrective Action Regulation" means 12 C.F.R. Part 565 as in effect from time to time, or any successor regulation.
- (r) "Rating Agencies" means, at any time, Standard & Poor's Rating Services, a Division of the McGraw-Hill Companies, Inc., Moody's Investors Service, Inc. and Fitch, Inc., but only in the case of each such agency if it is rating the relevant security, including the Delaware Preferred Securities at the relevant time or, if none of them is providing a rating for the relevant security, including the Delaware Preferred Securities at such time, then any "*nationally recognized statistical rating organization*" as that phrase is defined for purposes of Rule 436(g)(2) under the Securities Act of 1933, as amended, which is rating such relevant security.
- (s) A "Rating Agency Event" occurs when the Company reasonably determines that an amendment, clarification or change has occurred in the equity criteria for securities such as the Delaware Preferred Securities of any Rating Agency that then publishes a rating for the Company which amendment, clarification or change results in a lower equity credit for the Company than the respective equity credit assigned by such Rating Agency to the Delaware Preferred Securities on the Designation Date.
- (t) "Redemption Date" means any date that is designated by the Company in a notice of redemption delivered pursuant to Section 7.
- (u) "Reference Treasury Dealer" means each of the three primary U.S. government securities dealers (each, a "Primary Treasury Dealer"), as specified by the Company; provided that if any Primary Treasury Dealer as specified by the Company ceases to be a Primary Treasury Dealer, the Company will substitute for such Primary Treasury Dealer another Primary Treasury Dealer and if the Company fails to select a substitute within a reasonable period of time, then the substitute will be a Primary Treasury Dealer selected by the Independent Investment Banker after consultation with the Company.
- (v) "Reference Treasury Dealer Quotations" means, with respect to the Reference Treasury Dealer and any Redemption Date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed, in each case, as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.
- (w) A "Regulatory Capital Event" occurs when the Company determines, based upon receipt of an opinion of counsel, that there is a significant risk that the Delaware Preferred Securities will no longer constitute core capital of WMB for purposes of the capital adequacy regulations issued by the OTS as a result of a change in applicable laws, regulations or related interpretations after issuance of the Delaware Preferred Securities.
- (x) "Series I Preferred Stock" has the meaning set forth in Section 2.
- (y) "Series J Preferred Stock" has the meaning set forth in Section 2.
- (z) "Series K Preferred Stock" has the meaning set forth in Section 2.

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- (aa) "Series L Preferred Stock" has the meaning set forth in Section 2.
- (bb) "Series M Preferred Stock" has the meaning set forth in Section 2.
- (cc) "Series N Preferred Stock" has the meaning set forth in Section 1.
- (dd) "Treasury Rate" means the rate per year equal to the quarterly equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the relevant Redemption Date. The Treasury Rate will be calculated on the third Business Day preceding the relevant Redemption Date.
- (ee) "Trust Securities" means the ___% Perpetual Non-cumulative Trust Securities, liquidation preference \$100,000 per security, issued by Washington Mutual Preferred Funding Trust IV, a Delaware statutory trust.
- (ff) "Voting Parity Securities" has the meaning set forth in Section 8(b).
- (gg) "WMB" means Washington Mutual Bank, a federal savings association and a subsidiary of the Company, or its successor.

Section 4. Dividends.

- (a) Holders of shares of Series N Preferred Stock shall be entitled to receive, if, when and as declared by the Board of Directors, out of the funds legally available therefor, non-cumulative cash dividends in the amount determined as set forth in Section 4(c), and no more.
- (b) Subject to Section 4(a), dividends shall be payable in arrears on March 15, June 15, September 15 and December 15 of each year commencing on the first such day after the issuance of the Series N Preferred Stock or, in each case, if any such day is not a Business Day, the next Business Day (each, a "Dividend Payment Date"). Each dividend will be payable to holders of record as they appear on the stock books of the Company on the first day of the month in which the relevant Dividend Payment Date occurs or, if such date is not a Business Day, the first Business Day of such month. Each period from and including a Dividend Payment Date (or the date of the issuance of the Series N Preferred Stock) to but excluding the following Dividend Payment Date (or the Redemption Date) is herein referred to as "Dividend Period".
- (c) After issuance of the Series N Preferred Stock, dividends, if, when and as declared by the Board of Directors, will be, for each outstanding share of Series N Preferred Stock, at an annual rate of _____% on the per share liquidation preference of the Series N Preferred Stock. Dividends payable for any Dividend Period greater or less than a full Dividend Period will be computed on the basis of twelve 30-day months, a 360-day year, and the actual number of days elapsed in the period. No interest will be paid on any dividend payment of the Series N Preferred Stock.
- (d) Dividends on the Series N Preferred Stock are non-cumulative. If the Board of Directors does not declare a dividend on the Series N Preferred Stock or declares less than a full dividend in respect of any Dividend Period, the holders of the Series N

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Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for the Dividend Period, and the Company will have no obligation to pay a dividend or to pay full dividends for that Dividend Period, whether or not dividends are declared and paid for any future Dividend Period with respect to the Series N Preferred Stock or the Common Stock or any other class or series of the Company's preferred stock.

(e) If full dividends on all outstanding shares of the Series N Preferred Stock for any Dividend Period have not been declared and paid, the Company shall not declare or pay dividends with respect to, or redeem, purchase or acquire any of, its equity capital securities during the next succeeding Dividend Period, except dividends in connection with the Series RP Preferred Stock or other shareholders' rights plan, if any, or dividends in connection with benefit plans.

Section 5. Liquidation.

(a) In the event the Company voluntarily or involuntarily liquidates, dissolves or winds up, the holders of Series N Preferred Stock at the time outstanding shall be entitled to receive liquidating distributions in the amount of \$1,000,000 per share of Series N Preferred Stock, plus an amount equal to any declared but unpaid dividends thereon for the current Dividend Period to and including the date of such liquidation, out of assets legally available for distribution to its shareholders, before any distribution of assets is made to the holders of Common Stock or any securities ranking junior to the Series N Preferred Stock. After payment of the full amount of such liquidating distributions, the holders of Series N Preferred Stock will not be entitled to any further participation in any distribution of assets by, and shall have no right or claim to any remaining assets of, the Company.

(b) In the event the assets of the Company available for distribution to shareholders upon any liquidation, dissolution or winding-up of the affairs of the Company, whether voluntary or involuntary, shall be insufficient to pay in full the amounts payable with respect to all outstanding shares of the Series N Preferred Stock and the corresponding amounts payable on any other Securities of equal ranking, the holders of Series N Preferred Stock and the holders of such other securities of equal ranking shall share ratably in any distribution of assets of the Company in proportion to the full respective liquidating distributions to which they would otherwise be respectively entitled.

Section 6. Maturity. The Series N Preferred Stock shall be perpetual unless redeemed by the Company in accordance with Section 7.

Section 7. Redemptions.

(a) The Series N Preferred Stock shall not be redeemable at the option of the holders at any time.

(b) The Series N Preferred Stock shall be redeemable at the option of the Company in any of the following circumstances:

(i) in whole but not in part, on any Dividend Payment Date prior to the Dividend Payment Date in _____, [2012] upon the occurrence of a

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Regulatory Capital Event or a Rating Agency Event, at a cash redemption price equal to the sum of:

(A) the greater of:

(1) \$1,000,000 per share of Series N Preferred
Stock and

(2) The sum of the present value of \$1,000,000 per share of Series N Preferred Stock, discounted from the Dividend Payment Date in _____, [2012] to the Redemption Date, and the present values of all undeclared dividends for each Dividend Period from the Redemption Date to and including the Dividend Payment Date in _____, [2012] discounted from their applicable Dividend Payment Dates to the Redemption Date, in each case on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate, as calculated by an Independent Investment Banker, plus [____%]; *plus*

(B) any declared but unpaid dividends to the Redemption
Date;

or

(ii) In whole or in part, on any Dividend Payment Date on or after the Dividend Payment Date in _____, [2012], at a cash redemption price equal to \$1,000,000 per share of Series N Preferred Stock, *plus* any declared and unpaid dividends to the Redemption Date;

In each case, without accumulation of any undeclared dividends with respect to Dividend Payment Date prior to the Redemption Date.

(c) Dividends will cease to accrue on the Series N Preferred Stock called for redemption on and as of the date fixed for redemption and such Series N Preferred Stock will be deemed to cease to be outstanding, *provided* that the redemption price, including any authorized and declared but unpaid dividends for the current Dividend Period, if any, to the date fixed for redemption, has been duly paid or provision has been made for such payment.

(d) In the case of any redemption under this Section 7, notice shall be mailed to each holder of record of the Series N Preferred Stock, not less than 30 nor more than 60 days prior to the Redemption Date specified in such notice; provided, however, that a longer minimum notice may be agreed to by the Company, including in a deposit agreement relating to depositary shares representing interests in the Series N Preferred Stock. The notice of redemption shall include a statement of (i) the Redemption Date, (ii) the redemption price, and (iii) the number of shares to be redeemed.

(e) Any shares of Series N Preferred Stock redeemed pursuant to this Section 7 or otherwise acquired by the Company in any manner whatsoever shall become authorized but unissued preferred shares of the Company but such preferred shares shall not under any circumstances be reissued as Series N Preferred Stock. The Company shall

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from time-to-time take such appropriate action as may be necessary to reduce the authorized number of shares of Series N Preferred Stock accordingly.

Section 8. Voting Rights.

(a) Holders of the Series N Preferred Stock will not have any voting rights, including the right to elect any directors, except (i) voting rights, if any, required by law, and (ii) voting rights, if any, described in this Section 8.

(b) Holders of the Series N Preferred Stock will in the circumstances to the extent set forth in this Section 8(b), have the right to elect two directors.

(i) If after the issuance of the Series N Preferred Stock the Company fails to pay, or declare and set aside for payment, full dividends on the Series N Preferred Stock or any other class or series of Parity Securities having similar voting rights ("Voting Parity Securities") for six Dividend Periods or their equivalent, the authorized number of the Company's directors will be increased by two. Subject to compliance with any requirement for regulatory approval of, or non-objection to, persons serving as directors, the holders of Series N Preferred Stock, voting together as a single and separate class with the holders of any outstanding Voting Parity Securities, will have the right to elect two directors in addition to the directors then in office at the Company's next annual meeting of shareholders. This right will continue at each subsequent annual meeting until the Company pays dividends in full on the Series N Preferred Stock and any Voting Parity Securities for three consecutive Dividend Periods or their equivalent and pays or declares and sets aside for payment dividends in full for the fourth consecutive Dividend Period or its equivalent or, if earlier, upon the redemption of all Series N Preferred Stock.

(ii) The term of such additional directors will terminate, and the total number of directors will be decreased by two, at such time as the Company pays dividends in full on the Series N Preferred Stock and any Voting Parity Securities for three consecutive Dividend Periods or their equivalent and declares and pays or sets aside for payment dividends in full for the fourth consecutive Dividend Period or its equivalent or, if earlier, upon the redemption of all Series N Preferred Stock. After the term of such additional directors terminates, the holders of the Series N Preferred Stock will not be entitled to elect additional directors unless full dividends on the Series N Preferred Stock have again not been paid or declared and set aside for payment for six future Dividend Periods.

(iii) Any additional director elected by the holders of the Series N Preferred Stock and the Voting Parity Securities may only be removed by the vote of the holders of record of the outstanding Series N Preferred Stock and Voting Parity Securities, voting together as a single and separate class, at a meeting of the Company shareholders called for that purpose. Any vacancy created by the removal of any such director may be filled only by the vote of the holders of the outstanding Series N Preferred Stock and Voting Parity Securities, voting together as a single and separate class.

(c) So long as any shares of Series N Preferred Stock are outstanding, the vote or consent of the holders of at least 66 2/3% of the shares of Series N Preferred Stock at the time outstanding, voting as a class with all other classes and series of Parity Securities upon which like voting rights have been conferred and are exercisable, given in

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person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or validating any of the following actions, whether or not such approval is required by Washington law:

(i) any amendment, alteration or repeal of any provision of the Company's Amended and Restated Articles of Incorporation (including the Articles of Amendment creating the Series N Preferred Stock) or the Company's bylaws that would alter or change the voting powers, preferences or special rights of the Series N Preferred Stock so as to affect them adversely;

(ii) any amendment or alteration of the Company's Amended and Restated Articles of Incorporation to authorize or create, or increase the authorized amount of, any shares of, or any securities convertible into shares of, any class or series of the Company's capital stock ranking prior to the Series N Preferred Stock in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Company; or

(iii) the consummation of a binding share exchange or reclassification involving the Series N Preferred Stock or a merger or consolidation of the Company with another entity, except that holders of Series N Preferred Stock will have no right to vote under this provision or under §23B.11.035 of the Revised Code of Washington or otherwise under Washington law if in each case (x) the Series N Preferred Stock remains outstanding or, in the case of any such merger or consolidation with respect to which the Company is not the surviving or resulting entity, is converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (y) such Series N Preferred Stock remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers of the Series N Preferred Stock, taken as a whole;

provided, however, that any increase in the amount of the authorized or issued Series N Preferred Stock or authorized preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of preferred stock ranking equally with and/or junior to the Series N Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and/or the distribution of assets upon the Company's liquidation, dissolution or winding up will not be deemed to adversely affect the voting powers, preferences or special rights of the Series N Preferred stock and, notwithstanding §23B.10.040(1)(a), (e) or (f) of the Revised Code of Washington or any other provision of Washington law, holders of Series N Preferred Stock will have no right to vote on such an increase, creation or issuance.

(d) If an amendment, alteration, repeal, share exchange, reclassification, merger or consolidation described above would adversely affect one or more but not all series of preferred stock with like voting rights (including the Series N Preferred Stock for this purpose), then only the series affected and entitled to vote shall vote as a class in lieu of all such series of preferred stock.

Section 9. Certificates. The Company may at its option issue the Series N Preferred Stock without certificates.

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RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) the Executive Vice President – Corporate Strategy & Development, (vi) the Senior Vice President and Treasurer, (vii) any Senior Vice President reporting directly to the Senior Vice President and Treasurer and (viii) the Senior Vice President and Controller.

RESOLVED FURTHER, that the Board hereby authorizes, and delegates the authority to, any one of the Authorized Officers to designate, finalize, determine and complete (it being understood that this authority includes without limitation making appropriate modifications of the preceding designation) the preferences, limitations, voting powers and relative rights of the Series N Preferred Stock, subject to the limits specified in these resolutions;

RESOLVED FURTHER, that the authorization and delegation in the immediately preceding resolutions shall include, without limitation, the authority to determine the number of shares of the Series N Preferred Stock to be authorized, to determine the dividend rates and whether such rates are fixed, fixed-to-floating or floating (and to make appropriate modifications in other provisions to reflect such rates), to determine the liquidation amount, to designate situations in which the Company has the option to redeem the Series N Preferred Stock with or without make-whole provisions (including without limitation the terms of such make-whole provisions), to designate circumstances involving amendments to the Company's articles of incorporation as amended or involving mergers or other combinations or similar events in which holders of Series N Preferred Stock shall have voting rights, to approve the form of any stock certificate and to prepare and authorize the filing of articles of amendment for the Series N Preferred Stock with the Secretary of State of the State of Washington; provided, however, that (i) the number of shares of Series N Preferred Stock authorized shall not exceed 1,000, (ii) the liquidation preferences shall not exceed \$1,000,000 per share, (iii) the dividend rate will be at a fixed rate not to exceed 10.5% per annum from the date of the issuance and, in the case of a fixed-to-floating rate election (upon the time the floating rate applies) or a floating rate election, will be at a floating rate equal to the relevant LIBOR applicable to such period plus a spread which will not exceed 600 basis points, and (iv) the Company will have the right to redeem the Series N Preferred Stock on a date that occurs no later than the first dividend payment date which is more than 10 years after the date on which the LLC Preferred Interests and the SPE Securities are issued.

RESOLVED FURTHER, that the Series N Preferred Stock may be issued to a depository, which shall issue depository shares each representing a fractional interest in the shares of a series of the Series N Preferred Stock;

RESOLVED FURTHER, that the Company is hereby authorized to enter into and perform its obligations under a deposit agreement to issue depository shares, and any Authorized Officer is authorized to select the depository and to negotiate, execute and deliver such deposit agreement on behalf of the Company;

RESOLVED FURTHER, that the number of shares authorized in the Designation as completed by an Authorized Officer as provided in these resolutions shall upon filing of the articles of amendment for the Series N Preferred Stock be fully reserved for issuance;

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RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized and empowered, on behalf of the Company and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, pursuant to a power of attorney, in the event that it is deemed necessary or desirable so to do, in connection with the offering of the Preferred Stock, the LLC Preferred Interests or the SPE Securities in a private offering and/or in an offering effected in reliance on Regulation S promulgated under the Securities Act of 1933, as amended (the "Securities Act"), to prepare, or cause to be prepared, an offering circular or offering memorandum with respect to such securities (and any supplements or amendments thereto), as the Authorized Officers, or any of them, taking such action shall approve in connection therewith in order to effect the offering of such securities in a private offering;

RESOLVED FURTHER, that after filing with the Secretary of State of the State of Washington the articles of amendment designating the terms of the Series N Preferred Stock, but prior to the issuance of the shares of the series, the authority of each of the Authorized Officer to execute and file an amendment to the articles of amendment is hereby authorized, approved and confirmed, provided that any such filing shall be made only in order to make technical, clarifying or similar corrections or modifications and provided further that such corrections or modifications are consistent with the limitations established in these board resolutions and with the description of the series in the offering circular;

RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Company (including, without limitation, those authorized from time to time pursuant to the Company's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements (which agreements may include, without limitation, (i) purchase agreements with Goldman Sachs & Co. or an affiliate and/or other institutional purchasers, (ii) exchange agreements relating to the exchange of the LLC Preferred Interests and the SPE Securities into depositary shares representing interests in the Series N Preferred Stock, and (iii) declaration of covenants or other agreements, in favor of holders of SPE Securities and/or specified indebtedness of the Company, prohibiting the issuance by the Company of preferred stock senior to the Series N Preferred Stock, restricting sources of funds used to redeem the SPE Securities, or restricting dividends and distributions on the Company's stock if dividends are not paid on the SPE Securities), any undertakings or other documents or supplemental agreements on behalf of the Company (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the issuance of the Series N Preferred Stock, the LLC Preferred Interests or the SPE Securities or to further the intent of these resolutions, subject to the limits set forth in these resolutions; and

RESOLVED FURTHER, that any actions taken by any of the Authorized Officers or any other proper officer of the Company prior to the adoption of these resolutions that is otherwise within the scope of the authority conferred by these resolutions is hereby ratified, confirmed and approved.

Minutes of August 21, 2007 meeting of WMB Board of Directors

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**WASHINGTON MUTUAL BANK
BOARD OF DIRECTORS MINUTES**

The Board of Directors of Washington Mutual Bank (the "Association") held a special telephonic meeting on August 21, 2007. Present were: Farrell, Frank, Killinger, Leppert, Lillis, Matthews, Montoya, Murphy, Pugh, Reed, Smith and Stever. The meeting was purely telephonic, with all Directors participating by means of a conference telephone enabling all participants to hear one another. Mr. Killinger presided. Also present, at the beginning of the meeting, were the Company's officers, Casey, Cathcart, Chapman, Rotella, Williams, and Lynch (secretary). The Board met in joint session with the Board of Directors of Washington Mutual, Inc. (the "Holding Company").

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Capital Raising Transaction

Mr. Killinger submitted a proposal for the issuance of up to \$1.5 billion in preferred securities (the "Delaware Preferred Securities") by the Delaware limited liability company that was organized in 2006 as an indirect operating subsidiary of the Association (the "WaMu Preferred Funding IV" issuance), depending on market conditions. Investors would purchase certain other securities (the "Trust Securities") from a special purpose entity, which will use the proceeds of its issuance of Trust Securities to finance the purchase of the Delaware Preferred Securities. The Holding Company will serve as a source of strength for the Association, as the Trust Securities will automatically be exchanged into depositary shares representing a fractional interest in a share of a new class of preferred stock of the Holding Company (the "WMI Preferred") upon the occurrence of certain possible events. In response to a question by Mr. Stever, Mr. Casey explained the possible interest rate to be paid on the Trust Securities. In response to a question by Mr. Stever, Mr. Casey identified likely investors and their locations. On motion duly made and seconded, the Board unanimously resolved to approve the Association's actions in support of the WaMu Preferred Funding IV issuance. A copy of the resolutions adopted by the Board will be kept in the minute book as an appendix to these minutes.

There being no further business, the meeting was adjourned.

Appendix:

A – Resolutions for Capital Raising Transaction

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Appendix A – Resolutions for Capital Raising Transaction

Board of Directors Resolutions

WHEREAS, Washington Mutual Bank (the "Bank") directly owns all of the issued and outstanding common stock of Seneca Holdings, Inc. ("Seneca Holdings"), indirectly owns all of the interests in WM Marion Holdings, LLC ("WM Marion") and indirectly owns all of the issued and outstanding common stock of University Street, Inc. ("University Street");

WHEREAS, University Street owns all of the issued and outstanding common interests in Washington Mutual Preferred Funding LLC ("WMPF LLC");

WHEREAS, it is proposed that the Bank will make an equity contribution to Seneca Holdings to consist of loans or interests therein not to exceed \$3.4 billion in book value (the "Seneca Holdings Contribution"); that Seneca Holdings will make an equity contribution of such loans or interests to WM Marion; that WM Marion will make an equity contribution of such loans to University Street; and that University Street will make an equity contribution of such loans to WMPF LLC;

WHEREAS, it is proposed that in addition to the Seneca Holdings Contribution, the Bank will contribute to WMPF LLC assets consisting of loans or interests therein not to exceed \$1.0 billion (the "LLC Contribution");

WHEREAS, WMPF LLC proposes to issue a new class or series of preferred interests (the "LLC Preferred Interests") to either (a) a newly formed special purpose entity ("SPE"), (b) University Street or (c) the Bank;

WHEREAS, it is proposed that the LLC Preferred Interests will be sold or transferred by WMPF LLC, University Street or the Bank, as the case may be, to the SPE which, in turn, will issue substantially similar securities (the "SPE Securities") to investors; and

WHEREAS, it is proposed that the Bank's parent, Washington Mutual, Inc. ("WMI"), will authorize a new series of preferred stock (the "WMI Preferred Stock") and under certain circumstances the SPE Securities will be automatically exchanged into depositary shares representing interests in the WMI Preferred Stock.

THEREFORE, IT IS HEREBY RESOLVED, that the Seneca Holdings Contribution and the LLC Contribution are hereby authorized and approved (and any and all prior contributions or transfers to University Street and the LLC relating to transactions with WMPF LLC are approved, confirmed and ratified), and any Authorized Officer (as defined below) is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements or documents as such Authorized Officer deems necessary or appropriate in connection with such contributions;

RESOLVED FURTHER, that the Bank is hereby authorized to transfer, or to cause its designee to transfer, any LLC Preferred Interests that it may receive to the SPE in exchange for cash and any Authorized Officer is hereby authorized on behalf of

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the Bank to negotiate, execute and deliver any agreements or documents as such Authorized Officer deems necessary or appropriate in connection with such transfers;

RESOLVED FURTHER, that each of the Authorized Officers (as defined below) is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements with WMPF LLC, the SPE or any other party as such Authorized Officer deems necessary or appropriate in connection with the transactions contemplated by these resolutions, as well as the management, operation or administration of WMPF LLC;

RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized and empowered, on behalf of the Bank and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, in the event that it is deemed necessary or desirable so to do, in connection with the transfer, sale or offering of the LLC Preferred Interests or SPE Securities, as the case may be, in a private offering and/or in an offering effected in reliance on Regulation S promulgated under the Securities Act of 1933, as amended (a "Reg S Offering"), to prepare, cause to be prepared or to participate in the preparation of, an offering circular or offering memorandum with respect to such securities (and any supplements or amendments thereto), as the Authorized Officers, or any of them, taking such action shall approve in connection therewith in order to effect the offering of such securities in a private offering or a Reg S Offering;

RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Bank (including, without limitation, those authorized from time to time pursuant to the Bank's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements, any undertakings or other documents or supplemental agreements on behalf of the Bank (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the issuance or transfers of the LLC Preferred Interests or to further the intent of these resolutions;

RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) any Executive Vice President, (vi) the Senior Vice President and Treasurer, (vii) any Senior Vice President reporting directly to the Senior Vice President and Treasurer and (viii) the Senior Vice President and Controller; and

RESOLVED FURTHER, that any actions taken by any of the Authorized Officers or any other proper officer of the Bank prior to the adoption of these resolutions that is otherwise within the scope of the authority conferred by these resolutions is hereby ratified, confirmed and approved.

Minutes of October 16, 2007 meeting of WMI Board of Directors

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WASHINGTON MUTUAL, INC.
BOARD OF DIRECTORS MINUTES

The Board of Directors of Washington Mutual, Inc. (the "Company") held its October meeting on Tuesday, October 16, 2007 in Seattle, Washington. Present were: Frank, Killinger, Leppert, Lillis, Montoya, Murphy, Osmer McQuade, Pugh, Reed, Smith and Stever. (Ms. Osmer McQuade participated by means of a conference telephone enabling all participants to hear one another.) Mr. Killinger presided. Also present, at the beginning of the meeting, were the Company's officers, Casey, Cathcart, Chapman, David, Rotella and Lynch (secretary). The Board of the Company met in joint session with the Board of Directors of the Company's primary banking institution subsidiary, Washington Mutual Bank ("WMB").

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Preferred Stock - Modified Series N Authorization and Series O and P Approval

Ms. Pugh reported that the Finance Committee had reviewed proposals with regard to the issuance of capital securities, including a proposal to modify the authorization for the Company's Series N Preferred stock and proposals to authorize the Company's issuance of Series O Preferred stock and Series P Preferred stock. The Company would serve as a source of strength for WMB in specific circumstances, when depositary shares representing a fractional interest in Series N or Series O Preferred stock automatically would be issued in exchange for certain other securities (the "Entity Securities") to be issued by one of two or more entities, which will use the proceeds of issuance of Entity Securities to finance the purchase in preferred securities ("Delaware Preferred Securities") to be issued by the Delaware limited liability company that was organized in 2006 as an indirect operating subsidiary of WMB. The Company would issue the Series N Preferred stock upon the occurrence of a Exchange Event affecting up to \$1.5 billion in Delaware Preferred Securities (as authorized under the resolutions that were adopted by the Board at its August 21, 2007, meeting) and would issue the Series O Preferred stock upon the occurrence of a Exchange Event affecting certain Entity Securities issued by a Cayman Islands or other foreign entity to purchase up to \$2.0 billion in Delaware Preferred Securities. In response to market conditions, the coupon range for the Series N Preferred stock would be wider than authorized at the August 21 meeting, whereas the issuance of Series P Preferred stock would be independent of the issuance of Entity Securities and Delaware Preferred Securities. Ms. Pugh reported that the Finance Committee recommended approval of all of these proposals. On motion duly made and seconded, the Board resolved to modify the authorization for the Series N Preferred stock and to authorize the issuance of Series O Preferred stock and Series P Preferred stock. A copy of the resolutions will be kept in the minute book as an appendix to these minutes.

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There being no further business the meeting was adjourned.

Appendices:

- A – Resolutions Declaring Dividend on Common Stock and Series K Preferred Stock**
- B – Resolutions for Series N Preferred Stock, Series O Preferred Stock, and Series P DRD Preferred Stock**

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C – Schedule of Officer Elections, Promotions, Transfers and Other Changes

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Appendix B – Resolutions related to Series N Preferred Stock, Series O Preferred Stock, and Series P DRD Preferred Stock

(Series N Preferred Stock – Supplemental Resolutions)

WHEREAS, at a meeting of the Board of Directors (the "Board") of Washington Mutual, Inc. (the "Company") duly called and held on August 21, 2007, the Board adopted resolutions (the "Original Resolutions") relating to and authorizing the creation out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock initially designated as the "Series N Perpetual Non-cumulative Fixed Rate Preferred Stock" (the "Series N Preferred Stock");

WHEREAS, the Original Resolutions also, among other matters, delegated authority to appropriate officers of the Company to determine, complete and modify, within the limits specifically prescribed in the Original Resolutions, the designation, relative rights, voting powers, preferences and limitations of the Series N Preferred Stock;

WHEREAS, the Board is contemplating the authorization of additional series of preferred stock of the Company whose designation will include the term "Series O" (the "Series O Preferred Stock"); and

WHEREAS, the Board now desires, because of recent changes in capital market conditions, to adjust certain of the limits in the Original Resolutions.

THEREFORE, IT IS HEREBY RESOLVED, that notwithstanding anything to the contrary contained in the Original Resolutions, the Authorized Officers (as that term is defined in the Original Resolutions), and any one of them acting alone, shall have the authority to determine the dividend rate of the Series N Preferred Stock and the number of shares of the Series N Preferred Stock, provided that (i) the dividend rate will be at a fixed rate not to exceed 13.0% per annum from the date of the issuance and, in the case of a fixed-to-floating rate election (upon the time the floating rate applies) or a floating rate election, will be at a floating rate equal to the relevant LIBOR applicable to such period plus a spread which will not exceed 800 basis points and (ii) the number of authorized shares of Series N Preferred Stock shall not exceed 2,000 and, in addition, the sum of the number of authorized shares of Series N Preferred Stock and the number of authorized shares of Series O Preferred Stock shall not exceed 2,000; and

RESOLVED FURTHER, that except as set forth herein, the Original Resolutions and all of the other terms, limits, delegations of authority and other conditions with respect to the Series N Preferred Stock set forth therein shall remain in full force and effect and are hereby ratified and confirmed in all respects.

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(Series O Preferred Stock)

WHEREAS, Washington Mutual, Inc. (the "Company") indirectly owns all of the issued and outstanding common stock of University Street, Inc. ("University Street");

WHEREAS, Washington Mutual Preferred Funding LLC, a Delaware limited liability company ("WMPF LLC"), is a subsidiary of University Street;

WHEREAS, WMPF LLC previously issued preferred membership interests to Washington Mutual Bank ("WMB"), in exchange for transfers of mortgage loan assets;

WHEREAS, it is proposed that WMPF LLC will issue to University Street, to a Cayman Islands or other foreign entity (the "Cayman Entity") and/or to WMB one or more new series or class (or classes, as the case may be) of preferred interests (the "LLC Preferred Interests") which LLC Preferred Interests in the aggregate will not exceed \$2.0 billion;

WHEREAS, if LLC Preferred Interests are issued to University Street, then University Street will, in turn, transfer or sell the LLC Preferred Interests to the Cayman Entity and if WMPF LLC interests are issued to WMB, then WMB will, in turn, transfer or sell the LLC Preferred interests to the Cayman Entity;

WHEREAS, upon or concurrently with receipt of the LLC Preferred Interests, the Cayman Entity will, in turn, issue substantially similar securities (the "Cayman Securities") to investors for cash;

WHEREAS, under specified circumstances, the Cayman Securities will automatically be exchanged for depositary shares representing fractional interests in shares of a new series of preferred stock of the Company; and

WHEREAS, the Board desires to authorize the issuance of such new series of such preferred stock, to establish substantive terms or limits of such series, to delegate authority to appropriate officers of the Company to determine, within the limits specifically prescribed in these resolutions, the designation and relative rights, voting powers, preferences and limitations of such series and to provide for other matters relating to the preferred stock and the LLC Preferred Interests.

THEREFORE, IT IS HEREBY RESOLVED, that there is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock which, unless an Authorized Officer determines that such series should bear a fixed-to-floating dividend rate or a floating dividend rate, shall be designated as the "Series O Perpetual Non-cumulative Fixed Rate Preferred Stock" (the "Series O Preferred Stock"). The number of shares constituting such series shall not exceed 2,000; provided that, in addition, the sum of the shares constituting such series and the shares constituting the Company's series of preferred stock defined as "Series N Preferred Stock" in resolutions adopted by the Board at its meeting held on August 21, 2007, shall not exceed 2,000. The stock in such series shall have no par value;

FURTHER RESOLVED, that the Series O Preferred Stock shall have preferences, limitations, voting powers and relative rights set forth below, subject to completion or

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modification by the Authorized Officers as provided herein:

DESIGNATION

Section 1. Designation. There is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock designated as the "Series O Perpetual Non-cumulative Fixed Rate Preferred Stock" (the "Series O Preferred Stock"). The number of shares constituting such series shall be _____. The Series O Preferred Stock shall have no par value per share and the liquidation preference of the Series O Preferred Stock shall be \$1,000,000.00 per share. Shares of the Series O Preferred Stock shall be issued if and only if a Conditional Exchange occurs.

Section 2. Ranking.

The Series O Preferred Stock will, with respect to dividend rights and rights on liquidation, winding-up and dissolution, rank (i) on a parity with the Company's Series I Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock (the "Series I Preferred Stock"), the Company's Series J Perpetual Non-cumulative Fixed Rate Preferred Stock (the "Series J Preferred Stock"), the Company's Series K Perpetual Non-Cumulative Floating Rate Preferred Stock (the "Series K Preferred Stock"), the Company's Series L Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock (the "Series L Preferred Stock"), the Company's Series M Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock (the "Series M Preferred Stock"), the Company's Series N Perpetual Non-cumulative Fixed-Rate Preferred Stock (the "Series N Preferred Stock") and with each other class or series of preferred stock established after the Designation Date by the Company the terms of which expressly provide that such class or series will rank on a parity with the Series O Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company (collectively referred to as "Parity Securities") and (ii) senior to the Company's common stock (the "Common Stock"), the Company's Series RP Preferred Stock and each other class of capital stock outstanding or established after the Designation Date by the Company the terms of which do not expressly provide that it ranks on a parity with or senior to the Series O Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company, including the Common Stock (collectively referred to as "Junior Securities"). The Company shall have the right to authorize and/or issue additional shares or series of Junior Securities and Parity Securities without the consent of the holders of the Series O Preferred Stock.

Section 3. Definitions. Unless the context or use indicates another meaning or intent, the following terms shall have the following meanings, whether used in the singular or the plural:

- (a) "Business Day" means any day other than a Saturday, Sunday or any other day on which banks in New York City, New York, or Seattle, Washington are generally required or authorized by law to be closed.
- (b) "Cayman Preferred Securities" means the ___% Perpetual Non-cumulative Preferred Securities, Series 2007-[], liquidation preference \$1,000 per security, issued or to be issued by [Washington Mutual Preferred Funding (Cayman) II Ltd.], a [].
- (c) "Common Stock" has the meaning set forth in Section 2.

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- (d) "Company" means Washington Mutual, Inc., a Washington corporation.
- (e) "Comparable Treasury Issue" means the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the term remaining to the Dividend Payment Date in _____, [2012] that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of perpetual preferred securities having similar terms as the Series O Preferred Stock with respect to the payment of dividends and distributions of assets upon liquidation, dissolution or winding-up of the issuer of such preferred stock.
- (f) "Comparable Treasury Price" means with respect to any Redemption Date the average of the Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.
- (g) "Conditional Exchange" means the automatic exchange of the Cayman Securities into depositary shares representing an interest in the Series O Preferred Stock which occurs upon the written direction of the OTS upon or after the occurrence of an Exchange Event.
- (h) "Delaware Preferred Securities" means the ___% Perpetual Non-cumulative Preferred Securities, Series 2007-C, liquidation preference \$1,000 per security, issued or to be issued by Washington Mutual Preferred Funding LLC, a Delaware limited liability company.
- (i) "Designation Date" means _____, 2007.
- (j) "Dividend Payment Date" has the meaning set forth in Section 4(b).
- (k) "Dividend Period" has the meaning set forth in Section 4(b).
- (l) "Exchange Event" means the occurrence of any one of the following at a time as the Cayman Securities are issued and outstanding:
- (i) WMB becomes undercapitalized under the Prompt Corrective Action Regulations;
 - (ii) WMB is placed into conservatorship or receivership; or
 - (iii) the OTS, in its sole discretion, directs an exchange of the Cayman Securities into depositary shares representing an interest in the Series O Preferred Stock in anticipation of WMB becoming undercapitalized under the Prompt Corrective Action Regulations or of the OTS taking any supervisory action that limits the payment of dividends by WMB.
- (m) "Independent Investment Banker" means an independent investment banking institution of national standing appointed by the Company.
- (n) "Junior Securities" has the meaning set forth in Section 2.

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(o) "OTS" means the Office of Thrift Supervision or any successor regulatory entity.

(p) "Parity Securities" has the meaning set forth in Section 2.

(q) "Primary Treasury Dealer" has the meaning set forth in Section 3(u).

(r) "Prompt Corrective Action Regulation" means 12 C.F.R. Part 565 as in effect from time to time, or any successor regulation.

(s) "Rating Agencies" means, at any time, Standard & Poor's Rating Services, a Division of the McGraw-Hill Companies, Inc., Moody's Investors Service, Inc. and Fitch, Inc., but only in the case of each such agency if it is rating the relevant security, including the Delaware Preferred Securities at the relevant time or, if none of them is providing a rating for the relevant security, including the Delaware Preferred Securities at such time, then any "nationally recognized statistical rating organization" as that phrase is defined for purposes of Rule 436(g)(2) under the Securities Act of 1933, as amended, which is rating such relevant security.

(t) A "Rating Agency Event" occurs when the Company reasonably determines that an amendment, clarification or change has occurred in the equity criteria for securities such as the Delaware Preferred Securities of any Rating Agency that then publishes a rating for the Company which amendment, clarification or change results in a lower equity credit for the Company than the respective equity credit assigned by such Rating Agency to the Delaware Preferred Securities on the Designation Date.

(u) "Redemption Date" means any date that is designated by the Company in a notice of redemption delivered pursuant to Section 7.

(v) "Reference Treasury Dealer" means each of the three primary U.S. government securities dealers (each, a "Primary Treasury Dealer"), as specified by the Company; provided that if any Primary Treasury Dealer as specified by the Company ceases to be a Primary Treasury Dealer, the Company will substitute for such Primary Treasury Dealer another Primary Treasury Dealer and if the Company fails to select a substitute within a reasonable period of time, then the substitute will be a Primary Treasury Dealer selected by the Independent Investment Banker after consultation with the Company.

(w) "Reference Treasury Dealer Quotations" means, with respect to the Reference Treasury Dealer and any Redemption Date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed, in each case, as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

(x) A "Regulatory Capital Event" occurs when the Company determines, based upon receipt of an opinion of counsel, that there is a significant risk that the Delaware Preferred Securities will no longer constitute core capital of WMB for purposes of the capital adequacy regulations issued by the OTS as a result of a change in applicable laws, regulations or related interpretations after issuance of the Delaware Preferred Securities.

(y) "Series I Preferred Stock" has the meaning set forth in Section 2.

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- (z) "Series J Preferred Stock" has the meaning set forth in Section 2.
- (aa) "Series K Preferred Stock" has the meaning set forth in Section 2.
- (bb) "Series L Preferred Stock" has the meaning set forth in Section 2.
- (cc) "Series M Preferred Stock" has the meaning set forth in Section 2.
- (dd) "Series N Preferred Stock" has the meaning set forth in Section 2.
- (ee) "Series O Preferred Stock" has the meaning set forth in Section 1.
- (ff) "Treasury Rate" means the rate per year equal to the quarterly equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the relevant Redemption Date. The Treasury Rate will be calculated on the third Business Day preceding the relevant Redemption Date.
- (gg) "Voting Parity Securities" has the meaning set forth in Section 8(b).
- (hh) "WMB" means Washington Mutual Bank, a federal savings association and a subsidiary of the Company, or its successor.

Section 4 Dividends.

- (a) Holders of shares of Series O Preferred Stock shall be entitled to receive, if, when and as declared by the Board of Directors, out of the funds legally available therefor, non-cumulative cash dividends in the amount determined as set forth in Section 4(c), and no more.
- (b) Subject to Section 4(a), dividends shall be payable in arrears on March 15, June 15, September 15 and December 15 of each year commencing on the first such day after the issuance of the Series O Preferred Stock or, in each case, if any such day is not a Business Day, the next Business Day (each, a "Dividend Payment Date"). Each dividend will be payable to holders of record as they appear on the stock books of the Company on the first day of the month in which the relevant Dividend Payment Date occurs or, if such date is not a Business Day, the first Business Day of such month. Each period from and including a Dividend Payment Date (or the date of the issuance of the Series O Preferred Stock) to but excluding the following Dividend Payment Date (or the Redemption Date) is herein referred to as "Dividend Period".
- (c) After issuance of the Series O Preferred Stock, dividends, if, when and as declared by the Board of Directors, will be, for each outstanding share of Series O Preferred Stock, at an annual rate of _____% on the per share liquidation preference of the Series O Preferred Stock. Dividends payable for any Dividend Period greater or less than a full Dividend Period will be computed on the basis of twelve 30-day months, a 360-day year, and the actual number of days elapsed in the period. No interest will be paid on any dividend payment of the Series O Preferred Stock.
- (d) Dividends on the Series O Preferred Stock are non-cumulative. If the Board of Directors does not declare a dividend on the Series O Preferred Stock or declares

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less than a full dividend in respect of any Dividend Period, the holders of the Series O Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for the Dividend Period, and the Company will have no obligation to pay a dividend or to pay full dividends for that Dividend Period, whether or not dividends are declared and paid for any future Dividend Period with respect to the Series O Preferred Stock or the Common Stock or any other class or series of the Company's preferred stock.

(e) If full dividends on all outstanding shares of the Series O Preferred Stock for any Dividend Period have not been declared and paid, the Company shall not declare or pay dividends with respect to, or redeem, purchase or acquire any of, its equity capital securities during the next succeeding Dividend Period, except dividends in connection with the Series RP Preferred Stock or other shareholders' rights plan, if any, or dividends in connection with benefit plans.

Section 5 Liquidation.

(a) In the event the Company voluntarily or involuntarily liquidates, dissolves or winds up, the holders of Series O Preferred Stock at the time outstanding shall be entitled to receive liquidating distributions in the amount of \$1,000,000 per share of Series O Preferred Stock, plus an amount equal to any declared but unpaid dividends thereon for the current Dividend Period to and including the date of such liquidation, out of assets legally available for distribution to its shareholders, before any distribution of assets is made to the holders of Common Stock or any securities ranking junior to the Series O Preferred Stock. After payment of the full amount of such liquidating distributions, the holders of Series O Preferred Stock will not be entitled to any further participation in any distribution of assets by, and shall have no right or claim to any remaining assets of, the Company.

(b) In the event the assets of the Company available for distribution to shareholders upon any liquidation, dissolution or winding-up of the affairs of the Company, whether voluntary or involuntary, shall be insufficient to pay in full the amounts payable with respect to all outstanding shares of the Series O Preferred Stock and the corresponding amounts payable on any other Securities of equal ranking, the holders of Series O Preferred Stock and the holders of such other securities of equal ranking shall share ratably in any distribution of assets of the Company in proportion to the full respective liquidating distributions to which they would otherwise be respectively entitled.

Section 6 Maturity. The Series O Preferred Stock shall be perpetual unless redeemed by the Company in accordance with Section 7.

Section 7 Redemptions.

(a) The Series O Preferred Stock shall not be redeemable at the option of the holders at any time.

(b) The Series O Preferred Stock shall be redeemable at the option of the Company in any of the following circumstances:

(i) in whole but not in part, on any Dividend Payment Date prior to the Dividend Payment Date in _____, [2012] upon the occurrence of a

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Regulatory Capital Event or a Rating Agency Event, at a cash redemption price equal to the sum of:

(A) the greater of:

and (1) \$1,000,000 per share of Series O Preferred Stock

(2) The sum of the present value of \$1,000,000 per share of Series O Preferred Stock, discounted from the Dividend Payment Date in _____, to the Redemption Date, and the present values of all undeclared dividends for each Dividend Period from the Redemption Date to and including the Dividend Payment Date in _____, discounted from their applicable Dividend Payment Dates to the Redemption Date, in each case on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate, as calculated by an Independent Investment Banker, plus [____%]; plus

(B) any declared but unpaid dividends to the Redemption Date;

or

(ii) in whole or in part, on any Dividend Payment Date on or after the Dividend Payment Date in _____, at a cash redemption price equal to \$1,000,000 per share of Series O Preferred Stock, plus any declared and unpaid dividends to the Redemption Date;

Section 1. In each case, without accumulation of any undeclared dividends with respect to Dividend Payment Date prior to the Redemption Date.

(c) Dividends will cease to accrue on the Series O Preferred Stock called for redemption on and as of the date fixed for redemption and such Series O Preferred Stock will be deemed to cease to be outstanding, provided that the redemption price, including any authorized and declared but unpaid dividends for the current Dividend Period, if any, to the date fixed for redemption, has been duly paid or provision has been made for such payment.

(d) In the case of any redemption under this Section 7, notice shall be mailed to each holder of record of the Series O Preferred Stock, not less than 30 nor more than 60 days prior to the Redemption Date specified in such notice; provided, however, that a longer minimum notice may be agreed to by the Company, including in a deposit agreement relating to depositary shares representing interests in the Series O Preferred Stock. The notice of redemption shall include a statement of (i) the Redemption Date, (ii) the redemption price, and (iii) the number of shares to be redeemed.

(e) Any shares of Series O Preferred Stock redeemed pursuant to this Section 7 or otherwise acquired by the Company in any manner whatsoever shall become authorized but unissued preferred shares of the Company but such preferred shares shall not under any circumstances be reissued as Series O Preferred Stock. The Company shall from time-to-time take such appropriate action as may be necessary to reduce the authorized number of shares of Series O Preferred Stock accordingly.

Section 8 Voting Rights.

(a) Holders of the Series O Preferred Stock will not have any voting rights, including the right to elect any directors, except (i) voting rights, if any, required by law, and (ii) voting rights, if any, described in this Section 8.

(b) Holders of the Series O Preferred Stock will in the circumstances to the extent set forth in this Section 8(b), have the right to elect two directors.

(i) If after the issuance of the Series O Preferred Stock the Company fails to pay, or declare and set aside for payment, full dividends on the Series O Preferred Stock or any other class or series of Parity Securities having similar voting rights ("Voting Parity Securities") for six Dividend Periods or their equivalent, the authorized number of the Company's directors will be increased by two. Subject to compliance with any requirement for regulatory approval of, or non-objection to, persons serving as directors, the holders of Series O Preferred Stock, voting together as a single and separate class with the holders of any outstanding Voting Parity Securities, will have the right to elect two directors in addition to the directors then in office at the Company's next annual meeting of shareholders. This right will continue at each subsequent annual meeting until the Company pays dividends in full on the Series O Preferred Stock and any Voting Parity Securities for three consecutive Dividend Periods or their equivalent and pays or declares and sets aside for payment dividends in full for the fourth consecutive Dividend Period or its equivalent or, if earlier, upon the redemption of all Series O Preferred Stock.

(ii) The term of such additional directors will terminate, and the total number of directors will be decreased by two, at such time as the Company pays dividends in full on the Series O Preferred Stock and any Voting Parity Securities for three consecutive Dividend Periods or their equivalent and declares and pays or sets aside for payment dividends in full for the fourth consecutive Dividend Period or its equivalent or, if earlier, upon the redemption of all Series O Preferred Stock. After the term of such additional directors terminates, the holders of the Series O Preferred Stock will not be entitled to elect additional directors unless full dividends on the Series O Preferred Stock have again not been paid or declared and set aside for payment for six future Dividend Periods.

(iii) Any additional director elected by the holders of the Series O Preferred Stock and the Voting Parity Securities may only be removed by the vote of the holders of record of the outstanding Series O Preferred Stock and Voting Parity Securities, voting together as a single and separate class, at a meeting of the Company shareholders called for that purpose. Any vacancy created by the removal of any such director may be filled only by the vote of the holders of the outstanding Series O Preferred Stock and Voting Parity Securities, voting together as a single and separate class.

(c) So long as any shares of Series O Preferred Stock are outstanding, the vote or consent of the holders of at least 66 2/3% of the shares of Series O Preferred Stock at the time outstanding, voting as a class with all other classes and series of Parity Securities upon which like voting rights have been conferred and are exercisable, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or validating any of the following actions, whether or not such approval is required by Washington law:

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(i) any amendment, alteration or repeal of any provision of the Company's Amended and Restated Articles of Incorporation (including the Articles of Amendment creating the Series O Preferred Stock) or the Company's bylaws that would alter or change the voting powers, preferences or special rights of the Series O Preferred Stock so as to affect them adversely;

(ii) any amendment or alteration of the Company's Amended and Restated Articles of Incorporation to authorize or create, or increase the authorized amount of, any shares of, or any securities convertible into shares of, any class or series of the Company's capital stock ranking prior to the Series O Preferred Stock in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Company; or

(iii) the consummation of a binding share exchange or reclassification involving the Series O Preferred Stock or a merger or consolidation of the Company with another entity, except that holders of Series O Preferred Stock will have no right to vote under this provision or under §23B.11.035 of the Revised Code of Washington or otherwise under Washington law if in each case (x) the Series O Preferred Stock remains outstanding or, in the case of any such merger or consolidation with respect to which the Company is not the surviving or resulting entity, is converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (y) such Series O Preferred Stock remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers of the Series O Preferred Stock, taken as a whole;

provided, however, that any increase in the amount of the authorized or issued Series O Preferred Stock or authorized preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of preferred stock ranking equally with and/or junior to the Series O Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and/or the distribution of assets upon the Company's liquidation, dissolution or winding up will not be deemed to adversely affect the voting powers, preferences or special rights of the Series O Preferred stock and, notwithstanding §23B.10.040(1)(a), (e) or (f) of the Revised Code of Washington or any other provision of Washington law, holders of Series O Preferred Stock will have no right to vote on such an increase, creation or issuance.

(d) If an amendment, alteration, repeal, share exchange, reclassification, merger or consolidation described above would adversely affect one or more but not all series of preferred stock with like voting rights (including the Series O Preferred Stock for this purpose), then only the series affected and entitled to vote shall vote as a class in lieu of all such series of preferred stock.

Section 9 Certificates. The Company may at its option issue the Series O Preferred Stock without certificates.

RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) the Executive Vice President – Corporate Strategy &

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Development, (vi) the Senior Vice President and Treasurer, (vii) any Senior Vice President reporting directly to the Senior Vice President and Treasurer and (viii) the Senior Vice President and Controller;

RESOLVED FURTHER, that the Board hereby authorizes, and delegates the authority to, any one of the Authorized Officers to designate, finalize, determine and complete (it being understood that this authority includes without limitation making appropriate modifications of the preceding designation) the preferences, limitations, voting powers and relative rights of the Series O Preferred Stock, subject to the limits specified in these resolutions;

RESOLVED FURTHER, that the authorization and delegation in the immediately preceding resolutions shall include, without limitation, the authority to determine the number of shares of the Series O Preferred Stock to be authorized, to determine the dividend rates and whether such rates are fixed, fixed-to-floating or floating (and to make appropriate modifications in other provisions to reflect such rates), to determine the liquidation amount, to designate situations in which the Company has the option to redeem the Series O Preferred Stock with or without make-whole provisions (including without limitation the terms of such make-whole provisions), to designate circumstances involving amendments to the Company's articles of incorporation as amended or involving mergers or other combinations or similar events in which holders of Series O Preferred Stock shall have voting rights, to approve the form of any stock certificate and to prepare and authorize the filing of articles of amendment for the Series O Preferred Stock with the Secretary of State of the State of Washington; provided, however, that (i) the number of shares of Series O Preferred Stock authorized shall not exceed 2,000 and, in addition, the sum of the number of authorized shares of Series O Preferred Stock and the number of authorized shares of Series N Preferred Stock shall not exceed 2,000, (ii) the liquidation preferences shall not exceed \$1,000,000 per share, (iii) the dividend rate will be at a fixed rate not to exceed 13.0% per annum from the date of the issuance and, in the case of a fixed-to-floating rate election (upon the time the floating rate applies) or a floating rate election, will be at a floating rate equal to the relevant LIBOR applicable to such period plus a spread which will not exceed 800 basis points, and (iv) the Company will have the right to redeem the Series O Preferred Stock on a date that occurs no later than the first dividend payment date which is more than 10 years after the date on which the LLC Preferred Interests and the Cayman Securities are issued;

RESOLVED FURTHER, that the Series O Preferred Stock may be issued to a depository, which shall issue depository shares each representing a fractional interest in the shares of a series of the Series O Preferred Stock;

RESOLVED FURTHER, that the Company is hereby authorized to enter into and perform its obligations under a deposit agreement to issue depository shares, and any Authorized Officer is authorized to select the depository and to negotiate, execute and deliver such deposit agreement on behalf of the Company;

RESOLVED FURTHER, that the number of shares authorized in the Designation as completed by an Authorized Officer as provided in these resolutions shall upon filing of the articles of amendment for the Series O Preferred Stock be fully reserved for issuance;

RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized

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and empowered, on behalf of the Company and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, pursuant to a power of attorney, in the event that it is deemed necessary or desirable so to do, in connection with the offering of the Preferred Stock, the LLC Preferred Interests or the Cayman Securities in a private offering and/or in an offering effected in reliance on Regulation S promulgated under the Securities Act of 1933, as amended (the "Securities Act"), to prepare, or cause to be prepared, an offering circular or offering memorandum with respect to such securities (and any supplements or amendments thereto), as the Authorized Officers, or any of them, taking such action shall approve in connection therewith in order to effect the offering of such securities in a private offering;

RESOLVED FURTHER, that after filing with the Secretary of State of the State of Washington the articles of amendment designating the terms of the Series O Preferred Stock, but prior to the issuance of the shares of the series, the authority of each of the Authorized Officer to execute and file an amendment to the articles of amendment is hereby authorized, approved and confirmed, provided that any such filing shall be made only in order to make technical, clarifying or similar corrections or modifications and provided further that such corrections or modifications are consistent with the limitations established in these board resolutions and with the description of the series in the offering circular;

RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Company (including, without limitation, those authorized from time to time pursuant to the Company's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements (which agreements may include, without limitation, (i) purchase agreements with Goldman Sachs & Co. or an affiliate and/or other institutional purchasers, (ii) exchange agreements relating to the exchange of the LLC Preferred Interests and the Cayman Securities into depositary shares representing interests in the Series O Preferred Stock, and (iii) declaration of covenants or other agreements, in favor of holders of Cayman Securities and/or specified indebtedness of the Company, prohibiting the issuance by the Company of preferred stock senior to the Series O Preferred Stock, restricting sources of funds used to redeem the Cayman Securities, or restricting dividends and distributions on the Company's stock if dividends are not paid on the Cayman Securities), any undertakings or other documents or supplemental agreements on behalf of the Company (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the issuance of the Series O Preferred Stock, the LLC Preferred Interests or the Cayman Securities or to further the intent of these resolutions, subject to the limits set forth in these resolutions; and

RESOLVED FURTHER, that any actions taken by any of the Authorized Officers or any other proper officer of the Company prior to the adoption of these resolutions that is otherwise within the scope of the authority conferred by these resolutions is hereby ratified, confirmed and approved.

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(Series P DRD Preferred Stock)

WHEREAS, the Board of Directors of Washington Mutual, Inc. (the "Company") desires to authorize the issuance of a new series of preferred stock, to establish substantive terms of the series, to delegate authority to appropriate officers of the Company to determine, within the limits specifically prescribed in these resolutions, the designation and preferences, limitations, voting powers and relative rights of the series and to provide for other matters relating to the preferred stock.

THEREFORE, IT IS HEREBY RESOLVED, that there is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock designated as the "Series P Perpetual Non-Cumulative Preferred Stock" (the "Series P Preferred Stock"). The number of shares constituting such series shall not exceed 2,000. The stock in such series shall have no par value.

FURTHER RESOLVED, that the Series P Preferred Stock shall have the preferences, limitations, voting powers and relative rights set forth in the designation for such series set forth below subject to completion or modification by Authorized Officers as provided herein:

DESIGNATION

Section 1. Designation. There is hereby created out of the authorized and unissued shares of preferred stock of the Company a series of preferred stock designated as the "Series P Perpetual Non-Cumulative Floating Rate Preferred Stock" (the "Series P Preferred Stock"). The number of shares constituting such series shall be _____. The Series P Preferred Stock shall have no par value per share and the liquidation preference of the Series P Preferred Stock shall be \$1,000,000.00 per share.

Section 2. Ranking. The Series P Preferred Stock will, with respect to dividend rights and rights on liquidation, winding-up and dissolution, rank (i) on a parity with the Series I Preferred Stock, the Series J Preferred Stock, the Series K Preferred Stock, the Series L Preferred Stock, the Series M Preferred Stock, the Series N Preferred Stock and the Series O Preferred Stock and with each other class or series of preferred stock established after the Effective Date by the Company the terms of which expressly provide that such class or series will rank on a parity with the Series P Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company (collectively referred to as "Parity Securities") and (ii) senior to the Company's common stock (the "Common Stock"), the Company's Series RP Preferred Stock and each other class or series of capital stock outstanding or established after the Effective Date by the Company the terms of which do not expressly provide that it ranks on a parity with or senior to the Series P Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Company (collectively referred to as "Junior Securities"). The Company has the right to authorize and/or issue additional shares or series of Junior Securities or Parity Securities without the consent of the holders of the Series P Preferred Stock.

Section 3. Definitions. Unless the context or use indicates another meaning or intent, the following terms shall have the following meanings, whether used in the singular or the plural:

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(a) "**3-Month USD LIBOR**" means, with respect to any Dividend Period, a rate determined on the basis of the offered rates for three-month U.S. dollar deposits, commencing on the first day of such Dividend Period, which appears on Reuters Screen LIBOR01 Page as of approximately 11:00 a.m., London time, on the LIBOR Determination Date for such Dividend Period. If on any LIBOR Determination Date no rate appears on Reuters Screen LIBOR01 Page as of approximately 11:00 a.m., London time, the Company or an affiliate of the Company on behalf of the Company will on such LIBOR Determination Date request four major reference banks in the London interbank market selected by the Company to provide the Company with a quotation of the rate at which three-month deposits in U.S. dollars, commencing on the first day of such Dividend Period, are offered by them to prime banks in the London interbank market as of approximately 11:00 a.m., London time, on such LIBOR Determination Date and in a principal amount equal to that which is representative for a single transaction in such market at such time. If at least two such quotations are provided, 3-Month USD LIBOR for such Dividend Period will be the arithmetic mean (rounded upward if necessary to the nearest .00001 of 1%) of such quotations as calculated by the Company. If fewer than two quotations are provided, 3-Month USD LIBOR for such Dividend Period will be the arithmetic mean (rounded upward if necessary to the nearest .00001 of 1%) of the rates quoted as of approximately 11:00 a.m., New York time, on the first day of such Dividend Period by three major banks in New York City, New York selected by the Company for loans in U.S. dollars to leading European banks, for a three-month period commencing on the first day of such Dividend Period and in a principal amount of not less than \$1,000,000; *provided, however*, that, if the banks selected as aforesaid by the Company are not quoting as mentioned in this sentence, 3-Month USD LIBOR for such Dividend Period will be the 3-Month USD LIBOR determined with respect to the immediately preceding Dividend Period.

(b) "**Business Day**" means any day other than a Saturday, Sunday or any other day on which banks in New York City, New York, or Seattle, Washington are generally required or authorized by law to be closed.

(c) "**Common Stock**" has the meaning set forth in Section 2.

(d) "**Company**" means Washington Mutual, Inc., a Washington corporation.

(e) "**Dividend Payment Date**" has the meaning set forth in Section 4(b).

(f) "**Dividend Period**" has the meaning set forth in Section 4(b).

(g) "**Effective Date**" means the date on which shares of the Series P Preferred Stock are first issued.

(h) "**Junior Securities**" has the meaning set forth in Section 2.

(i) "**LIBOR Business Day**" means any day on which commercial banks are open for general business (including dealings in deposits in U.S. dollars) in London.

(j) "**LIBOR Determination Date**" means, as to each Dividend Period, the date that is two LIBOR Business Days prior to the first day of such Dividend Period.

(k) "**Parity Securities**" has the meaning set forth in Section 2.

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(l) "Redemption Date" means any date that is designated by the Company in a notice of redemption delivered pursuant to Section 7.

(m) "Reuters Screen LIBOR01 Page" means the display so designated on the Reuters 3000 Xtra (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor for the purpose of displaying rates comparable to the London Interbank Offered rate for U.S. dollar deposits).

(n) "Series I Preferred Stock" means the shares of the Company's Series I Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock reserved for issuance.

(o) "Series J Preferred Stock" means the shares of the Company's Series J Perpetual Non-cumulative Fixed Rate Preferred Stock reserved for issuance.

(p) "Series K Preferred Stock" means the shares of the Company's issued and outstanding Series K Perpetual Non-Cumulative Floating Rate Preferred Stock.

(q) "Series L Preferred Stock" means the shares of the Company's Series L Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock reserved for issuance.

(r) "Series M Preferred Stock" means the shares of the Company's Series M Perpetual Non-cumulative Fixed-to-Floating Rate Preferred Stock reserved for issuance.

(s) "Series N Preferred Stock" means the shares of the series of the Company's preferred stock containing the phrase "Series N" in its designation reserved, as of the date hereof or in the future, for issuance.

(t) "Series O Preferred Stock" means the shares of the series of the Company's preferred stock containing the phrase "Series O" in its designation reserved, as of the date hereof or in the future, for issuance.

(u) "Series P Preferred Stock" has the meaning set forth in Section 1.

(v) "Voting Parity Securities" has the meaning set forth in Section 8(b).

Section 4. Dividends.

(a) From and after the Effective Date, holders of shares of Series P Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of the funds legally available therefor, non-cumulative cash dividends in the amount determined as set forth in Section 4(c), and no more.

(b) Subject to Section 4(a), dividends shall be payable in arrears on March 15, June 15, September 15 and December 15 of each year commencing on _____ or, in each case, if any such day is not a Business Day, the next Business Day (each, a "Dividend Payment Date"). Each dividend will be payable to holders of record as they appear on the stock books of the Company on the first day of the month in which the relevant Dividend Payment Date occurs or, if such date is not a Business Day, the first Business Day of such month. Each period from and including a Dividend Payment Date (or the date of the issuance of the Series P Preferred Stock) to but excluding the following

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Dividend Payment Date (or the Redemption Date) is herein referred to as a "Dividend Period."

(c) With respect to each Dividend Period, dividends, if, when and as declared by the Board of Directors, will be, for each outstanding share of Series P Preferred Stock, at an annual rate on the \$1,000,000 per share liquidation preference equal to the greater of (i) 3-Month USD LIBOR for the related Dividend Period, plus ____% or (ii) _____ percent (____%). Dividends payable for a Dividend Period, including any Dividend Period greater or less than a full Dividend Period, will be computed on the basis of the actual number of days elapsed in the period divided by 360. No interest will be paid on any dividend payment on a Series P Preferred Stock paid later than the scheduled Dividend Payment Date.

(d) Dividends on the Series P Preferred Stock are non-cumulative. If the Board of Directors does not declare a dividend on the Series P Preferred Stock or declares less than a full dividend in respect of any Dividend Period, the holders of the Series P Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for the Dividend Period, and the Company will have no obligation to pay a dividend or to pay full dividends for that Dividend Period, whether or not dividends are declared and paid for any future Dividend Period with respect to the Series P Preferred Stock or the Common Stock or any other class or series of the Company's preferred stock.

(e) If full dividends on all outstanding shares of the Series P Preferred Stock for any Dividend Period have not been declared and paid, the Company shall not declare or pay dividends with respect to, or redeem, purchase or acquire any of, its Junior Securities during the next succeeding Dividend Period, other than (i) redemptions, purchases or other acquisitions of Junior Securities in connection with any benefit plan or other similar arrangement with or for the benefit of any one or more employees, officers, directors or consultants or in connection with a dividend reinvestment or shareholder stock purchase plan, and (ii) any declaration of a dividend in connection with any shareholders' rights plan, including with respect to the Company's Series RP Preferred Stock, or the issuance of rights, stock or other property under any shareholders' rights plan, or the redemption or repurchase of rights pursuant thereto. If dividends for any Dividend Payment Date are not paid in full on the shares of the Series P Preferred Stock and there are issued and outstanding shares of Parity Securities with the same Dividend Payment Date, then all dividends declared on shares of the Series P Preferred Stock and such Parity Securities shall be declared pro rata so that the respective amounts of such dividends shall bear the same ratio to each other as full dividends per share on the shares of the Series P Preferred Stock and all such Parity Securities otherwise payable on such Dividend Payment Date (subject to their having been declared by the Board of Directors out of legally available funds and including, in the case of any such Parity Securities that bear cumulative dividends, all accrued but unpaid dividends) bear to each other.

Section 5. Liquidation.

(a) In the event the Company voluntarily or involuntarily liquidates, dissolves or winds up, the holders of Series P Preferred Stock at the time outstanding shall be entitled to receive liquidating distributions in the amount of \$1,000,000 per share of Series P Preferred Stock, plus an amount equal to any declared but unpaid dividends thereon to and including the date of such liquidation, out of assets legally available for

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distribution to its shareholders, before any distribution of assets is made to the holders of Common Stock or any other Junior Securities. After payment of the full amount of such liquidating distributions, the holders of Series P Preferred Stock will not be entitled to any further participation in any distribution of assets by, and shall have no right or claim to any remaining assets of, the Company.

(b) In the event the assets of the Company available for distribution to shareholders upon any liquidation, dissolution or winding-up of the affairs of the Company, whether voluntary or involuntary, shall be insufficient to pay in full the amounts payable with respect to all outstanding shares of the Series P Preferred Stock and the corresponding amounts payable on any Parity Securities, the holders of Series P Preferred Stock and the holders of such Parity Securities shall share ratably in any distribution of assets of the Company in proportion to the full respective liquidating distributions to which they would otherwise be respectively entitled.

(c) The Company's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into the Company, or the sale of all or substantially all of the Company's property or business will not constitute its liquidation, dissolution or winding up.

Section 6. Maturity. The Series P Preferred Stock shall be perpetual unless redeemed by the Company in accordance with Section 7.

Section 7. Redemptions.

(a) The Series P Preferred Stock shall not be redeemable at the option of the holders at any time.

(b) The Series P Preferred Stock shall be redeemable in whole or in part at the option of the Company at any time, or from time to time, on or after _____, _____, (or, in the event that _____, _____ is not a Business Day, the next Business Day). Such redemption shall be at a cash redemption price of \$1,000,000 per share, plus any declared and unpaid dividends to the Redemption Date, without accumulation of any undeclared dividends.

(c) In the case of any redemption under this Section 7, notice shall be mailed to each holder of record of the Series P Preferred Stock, not less than 30 nor more than 60 days prior to the Redemption Date specified in such notice provided, however, that no failure to give such notice nor any defect therein shall affect the validity of the proceeding for the redemption of any shares of the Series P Preferred Stock to be redeemed except as to the holder to whom the Company has failed to mail said notice or except as to the holder whose notice was defective. The notice of redemption shall include a statement of (i) the Redemption Date, (ii) the redemption price, and (iii) the number of shares to be redeemed.

(d) Any shares of Series P Preferred Stock redeemed by the Company pursuant to this Section 7 or otherwise acquired by the Company in any manner whatsoever shall become authorized but unissued preferred shares of the Company but such preferred shares shall not under any circumstances be reissued as Series P Preferred Stock. The Company shall from time-to-time take such appropriate action as may be necessary to reduce the authorized number of shares of Series P Preferred Stock accordingly.

Section 8. Voting Rights.

(a) Holders of the Series P Preferred Stock will not have any voting rights, including the right to elect any directors, except (i) voting rights, if any, required by law, and (ii) voting rights, if any, described in this Section 8.

(b) Holders of the Series P Preferred Stock will, in the circumstances and to the extent set forth in this Section 8(b), have the right to elect two directors.

a. If after the Effective Date the Company fails to pay, or declare and set aside for payment, full dividends on the Series P Preferred Stock or any other class or series of Parity Securities having similar voting rights ("Voting Parity Securities") for six Dividend Periods or their equivalent, the authorized number of the Company's directors will be increased by two. Subject to compliance with any requirement for regulatory approval of, or non-objection to, persons serving as directors, the holders of Series P Preferred Stock, voting together as a single and separate class with the holders of any outstanding Voting Parity Securities, will have the right to elect two directors in addition to the directors then in office at the Company's next annual meeting of shareholders. This right will continue at each subsequent annual meeting until the Company pays dividends in full on the Series P Preferred Stock and any Voting Parity Securities for three consecutive Dividend Periods or their equivalent and pays or declares and sets aside for payment dividends in full for the fourth consecutive Dividend Period or its equivalent or, if earlier, upon the redemption of all Series P Preferred Stock.

b. The term of such additional directors will terminate, and the total number of directors will be decreased by two, at such time as the Company pays dividends in full on the Series P Preferred Stock and any Voting Parity Securities for three consecutive Dividend Periods or their equivalent and declares and pays or sets aside for payment dividends in full for the fourth consecutive Dividend Period or its equivalent or, if earlier, upon the redemption of all Series P Preferred Stock. After the term of such additional directors terminates, the holders of the Series P Preferred Stock will not be entitled to elect additional directors unless full dividends on the Series P Preferred Stock have again not been paid or declared and set aside for payment for six future Dividend Periods.

c. Any additional director elected by the holders of the Series P Preferred Stock and the Voting Parity Securities may only be removed by the vote of the holders of record of the outstanding Series P Preferred Stock and Voting Parity Securities, voting together as a single and separate class, at a meeting of the Company shareholders called for that purpose. Any vacancy created by the removal of any such director may be filled only by the vote of the holders of the outstanding Series P Preferred Stock and Voting Parity Securities, voting together as a single and separate class.

(c) So long as any shares of Series P Preferred Stock are outstanding, the vote or consent of the holders of at least 66 2/3% of the shares of Series P Preferred Stock at the time outstanding, voting as a class with all other classes and series of Parity Securities upon which like voting rights have been conferred and are exercisable, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or validating any of the following actions, whether or not such approval is required by Washington law:

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a. any amendment, alteration or repeal of any provision of the Company's Amended and Restated Articles of Incorporation (including the Articles of Amendment creating the Series P Preferred Stock) or the Company's bylaws that would alter or change the voting powers, preferences or special rights of the Series P Preferred Stock so as to affect them adversely;

b. any amendment or alteration of the Company's Amended and Restated Articles of Incorporation to authorize or create, or increase the authorized amount of, any shares of, or any securities convertible into shares of, any class or series of the Company's capital stock ranking prior to the Series P Preferred Stock in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Company; or

c. the consummation of a binding share exchange or reclassification involving the Series P Preferred Stock or a merger or consolidation of the Company with another entity, except that holders of Series P Preferred Stock will have no right to vote under this provision or under §23B.11.035 of the Revised Code of Washington or otherwise under Washington law if in each case (x) the Series P Preferred Stock remains outstanding or, in the case of any such merger or consolidation with respect to which the Company is not the surviving or resulting entity, is converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (y) such Series P Preferred Stock remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers of the Series P Preferred Stock, taken as a whole;

provided, however, that any increase in the amount of the authorized or issued Series P Preferred Stock or authorized preferred stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of preferred stock ranking equally with and/or junior to the Series P Preferred Stock with respect to the payment of dividends (whether such dividends are cumulative or non-cumulative) and/or the distribution of assets upon the Company's liquidation, dissolution or winding up will not be deemed to adversely affect the voting powers, preferences or special rights of the Series P Preferred stock and, notwithstanding §23B.10.040(1)(a), (e) or (f) of the Revised Code of Washington or any other provision of Washington law, holders of Series P Preferred Stock will have no right to vote on such an increase, creation or issuance.

If an amendment, alteration, repeal, share exchange, reclassification, merger or consolidation described above would adversely affect one or more but not all series of preferred stock with like voting rights (including the Series P Preferred Stock for this purpose), then only the series affected and entitled to vote shall vote as a class in lieu of all such series of preferred stock.

Section 9. Certificates. The Company may at its option issue the Series P Preferred Stock without certificates.

RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) the Executive Vice President – Corporate Strategy &

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Development, (vi) the Senior Vice President and Treasurer, (vii) any Senior Vice President reporting directly to the Senior Vice President and Treasurer and (viii) the Senior Vice President and Controller.

RESOLVED FURTHER, that the Board hereby authorizes, and delegates the authority to, any one of the Authorized Officers on behalf of the Board to designate, finalize, determine and complete (it being understood that this authority includes without limitation the authority to make appropriate modifications in the preceding designation) the preferences, limitations, voting powers and relative rights of the Series P Preferred Stock, as set forth in the preceding resolutions, subject to the other limits specified in these resolutions and such final designation shall constitute a final determination of such preferences, limitations, voting powers and relative rights and shall be maintained as an official record of the Board;

RESOLVED FURTHER, that the authorization and delegation in the immediately preceding resolutions shall include, without limitation, the authority to determine the number of shares of Series P Preferred Stock to be authorized, to determine the dividend rates, the liquidation preference and the redemption prices, to determine the dividend payment dates, to add restrictions on dividend payments to parity securities in the event full dividends are not paid on the Series P Preferred Stock, to designate the dates on which and further situations (including without limitation any changes in the regulatory capital rules as applied to the Company) in which the Company has the option to redeem the Series P Preferred Stock (with or without make-whole provisions), to designate additional events or circumstances in which holders of Series P Preferred Stock shall have voting rights, to approve the form of any stock certificate and to prepare and authorize the filing of an amendment for the Series P Preferred Stock with the Secretary of State of the State of Washington which shall include the designation of the preferences, limitations, voting powers and relative rights of the Series P Preferred Stock; provided, however, that the spread over 3-month LIBOR used in determining the dividend rate for each dividend period shall not exceed 800 basis points, the minimum dividend rate for any dividend period shall not be greater than 9% per annum, the number of shares issued shall not exceed 2,000, the liquidation preference per share shall not exceed \$1,000,000 and the Company shall have the right to redeem the Series P Preferred Stock no later than the first dividend payment date which is more than five years after the date one which the Series P Preferred Stock is issued (or, if not a business day, the first business day thereafter);

RESOLVED FURTHER, that the Series P Preferred Stock may be issued in either certificated or non-certificated form as determined by any Authorized Officer;

RESOLVED FURTHER, that the Series P Preferred Stock may be issued to a depository, which shall issue depository shares each representing a fractional interest in the shares of a series of the Series P Preferred Stock;

RESOLVED FURTHER, that the Company is hereby authorized to enter into and perform its obligations under a deposit agreement to issue depository shares, and any Authorized Officer is authorized to select the depository and to negotiate, execute and deliver such deposit agreement on behalf of the Company;

RESOLVED FURTHER, that any Authorized Officer is authorized to appoint from time to time one or more transfer agents, dividend and redemption price disbursement

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agents and registrars for shares of the Series P Preferred Stock, and any Authorized Officer is authorized to enter into agreements with such agents and registrars;

RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized and empowered, on behalf of the Company and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, pursuant to a power of attorney, in the event that it is deemed necessary or desirable so to do, in connection with the offering of the Series P Preferred Stock, (i) to prepare, or cause to be prepared, a prospectus, offering circular or offering memorandum with respect to such securities or related depositary shares (and any supplements or amendments thereto), as the Authorized Officers, or any of them, taking such action shall approve in connection therewith in order to effect the offering of such securities and (ii) to execute any notice or application required or requested by the Securities and Exchange Commission or any banking regulator with respect to the Series P Preferred Stock or related depositary shares, to procure all necessary signatures thereto and to file any such notice or application, together with such amendments or supplements as such officers shall deem necessary or appropriate or as counsel for the Company may approve;

RESOLVED FURTHER, that the Company may make application to the New York Stock Exchange (or other organization) for the registration and listing on such Exchange (or such other organization), on official notice of issuance, of the Series P Preferred Stock or related depositary shares; that each Authorized Officer be, and each hereby is, authorized and empowered, at such time as he or she shall deem advisable, in the name and on behalf of the Company, to make application for such registration and listing and, in connection therewith, to execute in the name and on behalf of the Company, and to file and deliver all such applications, statements, certificates, agreements, including indemnification agreements, and other instruments and documents as shall be necessary to accomplish such listing and that each Authorized Officer is authorized to appear on behalf of the Company before the appropriate committee or body of said Exchange (or other organization) as such appearance may be required, with authority to make such changes in any such listing application as shall be presented thereto, and in any agreements that may be made in connection therewith, as in their discretion may be necessary or proper to comply with the requirements for such listing;

RESOLVED FURTHER, that any Authorized Officer is hereby authorized to determine the jurisdictions in which appropriate action may be taken to qualify or register for sale all or such part of the Series P Preferred Stock or related depositary shares as such Authorized Officer deems necessary or advisable; that such Authorized Officer is hereby authorized to perform on behalf of the Company any and all such acts as he or she may deem advisable in order to comply with the applicable laws of any such jurisdictions, and in connection therewith, to execute, deliver and file all requisite instruments and agreements, including but not limited to, applications, reports, surety bonds, irrevocable consents and appointments of agents for service of process; the execution by such Authorized Officer of any such instrument or agreement or the taking of any action in connection with the foregoing matters shall conclusively establish such Authorized Officer's authority therefore from the Company and the approval and ratification by the Company of the instruments and agreements and the actions so taken;

RESOLVED FURTHER, that the Company hereby constitutes and appoints Charles

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Edward Smith its agent for service in connection with any filing with the New York Stock Exchange (or other organization);

RESOLVED FURTHER, that each Authorized Officer is hereby authorized and directed in the name and on behalf of the Company to take any and all action which they may deem necessary or advisable in order to obtain a permit, register or qualify its securities for issuance and sale or to request an exemption from registration of its securities or to register or obtain a license for the Company as a dealer or broker under the securities laws of such of the states of the United States of America or other jurisdictions as such officers may deem advisable, and in connection with such registration, permits, licenses, qualifications and exemptions, to execute, acknowledge, verify, deliver, file and publish all such applications, reports, issuer's covenants, resolutions, irrevocable consents to service of process, powers of attorney and other papers and instruments as may be required under such laws or may be deemed by such officers to be useful or advisable to be filed thereunder, and that the Board hereby adopts the form of any and all resolutions required by any such applications, reports, issuer's covenants, irrevocable consents to service of process, powers of attorney and other papers and instruments if (1) in the opinion of such officer or officers of the Company so acting the adoption of such resolutions is necessary or advisable and (2) the secretary of the Company evidences such adoption by filing with these resolutions copies of such resolutions, which shall thereupon be deemed to be adopted by this Board and incorporated in the minutes as a part of this resolution and with the same force and effect as if presented herewith, and that such officer or officers of the Company take any and all further action which they may deem necessary or advisable in order to maintain such registration in effect for as long as they may deem to be in the best interest of the Company; and

RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Company (including, without limitation, those authorized from time to time pursuant to the Company's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements (which agreements may include, without limitation, (i) underwriting, purchase, distribution or similar agreements with underwriters or agents named therein, (ii) a replacement capital covenant or other similar agreement, in favor of holders of the specified indebtedness of the Company, restricting sources of funds used to redeem or repurchase the Series P Preferred Stock, any undertakings or other documents or supplemental agreements on behalf of the Company (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the issuance of the Series P Preferred Stock, or to further the intent of these resolutions, subject to the limits set forth in these resolutions.

Minutes of October 16, 2007 meeting of WMB Board of Directors

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**WASHINGTON MUTUAL BANK
BOARD OF DIRECTORS MINUTES**

The Board of Directors of Washington Mutual Bank (the "Association") held its October meeting on Tuesday, October 16, 2007 in Seattle, Washington. Present were: Frank, Killinger, Leppert, Lillis, Montoya, Murphy, Osmer McQuade, Pugh, Reed, Smith and Stever. (Ms. Osmer McQuade participated by means of a conference telephone enabling all participants to hear one another.) Mr. Killinger presided. Also present, at the beginning of the meeting, were the Company's officers, Casey, Cathcart, Chapman, David, Rotella, and Lynch (secretary). The Board met in joint session with the Board of Directors of Washington Mutual, Inc. (the "Holding Company").

...

Capital Raising Transaction

Ms. Pugh reported that the Finance Committee had reviewed a proposal with regard to the issuance of capital securities by a subsidiary of the Association. The Delaware limited liability company that was organized in 2006 as an indirect operating subsidiary of the Association would issue up to \$2.0 billion in additional preferred securities ("Delaware Preferred Securities") to a newly formed Cayman entity or other foreign entity, which would issue certain other securities ("Entity Securities") and use the proceeds of issuance of the Entity Securities to finance the purchase of Delaware Preferred Securities. The Holding Company will serve as a source of strength for the Association, as the Entity Securities will automatically be exchanged into depositary shares representing a fractional interest in a share of a new class of preferred stock of the Holding Company upon the occurrence of certain possible events. Ms. Pugh reported that the Finance Committee recommended approval of this proposal. On motion duly made and seconded, the Board unanimously resolved to approve the Association's actions in support of the issuance of Delaware Preferred Securities. A copy of the resolutions adopted by the Board will be kept in the minute book as an appendix to these minutes. Ms. Pugh also reported that the Finance Committee had heard a report indicating that the Holding Company would widen the coupon range for another class of preferred stock of the Holding Company, for which depositary shares representing fractional interests automatically will be issued in exchange for another new category of Entity Securities. Thus, also, the Holding Company would serve as a source of strength for the Association.

...

There being no further business, the meeting was adjourned.

Appendices:

- A – Resolutions in Response to Consent Order**
- B – Resolutions in Response to Assessment Order**
- C – Resolutions Authorizing Global Note Program**
- D – Resolutions Authorizing Preferred Securities**
- E – Schedule of Officer Elections, Promotions, Transfers and Other Changes**

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APPROVED BY THE BOARD OF DIRECTORS NOVEMBER 19, 2007

Appendix D – Resolutions Authorizing Preferred Securities

(WMPF Preferred Securities Offering)

WHEREAS, Washington Mutual Bank (the “Bank”) directly owns all of the issued and outstanding common stock of Seneca Holdings, Inc. (“Seneca Holdings”), indirectly owns all of the interests in WM Marion Holdings, LLC (“WM Marion”) and indirectly owns all of the issued and outstanding common stock of University Street, Inc. (“University Street”);

WHEREAS, University Street owns all of the issued and outstanding common interests in Washington Mutual Preferred Funding LLC (“WMPF LLC”);

WHEREAS, at a meeting of the Board of Directors (the “Board”) of the Bank duly called and held on August 21, 2007, the Board adopted resolutions (the “Original Resolutions”) relating to and authorizing an equity contribution by the Bank to Seneca Holdings consisting of loans or interests therein not to exceed \$3.4 billion in book value (the “Seneca Holdings Contribution”) and an equity contribution by the Bank to WMPF LLC (the “LLC Contribution”) of assets consisting of loans or interests therein not to exceed \$1.5 billion;

WHEREAS, at the time the Original Resolutions were adopted, it was anticipated that Seneca Holdings would make an equity contribution of loans or interests contributed to it pursuant to the Seneca Holdings Contribution to WM Marion, that WM Marion in turn would make an equity contribution of such loans to University Street, and that University Street in turn would make an equity contribution of such loans to WMPF LLC;

WHEREAS, at the time the Original Resolutions were adopted it was also anticipated that WMPF LLC would issue a new class or series of preferred interests (the “LLC 2007-B Preferred Interests”) to either (a) a newly formed special purpose entity (the “SPE”), (b) University Street or (c) the Bank;

WHEREAS, at the time the Original Resolutions were adopted it was also anticipated that the LLC 2007-B Preferred Interests would be sold or transferred by WMPF LLC, University Street or the Bank, as the case may be, to the SPE which, in turn, will issue substantially similar securities (the “SPE Securities”) to investors;

WHEREAS, WMPF LLC now proposes to issue another class or series of preferred interests (the “LLC 2007-C Preferred Interests”) to a newly formed Cayman Islands or other foreign entity (the “Cayman Entity”) in addition to or in lieu of issuing LLC 2007-B Preferred Interests to the SPE, University Street or the Bank;

WHEREAS, it is currently anticipated that some or all of the LLC 2007-C Preferred Interests may be sold or transferred by WMPF LLC, University Street or the Bank, as the case may be, to the Cayman Entity which, in turn, will issue substantially similar securities (the “Cayman Securities”) to investors;

WHEREAS, it is now proposed that the authorized amount of the Seneca Holdings Contribution be increased to an amount not to exceed \$5.2 billion and that the authorized amount of the LLC Contribution be increased to an amount not to exceed \$2.0 billion;

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WHEREAS, the Bank's parent, Washington Mutual, Inc. ("WMI"), has authorized a new series of preferred stock (the "WMI Series N Preferred Stock") and under certain circumstances the SPE Securities will be automatically exchanged into depositary shares representing interests in the WMI Series N Preferred Stock;

WHEREAS, it is proposed that WMI will authorize a new series of preferred stock (the "WMI Series O Preferred Stock") and under certain circumstances the Cayman Securities will be automatically exchanged into depositary shares representing interests in the WMI Series O Preferred Stock;

WHEREAS, the Original Resolutions authorized (a) the Bank to transfer, or to cause its designee to transfer, any LLC 2007-B Preferred Interests that it may receive to the SPE in exchange for cash, (b) the Bank to execute and deliver any agreements with WMPF LLC, the SPE or any other party necessary or appropriate in connection with the transactions contemplated by the Original Resolutions, (c) the Bank to take any necessary or appropriate action in connection the transfer, sale or offering of the LLC 2007-B Preferred Interests or the SPE Securities, and (d) certain officers of the Bank to take any of the foregoing actions on behalf of the Bank; and

WHEREAS, the Bank desires to expand the authority granted in the Original Resolutions to accommodate the transactions related to the issuance of the LLC 2007-C Preferred Interests and the Cayman Securities.

THEREFORE, IT IS HEREBY RESOLVED, the Seneca Holdings Contribution in an amount not to exceed \$5.2 billion in book value and the LLC Contribution in an amount not to exceed \$2.0 billion are hereby authorized, and any Authorized Officer (as defined below) is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements or documents as any Authorized Officer deems necessary or appropriate in connection with such contributions;

RESOLVED FURTHER, that the Bank is hereby authorized to transfer, or to cause its designee to transfer, any LLC 2007-C Preferred Interests that it may receive to the Cayman Entity in exchange for cash and any Authorized Officer (as defined below) is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements or documents as such Authorized Officer deems necessary or appropriate in connection with such transfers;

RESOLVED FURTHER, that each of the Authorized Officers is hereby authorized on behalf of the Bank to negotiate, execute and deliver any agreements with WMPF LLC, the Cayman Entity or any other party as such Authorized Officer deems necessary or appropriate in connection with the transactions contemplated by these resolutions or the Original Resolutions, as well as the management, operation or administration of WMPF LLC;

RESOLVED FURTHER, that the Authorized Officers, or any of them, are authorized and empowered, on behalf of the Bank and in its name, with full power and authority to delegate such authority to one or more attorneys-in-fact or agents acting for such Authorized Officers, or any of them, in the event that it is deemed necessary or desirable so to do, in connection with the transfer, sale or offering of the LLC 2007-C Preferred Interests or the Cayman Securities, as the case may be, in a private offering and/or in an offering effected in reliance on Regulation S promulgated under the Securities Act of 1933, as amended (a "Reg S Offering"), to prepare, cause to be prepared or to participate in the preparation of, an

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offering circular or offering memorandum with respect to such securities (and any supplements or amendments thereto), as the Authorized Officers, or any of them, taking such action shall approve in connection therewith in order to effect the offering of such securities in a private offering or a Reg S Offering;

RESOLVED FURTHER, that any Authorized Officer, together with other proper officers of the Bank (including, without limitation, those authorized from time to time pursuant to the Bank's Asset and Liability Management Policy and the standards and procedures from time to time in effect thereunder), is hereby authorized to negotiate, enter into, execute and deliver any and all additional agreements, any undertakings or other documents or supplemental agreements on behalf of the Bank (including, without limitation, filings or applications with banking regulators, securities regulators or stock exchanges, domestic or foreign) and to take any other actions, in each case, as such Authorized Officer or other proper officer deems to be necessary or advisable in connection with the issuance or transfers of the LLC 2007-C Preferred Interests or to further the intent of these resolutions or the Original Resolutions;

RESOLVED FURTHER, that for purposes of these resolutions and the transactions contemplated hereby, each of the following shall be an "Authorized Officer": (i) the Chief Executive Officer, (ii) the Chief Operating Officer, (iii) the Chief Financial Officer, (iv) any Senior Executive Vice President, (v) any Executive Vice President, (vi) the Senior Vice President and Treasurer, (vii) any Senior Vice President reporting directly to the Senior Vice President and Treasurer and (viii) the Senior Vice President and Controller;

RESOLVED FURTHER, that any actions taken by any of the Authorized Officers or any other proper officer of the Bank prior to the adoption of these resolutions that is otherwise within the scope of the authority conferred by these resolutions is hereby ratified, confirmed and approved; and

RESOLVED FURTHER, that, as supplemented hereby, the Original Resolutions shall remain in full force and effect and are hereby ratified and confirmed in all ways.

United States Bankruptcy Court District of Delaware

PROOF OF CLAIM

Name of Debtor (check only one):

Washington Mutual, Inc. 08-12229 (MFV)

WMI Investment Corp. 08-12228 (MFV)

Name and address of Creditor (and name and address where notices should be sent if different from Creditor):

JPMorgan Chase Bank, National Association
c/o Hyde R. Feldstein
Sullivan & Cromwell LLP
1888 Century Park East
Los Angeles, California 90067-1725
310.712.6600
feldsteinh@sullcrom.com

With a copy to:

JPMorgan Chase Bank, National Association
c/o Kevin G. Mruk
10 South Dearborn, Mail Code IL1-0080
Chicago, Illinois 60603-2003
312.732.7105
kevin.g.mruk@jpmchase.com

Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: _____
(If known)
Filed on: _____

Your Claim Is Scheduled as Follows:

- Date Stamped Copy Returned
- No self addressed stamped envelope
- No copy to return

Name and address where payment should be sent (if different from above):

JPMorgan Chase Bank, National Association
c/o Joseph A. Giampapa
1111 Polaris Parkway, 4P0265
Columbus, Ohio 43271-0152
614.248.6056
joseph.a.giampapa@jpmchase.com

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

You have a claim scheduled against the Debtor listed above in the amount and priority set forth above. (This scheduled amount may be an amendment to a previously scheduled amount.) If you agree that you have a claim against the Debtor listed above and in the amount and priority set forth above and you have no other claim against that Debtor, you do not need to file this proof of claim form, EXCEPT AS FOLLOWS: If the amount shown is DISPUTED, UNLIQUIDATED or CONTINGENT, a proof of claim MUST be filed in order to receive any distribution in respect of your claim. If you have already filed a proof of claim in accordance with the attached instructions, you need not file again.

1. Type of Claim:

Claim existing as of the date case was filed. Amount of Claim as of Date Case Filed: \$ See Attachment A.

If all or part of your claim is secured, complete Item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority (other than under 11 U.S.C. § 507(a)(2)), complete Item 5.

Check this box if claim is filed by a governmental unit.

Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of interest or additional charges.

2. Basis for Claim: See Attachment A.

(See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: Federal Tax ID Number 3725

3a. Debtor may have scheduled account as:

(See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.) See Attachment A.

Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: Real Estate Motor Vehicle Other

Describe: See Attachment A.

Value of Property: \$ See Attachment A. Annual Interest Rate _____ %

Amount of arrearage and other charges as of time case filed included in secured claim, if any:

\$ See Attachment A. Basis for perfection: See Attachment A.

Amount of Secured Claim: \$ See Attachment A. Amount of Unsecured: \$ See Attachment A.

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim:

Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

Wages, salaries or commissions (up to \$10,950), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier under 11 U.S.C. § 507(a)(4).

Contributions to an employee benefit plan under 11 U.S.C. § 507(a)(5).

Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use under 11 U.S.C. § 507(a)(7).

Taxes or penalties owed to governmental units under 11 U.S.C. § 507(a)(8).

Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(_____).

Amount entitled to priority:

\$ _____

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RECEIVED

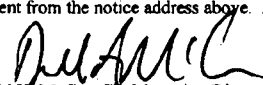
MAR 30 2009

KURTZMAN CARSON CONSULTANTS

Date:

March 30, 2009

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.


Donald H. McCree III, Managing Director
JPMorgan Chase Bank, National Association
270 N. Park Ave., Floor 46
New York, New York 10017-2104; 212-270-4360

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.



ATTACHMENT A

Tax Refunds

On September 26, 2008 (the "Petition Date"), Washington Mutual, Inc. ("WMI") and WMI Investment Corp. ("WMI Investment") filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). References herein to the "Debtor" or "Debtors" are intended to refer to WMI and WMI Investment Corp. as debtors and debtors-in-possession in their pending Chapter 11 cases. Prior to the Petition Date, on September 25, 2008, the Director of the Office of Thrift Supervision (the "OTS") appointed the Federal Deposit Insurance Corporation (the "FDIC") as receiver (the "Receiver") for Washington Mutual Bank, Henderson, Nevada, a federal savings banking association ("WMB"), a subsidiary of the Debtors, and advised that the Receiver was immediately taking possession of WMB. On September 25, 2008, the FDIC, as Receiver and in its corporate capacity, also entered into a Purchase and Assumption Agreement Whole Bank (the "P&A Agreement") with JPMorgan Chase Bank, National Association ("JPMCB"), whereby JPMCB acquired substantially all of the assets of WMB's banking operations, including one of its subsidiaries, Washington Mutual Bank fsb ("WMBfsb" and collectively with WMB, the "Affiliated Banks"), and assumed the deposit liabilities and certain other liabilities of WMB's banking operations. The Affiliated Banks also had a number of direct and indirect subsidiaries that are now subsidiaries of or have been merged into JPMCB or one of its subsidiaries or affiliates. JPMCB asserts its claims herein on behalf of itself and its subsidiaries and affiliates. JPMCB believes that its claims are against WMI rather than WMI Investment, but because the intercompany relationships between the Debtors are not clear and because these are jointly administered cases, JPMCB files its claims against both Debtors out of an abundance of caution.

Although JPMCB purchased the assets of WMB, the Debtors have wrongfully refused to acknowledge that purchase in material respects, and have interfered with JPMCB's ability to use and enjoy the benefits of its purchase of those assets. On March 20, 2009, the Debtors jointly filed a complaint before the United States District Court for the District of Columbia (the "District Court") placing at issue a number of the claims and assets JPMCB acquired from the FDIC under the P&A Agreement (the "District Court Action"). On March 24, 2009, JPMCB filed its Complaint commencing Adversary Proceeding No. 09-50551-MFW (the "Adversary Proceeding") before the Bankruptcy Court seeking, among other things, declaratory relief regarding a number of the assets at issue in the District Court Action and to interplead any amounts that may be due from JPMCB to the Debtors. On March 30, 2009, JPMCB moved to intervene in the District Court Action.

JPMCB is submitting this and certain other proofs of claim to preserve JPMCB's right to distributions from the estate for (a) any amounts awarded as monetary damages to JPMCB in the District Court Action or the Adversary Proceeding; (b) the amounts paid or contributed by WMB or its subsidiaries on or prior to the Petition Date for the acquisition, creation or maintenance of various identified assets, including the assets at issue in the Adversary Proceeding; and (c) the amounts paid or contributed by JPMCB after the Petition Date on account of the assets at issue in the Adversary Proceeding or otherwise for costs and expenses arising on account of or relating to such estates, including without limitation, payments to or for

the benefit of participants in the pension, 401(k) and other benefit plans at issue. This claim, together with certain of the other claims of JPMCB that are filed in these Chapter 11 cases, is filed as (1) a secured claim under section 506(a) to the extent of any liabilities of JPMCB or any of its subsidiaries or affiliates to the Debtors or to the extent JPMCB or any of its subsidiaries or affiliates is secured, possesses a lien, or is entitled to a lien under contract, applicable non-bankruptcy law, or equity; (2) an administrative claim under section 503(b) for amounts paid by JPMCB or its subsidiaries, or damages to JPMCB resulting from acts or omissions of the Debtors, on or after the Petition Date; (3) a priority claim to the extent specified in each individual proof of claim; and (4) a general unsecured claim to the extent it is not deemed to be entitled to secured, priority or administrative status.

JPMCB believes that with respect to the assets at issue in the District Court Action or the Adversary Proceeding, ownership will be determined by the District Court or the Bankruptcy Court in those actions, as applicable. JPMCB hereby reserves all of its rights and remedies against the Debtors, including the right to continue the District Court Action and the Adversary Proceeding, to commence other actions or proceedings, to seek allowance and payment of administrative claims and amounts by application, motion or other appropriate proceeding before the Bankruptcy Court at any time, to request and seek adequate protection of JPMCB's interest in property, to seek relief from and request the lifting of the stay at any time, whether to permit the exercise of its rights of setoff, recoupment or other remedies or otherwise.

This proof of claim discusses JPMCB's tax-related claims against the Debtor's estate. It should be considered in conjunction with and as an explanation of the attached Excel Spreadsheet entitled "Claims Against WMI Bankruptcy".

Background

The tax-related claims of JPMCB against WMI fall into three general categories:

- I. refunds expected to be paid by taxing authorities to WMI as agent for WMB and/or the FDIC (hereafter, for ease of reading of this proof of claim only, WMB and the FDIC are referred to collectively as "WMB")
- II. refunds already paid by taxing authorities to WMI as agent for WMB; and
- III. amounts due from WMI to WMB where WMI remitted funds to taxing authorities as agent for WMB and WMB over-reimbursed WMI for such remittances.

As previously noted, this proof of claim should be read in conjunction with the attached Excel Spreadsheet. The Spreadsheet is broken down into the three categories discussed above. This memorandum for clarity further divides Category I claims into sub-categories: (i) refunds expected to be paid by taxing authorities to WMI as agent for WMB where such refund claims are either actively being litigated or where litigation may be pending; (ii) refunds expected to be paid by taxing authorities to WMI as agent for WMB where such refund claims are being negotiated at either IRS Appeals or at Audit; (iii) refunds expected to be paid by taxing authorities to WMI as agent for WMB where such refund claims relate to overpayments of taxes paid by WMI as agent for WMB; (iv) refunds expected to be paid by taxing authorities to WMI as agent for WMB where such refund claims relate to expected carryback of net operating and

capital losses incurred by WMB in 2008; and (v) refunds expected to be paid by taxing authorities to WMI as agent for WMB where such refund claims relate to excess credits in tax accounts, miscalculation of interest by taxing authorities, assessed penalties expected to be waived, and other similar items involving WMI's tax accounts maintained with taxing authorities as agent for WMB. Finally, each of these sub-categories of Federal refunds has associated sub-categories relating to state tax refunds.

The following document is submitted in support of this claim:

- Exhibit A. Excel Workbook "Washington Mutual Bank – Claims Against WMI Bankruptcy"

All other supporting documents, due to volume, are available upon request.

Discussion:

Category I:

Category I claims represent refunds expected to be paid by taxing authorities to WMI, where WMI is acting as agent for WMB. They have been sub-categorized into groups depending on the nature of the claim and where such claim is currently being evaluated. The following is a description of each sub-category and of each specific tax issue within each sub-category.

Sub-Category I – Federal Tax Litigation Claims:

WMI and WMB are the successors in interest to numerous thrifts, banks and thrift and bank holding companies. These financial institutions include, most notably, Providian Financial, parent to Providian Bank, Dime Bancorp Inc., parent to Dime Savings Bank, HomeSide Lending, Inc. (“HomeSide”), formerly the U.S. mortgage unit of National Australia Bank Limited, H.F. Ahmanson & Company, parent to Home Savings of America (“Home”), Great Western Financial Corporation, parent to Great Western Bank, and Keystone Holdings, Inc., parent to American Savings Bank. Each of the predecessor financial institutions were themselves successors in interest to numerous financial institutions, including, most notably, Coast Savings Financial, Inc., parent to Coast Savings Bank, and the Bowery Savings Bank, among others.

The following describes refund claims that are attributable to these predecessor financial institutions where the claims are currently being litigated and/or where litigation is pending.

1. Supervisory Goodwill Claims In Court: In general, these cases concern whether Home, in government assisted acquisitions of various failed thrift institutions, acquired a tax basis in “Branching Rights” and “Regulatory Accounting Principals Rights” (aka “RAP Rights”). Branching Rights refer to a right to establish branch offices in states outside of a thrift’s principal operating state. RAP Rights refer to a specific regulatory accounting principle that allowed goodwill recorded in acquisitions of certain troubled institutions to be included in a thrift’s regulatory capital calculation.

Washington Mutual, Inc., as Successor in Interest to H.F. Ahmanson & Co. And Subsidiaries v. The United States of America (United States District Court, Western District (October 2007): Case involves Home’s acquisition of Missouri Branching Rights, as well as Missouri and Florida RAP Rights, both acquired as part of a 1981 transaction facilitated by the Federal Home Loan Bank Board (“FHLBB”) and Federal Savings and Loan Insurance Corporation (“FSLIC”). The original complaint was filed January 12, 2006 in United States District Court, Western District of Seattle. The tax years at issue are 1990, 1992, and 1993.

WMI, as successor to Ahmanson, contends that it acquired tax basis in both the Branching Rights and RAP Rights. As outlined in the Complaint, WMI is requesting amortization deductions for RAP rights for tax years 1990, and 1992-1993. If WMI prevails, WMI should be entitled to additional amortization deductions in 1999-2005. Since both the Branching Rights and the RAP Rights were rights of Ahmanson’s banking subsidiary, Home,

and since Home was merged into WMB, WMB should be entitled to any benefits resulting from the litigation. Further, since the taxes paid by Ahmanson were attributable to the activities of Home, and were therefore paid as agent for Home, any refunds of such taxes should be the property of Home's successor, WMB.

In November of 1993, Home sold its deposit taking business in Missouri. As outlined in the Complaint, HFA is requesting an abandonment deduction for tax year 1993. Again, WMB, as successor to Home, should be entitled to any refunds received by its agent, WMI.

On August 12, 2008, the Court granted the Department of Justice's Motion for Summary Judgment. One additional open issue is related to the carryback of a net operating loss Ahmanson suffered in 1996, where such loss was carried back by Ahmanson to 1993. WMI is working with outside counsel to resolve the carryback claim. Once that issue is resolved, the Court will issue a final judgment. To date, outside counsel is still completing its formal analysis of the court's decision. Based on very preliminary discussions, an appeal to the Ninth Circuit is likely.

Washington Mutual, Inc. as Successor in Interest to H.F. Ahmanson & Co. and Subsidiaries v. The United States of America (The United States Court of Federal Claims) (March 2008): Case involves Home's acquisition of Illinois Branching Rights and RAP Rights as part of various transactions facilitated by the FHLBB and FSLIC.¹ The original complaint was filed March 31, 2008 in the United States Court of Federal Claims. The tax years at issue are 1991 and 1994.

WMI, as successor to Ahmanson, contends that it acquired tax basis in both the Branching Rights and RAP Rights. As outlined in the Complaint, WMI is requesting amortization deductions for RAP rights for tax years 1991 and 1994. If WMI prevails, WMI should be entitled to additional amortization deductions in 1997, and 1999-2005. Since both the Branching Rights and the RAP Rights were rights of Ahmanson's banking subsidiary, Home, and since Home was merged into WMB, WMB should be entitled to any benefits resulting from the litigation. Further, since the taxes paid by Ahmanson were attributable to the activities of Home, and were therefore paid as agent for Home, any refunds of such taxes should be the property of Home's successor, WMB.

In November of 1994, Home sold its deposit taking business in Illinois. As outlined in the Complaint, HFA is requesting an abandonment deduction for tax year 1994. Again, WMB, as successor to Home, should be entitled to any refunds received by its agent, WMI.

WMI is waiting for the Department of Justice to respond to the filed complaint. The case is required to go to Alternative Dispute Resolution after which, the parties will prepare a Joint Status Report. Based on preliminary discussions with outside counsel, it is anticipated that a Joint Status Report will ask the court to freeze the branching rights issue pending appeal.

¹ Case includes the amortization of RAP Rights associated with the 1981 Missouri/Florida acquisition as well as Home's acquisition of insolvent Thrift's in Illinois, Texas, New York and Ohio.

Washington Mutual, Inc. as Successor in Interest to H.F. Ahmanson & Co. and Subsidiaries v. The United States of America (The United States Court of Federal Claims) (April 2008): Case involves two issues. The first issue is Home's acquisition of Florida, New York and Ohio Branching Rights and RAP Rights, acquired as part of various transactions facilitated by the FHLBB and FSLIC.² The second issue is discussed in greater detail below. The tax years at issue are 1995 and 1998.

WMI, as successor to Ahmanson, contends that it acquired tax basis in both the Branching Rights and RAP Rights. As outlined in the Complaint, HFA is requesting amortization deductions for RAP rights for tax years 1995 and 1998. If HFA prevails, HFA should be entitled to additional amortization deductions in 1997, and 1999-2005. Since both the Branching Rights and the RAP Rights were rights of Ahmanson's banking subsidiary, Home, and since Home was merged into WMB, WMB should be entitled to any benefits resulting from the litigation. Further, since the taxes paid by Ahmanson were attributable to the activities of Home, and were therefore paid as agent for Home, any refunds of such taxes should be the property of Home's successor, WMB.

In 1995, Home sold its deposit taking business in New York and Ohio. In 1998, Home sold its deposit taking business in Florida. As outlined in the Complaint, HFA is requesting an abandonment deduction for tax years 1995 and 1998. Again, WMB, as successor to Home, should be entitled to any refunds received by its agent, WMI.

The second issue relates to a 1995 transfer from Home of \$13 billion of mortgage backed securities and deferred loan fees to its wholly-owned subsidiary, 1905 Agency. IRS required Home to recognize income on that transfer asserting that IRC § 351 does not apply to prevent the immediate recognition of all deferred fee income.

The original complaint was filed April 30, 2008 in the United States Court of Federal Claims. WMI is waiting for the Department of Justice to respond to the filed complaint. The case is required to go to Alternative Dispute Resolution, after which the parties will prepare a Joint Status Report. Based on preliminary discussions with outside counsel, it is anticipated that a Joint Status Report will ask the court to freeze the branching rights issue pending appeal and to allow the 1905 Agency issue to move forward. Based on further discussions with WMI representatives Curt Brouwer and Dora Arash, the 1905 claim has been severed from the Supervisory Goodwill claim and is the discovery phase.

2. Supervisory Goodwill Claims Not in Court: Claims represent the same issues discussed above, just with respect to different tax years. Subsequent to the conclusion of the three current cases discussed above, claims covering a range of tax years were to be filed in the appropriate court. The claims again represent issues associated with activities of WMB and would again result in refunds that are the property of WMB.

3. 1905 Agency Claim (Court of Federal Claims) (April 2008): See discussion above.

² Case includes the amortization of RAP rights associated with the acquisition of insolvent Thrifts in New York as well as amortization of favorable financing received by Bowery, a New York Thrift.

4. *Ahmanson Obligation*: During 1997, Home Servicing of America, a subsidiary of Home, recognized a loss on the sale of preferred stock of Ahmanson Obligation Company, a subsidiary of Ahmanson. The loss was disallowed by the IRS. In addition, the IRS imposed a Section 6662 accuracy-related penalty.

On January 10, 2006, WMI paid the IRS for the loss claimed on the sale of Ahmanson Obligation Company stock.³ In June of 2006, an amended return was filed for tax years 1995, 1997 and 1998. The amended returns included Branching Rights claims as well as claims for the tax and penalty paid with respect to the stock sale loss. On May 27, 2008, the IRS denied the claim for a second time and issued a 30-day letter. A protest was filed on June 26, 2008 and requests consideration of new developments in the law, namely; Coltec Industries, Inc. vs. United States, 454 F 3d 1340 (4th Cir, 2006); The Black & Decker Corporation v. United States, 434 F. 3rd 1340 (4th Cir. 2006). The case has not yet been assigned to an Appeal Officer.

Sub-Category I – Unitary State Claims for Federal Litigation Claims:

As deductible items for federal tax purposes are generally deductible for state tax purposes, all of the items described above, except one, will generally result in state tax refunds that will be paid to WMI on behalf of WMB. The refunds will be attributable to so-called “combined return” and/or “consolidated return” states where WMI was the paying agent for WMB. The one exception is the Ahmanson Obligation Company stock sale loss; California taxes were not paid with respect to this issue. Accordingly, there is no potential refund associated with the stock sale loss. As it is unknown at this point whether additional taxes will be due for this issue, we do not reduce our state refund amounts for any potential exposure on this issue.

Sub-Category I – Federal Audit Cycle Claims:

WMI/WMB had Federal Income Tax receivables representing tax refund claims for periods ending prior to and including December 31, 2005. The refunds have been claimed either on amended returns or through the audit process between WMI and its subsidiaries and the various taxing authorities. The refunds are attributable to a host of issues. Some of the issues have been resolved with the IRS and refunds have already been paid. Those issues that have not been resolved, and thus represent additional potential refunds, are discussed individually below.

WMI 2001-2003 Audit Cycle:

1. *Abatement of Failure-to-Pay (File) Penalty*: For tax year 2003, WMI's federal tax return reflected an underpayment of tax. Consequently, WMI self-assessed a Failure-to-Pay Penalty. The IRS audited the 2001-2003 tax year and issued an RAR reflecting an overpayment of tax. As a result of the overpayment, the failure-to-pay penalty was erroneous. Although the IRS abated the penalty, the penalty has not been refunded. As the original tax was attributable to WMB's activities, and as WMB paid the penalty, the refund is the property of WMB.

³ Generally, a complaint must be filed 2 years after payment of tax. Although not known by JPMorgan Chase at this time, it is possible that WMI filed a complaint in an appropriate jurisdiction on or before January 10, 2009. Because of the possibility of a court filing, this issue is included in the *Federal Tax Litigation Claims* section.

Note: Items 2 through 7, below, represent deficiencies asserted by the IRS against WMI/WMB. The IRS offset the asserted deficiencies against refunds the IRS had agreed to pay to WMI/WMB (i.e., the IRS retained the agreed upon refunds). It is presumed that items 2 through 7 will be resolved in WMI'/WMB's favor; therefore, the previously agreed upon refunds will be ultimately paid by the IRS. The vast majority of the previously agreed upon refunds are attributable to WMB and its subsidiaries. Accordingly, when or if such refunds are paid to WMI by the IRS, WMI will be collecting the refunds only as agent for WMB.

2. *Transaction Costs:* Whether pre-decisional investigatory costs incurred by Bank United, Dime, Ahmanson and Washington Mutual should be capitalized and amortized under IRC § 195, or alternatively should be deducted as ordinary and necessary business expense under IRC § 162. The IRS has contested the treatment of these costs, however, it is anticipated that such treatment will ultimately be settled substantially in Washington Mutual's favor.

3. *Ahmanson Ranch Charitable Contribution:* Charitable contribution deduction was disallowed based on the limitation which reduces deduction by amount that would have been long-term capital gain if property had been sold at fair market value. The IRS claimed that the property, know as Ahmanson Ranch, did not qualify as a capital asset at the time of sale to the State of California, but should have been classified as inventory. IRS has tentatively agreed to allow the full deduction.

4. *REMIC Income:* Washington Mutual conducted an extensive review of its REMIC tax returns filed in the 2000-2004 years. As result of the review, the company proposed various adjustments to its taxable income after the RAR had been issued. These adjustments were accepted by the IRS. Additionally, the IRS agreed to give up assessments against WMB for purported unreported REMIC income.

5. *Concord Stock Contribution:* On Appeal, the IRS has agreed that shares of Concord common stock contributed by WMB to the Washington Mutual Foundation were freely transferable on the date of contribution. Therefore the IRS has allowed a full fair market value deduction for contribution of the shares rather than a deduction limited to WMB's basis in the stock.

6. *Partnership Distributions:* Partnerships holding high value low basis assets completely or partially redeemed member interests with related party financial assets (debt securities). The effect of the transactions was to transfer the outside basis of partnership interest to the debt securities, triggering a step-up in basis in the assets in the partnerships. The debt securities were then recapitalized into equity. Question is whether the distributions lacked economic substance, were step-transactions, and/or were violations of anti-abuse regulations. IRS Exam required gain recognition on the transaction. IRS Appeals is currently examining depreciation deductions taken at the partnership level.

7. *Grant Thornton Cost Seg Studies:* Grant Thornton performed a Cost Segregation analysis of Washington Mutual's financial centers placed in service in 2000-2004. As a result of the study, Washington Mutual made a IRC § 481 adjustment and claimed additional depreciation expense from the allocation of costs from Sec 1250 to Sec 1245 property, and additional bonus

depreciation amounts. The IRS denied the accelerated depreciation reported or claimed for 2000-2004.

Note: Items 8 through 12, below, represent refund claims submitted by WMI/WMB to the IRS where the IRS has denied such claims. It is presumed that items 8 through 12 will be resolved in WMI/WMB's favor; therefore, the refunds will be ultimately paid by the IRS. As the vast majority of the refund claims are attributable to the activities of WMB and its subsidiaries, when or if such refunds are paid to WMI by the IRS, WMI will be collecting the refunds only as agent for WMB.

8. *Grant Thornton Cost Seg Studies:* See Item 7 discussion above.

9. *Transaction Costs:* See Item 2 discussion above.

10. *Section 9 Payments:* As a result of the Keystone Transaction, WMI and WMB are parties to an agreement with a predecessor of the FDIC (Federal Savings and Loan Insurance Corporation Resolution Fund), which generally provides that 75% of most of the federal tax savings and approximately 19.5% of most of the California tax savings attributable to American Savings Bank's utilization of certain tax loss carryovers of New West Federal Savings and Loan Association are to be paid by WMI/WMB to the FDIC.

The issue is whether Washington Mutual is entitled to deduct these tax benefit sharing payments remitted to the FDIC. Taxpayer reached a tentative settlement with the IRS Appeals which considered the risks of litigation under IRC § 483 and therefore allowed an interest deduction equal to 20% of the "Section 9" payments. The losses were utilized by WMB to offset its tax; therefore, any deduction (and associated refund) is properly that of WMB.

11. *IPO Costs:* The IRS disallowed full deductions claimed on an amended 2002 return for costs incurred by Dime and HomeSide in the initial public offerings of their stock. The costs had been capitalized and no portion deducted at the time Washington Mutual acquired all of the outstanding stock of Dime and HomeSide. The IRS position is that such costs do not reduce proceeds from the stock issuance but must be capitalized.

12. *Contested Liability Trust:* The CLAS transaction generated deductions in 1999 via the contribution of assets to a trust. Washington Mutual settled the matter with the IRS during the 1998-2000 cycle at less than 100% favorable. In 2002, the trust was unwound. Washington Mutual is entitled to a deduction in 2002 of income previously taxed by virtue of the less than 100% favorable settlement. The trust was a subsidiary of, and all the assets contributed to the trust were owned by, WMB. Thus any adjustment of income is attributable to WMB.

WMI 2004-2005 Audit Cycle

All of the below described items represent income or deductions attributable to WMB's activities or the activities of entities merged into WMB. Accordingly, all the items represent refunds that are the property of WMB but which will be paid to WMI as agent for WMB. We note that, on an overall basis, 2004 reflects a net payable to the IRS and, thus, no refunds are expected. 2005, on an overall basis, reflects a net receivable from the IRS. Such receivable, when received by WMI as agent for WMB, is the property of WMB.

1. Carryforward Adjustments: This item is comprised of a number of different issues, each briefly described below. All carryforward adjustments have been accepted by Exam through the issuance of a Notice of Proposed Adjustment ("NOPA"). All of the issues related to the activities of WMB or those of entities merged into WMB.

OID/Interest Income – Loan Sales (NOPA #1): In the 1993-1996 audit of Great Western, Great Western Bank (merged into WMB) agreed to the application of § 1286 to loan sales originated between 1988 and 1990. For those loans sold in 1991 or 1992, a proposed change in calculations allowed the taxpayer to reduce the net income from the sales of loans for 1988 – 1992.

Amortization Florida 21 Branch Core Deposit (NOPA #2): In 1987, Great Western Bank acquired 21 branches in southern Florida. There was an issue as to the value and life of core deposits but in Appeals a settlement was reached and a deduction was allowed.

Leasehold Improvements (NOPA#3): Leasehold improvement expense deductions as capital expenditures. However, even though the expenses were not deductible, they were depreciable over a period of 39 years on a straight line method.

Core Deposit Intangible Amortization (NOPA #4): In the 1988-1992 audit cycle of Great Western, changes were made to the amortizable value and lives of intangible assets (called core deposit) for four bank acquisitions. In Appeals, there was a settlement with recalculations to the remaining amortization amounts - adjustments to income were necessary to reflect the agreed changes.

Excess Mortgage Servicing Rights (NOPA#5): This is a carryover from 1993-1996 Great Western cycle where there was a 906 agreement resolving a dispute regarding the correct accounting for the excess servicing rights. It was concluded that the income from the mortgage servicing rights must be reduced based on the changes made and agreed for 1993-1996.

Amortization of Core Deposit Intangibles (NOPA#6): Issue reflects the agreed rollover adjustments from the 1990-1993 cycle of Ahmanson. WMI is able to deduct additional amounts for the amortization of core deposits.

Home Excess Servicing Amortization (NOPA #7): In the 1990-1993 cycle of Ahmanson, there was an adjustment related to the basis of the excess servicing generated in 1990. Therefore the amortization expense was adjusted as well. For the purposes of settlement, it was determined that: 1. WMI is allowed a 15% discount rate in computing the basis of the servicing and the excess servicing strip; and 2. WMI is permitted to report the remaining balance of the interest income and OID in 2004.

Coast Savings Excess Servicing Amortization (NOPA#8): Ahmanson acquired Coast Financial, parent to Coast Savings Bank, in 1998. Coast Savings Bank merged into Home, and Home was subsequently merged into WMB. There was an excess servicing asset tax basis and that amount had not been incorporated into Home's M1 schedule. An agreement was reached allowing for an adjustment based on the PRM percentage, resulting in a decrease to taxable income. The remaining basis carried over to WMB.

Home Excess Rights Amortization (NOPA#9): This NOPA addresses adjustments related to excess deductible basis maintained by Home (prior to merger into WMB) that had not been amortized. Additional amortization deductions were allowed.

Inventory Reserves (NOPA#11): WMI acquired Ahmanson in 1998. Ahmanson had a subsidiary, Ahmanson Residential Development (ARD). Prior to the acquisition, ARD had established reserves against its real estate held for sale or investment. The book reserves were reversed for tax purposes and subsequent charges were deducted for tax purposes. The balances were transferred to Washington Mutual and netted into other property balances. In the 2001-2003 cycle, the Service agreed that tax deductions for the charge offs were allowable, but that such deductions should have been claimed when the property accounts were closed out in 2004.

1997 REMIC Carryover (NOPA#12): Great Western Bank was merged into WMB in 1997. WMB transferred certain Great Western loans to a REMIC. In return, WMBFA received several classes of debt. For book purposes, WMI classified certain classes of debt using the Lower of Cost or Market (LOCOM) valuation technique. WMI originally requested a \$99 million loss on a 1997 amended return but the full amount of the loss was denied. The denial of the loss resulted in an overstatement of income in subsequent years. WMI resolved the issue by proposing to amortize the balance of the LOCOM deduction (then \$88 million).

PWC – Cost Seg Study (NOPA#16): This is a carryover issue from 2000. In 2000, Washington Mutual filed a 3115 to change the accounting method for the depreciable lives of assets based upon costs segregation studies conducted by PWC and KPMG. The purpose of the study was to reclassify §1250 real property (with 39 yr. lives) as § 1245 tangible property (with 15, 7 or 5 yr. lives). The IRS raised issue with the studies and in Appeals, there was a resolution.

Odd-Days Interest (NOPA#21): Odd-days interest is interest attributable to part of the first payment period when that period is longer than a regular payment period. It is a finance charge related to the short or long days for a loan and must be taken into account. Washington Mutual did not accurately report the correct odd-days interest from Home Savings on the originally filed returns for 2001-2003. Washington Mutual amended its 2001 return by adding an amount into income because the carryover adjustment was discovered after the return had been filed.

Provision – Government Loan Loss (NOPA#49): This is a carryover adjustment resulting from the 2001-2003 cycle. In that cycle, the IRS disallowed a bad debt deduction on the federal return. Although the deduction was appropriate per GAAP, Exam determined that there was no economic performance, therefore no deduction was available for tax purposes. Exam agreed that economic performance occurred in 2004.

2. MSR Gains and Amortization (NOPA#35): Washington Mutual filed an informal claim October 27, 2007, requesting an adjustment of its 2004 MSR Gains and the related Amortization, consistent with the methodology agreed upon during the 2001-2003 cycle. The claim reflects the differences in book and tax methods of allocating loan basis between the MSR retained, and the underlying mortgage sold. For tax purposes, only the “excess servicing rights” are required to be capitalized. The portion of the book gain deferred for tax purposes reverses in subsequent years as a reduction in tax amortization expense relative to book amortization.

3. *Loan Costs and Fees (NOPA#29-33)*: Washington Mutual filed an amended tax return on April 8, 2006, and a summary claim on Feb 28, 2008, regarding 2004 and 2005 Loan Fees and Loan Origination Costs. The claim was filed to make the following corrections to the tax returns as filed: (1) apply carryover adjustments from the 2001-2003 cycle, (2) revise the FAS 91 adjustments and reversals based on a review of balance sheet rather than P&L accounts.

4. *Loan Costs and Fees – Prior Years (NOPA#50)*: On a memorandum dated July 7, 2008, Washington Mutual reported additional income for 2004 and 2005. The adjustments were the result of an ongoing review of accounts by the Corporate Tax Department, and reflect the final reconciliation of balance sheet accounts as of December 31, 2006.

5. *HomeSide Built-in Loss (NOPA#22)*: Washington Mutual acquired HomeSide in 2002. In an amended return for 2002, Washington Mutual proposed an adjustment to income relating to the § 382 limitation on recognition of built-in losses. Washington Mutual assumed that the MSR's acquired in the HomeSide transaction were sold, but it was determined later that the MSR asset related to HomeSide had not sold but was rather transferred within the consolidated group. This adjustment was calculated applying the §382(h)(7) 5 year limitation period. Since the HomeSide MSR's were not sold in 2002, the recognized built-in loss with respect to these MSR's in 2002–2006 consists of (1) the amount of amortization Washington Mutual could claim on the MSR (by stepping into the shoes of HomeSide) and (2) the purchase accounting adjustments related to the acquisition. Since it is impossible to determine the amount that any realized built-in loss exceeds the net unrealized built-in loss, only the §382 limitation amount was allowed.

6. *Section 9 Payments (NOPA#10R)*: See discussion of *Section 9 Payments* (Sub-Category I B – Federal Audit Cycle Claims).

7. *Mark-to-Market*: A memorandum was submitted to the IRS on November 30, 2007. The following claims were included in the memorandum and were accepted by the IRS:

MSR Hedges (NOPA#36): This adjustment is based on the IRS's review of revised computations of MSR Hedges. The adjustment is based on the IRS conclusion that Washington Mutual's method of accounting for hedging gains and losses did not clearly reflect income because the timing of the income, deduction, gain or loss from the hedges did not correspond to the period of the MSR income stream.

Rate Locks (NOPA#37): For GAAP purposes, Interest Rate Lock Commitments ("Rate Locks") are subject to MTM accounting for derivatives under FAS 133. For tax purposes for these years, the Rate Locks were identified as assets held for investment and not subject to MTM. The Sch M items for the book – tax differences were calculated by comparing year-end balances to prior year-end balances for GL accounts 32911 and 52111.

Warehouse Loans (NOPA#38): The warehouse loans were loans originated or purchased by Washington Mutual to be sold in the secondary market. For GAAP purposes, the loans were accounted for under FAS 65 at Lower of Cost or Market (LOCOM). For tax purposes, the loans were assets held for sale and subject to MTM. The Accounting group at Washington Mutual did not capture the 2004 tax MTM data on the warehouse, as the loans were increasing in value due to falling interest rates and no GAAP adjustment was required under LOCOM; however, for tax

Washington Mutual should have included income or MTM. The IRS accepted the revised computation.

Hedges on Liability (NOPA#39): For GAAP purposes Washington Mutual did record MTM adjustments on certain of its liabilities (our borrowings); however, such adjustments were recorded net of the MTM adjustments on the hedges associated with the borrowings under FAS 133. Because the hedges were perfect during these years, no gain or loss was recorded in the income statement. For tax purposes liabilities (borrowings) are not subject to MTM under IRC Sec. 475, since borrowing are not "securities". Washington Mutual did not MTM the associated hedges for tax purposes. Accordingly, no M adjustment was necessary. The IRS accepted the revised computations.

8. Partnership Adjustments (NOPA#34): Pacific Center Associates is a partnership which consists of five partners, all of which were subsidiaries of Washington Mutual. The original Form 1065 was timely filed. It was later determined that several items needed to be included or revised on the return. The partnership filed an amended return to report the following items: (1) gain on sale of Irvine property assets, (2) recapture of prior year depreciation, and (3) rental income. The audit adjustment reflects these changes.

9. Depreciation (NOPA#13): This adjustment is the correction of an error reported on the 2004 return. Washington Mutual reported and deducted the cumulative depreciation of its fixed assets instead of the current depreciation amounts.

10. General Reserves (NOPA#14): Washington Mutual filed an informal claim Dec 20, 2007 requesting adjustments related to several reserve accounts such as Legal Reserves, Servicing Reserves, and Inventory Reserves. The reserves represent estimates of future expenses for GAAP financial reporting purposes. These amounts were not included in any Sch M adjustments.

11. Other Adjustments:

Amortization 1(NOPA#15): This adjustment is the correction of an error. Amortization expense for Purchase Credit Card Receivables, Alliance Contracts and Non-compete Covenants are not deductible for tax. Accordingly, Washington Mutual reported the book expense as Sch M for Amortization. Washington Mutual also reported the same amount as a Sch M for Purchase Accounting. This NOPA adjusts for double counting of the income.

Amortization 2(NOPA#17): This adjustment is also the correction of an error. Washington Mutual inadvertently deducted one month of amortization for intangibles acquired in the purchase of PNC Mortgage. This NOPA allows Washington Mutual to take a full year's amount of amortization on the asset.

Transaction Costs (NOPA#18): Adjustment for transaction fees paid to Morgan Stanley and Lehman Brothers. These costs were previously deducted but on audit were determined to be non-deductible as facilitative services.

REMIC Income (NOPA#23/#24R1): In December 2006, Long Beach Mortgage Co filed amended REMIC forms 1066 and Sch Q for the 2001-2003 years that impacted the amount of

income to be reported in 2004 and 2005. In March 2007, Long Beach provided additional corrections for REMIC residual income for 2001-2003. These corrections also impacted the amount of income to be reported in 2004 and 2005.

Amortization of Project Saturn Fees (NOPA#26): Washington Mutual acquired Providian Financial Corporation and affiliates effective Oct 1, 2005. The IRS concluded its audit of Providian for the 2000-2004 years. Item represents a carryforward adjustment from the audit allowing an additional 2005 deduction for amortization of Project Saturn structuring fees.

Amortization of Broker Fees (NOPA#27): Washington Mutual acquired Providian Financial Corporation and affiliates effective Oct 1, 2005. The IRS concluded its audit of Providian for the 2000-2004 years. Item represents a carryforward adjustment from the audit allowing an additional 2005 deduction for amortization of brokers' fees.

Transaction Costs-Keystone & Dime (NOPA#40): The taxpayer filed Form 3115 requesting a Change in Accounting Method for the treatment of "pre-decisional investigatory costs." The IRS granted the request and allowed a deduction for expenses incurred prior to the time decisions were made as to "whether and which" an acquisition is made.

HomeSide Net Unrealized Built-in Losses (NOPA#41): In 2002, Washington Mutual acquired the assets and stock of HomeSide Lending. From Oct 1, 2002 through Nov 15, 2002 HomeSide filed a short period return. Subsequent to Nov 15, HomeSide was merged into WMBFA. After further review of the transaction, Washington Mutual determined corrections were needed and filed an amended return to reflect the changes. This adjustment reflects the Net Unrealized Built-in Loss as accepted by the IRS.

Amortization 3(NOPA#53): Item represents a correction of an error in signage on the Sch M-1 item as filed.

Partnership Income (NOPA#47): Various adjustments to income from Washington Mutual's interests in partnerships and LLCs. The income was not included on the original returns because the K-1's were received after the returns were filed.

12. Credits (NOPA#42, 46, 47): Increase in General Business Credits as a result of interests in partnerships and LLCs. The credits were not included on the original returns because the K-1's were received after the returns were filed.

Sub-Category I – Unitary State Claims for Federal Adjustments:

As deductible items for federal tax purposes are generally deductible for state tax purposes, all of the items described above will generally result in state tax refunds that will be paid to WMI on behalf of WMB. The refunds will be attributable to so-called "combined return" and/or "consolidated return" states where WMI was the paying agent for WMB.

Sub-Category I – Federal Overpayment Claims:

On its 2007 Federal Income Tax Return, WMI elected to apply \$40 million of its \$274 million overpayment to its expected 2008 federal income tax liability. As WMI's 2008 Federal

Income Tax Return has not yet been prepared, it is possible that the \$40 million applied payment will ultimately be refunded to WMI. Since all tax payments made by WMI are as agent for its subsidiaries, principally WMB, the refund is properly the property of WMB. The remaining \$234 million overpayment from 2007 is discussed under Category II, below.

Sub-Category I – Unitary State Overpayment Claims:

On its 2005 to 2007 state tax returns, WMI elected to have overpayments refunded. Since all tax payments made by WMI are as agent for its subsidiaries, principally WMB, the refunds are properly the property of WMB.

Sub-Category I – Federal Loss Carryback Claims:

As a result of the sale of all of its assets to JPMCB, WMB will realize a significant loss on its 2008 Federal Income Tax Return. The loss will be comprised of both ordinary and capital losses, where such losses may be carried back. Additionally, due to the size of the loss carryback, WMB will have Federal tax credits that were utilized in one year available for carryback to the preceding year, since Federal tax credits generally can be carried back one year. Currently, net operating losses can be carried back two years and capital losses can be carried back three years, however, President Obama's budget proposal may permit net operating losses to be carried back beyond two years. Since all tax payments made by WMI are as agent for its subsidiaries, principally WMB, all amounts received by WMI related to loss and/or credit carrybacks are the property of WMB.

Sub-Category I – Unitary State Carryback Claims:

As a result of the sale of all of its assets to JPMCB, WMB will realize a significant loss on its 2008 state income tax returns. The loss will be comprised of both ordinary and capital losses. Ordinary losses and capital losses can be carried back up to three years in certain jurisdictions. There are not credits significant enough to consider. As noted under Federal Loss Carryback Claims section, President Obama's budget proposal may permit net operating losses to be carried back beyond the period to which they may be carried back now. Certain jurisdictions may automatically conform to any new federal law; accordingly, certain jurisdictions' carryback periods may be extended. Since all tax payments made by WMI are as agent for its subsidiaries, principally WMB, all amounts received by WMI related to loss carrybacks are the property of WMB.

Sub-Category I – Miscellaneous Tax-Related Claims:

Prior to WMB's closure by the Office of Thrift Supervision and the appointment of the FDIC as receiver, Washington Mutual was conducting a review of tax account transcripts (i.e., statements of account maintained by taxing authorities detailing final assessments made against taxpayers, payments made, taxes recorded as due from return and estimated tax filings, etc.). While the review was never completed, certain items had been identified which represent net refunds due to WMI as agent for WMB. The following is a brief summary of each of the identified items. Upon completion of the review, certain additional items could be identified which would change the amount of the total refund due to WMI as agent for WMB for both federal and state tax purposes.

Federal Transcripts

1998: A credit balance was identified as due to WMI/WMB, with associated interest. The credit relates to taxes associated with the activities of WMB and accordingly any refund of such amount should be the property of WMB rather than WMI.

2002: The IRS erroneously posted an assessment to the account of WMI/WMB in advance of posting an overpayment from a prior year, thus causing interest on amounts otherwise owed by WMI/WMB to be overpaid. Additionally, an overpayment of tax was identified that, net of two amounts owed by WMI/WMB, results in a refund due to WMI/WMB. The interest and the overpayment, net of amounts identified on the transcripts as due to the IRS, represent refunds due to WMI as agent for WMB, as all items relate to taxes associated with the activities of WMB rather than WMI.

2003: As a result of under-estimating its Federal Income Tax liability for 2003, WMI/WMB incurred and paid an estimated tax penalty. Subsequent to the filing of the 2003 original return, numerous deductions of WMB not claimed on the original return were identified and amended returns were filed claiming such deductions. The subsequently claimed deductions are sufficient to eliminate the under-payment of estimated taxes. It is possible that the estimated tax penalty will be abated and refunded by the IRS to WMI as agent for WMB. Such refunds are properly those of WMB since all of deductions are related to WMB's activities.

California Transcripts

1998: Ahmanson engaged in a series of transactions involving its real estate owned. The real estate was owned by Home, Ahmanson's banking subsidiary. Home was ultimately merged into what is now WMB. The transactions resulted in losses being claimed for both Federal and state tax purposes. The State of California initially disallowed all of the claimed losses. After paying the taxes and protesting the State's action, WMI/WMB was successful in realizing the deductions. For various reasons, WMI elected to leave the resulting refund on deposit with the State. The amount represents a refund that owed by the State to WMI as agent for WMB, as WMB owned all the properties that gave rise to the claimed deductions.

2006: As noted previously, Washington Mutual acquired H.F. Ahmanson, Great Western, and Keystone. The banking operations of the acquired entities were heavily concentrated in California and incurred significant California tax. The State of California asserted that the banking operations of the acquired entities were instantly unitary with the operations of WMB, causing WMB's tax liability to be significantly increased in the first year after each acquisition. WMI/WMB protested the findings of the State and ultimately reached a negotiated settlement with the State, resulting in a refund. As all of the assessed tax related to the banking operations of the acquired entities, and as all of the banking operations of the acquired entities were merged into WMB, the refund is properly that of WMB.

2008: WMI/WMB has a potential constitutional claim against the State of California for the State's taxation of certain income earned by WMB in past years. As WMI asserts that it is the only entity within the Washington Mutual group eligible to act as agent in California with respect to past years, WMI could attempt to file the claim and secure the associated refund of

taxes paid on such income. However, as all of the income in question was earned by WMB, any such refund would be the property of WMB.

Category II:

For Federal Income Tax purposes, pursuant to Treasury Regulation § 1.1502-77, and for unitary and/or consolidated return states, WMI was the taxpaying agent for the rest of the Washington Mutual group of entities. As agent for the group, it is customary for WMI to be recipient of any refunds paid by taxing authorities, regardless of which entity to which the tax relates. However, WMI was not an entity with any material operations; the vast majority of taxes incurred by Washington Mutual were attributable to the activities of WMB and its subsidiaries. Accordingly, and as noted repeatedly above, any refunds received by WMI are merely received as agent on behalf of WMB.

The amounts in Category II represent refunds, Federal and state alike, received by WMI where such refunds have been retained by WMI. Again, since WMI was merely the agent of WMB, and since the vast majority of taxes of the group were attributable to the activities of WMB and its subsidiaries, all refunds received by WMI are WMB's property.

Federal Refunds Received by WMI - Dime '99 to '01 Audit Cycle: In January of 2002, Dime Bancorp Inc., which was merged into WMI, and Dime Savings Bank, which was merged into WMB, were acquired by Washington Mutual. In Dime's last stand-alone audit cycle, Dime Bancorp Inc. filed refund claims for tax years 1999-2001 related to a capital loss carryback. On audit, the IRS initially disallowed the loss carryback and also disallowed Dime Bancorp's deduction of payments made to terminate a merger agreement with Hudson United Bancorp. The termination payment was made because Dime broke-off its merger with Hudson United in order to merge with Washington Mutual. The IRS' position was that such termination payments were required to be capitalized. The Issues were settled at Appeals and a net refund was approved by Joint Committee. On September 23, 2008, the US Treasury issued refund checks. Such refund checks were received on or about September 29, 2008 and WMI took possession of the checks shortly thereafter.

Federal Refunds Received by WMI - 2007 Federal Tax Overpayment: On its 2007 Federal Income Tax Return, filed in September of 2008, WMI reflected an overpayment of \$274.5 million; \$40 million of the overpayment was applied to WMI's 2008 tax year, and \$234.5 million was requested to be refunded. On September 30, 2008, the IRS wired the \$234.5 million to WMI.

State Tax Refunds Received by WMI: As discussed previously, Washington Mutual under-reported its deductions on its Federal Income Tax Returns from 1998 through 2004. Correspondingly, Washington Mutual under-reported its deductions on its state income tax returns for the same period. State amended returns were filed for each of the years. Most of the state refunds reflected on those amended returns remain outstanding; however, certain of the refunds have been received by WMI as agent for WMB. Additionally, Washington Mutual reflected overpayments on certain of its state income tax returns for 2006 and 2007. Certain of these overpayments were refunded by the states to WMI as agent for WMB. Since the vast majority of the activities giving rise to the tax payments, the amended return refunds, and the

overpayments are attributable to WMB and its subsidiaries, the refunds received by WMI as paying agent are the property of WMB.

Category III:

WMI and WMB, along with most of the other entities within the Washington Mutual group, maintained tax receivable and tax payable accounts. WMI, as tax agent for the group, would pay taxes on behalf of the group for Federal Income Tax purposes and for unitary and consolidated return state tax purposes. Upon paying a taxing authority, WMI would credit its cash account and would record a debit in its Federal Income Taxes Payable account. As noted previously, the tax liability of the Washington Mutual group was almost exclusively attributable to the activities of WMB. As part of its tax provision process, WMB would record a credit to its Federal Income Taxes Payable account and a debit to its Federal Income Tax Expense. WMB would as a matter of course settle its Federal Income Tax Payable account by remitting cash to WMI in satisfaction of its tax obligation (credit cash and debit Federal Income Taxes Payable; thus, zeroing out the account). As of September 25, the day of WMB's receivership, WMI reflected a current payable in its Federal Income Tax Payable account, and WMB reflected a current receivable in its Federal Income Tax Payable account. Such balances suggest that WMB in fact overpaid WMI for taxes WMI outlaid on WMB's behalf, since WMI had no tax liability (or tax refunds) attributable to its own activities. The balance in WMI's tax account represents overpayment of taxes by WMB to WMI and, thus, represents the property of WMB, since WMI was merely the tax paying agent for the Washington Mutual group.

Assertion of this proof of claim, and any election, exercise or grant of any rights or remedies referred to, implied by or set forth in this claim does not, and is not intended to, preclude the election, exercise or grant of any other rights or remedies that may now or subsequently exist in law, in equity, by statute or otherwise. The identification or enumeration of JPMCB's rights and remedies set forth in this claim is not intended to be and should not be deemed to be exhaustive or to preclude JPMCB from asserting specific claims or counterclaims for as-yet unliquidated, unmatured or contingent claims currently known or unknown, including without limitation, indemnification, contribution, and/or reimbursement from the Debtors for any claims of third parties that may be asserted against JPMCB.

JPMCB reserves all rights to amend, augment, supplement, reduce or withdraw, in whole or in part, this proof of claim, including, without limitation, to: cure a defect in the original claim, correct the claim amount or priority status, include additional supporting documents, describe the claim in greater detail, add additional claims presently unknown to JPMCB that, if known, could have affected this claim or resulted in the assertion of additional damages. In addition, nothing herein shall be deemed to waive or otherwise affect the rights of any other person, including without limitation, the FDIC, to make claims similar to or parallel with this claim.

In some instances, supporting documents identified herein as relating to claims have not been submitted herewith because (i) the specific documents identified are voluminous and either believed to already be in the Debtors' possession, or of such quantity that their submission herewith would be administratively impracticable, (ii) such documents are subject to confidentiality restrictions or some other agreement or restriction binding on JPMCB that

prevents their lawful inclusion in a filing of this nature without additional steps being taken to assure they are provided under seal or otherwise in compliance with law and any agreements binding on JPMCB, and (iii) of JPMCB's limited familiarity at this point in time with the extensive books and records of WMB acquired from the FDIC and time constraints resulting from the claims deadline. In each such case, JPMCB includes herein a detailed reference, and in some cases a description and summary, of documents identified to date by JPMCB on which the claim is based. Any party in interest seeking additional access to or copies of such documents or other related information may contact Cecelia Rodine at JPMorgan Chase & Co., Legal & Compliance Department, 1 Chase Manhattan Plaza, 25th Floor, Mail Code: NY1-A425, New York, New York 10081 with respect thereto.

Nothing in this claim describing or in any way relating to property in which the Debtors now or hereafter may assert an interest shall be construed or deemed in any way as evidence that such assets are property of the estate or an admission that the Debtors have any rights in such property. This claim is submitted to assert and preserve this claim in the Debtors' pending bankruptcy cases, and neither the submission of this claim, nor any provision hereof or statement herein shall be construed or deemed to be evidence that JPMCB or any other person has waived or intends to waive any rights or claims afforded it under the P&A Agreement, any other agreement with persons other than the Debtors, or as may otherwise be available under applicable law, including, without limitation, the Bankruptcy Code.

EXHIBIT A



Washington Mutual

REQUEST FOR CONTRIBUTION (Contributing Entity: Only WMI, WMB or WMFSB)

Approved: 
Thomas Casey
Chief Financial Officer

Date: December 11, 2007

General Information

Contribution Recipient: Washington Mutual Bank (WMB)

GL Co. No.: 002

Requester/Segment
(Name/phone no.): Jessica Jaeger / 206-554-8550

Amount: \$1 billion

Contributing Entity
(WMI, WMB or WMFSB): Washington Mutual, Inc.

GL Co. No.: 070

Contribution Payment Date: On or before December 31, 2007

Proposal/Purpose: WMI will contribute \$1 billion of the \$3 billion funds received from its issuance of the Series R non-cumulative perpetual convertible preferred stock to WMB in exchange for equity. The contribution to WMB will be used to provide capital protection for potential credit uncertainties.

Approvals Required

| <u>Department</u> | <u>Name</u> | <u>Approved By (by email)</u> |
|-------------------|-------------------|-------------------------------|
| Legal: | Andrea Radosevich | Email approved |
| Tax: | Tim Cleary | Email approved |
| Controllers: | Paul Stephen | Email approved |
| Treasury: | Peter Freilinger | Email approved |

Instructions

1. Complete the General Information as completely as possible. Be as detailed as possible with the Proposal/Purpose description (i.e., why the contribution is being requested, what it will be used for, is it a one-time request or ongoing, etc).
2. Present the Request for Contribution to each of the following department representatives for approval (via email):
 - Legal: Andrea Radosevich or Susan Taylor and Trish Johnson
 - Tax: Tim Cleary or Laurie Hanson
 - Controllers: Maruk Ghadiall or Pat Fournier
 - Treasury: Peter Freilinger or Patricia Schulte
3. Upon receipt of approval from all parties, please email the fully approved request to Trish Johnson in Legal. Please include all approvals when sending your request to Legal.
4. Legal will prepare and circulate for execution the legal documentation required to authorize the contribution and will forward the approval to the requesting party, Entity Accounting, Tax and Treasury. Alternatively, if preferred, the requestor can present the dividend request, once all departmental approvals have been obtained, directly to the Board for approval at their regular pre-scheduled Board meeting.

WASHINGTON MUTUAL, INC. AND
WMI INVESTMENT CORP.,

Plaintiffs,

v.

JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION,

Defendant.

Adv. Proc. No. 09-50934 (MFW)

**JPMORGAN CHASE BANK, NATIONAL ASSOCIATION'S STATEMENT
OF ISSUES PRESENTED AND DESIGNATION OF THE RECORD ON APPEAL**

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*Counsel for JPMorgan Chase Bank,
National Association*

Dated: July 17, 2009

**JPMORGAN CHASE BANK, N.A.'S STATEMENT OF ISSUES
PRESENTED AND DESIGNATION OF THE RECORD ON APPEAL**

Pursuant to Federal Rule of Bankruptcy Procedure 8006, Appellant JPMorgan Chase Bank, N.A. ("JPMC") hereby states the following issues to be presented to the United States District Court for the District of Delaware with respect to JPMC's Notice of Appeal dated July 10, 2009 and designates the following items for inclusion in the record on appeal.

STATEMENT OF ISSUES PRESENTED

1. Does the jurisdictional bar imposed by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, Pub. L. No. 101-73, 103 Stat. 183 (1989) ("FIRREA"), codified in relevant part at 12 U.S.C. § 1821(d)(13)(D), preclude the Bankruptcy Court from exercising subject matter jurisdiction over claims regarding the scope, validity or avoidability of a sale by and actions of the receiver for a failed depository institution under Title 12 of the U.S. Code, as against a purchaser from the FDIC?

2. Does FIRREA bar these Debtors, who have availed themselves of the FIRREA claims process, whose claims have been disallowed, and when their appeal of that disallowance is pending before the D.C. District Court, from bringing separate claims, this time as against a purchaser from the FDIC, to collaterally attack in the Bankruptcy Court the disallowance of their claims?

DESIGNATION OF THE RECORD

JPMC designates for inclusion in the record on appeal the following items, including any attachments thereto, filed in *JPMorgan Chase Bank, National Association v. Washington Mutual, Inc.*, Adv. Pro. No. 09-50551 (MFW):

| | Title | Date Filed | Docket Item Number |
|----|---|------------|--------------------|
| 1. | Official Case Docket as of July 17, 2009 | | |
| 2. | Complaint by JPMorgan Chase Bank, National Association against Washington Mutual, Inc., WMI Investment Corp., Federal Deposit Insurance Corporation | 3/24/2009 | 1 |
| 3. | Motion to Extend Time for Asserting Counterclaims Against JPMorgan Chase Bank, N.A. Filed by WMI Investment Corp., Washington Mutual, Inc. | 5/1/2009 | 10 |
| 4. | Objection and Response to Debtors' Motions for (A) an Order Pursuant to Bankruptcy Rule 2004 and Local Bankruptcy Rule 2004.1 Directing the Examination of JPMorgan Chase, N.A. and (b) an Order Pursuant to 11 U.S.C. Section 105(a) and Federal Rules of Bankruptcy Procedure 7013 and 9006(b) Enlarging the Time for Asserting Counterclaims Against JPMorgan Chase Bank, N.A., Filed by JPMorgan Chase Bank, National Association | 5/13/2009 | 13 |
| 5. | Reply of Debtor to Objection of JPMorgan Chase Bank, N.A. to Debtors' Motion for an Order (A) Pursuant to Bankruptcy Rule 2004 and Local Bankruptcy Rule 2004.1 Directing the Examination of JPMorgan Chase Bank, N.A.; and (B) Pursuant to 11 U.S.C. § 503(a) and Federal Rules of Bankruptcy Procedure 7013 and 9006(b) Enlarging the Time for Asserting Counterclaims Against JPMorgan Chase Bank, N.A. Filed by WMI Investment Corp., Washington Mutual, Inc. | 5/18/2009 | 15 |

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|-----|--|-----------|----|
| 6. | Brief in Support of the Motion of the Ad Hoc and Trust Committees for the Dime Savings Bank Umbrella Trust Beneficiaries to Intervene in Adversary Proceeding Pursuant to 11 U.S.C. Section 1109(a) and Fed.R.Bankr.P. 7024 Filed by Ad Hoc Committee, Trust Committee | 5/19/2009 | 18 |
| 7. | Answer to Complaint in Response to the Complaint of JPMorgan Chase Bank, N.A., Counterclaim by WMI Investment Corp., Washington Mutual, Inc. against JPMorgan Chase Bank, National Association | 5/29/2009 | 23 |
| 8. | Motion to Stay Adversary Proceeding Filed by Federal Deposit Insurance Corporation | 6/1/2009 | 25 |
| 9. | Memorandum of Law in Support of Motion to Stay Adversary Proceedings Filed by Federal Deposit Insurance Corporation | 6/1/2009 | 26 |
| 10. | Memorandum of Law in Support of the Motion for Intervention of the Official Committee of Unsecured Creditors of Washington Mutual, Inc., and WMI Investment Corp. | 6/11/2009 | 32 |
| 11. | Debtors' Opposition to (I) the Motion of the FDIC to Intervene, (II) the Motion of the FDIC to Stay Adversary Proceedings, and (III) the Motion of JPMorgan Chase Bank, National Association for Stay of Debtors' Adversary Proceeding | 6/15/2009 | 36 |
| 12. | Joinder and Brief of the Official Committee of Unsecured Creditors in Opposition to the Motion of the Federal Deposit Insurance Corporation to Stay Adversary Proceeding | 6/15/2009 | 37 |
| 13. | Response to Defendant Federal Deposit Insurance Corporation's Motion to Stay Adversary Proceedings Filed by JPMorgan Chase Bank, National Association | 6/15/2009 | 38 |
| 14. | Motion to Dismiss Adversary Proceeding/Motion to Dismiss Debtors' Counterclaims Filed by JPMorgan Chase Bank, National Association | 6/18/2009 | 41 |
| 15. | Opening Brief in Support of Motion to Dismiss Debtors' Counterclaims Filed by JPMorgan Chase Bank, National Association | 6/18/2009 | 42 |

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|-----|---|-----------|----|
| 16. | Appendix Filed by JPMorgan Chase Bank, National Association | 6/18/2009 | 43 |
| 17. | Reply Memorandum of the FDIC-Receiver in Support of its Motion to Stay Adversary Proceedings | 6/22/2009 | 45 |
| 18. | Motion to Determine Whether Matters are Core or Non Core and Statement with Respect to Motion to Withdraw the Reference Filed by JPMorgan Chase Bank, National Association | 6/23/2009 | 47 |
| 19. | Exhibit A to Motion to Determine Whether Matters are Core or Non Core and Statement with Respect to Motion to Withdraw the Reference Filed by JPMorgan Chase Bank, National Association | 6/23/2009 | 48 |
| 20. | Motion for Withdrawal of the Reference of the Adversary Proceedings Pursuant to 28 U.S.C. § 157(d) Filed by JPMorgan Chase Bank, National Association | 6/23/2009 | 49 |
| 21. | Memorandum of Law in Support of Motion for Withdrawal of the Reference of the Adversary Proceedings Pursuant to 28 U.S.C. § 157(d) Filed by JPMorgan Chase Bank, National Association | 6/23/2009 | 51 |
| 22. | Appendix Filed by JPMorgan Chase Bank, National Association | 6/23/2009 | 52 |
| 23. | Certification of Counsel Concerning Statements on the Record at the June 24, 2009 Hearing Filed by Federal Deposit Insurance Corporation | 6/29/2009 | 58 |
| 24. | Official Final Transcript regarding Hearing Held 6/24/2009 | 6/30/2009 | 59 |
| 25. | Order Denying Motion of Federal Deposit Insurance Corporation, as Receiver, to Stay Adversary Proceeding | 7/6/2009 | 68 |

JPMC also designates for inclusion in the record on appeal the following items, including any attachments thereto, filed in *Washington Mutual, Inc. v. JPMorgan Chase Bank, National Association*, Adv. Pro. No. 09-50934 (MFW):

| | Title | Date Filed | Docket Item Number |
|-----|---|-------------------|---------------------------|
| 1. | Official Case Docket as of July 17, 2009 | | |
| 2. | Complaint for Turnover of Estate Property by Washington Mutual, Inc., WMI Investment Corp. against JPMorgan Chase Bank, N.A. | 4/27/2009 | 1 |
| 3. | Motion to Dismiss Adversary Proceeding Filed by JPMorgan Chase Bank, National Association | 5/13/2009 | 8 |
| 4. | Opening Brief in Support of Motion to Dismiss Adversary Proceeding Filed by JPMorgan Chase Bank, N.A. | 5/13/2009 | 9 |
| 5. | Appendix Filed by JPMorgan Chase Bank, N.A. | 5/13/2009 | 10 |
| 6. | Motion of Plaintiffs Washington Mutual, Inc. and WMI Investment Corp. for Summary Judgment Filed by WMI Investment Corp., Washington Mutual, Inc. | 5/19/2009 | 14 |
| 7. | Brief in Support of the Motion of Plaintiffs for Summary Judgment Filed by WMI Investment Corp., Washington Mutual, Inc. | 5/19/2009 | 15 |
| 8. | Appendix to the Brief in Support of the Motion of Plaintiffs for Summary Judgment | 5/19/2009 | 16 |
| 9. | Motion to Allow/Expedited Motion for Additional Time to Respond to Debtors' Summary Judgment Motion Filed by JPMorgan Chase Bank, N.A. | 5/27/2009 | 21 |
| 10. | Response to JPMorgan Chase Bank, N.A.'s Motion to Dismiss Filed by WMI Investment Corp., Washington Mutual, Inc. | 5/27/2009 | 22 |
| 11. | Memorandum of Law in Support of Motion to Intervene Filed by Federal Deposit Insurance Corporation | 6/1/2009 | 28 |
| 12. | Motion to Intervene Filed by Federal Deposit Insurance Corporation | 6/1/2009 | 29 |

{683.001-W0001394.}

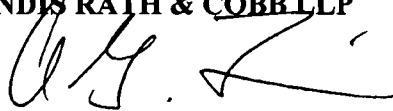
| | | | |
|-----|---|-----------|----|
| 13. | Motion to Stay Debtors' Adversary Proceeding Filed by JPMorgan Chase Bank, N.A. | 6/1/2009 | 31 |
| 14. | Reply Brief of Defendant JPMorgan Chase Bank, National Association in Further Support of Its Motion to Dismiss | 6/3/2009 | 33 |
| 15. | Statement of the Washington Mutual, Inc. Noteholders Group in Opposition to (A) the Motion of Intervenor-Defendant Federal Deposit Insurance Corporation, as Receiver for Washington Mutual Bank, to Stay or Dismiss the Adversary Complaint, and (B) the Motion of Defendant JPMorgan Chase Bank, National Association for Stay of Debtors' Adversary Proceeding | 6/15/2009 | 38 |
| 16. | Debtors' Opposition to (I) the Motion of the Federal Deposit Insurance Corporation ("FDIC") to Intervene, (II) the Motion of the FDIC to Stay Adversary Proceedings, and (III) the Motion of JPMorgan Chase Bank, National Association for Stay of Debtors' Adversary Proceeding | 6/15/2009 | 39 |
| 17. | Joinder and Brief of the Official Committee of Unsecured Creditors in Opposition to (A) the Motion of the Federal Deposit Insurance Corporation to Intervene in the Turnover Action and to Stay Adversary Proceedings; and (B) the Motion of Defendant JPMorgan Chase Bank, National Association, to Stay | 6/15/2009 | 40 |
| 18. | Reply Memorandum of the FDIC-Receiver in Support of Its Motion to Stay Adversary Proceedings and to Intervene | 6/22/2009 | 43 |
| 19. | Reply Brief in Further Support of Motion for Stay of Debtors' Adversary Proceeding Filed by JPMorgan Chase Bank, N.A. | 6/22/2009 | 44 |
| 20. | Appendix Filed by JPMorgan Chase Bank, National Association | 6/22/2009 | 45 |
| 21. | Motion to Determine Whether Matters are Core or Non Core and Statement with Respect to Motion to Withdraw the Reference Filed by JPMorgan Chase Bank, National Association | 6/23/2009 | 47 |

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| 22. | Motion for Withdrawal of the Reference of the Adversary Proceedings Pursuant to 28 U.S.C. § 157(d) Filed by JPMorgan Chase Bank, National Association | 6/23/2009 | 48 |
| 23. | Memorandum of Law in Support of Motion for Withdrawal of the Reference of the Adversary Proceedings Pursuant to 28 U.S.C. § 157(d) Filed by JPMorgan Chase Bank, National Association | 6/23/2009 | 50 |
| 24. | Appendix Filed by JPMorgan Chase Bank, N.A. | 6/23/2009 | 51 |
| 25. | Response to Statement of the Washington Mutual, Inc. Noteholders Group in Opposition to (A) the Motion of Intervenor-Defendant Federal Deposit Insurance Corporation, as Receiver for Washington Mutual Bank, to Stay or Dismiss the Adversary Complaint, and (B) the Motion of Defendant JPMorgan Chase Bank, National Association for Stay of Debtors' Adversary Proceeding Filed by JPMorgan Chase Bank, N.A. | 6/24/2009 | 52 |
| 26. | Certification of Counsel Concerning Statements on the Record at the June 24, 2009 Hearing Filed by Federal Deposit Insurance Corporation | 6/29/2009 | 57 |
| 27. | Official Final Transcript regarding Hearing Held 6/24/2009 | 6/30/2009 | 58 |
| 28. | Order Denying (A) Motion of Defendant JPMorgan Chase Bank, N.A. to Stay and (B) Motion of Intervenor-Defendant Federal Deposit Insurance Corporation, as Receiver, to Stay or Dismiss Adversary Proceeding | 7/6/2009 | 62 |
| 29. | Order Granting Motion of Federal Deposit Insurance Corporation, as Receiver, to Intervene | 7/6/2009 | 63 |
| 30. | Order Denying Motion to Dismiss Adversary Proceeding Filed by JPMorgan Chase Bank, National Association | 7/6/2009 | 64 |

Dated: July 17, 2009
Wilmington, Delaware

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