

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

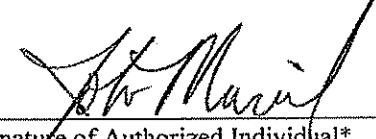
In re Washington Mutual, Inc., et al.

Case No. 08-12229 (MFW)
Reporting Period: 10-01-09 to 10-31-09

MONTHLY OPERATING REPORT

| REQUIRED DOCUMENTS | Form No. | Document Attached | Explanation Attached |
|--|-----------------|--------------------------|--|
| Schedule of Cash Receipts and Disbursements | MOR-1 | Yes | |
| Bank Reconciliation (or copies of Debtors' bank reconciliations) | MOR-1a | Refer to attached stmt | |
| Schedule of Professional Fees Paid | MOR-1b | Yes | |
| Copies of bank statements | MOR-1c | Refer to attached stmt | |
| Cash disbursements journals | | n/a | Refer to MOR 1 for summary of all disbursements. |
| Statement of Operations | MOR-2 | Yes | See attached notes |
| Balance Sheet | MOR-3 | Yes | See attached notes |
| Status of Post petition Taxes | MOR-4 | Yes | |
| Copies of IRS Form 6123 or payment receipt | | n/a | Payroll services outsourced including remission of taxes |
| Copies of tax returns filed during reporting period | | n/a | See listing of filings |
| Summary of Unpaid Post petition Debts | MOR-4 | n/a | Detail on face of balance sheet. |
| Listing of aged accounts payable | MOR-4 | Yes | |
| Accounts Receivable Reconciliation and Aging | MOR-5 | n/a | No trade receivables |
| Debtor Questionnaire | MOR-5 | Yes | |

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.



Signature of Authorized Individual*

John Maciel

Printed Name of Authorized Individual

November 30, 2009

Date

Chief Financial Officer

Title of Authorized Individual

* Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.



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DISCLAIMER

Washington Mutual, Inc. ("WMI") and WMI Investment Corp. (together, the "Debtors") caution investors and potential investors in WMI not to place undue reliance upon the information contained in this Monthly Operating Report, which was not prepared for the purpose of providing the basis for an investment decision relating to any of the securities of WMI. The Monthly Operating Report is limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Bankruptcy Court and the United States Trustee. The Monthly Operating Report was not audited or reviewed by independent accountants; does not purport to present the financial statements of WMI in accordance with generally accepted accounting principles; does not purport to present the market value of WMI's assets and liabilities or the recoverability of WMI's assets; is in a format prescribed by applicable bankruptcy laws; and is subject to future adjustment and reconciliation. There can be no assurance that, from the perspective of an investor or potential investor in WMI's securities, the Monthly Operating Report is complete. Results set forth in the Monthly Operating Report should not be viewed as indicative of future results. This disclaimer applies to all information contained herein.

On September 26, 2008 (the "Petition Date"), the Debtors each commenced voluntary cases under chapter 11 of title 11 of the United States Code with the United States Bankruptcy Court for the District of Delaware. Prior to the Petition Date, on September 25, 2008, the Director of the Office of Thrift Supervision, appointed the Federal Deposit Insurance Corporation (the "FDIC") as receiver for Washington Mutual Bank ("WMB") and advised that the receiver was immediately taking possession of WMB. Immediately after its appointment as receiver, the FDIC sold substantially all the assets of WMB, including the stock of Washington Mutual Bank fsb, to JPMorgan Chase Bank, National Association ("JPMorgan") pursuant to that certain Purchase and Assumption Agreement, Whole Bank, dated as of September 25, 2008 (the "Sale").

Prior to the Petition Date, WMI and WMB jointly maintained their respective financial records. As a result of the Sale, many of the Debtors' books and records were seized by the FDIC and transferred to the custody of JPMorgan. Accordingly, the Debtors are not in control of certain information relating to their operations and financial affairs, including, but not limited to, certain accounting information. In addition, as of the date of the Sale, substantially all of WMB's employees became employees of JPMorgan. Accordingly, this Monthly Operating Report was prepared, in part, based upon the information and work product and/or representations made available to the Debtors and their professionals by representatives of WMB and JPMorgan.

Results represented in this Monthly Operating Report are consistent with WMI's accounting practices as of the Petition Date. However, records of prepetition assets and liabilities, including, among other things, liabilities owed by WMI to WMB and its affiliates are likely to be adjusted. The Debtors reserve all rights to amend the results represented in this Monthly Operating Report.

October 2009 Monthly Operating Report -- UNAUDITED
MOR 1 -- Schedule of Cash Receipts and Disbursements

| Account | Washington Mutual, Inc. | | | | Money Market Bank of America xxx0658 70/12510 | General Bank of America xxx4228 70/10305 | WMI Total | WMI Investment Corp. | | | Combined Total |
|--|---|---|---|--|--|---|---------------|--|-----------------------|------------|-------------------|
| | Deposit WMB/JPM xxx4234 70/10441 | Deposit WMB/JPM xxx9826 70/10451 | Deposit WMB/JPM xxx8663 70/10452 | Deposit WMB/JPM xxx4704 467/10450 | | | | General Bank of America xxx4231 467/10305 | WMI Inv Corp Total | | |
| Opening Balance - 09/30/2009 | 261,778,104 | 3,674,266,485 | 4,658 | 749,056 | 5,238,523 | 3,402,341 | 3,945,439,167 | 53,578,478 | 220,523 | 53,799,001 | 3,989,238,168 |
| Receipts | | | | | | | | | | | |
| Interest & investment returns | | | | 158 | 828 | | 2,113,747 | 11,270 | 202,118 | 213,389 | 2,327,135 |
| Tax refunds | 55,064 | 543,252 | 1 | | | 1,880 | 1,980 | | | | 1,980 |
| Reimbursements/distributions from subs | | | | | | | | | | | |
| Sales of assets/securities | | | | | | | | | | | |
| Rebates | | | | | | | 767,313 | | | | 767,313 |
| Other miscellaneous receipts | | | | | | 150 | 150 | | | | 150 |
| Total Receipts | 55,064 | 543,252 | 1 | 158 | 928 | 2,283,786 | 2,863,190 | 11,270 | 202,118 | 213,389 | 3,096,578 |

Transfers

| | | | | | | | | | | | |
|--|--|--|--|--|---------|------------|------------|--|--|--|------------|
| Sweep to/(from) Money Market account | | | | | 700,000 | (700,000) | | | | | |
| Transfer to/(from) Wells Managed Account | | | | | | 10,000,000 | 10,000,000 | | | | 10,000,000 |
| Total Transfers | | | | | 700,000 | 9,300,000 | 10,000,000 | | | | 10,000,000 |

Disbursements

| | | | | | | | | | | | |
|----------------------------|--|--|--|--|--|------------|------------|--|-----|-----|------------|
| Salaries and benefits | | | | | | 355,901 | 355,901 | | | | 355,901 |
| Travel and other expenses | | | | | | 25,653 | 25,653 | | | | 25,653 |
| Occupancy and supplies | | | | | | 217,056 | 217,056 | | | | 217,056 |
| Professional fees | | | | | | 6,930,876 | 6,930,876 | | | | 6,930,876 |
| Other outside services | | | | | | 429,558 | 429,558 | | | | 429,558 |
| Bank fees | | | | | | 31,179 | 31,179 | | 487 | 487 | 31,666 |
| US Trustee quarterly Fees | | | | | | 20,000 | 20,000 | | 325 | 325 | 20,325 |
| Directors fees | | | | | | 60,000 | 60,000 | | | | 60,000 |
| D&O insurance | | | | | | 3,000,000 | 3,000,000 | | | | 3,000,000 |
| Taxes paid | | | | | | 80,706 | 80,706 | | | | 80,706 |
| Total Disbursements | | | | | | 11,150,909 | 11,150,909 | | 812 | 812 | 11,151,721 |

Net Cash Flow

| | | | | | | | | | | | |
|----------------------------|-------------|---------------|-------|---------|-----------|-----------|---------------|------------|---------|------------|---------------|
| Net Cash Flow | 55,064 | 543,252 | 1 | 158 | 700,928 | 432,878 | 1,732,281 | 11,270 | 201,308 | 212,576 | 1,944,857 |
| Cash - End of Month | 261,833,168 | 3,674,809,737 | 4,659 | 749,214 | 5,939,452 | 3,835,219 | 3,947,171,448 | 53,589,748 | 421,829 | 54,011,577 | 4,001,183,026 |

GL Balance

| | | | | | | | | | | | |
|------------|-------------|---------------|-------|---------|-----------|-----------|---------------|------------|---------|------------|---------------|
| GL Balance | 261,833,168 | 3,674,809,737 | 4,659 | 749,214 | 5,939,452 | 3,835,219 | 3,947,171,448 | 53,589,748 | 421,829 | 54,011,577 | 4,001,183,026 |
|------------|-------------|---------------|-------|---------|-----------|-----------|---------------|------------|---------|------------|---------------|

Net value - short-term securities

| | | | | | | | | | | | |
|-----------------------------------|--|--|--|--|--|--|-------------|--|--|-------------|-------------|
| Net value - short-term securities | | | | | | | 637,936,916 | | | 221,036,287 | 858,973,203 |
|-----------------------------------|--|--|--|--|--|--|-------------|--|--|-------------|-------------|

Total Cash & Cash Equivalents

| | | | | | | | | | | | |
|-------------------------------|--|--|--|--|--|--|---------------|--|--|-------------|---------------|
| Total Cash & Cash Equivalents | | | | | | | 4,585,108,365 | | | 275,047,864 | 4,860,156,229 |
|-------------------------------|--|--|--|--|--|--|---------------|--|--|-------------|---------------|

**Washington Mutual, Inc., et al
October 2009 Monthly Operating Report -- UNAUDITED
MOR 1a and MOR 1c -- Cash**

Case No. 08-12229 (MFW)

Bank Reconciliations

The above-captioned debtors (the "Debtors") hereby submit this attestation regarding bank account reconciliations in lieu of providing copies of bank statements and copies of all account reconciliations.

I attest that each of the Debtors' bank accounts is reconciled to monthly bank statements except those certain accounts ending in 4234 and 9626 (the "Excluded Accounts"). The Debtors' standard practice is to ensure that each bank account is reconciled to monthly bank statements for each calendar month 30 days after month end.

In May 2009, JPMorgan Chase Bank, National Association ("JPM") started transitioning bank accounts from the WaMu deposit platform to the Chase deposit platform. Since the transition began, JPM has only provided the Debtors with bank account statements for certain months. We have not received bank statements for the period covered by this MOR for the Excluded Accounts. Therefore, we are unable to reconcile information related to the Excluded Accounts against related bank statements. We have continued to record interest income on the accounts consistent with prior practice and based on existing agreement with JPM.



John Maciel
Chief Financial Officer
Washington Mutual, Inc.

Case No. 08-12229 (MFW)

Washington Mutual, Inc.
MOR-1B: Schedule of Professional Fees Paid
Month Ended October 31, 2009

| Payee | Period Covered | Check Number | Date | Amount Paid - Oct'09 | | Amount Paid CTD | |
|--|---------------------|--------------|------------------------------|------------------------|----------------------|-------------------------|------------------------|
| | | | | Fees | Expense | Fees | Expense |
| Akin, Gump, Strauss, Hauer & Feld LLP | 08/01/09 - 08/31/09 | Wire | 10/29/09 | \$ 434,707.20 | \$ 22,875.41 | \$ 6,143,868.65 | \$ 189,218.51 |
| Alvarez & Marsal | 09/01/09 - 09/30/09 | Wire | 10/22/09 | 2,435,407.75 | 109,487.70 | 24,728,088.19 | 1,242,416.67 |
| CONSOR Intellectual Asset Management | 08/01/09 - 08/31/09 | 1869 | 10/15/09 | 8,000.00 | 30.68 | 146,932.00 | - |
| CP Energy Group, LLC | 08/01/09 - 08/31/09 | Wire | 10/29/09 | - | - | 63,285.71 | 159.47 |
| Davis Wright Tremaine LLP | 08/01/09 - 08/31/09 | 1902 | 10/29/09 | 47,413.60 | 3,153.27 | 603,594.40 | 19,513.99 |
| Elliott Greenleaf | 08/01/09 - 08/31/09 | Wire | 10/29/09 | 201,210.00 | 423.34 | 168,912.00 | 20,025.25 |
| FTI Consulting, Inc. | 07/01/09 - 08/31/09 | Wire | 10/29/09 | 70,339.20 | 1,664.03 | 2,807,037.70 | 30,179.63 |
| Gibson, Dunn & Crutcher LLP | 08/01/09 - 08/31/09 | 1878 | 10/19/09 | 28,728.80 | 11,864.39 | 582,882.55 | 10,074.98 |
| Grant Thornton | 08/01/09 - 08/31/09 | Wire | 10/22/09 | - | - | 260,449.80 | 27,468.57 |
| Joelle Frank, Wilkinson Brimmer Kalcher | 08/01/09 - 08/31/09 | Wire | 10/22/09 | 101,744.80 | 309.73 | 90,190.00 | 6,150.00 |
| John W. Wolfe, P. S. | 08/01/09 - 08/31/09 | Wire | 10/29/09 | 68,124.81 | - | 456,923.60 | 942.64 |
| Kurtzman Carson Consultants LLC | 08/01/09 - 08/31/09 | 1854, 1910 | 10/22/09, 10/29/09 | 33,992.34 | 20.93 | 1,090,466.21 | - |
| Miller & Chevallier Chartered | 08/01/09 - 08/31/09 | Wire | 10/29/09 | 169,685.60 | 344.76 | 1,003,586.00 | 20.93 |
| McKee Nelson LLP / Bingham McCutchen LLP | 08/01/09 - 08/31/09 | Wire | 10/29/09 | - | - | 28,697.49 | 27,321.58 |
| Millman | 07/01/09 - 08/31/09 | Wires | 10/08/09, 10/22/09 | 96,916.80 | 7,615.54 | 1,336,725.32 | 66,905.97 |
| Pepper Hamilton LLP | 05/01/09 - 07/31/09 | Wire | 10/01/09, 10/17/09, 10/28/09 | 228,554.30 | 33,516.33 | 1,045,325.60 | 52,855.05 |
| Perkins Coie LLP | 07/01/09 - 07/31/09 | Wire | 10/16/09 | 242,381.60 | 32,709.47 | 1,058,820.40 | 136,065.93 |
| PricewaterhouseCoopers LLP | 08/01/09 - 07/31/09 | Wires | 10/01/09, 10/22/09 | 1,171,948.40 | 55,046.52 | 2,114,472.00 | 97,328.32 |
| Quinn Emanuel Urquhart Oliver & Hedges | 08/01/09 - 08/31/09 | Wire | 10/29/09 | 22,122.40 | 4,733.78 | 272,235.60 | 30,058.16 |
| Richards, Layton & Finger P.A. | 08/01/09 - 08/31/09 | 1889 | 10/22/09 | 22,420.00 | 6.89 | 620,081.10 | 16,776.89 |
| Shearman & Sterling LLP | 08/01/09 - 08/31/09 | Wire | 10/18/09 | 63,891.20 | 1,126.81 | 415,920.95 | 11,038.77 |
| Simpson Thacher & Bartlett LLP | 08/01/09 - 08/31/09 | Wires | 10/01/09, 10/22/09 | 1,159,607.40 | 38,950.51 | 80,901.43 | - |
| Towers, Perrin, Forster & Crosby, Inc. | 05/01/09 - 06/30/09 | Wires | | - | - | 11,742,110.80 | 330,151.47 |
| Well, Gotshal & Manges LLP | | | | | | | |
| Total | | | | \$ 6,606,895.90 | \$ 323,980.19 | \$ 57,040,167.44 | \$ 2,284,663.76 |

| | Washington Mutual, Inc. | | WMI Investment Corp. | |
|--|-------------------------|----------------------|----------------------|----------------------|
| | October 2009 | Cumulative to Date | October 2009 | Cumulative to Date |
| Revenues: | | | | |
| Interest income: | | | | |
| Cash equivalents | 741,063 | 11,129,599 | 41,812 | 535,445 |
| Securities | 294,242 | 3,405,439 | - | 2,976,201 |
| Notes receivable - intercompany | 44,846 | 976,997 | - | 1 |
| Other | 150 | 1,030,356 | - | - |
| Total interest income | 1,080,301 | 16,542,391 | 41,812 | 3,511,648 |
| Earnings (losses) from subsidiaries and other equity investments | 10,872,913 | (200,556,343) | - | (23,722,803) |
| Gains (losses) from securities / investments | (935) | (10,458,777) | - | (112,282,081) |
| Other income | 68,557 | 2,380,191 | - | (0) |
| Total revenues | 12,020,836 | (192,092,537) | 41,812 | (132,493,237) |
| Operating expenses: | | | | |
| Compensation and benefits | 424,058 | 5,277,638 | - | - |
| Occupancy and equipment | 97,426 | 1,118,325 | - | - |
| Professional fees | 1,258,907 | 7,940,301 | - | 148 |
| Loss / (income) from BOLI/COLI policies | (310,755) | (5,749,111) | - | - |
| Management fees / Transition services | 50,250 | 2,001,012 | - | - |
| Insurance | (158,337) | 14,745,167 | - | - |
| Other | 38,441 | 1,321,351 | 13,952 | 408,434 |
| Total operating expenses | 1,399,990 | 26,654,684 | 13,952 | 408,583 |
| Net profit (loss) before other income and expenses | 10,620,846 | (218,747,221) | 27,860 | (132,901,819) |
| Other income and expenses: | | | | |
| Interest expense: | | | | |
| Notes payable - intercompany | - | - | - | - |
| Borrowings | - | - | - | - |
| Total interest expense | - | - | - | - |
| Other expense / (income) | - | (55,028,000) | - | - |
| Net profit (loss) before reorganization items | 10,620,846 | (163,719,221) | 27,860 | (132,901,819) |
| Reorganization items: | | | | |
| Professional fees | 6,333,419 | 69,338,185 | - | - |
| US Trustee quarterly fees | 13,000 | 86,000 | 325 | 6,175 |
| Gains (losses) from sale of assets | - | - | - | - |
| Other reorganization expenses | 918,646 | 7,585,633 | - | - |
| Total reorganization items | 7,265,065 | 77,009,818 | 325 | 6,175 |
| Net profit (loss) before income taxes | 3,355,781 | (240,729,039) | 27,535 | (132,907,994) |
| Income taxes | - | 50 | - | - |
| Net profit (loss) | <u>3,355,781</u> | <u>(240,729,089)</u> | <u>27,535</u> | <u>(132,907,994)</u> |
| Income tax rate | 0.0% | 0.0% | 0.0% | 0.0% |

| | Washington Mutual, Inc. | | WMI Investment Corp. | |
|--|-------------------------|----------------------|----------------------|--------------------|
| | 10/31/09 | 9/26/08 | 10/31/09 | 9/26/08 |
| Assets: | | | | |
| Unrestricted cash and cash equivalents | 4,585,108,365 | 4,018,083,009 | 275,047,865 | 52,974,376 |
| Restricted cash and cash equivalents | 93,827,151 | 145,668,884 | - | - |
| Investment securities | 70,737,193 | 59,688,627 | - | 266,444,881 |
| Accrued interest receivable | 782,103 | 413,253 | 294 | 4,084,658 |
| Accounts receivable | - | - | - | - |
| Income tax receivable | 477,533,575 | 742,680,150 | 22,187,560 | 22,187,560 |
| Prepaid expenses | 4,235,524 | 11,311,510 | - | - |
| Cash surrender value of BOLI/COLI | 88,644,525 | 84,039,738 | - | - |
| Funded Pension | 39,173,922 | 638,870,071 | - | - |
| Other investments | - | 23,668,909 | 40,347,735 | 65,952,708 |
| Investment in subsidiaries | 1,485,873,572 | 1,895,218,467 | - | - |
| Notes receivable - intercompany | 12,367,119 | 58,001,133 | 565,844,197 | 565,844,197 |
| Fixed Assets | 98,487 | - | - | - |
| Other assets | 79,880,821 | 23,489,277 | - | - |
| Total assets | 6,938,262,357 | 7,701,133,028 | 903,427,651 | 977,488,380 |
| Liabilities not subject to compromise (Postpetition): | | | | |
| Accounts payable | 4,518,867 | - | - | - |
| Taxes payable | - | - | - | - |
| Accrued wages and benefits | 1,111,185 | - | - | - |
| Other accrued liabilities | 13,486,725 | - | 14,825 | - |
| Rent and equipment lease payable | - | - | - | - |
| Deferred tax liability / (asset) | - | - | - | - |
| Other Liabilities - Intercompany | - | - | - | - |
| Other post-petition liabilities | - | - | - | - |
| Minority interest | 1,112,221 | 3,104,022 | - | - |
| Total post-petition liabilities | 20,228,998 | 3,104,022 | 14,825 | - |
| Liabilities subject to compromise (Pre-petition): | | | | |
| Senior debt | 4,108,911,139 | 4,108,911,139 | - | - |
| Subordinated debt | 1,613,991,512 | 1,613,991,512 | - | - |
| Junior subordinated debt | 742,476,453 | 742,476,453 | - | - |
| Accrued interest payable | 75,907,764 | 75,907,764 | - | - |
| Intercompany payables | 684,095,259 | 684,095,258 | - | - |
| Accounts payable | 4,480,720 | 3,941,450 | - | - |
| Taxes payable | 550,080,833 | 550,080,833 | - | - |
| Payroll and benefit accruals | 407,236,707 | 407,215,221 | - | - |
| Other accrued liabilities | 86,362,520 | 92,259,015 | - | - |
| Other pre-petition liabilities | 198 | 223 | - | - |
| Total pre-petition liabilities | 8,273,543,104 | 8,278,878,868 | - | - |
| Total liabilities | 8,293,772,102 | 8,281,982,890 | 14,825 | - |
| Shareholders' equity: | | | | |
| Preferred stock | 3,392,341,954 | 3,392,341,953 | - | - |
| Common stock | 12,988,753,556 | 12,988,753,556 | 1,000,000,000 | 1,000,000,000 |
| Other comprehensive income | (754,071,384) | (222,770,180) | 22,187,560 | (36,644,880) |
| Retained earnings - pre-petition | (16,741,804,781) | (16,739,175,191) | 14,133,260 | 14,133,260 |
| Retained earnings - post-petition | (240,729,089) | - | (132,907,994) | - |
| Total shareholders' equity | (1,355,509,745) | (580,849,862) | 903,412,826 | 977,488,380 |
| Total liabilities and shareholder's equity | 6,938,262,357 | 7,701,133,028 | 903,427,651 | 977,488,380 |

NOTES TO MOR-2 and MOR-3

Note 1: Washington Mutual Preferred Funding

On September 25, 2008, the Office of Thrift Supervision concluded that an "Exchange Event" had occurred with respect to the following securities (the "Securities"):

- Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Non-cumulative Preferred Securities, Series A-1 (to be exchanged into depositary shares representing Series J Perpetual Non-Cumulative Fixed Rate Preferred Stock of Washington Mutual, Inc. ("WMI"));
- Washington Mutual Preferred (Cayman) I Ltd. 7.25% Perpetual Non-cumulative Preferred Securities, Series A-2 (to be exchanged into depositary shares representing Series J Perpetual Non-Cumulative Fixed Rate Preferred Stock of WMI);
- Washington Mutual Preferred Funding Trust I Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities (to be exchanged into depositary shares representing Series I Perpetual Non-Cumulative Fixed-to-Floating Rate Preferred Stock of WMI);
- Washington Mutual Preferred Funding Trust II Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities (to be exchanged into depositary shares representing Series L Perpetual Non-Cumulative Fixed Rate Preferred Stock of WMI);
- Washington Mutual Preferred Funding Trust III Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities (to be exchanged into depositary shares representing Series M Perpetual Non-Cumulative Fixed Rate Preferred Stock of WMI); and
- Washington Mutual Preferred Funding Trust IV Fixed-to-Floating Rate Perpetual Non-cumulative Trust Securities (to be exchanged into depositary shares representing Series N Perpetual Non-Cumulative Fixed-to-Floating Rate Preferred Stock of WMI).

In accordance with the terms of the documents governing the Securities, the Conditional Exchange of the Securities occurred on Friday, September 26, 2008 at 8:00 A.M. (New York time). The documentation governing the Securities contemplates that at the time of the Conditional Exchange, each outstanding Security was intended to be exchanged automatically for a like amount of newly issued Fixed Rate Depositary Shares or newly issued Fixed-to-Floating Rate Depositary Shares, as applicable, each representing a 1/1000th interest in one share of the applicable series of preferred stock of WMI. If and until such depositary receipts are delivered or in the event such depositary receipts are not delivered, any certificates previously representing Securities are deemed for all purposes, effective as of 8:00 AM (New York time) on September 26, 2008, to represent Fixed Rate Depositary Shares or Fixed-to-Floating Rate Depositary Shares, as applicable.

WMI and its advisors are currently assessing a number of legal, accounting and tax issues related to the Securities and the transactions related to the Conditional Exchange. Because of these unresolved issues, WMI has not yet reflected the Conditional Exchange and/or its attendant transactions on its financial statements, including any possible interests (direct or indirect, contingent or otherwise) in the Securities and the assets, as the case may be, of Washington Mutual Preferred Funding LLC.

Assuming that the Conditional Exchange had been completed in accordance with the terms of the relevant documentation, on a *pro forma* basis, WMI's financial statements would reflect (a) a credit to shareholders' equity of approximately \$3.9 billion upon issuance of the new classes of preferred stock; (b) an investment in subsidiary (i.e. WMB) of approximately \$3.9 billion upon contribution of the Preferred Securities by WMI to WMB; and (c) an immediate and corresponding write-down of such investment in subsidiary.

Note 2: Restricted Cash and Cash Equivalents

WMI's restricted cash and cash equivalents of \$94 million includes \$39 million of accumulated dividends related to amounts held in escrow pertaining to that certain action styled as *American Savings Bank, F.A et al. v United States*, Case No 92-872C pending in the United States Court of Federal Claims, \$53 million in a deposit account pledged as collateral to secure prepetition intercompany transactions between WMI and WMB and \$2 million held as part of a Rabbi Trust.

Note 3: Investment in Subsidiaries

WMI's investment in subsidiaries represents the book value of WMI's subsidiaries, including WMI Investment Corp. ("WMI Investment"). This balance does not represent the market value of these entities.

WMI subsidiaries hold unsecured notes receivable from WMB or JPMorgan, as the case may be, totaling approximately \$179 million.

Note 4: Funded Pension

The funded pension balance reflects the (1) the market value of assets as of December 2, 2008 less (2) the November 2008 actuarial estimated settlement value of September 25, 2008 liabilities. The value does not reflect any recent changes in market values, interest rate assumptions and the participants since November 2008 which could materially affect the results.

Note 5: Taxes

The tax asset and liability balances are recorded consistent with WMI's historical accounting practices as of the Petition Date and adjusted for refunds collected. Generally, tax related claims and payables are recorded on WMI's books and records on a consolidated basis with the other members of the consolidated tax group and have not been adjusted for any potential claims against these assets. The current recorded balances do not reflect all expected refunds or payments as these amounts are currently being reviewed. The current estimate for the total expected refunds, net of potential payments, is in the range of approximately \$2.6 - \$3.0 billion. On November 6, 2009, the Worker, Homeownership, and Business Assistance Act of 2009 (the "Act") became enacted into law. The Act provides companies, subject to certain limitations, with an election to extend the allowed Net Operating Loss carryback period from two years to five years. The new legislation could significantly affect WMI's current estimate of tax refunds. WMI understands that JPMorgan, the purchaser of substantially all of WMB's assets, may seek to claim all or a portion of the expected tax refunds.

No provision or benefit from income taxes has been recorded as the NOL's are expected to be sufficient to offset income during the reported period. Income tax expense contains minimum taxes paid in certain states.

Note 6: Liabilities Subject to Compromise (Pre-Petition) – Payroll and benefit accruals

WMI's pre-petition payroll and benefit accruals include balances reflecting WMI's historic accounting policies related to pension accounting. Prior to the Petition Date, WMI recorded a \$274 million liability in respect of such accruals and WMB recorded a \$274 million asset, which amounts were netted out and eliminated on a consolidated basis. Neither balance was reported as an intercompany balance. WMI is analyzing these accounting entries and treatment within the context of its bankruptcy proceedings.

Washington Mutual, Inc. / WMI Investment Corp.
 October 2009 Monthly Operating Report -- UNAUDITED
 MOR 4 Status of Postpetition Taxes

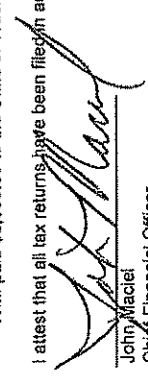
Case No. 08-12229 (MFV)

| | | Washington Mutual, Inc. | | | | WMI Investment Corp | | | | |
|------------------------------|-------------------------|-------------------------|------------------|---------------------|-------------------------------|-------------------------|----------------------|-----------------|----------------|-------------------------------|
| | Beginning Tax Liability | Amt approved for pmt | Taxes collected | Taxes remitted | Closing Balance Post Petition | Beginning Tax Liability | Amt approved for pmt | Taxes collected | Taxes remitted | Closing Balance Post Petition |
| Federal | | | | | | | | | | |
| Withholding | 31,143.00 | - | 69,698.87 | (66,781.41) | 32,060.46 | - | - | - | - | - |
| FICA -- Employee | 4,812.58 | - | 10,066.26 | (10,065.38) | 4,803.46 | - | - | - | - | - |
| FICA -- Employer | 4,812.58 | 10,066.26 | - | (10,065.38) | 4,803.46 | - | - | - | - | - |
| Unemployment | 224.00 | - | - | (224.00) | - | - | - | - | - | - |
| Income | - | - | - | - | - | - | - | - | - | - |
| Other: | - | - | - | - | - | - | - | - | - | - |
| Total Federal | 40,992.16 | 10,066.26 | 79,755.13 | (89,136.17) | 41,667.38 | - | - | - | - | - |
| State and Local | | | | | | | | | | |
| Withholding | - | - | - | - | - | - | - | - | - | - |
| Sales | n/a | - | - | - | - | - | - | - | - | - |
| Unemployment | 693.54 | 122.49 | - | (693.54) | 122.49 | - | - | - | - | - |
| Disability | 1,229.61 | 237.71 | 158.01 | (1,226.61) | 395.72 | - | - | - | - | - |
| Real Property | n/a | - | - | - | - | - | - | - | - | - |
| Personal Property | n/a | - | - | - | - | - | - | - | - | - |
| Income | 2,633.69 | 122,572.00 | - | (122,572.00) | - | - | - | - | - | - |
| Other | 4,553.84 | 858.80 | - | (2,633.67) | 858.82 | - | - | - | - | - |
| Total State and Local | 8,110.08 | 123,791.00 | 158.01 | (127,125.82) | 1,377.03 | - | - | - | - | - |
| Total Taxes | 45,546.00 | 133,847.26 | 79,913.14 | (216,261.99) | 43,044.41 | - | - | - | - | - |

NOTES

- * WMI has booked no federal income tax on its post-petition income tax provision, nor has it make any federal payments.
- ** Various state tax returns were filed in October indicating tax liabilities of \$122,572 of which WMI paid cash of \$78,072 and applied estimated tax payments made during 2008 for the rest. WMI has assumed the expense associated with these returns was accrued prior to the petition date. As discussed elsewhere in the MOR, WMI is currently reviewing its historical tax payable and receivable accounts.
- *** WMI does not have any Washington or City of Seattle sales/use tax liability for the month of October.
- **** WMI paid \$2,633.69 to the State of Washington Department of Revenue for B&O tax in October.

I attest that all tax returns have been filed in accordance with federal / state / county / city requirements for the above period.


 John Maciel
 Chief Financial Officer
 Washington Mutual, Inc., et al

Washington Mutual, Inc. and WMI Investment Corp.
 Tax Return Filings
 For the Period 10/01/2009 through 10/31/2009

Property Tax Filings:

No property tax returns were filed during the period 10/01/2009 through 10/31/2009.

Sales/Use Tax Filings:

No sales/use tax returns were filed during the period 10/01/2009 through 10/31/2009.

Payroll Tax Filings:

| Entity | Jurisdiction | Filing Description | Due Date | Date Filed |
|--------|---------------|---|------------|------------|
| WMI | IRS (Federal) | Withholding summary of deposits and filings (semi-weekly) | 10/07/2009 | 10/07/2009 |
| WMI | IRS (Federal) | Withholding summary of deposits and filings (semi-weekly) | 10/21/2009 | 10/21/2009 |
| WMI | IRS (Federal) | Unemployment tax liability (quarterly) | 1/31/2010 | 10/30/2009 |
| WMI | Washington | Unemployment summary of deposits and filings (quarterly) | 11/02/2009 | 10/30/2009 |
| WMI | Washington | Labor and industries (quarterly) | 11/02/2009 | 10/30/2009 |

Corporate Income Tax/Franchise Tax/Gross Receipts Tax Filings:

| Entity | Jurisdiction | Filing Description | Due Date | Date Filed |
|------------|---------------------------------------|--|------------|------------|
| WMI | Florida | Corporate income/franchise and emergency excise tax return | 10/01/2009 | 9/30/2009 |
| WMI & Subs | Alaska | Corporation net income tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Arizona | Corporation income tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | California | Corporation franchise or income tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Colorado | Corporation income tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Hawaii | Franchise tax return | 10/20/2009 | 10/15/2009 |
| WMI & Subs | Idaho | Corporation income tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Illinois | Corporation income and replacement tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Kansas | Corporation income tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Maine | Franchise tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Minnesota | Corporation franchise tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Nebraska | Corporation income tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | New Hampshire | Corporation business profits tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | New Mexico | Corporation income and franchise tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Oregon | Corporation excise tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | City of Portland/ Multnomah County | Business license tax return/business income tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Tennessee | Franchise and excise financial institution tax return | 10/15/2009 | 10/15/2009 |
| WMI & Subs | Utah | Corporation franchise or income tax return | 10/15/2009 | 10/15/2009 |
| WMI | Washington | Business and occupation tax return (quarterly) | 10/31/2009 | 10/29/2009 |

Case No. 08-12229 (MFW)

Washington Mutual, Inc.
MOR-4: Post Petition Accounts Payable Aging by Vendor
As of October 31, 2009

| Vendor | Current * | 31 - 60 | 61-90 | 91 and Over | Total |
|--|------------------------|-------------|-------------|-------------|------------------------|
| 60th Street Advisors | \$ 23,040.00 | | | | \$ 23,040.00 |
| Akin, Gump, Strauss, Hauer & Feld LLP | 795,297.68 | | | | 795,297.68 |
| Bingham McCutchen LLP / McKee Neison LLP | 98,697.05 | | | | 98,697.05 |
| CONSOR Intellectual Asset Management | 11,838.00 | | | | 11,838.00 |
| CP Energy Group, LLC | 16,000.00 | | | | 16,000.00 |
| Davis Wright Tremaine LLP | 4,866.90 | | | | 4,866.90 |
| Ed Gillespie Strategies LLC | 40,000.00 | | | | 40,000.00 |
| Elliott Greenleaf | 39,367.80 | | | | 39,367.80 |
| FTI Consulting, Inc. | 400,911.10 | | | | 400,911.10 |
| Gibson, Dunn & Crutcher LLP | 29,777.20 | | | | 29,777.20 |
| Grant Thornton | 62,372.36 | | | | 62,372.36 |
| John W. Wolfe, P.S. | 177,799.17 | | | | 177,799.17 |
| Mellon Investor Services, LLC | 4,757.91 | | | | 4,757.91 |
| Miller & Chevalier Chartered | 40,712.49 | | | | 40,712.49 |
| Paisha, Jane | 74.17 | | | | 74.17 |
| Pepper Hamilton LLP | 110,635.06 | | | | 110,635.06 |
| Perkins Coie LLP | 129,269.40 | | | | 129,269.40 |
| PricewaterhouseCoopers LLP | 455,042.66 | | | | 455,042.66 |
| Quinn Emanuel Urquhart Oliver & Hedges | 292,912.10 | | | | 292,912.10 |
| Richards, Layton & Finger P.A. | 15,108.90 | | | | 15,108.90 |
| Robert Half Legal | 36,402.96 | | | | 36,402.96 |
| Shearman & Sterling LLP | 18,312.30 | | | | 18,312.30 |
| Silverstein & Pomerantz, LLP | 12,360.03 | | | | 12,360.03 |
| Simpson Thacher & Bartlett LLP | 21,663.30 | | | | 21,663.30 |
| Weil, Gotshal & Manges LLP | 1,680,920.02 | | | | 1,680,920.02 |
| Williams, Robert J. | 728.75 | | | | 728.75 |
| Total | \$ 4,518,867.31 | \$ - | \$ - | \$ - | \$ 4,518,867.31 |

NOTES

*Any holdback for professionals pursuant to their respective retention orders are included in "Current."

DEBTOR QUESTIONNAIRE

| Must be completed each month | Yes | No |
|---|-----|----|
| 1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below. | | X |
| 2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below. | | X |
| 3. Have all post petition tax returns been timely filed? If no, provide an explanation below. | X | |
| 4. Are workers compensation, general liability and other necessary insurance coverage in effect? If no, provide an explanation below. | X | |
| 5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3. | | X |