UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	:	**Chapter 11**
WASHINGTON MUTUAL, INC., et al.,[1]	:	**Case No. 08-12229 (MFW)**
Debtors.	:	**(Jointly Administered)**
	:	**Related to Docket #4688 & #4689**
	:	**Hearing Date: July 8th 2010**

THIRD SUPPLEMENTAL OBJECTION OF INDIVIDAL SHAREHOLDERS TO DEBTORS' MOTION FOR APPROVAL OF DISCLOSURE STATEMENT FOR THE JOINT PLAN OF AFFILIATED DEBTORS PURSUANT TO CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE

The following persons, Michael Rozenfeld and Sean Fitzgerald (the "Shareholders"), having filed their original objection **[Docket # 3776]**, supplemental objection **[Docket # 4350],** and second supplemental objection **[Docket # 4658]** within the prescribed time window, hereby file this third supplemental objection to the Debtors' Motion for an Order, Pursuant to Sections 105, 502, 1125, 1126 and 1128 of the Bankruptcy Code and Bankruptcy Rules 2002, 3003, 3017, 3018 and 3020, (i) Approving the Proposed Disclosure Statement and the Form and Manner of the Notice of the Disclosure Statement Hearing, (ii) Establishing Solicitation and Voting Procedures, (iii) Scheduling a Confirmation Hearing, and (iv) Establishing Notice and Objection Procedures for Confirmation of the Debtors' Joint Plan [**Docket # 4688, 4689, & 4691**].

Having received the debtors responses to our arguments [**Docket #4684. 58-64]** which continues to **group us with dozens of other "Non-Confirming Shareholder Objections"** and fails to even recognize that these supposedly "Individual Common Interest Equity Shareholders" don't even hold common interest in the company [only preferred stock & subordinated debt], the shareholders file this third supplemental

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objection, which includes responses to the debtor's dismissive and inadequate comments and includes further evidence of their dereliction of fiduciary duty. The **debtor continues to ignore our arguments which should disallow the disclosure statement in its entirety as it fails to adequately address many of the issues that these individual shareholders have brought up.** The shareholders have included a **chart attached as Exhibit A** detailing their original objections showing the lack of adequate response by the debtor and further discussion regarding why each point should result in denial of the disclosure statement. This chart also includes the few additional comments that the debtor has made in their latest omnibus response.

In support of this objection, the shareholders respectfully represent the following:

Statements

1. The debtor has failed to respond to a number of the Shareholders' substantive arguments and continued to purposely sidestep others **[Exhibit A].** This seems to be a consistent theme the debtor has shown thought-out this bankruptcy by continually ignoring objecting parties and not addressing any of their arguments directly. This situation is not unique to the Shareholders as it is clear other parties in the case, such as the TPS Consortium, have made comments to the same effect. By ignoring these issues, the debtor seems to believe that they will go away. The fact they are ignored must mean they have validity as the debtor is afraid of directly addressing them.

2. A number of the Shareholders' arguments have shown that the Debtor has been continually acting in bad faith and has failed to fulfill its fiduciary duties. The Debtor has

not responded to a number of these arguments **[Exhibit A]** and continues to fail to provide an adequate defense for its actions and behavior.

The Shareholders further would like to show an actual example of Weil's work in the past to show why their arguments have merit and need to be addressed directly, without misdirection of their actual points.

Weil was involved in the Enron bankruptcy. **Enron creditors have received over 300% of the company's original estimated recovery [Exhibit B]. Weil's website claims success for this bankruptcy case noting:**

"Enron became synonymous with corporate malfeasance after details of company fraud leading to its bankruptcy were made public in 2001, **but nearly two-and-a-half years later, Enron became notable for another novel concept – the amazing speed with which its Chapter 11 reorganization plans were confirmed and made effective"**

Given that the last major bankruptcy Weil was involved in had such **wrong estimates** of corporate value and it is again trying **to rush through another Chapter 11 reorganization** plan in a similar fashion, do they actually have any remaining credibility? Since they fail to directly answer the Shareholder's objectives which directly pertain to these issues, it does not seem so.

RESERVATION OF RIGHTS

3. The shareholders expressly reserve all of their rights to object to the Plan and/or the Disclosure Statement on any grounds whatsoever, including by joining in the

objections of other parties, regardless of whether those grounds are addressed herein.

CONCLUSION

4. As noted herein, the Disclosure Statement fails to provide stakeholders with "adequate information" (within the meaning of Bankruptcy Code Section 1125) to evaluate the Plan and, may contain misleading information about the current financial condition of WMI. Additionally, the plan itself may have been negotiated in bad faith given the parties that were involved.

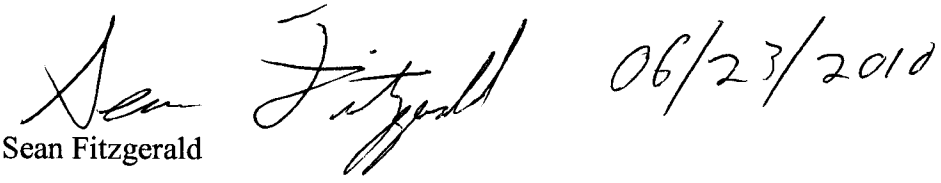
WHEREFORE, Michael Rozenfeld and Sean Fitzgerald respectfully request that the Court: (a) deny the Motion, and (b) grant such other and further relief as it deems just and proper.

Dated: Houston, TX

June 23rd, 2010

Respectfully submitted,

Michael Rozenfeld



Sean Fitzgerald

In re Washington Mutual, Inc., Case No. 08-12229 (MFW)
United States Bankruptcy Court, District of Delaware

I am submitting the enclosed third supplement objection to the debtor's motion for approval of disclosure statement for the joint plan of affiliated debtors pursuant to Chapter 11 of the United States Bankruptcy Code.

Please include the enclosed objection in the docket of Case No. 08-12229 Washington Mutual, Inc.

Thank you,

Ken Fitzgerald 06/23/2010

06/23/2010

Exhibit A

The Liquidation Analysis is Incomplete

Objection Originally filed by the Shareholders	The disclosure statement is missing: "a) A factual analysis showing the liquidation value of the company under Chapter 7;" This was also pointed out with this statement in our objection: "Finally, the liquidation analysis assumes that the company will receive the same ratio of tax returns as it has negotiated with the FDIC and JP Morgan. This analysis is not correct as it fails to justify the reasoning for this."
Debtors Response to Objection	"The Third Amended Disclosure Statement includes a liquidation analysis, attached as Exhibit "C"" **"The liquidation analysis, attached as Exhibit "C" to the Fourth Amended Disclosure Statement, discusses the reasonableness of the assumptions upon which it relies. The Debtors submit that no additional disclosure is needed."**
Shareholders Response to Debtors Response	The liquidation analysis found in Exhibit C does not show what would happen if the debtor were to keep all of the tax refunds and the four billion dollars currently held in a JP Morgan account. To date no one has shown the court any valid reason or justification for giving JPM over $2 billion in cash and billions more in assets when they bought the bank out of receivership for only $1.8 billion. Further still, there have been numerous reports in the media and from the FDIC itself stating that the seizure did not cost the FDIC any money and therefore there is no valid reason to give the FDIC anything. Once again, no reason has been given to the court justifying such a windfall for the FDIC and JPM. Consequently, it is reasonable to assume that a reasonable investor would demand from the debtor a liquidation analysis that reveals to the investor what would happen to the estate if none of its assets were gifted away to JPM or the FDIC. Since this is not provided it is clear that no factual analysis showing the liquidation value of the company is present in Exhibit C and therefore the debtor's motion to approve the Third Amended Disclosure Statement should be denied. **The debtor did not address the Shareholders' objection. The debtor simply responded "no additional disclosure is needed". This is not an answer to the objection.**

No Explanation is Given for Gifting Away 50%-75% of the Estates Value in the Largest Civil Suit Payout of All Time

Objection Originally filed by the Shareholders	The disclosure statement is missing:"c) Detailed discussion of the value of litigation against the FDIC & JP Morgan and why claims will not be pursued; "d) What the justification is for giving away assets to parties that have little legitimate claim to them"
Debtors Response to Objection	"Given the sensitive nature of the underlying litigation, the Debtors believe that any additional disclosure regarding the strengths and weaknesses of the claims asserted in the various litigations, the costs and benefits of settling as opposed to continuing such litigations, and the values the Debtors assign to various assets, claims and liabilities transferred, assumed or released pursuant to the Settlement Agreement could undermine and adversely affect the Debtors' litigation strategy (to the detriment of the Debtors' estates) if the Settlement Agreement and Third Amended Plan are not approved by the Court." **"[page 162 of the fourth amended disclosure statement, docket 4689]...the Debtors have determined that entering into the Global Settlement Agreement is the best way to secure considerable value for their estates as opposed to proceeding with expensive, protracted litigation with no certainty of any additional gain."**

Shareholders Response to Debtors Response	This is completely unacceptable. No reasonable investor would ever accept a disclosure statement where potentially 50% to 75% of the estate's value is gifted away to JPM and the FDIC without any justification whatsoever and without any sort of financial analysis detailing the reasons. Once again the FDIC stated publicly when seizing the bank that the seizure did not cost them a dime, therefore they should not be entitled to anything. JPM bought the bank out of receivership for a pittance of only $1.8 billion so why should they be gifted over $2 billion in cash and many billions more in assets. The only investors who would accept this are those driven by greed and the desire to steal shareholder value. As stated in our previous objection: "... the debtor's are intentionally rushing an incomplete plan in order to destroy equity, end all lawsuits that could results in great recovery to the estate, generate tremendous goodwill with JPM and the FDIC that will inevitably lead to favorable deals for the creditors in the future, and above all else, quickly bring an end to the proceedings, and bring a massive windfall profit to the creditors who bought the debt at 1/100th of a cent on the dollar (which is a 10,000% profit)." **The Shareholders would like to point out that this settlement ranks among the top five biggest settlements of all time. (Source: http://www.cnbc.com/id/35988343/Top_10_Class_Action_Lawsuits?slide=10).** **When compared to the end result of civil lawsuits as opposed to class action lawsuits this settlement is the largest in US history (Source: http://en.wikipedia.org/wiki/Texaco and http://en.wikipedia.org/wiki/Pennzoil).** **In light of this, the debtors are stating that they believe it is in the best interest of the estate to give JPM and the FDIC the largest civil suit payout in history rather than proceed with litigation. Further, the debtor believes that reasonable investors do not need to know why. They simply state that a hypothetical reasonable investor would trust their judgment. This makes absolutely no sense whatsoever. No reasonable investor would ever agree to the largest civil suit payout in history without an extremely detailed explanation. Once again the only investors who would agree to this are those driven by greed, because they know there are hidden assets and a great deal of goodwill to be gained from agreeing to this windfall for JPM and the FDIC. Since there is no detailed explanation for the largest civil suit payout of all time as would be demanded by any hypothetical reasonable investor the motion for the approval of the disclosure statement must be denied.**

A List of Exactly What was Seized with Values has Never been Provided; the Estate Cannot Know what it Owns

Objection Originally filed by the Shareholders	The disclosure statement is missing: "... an itemized list with the original book & revised value of assets that WMI believes it owns;""e) Documentation from the FDIC as to what assets they seized and conveyed to JP Morgan."
Debtors Response to Objection	"Prior to the Petition Date, WMI publicly filed its audited financial statements with the Securities and Exchange Commission. Such public filings are available at www.sec.gov. Subsequent to the Petition Data, WMI has filed quarterly monthly operating reports, which are publicly available on this Court's docket." **"The Debtors, JPMC and the FDIC Receiver dispute which assets were owned by WMB at the time of the seizure and sale. These disputes are discussed in Sections I.B and IV.D of the Fourth Amended Disclosure Statement."**

Shareholders Response to Debtors Response	The debtor is wrong in there assumption that a reasonable investor can go from the last audited statement to the first Monthly Operating Report. This is impossible. The FDIC has never provided to the public a list with values of all of the assets that it seized from WMI. If it had, there would be absolutely no question over the ownership of the 4 billion dollar deposit currently held in the JP Morgan account and the tax refunds whose current value is estimated to be upwards of 5 billion dollars. Did the FDIC sell JPM a bank, 4 billion in cash, and 5 billion dollars worth of tax refunds for only $1.8 billion? The theft of billions of dollars from the public is not taken lightly as seen in the Madoff case where Bernard Madoff was sentenced to 150 years in prison. No Disclosure Statement can be approved by this court until the FDIC provides a legitimate list of exactly what it sold to JPM because without it the estate does not know what they own. Furthermore, we respectfully request that the court demand a spreadsheet made up of three columns with values; column A would include all of the assets WMI had the day before the seizure, column B shows all of the assets WMI had the day after the seizure, and column C shows all of the assets WMI has after reorganization and their values. **With respect to the debtors latest response they acknowledge that the estate does not know what it owns. Therefore, the debtor acknowledges that the MOR is incorrect as stated by the Shareholders. Further still, the debtor acknowledges that the FDIC did not follow proper procedure when seizing and selling the bank. Therefore, the Shareholders' comments about potential corruption and theft committed by the FDIC and JPM are valid. Moreover, how can a reasonable investor trust the FDIC, JPM and anyone who agrees to a settlement with them given that the FDIC sold hundreds of billions of dollars of accounts and billions more in assets to JPM, who has already made enormous profits and negative good will off of the transaction, for a mere $1.8 billion, and did so without providing a list of assets that they sold. A multibillion dollar transaction without a list of what is changing hands is the embodiment of the word "corrupt" and at minimum the words "completely incompetent". The FDIC should be forced to tell WMI what they sold to JPM for $1.8 billion dated on September 26, 2008 (which was when the transaction was consummated). Anything less than this is completely unacceptable and would not be accepted by any investor.**

There is no and has Never been a Independent Verification of the Estate's Value

Objection Originally filed by the Shareholders	The disclosure statement should be denied because "... there has not been an independent investigation (free of WMI's influence) of the worth of the company."
Debtors Response to Objection	The assertion in the Non-Conforming Shareholder Objections regarding the extent of investigations of JPMC, FDIC Corporate and the FDIC Receiver is a confirmation objection and thus is procedurally improper and premature as confirmation of the Third Amended Plan and approval of the Settlement Agreement are not before the Court at this time. Notwithstanding the foregoing, such assertions are unwarranted. The circumstances leading to the federal takeover and sale of WMB are among the most heavily investigated of any financial failure in history. The entities and agencies that have investigated these matters include the Debtors themselves, the Creditors' Committee, the Equity Committee, the Federal Deposit Insurance Corporation, the Department of Labor, the Department of Justice, the Federal Bureau of Investigation, the Internal Revenue Service, the Securities and Exchange Commission, the United States Attorney for the Western District of Washington, the Attorney General of the State of New York, numerous class action law firms pursuing claims on behalf of shareholders, and the United State Congress. The Debtors conducted discovery of JPMC pursuant to Rule 2004 of the Bankruptcy Rules and, in that process, obtained and comprehensively reviewed over 40,274 pages of documents produced by JPMC. Notably, in light of the numerous and thorough investigations that already have taken place, this Court determined that appointment of an examiner to investigate these same issues was inappropriate and thus denied the Equity Committee's motion requesting the same. **The Non-Conforming Shareholders' suggestions that the Debtors' investigation of their claims and defenses was conflicted are without merit. Pursuant to order of this Court, the Debtors' special litigation and conflicts counsel, Quinn Emanuel, and not WG&M, represents the Debtors in positions in which the Debtors are adverse to JPMC. Quinn Emanuel, and not WG&M, represented the Debtors with respect to prosecution of the Turnover Action and defense of the JPMC Action, including evaluating the Debtors' claims and defenses in the litigations settled pursuant to the Settlement Agreement. Moreover, the Debtors have turned over all Rule 2004 discovery (for which the Debtors were able to obtain the consent of the producing party) to the Creditors' Committee and Equity Committee and have had multiple discussions with the Creditors' Committee and Equity Committee regarding the claims and causes of action being settled pursuant to the Settlement Agreement. In addition, Section I.E of the Fourth Amended Disclosure Statement describes adversarial efforts by various parties in interest to perform independent evaluations of the Settlement Agreement and Fourth Amended Plan. Specifically, the Debtors have agreed to give access to (i) a document depository and (ii) agreed-upon witnesses for deposition to certain parties that intend to object to**

	confirmation of the Fourth Amended Plan including, among others, advisors to (i) the Equity Committee, (ii) certain former holders of Trust Preferred Securities, and (iii) certain holders of Bank Bondholder Claims — provided that such parties execute an appropriate confidentiality agreement. The document depository either does or will contain documents related to the Settlement Agreement and the Fourth Amended Plan, including, *inter alia*, all documents produced pursuant to the Rule 2004 Inquiry for which third party consent was obtained, due diligence materials compiled prepetition in connection with pursuing strategic transactions, financial statements, business operations overview, asset analyses, claims analyses, prepetition transfer analyses, prepetition tax reports, anticipated tax refunds and tax payments, recovery scenario analyses, and valuation materials concerning the Reorganized Debtors, all formal correspondence between the Debtors' advisors and JPMC's advisors in connection with the JPMC Action and the Turnover Action, non-privileged email correspondence between and among the parties to the Settlement Agreement, the Debtors' valuation of the Visa Shares, all correspondence with third parties regarding the Rule 2004 Inquiry, a nonprivileged version of the Debtors' solvency review, the Blackstone Report, non-privileged, postpetition WMI documents that had been deemed responsive to JPMC's document requests in the JPMC Action and Turnover Action, and pre-Receivership WMI documents in WMI's custody.

Shareholders Response to Debtors Response	The debtor fails to acknowledge our point. None of the parties listed were investigating the current worth of the company. The only party that may potentially do that is the equity committee; however, the debtors have been extremely uncooperative in turning over much needed documents. In fact, because of the extreme dislike of WMI shareholders the creditors committee, JPM, the FDIC, and the debtors themselves show, it is unlikely that a significant amount of documents will ever be turned over. Instead they will continually lie to the court that the equity committee is interfering with the reorganization process and the equity committee is requesting far too many documents. If they don't have anything to hide then why are they so afraid of turning over the documents? Because there has not been a complete third party investigation into the worth of the company the disclosure statement should be denied as it is reasonable for an investor to expect and demand this (especially when talking about tens of billions of dollars and based on the vitriolic behavior shown by the debtor towards equity). **With respect to the debtors' latest response, they once again fail to address the Shareholders' objection. Moreover, in light of the recent hearing it is clear that the debtors did not do a proper investigation. Recently, the Equity Committee lawyers described the documents collected by the debtors from the FDIC as reading "like a classified version of the Kennedy assassination." It is clear that any documents the debtors turn over to the Equity Committee will be insufficient to do a proper independent investigation of the value of the estate and its potential claims. The court is aware that a proper independent investigation requires a reasonable amount of time which is longer than a month or less as suggested by the debtors. For that reason the disclosure statement should be denied because a reasonable investor would want to see the results of the equity committee's independent investigation, assuming that the Equity Committee is granted full discovery by the court so that they can do a proper third party investigation into the worth of the estate. If the debtor were actually interested in giving a hypothetical investor all of the information they need to make a decision of this magnitude then they would voluntarily wait until the third party investigation was complete and deliver the results to the hypothetical investor via an amended disclosure statement.**

The Monthly Operating Reports have been Filled out Incorrectly in order to Hide Estate Assets

Objection Originally filed by the Shareholders	"Additionally, the MOR provided by WMI shows that the company is actually solvent if the two tax refunds (worth billions of dollars) that it shows listed as line items would be included in their assets & liabilities analysis."
Debtors Response to Objection	"Although the Debtors disagree with many if not all of the factual allegations and legal conclusions set forth in the Non-Form Shareholder Objections, for these purposes, the Debtors believe that it is sufficient to respond only that the remainder of the objections set forth in the Non-Form Shareholder Objections are confirmation objections or are otherwise not relevant to the relief sought by the Debtors in the Disclosure Statement Motion and thus are procedurally improper and premature as confirmation of the Third Amended Plan and approval of the Settlement Agreement are not before the Court at this time."
Shareholders Response to Debtors Response	The debtor refuses to acknowledge our statement. Instead they state that this is a confirmation objection and not relevant. This cannot be farther from the truth. A reasonable investor would demand that the monthly operating reports be filled out correctly. This means showing all of the assets that the estate believes it owns including the two tax refunds in the balance sheet portion of its Monthly Operating report. Is it unreasonable for an investor to want to know if the estate is potentially solvent or not? Because the debtor insists on hiding the tax refunds in the footnotes of the Monthly Operating Report instead of placing them where they rightfully belong in the balance sheet the motion to approve the Disclosure Statement should be denied. **Even in the debtor's amended response to objections [docket 4684] they still refuse to acknowledge or answer the Shareholders' objection. The debtor's motion to approve the disclosure statement must be denied because the debtor consistently refuses to acknowledge or answer the Shareholders' objections.**

JPM Broke an Agreement with WMI when Purchasing the Bank from the FDIC

Objection Originally filed by the Shareholders	"The disclosure statement also has a number of troubling portions included in it such as giving away estate tax dollars to JP Morgan, who is prohibited from receiving these funds by TARP. Additionally, why should the estate be giving away money to JP Morgan at all given that there is a large amount of evidence found through this bankruptcy, by Kristen Grind of the Puget Sound Business Journal, and by governmental investigations, showing that they were engaging in fraudulent negotiations with WMI, eventually purchasing WMI from the FDIC (for a minimal sum of $1.8 billion), which was expressly prohibited under severe monetary penalties by the agreement it signed with WMI to view its records."
Debtors Response to Objection	"Given the sensitive nature of the underlying litigation, the Debtors believe that any additional disclosure regarding the strengths and weaknesses of the claims asserted in the various litigations, the costs and benefits of settling as opposed to continuing such litigations, and the values the Debtors assign to various assets, claims and liabilities transferred, assumed or released pursuant to the Settlement Agreement could undermine and adversely affect the Debtors' litigation strategy (to the detriment of the Debtors' estates) if the Settlement Agreement and Third Amended Plan are not approved by the Court."
Shareholders Response to Debtors Response	The debtor fails to acknowledge our point. They do not talk about the agreement between WMI and JPM that states that JPM will not buy the bank from anyone else anywhere in their disclosure statements. This information should not be hidden from investors. A reasonable investor would like to know that JPM broke an agreement that states severe monetary penalties can be levied against it. Because this information is missing from the Disclosure Statement the debtor's motion should be denied. **The Shareholders would like to point out that even in the Debtor's amended response to objections [Docket 4684], they do not respond to this objection. Since information about the agreement that JPM broke is missing from the disclosure statement and the penalties for breaking the agreement are so severe that they would add considerable value to the estate, approval of the disclosure statement should be denied. The debtor must explain to hypothetical investors why they are ignoring a significant portion of the estates' value.**

It is Impossible to go from the Last Audited Statement to the First MOR because WMI does not know what was Seized

Objection Originally filed by the Shareholders	"Finally, given that this is a bankruptcy involving potentially tens of billions of dollars; it is not unreasonable for the debtor to provide accurate and audited financial statements."
Debtors Response to Objection	"Prior to the Petition Date, WMI publicly filed its audited financial statements with the Securities and Exchange Commission. Such public filings are available at www.sec.gov. Subsequent to the Petition Data, WMI has filed quarterly monthly operating reports, which are publicly available on this Court's docket." **"The Debtors, JPMC and the FDIC Receiver dispute which assets were owned by WMB at the time of the seizure and sale. These disputes are discussed in Sections I.B and IV.D of the Fourth Amended Disclosure Statement."**
Shareholders Response to Debtors Response	As previously stated the debtor's contention that one can go from the audited financial statement to the first MOR is false. The FDIC never provided the list of assets that is seized and their values. Therefore all of the MORs cannot possibly be correct or trusted. When talking about billions of dollars it is not unreasonable for an investor to demand accurate audited financial statements. Consequently, the debtor's motion should be denied. **The debtor's state in the amended response to objections [Docket 4684] that they do not know what the FDIC sold to JPM. Therefore, the debtors admit that it is impossible to go from the last audited statement to the first MOR. Therefore, all of the MORs are wrong. Further, no accurate and audited financial statement illustrating the worth of the estate exists. Since this bankruptcy involves billions of dollars a hypothetical reasonable investor would demand audited statements. Therefore the debtor's motion should be denied.**

No Reason is given as to why JPM's Share of the Tax Returns has been raised from 70% to 80%

Objection Originally filed by the Shareholders	JP Morgan's share of the tax refunds under the proposed settlement keeps going up without any explanation. It started at 70% of the first tax return and now stands at 80%.
Debtors Response to Objection	This is a new objection, as the plan of reorganization and disclosure statement has been changed twice since these shareholders original objection. The debtor has not had a chance to respond to this objection.
Shareholders Response to Debtors Response	This is a very serious objection as it further shows the debtors, JPM, the FDIC and the creditor's full intent to steal every last penny from the shareholders of WMI. It was publicly stated many times that JPM agreed to the first settlement. So why did the debtor, when renegotiating with the FDIC, give JPM more money? A reasonable investor would demand an explanation. Without it the debtor's motion to approve the disclosure statement should be denied. **The Shareholders would like to point out that even in the debtor's amended response to objections [Docket 4684], they did not respond to this objection. Consequently, the motion should be denied.**

No Defense is Given into Allegations that the Debtor Handled Negotiations in Bad Faith

Objection Originally filed by the Shareholders	The proposed plan was negotiated in bad faith; WG&M does not have the best interests of the estate in mind and has been negligent in its fiduciary duties; the Debtor's board of directors do not have the best interests of the estate in mind; the Debtors are not upholding their fiduciary duty to maximize the value of the estate.
Debtors Response to Objection	"Although the Debtors disagree with many if not all of the factual allegations and legal conclusions set forth in the Non-Form Shareholder Objections, for these purposes, the Debtors believe that it is sufficient to respond only that the remainder of the objections set forth in the Non-Form Shareholder Objections are confirmation objections or are otherwise not relevant to the relief sought by the Debtors in the Disclosure Statement Motion and thus are procedurally improper and premature as confirmation of the Third Amended Plan and approval of the Settlement Agreement are not before the Court at this time." **"The Non-Conforming Shareholders' suggestions that the Debtors' investigation of their claims and defenses was conflicted are without merit. Pursuant to order of this Court, the Debtors' special litigation and conflicts counsel, Quinn Emanuel, and not WG&M, represents the Debtors in positions in which the Debtors are adverse to JPMC. Quinn Emanuel, and not WG&M, represented the Debtors with respect to prosecution of the Turnover Action and defense of the JPMC Action, including evaluating the Debtors' claims and defenses in the litigations settled pursuant to the Settlement Agreement. Moreover, the Debtors have turned over all Rule 2004 discovery (for which the Debtors were able to obtain the consent of the producing party) to the Creditors' Committee and Equity Committee and have had multiple discussions with the Creditors' Committee and Equity Committee regarding the claims and causes of action being settled pursuant to the Settlement Agreement. In addition, Section I.E of the Fourth Amended Disclosure Statement describes adversarial efforts by various parties in interest to perform independent evaluations of the Settlement Agreement and Fourth Amended Plan. Specifically, the Debtors have agreed to give access to (i) a document depository and (ii) agreed-upon witnesses for deposition to certain parties that intend to object to confirmation of the Fourth Amended Plan including, among others, advisors to (i) the Equity Committee, (ii) certain former holders of Trust Preferred Securities, and (iii) certain holders of Bank Bondholder Claims — provided that such parties execute an appropriate confidentiality agreement. The document depository either does or will contain**

	documents related to the Settlement Agreement and the Fourth Amended Plan, including, *inter alia*, all documents produced pursuant to the Rule 2004 Inquiry for which third party consent was obtained, due diligence materials compiled prepetition in connection with pursuing strategic transactions, financial statements, business operations overview, asset analyses, claims analyses, prepetition transfer analyses, prepetition tax reports, anticipated tax refunds and tax payments, recovery scenario analyses, and valuation materials concerning the Reorganized Debtors, all formal correspondence between the Debtors' advisors and JPMC's advisors in connection with the JPMC Action and the Turnover Action, non-privileged email correspondence between and among the parties to the Settlement Agreement, the Debtors' valuation of the Visa Shares, all correspondence with third parties regarding the Rule 2004 Inquiry, a nonprivileged version of the Debtors' solvency review, the Blackstone Report, non-privileged, postpetition WMI documents that had been deemed responsive to JPMC's document requests in the JPMC Action and Turnover Action, and pre-Receivership WMI documents in WMI's custody."

Shareholders Response to Debtors Response	The debtor's assertion that allegations of bad faith negotiations and failure to perform their fiduciary duty to maximize the value of the estate is irrelevant because it is an objection to confirmation and not the disclosure statement is false. If these allegations are true and they are performing their duties in bad faith, as believed by these shareholders, then everything they write should be questioned and confirmed by an independent third party. What reasonable investor would trust someone who is willing to steal billions of dollars from thousands of middle class Americans? The debtor should be forced to acknowledge these bad faith claims and prove otherwise before any Disclosure Statement is approved by this court. Evidence is mounting against the debtor in this regard. These shareholders have shown through previous filings that both the debtor and the board of directors are acting in an extremely negligent fashion ignoring their fiduciary duties. This has become even more apparent based on the June 3rd, 2010 hearing in which the debtor argued that the equity committee and the debtor were not on the same side. This is in complete contradiction to the arguments the debtor made against the formation of the equity committee in which it discussed its fiduciary duties and how its goal was to maximize the entire estate for both creditors and shareholder alike. Finally, the debtor has even decided to depose the members of the equity committee while not even pursuing the FDIC or JP Morgan as evidenced by what information the equity committee has received. This further strengthens the arguments in the previously two filed objections. The attached extremely damming e-mail shows that JPM intended to destroy shareholder value over two years ago even before the bank was seized. The email [**Exhibit B in docket 4658**] states that JPM wants WAMU "shareholders [to] pick up the first loss.... until they literally get zero". It goes on to state that JPM wants something "[that] gets the government comfortable that they only get involved if shareholders get zero". In light of such damming evidence how can a reasonable investor not conclude that JPM, the FDIC, the creditors committee and the debtors themselves have been conspiring together for quite some time to ensure that WMI shareholders get nothing. **With regards to the Debtors' latest response, the Shareholders put forth this simple question: Who actually negotiated the settlement? Based on the debtor's response it seems that they claim that they were not the ones responsible for evaluating the claims, defenses and litigation. However, what they do not state is that Quinn Emanuel was the one who negotiated the settlement. If Weil negotiated the settlement they were obviously conflicted. The lack of an answer to this simple question clearly highlights the debtors' determination to avoid answering and sidestep around all of the Shareholders' objections. Who actually physically negotiated the settlement? Weil or Quinn? Was Weil involved? A hypothetical reasonable investor would demand answers to these questions and expect those answers to be easily found in the disclosure statement.**

Exhibit B

At-A-Glance

Since November 2004, Enron Creditors Recovery Corp. ("ECRC") has returned approximately $21.598 billion in semi-annual distributions to creditors. There are a limited number of pending litigation and collection matters that may affect the timing of the closure of the Enron bankruptcy case and payment of remaining funds to creditors. Based upon the likely timing of the expected resolution of these remaining matters, the cost of making distributions, and the funds on hand at this time, the Plan Administrator will distribute the remaining available funds and collections related to the remaining matters at the time of closure of the Enron bankruptcy case in lieu of further interim distributions. Therefore, there will be no distribution in April 2010.

The distribution payments to date represent returns to ECRC's creditors that are greater than 300% of Company's original estimates.

http://www.enron.com/index.php?option=com_content&task=view&id=14&Itemid=24

Enron Corporation

Venoco, Inc. v. Enron, et al.

Enron became synonymous with corporate malfeasance after details of company fraud leading to its bankruptcy were made public in 2001, but nearly two-and-a-half years later, Enron became notable for another novel concept – the amazing speed with which its Chapter 11 reorganization plans were confirmed and made effective. Enron garnered support from thousands of creditors, but still needed to overcome confirmation objections from over 100 creditor groups in a contested confirmation trial to implement the plan to settle fairly over $60 billion in claims. The first stumbling block to developing a plan and then implementing it was the sheer number of claims needing resolution. Creating a system to handle the more than 25,000 claims expeditiously – and getting creditor support for the system – required a novel approach.

Weil Gotshal created a revolutionary system of alternative dispute resolution, overcame strident opposition, and succeeded in implementing a system allowing for speedy and fair resolution of thousands of disputed claims, shaving off decades of litigation otherwise costing hundreds of millions of dollars. The confirmation trial underscored Weil Gotshal's complex business and litigation capabilities, as the firm handled the corporate, governance, securities, tax, ERISA, environmental, and real estate work for hundreds of key entities and business units. By itself, the civil litigation arising from

http://www.weil.com/practiceareas/TransactionDetail.aspx?experience=14671&service=1932

CERTIFICATE OF SERVICE

I, Sean Fitzgerald, hereby certify that on June 23, 2010, I caused a copy of the foregoing OBJECTION OF INDIVIDUAL SHAREHOLDERS TO DEBTORS' MOTION FOR APPROVAL OF DISCLOSURE STATEMENT FOR THE JOINT PLAN OF AFFILIATED DEBTORS PURSUANT TO CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE to be served upon the individuals listed below via First Class Mail.

(i) Washington Mutual Inc,

925 Fourth Avenue,

Seattle, Washington 98104

(Attn: Charles E.Smith, Esq.)

(ii) Weil, Gotshal & Manges LLP,

767 Fifth Avenue,

New York, New York 10153

(Attn: Brian S. Rosen, Esq.)

(iii) Richards Layton & Finger P.A.,

One Rodney Square,

920 North King Street,

Wilmington, Delaware 19899

(Attn: Mark D. Collins, Esq.)

(iv) Quinn Emanuel Urquhart & Sullivan, LLP,

55 Madison Avenue, 22nd Floor,

New York, New York 10010

(Attn: Peter Calamari, Esq.)

(v) the Office of the United States Trustee for the District of Delaware,

844 King Street, Suite 2207, Lockbox 35,

Wilmington, Delaware 19899-0035

(Attn: Joseph McMahon, Esq.)

(vi) Akin Gump Stauss Hauer & Feld LLP,

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New York, New York 10036

(Attn: Fred S. Hodara, Esq.)

(vii) Pepper Hamilton LLP,

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(Attn: David B. Stratton, Esq)

(viii) Ashby & Geddes, P.A.,

500 Delaware Avenue, 8th Floor, P.O. Box 1150,

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(ix) Susan Godfrey, L.L.P

654 Madison Avenue, 5th Floor,

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(Attn: Stephen D Susman, Esq)

(x) Sullivan & Cromwell LLP,

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(Attn: Stacey R.Friedman, Esq.)

(xi) Landis Rath & Cobb LLP,

919 Market Street, Suite 1800, P.O. Box 2087,

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(Attn: Adam G. Landis, Esq)

(xii) DLA Piper US LLP

1251 Avenue of the Americas

New York, New York 10020

(Attn: Thomas Califano)

Dated: June 23rd, 2010

/S/

Sean Fitzgerald

2330 Jackson Street

Houston Tx