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November 16th, 2010

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

NOTICE OF OBJECTION TO CONFIRMATION OF PLAN OF REORGANIZATION OF WASHINGTON MUTUAL, INC.

The Honorable Judge Mary Walrath
Bankruptcy Court
824 North Market Street, 5th Floor
Wilmington, DE 19801

Your Honor,

I object to the settlement agreement between the debtors, JPMorgan Chase (JPM) and the FDIC as proposed in the current Plan of Reorganization. I own both common and preferred shares of WMI. Following are the reasons for my objection.

1.) When the OTS seized Washington Mutual Bank (Wamu) it was because Wamu was "systemically risky" not because it was insolvent. Yet only a week or two earlier Mr. Paulson had refused to include Washington Mutual on the do not short list that included 19 other banks that were considered "systemically important". If, as indicated by the OTS at the time of seizure, Wamu was <u>not</u> insolvent and, according to Mr. Paulson, <u>not</u> systemically important then it certainly should <u>not</u> have been seized. This was therefore an illegal seizure and the shareholders should be compensated accordingly.

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2.) The FDIC has not yet produced a schedule 3.1a to delineate what it sold to JPM. Without this document it is impossible to determine what assets are being considered. Until this document is produced no plan should be accepted.

3.) It is not clear which assets the FDIC has seized and what assets should have stayed with the holding company WMI. For instance, was the building formerly known as the Washington Mutual Tower an asset of the bank or a separate subsidiary of the holding company? If this was indeed a subsidiary of the seized WMB then the legal advisors failed their duty to separate liabilities appropriately. If an asset of the holding company, JPM has sold an asset they didn't have clear title to. These issues need to be sorted out before any plan of reorganization can be completed.

4.) WMB bond holders are not creditors of this estate. Your Honor has indicated on more than one occasion that you were not going to pierce the corporate veil. While I agree that the WMB bond holders have suffered a loss, this is not the forum for them. In the current settlement money that belongs to estate creditors and then equity is being inappropriately siphoned off for the benefit of third parties. The $350 million currently allocated to WMB bond holders needs to be reallocated to preferred stock shareholders before this plan can be accepted.

5.) The FDIC is required to obtain the maximum return on seized assets. There are two clear examples to show that the FDIC was acting in the interest of JPM and not in the interest of WMI, to obtain maximum value for the bank.
   a. As was pointed out in the examiner's report, WMI had an offer to purchase only its East Coast branches for $30 billion. There would have been an additional working agreement to make sure that Wamu was going to be sufficiently capitalized going forward. The FDIC never gave this an opportunity to come to fruition. In fact it seems to have speeded up its efforts to seize Wamu when it learned of an alternative plan that would return substantial value to the shareholders of WMI.
   b. Comparing two other recent seizures/assisted sales the FDIC was able to obtain considerable more value for companies with much fewer assets: The seizure of IndyMac and the sale of Wachovia.

6.) In March of 2008, JPM performed due diligence into the possible purchase of Wamu. As part of this due diligence they signed a confidentiality agreement. In the confidentiality agreement there was a standstill provision. The examiner exerts that the Emergency Economic Stabilization Act, enacted on October 3, 2008 would likely bar this claim. However, the confidentiality agreement was signed in March of 2008 predating this act. JPM has clearly caused damage to WMI by violating this agreement.

7.) Once the purchase was completed by JPM for $1.88 billion, there were several additional liabilities which were stripped away amounting to many times this purchase amount. JPM can claim that they were worried about the toxic mortgages, but they haven't even produce a report

to verify what they have "lost" on these mortgages. In fact in their recent shareholder report, they indicate they have already made $10 billion from the purchase of Wamu. Additionally, in the accounting for the purchase of Wamu, JPM wrote the loan portfolio down by $30 billion and then recorded negative goodwill in an amount approximately equal to their purchase price. Have the mortgages lost anywhere close to $30 billion? JPM will never tell. They have been unwilling to produce reports, at the request of the TPS group, which would indicate the true performance of their acquired loans. JPM paid nowhere near fair value for the assets of WAMU, and the FDIC has failed their fiduciary duty to the owners and bond holders of WMB.

8.) The value of all claims being relinquished has not been disclosed. The debtors have made no effort to indicate that this is "in the best interest" of the estate. Until the value of all claims has been quantified and the debtors release their analysis of how they arrived at their "best interest" for the estate claim, this plan of reorganization should not proceed.

9.) There are additional future tax benefits that will inure to the new shareholders of WMI. In the proposed plan of reorganization the debtors are being made whole and then also granted stock ownership in the reorganized company. The debtor's recent filing includes a request (prematurely) to treat WMB stock as worthless and add an additional $5.5 billion in value to the estate. Even this additional amount has not been reflected properly in the current proposed settlement plan. The additional $5.5 billion alone would be enough to make the preferred shareholders whole, and allow the common shareholders to retain sole ownership.

10.)Quinn Emanuel Urquhart & Sullivan was hired in part because Weil, Gotshal & Manges LLP had a conflict of interest with JPM. We have yet to be shown where Quinn Emanuel Urquhart & Sullivan was involved in the negotiation of this settlement. This needs to be disclosed before confirmation of the plan is completed.

11.)The true victims of this tragedy are the equity owners. This agreement needs to be put on hold while the long overdue shareholders' meeting is scheduled. Until the shareholders have true representation and negotiate a true settlement where all parties are taken into consideration, not just JPM and the FDIC, there should not be a plan of reorganization that throws away substantial value.

12.)As part of this settlement, JPM, the FDIC, and the former board of directors are all granted immunity. These are the very parties that have performed this injustice and are continuing to perpetrate this travesty. If all these parties want to be granted immunity, then consideration must be provided for that immunity. As the current proposal stands the debtors are giving away more of the estates assets in exchange for immunity. This is just plain backwards. This plan of reorganization cannot proceed where the estate is actually paying other parties to give up the right to file law suit against them.

13.)The summary judgment on the $4 billion deposit accounts held by JPM, which belong to the debtors, needs to be ruled on. It is clear to those observing that this sham of a settlement being promulgated by JPM and the FDIC is only a ruse to prevent the ruling on the assets that rightfully belong to the estate.

14.)If the $4 billion in deposits are returned to their rightful owners, WMI, and the $5 billion plus tax refunds now being held in escrow are transferred into the estate, there will be sufficient assets to pay the note holders and other creditors of the estate. Then equity can emerge whole and pursue the FDIC and JPM for the tort claims. At that time we will find the true value of what these claims are worth.

Based on the above assertions, I object to the current plan of reorganization in its entirety.

I hereby certify that copies of this objection have been duly served by mailing first class to all parties listed in Section 6 of the notice for filing objections received from Attorneys for Debtors and Debtors in Possession, dated October 22, 2010.

Sincerely,

Alvin L. Wolcott

Alvin Wolcott, Shareholder