

Your Honor:

Do you recall during an open hearing in the Court, the debtors in possession's counsel, Mr. Rosen, was arguing against the formation of an equity committee by claiming that separate representation for equity was not needed because debtors' counsel was dutifully upholding their fiduciary duty of representing equity's interest?

And do you recall in a later hearing when your Honor reminded Mr. Rosen that he had a fiduciary duty to fairly represent equity's interests?

Now in light of the debtor's most recent action of 11-19-10 which asks your Honor to allow them to create an entirely new set of claims for JP Morgan-Chase for the sole purpose of denying the estate assets to reach equity I feel it is appropriate to respectfully ask if the Court has seen ANY evidence that the debtors are currently or have ever in the past heeded advice to uphold their fiduciary responsibilities to equity as required by law and requested by this Court?

Additionally hasn't debtors counsel already conflicted themselves out of negotiating or deliberating with JPM-C with their refusal to engage in discovery against this claimant? So shouldn't the question be asked of the Court how debtors's lead counsel is able to engage in negotiations with this same claimant on establishing terms of their plan of reorganization favorable to JPM-C? Further, shouldn't all negotiations between the Estate and JPM-C be handled by the estate's conflict attorneys, Quinn-Emanuel?

Since, in my opinion, the debtors in possession and their counsel have obviously abandoned their legal duties to represent all classes in the estate I respectfully suggest the Court has not only the legal grounds but the responsibility to replace the debtors control of the estate by denying their flawed and unfair plan of reorganization and allowing a true and fair evaluation of the estate to take place so a true and fair plan of reorganization can be submitted to the Court.


It is also my firmly held OPINION that the primary goals of the debtors in possession for the past 2 plus years has been the following:

1. Provide broad legal releases for those who played a role in Washington Mutuals' failure, seizure and sale at a grossly unfair price through an unfair, rigged bidding process.
2. Deny compensation to reach the shareholders in order to retain control of the reorganized company and it's grossly under-valued assets.

The debtors in possession have never shown any inclination, in my opinion, to uphold their designated duty to maximize the value of the estate for all concerned estate interests and in fact have done everything in their power for over 2 years to hide the true value of the estate from the Court.

Finally I would respectfully submit that if the debtors and their counsel, after more than 2 years of doing so, continue to refuse to cooperate with legitimate deposition requests to ascertain the assets of the estate, the Court should enforce Bankruptcy Rules 7036 and 7037.

Thank you for your consideration of these matters.

Sincerely,

Stephen O'Grady
Shareholder. Oklahoma

