

To: The Honorable Judge Mary F. Walrath
 United States Bankruptcy Court
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 U.S. BANKRUPTCY COURT
 DISTRICT OF DELAWARE

FROM: Jose L. Nunez, Ph.D., P.E.
 5523 River Oaks Drive
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SUBJECT: Washington Mutual Inc., et al – Case Number 08-12229 *mfw*

Your Honor,

I am a Washington Mutual Inc. shareholder and for approximately the last 27 months, I have been following this Bankruptcy Case. I am greatly concerned over recent events that could hurt shareholders chances for a fair settlement. I feel strongly about this and felt it was necessary to bring them to your attention:

- 1.) Regarding your 1/7/2011 opinion of the “Debtors” Sixth Amended “Plan”, you stated at the bottom of page 66, “Although equity interest holders are not likely to get a recovery, the Court is not convinced that continued litigation against JPMC and/or the FDIC would change that result”. In addition, in other sections of your opinion, you said the “Plan” was “fair and reasonable.”

I honestly don't know how you could make those statements. If you look at the FDIC Board of Directors Memo dated September 24, 2008, they state the WAMU Bank had over \$400B in assets and deposits. Yet, it was sold to JPM for a paltry \$1.9B. Now in bankruptcy court, the Debtors “Plan” proposed to give Billions more to JPM. So in essence, the resultant of the seizure and this fair and reasonable “Plan” is equivalent to WMI, Inc. paying JPM to take the 6th largest bank in the United States. That's a mind-boggling fact.

In addition, if you read “WMI, Inc vs. FDIC, dated 3/20/2009, Case #1:09-cv-00533,” there are numerous allegations of misconduct by the FDIC. In addition, there are also emails* from John Reich/OTS to Sheila Bair/FDIC (8/6/2008), questioning her on “making some discrete inquiries to determine whether there are institutions which would be willing to acquire it on a whole bank basis if we had to do an emergency closing, and on what terms.” This was about 6 weeks before WAMU was seized. Who is to say that by doing this, the FDIC isn't responsible for creating the panic, which led to the bank run on WAMU, which ultimately led to the seizure? In the email*, John Reich/OTS also says, “I also believe there could be a high potential for FDIC actions of the type you are contemplating to cause** irreparable harm to WAMU if, at any point in the near future, WAMU wishes to actually** seek a buyer.” Six weeks later, this proved true.

Thus, I think by making the statements above, you've hurt shareholders chances of getting a fair settlement. I also believe that if the real story of what transpired before, during, and after the seizure of WAMU (including the debtors treachery in bankruptcy court) was ever presented, in a fair and unbiased way, to common everyday Americans, in a court of law, we shareholders would easily win.

- 2.) Why isn't there an official bankruptcy court record of WMI's assets “purchased” by JPM? In addition, why isn't there an official court record of WMI, Inc's remaining assets? How could the Debtors/JPM/FDIC submit



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a settlement/reorganization "Plan" if there is no record of the assets? If there is no list of assets, how can anybody place a value on those assets? Speaking of which, where is the asset valuation assessment?

It appears as though the assets are being hidden as a means to wipe out shareholders and allow the hedge funds to take possession of WMMRC. An example of this would be the recent Tricadia motion concerning the NOLs. Over 2 years in bankruptcy court and as far as I can recall, I don't ever remember Brian Rosen (Weil Gotshal) mentioning them. Another example would be WMI's Monthly Operating Report (MOR). It never changes. It's been showing roughly \$8B in liabilities and \$6B in assets, month after month. Even when WMI received billions in tax returns, that should have put assets greater than liabilities, the MOR never changed. That's just a couple of examples. I think all of the WMI assets, before and after seizure, including all of the NOLs, capital gains losses, real estates, subsidiaries, investments, credit card companies, etc., should be listed for all to see. During the confirmation hearings, Justin Nelson (Susman Godfrey) showed a chart showing potentially \$33B+ in remaining estate assets. I think that was the first time I had ever seen a court record of anything, representing a listing of potential assets.

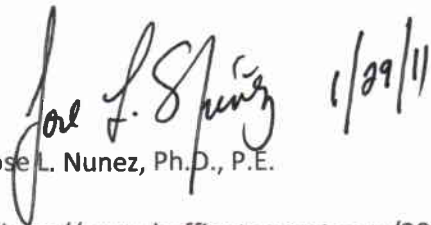
- 3.) Regarding your 1/7/2011 opinion of the "Debtors" Sixth Amended "Plan", you stated on Page 58, "Finally, the significant counterclaims against the Debtors raised by JPMC and the FDIC (in excess of \$54 billion) add to the difficulties of collecting from them."

Where is the evaluation of the merits of the \$54B? Where those claims ever presented to the court and if so, where is the court record? In addition, the FDIC didn't lose anything by seizing the WAMU bank and JPM has reported billions and billions in profits, and even admitted publicly that a certain percentage of those profits are from WAMU. So how can they have \$54B in claims against the Debtors? Why is it you think the JPM and FDIC have such large and valid claims against the Debtors, but yet above, in item #1, you think shareholders have little chance of success in future litigation? How are you able to make that distinction between claims?

This reminded me of something from about a year ago, when in court, Brian Rosen of Weil Gotshal said something to the effect of their being \$100B in claims against the estate and thus, no money for equity. Funny how as the last year evolved, the \$100B in claims disappeared, but shareholders still basically received nothing. I guess that old cliché is true, the rich get richer, and the poor get poorer.

In summary, the above are just a few examples of recent events that motivated me to write to you. I've actually been very concerned for about a year. It was then when I realized the debtor had disregarded his fiduciary duties for shareholders. I hope you will consider some of my thoughts above.

Sincerely,



Jose L. Nunez, Ph.D., P.E.

* http://www.huffingtonpost.com/2010/04/16/sheila-bair-fdic-chief-tr_n_540993.html

* <http://dealbreaker.com/2010/04/sheila-bair-is-one-tough-cookie/#more-182323>

** Note that I corrected email spelling

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