VIA PRIORITY MAIL

March 3, 2011

Hon. Mary F. Walrath
United States Bankruptcy Court
District of Delaware
824 Market Street, 5th Floor
Wilmington, DE 19801

Re: In re Washington Mutual, Inc., et al., Case Number 08-12229 (MFW) (Jointly Administered)

Objection to Supplemental Disclosure Statement for the Modified Sixth Amended Joint Plan

Dear Judge Walrath, the Debtors, and others to whom it may concern,

I presently own 4,950 shares of preferred stock and 28,000 shares of common stock in WMI, and I have some concerns related to the Supplemental Disclosure Statement ("SDS") which I believe must be addressed so that I and others similarly situated may make a fully informed vote for the Modified Sixth Amended Joint Plan ("Plan"). These concerns relate to the Liquidation Trust, the Liquidation Trustee, the authority of WMI's Board of Directors ("BOD"), and concerns about locking of Equity shares from trading.

Background

With the denial of Version Six of the Plan I believe Your Honor intended to spur all parties to settlement negotiations so that a true settlement could be negotiated and this matter put to rest. Instead, with no direct, immediate threat on the horizon, JP Morgan and the FDIC have chosen to negotiate a new Global Settlement Agreement ("GSA") so that they could wait to see if the Debtors can indeed pull an approved Plan out of their hat. As I stated in my most recent letter [Docket #6698], incorporated herein by reference, I believe that Your Honor had addressed only a small subset of WMI's claims against JPM and the FDIC in your opinion denying the Sixth Plan of Reorganization. Notably absent were the Fraudulent Transfer and Unjust Enrichment claims against JP Morgan, and any discussion of similar significant claims against FDIC Corporate and Receivership which are pending in the DC Action.

However, in the SDS, the Debtors elected to set their spin machine to maximum, stating, '*with respect to each of the claims resolved by the Global Settlement Agreement,* the Debtors are unlikely to receive greater value by continuing to litigate than that which they will procure for the estates through consummation of the Global Settlement Agreement, such that the Global Settlement Agreement provides "a reasonable return in light of the possible results of the litigation."' The Debtors also argue that instead of a Denial of their Sixth Plan of Reorganization, your order was merely a request to modify certain provisions of the plan, implying that approval might be immediately forthcoming once those modifications had been implemented. This interpretation allows the Debtors to continue to ignore their fiduciary duty to Equity and continue their mantra, "Equity is an out of the money constituency", all while maintaining the status quo and using up more estate resources.

JP Morgan has every incentive to kick the can down the road since through a perversion of the process, the GSA provides them more in tax refunds (not to mention all the other assets) than the $1.888 billion bargain price paid for a 119 year old bank's 307 billion dollars in assets. As they are effectively being paid to take the bank and a de minimus interest amount is being paid on the Debtors' $4 billion Deposit, the cost to continue is minimal since the Debtors themselves have taken to arguing many of JPM's own positions before this Court.

At first I found it particularly odd that the Debtors view their own Equity holders adversarially, while seeming to be incredibly cozy with JPM and the FDIC whose actions directly resulted in WMI filing for bankruptcy. This became clear, however, when I read the JPM - Weil Legal Services Agreement (Appendix A) limiting litigation by Weil against JPM.

This agreement was forged in March of 2008, just around the timeframe when JPM began lobbying the FDIC for seizure of WaMu. It illustrates just how cozy the relationship between Weil and JPM was, and I believe full disclosure of the contents of this agreement should have been made to this Court prior to Weil's retention in WMI's bankruptcy. It was also in the Spring of 2008 when JPM offered $5 (with a possible additional $3 contingency payment) per WMI common share. Washington Mutual's common stock traded at approximately $13 per share at that time.

I believe that this lowball offer, the Legal Services Agreement limiting Weil's litigation options against JPM, and the FDIC lobbying to seize WaMu were the first public phases of JPM's Project West. Project West, of course, was JPM's plan to acquire WaMu's assets and branch footprint at the lowest cost possible to JPM. Given WMI's size and Weil's status in the bankruptcy arena, JPM no doubt considered it likely that WMI would approach Weil to represent them should their Project West machinations be successful in obtaining WaMu's assets through a Receivership as JPM intended.

Anticipating this and tying Weil's hands well prior to a bankruptcy filing made perfect business sense from JPM's point of view. After all, to JPM the destruction of WaMu was merely a business decision.

Liquidation Trust

As a preferred shareholder of WMI, I am potentially able to receive a distribution from the assets of the Liquidation Trust. Given this, a full and complete understanding of the assets which compose the Liquidation Trust is needed so that preferred shareholders like myself (Class 19 and 20 together represent $7.5 billion) are able to make an informed decision to vote for or against the Plan.

On page 104 of the prior Disclosure Statement ("DS") section entitled Liquidating Trust Assets, the Debtors state, "The Liquidating Trust shall consist of the Liquidating Trust Assets." No further detail was available. The SDS manages to expand on this, basically stating that the Liquidating Trust Assets are all of WMI's assets except those which are to be part of the reorganized entity, WMMRC, and the $31 million in funds which the Debtors have already returned with this Court's permission.

In addition, upon information and belief, the court has directed that claims against third parties other than JPM and the FDIC are not to be released, in part because there is no consideration being received from these parties. I forsee the potential for litigation against Banco Santander for Sherman anti-trust violations damaging WMI, litigation against WMI's BOD members, Goldman Sachs, and possibly the OTS (if not time-barred) and other parties related to their pre-bankruptcy conduct which may have harmed WMI.

The Liquidation Trustee should have a fiduciary duty to prosecute these claims, but the SDS makes no mention of these potential causes of action as assets of the Liquidation Trust, and I believe they must be spelled out for the Liquidation Trustee to have authority to prosecute them. I require specific information about which causes of action will be retained by the Liquidation Trust, who is expected to be a target of litigation, and an estimate of damages which the Liquidation Trustee will seek. Some Liquidation Trust assets will have to be set aside to allow sufficient funds to prosecute this litigation.

I find it completely unacceptable that a detailed list and estimated valuation of these assets and causes of action have not been provided. The Debtors should also provide a table estimating the likely and maximum amount of claims, by class, to which those entitled to distributions may hold against these Liquidating Trust Assets. Since this Liquidation Trust represents the sole consideration for releases to be granted the Debtors, JPM, and the FDIC, it is imperative that preferred shareholders, a significant component of those entitled to distributions from the Liquidating Trust, receive this information so that they may be able to make an informed decision regarding whether to provide a release or to opt out.

I note that the Debtors have proposed retaining Earnst & Young to analyze certain aspects related to the reorganized entity. Since they are an accounting firm perhaps it would be appropriate to expand their scope to provide the needed detail regarding these Liquidation Trust Assets.

Liquidation Trustee

William C. Kosturos, WMI's Chief Restructuring Officer ("CRO") is slated to become the Liquidating Trustee. During Mr. Kosturos's confirmation hearing testimony, I would have to say that I was less than impressed with his performance, particularly since his talents are deemed worthy of $725 per hour. Despite the fact that he would have had to have worked with members of the BOD for over two years in order to properly exercise his duties, he was unable even to identify how many BOD members there were. I found it particularly painful when he repeatedly said how "complicated" it all was, and even more so when the EC was able to learn through cross examination that he thought they might number more than three but less than twenty.

I believe the Equity Committee's attorneys would be better suited to serve than Mr. Kosturos. They are excellent candidates due to the demonstrated efficient use of estate resources, their unquestionable desire to obtain a recovery for equity, and the knowledge that if equity gets paid, all other creditors are also likely paid in full. I believe a fresh set of eyes may be able to see recoveries Mr. Kosturos cannot.

Authority of WMI's Board of Directors

At the annual meeting held on April 20, 2008, WMI's Board members were elected to a one year term. To my knowledge, no annual meeting or shareholder vote has been held at any point following the filing of the bankruptcy petition in September 2008. Given the directors elected at that time were each retained for a one year term, which period would have lapsed in April 2009, WMI's BOD may well lack the authority to make decisions in the ordinary course of business. If so, they would certainly lack the authority to bind WMI to a Global Settlement Agreement.

Earlier in this case Your Honor opined, "the automatic halt to litigation that applies to companies in bankruptcy cannot bar shareholders from exercising their corporate governance rights", and that it is "well-settled law" that shareholders can hold meetings to elect new directors despite a company being in bankruptcy.

WMI's BOD could have arranged an annual meeting at any time to guarantee that their authority was retained, but they have neglected to do so. No doubt they feared they would be replaced by others likely to sue them for damages for their pre-bankruptcy decisions. Instead, they negotiated overly broad releases for themselves in POR Version Six, and approved the GSA which disposes of most of WMI's litigation assets so that they could guarantee access to WMI's own deposit to pay Creditors. In short, they violated their fiduciary duty to Equity by knowingly trading away Equity's recovery so that they, individually, would not lose their own assets or face public humiliation. Given Your Honor's disinclination to grant them releases, the only thing they may have accomplished is to enrich JPM.

Additionally, Section § 1129(a)(3) of the bankruptcy code requires that, "The plan has been proposed in good faith and not by any means forbidden by law". In my opinion, the BOD, by approving the GSA well after their terms have expired, has demonstrated an absence of good faith. In the rest of society, those elected to office who repeatedly fail to hold a lawful election to consider their own replacement become known as dictators. It would appear that in WMI's case, BOD may have a second meaning – Board Of Dictators, since they have demonstrated their unwillingness to relenquish power. I obtain a small sense of satisfaction in the knowledge that dictators in general have been facing increasing scrutiny and difficulties of late.

Voting and Locking of Shares

When voting for the last Plan, the Debtors elected to prevent trading in the Equity shares of those who voted to opt out of the releases. Locked shares were moved to a segregated DTC account where they were not able to be traded. After receiving testimony from a DTC representative at the confirmation hearing, Your Honor approved of this limited locking of shares. Despite an order Denying the Plan in early January, these shares were not released for trading until late February. Emboldened by your limited approval, the Debtors have decided to expand this limited locking to virtually all classes. As disclosed in the SDS, now a vote for or against the Plan, with or without an designation to opt in or out of releases, mandates a trading freeze for all Creditors and classes of Equity who have voted.

The Debtors attempt to rationalize this trading freeze by claiming that it is necessary "to ensure accurate identification of the Entities entitled to receive distributions pursuant to the Modified Plan". If this was indeed needed for that purpose, I have to ask why it wasn't implemented this way in the previous Plan. I have never in my life seen an example where trading is restricted as the Debtors propose. I believe this may actually be an attempt by Debtors adverse to Equity's interest designed to coerce Equity holders votes. While seemingly fair in that most classes are subject to the new rules, this trading proposed trading freeze has damaged Equity holders disproporionately by creating uncertainty. Bondholders, to a very significant extent, are represented by large hedge funds who have placed their bets and are somewhat impatiently awaiting the payday they've had a hand in negotiating.

Equity, by contrast, is composed largely of retail holders who look to the value established by the market for confirmation of their prospects for recovery. Locking Equity shares serves the Debtors' apparent goals to drive down equity prices and further demoralize Equity holders. This furthers the Debtors' goals as no doubt the Debtors will later point to Equity prices and say, "See, Your Honor, it is obvious that the market sees little chance for an Equity recovery".

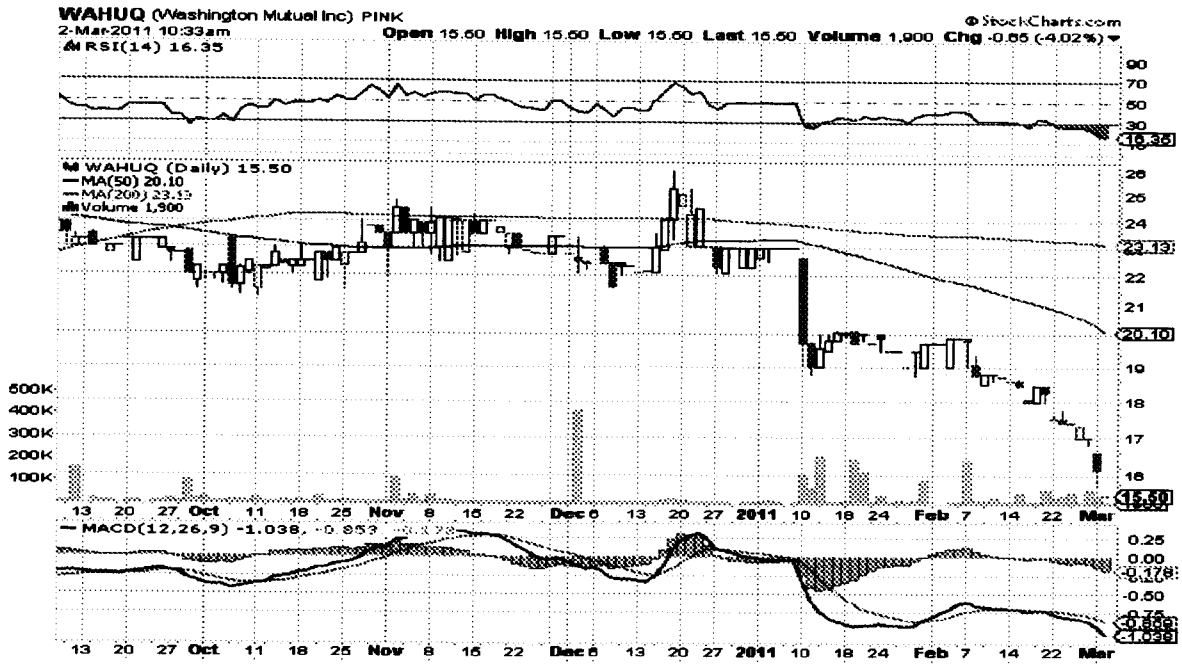
All publicly traded WMI Equities, even the PIERS, have traded down significantly (an approximate 25 percent decline) since the Debtors "wrap" filing detailing this change. Without certainty that shares will remain freely tradeable, market participants become less inclined to buy the stock, so those wishing to manipulate or control prices have free reign to push Equity prices lower and lower.

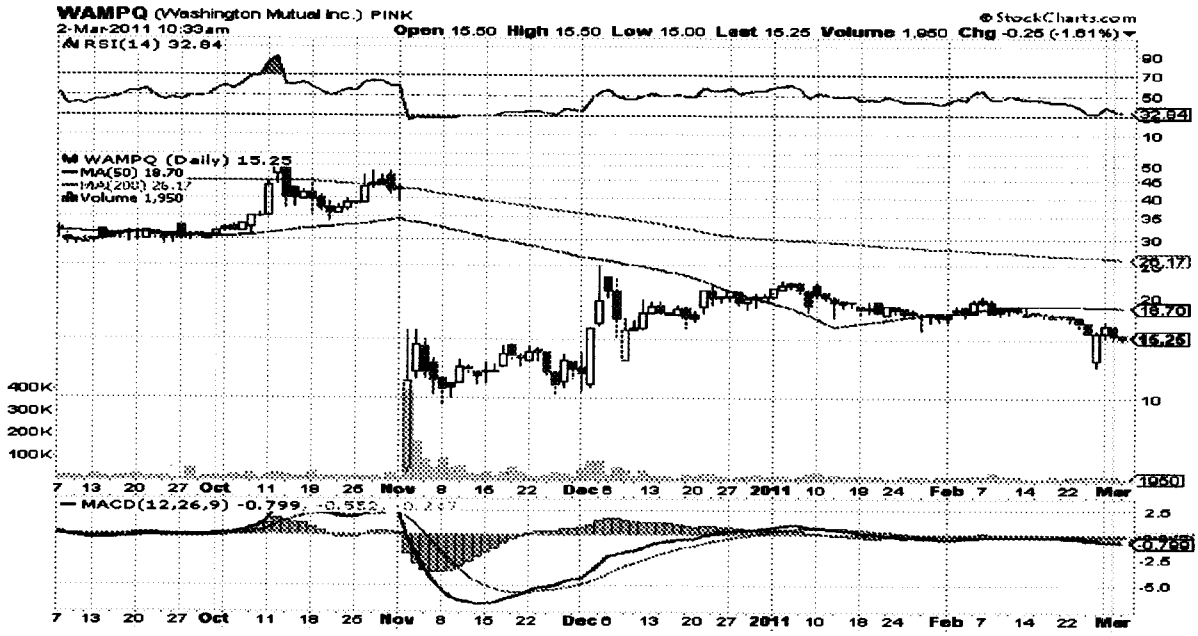
They take advantage of human nature; people become less likely to buy and more likely to sell to avoid the uncertainty of locked shares. The Debtors did not even address what happens to unlocked shares that might later be purchased by a holder of locked or unlocked shares. The large market participants, eager to make a profit, have proved perfectly willing to capitalize on this situation the Debtors have created, to Equity's detriment.

It is this same effect that causes bank runs; people are perfectly content to have their money in any bank as long as they believe it will be there when they need it. But as soon as they think a bank might be closed, even the wealthy find themselves waiting in line to obtain some or all of their funds to reduce their personal uncertainty to a more comfortable level.

The charts below confirm the significant downward trend following release of the "wrap"; both have dropped from nearly $20 per share to approximately $15 per share.

PIERS = WAHUQ, and Preferred Stock = WAMPQ:



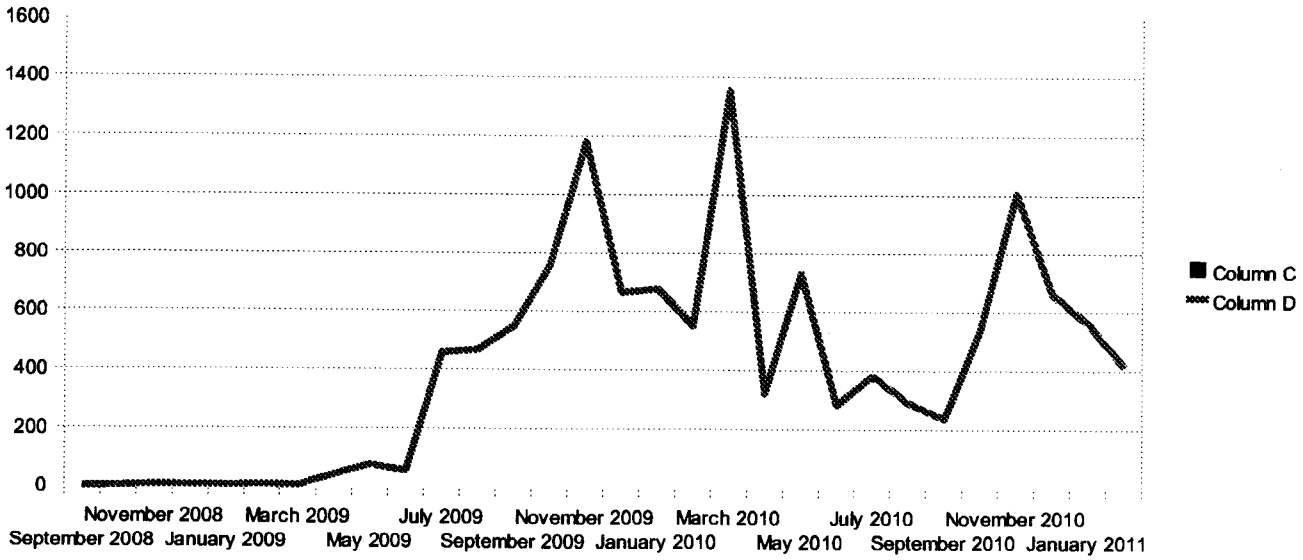


After watching trading patterns these last few years, I have no doubt that parties adverse to Equity's interests are actively working to drive Equity prices down to demoralize WMI stockholders in the hope that we give up, lose by attrition, or eventually agree to settle for peanuts. While they often prevent rallies by short-selling into them, merely controlling prices is not the full extent of their activities.

On the Yahoo Message Board ("YMB"), Equity holders have been under seige for some time by bashers who apparently hold no position in WMI Equities. They appear to have been hired to minimize the intelligent discussion and research of WaMu issues. They are also very numerous, with a number of different tactics. Some attack prominent posters, others ask seemingly innocuous questions in order to create doubt, and still others state obvious misinterpretations of court filings. A final class of basher exists merely to post vulgar messages in an attempt to distract discussion or push important topics off the first browser page. Nearly all of them share one common trait: When asked if they work for JPM, the FDIC, or one of the hedge funds related to this case, they ignore the question or refuse to answer.

The YMB used to be an area used by Equity holders to discuss the strengths and weaknesses of WMI's claims, and many of us would spend days picking apart filings or hearings in order to fully understand Equity's prospects. But with the appearance of the bashers, it has been like slogging through the mud to find the occasional gem of useful insight. As I looked back to determine "when it all changed", it occured to me that only a list of basher names and discovery would shed complete light on the extent of their activities and copious postings. But then with a flash of insight, I used the YMB advanced search feature, using the search term, "bashers" to obtain a rough proxy of their activity. It yielded the following chart, which would indicate that some party adverse to equity began their campaign around July of 2009 and that it continues to this very day though waning in effectiveness. Peaks of basher activity correlate very well with trading volume that typically happens at major milestones in this case.

The largest peak shown is in March 2010 reflecting the March 12, 2010 hearing when the GSA was announced. On that day, WAMPQ opened at $93.75, but it began dropping once the court audio was connected, despite the fact that Mr. Rosen had not yet even spoken. It stabilized briefly, then immediately resumed its drop when Mr. Rosen began his announcement that a settlement had been reached. It continued to fall while he announced the terms of the GSA, reaching a low of $8.01 as he concluded his speech.



Under normal situations, many Boards Of Directors have demonstrated their recognition of their fiduciary duty to shareholders by investigating and litigating against individuals or entities who seek to use the Internet to spread false or misleading information about their company. Not only have the Debtors not taken these steps, they appear to be throwing fuel on the fire by in their attempt to lock trading in WMI Equities. While it is much too early to compile data for March 2011, just a quick skim of the Yahoo Message Board would suggest that basher activity may have hit a new peak. I understand the motivation of those Creditors adverse to Equity's interests attempting to maximize their own recovery, but in this case I believe the party or parties responsible may have crossed the line separating legal conduct from market manipulation.

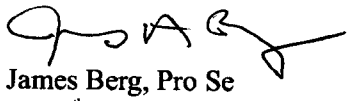
It is my fervent wish that all Creditors with allowed claims be paid in full along with post-petition interest at a rate to be determined by this Court, since this greatly increases the likelihood that I will receive a distribution from the Liquidating Trust. I just wish that the feelings were reciprocal.

Conclusions and Requests for Relief

I humbly request the Debtors provide:

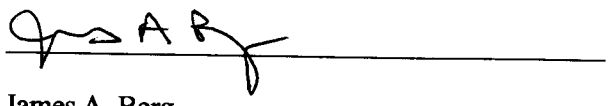
(i) A detailed description and estimated valuation of the Liquidation Trust Assets, including potential causes of action and the targets of those actions;
(ii) A table estimating the likely and maximum amount of claims, by class and order in which paid, to which those entitled to distributions from the Trust may hold against these Liquidating Trust Assets;
(iii) Should Earnst & Young be retained, an expansion of their scope to identify and estimate the value of WMI's assets which will be used to form the Liquidation Trust;
(iv) That the Debtors appoint the EC attorneys or the EC's proposed designee, replacing Mr. Kosturos as Liquidation Trustee so that expenses are minimized while recovery is maximized;
(v) Documentation sufficient to establish the number and identity of the BOD members;
(vi) Documentation sufficient to confirm that the BOD still has authority to negotiate or bind WMI to the GSA, long after these BOD members' one-year terms have expired; and
(vii) That the Debtors fall back to the previous DS's version of share locking in which only those who opt out of the releases have their shares placed in DTC limbo unable to trade.

Respectfully,



James Berg, Pro Se
429 4th Street South #5
Moorhead MN 56560
WMI Preferred Shareholder

I, James A. Berg, hereby certify that I caused, on March 3, 2011, one copy of the foregoing document to be served upon the parties of the attached list by First Class US Mail.

Signature  Date 03/03/2011

James A. Berg

(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: Jane Leamy, Esq.),

(vi) Akin Gump Stauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036 (Attn: Fred S. Hodara, Esq.)

(vii) Pepper Hamilton LLP, Hercules Plaza Ste 5100, 1313 N. Market Street, Wilmington, Delaware 19801 (Attn: David B. Stratton, Esq)

(viii) Ashby & Geddes, P.A., 500 Delaware Avenue, 8th Floor, P.O. Box 1150, Wilmington, Delaware 19899 (Attn: William P. Bowden, Esq)

(ix) Susman Godfrey, L.L.P., 654 Madison Avenue, 5th Floor, New York, New York 10065 (Attn: Stephen D. Susman, Esq.)

(x) Sullivan & Cromwell LLP, 125 Broad Street, New York, New York, 10004 (Attn: Stacey R. Friedman, Esq.)

(xi) Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, P.O. Box 2087, Wilmington, Delaware 19899 (Attn: Adam G. Landis, Esq.)

(xii) DLA Piper US LLP, 1251 Avenue of the Americas, New York, New York 10020 (Attn: Thomas R. Califano, Esq.)

(xiii) Young Conaway Stargatt & Taylor, LLP, The Brandywine Building, 1000 West Street, 17th Floor, Wilmington, Delaware 19801 (Attn: M. Blake Cleary, Esq.)

APPENDIX A

JP Morgan and
Weil Gotshal &Manges LLP
Legal Services Agreement

March 19, 2008

JPMorganChase

March 19, 2008

Stephen Dannhauser
Weil Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153

Re: JPMorgan Chase Request for Proposal for Legal Services 2008/2009

Dear Mr. Dannhauser:

On behalf of Legal & Compliance department of JPMC, thank you for expressing interest in participating in the JPMC 2008/2009 Legal RFP. JPMorgan Chase is acknowledging your response to our RFP and confirming that we will accept the terms agreed upon and set forth below, the terms of which will govern our relationship for the next two years along with the 2008/2009 Legal RFP and the Outside Counsel Manual. You may receive assignments from time to time consistent with the substantive work you have historically provided or where in the future your expertise is particularly relevant to a JPMorgan Chase issue.

We want to confirm the key standard terms that must be agreed upon between JPMC and your firm, which agreement signifies that your firm is considered a "sourced" law firm eligible to receive JPMC own-account engagements.

Weil Gotshal & Manges LLP
March 19, 2008

The following details the agreement between your firm and JPMC regarding certain representations by your firm of other clients who may have interests adverse to JPMC:

- JPMC will grant waivers to permit the firm to represent entities in financial distress or classes of creditors in such situations, including in bankruptcies, where JPMC may have an adverse interest. WG&M will obtain such a waiver from JPMC promptly after it becomes aware that JPMC may have an adverse interest to WG&M's client (except where WG&M's ethical and other obligations of confidentiality owed to the client that is or is potentially adverse to JPMC require a delay in contacting JPMC, in which case WG&M will use reasonable efforts to bring such

matter to JPMC's attention and obtain such waiver as soon as WG&M's obligations of confidentiality to the other client no longer requires such delay). Notwithstanding the foregoing, JPMC's waiver in such matters will provide that the firm cannot be involved in any of the following without a specific waiver at the relevant time:

1. The assertion and prosecution of any lender liability or similar claim or allegation of JPMC misconduct or wrongdoing;

2. Subject to the provisions of the last bullet point of this section, any attack on the validity or priority of JPMC claims, liens and/or security interests asserted in the case; and

3. The prosecution of any proceeding to recover any monies or other consideration paid or transferred to JPMC by or on behalf of a debtor as a voidable transfer under the United States Bankruptcy code or other applicable law or any such other avoidance theory.

- If any claim or proceeding arises as described in paragraphs 1, 2 or 3 above, WGM would be proscribed from representing such party in connection with such claim or proceeding unless JPMC gave a new consent (which JPMC is under no obligation to give). Of course, the above proscriptions are without prejudice to the ability of such party to engage other or special counsel to pursue and prosecute any claim or proceeding. In addition, such proscriptions would not preclude WGM from representing such party in the negotiation with JPMC as to the provisions of any restructuring or plan of reorganization, taking adverse positions to JPMC with respect to such plan, or from objecting to any proof of claim filed in the bankruptcy case by JPMC based upon the calculation of amounts due in accordance with the applicable governing documents; provided, however, to the extent that WGM attorneys or personnel involved with the representation of any above-described parties have participated or currently participate in any WGM representation of JPMC, WGM will take appropriate measures to ensure that no information gathered in the course of such representation of JPMC is used to JPMC's disadvantage.

- The firm can represent opposing parties to JPMC in commercial situations (i.e., representation of a borrower where JPMC is a lender, an issuer where JPMC is the underwriter, a purchaser or seller of assets) provided clearance is obtained from a lawyer at JPMC.

The Outside Counsel Manual in Section 4.4.2 requires your firm to provide quarterly reports concerning diversity spend, customer or third party paid fees received by your firm and business referrals to JPMC. Attachment B to this letter contains the reporting template for these quarterly reports, along with a reporting schedule for 2008.

If members of your firm need to travel on JPMC business, please enroll all such professionals in the Travel Online program. The enrollment process takes a minimum of 72 hours, so please proceed to enroll those professionals who anticipate traveling for JPMC in 2008 now to facilitate timely use of the Travel Online program. In order to enroll, please contact the following individual:

Sandy Stidams Sandy.Stidams@JPMChase.com
(614) 248-6528 Direct Line

Weil Gotshal & Manges LLP
March 19, 2008

If you have any other questions, please contact Judith Trail by email at Judith.trail@jpmchase.com or by telephone at (614) 248-7597. We congratulate you on being selected as a provider of Legal Services to JPMorgan Chase, and we appreciate all your efforts in working with us through our RFP process.

Very truly yours,

Stephen M. Cutler
Executive Vice President and General Counsel

I hereby acknowledge and represent that I am authorized to accept and bind Weil Gotshal & Manges LLP to agree to and comply with the terms and conditions set forth above in this letter agreement, which incorporates by reference the JPMC 2008/2009 Legal RFP and the JPMorgan Chase Outside Counsel Manual, and confirm that these terms are in effect for the two year period beginning January 1, 2008 through December 31, 2009.

Signature:

Print Name:
Title: Attorney / Partner