

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

WASHINGTON MUTUAL, INC.
et al.,

Debtors.

Chapter 11

Case No. 08-12229 (MFW)

(Jointly Administered)

Re: Docket Nos. 6697 and 6700

Hearing Date: March 21, 2011 at 10:30 a.m.

Objection Deadline: March 9, 2011 at 4:00 p.m.

**SECURITIES PLAINTIFFS' LIMITED OBJECTION TO
SUPPLEMENTAL DISCLOSURE STATEMENT FOR THE
MODIFIED SIXTH AMENDED JOINT PLAN OF AFFILIATED
DEBTORS PURSUANT TO CHAPTER 11 OF THE UNITED
STATES BANKRUPTCY CODE (AS MAY BE AMENDED)**

Policemen's Annuity and Benefit Fund of the City of Chicago ("Chicago PABF") and Doral Bank Puerto Rico ("Doral"), the Lead Plaintiffs in a consolidated putative securities class action entitled *Boilermakers National Annuity Trust Fund, on Behalf of Itself and All Others Similarly Situated v. WaMu Mortgage Pass Through Certificates, Series AR1, et al.*, Case No. C09-0037 (MJP) (W.D. Wash.) (the "Securities Litigation"), on behalf of the putative class of all persons who purchased or otherwise acquired interests in certain Washington Mutual Pass-Through Trusts (the "Securities Plaintiffs"), as more particularly described in the Second Amended Consolidated Complaint suing for Violations of Sections 11, 12 and 15 of the Securities Act of 1933, hereby submit this limited objection (the "Objection") to the Supplemental Disclosure Statement for the Modified Sixth Amended Joint Plan of Affiliated Debtors¹ Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Modified Sixth Amended Plan"), and state the following:

¹ Capitalized terms shall have the meanings ascribed to them in the Modified Sixth Amended Joint Plan of Affiliated Debtors Pursuant to Chapter 11 of the United States Bankruptcy Code (as may be amended) unless defined otherwise herein.



BACKGROUND

1. On November 19, 2010, the Securities Plaintiffs filed their Objection (the "Plan Objection") to the Sixth Amended Joint Plan of Affiliated Debtors Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Sixth Amended Plan") [Doc. No. 6030].

2. Based upon negotiations prior to and during the hearing on confirmation of the Sixth Amended Plan, the Securities Plaintiffs and the Debtors (the "Parties") reached an agreement with regard to a resolution of the issues raised in the Plan Objection.

3. The Debtors, through their counsel, advised the Court at the confirmation hearing that an agreement with respect to the Plan Objection had been reached by the Parties and that the terms of the agreement would be embodied in a stipulation (the "Stipulation") to be presented to the Court for approval.

4. Although the Parties have exchanged drafts of the Stipulation, the Stipulation has not yet been finalized.

5. On February 7, 2011, the Debtors filed the Modified Sixth Amended Plan [Doc. No. 6696] and the Supplemental Disclosure Statement [Doc. No. 6697]. The hearing on the adequacy of the Supplemental Disclosure Statement is scheduled for March 21, 2011.

OBJECTION

6. The Supplemental Disclosure Statement fails to disclose that the Parties have negotiated a settlement of the Plan Objection and are in the process of memorializing the terms of the settlement in a stipulation to be presented to the Court.

7. The Supplemental Disclosure Statement refers to and the Modified Sixth Amended Plan includes certain provisions embodied in the agreement resolving the Plan Objection (*see* Modified Sixth Amended Plan, §§ 43.6(d) and 43.19). However, the balance of

the terms of the agreement is not disclosed and should, at the very least, be described in the Supplemental Disclosure Statement.

8. While the Securities Plaintiffs believe that the Stipulation should and will be finalized prior to the hearing on confirmation of the Modified Sixth Amended Plan, to the extent the terms of the agreement are not memorialized in a stipulation to be presented to the Court, the Securities Plaintiffs reserve all of their rights to object to the Modified Sixth Amended Plan.

9. Moreover, given the addition of paragraph 43.6(d) to the Modified Sixth Amended Plan, that provision is inconsistent and/or conflicts with the requested voting procedures as they relate to the resolicitation of Class 18 claims under said Plan. To the extent the Securities Plaintiffs re-file their class or individual proofs of claim, they reside in Class 18 where the proposed ballot indicates that a failure to “opt in” to the release will result in a forfeiture of any distribution under the Modified Sixth Amended Plan. Such a forfeiture would fly in the face of the express language of paragraph 43.6(d). The Plan language must prevail and the ballot should be appropriately modified.

10. The forms of ballots and voting procedures remain complicated and confusing. The Securities Plaintiffs therefore reserve their rights to object to the impact of the form of ballots and other voting procedures, including to the extent they are or may be inconsistent with the terms of the agreement and/or with the above referenced modifications contained in the Modified Sixth Amended Plan addressing the Securities Litigations Carve-Out and any distributions on account of proofs of claim re-filed by the Securities Plaintiffs.

11. *To the extent any objection, in whole or in part, contained herein is deemed to be an objection to confirmation of the Modified Sixth Amended Plan rather than, or in addition to, an objection to the adequacy of the Supplemental Disclosure Statement, the Securities Plaintiffs reserve their right to assert such objection, as well as any other objections*

(including, but not limited to, objections based upon the Court's January 7, 2011 opinion denying confirmation of the Debtors' Sixth Amended Joint Plan), to confirmation of the Modified Sixth Amended Plan. Furthermore, to the extent the Securities Plaintiffs or any member of the putative Securities Class are impacted in any way by the contents of any supplements or amendments to the Supplemental Disclosure Statement or the Modified Sixth Amended Plan, which may be filed after any Supplemental Disclosure Statement or Modified Sixth Amended Plan confirmation objection deadline, the Securities Plaintiffs reserve their right to object thereto.

CONCLUSION

12. Based on the foregoing, the Securities Plaintiffs respectfully request that an order be entered (i) denying approval of the Supplemental Disclosure Statement; (ii) reserving their rights as set forth herein; and (iii) granting such other and further relief as the Court deems just and proper.

Dated: March 9, 2011

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CERTIFICATE OF SERVICE

I, David G. Holmes, hereby certify that on this 9th day of March, 2011, I caused copies of the *Securities Plaintiffs' Limited Objection to Supplemental Disclosures Statement for the Modified Sixth Amended Joint Plan of Affiliated Debtors Pursuant to Chapter 11 of the United States Bankruptcy Code (as may be amended)* to be served the attached service list in the manner indicated.

A handwritten signature in cursive script, appearing to read "David G. Holmes", written in black ink on a white background.

David G. Holmes (No. 4718)

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