United States Bankruptcy Court

For the District of Delaware

April 21,2011

In re: **Washington Mutual Inc.,** et.al. Debtors

Chapter 11

Case No. 08-12229(MFW)

The Honorable Judge Mary Walrath

United States Bankruptcy Court

District of Delaware

824 market Street, 5th Floor

Wilmington, De. 19801

Objection of William Duke to the Debtors Modified Sixth Amended Joint Plan of Affiliated Debtors Pursuant to Chapter 11 of the United States Bankruptcy Code.

Your Honor,

My name is William Duke. I am a shareholder of Washington Mutual Inc. I own 10,000 WAMUQ shares, 275 WAMPQ shares and 2 WAHUQ shares.

The Court has jurisdiction to hear this Objection.

Objection to confirmation of a proposed plan of reorganization under 11 U.S.C. 1128(b) and Fed R. Bankr. P. 3020(b)(1).

Basis for Relief

Relevant Procedural Law

"After notice, the Court shall hold a hearing on confirmation of a plan." 11 U.S.C. 1128(a).

"A party in interest may object to confirmation of a plan." 11 U.S.C. 1128(b)

"An objection to confirmation is governed by Rule 9014 and "shall be filed and served on the Debtor, the trustee, the proponent of the plan, and any committee appointed under the Code and any other entity designated by the Court, within a time fixed by the Court." FED.R.BANKR.P (b)(1).

"The Court shall rule on confirmation of the plan after notice and hearing as provided in Rule 2002. If no objection is filed, the Court may determine that the plan has been proposed in good faith and not by any means forbidden by law without receiving evidence on such issues."FED.R.BANKR.P 3020(b)(2). However the Court has an independent duty to determine whether a plan complies with the appropriate sections of the Bankruptcy Code even if no objection is filed. *In re. Genesis Health Ventures, Inc.*266B.R. 591(Bankr.D.Del.2001)

Relevant Substantive Law

The Court may confirm a plan under Chapter 11 **only if** each of the thirteen enumerated

Requirements of 11 U.S.C. 1129(a) are met.

Objections

Background:

Voting

The plan is unclear regarding results of actions taken by holders of multiple classes. For example; if I should vote my WAHUQ shares to approve the plan and choose to 'opt in' will I have been deemed to have granted releases in conjunction with all my shares, WAMPQ and WAMUQ as well as WAHUQ? Conversely if I vote my 2 WAHUQ shares to deny the plan and to withhold releases and also choose to abstain from voting my WAMPQ shares, by virtue of having elected to 'opt out' on behalf of my WAHUQ shares will I have been deemed to have foregone distribution of consideration based on my WAMPQ shares? The consequences of voting multiple classes needs to be clarified before an informed choice can be made.

(Rest of page intentionally left blank)

Releases

Section 43.6 of the plan ,Releases by Holders of Claims, states in part "and provided, further, that notwithstanding anything contained in this Section 43.6(a) to the contrary, the foregoing release shall not extend to acts of gross negligence or willful misconduct by any of the released parties (other than with respect to JPMC Entities and their respective Related Persons): and provided, further, that notwithstanding the foregoing solely for purposes of this Section 43.6(a) "Released Parties" shall not include Related Persons other than (i) Related Persons of the JPMC Entities and (ii) related Persons of the FDIC Receiver and FDIC Corporate."

Notwithstanding the laudable effort by the framers of this plan to allow FDIC Receiver and FDIC Corporate Entities and Primary Persons to undergo scrutiny and possible sanctions for any gross negligence or willful misconduct I object to the exclusion of JPMC Entities, JPMC Related Persons, and FDIC Receiver and Corporate Related Persons.

"Bankruptcy shall not be a safe haven for criminals." (HR. Rep No 595, 95TH Cong. 2nd sess.342,1978 U.S. Cong. & ADMIN NEWS 5963, 6299)

Section 524(a)(20 provides guidelines in evaluating debtors pleas for injunctive relief from state criminal prosecution. JPMC and FDIC Entities and Related persons are not debtors but the tenet above is broad enough to include Third Parties. William and Mary Law Revue (Vol. 29:579 page 588) under the section The Principal Motivation Test, notes; "The federal bankruptcy court will not usually interfere with the state criminal process when the criminal prosecution has been instituted primarily to vindicate the rights of the public by punishing criminal conduct or to discourage such conduct by others."

Matters anchored in gross negligence or willful misconduct might very well originate in states' courts. The framers of this plan seek to use the power of the federal judiciary to alter the effectiveness of states' courts by having those most affected, if gross negligence or willful misconduct were uncovered, preemptively enjoin themselves from pursuing claims thus reducing local bases for prosecution.

Bank Owned Life Insurance

WMI, holding company, per the 10K's filed from 1998 through 2007 and the last available complete 10Q from 2008, started with a Bank Owned Life Insurance (BOLI) Fund with a value of 417 million dollars in 1999. WMI, combined, injected 1 billion dollars into this fund as BOLI purchases in 2000 and another 600 million dollars of BOLI purchases in 2002 for a total investment of 2 billion dollars. By the time the FDIC took over WAMU and subsidiaries in September of 2008 the BOLI Fund for WMI, combined, had grown through shrewd investment manipulation to over 5 billion dollars.(see attachment A for supporting documents from WMI Consolidated 10K's and Q's)

Testimony before this Court during the previous confirmation hearings indicate that disagreement about the location of the BOLI Fund exists between the Debtors and their attorneys. Mr. Kosturos, chief restructuring officer, stated that the BOLI Fund had been transferred to JPMC (attachment B, testimony of Kosturos from confirmation hearing 12/02/2010 page 382:8-25, page 383: 1-9).response to attorney

"Q: All of these on this board are disputed assets, correct?

A: I disagree.

Q: You have not asserted any litigation, every single one of these assets as being owned by the estate?

A: Well at some point we did. But let's take BOLI/COLI, for instance. The BOLI/COLI $5 billion we went through a line-by-line analysis of that, and it is--it has been determined, at least for WMI, that we don't own the $5billion. We potentially had some claims there but JPM has to my knowledge probably liquidated those already. So, you know, we--we have potential claims there.

Q: I'm sorry. Those have already been transferred and have been liquidated by JP Morgan?

A: They were never under our control.

Q: You disputed these assets and JP Morgan has liquidated them; is that right?

A: I don't know. I'm sorry, I may have misspoken. I don't know what JP Morgan has done with those. But those assets are not owned by WMI. Those assets were on the balance sheet of WMB."

Mr. Rosen stated that it had not been transferred.(testimony attachment B, from confirmation hearing 12/07/2010 page 278:7-16) Mr. Rosen speaking:

" But one last point, Your Honor, and I apologize if I say the name wrong, Ms. Slatko, the reference to the five billion dollars and the BOLI/COLI, Your Honor, that is not anything that is consistent with the record of this case and I would just ask the Court to consider that as her argument and not certainly the facts as we heard the testimony. I believe that Mr.

THE COURT: Has the BOLI/COLI insurance been transferred?

MR. ROSEN: No, Your Honor."

This impasse begs for closer scrutiny. While the WMI monthly operating reports tendered to the Court by the Debtors are inadequate for an appropriate appraisal of WMI's fiscal condition the Consolidated Financial Statements for Bank Holding Companies, the FR Y 9-C's, required by the Board of Governors of the Federal Reserve System are less opaque regarding the operations of JPMC.

Per the current proposed plan of reorganization JPMC is to receive, after a series of convoluted buying and selling with the Debtor, Bank Owned Life Insurance policies which cover employees of the former WAMU banks and other subsidiaries that were obtained by JPMC. A reasonable solution, perhaps, if conducted at Cash Surrender Value and pertaining to the former WAMU et al. employees who managed to keep their positions after the WAMU takeover.

What has happened as indicated by the FR Y 9C's referred to above (copies of which are attached to this objection-see attachment B*) is that not only have the BOLI policies but nearly the entire BOLI Fund, a matter of existing dispute before this Court, was transferred to JPMC in 2008. The Debtors made slight objection to JPMC's continuing use of the BOLI Fund but dropped their objection in the face of a lawsuit by JPMC thereby foregoing the collection of any interest revenue which might have accrued to the estate. The interest on 5 billion dollars is not an insubstantial amount. Considering the frequent complaints voiced by the Debtors and Creditors regarding the rising costs of this case and the continuing loss of interest the Debtors, if they had intended to maximize the estate, could have pursued this ongoing source of income with more vigor.

*(In addition to the FR Y 9C's in attachment B there is, in attachment F, a graph from a WSJ online article about increased bank interest in BOLI/COLI in general. A footnote on that graph clearly states that the large increase in JPMC BOLI/COLI in 2008 is a result of the WAMU takeover.)

Contradictions of Debtors Testimony

From Confirmation Hearings as Noted(see attachment H)

Confirmation Hearing 12/07/2010, page 277: 3-5, by Debtors attorney: " Of course, Your Honor, the equity committee put nobody on the stand to challenge the valuation that was performed by the Blackstone Group and represented by Mr. Zellin on the stand."

Confirmation Hearing 12/06/2010, page 88: 10-17, by Mr. Zellin in response to questions by attorney: "Q: You assume in your November report that there will be a zero dollar cancellation of debt. Is that correct?

"A: That's my understanding, yes.

Q: And that is based on what the Debtors told you?

A: The analysis they had done, yes, that is correct."

Confirmation Hearing 12/02/2010, page 124:12-16, Mr. Kosturos in response to attorney question: "Q: ...Again without getting into the substance, Weil and Quinn both undertook analysis about the worth of the tax refund claim, correct?

A: I would say all of that analysis was completed by the financial team and relied upon to me from the financial team."

Confirmation Hearing 12/03/2010, page 152:1-16, Mr. Carreon in response to attorney question:
"Q: You are not here to testify in any form about the ownership of the overall tax issues as it respects to the legal disputed aspect; is that right?

A: I'm not here to testify with respect to the ownership of the refund. I am generally aware of the parties' positions but that's just based on my general knowledge.

Q: So for example, with respect to the purchase assumption agreement, whether that belongs to WMI or the FDIC or to JP Morgan, you have no opinion on that whatsoever; is that right?

A: I have deferred to our counsel with respect to any contract legal interpretation along those lines."

Confirmation Hearing 12/06/2010, page 241:5-12, Mr. Smith in response to attorney question:
"Q: The [Kosturos] testimony is not accurate is it? You know in Quinn at least ,Quinn, Quinn and Weil did provide analysis of the tax claim, don't you?

A: I know that we certainly consulted with counsel on various aspects of the settlement, including the entitlement to the tax refunds."

Confirmation Hearing 12/03/2010, page 73:21-23,page 74:2-4,16-21, Mr. Goulding in response to attorney question:
"Q: What did WMI tell the board in order to approve the plan?

A: The conversation would've been in connection with counsel, so I think that would be a privileged conversation...
... I wasn't on the call in which the board actually approved the plan, so I don't know.

Q: When the board discussed whether to approve the settlement, what did WMI discuss with the board regarding the worth of the assets that were planned to settled?

MR. MASTANDO: Objection. I think the witness just answered he wasn't present, your Honor."

Minutes of 03/25/2010, Special Telephonic Meeting in which one of the items is, "(ix) resolution regarding approval of the Settlement Agreement and the Reorganization Documents." The Minutes note that a quorum was present at the beginning of the meeting and that Jonathan Goulding, Senior Vice President and Treasurer was among the attendees.(see attachment H)

The 54 Billion Dollar question; Does it Exist?

Prior to the initiation of voting for the previous, denied, Plan of Reorganization Debtor requested that FDIC and JPMC, by virtue of their huge combined financial stake be allowed to vote on confirmation of the plan. Debtor at that time introduced a 27 billion dollar threat from JPMC and an equal amount from FDIC for a combined total of 54 billion dollars. It is only against this staggering backdrop that some portions of the proposed Settlement Agreement seem fair and reasonable. However Debtor offers no plausible accounting to substantiate such an overwhelming claim.

FDIC suffered no loss as a result of receivership and subsequent transfer of WMI's banking and other subsidiaries to JPMC in return for 1.88 billion dollars.

From FDIC proof of claim filed 03/30/2009 Section 'J', <u>Other Matters Subject to the P&A Agreement</u> :

"43. The FDIC-Receiver asserts a protective unliquidated claim for matters as to which (i) JPMC may assert a claim against the Debtors as to the successor in interest to WMB and the FDIC Receiver under the P&A Agreement and (ii) the Debtors may object to such a claim due to JPMC's lack of standing.

44. Without limiting the foregoing, the matters as to which the FDIC-Receiver asserts this protective claim include:

a) Claims relating to employee or retiree benefit plans, trusts, or insurance policies including Rabbi trusts,, BOLI/COLI policies and retirement or welfare plans, to the extent such plans, Trusts or policies are or should be the property or responsibility of WMB;

b) Claims relating to litigation proceeds as to which (i) JPMC claims an entitlement as successor to WMB and (ii) the FDIC-Receiver agrees JPMC has succeeded to WMB's interests under the terms of the P&A Agreement.

c) Claims relating to WMB assets as to which (i) JPMC claims an entitlement as successor to WMB and (ii) the FDIC-Receiver agrees that JPMC has succeeded to WMB's interests under the terms of the P&A Agreement."

Debtor has failed to alert the Court of the duplicative nature of the claims Debtor put forth on behalf of the FDIC- Receiver and JPMC. Perhaps Debtor did not notice that FDIC's estimate of protective unliquidated claims is wholly dependent on JPMC's possible claims. The reality is that one or the other might assert claims against WMI but not both. The 54 billion dollar claim which the settlement relies upon to forestall pursuit of legitimate claims is immediately halved.
(rest of page intentionally left blank)

Nowhere in this case has JPMC asserted a claim for any monies other than those items already in contention(see attachment I,JPMC 10 Q 09/30/2010 *Washington Mutual Litigation*). JPMC indicated, shortly after the takeover of WMB and other WMI subsidiaries, that it had written off approximately 27 billion dollars in uncollectable debt due to its acquisition of WAMU banks et al. The 27 billion dollar write offs represent, not a loss to JPMC, who had not put up any money for those loans but, a lessening of profit based on return of principal and interest to JPMC from money which had been distributed to mortgagees and other WAMU bank debtors by a hitherto JPMC competitor, WMB.

JPMC in an Investor Presentation for a share offering dated September 25, 2008 touts the benefits to JPMC of acquiring Washington Mutual's Banks.

From that Presentation on the day FDIC took over "Washington Mutual's Banks":

"**Strategic Fit**--Greatly enhances retail banking platform in attractive markets.

Financially Compelling—Accretive immediately; should be substantially so in the future.

Combined retail franchise has leading market share in key states.

Transaction further strengthens the entire franchise.

Cost Savings—Projected cost savings of approximately $1.5 billion

Capital impact from transaction before capital raise (in billions)

Tangible assets assumed	$296
Liabilities assumed	$265
Net assets	$ 31*

*(with this footnote-'Excludes REIT preferred, subordinated debt and senior debt from Washington Mutual's banks, and the elimination of the deferred tax assets of Washington Mutual's banks)

Illustrative income statement impact

	2009	2010	2011
EPS accretion/(dilution)($)	$0.50	$0.60	$0.70
EPS accretion/(dilution)(%)	15%	14%	15%
Earnings accretion(dilution)($bn)	$1.9	$2.2	$2.6

Illustrative capital generation from Washington Mutual franchise($billions)

	2009	2010	2011
Operating income (after tax)	$2.4	$3.0	$3.4
Capital from balance sheet reduction	2.0	1.1	0.5
Washington Mutual total excess capital	$4.4	$4.1	$3.9
Washington Mutual total cumulative excess capital	$4.4	$8.5	$12.4"

(see attachment J for complete presentation)

Apparently JPMC did not enter into this transaction heedlessly and a provable unliquidated claim of 27 billion dollars is unlikely to appear.

Assuming that a BOLI Fund did not exist and adding a claim for the entire BOLI Fund and not solely the Cash Surrender Value that JPMC claims as their due to an estimate including: WMB noteholder total claims (which the framers of this plan seek to settle for approximately 350 million dollars); including employee or retiree benefit plans, trusts, or insurance policies; including claims relating to litigation proceeds (the cap of which has been set at approximately 337 million dollars) would total approximately 18 billion dollars or a third of the figure Debtor has represented to the Court. If the BOLI Fund itself was to satisfy all claims in its own regard the figure at risk would be less than one fourth of 54 billion dollars, altering the perception that tax refunds, BOLI Funds, litigation value, possible misappropriated subsidiaries etc. are not worth the effort it would take for WMI to recover them.

JPMC and FDIC's protective unliquidated claims, until substantiated by valid accountable numbers are mere speculation and Debtor's repetition of the guesses of JPMC and FDIC is only hearsay. A fictitious number should not be allowed to carry weight when assessing this plan. Debtors are quick to decry the use of speculative figures (see attachment H page 277:7-17 of 12/07/2010 Confirmation Hearing for an example) that may upset their goals but have no aversion to foisting speculative, if not spurious, numbers on the Court in service of their plan.

Summation

I submit that, other than the above voting irregularity, the information contained in this objection indicates the ongoing existence of pattern of deceitful intent on the part of the framers of this proposed plan, that this plan was not constructed in good faith and that this plan of reorganization cannot be confirmed.

William Duke, shareholder
04/22/2010

Attachments to this objection may be accessed on line at Pacer or KCC after this objection is posted.

Copies of the body of the objection have been sent by registered USPS ground mail to the following:

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Attn: Brian S. Rosen, Esq.;

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Attn: Mark D. Collins, Esq.;

(d) Quinn Emanuel Urquhart & Sullivan, LLP
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(e) Office of the U.S. Trustee for the District of Delaware
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Exhibit 1, Attachments A, B,F, G, H, I and J

Attachment A

WMI Consolidated 1999-2007 10K Cash Flow Excerpts

WMI Consolidated 2008 06-30 10Q Cash Flow Excerpt

[No Subject]

[redacted] View Contact

[redacted]

Fri, March 25, 2011 7:48:30 PM

10K for 2000

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (CONTINUED)
NOTE 6: OTHER ASSETS

Other assets consisted of the following:

	DECEMBER 31, 2000	1999
	(IN MILLIONS)	
Premises and equipment	$1,568	$1,559
Investment in bank owned life insurance	1,456	417
~~Accrued interest receivable~~	~~1,157~~	~~980~~
Foreclosed assets	153	199
Other assets	1,659	1,275
	$5,993	$4,430

$417,000,000 1998-1999
ADDED $1,000,000,000
IN 2000

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	YEAR ENDED DECEMBER 31, 2000	1999	1998
	(IN MILLIONS)		
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 1,899	$ 1,817	$ 1,487
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for loan and lease losses	185	167	162
Gain on sale of loans	(262)	(109)	(133)
Loss from securities	1	12	30
Depreciation and amortization	539	400	313
Stock dividends from FHLBs	(221)	(139)	(112)
Transaction-related expense	--	--	82
Origination of loans held for sale	(13,123)	(4,996)	(13,501)
Proceeds from sales of loans held for sale	12,610	8,960	18,238
Decrease (increase) in other assets	802	(506)	256
Increase (decrease) in other liabilities	592	(336)	93
Net cash provided by operating activities	3,022	5,270	6,915
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of securities	(2,843)	(17,091)	(17,389)
Sales and maturities of securities	3,842	1,680	2,585
Principal payments on securities	8,373	12,411	10,010
Purchases of investment in FHLBs	(136)	(787)	(344)
Purchases of loans	(6,752)	(7,357)	(3,069)
Proceeds from sales of loans	13,164	55	49
Origination of loans, net of principal payments	(22,271)	(16,571)	(7,733)
Proceeds from sales of foreclosed assets	265	354	609
Cash (used for) provided by acquisitions	(23)	(144)	400
Purchases of premises and equipment, net	(272)	(319)	(320)
Purchases of bank owned life insurance	(1,000)	--	--
Net cash used by investing activities, carried forward			

10k for 2001

Note 6: Other Assets

Other assets consisted of the following:

	Year Ended December 31, 2001	2000
	(in millions)	
Premises and equipment	$ 1,999	$ 1,568
Investment in bank-owned life insurance	1,535	1,456
~~Accrued interest receivable~~	~~1,416~~	~~1,157~~
Foreclosed assets	228	153
GNMA early pool buy-outs	1,849	-
Other assets	3,213	1,659
Total other assets	$ 10,240	$ 5,993

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2001	2000	1999
	(in millions)		
Cash Flows from Operating Activities			
Net income	$ 3,114	$ 1,899	$ 1,817
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for loan and lease losses	575	185	167
Gain from mortgage loans	(967)	(262)	(109)
(Gain) loss from securities	(861)	1	12
Extraordinary item – gain on extinguishment of repurchase agreements, net of taxes	(382)	-	-
Depreciation and amortization	1,590	539	400
MSR impairment (recovery)	1,749	9	(4)
Stock dividends from FHLBs	(216)	(221)	(139)
Origination and purchases of loans held for sale, net of principal payments	(133,534)	(13,123)	(4,996)
Proceeds from sales of loans held for sale	118,131	12,610	8,960

CONT. PAGE 2/7

Decrease (increase) in other assets	1,418	793	(502)
(Decrease) increase in other liabilities	(1,394)	592	(336)
Net cash (used) provided by operating activities	(10,777)	3,022	5,270
Cash Flows from Investing Activities			
Purchases of securities	(60,077)	(2,843)	(17,091)
Proceeds from sales of mortgage-backed securities ("MBS")	20,202	2,366	1,409
Proceeds from sales and maturities of other available-for-sale securities	31,691	1,476	271
Principal payments on securities	11,830	8,373	12,411
Purchases of investment in FHLBs	-	(136)	(787)
Proceeds from sales of loans	-	13,164	55
Origination and purchases of loans, net of principal payments	(1,677)	(29,023)	(23,928)
Proceeds from sales of foreclosed assets	257	265	354
Net cash used for acquisitions	(13,818)	(23)	(144)
Purchases of premises and equipment, net	(753)	(272)	(319)
Purchases of bank-owned life insurance	-	(1,000)	-
Net cash used by investing activities, *carried forward*			

2001

10K for 2002

Note 7: Other Assets

Other assets consisted of the following:

	Year Ended December 31, 2002	2001
	(in millions)	
Premises and equipment	$ 2,862	$ 1,999
Investment in bank-owned life insurance	2,544	1,535
~~Accrued interest receivable~~	1,439	1,426
Foreclosed assets	336	228
GNMA pool buy-outs	4,859	1,849
Other intangible assets	311	155
Derivatives	4,105	745
Other	3,462	2,458
Total other assets	$ 19,918	$ 10,395

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2002	2001	2000
		(in millions)	
Cash Flows from Operating Activities			
Net income	$ 3,896	$ 3,114	$ 1,899
Adjustments to reconcile net income to net cash provided (used) by operating activities:			
Provision for loan and lease losses	595	575	185
Gain from mortgage loans	(1,280)	(963)	(262)
(Gain) loss from securities	(802)	(717)	2
Revaluation (gain) loss from derivatives	(2,396)	5	-
Gain on extinguishment of securities sold under agreements to repurchase	(282)	(621)	-
Depreciation and amortization	3,206	1,638	539
Mortgage servicing rights impairment adjustment	3,219	1,701	9
Stock dividends from Federal Home Loan Banks	(191)	(216)	(221)
Origination and purchases of loans held for sale, net of principal payments	(223,494)	(133,534)	(13,123)
Proceeds from sales of loans held for sale	217,821	118,131	12,610
(Increase) decrease in other assets	(2,770)	1,099	792
Increase (decrease) in other liabilities	2,509	(1,155)	592
Net cash provided (used) by operating activities	31	(10,943)	3,022
Cash Flows from Investing Activities			
Purchases of securities	(54,197)	(60,077)	(2,843)
Proceeds from sales of mortgage-backed securities	8,929	20,202	2,366
Proceeds from sales and maturities of other available-for-sale securities	65,870	31,691	1,476
Principal payments on securities	9,056	11,830	8,373
Purchases of investment in Federal Home Loan Banks	(4)	(8)	(136)
Redemption of investment in Federal Home Loan Banks	798	-	-
Proceeds from sale of mortgage servicing rights	997	174	-
Origination and purchases of loans, net of principal payments	(10,651)	(1,677)	(29,023)
Proceeds from sales of loans held in portfolio	-	-	13,164
Proceeds from sales of foreclosed assets	333	257	265
Net decrease (increase) in federal funds sold and securities purchased under resale agreements	466	(2,416)	114
Net cash used for acquisitions	(3,185)	(13,818)	(23)
Purchases of premises and equipment, net	(1,032)	(753)	(272)
Purchases of bank-owned life insurance	(600)	-	(1,000)
Net cash provided (used) by investing activities, *carried forward*	16,780	(14,595)	(7,539)

total purchases BOLI 1998-2008

10K for 2003

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year Ended December 31,

	2003	(Restated) 2002	(Restated) 2001
		(in millions)	
Cash Flows from Operating Activities			
Net income	$ 3,880	$ 3,861	$ 3,104
(Income) from discontinued operations, net of taxes	(87)	(72)	(61)
Income from continuing operations	3,793	3,789	3,043
Adjustments to reconcile income from continuing operations to net cash provided (used) by operating activities:			
Provision for loan and lease losses	42	404	426
Gain from mortgage loans	(1,250)	(1,375)	(936)
Gain from securities	(996)	(802)	(717)
Revaluation gain from derivatives	(338)	(2,517)	–
Loss (gain) on extinguishment of securities sold under agreements to repurchase	129	(282)	(621)
Depreciation and amortization	3,864	3,197	1,620
Mortgage servicing rights (recovery) impairment	(712)	3,219	1,701
Stock dividends from Federal Home Loan Banks	(113)	(191)	(216)
Origination and purchases of loans held for sale, net of principal payments	(315,106)	(228,199)	(134,101)
Proceeds from sales of loans held for sale	324,999	220,856	118,389
(Increase) decrease in other assets	(770)	(695)	1,454
(Decrease) increase in other liabilities	(1,038)	2,457	(1,141)
Net cash provided (used) by operating activities	12,504	(139)	(11,099)
Cash Flows from Investing Activities			
Purchases of securities	(41,052)	(54,197)	(60,066)
Proceeds from sales and maturities of mortgage-backed securities	12,740	8,929	20,202
Proceeds from sales and maturities of other available-for-sale securities	28,425	65,811	31,614
Principal payments on securities	9,422	9,056	11,830
Purchases of Federal Home Loan Bank stock	(336)	(4)	(8)
Redemption of Federal Home Loan Bank stock	719	798	–
Proceeds from sale of mortgage servicing rights	638	997	174
Origination and purchases of loans held in portfolio	(114,828)	(76,777)	(42,907)
Principal payments on loans held in portfolio	83,815	66,098	41,493
Proceeds from sales of foreclosed assets	479	333	257
Net decrease (increase) in federal funds sold and securities purchased under resale agreements	1,996	466	(2,416)
Net cash used for acquisitions	–	(3,185)	(13,818)
Purchases of premises and equipment, net	(1,053)	(1,030)	(746)
Proceeds from sale of real estate held for investment	149	–	–
Purchases of bank-owned life insurance	–	(600)	–
Net cash (used) provided by investing activities	(18,886)	16,695	(14,391)

Note 9: Other Assets

Other assets consisted of the following:

	Year Ended December 31, 2003	2002
	(in millions)	
Premises and equipment	$ 3,286	$ 2,840
Investment in bank-owned life insurance	2,582	2,471
~~Accrued interest receivable~~	1,558	1,439
Foreclosed assets	311	328
Other intangible assets	251	311
Derivatives	1,457	4,105
Trading securities	1,381	336
Accounts receivable	4,309	1,698
Other	1,366	1,424
Total other assets	$ 16,501	$ 14,952

10K 2004

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2004	2003	2002
		(in millions)	
Cash Flows from Operating Activities			
Net income	$ 2,878	$ 3,880	$ 3,861
Income from discontinued operations, net of taxes	(399)	(87)	(72)
Income from continuing operations	2,479	3,793	3,789
Adjustments to reconcile income from continuing operations to net cash (used) provided by operating activities:			
Provision for loan and lease losses	209	42	404
Gain from mortgage loans	(649)	(1,250)	(1,375)
Gain from available-for-sale securities	(52)	(996)	(802)
Revaluation gain from derivatives	(1,011)	(338)	(2,517)
Loss (gain) on extinguishment of borrowings	237	129	(282)
Depreciation and amortization	3,169	3,864	3,197
Provision for mortgage servicing rights			

impairment (reversal)	466	(712)	3,219
Stock dividends from Federal Home Loan Banks	(40)	(113)	(191)
Origination and purchases of loans held for sale, net of principal payments	(148,332)	(315,106)	(228,199)
Proceeds from sales of loans held for sale	127,429	323,570	220,856
Net increase in trading securities	(4,176)	(1,045)	(184)
Decrease (increase) in other assets	1,635	275	(511)
(Decrease) increase in other liabilities	(1,060)	(1,038)	2,457
Net cash (used) provided by operating activities	(19,696)	11,075	(139)
Cash Flows from Investing Activities			
Purchases of securities	(5,586)	(41,052)	(54,197)
Proceeds from sales and maturities of mortgage-backed securities	2,149	12,740	8,929
Proceeds from sales and maturities of other available-for-sale securities	22,151	28,425	65,811
Principal payments on securities	3,306	9,422	9,056
Purchases of Federal Home Loan Bank stock	(1,742)	(336)	(4)
Redemption of Federal Home Loan Bank stock	1,185	719	798
Proceeds from sale of mortgage servicing rights	–	638	997
Origination and purchases of loans held in portfolio	(120,012)	(114,828)	(76,777)
Principal payments on loans held in portfolio	80,685	83,815	66,098
Proceeds from sales of loans held in portfolio	844	1,429	–
Proceeds from sales of foreclosed assets	453	479	333
Net (increase) decrease in federal funds sold and securities purchased under agreements to resell	(63)	1,996	466
Net cash used for acquisitions	–	–	(3,185)
Purchases of premises and equipment, net	(585)	(1,053)	(1,030)
Proceeds from sale of real estate held for investment	–	149	–
Purchases of bank-owned life insurance	–	–	(600)
Proceeds from sale of discontinued operations, net of cash sold	1,223	–	–
Net cash (used) provided by investing activities	(15,992)	(17,457)	16,695

(The Consolidated Statements of Cash Flows are continued on the next page.)

Note 8: Other Assets

Other assets consisted of the following:

	Year Ended December 31,	
	2004	2003
	(in millions)	
Premises and equipment	$ 3,140	$ 3,286
Investment in bank-owned life insurance	2,678	2,582
Accrued interest receivable	1,428	1,558
Foreclosed assets	261	311
Other intangible assets	195	251
Derivatives	893	1,457
Accounts receivable	3,917	4,309
Other	1,388	1,366
Total other assets	$ 13,900	$ 15,120

10K for 2005

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2005	2004	2003
		(in millions)	
Cash Flows from Operating Activities			
Net income	$ 3,432	$ 2,878	$ 3,880
Income from discontinued operations, net of taxes	–	(399)	(87)
Income from continuing operations	3,432	2,479	3,793
Adjustments to reconcile income from continuing operations to net cash (used) provided by operating activities:			
Provision for loan and lease losses	316	209	42
Gain from mortgage loans	(807)	(649)	(1,250)
Gain from credit card loans	(103)	–	–
Loss (gain) from available-for-sale securities	41	(52)	(996)
(Gain) loss on extinguishment of borrowings	(1)	237	129
Depreciation and amortization	2,656	3,169	3,864
Provision for mortgage servicing rights (reversal) impairment	(944)	466	(712)
Stock dividends from Federal Home Loan Banks	(146)	(40)	(113)
Deferred interest income from option adjustable-rate mortgages	(316)	(19)	(7)
Origination and purchases of loans held for sale, net of principal payments	(165,424)	(148,332)	(315,106)
Proceeds from sales of loans held for sale	166,997	127,429	323,570
Net increase in trading assets	(3,227)	(4,176)	(1,045)
(Increase) decrease in other assets	(4,087)	624	(63)
Increase (decrease) in other liabilities	3,378	(1,060)	(1,038)
Net cash provided (used) by operating activities	1,765	(19,715)	11,068
Cash Flows from Investing Activities			
Purchases of securities	(22,501)	(5,586)	(41,052)
Proceeds from sales and maturities of mortgage-backed securities	9,558	2,149	12,740
Proceeds from sales and maturities of other available-for-sale securities	6,697	22,151	28,425
Principal payments on securities	3,571	3,306	9,422
Purchases of Federal Home Loan Bank stock	(163)	(1,742)	(336)
Redemption of Federal Home Loan Bank stock	111	1,185	719
Proceeds from sale of mortgage servicing rights	–	–	638
Origination and purchases of loans held in portfolio	(99,820)	(120,012)	(114,828)
Principal payments on loans held in portfolio	89,437	80,704	83,822
Proceeds from sales of loans held in portfolio	940	844	1,429
Proceeds from sales of foreclosed assets	413	453	479
Net (increase) decrease in federal funds sold and securities purchased under agreements to resell	(1,718)	(63)	1,996
Net cash used for acquisitions	(536)	–	–

Cont page 5/7

Purchases of premises and equipment, net	(607)	(585)	(1,053)
Proceeds from sale of real estate held for investment	–	–	149
Proceeds from sale of discontinued operations, net of cash sold	–	1,223	–
Net cash used by investing activities	(14,618)	(15,973)	(17,450)

No purchase of BOLI

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 8: Other Assets

Other assets consisted of the following:

	December 31, 2005	December 31, 2004
	(in millions)	
Premises and equipment	$ 3,262	$ 3,140
Investment in bank-owned life insurance	3,056	2,678
Accrued interest receivable	1,914	1,428
Foreclosed assets	276	261
Identifiable intangible assets	677	195
Derivatives	821	893
Accounts receivable	4,859	3,917
Other	2,850	1,388
Total other assets	$ 17,715	$ 13,900

10K for 2006

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2006	2005	2004
		(in millions)	
Cash Flows from Operating Activities			
Net income	$ 3,558	$ 3,432	$ 2,878
Adjustments to reconcile income to net cash provided (used) by operating activities:			
Provision for loan and lease losses	816	316	209
Gain from home mortgage loans	(622)	(807)	(649)
Gain from credit card loans	(279)	(103)	–
Loss (gain) from available-for-sale securities	5	41	(52)
Loss (gain) on extinguishment of borrowings	7	(1)	237
Gain on disposition of discontinued operations, net of tax	(415)	–	(420)
Depreciation and amortization	827	2,656	3,169
Provision for mortgage servicing rights (reversal) impairment	–	(943)	466
Stock dividends from Federal Home Loan Banks	(164)	(146)	(40)
Capitalized interest income from option adjustable-rate mortgages	(1,068)	(292)	(19)
Origination and purchases of loans held for sale, net of principal payments	(125,204)	(165,424)	(148,332)
Proceeds from sales of loans held for sale	122,977	166,997	127,429
Excess tax benefits from stock-based payment arrangement	(20)	–	–
Net decrease (increase) in trading assets	7,226	(3,227)	(4,176)
(Increase) decrease in other assets	(1,444)	(4,159)	996
Increase (decrease) in other liabilities	1,069	3,449	(1,411)
Net cash provided (used) by operating activities	7,269	1,789	(19,715)
Cash Flows from Investing Activities			
Purchases of available-for-sale securities	(15,578)	(22,501)	(5,586)
Proceeds from sales and maturities of mortgage-backed securities	11,947	9,558	2,149
Proceeds from sales and maturities of other available-for-sale securities	2,104	6,697	22,151
Principal payments on available-for-sale securities	2,915	3,571	3,306
Purchases of Federal Home Loan Bank stock	–	(163)	(1,742)
Redemption of Federal Home Loan Bank stock	1,803	111	1,185
Proceeds from sale of mortgage servicing rights	2,526	–	–
Origination and purchases of loans held in portfolio, net of principal payments	(12,265)	(10,407)	(39,308)
Proceeds from sales of loans	8,501	940	844
Proceeds from sales of foreclosed assets	489	413	453
Net increase in federal funds sold and securities purchased under agreements to resell	(1,602)	(1,718)	(63)
Net cash used for acquisitions	(943)	(536)	–
Purchases of premises and equipment, net	(441)	(607)	(585)
Proceeds from sale of discontinued operations, net of tax	712	–	1,223
Net cash provided (used) by investing activities	168	(14,642)	(15,973)

No BOLI Purchase

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 9: Other Assets

Other assets consisted of the following:

	December 31, 2006	December 31, 2005
	(in millions)	
Accounts receivable	$ 5,566	$ 4,570
Investment in bank-owned life insurance	4,373	3,056
Premises and equipment	3,042	3,262
Accrued interest receivable	1,941	1,914
Derivatives	748	821
Identifiable intangible assets	556	677
Foreclosed assets	480	276
Other	3,231	2,873
Total other assets	$ 19,937	$ 17,449

10K 2007

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2007	2006	2005
		(in millions)	

Cash Flows from Operating Activities			
Net income (loss)	$ (67)	$ 3,558	$ 3,432
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Provision for loan losses	3,107	816	316
Gain from home mortgage loans	(52)	(622)	(807)
Gain from credit card loans	(533)	(279)	(103)
Loss on available-for-sale securities	319	5	41
Gain on disposition of discontinued operations, net of tax	–	(415)	–
Depreciation and amortization	504	827	2,656
Goodwill impairment charge	1,775	–	–
Change in fair value of MSR	1,536	1,364	–
Provision for mortgage servicing rights reversal	–	–	(943)
Stock dividends from Federal Home Loan Banks	(89)	(164)	(146)
Capitalized interest income from option adjustable-rate mortgages	(1,418)	(1,068)	(292)
Origination and purchases of loans held for sale, net of principal payments	(77,381)	(125,204)	(165,424)
Proceeds from sales of loans originated and held for sale	78,930	122,977	166,997
Net decrease (increase) in trading assets	2,761	7,226	(3,227)
Increase in other assets	(1,281)	(2,821)	(4,160)
(Decrease) increase in other liabilities	(414)	1,069	3,449
Net cash provided by operating activities	7,697	7,269	1,789
Cash Flows from Investing Activities			
Purchases of available-for-sale securities	(13,494)	(15,578)	(22,501)
Proceeds from sales of available-for-sale securities	8,586	14,002	16,148
Principal payments and maturities on available-for-sale securities	2,341	2,964	3,678
Purchases of Federal Home Loan Bank stock	(1,789)	–	(163)
Redemption of Federal Home Loan Bank stock	1,232	1,803	111
Proceeds from sale of mortgage servicing rights	–	2,526	–
Origination and purchases of loans held in portfolio, net of principal payments	(9,485)	(12,265)	(10,407)
Proceeds from sales of loans	22,548	8,501	940
Proceeds from sales of foreclosed assets	744	489	413
Net decrease (increase) in federal funds sold and securities purchased under agreements to resell	1,866	(1,602)	(1,718)
Net cash used for acquisitions	–	(943)	(536)
Purchases of premises and equipment, net	(321)	(441)	(607)
Proceeds from sale of discontinued operations, net of tax	–	712	–
No purchase of BOLI			
Net cash provided (used) by investing activities	12,228	168	(14,642)

(The Consolidated Statements of Cash Flows are continued on the next page.)

See Notes to Consolidated Financial Statements.

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(Continued from the previous page.)

	Year Ended December 31,		
	2007	2006	2005
		(in millions)	
Cash Flows from Financing Activities			
(Decrease) increase in deposits	$ (32,030)	$ 18,005	$ 10,911
Decrease in short-term borrowings	(1,442)	(3,924)	(1,156)
Proceeds from long-term borrowings	14,831	31,298	18,782
Repayments of long-term borrowings	(17,388)	(24,052)	(10,397)
Proceeds from advances from Federal Home Loan Banks	82,285	41,174	71,701
Repayments of advances from Federal Home Loan Banks	(62,735)	(67,538)	(73,000)
Proceeds from issuance of preferred securities by subsidiary	1,471	2,449	–
Proceeds from issuance of preferred stock	2,900	492	–
Cash dividends paid on preferred and common stock	(1,960)	(1,986)	(1,709)
Cash dividends returned	15	–	–
Repurchase of common stock	(3,497)	(3,039)	(921)
Other	237	418	401
Net cash (used) provided by financing activities	(17,313)	(6,703)	14,612
Increase in cash and cash equivalents	2,612	734	1,759
Cash and cash equivalents, beginning of year	6,948	6,214	4,455
Cash and cash equivalents, end of year	$ 9,560	$ 6,948	$ 6,214
Noncash Activities			
Loans exchanged for mortgage-backed securities	$ 821	$ 2,839	$ 1,366
Real estate acquired through foreclosure	1,259	696	429
Loans transferred from held for sale to held in portfolio	20,203	4,418	8,690
Loans transferred from held in portfolio to held for sale	5,524	22,516	3,023
Mortgage-backed securities transferred from available-for-sale to trading	–	858	–
Common stock issued for acquisition	–	–	5,030
Cash Paid During the Year For			
Interest on deposits	$ 6,962	$ 5,780	$ 3,555
Interest on borrowings	4,612	5,567	3,668
Income taxes	1,485	2,189	1,586

See Notes to Consolidated Financial Statements

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Note 10: Other Assets

Other assets consisted of the following:

	December 31,	
	2007	2006
	(in millions)	
Accounts receivable	$ 4,837	$ 5,566
Investment in bank-owned life insurance	5,072	4,373
Premises and equipment	2,779	3,042

Accrued interest receivable	2,039	1,941
Derivatives	2,093	748
Identifiable intangible assets	388	556
Foreclosed assets	979	480
Other	3,847	3,231
Total other assets	$ 22,034	$ 19,937

10Q for 2Q 2008

WASHINGTON MUTUAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	Six Months Ended June 30, 2008	2007
	(in millions)	
Cash Flows from Operating Activities		
Net income (loss)	$ (4,466)	$ 1,614
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Provision for loan losses	9,423	606
Loss (gain) from home mortgage loans	19	(214)
Gain from credit card loans	–	(259)
Loss (gain) on available-for-sale securities	384	(41)
(Gain) loss on extinguishment of borrowings	(113)	7
Depreciation and amortization	150	306
Change in fair value of MSR	492	333
Stock dividends from Federal Home Loan Banks	(72)	(55)
Capitalized interest income from option adjustable-rate mortgages	(591)	(706)
Origination and purchases of loans held for sale, net of principal payments	(18,605)	(54,637)
Proceeds from sales of loans originated and held for sale	20,271	57,928
Net decrease (increase) in trading assets	481	(825)
Increase in other assets	(570)	(382)
(Decrease) increase in other liabilities	(437)	80
Net cash provided by operating activities	6,366	3,755
Cash Flows from Investing Activities		
Purchases of available-for-sale securities	(5,694)	(8,981)
Proceeds from sales of available-for-sale securities	6,822	4,370
Principal payments and maturities on available-for-sale securities	1,566	1,227
Purchases of Federal Home Loan Bank stock	(130)	(24)
Redemption of Federal Home Loan Bank stock	55	1,188
Origination and purchases of loans held in portfolio, net of principal payments	2,138	6,526
Proceeds from sales of loans	19	22,692
Proceeds from sales of foreclosed assets	545	354
Net (increase) decrease in federal funds sold and securities purchased under agreements to resell	(873)	476
Purchases of premises and equipment, net	(30)	(123)
Net cash provided by investing activities	4,418	27,705

No purchase of BOLI

Other Assets

Other assets consisted of the following:

	June 30, 2008	December 31, 2007
	(in millions)	
Accounts receivable	$ 5,490	$ 4,837
Investment in bank-owned life insurance	5,165	5,072
Premises and equipment	2,544	2,779
Accrued interest receivable	1,626	2,039
Derivatives	1,809	2,093
Identifiable intangible assets	320	388
Foreclosed assets	1,512	979
Other	4,592	3,847
Total other assets	$23,058	$ 22,034

Attachment B

Trial Transcript: TransPerfect Legal Solutions 12/02/2010

Pages/lines 382/14-2,383/2-9

390/23-25, 391/1-25

640/15-18

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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

BLACK HORSE CAPITAL LP,
et al.,
Plaintiffs,
vs.

Adv. Proc. No. 10-5138(MFW)

JP MORGAN CHASE BANK, N.A.,
et al.,

Ref. Nos. 105, 106, 108,
109, 110, 118, 139, 149
Defendants.
)

924 N. Market Street, Courtroom 5

Wilmington, DE

UNOFFICIAL TRANSCRIPT PROCEEDING

Thursday, December 2, 2010

BEFORE: Hon. Mary F. Walrath

Reported by:

SHAUNA STOLTZ-LAURIE, RPR, CLR

CSR NO. 810490

JOB NO. 4 688

think my answers, again, have been -- I haven't stated whether we think we're going to win or lose things. I have not revealed privilege. I have merely stated what the facts are to my knowledge that are nonprivileged.
Q. All of these on this board are disputed assets, correct?
A. I disagree.
Q. You have not asserted any litigation, every single one of these assets as being owned by the estate?
A. At some point we did. But let's take BOLI/COLI, for instance. The BOLI/COLI $5 billion we went through a line-by-line analysis of that, and it is -- it has been determined, at least for WMI, that we don't own the $5 billion. We potentially had some claims there but JPM has, to my knowledge, probably liquidated those already. So, you know, we -- we have potential claims there.
Q. I'm sorry. Those have already been transferred and have been liquidated by JPMorgan?

A. They were never under our control.
Q. You disputed these assets and JPMorgan has liquidated them; is that right?
A. I don't know. I'm sorry, I may have misspoken. I don't know what JPMorgan has done with those. But those assets are not owned by WMI. Those assets were on the balance sheet of WMB.
Q. The analysis that was conducted on BOLI/COLI that you just referenced and said that you do not have ownership on, that was an analysis conducted by counsel, was it not?
A. I think there was a fair amount of work that was done by the WMI employees as well.
Q. Yes or no, sir. The analysis that the estate conducted with respect to BOLI/COLI that you just testified don't belong to the estate and belong to JPMorgan, that analysis was conducted by your counsel?
A. Our counsel participated in that analysis, yes. But it was also largely done with some of our WMI employees, our WMI experts and A&M experts, so it was --

There was some certain legal input on that but there was a lot of review and analysis completed by the A&M team and the WMI team.
Q. That was an analysis conducted by counsel?
MR. MASTANDO: Objection, your Honor.
Q. In part by counsel you just said?
A. Counsel had some input into that, yes.
MR. NELSON: Your Honor, we move to strike that prior answer as either revealing attorney-client privileged information and going beyond the scope or opening the door for a reliance on counsel, given the fact that he just testified that his analysis was in part due to counsel and that --
JUDGE WALRATH: He didn't tell you --
Well, was your statement regarding the BOLI/COLI based on any advice of counsel?

THE WITNESS: There would have to be some input from counsel.
JUDGE WALRATH: Well, then I am going to strike the testimony regarding the BOLI/COLI.
MR. MASTANDO: Your Honor, I would ask that the questions be stricken as well because counsel is asking him, I think, things --
JUDGE WALRATH: I'm not going to strike the questions.
Q. Let me try again, sir.
Every single one of these assets (indicating) is a disputed asset that the estate has disputed as between JPMorgan and the estate, correct?
MR. MASTANDO: Objection, your Honor. I believe this has been asked and answered.
JUDGE WALRATH: Yeah, I think it has been.
MR. NELSON: Okay. Fair enough, your Honor.
Q. I want to go back to the first time

Attachment B

Trial Transcript: VERITEXT REPORTING COMPANY 12/07/2010

Pages/lines 278/14-17

UNITED STATES BANKRUPTCY COURT

DISTRICT OF DELAWARE

x

In the Matter of:

WASHINGTON MUTUAL, INC., ET AL., Case No.

Debtors. 08-12229 (MFW)

- -x

BLACK HORSE CAPITAL LP, ET AL., Plaintiffs, ADV. Proceeding

- against - No. 10-51387 (MFW)

JPMORGAN CHASE BANK, N.A., ET AL., Defendants

- -x

BROADBILL INVESTMENT CORP., Plaintiff, ADV. Proceeding

- against - No. 10-50911 (MFW)

WASHINGTON MUTUAL, INC., Defendant

- - - - - - - -

U.S. Bankruptcy Court

824 North Market Street

Wilmington, Delaware

December 7, 2010

9:38 AM

B E F O R E :

HON. MARY F. WALRATH

U.S. BANKRUPTCY JUDGE

ECR OPERATOR: BRANDON MCCARTHY

18 claim. There is a lawsuit pending with respect to that with respect to some people. They have not filed -- I believe Mr. Jarvis in April said that they were subject to the MDL. But of course they are not part of that, Your Honor; they are merely here because they filed a claim against the estate. We will take care of that, Your Honor, when we get together next week.

But one last point, Your Honor, and I apologize if I say the name wrong, Ms. Slatko, the references to the five billion dollars and the BOLI/COLI, Your Honor, that is not anything that is consistent with the record of this case and I would just ask the Court to consider that as her argument and not certainly the facts as we heard the testimony. I believe that Mr.

THE COURT: Has the BOLI/COLI insurance been transferred?

MR. ROSEN: No, Your Honor.

THE COURT: Okay.

MR. HODARA: Your Honor, Fred Hodara, Akin, Gump, Strauss, Hauer & Feld for the official committee of unsecured creditors.

I'll respond to two points that were made by Mr. Steinberg with respect to post-petition interest and keep my comments to that. First, Mr. Steinberg made the point that the exception in 726(a), the proviso referencing 510, refers to all of 510 and not just 510(b). And accordingly, Mr. Steinberg r

Attachment B

Board of Federal Reserve Governors Forms, FR Y 9-C

Last Update: 20090912.125832

FR Y-9C
OMB Number 7100-0128
Avg. hrs. per response: 38.35
Expires March 31, 2008

Board of Governors of the Federal Reserve System

RSSD ID: 1039502

Consolidated Financial Statements for Bank Holding Companies—FR Y-9C

Report at the close of business as of the last calendar day of the quarter

This Report is required by law: Section 5(c) of the Bank Holding Company Act (12 U.S.C. 1844) and Section 225.5(b) of Regulation Y (12 CFR 225.5(b)).

This report form is to be filed by bank holding companies with total consolidated assets of $500 million or more. In addition, bank holding companies meeting certain criteria must file this report (FR Y-9C) regardless of size. See page 1 of the general instructions for further information. However, when such bank holding companies own or control, or are owned or controlled by, other bank holding companies, only the top-tier holding company must file this report for the consolidated holding company organization. The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

NOTE: Each bank holding company's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the Consolidated Financial Statements for Bank Holding Companies. The Consolidated Financial Statements for Bank Holding Companies are to be prepared in accordance with instructions provided by the Federal Reserve System. The Consolidated Financial Statements for Bank Holding Companies must be signed and attested by the Chief Financial Officer (CFO) of the reporting bank holding company (or by the individual performing this equivalent function).

I, the undersigned CFO (or equivalent) of the named bank holding company, attest that the Consolidated Financial Statements for Bank Holding Companies (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

Printed Name of Chief Financial Officer (or Equivalent) (BHCK C490)

Signature of Chief Financial Officer (or Equivalent)

Date of Signature

Date of Report:

December 31, 2007
Month / Date / Year (BHCK 9999)

JPMORGAN CHASE & CO.
Legal Title of Bank Holding Company (TEXT 9010)

270 PARK AVENUE
(Mailing Address of the Bank Holding Company) Street / P.O. Box (TEXT 9110)

NEW YORK	NY	10017
City (TEXT 9130)	State (TEXT 9200)	Zip Code (TEXT 9220)

Bank holding companies must maintain in their files a manually signed and attested printout of the data submitted.

For Federal Reserve Bank Use Only

RSSD ID ________

C.I. ____ S.F. ____

Person to whom questions about this report should be directed:

Name / Title (TEXT 8901)

Area Code / Phone Number (TEXT 8902)

FAX Number (TEXT 9116)

E-mail Address of Contact (TEXT 4086)

Public reporting burden for this information collection is estimated to vary from 5.0 to 1,250 hours per response, with an average of 38.35 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Comments regarding this burden estimate or any other aspect of this information collection, including suggestions for reducing the burden, may be sent to Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100-0128), Washington, D.C. 20503.

12-31-01

RSSD ID:

Schedule HC-F—Other Assets

Dollar Amounts in Thousands	BHCK		
1. Accrued interest receivable[1]	B556		1.
2. Net deferred tax assets[2]	2148		2.
3. Interest-only strips receivable (not in the form of a security)[3] on			
a. Mortgage loans	A519		3.a.
b. Other financial assets	A520		3.b.
4. Equity securities that DO NOT have readily determinable fair values[4]	1752		4.
5. Life insurance assets	C009		5.
6. Other	2168		6.
	bhct		
7. Total (sum of items 1 through 6) (must equal Schedule HC, item 11)	2160		7.

1. Include accrued interest receivable on loans, leases, debt securities and other interest-bearing assets.
2. See discussion of deferred income taxes in Glossary entry on "income taxes."
3. Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule HC, item 2.b, or as trading assets in Schedule HC, item 5, as appropriate.
4. Include Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.

Schedule HC-G—Other Liabilities

Dollar Amounts in Thousands	BHCK		
1. Not applicable			
2. Net deferred tax liabilities[1]	3049		2.
3. Allowance for credit losses on off-balance sheet credit exposures	B557		3.
4. Other	B984		4.
	bhct		
5. Total (sum of items 2 through 4) (must equal Schedule HC, item 20)	2750		5.

1. See discussion of deferred income taxes in Glossary entry on "income taxes."

Schedule HC-H—Interest Sensitivity[1]

Dollar Amounts in Thousands	BHCK		
1. Earning assets that are repriceable within one year or mature within one year	3197		1.
2. Interest-bearing deposit liabilities that reprice within one year or mature within one year included in item 13.a(2) and 13.b(2) on Schedule HC, Balance Sheet	3296		2.
3. Long-term debt that reprices within one year included in items 16 and 19.a on Schedule HC, Balance Sheet	3298		3.
4. Variable rate preferred stock (includes both limited-life and perpetual preferred stock)	3408		4.
5. Long-term debt reported in Schedule HC, item 19.a on the Balance Sheet that is scheduled to mature within one year	3409		5.

1. Bank holding companies with foreign offices have the option of excluding the smallest of such non-U.S. offices from coverage in this schedule. Such bank holding companies may omit the smallest of their offices in foreign countries when arrayed by total assets provided that the assets of the excluded offices do not exceed 50 percent of the total assets of the bank holding company's assets in foreign countries and 10 percent of the bank holding company's total consolidated assets as of the report date.

Board of Governors of the Federal Reserve System

FR Y–9C
OMB Number 7100–0128
Avg. hrs. per response: 40.50
Expires February 28, 2011

RSSD ID: 1039502

Consolidated Financial Statements for Bank Holding Companies—FR Y-9C

Report at the close of business as of the last calendar day of the quarter

This Report is required by law: Section 5(c) of the Bank Holding Company Act (12 U.S.C. 1844) and Section 225.5(b) of Regulation Y (12 CFR 225.5(b)).

This report form is to be filed by bank holding companies with total consolidated assets of **$500** million or more. In addition, bank holding companies meeting certain criteria must file this report (FR Y-9C) regardless of size. See page 1 of the general instructions for further information. However, when such bank holding companies own or control, or are owned or controlled by, other bank holding companies, only the top-tier holding company must file this report for the consolidated holding company organization. The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

NOTE: Each bank holding company's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the Consolidated Financial Statements for Bank Holding Companies. The Consolidated Financial Statements for Bank Holding Companies are to be prepared in accordance with instructions provided by the Federal Reserve System. The Consolidated Financial Statements for Bank Holding Companies must be signed and attested by the Chief Financial Officer (CFO) of the reporting bank holding company (or by the individual performing this equivalent function).

I, the undersigned CFO (or equivalent) of the named bank holding company, attest that the Consolidated Financial Statements for Bank Holding Companies (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

Printed Name of Chief Financial Officer (or Equivalent) (BHCK C490)

Signature of Chief Financial Officer (or Equivalent)

Date of Signature

Date of Report:

June 30, 2008
Month / Date / Year (BHCK 9999)

JPMORGAN CHASE & CO.
Legal Title of Bank Holding Company (TEXT 9010)

270 PARK AVENUE
(Mailing Address of the Bank Holding Company) Street / P.O. Box (TEXT 9110)

NEW YORK	NY	10017
City (TEXT 9130)	State (TEXT 9200)	Zip Code (TEXT 9220)

Bank holding companies must maintain in their files a manually signed and attested printout of the data submitted.

For Federal Reserve Bank Use Only

RSSD ID ______

C.I. ____ S.F. ____

Person to whom questions about this report should be directed:

Name / Title (TEXT 8901)

Area Code / Phone Number (TEXT 8902)

FAX Number (TEXT 9116)

E-mail Address of Contact (TEXT 4086)

Public reporting burden for this information collection is estimated to vary from 5.0 to 1,250 hours per response, with an average of 40.50 hours per response, including time to gather and maintain data in the required form and to review instructions and complete the information collection. Comments regarding this burden estimate or any other aspect of this information collection, including suggestions for reducing the burden, may be sent to Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, and to the Office of Management and Budget, Paperwork Reduction Project (7100–0128), Washington, D.C. 20503.

June 30, 2008

Schedule HC-F—Other Assets

Dollar Amounts in Thousands	BHCK		
1. Accrued interest receivable[1]	B556	7857000	1.
2. Net deferred tax assets[2]	2148	0	2.
3. Interest-only strips receivable (not in the form of a security)[3] on:			
a. Mortgage loans	A519	0	3.a.
b. Other financial assets	A520	769000	3.b.
4. Equity securities that DO NOT have readily determinable fair values[4]	1752	2642000	4.
5. Life insurance assets	C009	13735000	5.
6. Other	2168	99472000	6.
	bhct		
7. Total (sum of items 1 through 6) (must equal Schedule HC, item 11)	2160	124475000	7.

1. Include accrued interest receivable on loans, leases, debt securities and other interest-bearing assets.
2. See discussion of deferred income taxes in Glossary entry on "income taxes."
3. Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule HC, item 2.b, or as trading assets in Schedule HC, item 5, as appropriate.
4. Include Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.

Schedule HC-G—Other Liabilities

Dollar Amounts in Thousands	BHCK		
1. Not applicable			
2. Net deferred tax liabilities[1]	3049	0	2.
3. Allowance for credit losses on off-balance sheet credit exposures	B557	686000	3.
4. Other	B984	168252000	4.
	bhct		
5. Total (sum of items 2 through 4) (must equal Schedule HC, item 20)	2750	168938000	5.

1. See discussion of deferred income taxes in Glossary entry on "income taxes."

Schedule HC-H—Interest Sensitivity[1]

Dollar Amounts in Thousands	BHCK		
1. Earning assets that are repriceable within one year or mature within one year	3197	740655000	1.
2. Interest-bearing deposit liabilities that reprice within one year or mature within one year included in item 13.a(2) and 13.b(2) on Schedule HC, Balance Sheet	3296	369200000	2.
3. Long-term debt that reprices within one year included in items 16 and 19.a on Schedule HC, Balance Sheet	3298	136843000	3.
4. Variable rate preferred stock (includes both limited-life and perpetual preferred stock)	3408	6000000	4.
5. Long-term debt reported in Schedule HC, item 19.a on the Balance Sheet that is scheduled to mature within one year	3409	3639000	5.

1. Bank holding companies with foreign offices have the option of excluding the smallest of such non-U.S. offices from coverage in this schedule. Such bank holding companies may omit the smallest of their offices in foreign countries when arrayed by total assets provided that the assets of the excluded offices do not exceed 50 percent of the total assets of the bank holding company's assets in foreign countries and 10 percent of the bank holding company's total consolidated assets as of the report date.

Last Update: 20090912.132203

Board of Governors of the Federal Reserve System

FR Y-9C
OMB Number 7100-0128
Avg. hrs. per response: 40.50
Expires February 28, 2011

RSSD ID: 1039502

Consolidated Financial Statements for Bank Holding Companies—FR Y-9C

Report at the close of business as of the last calendar day of the quarter

This Report is required by law: Section 5(c) of the Bank Holding Company Act (12 U.S.C. 1844) and Section 225.5(b) of Regulation Y (12 CFR 225.5(b)).

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I, the undersigned CFO (or equivalent) of the named bank holding company, attest that the Consolidated Financial Statements for Bank Holding Companies (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

Printed Name of Chief Financial Of cer (or Equivalent) (BHCK C490)

Signature of Chief Financial Of cer (or Equivalent)

Date of Signature

Date of Report:

September 30, 2008
Month / Date / Year (BHCK 9999)

JPMORGAN CHASE & CO.
Legal Title of Bank Holding Company (TEXT 9010)

270 PARK AVENUE
(Mailing Address of the Bank Holding Company) Street / P.O. Box (TEXT 9110)

City (TEXT 9130)	State (TEXT 9200)	Zip Code (TEXT 9220)
NEW YORK	NY	10017

Bank holding companies must maintain in their les a manually signed and attested printout of the data submitted.

For Federal Reserve Bank Use Only

RSSD ID ______

C.I. ______ S.F. ______

Person to whom questions about this report should be directed:

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Area Code / Phone Number (TEXT 8902)

FAX Number (TEXT 9116)

E-mail Address of Contact (TEXT 4086)

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Sept 30, 2008

Schedule HC-F—Other Assets

Dollar Amounts in Thousands	BHCK		
1. Accrued interest receivable[1]	B556	9438000	1.
2. Net deferred tax assets[2]	2148	8809000	2.
3. Interest-only strips receivable (not in the form of a security)[3] on:			
a. Mortgage loans	A519	0	3.a.
b. Other financial assets	A520	753000	3.b.
4. Equity securities that DO NOT have readily determinable fair values[4]	1752	6892000	4.
5. Life insurance assets	C009	18846000	5.
6. Other	2168	142186000	6.
	bhct		
7. Total (sum of items 1 through 6) (must equal Schedule HC, item 11)	2160	186924000	7.

1. Include accrued interest receivable on loans, leases, debt securities and other interest-bearing assets.
2. See discussion of deferred income taxes in Glossary entry on "income taxes."
3. Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule HC, item 2.b, or as trading assets in Schedule HC, item 5, as appropriate.
4. Include Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.

Schedule HC-G—Other Liabilities

Dollar Amounts in Thousands	BHCK		
1. Not applicable			
2. Net deferred tax liabilities[1]	3049	0	2.
3. Allowance for credit losses on off-balance sheet credit exposures	B557	710000	3.
4. Other	B984	258265000	4.
	bhct		
5. Total (sum of items 2 through 4) (must equal Schedule HC, item 20)	2750	258975000	5.

1. See discussion of deferred income taxes in Glossary entry on "income taxes."

Schedule HC-H—Interest Sensitivity[1]

Dollar Amounts in Thousands	BHCK		
1. Earning assets that are repriceable within one year or mature within one year	3197	1005083000	1.
2. Interest-bearing deposit liabilities that reprice within one year or mature within one year included in item 13.a(2) and 13.b(2) on Schedule HC, Balance Sheet	3296	480113000	2.
3. Long-term debt that reprices within one year included in items 16 and 19.a on Schedule HC, Balance Sheet	3298	120546000	3.
4. Variable rate preferred stock (includes both limited-life and perpetual preferred stock)	3408	6000000	4.
5. Long-term debt reported in Schedule HC, item 19.a on the Balance Sheet that is scheduled to mature within one year	3409	3621000	5.

1. Bank holding companies with foreign offices have the option of excluding the smallest of such non-U.S. offices from coverage in this schedule. Such bank holding companies may omit the smallest of their offices in foreign countries when arrayed by total assets provided that the assets of the excluded offices do not exceed 50 percent of the total assets of the bank holding company's assets in foreign countries and 10 percent of the bank holding company's total consolidated assets as of the report date.

Board of Governors of the Federal Reserve System

RSSD ID:

Consolidated Financial Statements for Bank Holding Companies—FR Y-9C

Report at the close of business as of the last calendar day of the quarter

This Report is required by law Section 5(c) of the Bank Holding Company Act (12 U S C 1844) and Section 225 5(b) of Regulation Y (12 CFR 225 5(b))

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I the undersigned CFO (or equivalent) of the named bank holding company, attest that the Consolidated Financial Statements for Bank Holding Companies (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief

Date of Report

December 31, 2008

Month / Date / Year (BHCK 9999)

Printed Name of Chief Financial Officer (or Equivalent) (BHCK C490)

Signature of Chief Financial Officer (or Equivalent)

Date of Signature

Legal Title of Bank Holding Company (TEXT 9010)

(Mailing Address of the Bank Holding Company) Street / P.O Box (TEXT 9110)

City (TEXT 9130) State (TEXT 9200) Zip Code (TEXT 9220)

Bank holding companies must maintain in their files a manually signed and attested printout of the data submitted

For Federal Reserve Bank Use Only

RSSD ID

C I S F

Person to whom questions about this report should be directed

Name / Title (BHTX 8901)

Area Code / Phone Number (BHTX 8902)

FAX Number (BHTX 9116)

E-mail Address of Contact (BHTX 4086)

Public reporting burden for this information collection is estimated to vary from 5 0 to 1 250 hours per response with an average of 40 50 hours per response including time to gather and maintain data in the required form and to review instructions and complete the information collection Comments regarding this burden estimate or any other aspect of this information collection including suggestions for reducing the burden may be sent to Secretary, Board of Governors of the Federal Reserve System Washington D C 20551 and to the Office of Management and Budget Paperwork Reduction Project (7100-0128) Washington D C 20503

12-31-08

Schedule HC-F—Other Assets

Dollar Amounts in Thousands	BHCK		
1. Accrued interest receivable[1]	B556		1.
2. Net deferred tax assets[2]	2148		2.
3. Interest-only strips receivable (not in the form of a security)[3] on:			
a. Mortgage loans	A519		3.a.
b. Other financial assets	A520		3.b.
4. Equity securities that DO NOT have readily determinable fair values[4]	1752		4.
5. Life insurance assets	C009		5.
6. Other	2168		6.
	bhct		
7. Total (sum of items 1 through 6) (must equal Schedule HC, item 11)	2160		7.

1. Include accrued interest receivable on loans, leases, debt securities and other interest-bearing assets.
2. See discussion of deferred income taxes in Glossary entry on "income taxes."
3. Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule HC, item 2.b, or as trading assets in Schedule HC, item 5, as appropriate.
4. Include Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.

Schedule HC-G—Other Liabilities

Dollar Amounts in Thousands	BHCK		
1. Not applicable			
2. Net deferred tax liabilities[1]	3049		2.
3. Allowance for credit losses on off-balance sheet credit exposures	B557		3.
4. Other	B984		4.
	bhct		
5. Total (sum of items 2 through 4) (must equal Schedule HC, item 20)	2750		5.

1. See discussion of deferred income taxes in Glossary entry on "income taxes."

Schedule HC-H—Interest Sensitivity[1]

Dollar Amounts in Thousands	BHCK		
1. Earning assets that are repriceable within one year or mature within one year	3197		1.
2. Interest-bearing deposit liabilities that reprice within one year or mature within one year included in item 13.a(2) and 13.b(2) on Schedule HC, Balance Sheet	3296		2.
3. Long-term debt that reprices within one year included in items 16 and 19.a on Schedule HC, Balance Sheet	3298		3.
4. Variable rate preferred stock (includes both limited-life and perpetual preferred stock)	3408		4.
5. Long-term debt reported in Schedule HC, item 19.a on the Balance Sheet that is scheduled to mature within one year	3409		5.

1. Bank holding companies with foreign offices have the option of excluding the smallest of such non-U.S. offices from coverage in this schedule. Such bank holding companies may omit the smallest of their offices in foreign countries when arrayed by total assets provided that the assets of the excluded offices do not exceed 50 percent of the total assets of the bank holding company's assets in foreign countries and 10 percent of the bank holding company's total consolidated assets as of the report date.

FR Y-9C
OMB Number 7100-0128
Avg hrs per response 41.65
Expires March 31, 2011

Board of Governors of the Federal Reserve System

RSSD ID:

Consolidated Financial Statements for Bank Holding Companies—FR Y-9C

Report at the close of business as of the last calendar day of the quarter

This Report is required by law Section 5(c) of the Bank Holding Company Act (12 U.S.C. 1844) and Section 225.5(b) of Regulation Y (12 CFR 225.5(b))

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I, the undersigned CFO (or equivalent) of the named bank holding company, attest that the Consolidated Financial Statements for Bank Holding Companies (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

Printed Name of Chief Financial Officer (or Equivalent) (BHCK C490)

Signature of Chief Financial Officer (or Equivalent)

Date of Signature

Date of Report:

December 31, 2009
Month / Date / Year (BHCK 9999)

Legal Title of Bank Holding Company (TEXT 9010)

(Mailing Address of the Bank Holding Company) Street / P.O. Box (TEXT 9110)

City (TEXT 9130) State (TEXT 9200) Zip Code (TEXT 9220)

Bank holding companies must maintain in their files a manually signed and attested printout of the data submitted.

For Federal Reserve Bank Use Only

RSSD ID ________

C.I. ____ S.F. ____

Person to whom questions about this report should be directed:

Name / Title (BHTX 8901)

Area Code / Phone Number (BHTX 8902)

FAX Number (BHTX 9116)

E-mail Address of Contact (BHTX 4086)

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12/31/09

RSSD ID:
1039502

Schedule HC-E—Deposit Liabilities[1]

Dollar Amounts in Thousands	BHCB		
1. Deposits held in domestic offices of commercial bank subsidiaries of the reporting bank holding company:			
a, Demand deposits..	2210	57802000	1.a.
b. NOW, ATS, and other transaction accounts	3187	15906000	1.b.
c Money market deposit accounts and other savings accounts..	2389	437372000	1c.
d. Time deposits of less than $100,000	6648	41475000	Id.
e. Time deposits of $100,000 or more	2604	90552000	I.e.
2. Deposits held in domestic offices of other depository institutions that are subsidiaries of the reporting bank holding company:	BHOD		
a. Noninterest-bearing balances	3189	0	2.a.
b. NOW, ATS, and other transaction accounts....	3187	0	2.b.
c. Money market deposit accounts and other savings accounts	2389	0	2,c.
d. Time deposits of less than $100,000	6648	0	2.d.
e. Time deposits of $100,000 or more	2604	oj	2 e.

MEMORANDA

Dollar Amounts in Thousands	BHDM		
1. Brokered deposits less than $100,000 with a remaining maturity of one year or less	A243	1401000	M.1.
2. Brokered deposits less than $100,000 with a remaining maturity of more than one year	A164	2945000	M.2.
3. Time deposits of $100,000 or more with a remaining maturity of one year or less	A242	83006000	M.3,
	BHFN		
4 Foreign office time deposits with a remaining maturity of one year or less	A245	97654000	M 4.

1. The sum of items 1 a through 1 e and items 2.a through 2 e must equal the sum of Schedule HC, items 13.a.(1) and 13,a,(2).

Schedule HC-F—Other Assets

Dollar Amounts in Thousands	BHCK		
1. Accrued interest receivable[1]	B556	[illegible]	1.
2. Net deferred tax assets[2]	2148	[illegible]	2
3. Interest-only strips receivable (not in the form of a security)[3] on:			
a. Mortgage loans	A519		3 a
b Other financial assets	A520	[illegible]	3 b.
4 Equity securities that DO NOT have readily determinable fair values[4]	1752	[illegible]	4.
5 Life insurance assets	C009	[illegible]	5.
6 Other.	2168	[illegible]	6
	bhct		
7. Total (sum of items 1 through 6) (must equal Schedule HC, item 11)	2160	[illegible]	7.

Decrease
Divestiture?

1. Include accrued interest receivable on loans, leases, debt securities and other interest-bearing assets.
2. See discussion of deferred income taxes in Glossary entry on "income taxes."
3. Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule HC, item 2.b, or as trading assets in Schedule HC. item 5, as appropriate.
4. Include Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.

Board of Governors of the Federal Reserve System

FR Y-9C
OMB Number 7100-0128
Avg. hrs. per response: 42.25
Expires March 31, 2011

RSSD ID:

Consolidated Financial Statements for Bank Holding Companies—FR Y-9C

Report at the close of business as of the last calendar day of the quarter

This Report is required by law: Section 5(c) of the Bank Holding Company Act (12 U.S.C. 1844) and Section 225.5(b) of Regulation Y (12 CFR 225.5(b)).

This report form is to be filed by bank holding companies with total consolidated assets of **$500** million or more. In addition, bank holding companies meeting certain criteria must file this report (FR Y-9C) regardless of size. See page 1 of the general instructions for further information. However, when such bank holding companies own or control, or are owned or controlled by, other bank holding companies, only the top-tier holding company must file this report for the consolidated holding company organization. The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

NOTE: Each bank holding company's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the Consolidated Financial Statements for Bank Holding Companies. The Consolidated Financial Statements for Bank Holding Companies are to be prepared in accordance with instructions provided by the Federal Reserve System. The Consolidated Financial Statements for Bank Holding Companies must be signed and attested by the Chief Financial Officer (CFO) of the reporting bank holding company (or by the individual performing this equivalent function).

I, the undersigned CFO (or equivalent) of the named bank holding company, attest that the Consolidated Financial Statements for Bank Holding Companies (including the supporting schedules) for this report date have been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

Date of Report:

September 30, 2010
Month / Date / Year (BHCK 9999)

Printed Name of Chief Financial Officer (or Equivalent) (BHCK C490)

Signature of Chief Financial Officer (or Equivalent)

Date of Signature (MM/DD/CCYY) (BHTX J196)

Legal Title of Bank Holding Company (TEXT 9010)

(Mailing Address of the Bank Holding Company) Street / P.O. Box (TEXT 9110)

City (TEXT 9130) State (TEXT 9200) Zip Code (TEXT 9220)

Bank holding companies must maintain in their files a manually signed and attested printout of the data submitted.

For Federal Reserve Bank Use Only	
RSSD ID	
C.I.	S.F.

Person to whom questions about this report should be directed:

Name / Title (BHTX 8901)

Area Code / Phone Number (BHTX 8902)

FAX Number (BHTX 9116)

E-mail Address of Contact (BHTX 4086)

09-30-10

Schedule HC-E—Deposit Liabilities[1]

Dollar Amounts in Thousands	BHCB		
1. Deposits held in domestic offices of commercial bank subsidiaries of the reporting bank holding company:			
a. Demand deposits	2210		1.a.
b. NOW, ATS, and other transaction accounts	3187		1.b.
c. Money market deposit accounts and other savings accounts	2389		1.c.
d. Time deposits of less than $100,000	6648		1.d.
e. Time deposits of $100,000 or more	2604		1.e.
2. Deposits held in domestic offices of other depository institutions that are subsidiaries of the reporting bank holding company:	BHOD		
a. Noninterest-bearing balances	3189		2.a.
b. NOW, ATS, and other transaction accounts	3187		2.b.
c. Money market deposit accounts and other savings accounts	2389		2.c.
d. Time deposits of less than $100,000	6648		2.d.
e. Time deposits of $100,000 or more	2604		2.e.

MEMORANDA

Dollar Amounts in Thousands	BHDM		
1. Brokered deposits less than $100,000 with a remaining maturity of one year or less	A243		M.1.
2. Brokered deposits less than $100,000 with a remaining maturity of more than one year	A164		M.2.
3. Time deposits of $100,000 or more with a remaining maturity of one year or less	A242		M.3.
	BHFN		
4. Foreign office time deposits with a remaining maturity of one year or less	A245		M.4.

1. The sum of items 1.a through 1.e and items 2.a through 2.e must equal the sum of Schedule HC, items 13.a.(1) and 13.a.(2).

Schedule HC-F—Other Assets

Dollar Amounts in Thousands	BHCK		
1. Accrued interest receivable[1]	B556		1.
2. Net deferred tax assets[2]	2148		2.
3. Interest-only strips receivable (not in the form of a security)[3] on:			
a. Mortgage loans	A519		3.a.
b. Other financial assets	A520		3.b.
4. Equity securities that DO NOT have readily determinable fair values[4]	1752		4.
5. Life insurance assets	C009		5.
6. Other	2168		6.
	bhct		
7. Total (sum of items 1 through 6) (must equal Schedule HC, item 11)	2160		7.

increased interest?

1. Include accrued interest receivable on loans, leases, debt securities and other interest-bearing assets.
2. See discussion of deferred income taxes in Glossary entry on "income taxes."
3. Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule HC, item 2.b, or as trading assets in Schedule HC, item 5, as appropriate.
4. Include Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.

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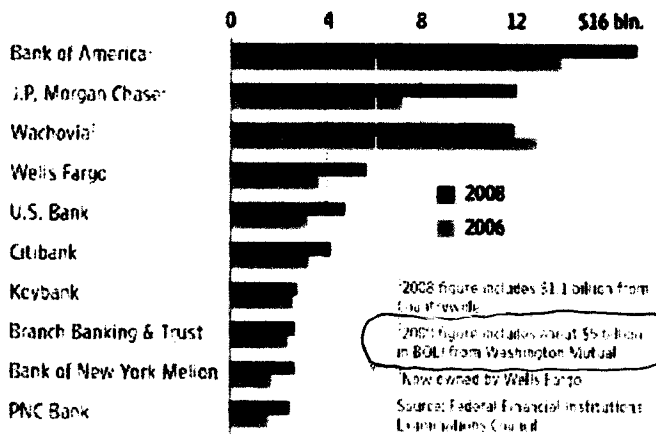
Wanted: Dead or Alive

Banks have bought an increasing amount of life insurance on employees to finance executive deferred compensation.
Life-insurance assets in billions



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Attachment F

Online.wsj article

By ELLEN E. SCHULTZ

Banks are using a little-known tactic to help pay bonuses, deferred pay and pensions they owe executives: They're holding life-insurance policies on hundreds of thousands of their workers, with themselves as the beneficiaries.

Banks took out much of this life insurance during the mortgage bubble, when executives' pay — and the IOUs for their deferred compensation — surged, and banking regulators affirmed the use of life insurance as a way to finance executive pay and benefits.

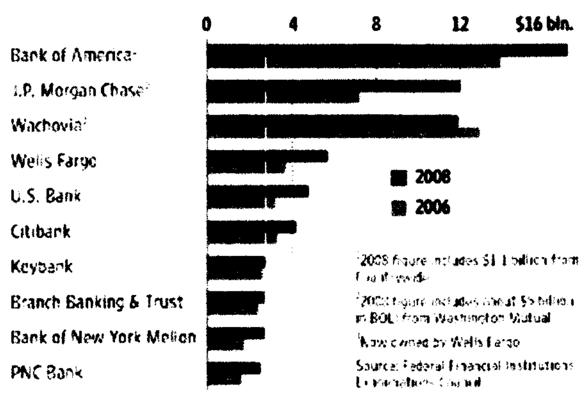
Bank of America Corp. has the most life insurance on employees: $17.3 billion at the end of the first quarter, according to bank filings. Wachovia Corp. has $12 billion, J.P. Morgan Chase & Co. has $11.1 billion and Wells Fargo & Co. has $5.7 billion. (Wells Fargo acquired Wachovia at the end of last year.)

The insurance policies essentially are informal pension funds for executives: Companies deposit money into the contracts, which are like big, nondeductible IRAs, and allocate the cash among investments that grow tax-free. Over time, employers receive tax-free death benefits when employees, former employees and retirees die.

Though not improper, the practice is similar to what is known as "janitors insurance," an insurance-on-employees technique that has long been controversial. Critics say the banks' insurance contracts are a way for companies to create tax breaks for funding executive pensions. And some families have complained that employers shouldn't profit from the deaths of their loved ones.

Wanted: Dead or Alive

Banks have bought an increasing amount of life insurance on employees to finance executive deferred compensation.
Life-insurance assets in billions



Efforts to rein in the practice largely have been unsuccessful, including the most recent rules Congress enacted in 2006. The rules limit companies to buying life insurance to just the top third of earners, who must provide consent. But the rules don't apply to life-insurance that employers bought before the August 2006 rules, which cover millions of current and former employees.

Banks are far from alone in buying such company-owned life insurance, or COLI. Thousands of companies do it, including American International Group Inc., Fannie Mae, Freddie Mac, Kimberly-Clark Corp. and Tyson Foods, Inc. But banks have been among the largest players, pumping billions more into new policies since the 2006 rules were put in place.

Last week, the Treasury proposed eliminating companies' ability to deduct interest on loans related to COLI. This would have little impact on banks, which don't borrow money to invest in life insurance. The proposal would also leave untouched the major tax breaks of the practice.

Banks had a total of $122.3 billion in life insurance on employees at the end of 2008, nearly double the $65.8 billion they held at the end of 2004, according to a Wall Street Journal analysis of bank filings. Unlike other companies, banks are required to disclose their total life-insurance holdings in regulatory filings.

In recent years, the Office of the Comptroller of the Currency affirmed that banks can buy life insurance to finance employee benefits. But filings show that executive compensation accounts for most of the benefits.

J.P. Morgan, for instance, had $10 billion in deferred-pay obligations, compared with $1 billion in retiree health obligations at the end of 2008. Offsetting these obligations was $12 billion in bank-owned life insurance, or BOLI. A spokesman for J.P. Morgan confirms the figures.

Citigroup Inc. had $919 million in unfunded retiree-health obligations, $586 million in supplemental executive pension obligations, and roughly $5 billion in deferred compensation. Offsetting these obligations: $4.2 billion in life insurance. A spokesman says Citigroup bought BOLI because it was "an attractive use of capital," and for "the tax-free nature of the death proceeds."

Bank of America doesn't disclose its deferred-compensation obligations, but filings show that at the end of 2008, its retiree health plan had an unfunded obligation of $1.3 billion, and that it owed $1.3 billion in supplemental executive pensions. The bank had a total of $17.1 billion in life insurance, which suggests a substantial deferred-compensation obligation. A BofA spokeswoman declined to comment on the deferred compensation obligation, but in an email said: "Like many companies, Bank of America uses this insurance to help defray the cost of employee benefits."

Companies don't use the policies as piggy banks to pay for compensation and benefits. Rather, they benefit from keeping the money in the contracts: Thanks to accounting rules for life insurance, gains on the investments — from stocks, hedge funds, bonds and the like — aren't just tax free, but are reported as income each quarter. Otherwise, companies couldn't add gains from securities as income until they sold them, and they would be taxed.

This income reduces the drag that executive IOUs have on earnings. (Banks owe interest on the deferred pay; and like any other kind of debt, the interest on executive debt lowers earnings.)

Though the investments are illiquid, the banks receive tax-free cash when employees and former employees die. Pacific State Bancorp, of Stockton, Calif., recently reported $2.6 million in income from a death benefit in 2008. The company didn't respond to requests for comment.

A subsidiary of Conseco Inc., Bankers Life & Casualty, which bought life insurance on employees in 2006, received $2.7 million that year from a death benefit, according to filings. A spokesman says the bank bought the insurance "to offset the expense of deferred compensation."

Over the coming decades, banks will receive an estimated $400 billion in death benefits, consultants estimate. The death benefits sometimes are referred to in filings as "mortality dividends" or "yields." Employers track the deaths of former employees by checking Social Security Administration records.

As an incentive to get employees to consent to being covered, some companies offer them a small portion of the death benefit. But the coverage may end when they leave the company.

In December, Irma Johnson accidentally received a check for $1.6 million, from Security Life of Denver Insurance Co., payable to Amegy Bank. According to a lawsuit Mrs. Johnson filed in February in a Houston state court, in 2001 the bank told her husband, Daniel Johnson, a credit risk manager who had survived two brain surgeries, that he was eligible for supplemental life insurance of $150,000, if he signed a consent form authorizing the bank to purchase an insurance policy on his life. Four months later, the bank fired him.

Mr. Johnson died from a brain tumor at age 41 in 2008. His widow and two young children received no life-insurance benefits, which the bank had canceled when Mr. Johnson left. Mrs. Johnson says her husband was cognitively disabled when he signed the consent form.

A spokeswoman for Amegy Bank, a unit of Zions Bancorp, declined to comment on the suit, but said, "Participation in Amegy's BOLI plan was completely voluntary; employees consented to participate."

http://online.wsj.com/article/SB124277653430137033.html

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Attachment H

Trial Transcript VERITEX REPORTING COMPANY 12/07/2010

Page/line 276/19-25,277/1-11

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UNITED STATES BANKRUPTCY COURT

DISTRICT OF DELAWARE

- -x

In the Matter of :

WASHINGTON MUTUAL, INC., ET AL., Case No.

Debtors. 08-12229 (MFW)

- -x

BLACK HORSE CAPITAL LP, ET AL., Plaintiffs, ADV. Proceeding

- against - No. 10-51387 (MFW)

JPMORGAN CHASE BANK, N.A., ET AL., Defendants.

- -x

BROADBILL INVESTMENT CORP., Plaintiff, ADV. Proceeding

- against - No. 10-50911 (MFW)

WASHINGTON MUTUAL, INC., Defendant

U.S. Bankruptcy Court

824 North Market Street

Wilmington, Delaware

December 7, 2010

9:38 AM

B E F O R E :

HON. MARY F. WALRATH

U.S. BANKRUPTCY JUDGE

ECR OPERATOR: BRANDON MCCARTHY

the releases that one could argue that the equity holders are indirectly releasing their claims. Again, Your Honor, that is not our intent. And if it is by way of utilization of a definition that achieves that result, Your Honor, we would like to make clear on the record here that we'll modify that definition to make clear that we are not asking any equity holder to release a claim pursuant to 43.6 or any other provision of the plan.

Ms. Leamy stood up, Your Honor, and made a comment about the opt-outs and the fact that the ballot -- or the provision may have changed and it may not have been on the ballot at the time that people went and opted out of it. Your Honor, again, if this would clear up any confusion, we are happy to include in the confirmation order a provision that we will go and ask anyone who opted out if they want to change their mind. And I believe that is what Mr. Sacks had indicated that JPMorgan would be prepared to do. So we would give those people who opted out another opportunity to opt in.

There was a comment, Your Honor -- it was perhaps in a demonstrative -- by Mr. Nelson about the 5.5 billion dollar NOL. And Your Honor, we don't believe that at this point in time that NOL exists, but there was a statement or an inference that Mr. Nelson wanted the Court to draw that that was fully available and would be fully used and would be fully drawn down. Well, of course -- and of course as a corresponding aspect to that there was a statement about the value of reorg WMI.

Of course, Your Honor, the equity committee put nobody on the stand to challenge the valuation that was performed by the Blackstone group and represented by Mr. Zelin on the stand. And of course they have retained Peter J. Solomon and they could have certainly put someone on to do that. But the usage of any NOL, Your Honor, has been testified to, has been included in the declarations, and somebody out there I know wrote a report about it at one point in time that said that it was actually speculative. And Mr, Zelin went through that on the stand that the usage of that was extremely speculative. And the fact that only thirty-one million dollars of subscription rights were actually exercised makes the usage of any NOL even more suspect because there isn't enough money to generate the kind of income that would utilize any NOL of that sort.

Lastly, Your Honor, for my comments, Mr. Jarvis made some statements and we don't believe that they have anything to do with what we're here today to talk about. He indicated that we will be back here next week. We have the proceeding with respect to his client's claims. We believe that, as he has represented so many times, he is here just to misrepresent or represent people who claim they have been misrepresented. So we will deal with that, Your Honor. We believe that is a Class

Testimony Of Zelin, 12/06/10

Q. You assume in your November report that there will be a zero dollar cancellation of debt. Is that correct?

A. That's my understanding, yes.

Q. And that's based on what the debtors told you?

A. The analysis they had done, yes, that's correct.

Source: p. 88:10-17

Hearing Testimony Of Kosturos, 12/02/10

Q. ...Again, without getting into the substance, Weil and Quinn both undertook analysis about the worth of the tax refund claim, correct?

A. I would say all of that analysis was completed by the financial team and relied upon to me from the financial team.

Source: p. 124:12-16

Hearing Testimony Of Carreon, 12/03/10

Q. There is a separate issue about the ownership of the tax issues and tax refunds, regardless of historical practices. You're aware of that, correct?

A. I am aware of the dispute concerning the tax refund, yes.

Q. You are not here to testify in any form about the ownership of the overall tax issues as it respects to the legal disputed aspect; is that right?

A. I'm not here to testify with respect to the ownership of the refund. I am generally aware of the parties' positions, but that's just based on my general knowledge.

Q. So for example, with respect to the purchase assumption agreement, whether that belongs to WMI or the FDIC or to JP Morgan, you have no opinion on that whatsoever; is that right?

A. I have deferred to our counsel with respect to any contract legal interpretation along those lines.

Source: p. 152:1-16

Testimony Of Smith, 12/06/10

Q. The [Kosturos] testimony is not accurate, is it? You know in Quinn at least, Quinn, Quinn and Weil did provide analysis of the tax claim, don't you?

A. ***I know that we certainly consulted with counsel on various aspects of the settlement, including the entitlement to the tax refunds.***

Source: p. 241:5-12

Hearing Testimony Of Goulding, 12/03/10

Q. What did WMI tell the board in order to approve the plan?

A. The conversation would've been in connection with counsel, so I think that would be a privileged conversation...

...I wasn't on the call in which the board actually approved the plan, so I don't know.

Q. ...When the board discussed whether to approve the settlement, what did WMI discuss with the board regarding the worth of the assets that were planned to settled?

MR. MASTANDO: Objection. I think the witness just answered he wasn't present, your Honor.

Source: pp. 73: 21-23; 74: 2-4; 74: 16-21

Debtors 95

HIGHLY CONFIDENTIAL

WMI: Confidential Limited Access
Privileged and Confidential
WMI 3/25/10

Washington Mutual, Inc.
Meeting of the Board of Directors

Minutes
Special Telephonic Meeting

Date: March 25, 2010

Attendance:

Directors Present
Stephen E. Frank, Chair
Alan Fishman
Phillip Matthews
Margaret Osmer McQuade
Regina T. Montoya
Michael K. Murphy
William G. Reed, Jr.
Orin Smith
James H. Stever

Advisors Present:
Peter Calamari, Quinn Emanuel U
Ben Finestone, Quinn Emanuel Ur
Stewart Landefeld, Perkins Coie L
Rebecca Hoskins, Perkins Coie LL
Brian Rosen, Weil, Gotshal & Man

Officers Present:
Robert J. Williams, President
Charles Smith, General Counsel
Bill Kosturos, Chief Restructuring Officer
John Maciel, Chief Financial Officer
Jonathan Goulding, Senior Vice President and Treasurer
Chris Wells, Senior Vice President and Additional Restructuring Officer

Officers Present:
Robert J. Williams, President
Charles Smith, General Counsel
Bill Kosturos, Chief Restructuring Officer
John Maciel, Chief Financial Officer
Jonathan Goulding, Senior Vice President and Treasurer
Chris Wells, Senior Vice President and Additional Restructuring Officer

The Board of Directors (the "Board") of Washington Mutual, Inc. (the "Company") met on March 25, 2010 for a special telephonic meeting. Rebecca Hoskins of the law firm of Perkins Coie LLP kept minutes of the meeting. A quorum was present at the beginning of the meeting.

On Tuesday, March 23, 2010, the following materials were distributed to the Board: (i) an agenda for this meeting; (ii) the minutes of the February 25, 2010 Board meeting; (iii) a copy of the monthly operating report for January 2010; (iv) a term sheet for a proposed settlement; (v) a draft Settlement Agreement; (vi) a Recovery Analysis; (vii) a draft Joint Plan of Reorganization (the "Plan"); (viii) a draft Disclosure Statement (together with the Plan, the "Reorganization Documents"); and (ix) resolutions regarding approval of the Settlement Agreement and the Reorganization Documents.

1

EXHIBIT
Debtors 95

Restricted For Use in Connection with Plan Confirmation Only

WMI_PC_701361079.00001

Source: Debtors 95, p. 1

Attachment I

From JPMC 10 Q 09/30/2010

Washington Mutual Litigations. Subsequent to JPMorgan Chase's acquisition from the Federal Deposit Insurance Corporation ("FDIC") of substantially all of the assets and certain specified liabilities of Washington Mutual Bank, Henderson Nevada ("Washington Mutual Bank"), in September 2008, Washington Mutual Bank's parent holding company, Washington Mutual, Inc. ("WMI") and its wholly-owned subsidiary, WMI Investment Corp. (together, the "Debtors"), both commenced voluntary cases under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Case"). In the Bankruptcy Case, the Debtors have asserted rights and interests in certain assets. The assets in dispute include principally the following: (a) approximately $4 billion in trust securities contributed by WMI to Washington Mutual Bank (the "Trust Securities"); (b) the right to tax refunds arising from overpayments attributable to operations of Washington Mutual Bank and its subsidiaries; (c) ownership of and other rights in approximately $4 billion that WMI contends are deposit accounts at Washington Mutual Bank and one of its subsidiaries; and (d) ownership of and rights in various other contracts and other assets (collectively, the "Disputed Assets").

JPMorgan Chase commenced an adversary proceeding in the Bankruptcy Case against the Debtors and (for interpleader purposes only) the FDIC seeking a declaratory judgment and other relief determining JPMorgan Chase's legal title to and beneficial interest in the Disputed Assets. The Debtors commenced a separate adversary proceeding in the Bankruptcy Case against JPMorgan Chase, seeking turnover of the $4 billion in purported deposit funds and recovery for alleged unjust enrichment for failure to turn over the funds. The Debtors have moved for summary judgment in the turnover proceeding.

In both JPMorgan Chase's adversary proceeding and the Debtors' turnover proceeding, JPMorgan Chase and the FDIC argued that the Bankruptcy Court lacks jurisdiction to adjudicate certain claims. JPMorgan Chase moved to have the adversary proceedings transferred to United States District Court for the District of Columbia and to withdraw jurisdiction from the Bankruptcy Court to the District Court. That motion is fully briefed. In addition, JPMorgan Chase and the FDIC have pending with the United States District Court for the District of Delaware an appeal of the Bankruptcy Court's rulings rejecting the jurisdictional arguments, and that appeal is fully briefed. JPMorgan Chase is

Tabic of Contents

also appealing a separate Bankruptcy Court decision that held, in part, that the Bankruptcy Court could proceed with certain matters while the first appeal is pending.

The Debtors submitted claims substantially similar to those submitted in the Bankruptcy Court in the FDIC receivership for, among other things, ownership of certain of the Disputed Assets, as well as claims challenging the terms of the agreement pursuant to which substantially all of the assets of Washington Mutual Bank were sold by the FDIC to JPMorgan Chase. The FDIC, as receiver, disallowed the Debtors' claims and the Debtors filed an action against the FDIC in the United States District Court for the District of Columbia challenging the FDIC's disallowance of the Debtors' claims, claiming ownership of the Disputed Assets, and seeking money damages from the FDIC. JPMorgan Chase has intervened in the action. In January 2010, the District Court stayed the action pending developments in the Bankruptcy Case. In connection with the stay, the District Court denied WMI's and the FDIC's motions to dismiss without prejudice.

In addition, JPMorgan Chase has been sued in an action originally filed in the 122nd State District Court of Galveston County, Texas (the "Texas Action") by certain holders of WMI common stock and debt of W MI and Washington Mutual Bank who seek unspecified damages alleging that JPMorgan Chase acquired substantially all of the assets of Washington Mutual Bank from the FDIC at an allegedly too low price. The FDIC intervened in the Texas Action and, upon motion by the FDIC and JPMorgan Chase, the District Court transferred the Texas Action to the United States District Court for the District of Columbia. Plaintiffs moved to have the FDIC dismissed as a party and to remand the action to the state court or, in the alternative, dismissed for lack of subject matter jurisdiction. JPMorgan Chase and the FDIC moved to have the entire action dismissed. On April 13, 2010, the United States District Court for the District of Columbia granted JPMorgan Chase's motion to dismiss the complaint, granted the FDIC's parallel motion to dismiss the complaint and denied plaintiffs' motion to dismiss the FDIC as a party and to remand the case to Texas state court. On July 19, 2010, the Court denied plaintiffs' motion to reconsider its prior ruling, to vacate the judgment in the Texas Action and to permit them to file an amended complaint. On July 20, 2010, the plaintiffs in the Texas Action appealed these decisions to the United States Court of Appeals for the District of Columbia.

Other proceedings related to Washington Mutual's failure also pending before the United States District Court for the District of Columbia include a lawsuit brought by Deutsche Bank National Trust Company, initially against the FDIC, asserting an estimated $6 billion to $10 billion in damages based upon alleged breach of various mortgage securitization agreements and alleged violation of certain representations and warranties given by certain WMI subsidiaries in connection with those securitization agreements. Deutsche Bank filed an amended complaint on August 30, 2010, adding JPMorgan Chase Bank, N.A. as a party. The amended complaint includes assertions that JPMorgan Chase may have assumed liabilities relating to the mortgage securitization agreements. A response to the complaint is due on November 22, 2010.

On May 19, 2010, WMI, JPMorgan Chase and the FDIC announced a global settlement agreement among themselves and significant creditor groups (the "Global Settlement Agreement"). The Global Settlement Agreement is incorporated into WMI's proposed Chapter 11 plan ("the Plan") that has been submitted to the Bankruptcy Court. If approved by the Bankruptcy Court, the Global Settlement would resolve numerous disputes among WMI, JPMorgan Chase, the FDIC in its capacity as receiver for Washington Mutual Bank and the FDIC in its corporate capacity, as well as those of significant creditor groups, including disputes relating to the Disputed Assets. While the Plan confirmation process is ongoing, the appeals and proceedings before the United States District Courts for the Districts of Delaware and the District of Columbia are stayed.

Other proceedings related to Washington Mutual's failure are also pending before the Bankruptcy Court. On May 4, » 2010. certain WMI creditors who have not agreed to the Global Settlement Agreement filed a motion to convert the Debtors' cases to a Chapter 7 liquidation or, in the alternative, for an order to appoint a trustee to administer the Debtors' estates. Also, on July 6, 2010, certain holders of the Trust Securities commenced an adversary proceeding in the Bankruptcy Court against JPMorgan Chase, WMI, and other entities seeking, among other relief, a declaratory judgment that WMI and JPMorgan Chase do not have any right, title or interest in the Trust Securities.

In a July 20, 2010 hearing in the Bankruptcy Case, the Bankruptcy Court appointed an examiner to investigate, among other things, the claims and assets that may be property of the Debtors' estates that are proposed to be conveyed, released or otherwise compromised and settled under the Plan and Global Settlement Agreement. The examiner submitted a preliminary report for the Bankruptcy Court on September 7, 2010, and submitted a final report on November I, 2010. The Bankruptcy Court is scheduled to consider confirmation of the Plan, including the Global Settlement Agreement, beginning on December 1, 2010.

Attachment J

JPMC INVESTOR PRESENTATION September 25, 2008

SEPTEMBER 25, 2008

INVESTOR PRESENTATION

Acquisition of assets, deposits and certain liabilities of Washington Mutual's banks by JPMorgan Chase

JPMORGAN CHASE & CO.

Key terms of acquisition of Washington Mutual's banks from FDIC acting as receiver

Transaction	JPMorgan Chase to acquire: ■ Substantially all of the assets of Washington Mutual's banks ■ All of the deposits and certain liabilities of Washington Mutual's banks Transaction does not include: ■ Assets and liabilities of Washington Mutual Inc. (Holding Company) ■ Unsecured senior debt, subordinated debt and preferred of Washington Mutual's banks
Consideration	$1.9bn cash payable to FDIC
Expected capital raise	$8.0 billion of common equity
Divestitures	None
Approvals	All key approvals received
Credit rating	Expect ratings to be affirmed

WaMu provides unique opportunity to expand retail banking franchise and generate attractive returns for JPMorgan Chase shareholders

Strategic Fit

- Greatly enhances retail banking platform in attractive markets
  - Combined deposits of $911 billion and 5,410 branches at close
  - Expanding into attractive new markets (CA + FL)
  - Increases market share in existing largest fast-growing markets (NY, TX, IL, AZ, CO, UT)

Financially Compelling

- Accretive immediately; should be substantially so in future
  - Asset write-downs reduce risk to volatility in future earnings
  - Allows significant margin for error
- Opportunity to grow revenue and realize significant cost savings
  - Ability to bring expanded Chase products and services to WaMu branches
  - Drive efficiencies in branch network and back office
- JPMorgan Chase maintains strong capital and liquidity positions
  - Retail deposits add to stable funding base

Ability to execute

- Proven capabilities with success in Bank One/Chase and Bank of New York transactions
- Little overlap with Bear Stearns integration

Leader in retail banking and deposit gathering

Branches

Rank	Institution	Branches (#)
1	Bank of America	6,138
(2)	**Pro forma JPMorgan Chase**	**5,410**
2	Wells Fargo	3,430
3	Wachovia	3,348
4	**JPMorgan Chase**	**3,203**
5	U.S. Bancorp	2,649

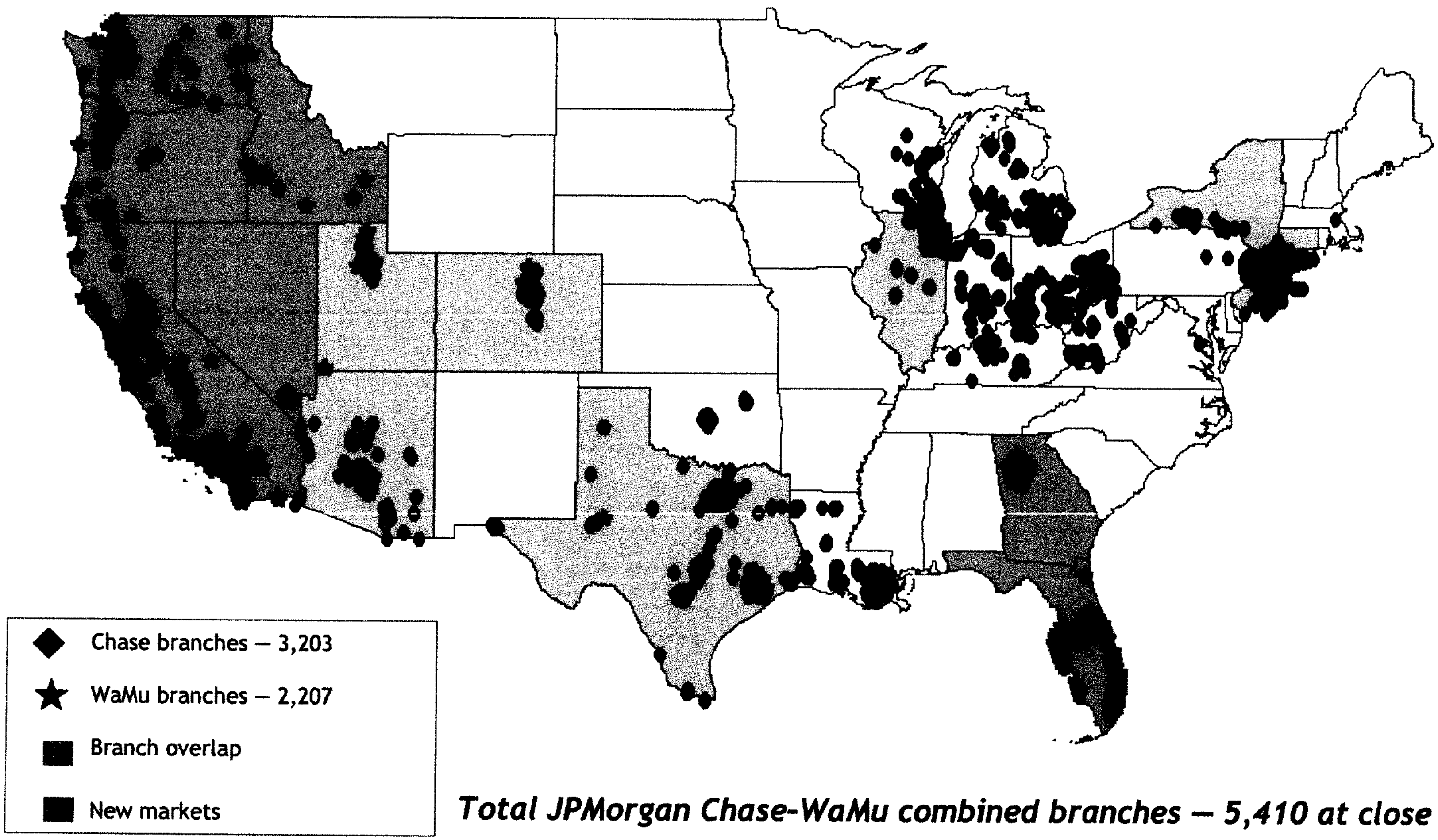
Deposits ($bn)

Rank	Institution	Deposits ($bn)
(1)	**Pro forma JPMorgan Chase**	**$911**
1	Citi	804
2	Bank of America	785
3	**JPMorgan Chase**	**723**
4	Wachovia	448
5	Wells Fargo	339

Source: SNL Financial
Note: Branch data as of September 18, 2008; deposit data as of June 30, 2008

Creates broader branch network

Branch map



Total JPMorgan Chase-WaMu combined branches – 5,410 at close

Source: SNL Financial
Note: Data as of September 18, 2008

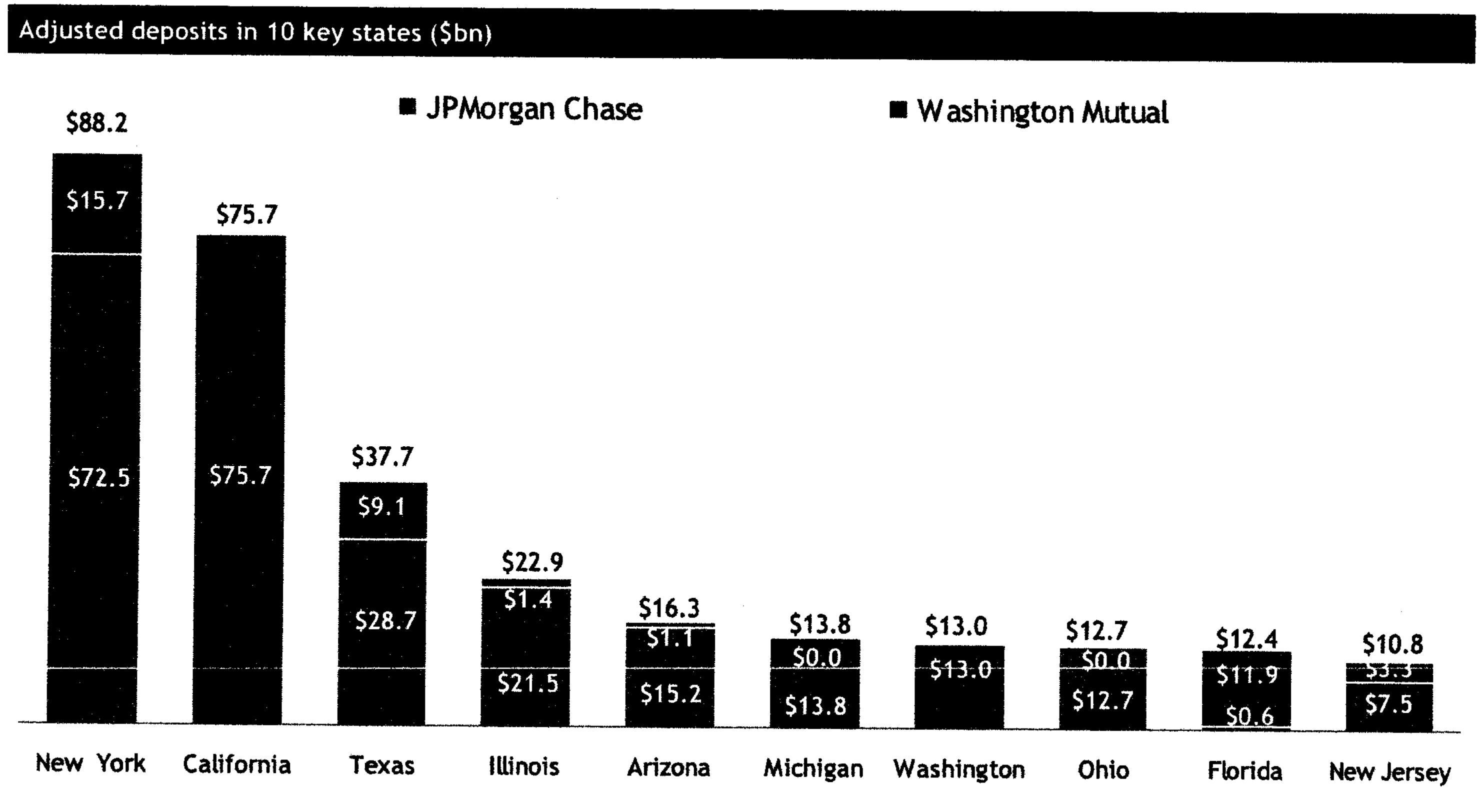
Adds branch presence in new markets

of branches

State	Combined	JPMorgan Chase	Washington Mutual
New York	**888**	651	237
Texas	**722**	469	253
California	**691**	3	688
Illinois	**463**	348	115
Arizona	**308**	244	64
Michigan	**298**	298	-
Ohio	**285**	285	-
Florida	**274**	13	261
New Jersey	**253**	167	86
Washington	**188**	1	187
Indiana	**185**	185	-
Louisiana	**162**	162	-
Colorado	**129**	89	40
Oregon	**105**	-	105
Wisconsin	**77**	77	-
Other	**382**	211	171
Total	**5,410**	**3,203**	**2,207**

Source: SNL Financial
Note: Branch data as of September 18, 2008

Combined retail franchise has leading market share in key states



	New York	California	Texas	Illinois	Arizona	Michigan	Washington	Ohio	Florida	New Jersey
Rank	1	3	1	1	1	2	2	4	5	6
Market share	21.7%	12.2%	13.0%	9.0%	23.6%	10.8%	14.6%	7.6%	3.9%	8.2%
Pop. growth (mm)[1]	0.6	4.0	3.6	0.7	1.5	0.4	0.7	0.3	3.4	0.5
HH growth[1]	2.6%	4.8%	9.8%	3.1%	16.9%	2.1%	6.6%	2.6%	9.7%	2.9%

Source: SNL Financial
Note: Deposit data as of June 30, 2007; excludes deposits greater than $500mm in a single branch; demographic data deposit-weighted by county
[1] 2007-2012

Top 3 ranking in the country's largest MSAs

Select MSAs by Deposits ($ millions)

MSA	Deposits in market	Combined Market Share	Combined Rank	Deposit growth '07-'12	CAGR '07-'12 (%)
New York, NY	$438,371	20.3%	1	$36,209	2.1%
Los Angeles, CA	$253,285	13.1%	2	$28,970	2.9%
Chicago, IL	$190,703	11.8%	1	$19,377	2.6%
Miami, FL	$118,026	7.7%	3	$14,046	3.2%
San Francisco, CA	$101,911	11.2%	3	$11,803	2.4%
Dallas-Fort Worth, TX	$75,991	17.1%	1	$15,215	4.1%
Houston, TX	$71,559	19.9%	1	$13,889	3.9%
Detroit, MI	$61,034	14.6%	3	$5,685	2.1%
Seattle, WA	$49,836	17.3%	2	$7,442	3.2%
San Diego, CA	$45,071	16.2%	2	$7,076	3.5%
Phoenix, AZ	$42,982	23.2%	1	$11,845	4.9%
San Jose, CA	$42,903	11.5%	3	$4,263	2.1%

Source: SNL Financial; FDIC data as of June 30, 2007, with $500mm branch exclusion
Deposit Growth and CAGR: Claritas 2007, based on CBSA Deposits

Footprint covers 46% of expected population growth - up from 18%

	Combined	Chase	WaMu
Network Comparisons			
U.S. Households	**42.3%**	25.0%	30.3%
Hispanic Households	**67.9%**	33.9%	58.3%
Average Income	**$72,332**	$71,595	$74,747
Businesses	**45.6%**	26.5%	33.0%
Total # of Branches	**5,410**	3,203	2,207
Population Growth (2007-12)			
U.S. Population (millions)	**129.9**	75.0	94.1
5 Year Growth	**4.9%**	3.3%	5.6%
% of Population Growth	**46.2%**	18.0%	37.9%
5 Year Hispanic Growth	**19.3%**	18.3%	18.8%
% of Hispanic Growth	**63.4%**	29.9%	52.8%

Source: SNL Financial branch data, Claritas demographic data and projections
Note: Branch data as of September 18, 2008, Demographic data and projections as of 2007

Transaction further strengthens the entire franchise

	Rank	Size and metrics
Retail Banking	#2	■14,300 ATMs
		■24.5mm checking accounts
Credit cards	#1	■$181bn outstanding
Mortgage	#3	■$1,433bn total mortgage loans serviced[1]
Commercial Banking		■$113bn loans
		■$106bn liabilities

[1] Source: IMF
Note: Data as of June 30, 2008; branch data as of September 18, 2008

Integration plan: invest to improve franchise, realize efficiencies and reduce risk

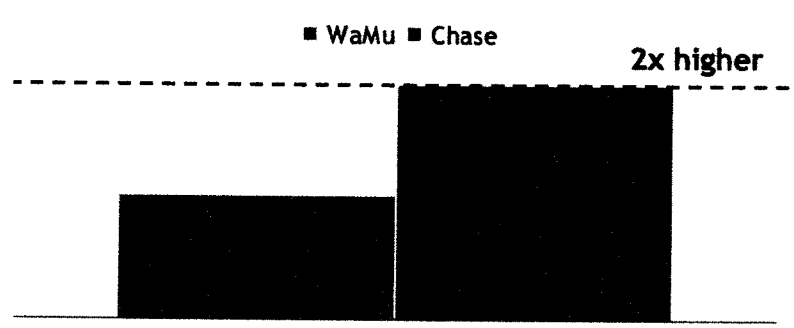
- Integrate branch system
  - Close less than 10% of combined branches
  - Optimize staffing in the branches for right balance of sales specialists, bankers and support staff
  - Convert Washington Mutual branches to Chase's platform; process virtually identical with prior Bank of New York and Bank One conversions
  - Bring best sales and business practices to each
- Leverage Washington Mutual branch footprint for growth
  - Introduce enhanced product offerings to promote greater cross-sell
  - Build out Business Banking (for small business clients)
  - Build out Middle Market
  - Benefits Private Bank and Private Client Services
- Consumer lending
  - Run-off existing home lending and sub-prime credit card portfolios
  - Exit all non-bank branch retail lending
  - Future originations to Chase standards
- Integrate mortgage servicing

Integration plan generates top and bottom line growth

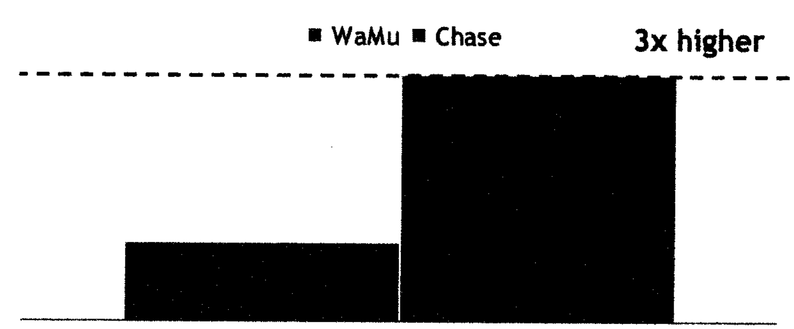
Revenue growth: credit card and investment sales

- Branch network provides opportunity to cross-sell more products, particularly credit card and investment sales:
  - Credit card
    - In 2007, Chase produced 2x the per branch credit card production of WaMu
    - Achieving this productivity from WaMu branches would generate an additional 500,000 credit cards sold annually through the branches
  - Investment sales
    - Chase's % of retail bank households that have an investment product is 2x greater than WaMu
    - Chase's Financial Advisors produce on average 60% more investment sales per year
    - Achieving Chase investment sales productivity and increasing number of Financial Advisors could lead to an additional $8-10B in sales annually through the branches

Credit card sales per branch per month - 2007

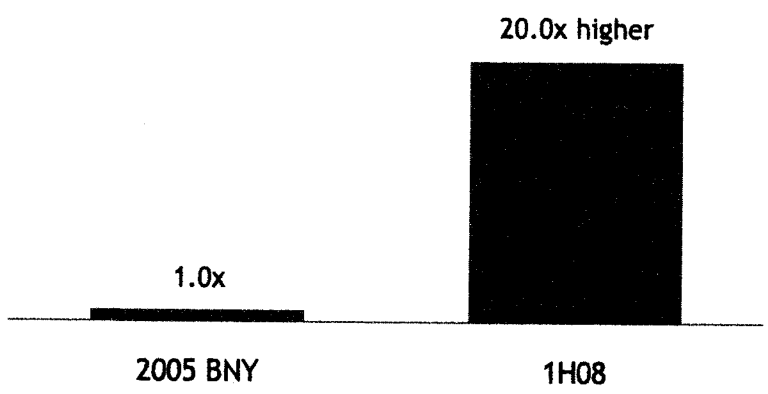


Investment sales per branch per month - 2007

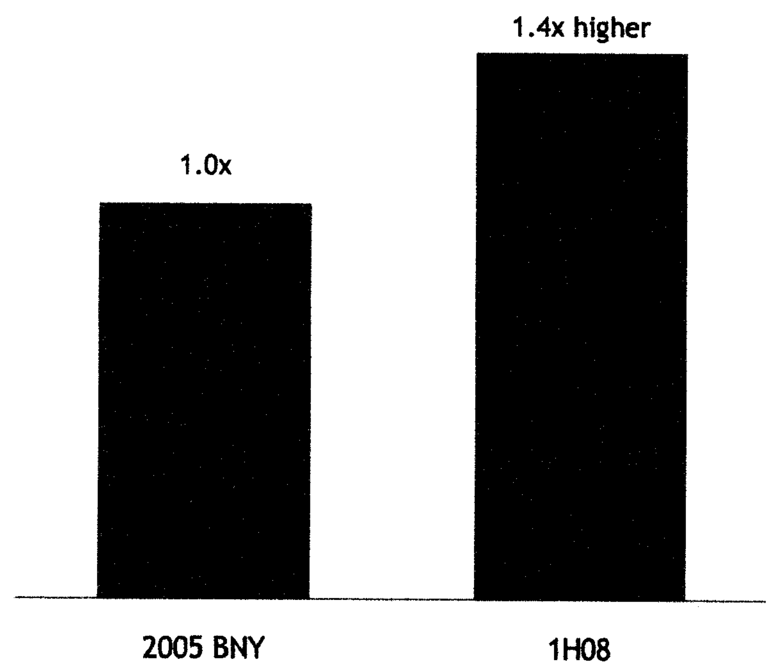


Chase has a solid track record in enhancing branch productivity

Bank of New York branches - credit cards[1]



Bank of New York branches - investment sales[1]



Note: 1H07 and 1H08 are averages of 1Q and 2Q
[1] Based on average of comparable deposit size Chase branches in NY, NJ and CT

Chase successfully increased branch productivity for credit card and investment sales after the Bank of New York branch acquisition

Anticipated cost savings and merger costs

Cost savings

- Projected cost savings of approximately $1.5 billion, or approximately 15%-20% of Washington Mutual's non-interest expense base, net of significant investments in the business
- Majority of synergies achievable by end of 2010
- Majority of branch combinations to be completed by end of 2010

Merger costs

- Estimated initial transaction-related costs of approximately $1.5 billion pre-tax
  - Severance
  - Technology and systems
  - Real estate and facilities
- Additional merger costs of $500mm +/- expected to be recognized by 2011, with the majority in 2009 and 2010

Branches in new markets create opportunity for Business and Commercial Banking

Business Banking

- Significant opportunity to expand Business Banking as WaMu had limited market penetration
- Chase has 5x WaMu's average Business Banking checking balances
- Chase has 40% more fee income per customer
- Plans include expanded product offering and build out of business bankers/relationship managers

Commercial Banking

- Retail branch presence provides the basis for a strong middle market franchise
- Washington Mutual's retail presence in select attractive markets combined with Chase's proven leadership provides significant opportunity to enhance Chase's Middle Market business
- Over 5,000 Middle Market companies for Chase to pursue as customers in Los Angeles, San Diego, San Francisco, Seattle, and Portland
- Incremental capabilities from Washington Mutual's multi-family lending business, a niche product offering with a good risk profile
- Ability to offer Treasury Services products to new customer base

Remaining life loss estimates and marks

Washington Mutual Home Loan portfolio ($ millions)

	Total Fair Value Marks	Remaining life loss estimates as of 12/31/2007 $	Remaining life loss estimates as of 12/31/2007 (%)	Projected remaining life losses as of 09/30/2008 $	Estimated balances as of 9/30/2008
Option ARMs	($8,189)	$11,803	20%	$10,346	$50,300
Mortgage	(3,376)	2,692	5	2,183	51,100
HE Loans & Lines	(12,565)	14,252	23	11,739	59,500
Subprime	(5,761)	7,502	40	6,438	15,100
Total home loan portfolio	**($29,891)**	**$36,249**	**19%**	**$30,706**	**$176,000**
Other portfolios	($980)				
Total marks	**($30,871)**				

Allowance for loan losses ($ millions)

WaMu Allowance for Loan Losses as of 6/30/08	$8,456
Transition Adjustment[1]	(4,877)
WaMu pro forma Allowance for Loan Losses	$3,579

- WaMu's credit impaired loans will be recorded at fair value at the acquisition date. Initial adjustments to fair value will be recognized through purchase accounting. Subsequent adjustments to be recognized through income statement. The allowance for loan losses associated with these loans will not be carried over to the combined company.
- For non-credit impaired loans, the allowance for loan losses is transferred over to the combined company and subject to conforming reserve adjustments. These adjustments will be recognized in the consolidated income statement

[1] Transition adjustment represents: release of allowance on credit impaired loans (PAA) and conforming ALL adjustments (income statement)

Home lending loss sensitivities

($ billions)	Current estimates	Deeper recession	Severe recession
Current to trough HPA[1]			
California	(10%)	(14%)	(24%)
Florida	(16)	(21)	(36)
US	(8)	(11)	(20)
Peak to trough HPA[1]			
California	(44%)	(48%)	(58%)
Florida	(44)	(49)	(64)
US	(25)	(28)	(37)
Unemployment	7.0%	7.5%	8.0%
Remaining life losses from December 31, 2007	$36	$42	$54

[1] Home price appreciation

Capital impact from transaction before capital raise

Tier 1 capital impact ($ billions)	
Tangible assets assumed[1]	$296
Liabilities assumed[1]	265
Net assets[2]	$31
Loan marks	(31)
Reversal of loan loss reserve	8
Other PAA[3]	(6)
Adjusted net asset value	**$2**
Consideration	(2)
Pro forma capital impact	**$0**
Conforming loan loss reserve	(1)
Pro forma capital impact after conforming loan loss reserve	**($1)**

[1] At Washington Mutual carrying values
[2] Excludes REIT preferred, subordinated debt and senior debt from Washington Mutual's banks, and the elimination of the deferred tax assets of Washington Mutual's banks
[3] Other includes restructuring charge, writeoff of PP&E, and other Tier 1 adjustments

Capital ratio analysis - includes expected $8bn capital raise

Capital over time

	6/30/08 JPMorgan Chase	Estimated 9/30/2008 JPMorgan Chase pro forma
Pro forma assets (reg)		
Total assets	$1,776	$2,050
Tangible assets	1,727	2,000
RWA	1,080	1,300
Average assets for leverage ratio	1,536	1,550
Pro forma capital (reg)		
Tangible common equity	$79	$85
Tier 1 capital	99	107
Total capital	145	156
Pro forma capital ratios		+/-
TCE/TA	4.6%	4.3%
Leverage	6.4	6.9
Tier 1 capital	9.2	8.3
Total capital	13.4	12.0
TCE/MRWA	6.8	6.4

Source: Company filings, FactSet, I/B/E/S, Equity research, JPMorgan Chase and Washington Mutual estimates
Note: JPMorgan pro forma for $1.8bn issuance of DRD Preferred in August 2008 and $8.0bn common raise

Illustrative income statement impact

$ billions	2009	2010	2011
JPMorgan Chase GAAP earnings - consensus	$11.7	$15.8	$16.7
JPMorgan Chase GAAP EPS - consensus	$3.29	$4.41	$4.67
Pro forma contribution from Washington Mutual	$2.4	$3.0	$3.4
Pro forma GAAP net income	$14.2	$18.8	$20.1
Pro forma GAAP EPS	$3.79	$5.01	$5.37
EPS accretion/(dilution) ($)	**$0.50**	**$0.60**	**$0.70**
EPS accretion/(dilution) (%)	**15%**	**14%**	**15%**
Earnings accretion/(dilution) ($bn)	**$1.9**	**$2.2**	**$2.6**

- **Substantially improved earnings creates margin of error for additional credit losses**

Note: Washington Mutual contribution based on JPMorgan Chase management estimates

Illustrative capital generation from Washington Mutual franchise

$ billions	2009	2010	2011
Operating income (after-tax)	$2.4	$3.0	$3.4
Capital from balance sheet reduction	2.0	1.1	0.5
Washington Mutual total excess capital	**$4.4**	**$4.1**	**$3.9**
Washington Mutual total cumulative excess capital	**$4.4**	**$8.5**	**$12.4**
Washington Mutual assets	$231.2	$211.5	$200.2

Note: Washington Mutual contribution based on JPMorgan Chase management estimates

JPMorgan Chase 3Q08 earnings outlook

Note that the below 3Q08 outlook is necessarily preliminary pending completion of the Firm's third fiscal quarter. Accordingly the information remains subject to trading results for several remaining days, changes in JPM credit spreads, allowance additions based on final credit loss data, quarter-end accounting adjustments, and other factors. In addition, the overall economy and the capital markets remain highly uncertain. For more information, see "Forward-looking disclosures" on page 22

- Investment Bank
  - QTD trading results positive despite highly volatile conditions
    - Includes markdowns of \$3.0bn to \$3.5bn +/- on mortgage and leveraged loans
    - Significant reduction in key risk exposure
    - Benefit of credit spread widening \$1bn +/-
    - Lehman/AIG exposure - risk remaining but minimal cost expected in third quarter
  - Expect APB 23 benefit firmwide of \$700mm+ (mostly in Investment Bank)
  - Addition to allowance for credit losses of \$400mm +/-
  - Inclusive of all the above, expect Investment Bank to be profitable in the quarter
- Retail Financial Services net charge-offs continue to trend higher as previously disclosed; likely addition to allowance for loan losses for the subprime and prime mortgage portfolios of \$600mm+ (some of which relates to prime mortgage in Corporate)
- Card Services net charge-offs performing as previously disclosed in range of 5% +
- Other businesses (CB, TSS, AM) on track versus prior outlook
- Corporate results include:
  - \$1.2bn pretax write-down related to preferred equity interests in FRE and FNM
  - Estimated auction-rate securities buyback charge of approximately \$400mm +/- (pretax)
  - Increased credit costs related to prime mortgage portfolio
- Washington Mutual transaction will have some income statement accounting impact in 3Q08
  - Expect no extraordinary gain
  - Approximately \$2bn addition to allowance for loan losses (conforming accounting booked above the line)

<u>Forward-Looking Disclosure</u>: *This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In particular, the earnings information presented on page 21 is necessarily preliminary pending completion of the Firm's third fiscal quarter on September 30, 2008. Such information also does not reflect the impact on the Firm's earnings or credit information as a result of the acquisition of the assets and liabilities of Washington Mutual's banks. All forward-looking statements included in this presentation are based upon the current beliefs and expectations of JPMorgan Chase's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. Factors that could cause JPMorgan Chase's actual results to differ materially from those described in the forward-looking statements include: changes in revenue due to volatility in the financial and trading markets; additional reserves to the allowance for credit losses based on final credit loss data; increased expenses due to final accrual information; normal quarter-end accounting adjustments; negative economic conditions that adversely affect housing prices, the job market, consumer confidence and spending habits and the economy in general; changes in interest rates; estimates used in determining the fair value of certain of our assets may be imprecise resulting in significant changes in valuation; changes in the regulation of financial services companies, government-sponsored enterprises, mortgage originators and servicers, hedge funds and credit card lenders; changes in the regulation of the products and services that JPMorgan Chase offers; and changes in the reputation of, or expectations regarding, the financial services industry in general or JPMorgan Chase in particular or with respect to practices of, and products offered by, financial institutions in general or JPMorgan Chase in particular. Additional factors that may cause actual results to differ materially than those set forth in the forward-looking statements can be found in JPMorgan Chase's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2008 and June 30, 2008, Annual Report on Form 10-K for the year ended December 31, 2007 and Current Reports on Form 8-K for events occurring on or after the date hereof, filed with the Securities and Exchange Commission and available on JPMorgan Chase's website (www.jpmorganchase.com) and on the Securities and Exchange Commission's website (www.sec.gov) to which reference is hereby made. JPMorgan Chase does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.*