

WMI Bankruptcy (08-12229-MFW)

My general feedback is that the WMI Trust has not operated in good faith towards Employee Claims which is why I am submitting this note anonymously.

Examples include:

- They waited until the deadline to object to most employee claims, which deprived claimants of other options (such as convenience claims) and enabled claimants to vote on the bankruptcy settlement who the trust doesn't even believe should receive claims.
- They initially gave claimants only a week to respond, after waiting almost four years to object.
- They have filed complaints or adverse actions against people who brought up issues rather than just go through the bankruptcy process.
- They have carried out a strategy of attrition, lengthening the process presumably in the hopes that claimants would exit the process, miss deadlines or run up legal bills.
- They have protested against claimants missing deadlines while their tactics have resulted in the bankruptcy case being in its fifth year.
- They have asked for irrelevant and unnecessary disclosures such as multiple years of tax returns, all job offers and resumes as part of their tactics to make the process burdensome for the claimants.
- When the trust was asked for similar disclosures as they requested, they objected. Essentially, they objected to their own disclosure requests as vague, irrelevant, not reasonably calculated to lead to the discovery of admissible evidence nor relevant to the claims or defenses of any party to this proceeding.
- The trust has made no attempts to negotiate settlements until now when presumably they have whittled down the list of claimants through their attrition strategy. Is that a fair outcome to all the claimants?
- In the meantime, legal bills continue to accrue.

The trust requests mandatory mediation given the length of the process and excessive costs.

- Since the savings in legal fees would be to the benefit of the trust, I don't think the claimants should have to pay for mediation.
- No information regarding cost of mediation has been provided to the claimants.
- Mandatory mediation would require claimants to give up work time and incur travel costs while lawyers for the trust would get paid for their time.
- Settlement offers have been at such low amounts that mediation doesn't seem like it would be worthwhile.



My perspective as a claimant is that there should be a court decision on the merits of the case. And all claimants should be treated equally based on the merits of their claim. There are enough common elements of claims that each claim should not be negotiated separately and secretly with the trust. I am not aware of any other classes of claimants that have been required to individually negotiate with the trust. Other classes have been treated equally.

I believe claimants would like and should receive a consistent ruling from the court on the key items in a timely manner.

- Applicability of limits on change in control payments
- Wrong party objection or who signed the agreement
- Whether there was a Change in Control
- Alternate claim under WaMu severance plan

The court has comprehensively, thoughtfully and fairly addressed many other challenges in this case such as potential claims against the FDIC and JPM. Can employee claims be addressed similarly in a similar manner?