

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
WASHINGTON MUTUAL, INC., <i>et al.</i> ¹ ,)	
)	Case No. 08-12229 (MFW)
)	
Debtors.)	Jointly Administered
)	
)	Re: Docket No. 11229
)	
)	
)	
)	
)	

**LIMITED OPPOSITION OF KIMBERLY CANNON, MICHAEL REYNOLDSON,
CHANDAN SHARMA AND ROBERT BJORKLUND TO ENTRY OF PROPOSED
ORDER APPOINTING A MEDIATOR WITH RESPECT TO EMPLOYEE CLAIMS
AND PENDING OMNIBUS OBJECTIONS**

Claimants Kimberly Cannon, Michael Reynoldson, Chandan Sharma and Robert Bjorklund (“**Claimants**”), by and through their undersigned counsel, submit this Limited Opposition of Kimberly Cannon, Michael Reynoldson, Chandan Sharma And Robert Bjorklund To Entry of the Proposed Order Appointing a Mediator submitted by Certification of Counsel by WMI Liquidating Trust (the “Proposed Order”)[D.I. No. 11229]. In support of this Limited Opposition, the Claimants respectfully represent the following:

Jurisdiction and Venue

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

¹ The Debtors in these cases are: (i) Washington Mutual, Inc. and WMI Investment Corp.



**LIMITED OPPOSITION TO
MOTION TO APPOINT MEDIATOR**

2. The Claimants are generally not opposed to the form of the Proposed Order submitted by Certification of Counsel regarding the appointment of a mediator and the mediation logistics in these matters [D.I. No. 11229]. In light of very recent developments, the Claimants do, however, oppose the timing of the mediation as being premature.

3. Counsel for the Claimants also represent a settling claimant, Daryl D. David. On or about April 19, 2013, counsel for the Claimants learned that the FDIC informed WMILT on or about April 18, 2013 that it needed to approve any distributions that WMILT intended to make in satisfaction of the stipulations reached with the settling claimants.

4. On or about April 25, 2013 a telephone conference among counsel for WMILT and counsel for certain of the settling claimants was conducted to address the issue of the FDIC's latest position with respect to the payment of settlement amounts by WMILT to the settling claimants. Claimants' counsel and counsel for WMILT are still trying to work through the issue and develop an agreeable resolution. At this time WMILT and many of the settling employee claimants want to pursue different approaches.

5. One thing is clear, until the FDIC approval issue is resolved; WMILT has said it will not be making any distributions to the settling employee claimants or to these Claimants even if a settlement is reached at mediation.

6. Claimants do not believe that the FDIC has any jurisdiction or binding authority with respect to the employee claims in this case. Furthermore, the Claimants do not believe that the regulations cited by WMILT require prior FDIC approval of settlements or distributions on account of allowed claims in this case.

7. For these reasons, the Claimants do not believe it prudent for the parties to invest the time and resources to mediate the claims of the Non-Settling Responding Claimants

until the FDIC approval issue has been resolved by agreement of the parties or by an order of this Court.

WHEREFORE, for all of the above reasons, the Claimants request that the Court refrain from entering the Proposed Order Appointing Mediator until such time as a determination has been made regarding the FDIC's authority regarding settlement and payment of the employee claims.

Dated: May 2, 2013

PHILLIPS, GOLDMAN & SPENCE, P.A.

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CERTIFICATE OF SERVICE

I, Celeste A. Hartman, Senior Paralegal, do hereby certify that I am over the age of 18 and that on May 2, 2013, I caused a copy of *Limited Opposition of Kimberly Cannon, Michael Reynoldson, Chandan Sharma and Robert Bjorklund to Entry of Proposed Order Appointing a Mediator with Respect to Employee Claims and Pending Omnibus Objection* to be served upon all persons receiving notice through the Court's cm/ecf system with a courtesy copy on the following via email:

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Under penalty of perjury, I certify the foregoing to be true and correct.

/s/ Celeste A. Hartman
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