

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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: **Chapter 11**
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In re : **Case No. 08-12229 (MFW)**
:
WASHINGTON MUTUAL, INC., et al., :
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:
Debtors. : **(Jointly Administered)**
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**MOTION OF DEBTORS PURSUANT TO BANKRUPTCY
RULES 1007(c) AND 2002(d) AND LOCAL RULE 1007-1(b)
FOR (I) AN EXTENSION OF TIME TO FILE SCHEDULES OF
ASSETS AND LIABILITIES, SCHEDULES OF CURRENT INCOME
AND EXPENDITURES, SCHEDULES OF EXECUTORY CONTRACTS
AND UNEXPIRED LEASES, AND STATEMENTS OF FINANCIAL
AFFAIRS AND (II) A WAIVER OF THE REQUIREMENTS TO FILE THE
EQUITY LIST AND PROVIDE NOTICE TO EQUITY SECURITY HOLDERS**

TO THE HONORABLE MARY F. WALRATH,
UNITED STATES BANKRUPTCY JUDGE:

Washington Mutual, Inc. (“WMI”) and WMI Investment Corp. (“WMI
Investment”), as debtors and debtors in possession (collectively, the “Debtors”),¹ respectfully
represent:

Background

1. On September 26, 2008 (the “Commencement Date”), each of the Debtors
commenced with this Court a voluntary case pursuant to chapter 11 of title 11 of the United
States Code (the “Bankruptcy Code”). As of the date hereof, the Debtors are authorized to

¹ The Debtors’ federal tax identification numbers are: (i) for WMI, 91-1653725; and (ii) for WMI
Investment, 20-5885395.



continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. A motion for an order, pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), authorizing the joint administration of the Debtors’ chapter 11 cases is pending before the Court.

WMI’s Business

3. WMI is a holding company incorporated in the State of Washington and headquartered at 1301 Second Avenue, Seattle, Washington 98101. WMI is the direct parent of WMI Investment, which serves as an investment vehicle for WMI and holds a variety of securities. WMI Investment is incorporated in the State of Delaware.

4. Prior to the Commencement Date, WMI was a savings and loan holding company that owned Washington Mutual Bank (“WMB”) and such bank’s subsidiaries, including Washington Mutual Bank fsb (“WMBfsb”). WMI also has certain non-banking, non-debtor subsidiaries (the “Non-Debtor Subsidiaries”).

5. Prior to the Commencement Date, WMI, like all savings and loan holding companies, was subject to regulation by the Office of Thrift Supervision (the “OTS”). WMB and WMBfsb, like all depository institutions with federal thrift charters, were also subject to regulation and examination by the OTS. In addition, WMI’s banking and nonbanking subsidiaries were overseen by various federal and state authorities, including the Federal Deposit Insurance Corporation (“FDIC”) and the Comptroller of the Currency of the United States. On September 25, 2008, the Director of the OTS, by order number 2008-36, appointed the FDIC as receiver for WMB and advised that the receiver was immediately taking possession of WMB (the “Bank Receivership”). The Debtors have been advised that the receiver sold substantially

all the assets of WMB to JPMorgan Chase Bank, National Association (“JPMorgan Chase”) pursuant to an agreement dated September 25, 2008.

6. WMI’s assets include its common stock interest in WMB, its interest in its non-banking subsidiaries, and approximately \$5 billion of cash that WMI and its non-banking subsidiaries (including WMI Investment) had on deposit at WMB and WMBfsb immediately prior to the time the FDIC was appointed as receiver. WMI is in the process of evaluating these and other assets for purposes of ultimate distribution to its creditors.

Jurisdiction

7. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Relief Requested

8. Pursuant to section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, the Debtors are required to file their (i) schedules of assets and liabilities, (ii) schedules of current income and expenditures, (iii) schedules of executory contracts and unexpired leases, and (iv) statements of financial affairs (collectively, the “Schedules”) within fifteen (15) days of the Commencement Date. Rule 1007-1(b) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”) provides that if the bankruptcy petition is accompanied by a list of all the debtor’s creditors and their addresses, in accordance with Local Rule 1007-2, and if the total number of creditors in a debtor’s case exceeds 200, the time within which the Schedules must be filed will be extended to thirty (30) days from the Commencement Date. Upon information and belief, the total number of the Debtors’ creditors, in the aggregate, is greater than 200 and, therefore, absent the relief

requested in this Motion, the Debtors must file their Schedules within thirty (30) days of the Commencement Date.²

9. Furthermore, pursuant to Bankruptcy Rule 1007(a)(3), the Debtors are required to file a list of all equity security holders (the “Equity List”) within fifteen (15) days after the Commencement Date. Pursuant to Bankruptcy Rule 2002(d), unless otherwise ordered by the Court, the Debtors are required to give notice of the commencement of these chapter 11 cases (the “Notice of Commencement”) to all equity security holders.

10. By this motion (the “Motion”), the Debtors request, pursuant to Bankruptcy Rules 1007(a)(3), (b)(1) and (c) and 2002(d) and Local Rule 1007-1(b), entry of the proposed order substantially in the form attached hereto as Exhibit “A” (a) extending the deadline to file the Schedules for ninety (90) days and (b) waiving the requirement to file the Equity List and provide the Notice of Commencement to all equity security holders.

**Cause Exists to Extend the
Time to File the Schedules**

11. Due to the exigent circumstances under which the Debtors’ commenced their chapter 11 cases and the demands on the limited resources available to the Debtors at this time, the Debtors anticipate that they will be unable to complete their Schedules in the mere thirty (30) days provided by the Bankruptcy Rules. To prepare the Schedules, the Debtors must compile information from their books, records, and other sources relating to their assets, contracts, and creditors. Assembling the necessary information will be a significant task for the Debtors, especially in light of the Bank Receivership and its disruption to the Debtors’ business

² As set forth in Amended Exhibit “A” to WMI’s petition [D.I. 6], the overwhelming amount of claims against WMI arise from its prepetition issuance of public debt securities. As numerous persons and/or entities hold these debt securities, the Debtors believe that they have in excess of 200 creditors in these chapter 11 cases.

operations. Indeed, the Debtors believe that many of their books and records may be in the possession of the FDIC or JPMorgan Chase and retrieving such information will take additional time. The Debtors have also lost a number of employees to JPMorgan Chase.

12. In view of the amount of work entailed in completing the Schedules and the competing demands on the Debtors' remaining employees to compile and distill the relevant information following the Bank Receivership and assisting with the transition to chapter 11, it would be very difficult for the Debtors to properly and accurately complete the Schedules within the thirty-day time period imposed under the Bankruptcy Rules.

13. At present, the Debtors anticipate that they will require at least ninety (90) additional days to complete their Schedules. The Debtors therefore request that the Court extend the period for an additional ninety (90) days, through and including December 29, 2008.

14. This Court has the authority to grant the requested extension pursuant to Bankruptcy Rule 1007(c) and Local Rule 1007-1(b). Bankruptcy Rule 1007(c) provides that "any extension of time for the filing of the [S]chedules . . . may be granted only on motion for cause shown." Similarly, Local Rule 1007-1(b) provides that such an extension "shall be granted, for cause, only upon filing of a motion by the debtor."

15. In light of (i) the large amount of information that must be assembled and compiled, (ii) the significant amount of employee time that must be devoted to the task of completing the Schedules, (iii) the limited number of employees available to the Debtors, post-seizure, and (iv) the many pressing items that must be addressed at the inception of these cases, the Debtors respectfully submit that ample cause exists for the requested extension.

**Cause Exists to Waive the Requirement to File the Equity List
and Provide Notice of Commencement to Equity Security Holders**

16. WMI is a public company and, as of the Commencement Date, had approximately 1.7 billion shares of common stock and approximately 3 million shares of preferred stock outstanding. The Debtors submit that preparing a list of WMI's equity security holders with last known addresses and sending notice to all parties on such list will be expensive and time consuming and will serve little or no beneficial purpose. The Debtors further submit that, if it becomes necessary for such equity security holders to file proofs of interest, the Debtors will provide them with notice of the bar date and an opportunity to assert their interests. Thus, equity security holders will not be prejudiced.

17. In light of the foregoing, the Debtors submit that ample cause exists for the Court to waive Bankruptcy Rule 1007(a)(3)'s requirement to file the Equity List and Bankruptcy Rule 2002(d)'s requirement to send the Notice of Commencement to all equity security holders.

Notice

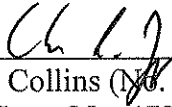
18. No trustee, examiner, or statutory creditors' committee has been appointed in these chapter 11 cases. Notice of this Motion has been provided to: (i) the United States Trustee for the District of Delaware; (ii) each of the Debtors' twenty (20) largest unsecured creditors; (iii) the OTS; (iv) the FDIC; (v) counsel to JPMorgan Chase; and (vi) counsel to Bank of New York Mellon. In light of the nature of the relief requested, the Debtors submit that no other or further notice need be provided.

No Previous Request

19. No previous request for the relief sought herein has been made to this or any other Court.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as it deems just and proper.

Dated: October 2, 2008
Wilmington, Delaware



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PROPOSED ATTORNEYS TO THE DEBTORS
AND DEBTORS IN POSSESSION

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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: **Chapter 11**
: **Case No. 08-12229 (MFW)**
: **(Jointly Administered)**
: **D.I. _____**
-----X

In re
WASHINGTON MUTUAL, INC., et al.,

Debtors.

ORDER (I) EXTENDING TIME TO FILE SCHEDULES OF ASSETS AND LIABILITIES, SCHEDULES OF CURRENT INCOME AND EXPENDITURES, SCHEDULES OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND STATEMENTS OF FINANCIAL AFFAIRS AND (II) WAIVING REQUIREMENTS TO FILE EQUITY LIST AND PROVIDE NOTICE TO EQUITY SECURITY HOLDERS

Upon the motion, dated October 1, 2008 (the "Motion"), of Washington Mutual, Inc. ("WMI") and WMI Investment Corp. ("WMI Investment"), as debtors and debtors in possession (collectively, the "Debtors"),¹ for entry of an order, pursuant to Rules 1007(a)(3), (b)(1) and (c) and 2002(d) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules")² and Rule 1007-1(b) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), (A) authorizing an extension of the time within which the Debtors must file their (i) schedules of assets and liabilities; (ii) schedules of current income and expenditures, (iii) schedules of executory contracts and unexpired leases; and (iv) statements of financial affairs (collectively, the

¹ The Debtors' federal tax identification numbers are: (i) for WMI, 91-1653725; and (ii) for WMI Investment, 20-5885395.

² Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Motion

“Schedules”) and (B) waiving the requirement to file a list of all of WMI’s equity security holders (the “Equity List”) and provide notice of the commencement of these chapter 11 cases (the “Notice of Commencement”) to such equity security holders, all as more fully set forth in the Motion; and upon the Declaration of Stewart M. Landefeld in Support of the Debtors’ Chapter 11 Petitions and First-day Motions; and the Court having jurisdiction to consider the Motion and the relief requested therein in pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the parties listed herein, and it appearing that no other or further notice need be provided; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtors, their creditors, and all parties in interest; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted; and it is further

ORDERED that pursuant to Bankruptcy Rule 1007(a)(3) the time by which the Debtors must file their Schedules is extended through and including December 29, 2008; and it is further

ORDERED that such extension is without prejudice to the Debtors’ right to request a further extension of time within which to file the Schedules; and it is further

ORDERED that the requirement pursuant to Bankruptcy Rule 1007(a)(3) to file the Equity List is waived; and it is further

ORDERED that the requirement pursuant to Bankruptcy Rule 2002(d) to provide the Notice of Commencement to all equity security holders is waived; and it is further

ORDERED that this Order and the relief provided herein shall apply to chapter 11 cases filed subsequent to the Commencement Date by any and all direct and indirect subsidiaries of WMI, as if those subsidiaries had been parties to the Motion and were among the Debtors referred to in this Order; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: _____, 2008
Wilmington, Delaware

THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE