

CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement including all exhibits thereto (the “Settlement Agreement”), dated June 18, 2010, is entered into by and among the Named Plaintiffs, for themselves and on behalf of the Settlement Class (as defined below), on the one hand, and the Defendants, on the other.

RECITALS

A. The litigation captioned *In re Washington Mutual, Inc. ERISA Litigation*, Lead Case No. 07-cv-1874 (W.D. Wash.) (the “ERISA Litigation”), which is part of MDL No. 2:08-md-01919 pending in the United States District Court for the Western District of Washington (the “District Court”) before the Honorable Marsha J. Pechman, is comprised of nine separate putative class actions filed between November 20, 2007 and March 24, 2008.¹ The putative class actions comprising the ERISA Litigation were transferred to the District Court for coordinated or consolidated pretrial proceedings by order of the Judicial Panel on Multidistrict Litigation, *see In re Washington Mutual, Inc. Securities, Derivative & ERISA Litigation*, 536 F. Supp. 2d 1377, 1378 (J.P.M.L. 2008), and were consolidated by the District Court pursuant to Federal Rule of Civil Procedure 42(a) by order dated May 7, 2008 [Dkt. # 25 in 2:08-md-01919-MJP].

B. On May 20, 2008, the District Court appointed Hagens Berman Sobol Shapiro LLP and Keller Rohrback L.L.P. as Class Counsel in the ERISA Litigation [Dkt. #41 in 2:08-md-01919-MJP].

C. Named Plaintiffs in the ERISA Litigation filed a Consolidated Amended Complaint for Breaches of Duty under the Employee Retirement Income Security Act of 1974

¹ *Bushansky v. Washington Mutual, Inc.*, No. C07-1874; *Bussey v. Washington Mutual, Inc.*, No. C07-1879; *Ware v. Washington Mutual, Inc.*, No. C07-1997; *Alexander v. Washington Mutual, Inc.*, No. C07-1906; *McDonald v. Washington Mutual, Inc.*, No. C07-2055; *Marra v. Washington Mutual, Inc.*, No. C07-2076; *Mitchell v. Washington Mutual, Inc.*, No. C07-01938; *Rosenblatt v. Washington Mutual, Inc.*, No. C07-2025; *Sloan v. Washington Mutual, Inc.*, No. C08-0471.

[Dkt. #66 in 2:08-md-01919-MJP] (the “Consolidated Amended Complaint”) on August 5, 2008, asserting claims under the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. §§ 1001, *et seq.* (“ERISA”), with respect to the allegedly imprudent investment in Company Stock by the WaMu Savings Plan against (i) the HRC Defendants, (ii) the PAC/PIC Defendants and (iii) former defendants Kerry K. Killinger (“Killinger”), Tony Meola (“Meola”) and Washington Mutual, Inc. (“WMI”).

D. On September 25, 2008, by Order Number 2008-36, the Director of the Office of Thrift Supervision appointed the Federal Deposit Insurance Corporation (the “FDIC Receiver”) as receiver for Washington Mutual Bank (“WMB”) and advised that the FDIC Receiver was immediately taking possession of WMB’s assets.

E. On or about September 25, 2008, the FDIC Receiver, FDIC Corporate and JPMorgan Chase Bank, N.A. (“JPMC”) entered into that certain Purchase and Assumption Agreement, Whole Bank, dated September 25, 2008, as amended, modified or supplemented prior to the date hereof.

F. On September 26, 2008 (the “Petition Date”), WMI and WMI Investment Corp. (“WMI Investment” and, together with WMI, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”), as jointly administered, *In re Washington Mutual, Inc.*, Case No. 08-12229 (MFW) (the “Chapter 11 Cases”). As a result of the Chapter 11 Cases, all claims against WMI in the ERISA Litigation were stayed pursuant to 11 U.S.C. § 362(a).

G. Following the filing of the Chapter 11 Cases, the Named Plaintiffs, in the District Court, sought and were granted leave to amend the Consolidated Amended Complaint, and filed

their Consolidated Second Amended Complaint for Breaches of Duty under the Employee Retirement Income Security Act of 1974 [Dkt. #223 in 2:08-md-01919-MJP] (the “Second Amended Complaint”) on February 18, 2009, without WMI and Mike Amato as defendants, and adding JPMC as a defendant.

H. On April 13, 2009, the Bankruptcy Court entered an Order Modifying the Automatic Stay to Allow Advancement Under Insurance Policies Regarding ERISA Litigation that, among other things, authorized Blended Policy Carriers to advance defense fees and costs in the ERISA Litigation incurred by the insured defendants in the ERISA Litigation.

I. Upon the stipulation of the parties and pursuant to Rule 41(a) of the Federal Rules of Civil Procedure, on March 19, 2009, the District Court dismissed without prejudice all claims against Meola [Dkt. # 238 in 2:08-md-01919-MJP].

J. On October 5, 2009, the District Court issued its Order Granting in Part and Denying in Part Defendants’ Motions to Dismiss the Second Amended Complaint, which, among other things, dismissed all claims against Defendants Killinger and JPMC [Dkt. # 362 in 2:08-md-01919-MJP].

K. The Bankruptcy Court established March 31, 2009 at 5:00 p.m. (Eastern Time) (the “Bankruptcy Bar Date”) as the deadline for filing proofs of claim against the Debtors and their chapter 11 estates.

L. Prior to the Bankruptcy Bar Date, the Named Plaintiffs filed the following proofs of claim against WMI in the Chapter 11 Cases with respect to the claims asserted in the ERISA Litigation (collectively, with any other claims filed against either WMI or WMI Investment in the Chapter 11 Cases by current or former employees of any of the WMI Entities or any other

individuals asserting rights to recovery on the same or similar bases as asserted in the ERISA Litigation, the “Employee Claims”):

<u>Claim No.</u>	<u>Claimant</u>	<u>Debtor</u>	<u>Amount</u>
1001	Named Plaintiff Dana Marra, in her individual capacity.	WMI	Unliquidated
1002	Named Plaintiff Marina Ware, in her individual capacity.	WMI	Unliquidated
1003	Named Plaintiff Gregory Bushansky, in his individual capacity.	WMI	Unliquidated

M. Prior to the Bankruptcy Bar Date, the Named Plaintiffs also filed the following proof of claim (the “Class Claim”):

<u>Claim No.</u>	<u>Claimant</u>	<u>Debtor</u>	<u>Amount</u>
999	Named Plaintiffs Gregory Bushansky, Dana Marra and Marina Ware in their capacity as Named Plaintiffs in the ERISA Litigation for and on behalf of themselves and the Settlement Class.	WMI	Unliquidated

N. WMI and WMI Investment dispute the Employee Claims and the Class Claim (collectively, the “Bankruptcy Claims”), including, without limitation, the allowance, classification and priority thereof. On March 18, 2010, WMI and WMI Investment filed the Debtors’ Twenty-Eighth Omnibus (Substantive Objection to Claims) [Dkt. #2554 in 2:08-bk-12229-MFW] and asserted that (i) the Class Claim should be disallowed because the Named Plaintiffs failed to seek certification on behalf of the putative class pursuant to Rule 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and (ii) any recovery on account of the Bankruptcy Claims should be subordinated pursuant to section 510 of the

Bankruptcy Code. As of the date of this Settlement Agreement, the Named Plaintiffs have not responded to the objections to the Bankruptcy Claims.

O. The Defendants have denied and continue to deny the allegations in the Second Amended Complaint and all other charges of wrongdoing, violation of law, fault, liability or damage arising out of any conduct, statements, acts or omissions that were or could be alleged in the ERISA Litigation and believe that they acted properly at all times and that the allegations in the ERISA Litigation are without merit.

P. JPMC specifically denies any liability for WMI's allegedly wrongful conduct and more generally denies any legal, equitable or other connection with WMI pursuant to which it could be liable for WMI's allegedly wrongful conduct in the ERISA Litigation. In addition to resolving this matter, JPMC is participating in this settlement despite its dismissal from the ERISA Litigation to facilitate the speedy distribution of settlement proceeds to Settlement Class members, some of whom are now employees of JPMC.

Q. The Parties wish to promptly and fully resolve and settle, with finality, (i) all of the claims that were or could have been asserted by the Named Plaintiffs, for themselves and on behalf of the Settlement Class, against the Defendants in the ERISA Litigation, and (ii) the Bankruptcy Claims.

NOW, THEREFORE, as a result of the foregoing and settlement negotiations among counsel for Named Plaintiffs and the Defendants, the Parties to the ERISA Litigation have agreed to settle the ERISA Litigation on the terms and conditions set forth below:

1. DEFINITIONS

As used in this Settlement Agreement, capitalized terms not otherwise defined have the meanings provided below:

1.1 “Agreement Execution Date” shall mean the date on which the final signature is affixed to this Settlement Agreement.

1.2 “Bankruptcy Court Approval Order” shall mean the order from the Bankruptcy Court as described in Section 2.4 below.

1.3 “Blended Policy” shall mean the Washington Mutual, Inc. Financial Institution Blended Program, which includes the following policies with a policy period of May 1, 2007 - May 1, 2008: (a) those certain Lloyd’s Underwriters and Companies (“Underwriters”) severally subscribing to Policy Number 509QA015407 (the “Underwriters’ Policy”) with an aggregate limit of \$25,000,000; (b) Steadfast Insurance Company Policy Number IPR 3757675-02 (the “Steadfast Policy”) with an aggregate limit of \$15,000,000 excess of the Underwriters’ Policy; (c) Federal Insurance Company Policy Number 6804-4507 (the “Federal Policy”) with an aggregate limit of \$15,000,000 excess of the Underwriters’ Policy and the Steadfast Policy; (d) National Union Fire Insurance Co. of Pittsburgh, Pa., Policy Number 741-99-20 with an aggregate limit of \$10,000,000 excess of the Underwriters’ Policy, Steadfast Policy and Federal Policy; and (e) Arch Insurance Company Policy No. BFI0014974-01 with an aggregate limit of \$10,000,000 excess of Underwriters’ Policy, Steadfast Policy and Federal Policy.

1.4 “Blended Policy Carriers” shall mean Underwriters, Steadfast Insurance Company, Federal Insurance Company, National Union Fire Insurance Co. of Pittsburgh, Pa., and Arch Insurance Company.

1.5 “Business Day” shall mean any day other than a Saturday, Sunday or any other day when banking institutions in New York are required or authorized to close by law or executive order.

1.6 “Class Counsel” shall mean Hagens Berman Sobol Shapiro LLP and Keller Rohrback L.L.P., as interim co-lead counsel for the Named Plaintiffs in the ERISA Litigation.

1.7 “Class Notice” shall mean the Notice of Settlement of Class Action approved by the Court in the Preliminary Approval Order in a form and substance substantially similar to Exhibit 1 to the Preliminary Approval Order (described in Section 2.1 below) annexed hereto as Exhibit A and mailed to the last known address of all Settlement Class members.

1.8 “Class Period” shall mean the period from October 19, 2005 through September 26, 2008, both dates inclusive.

1.9 “Class Settlement Amount” shall mean forty-nine million dollars (\$49,000,000.00).

1.10 “Company” shall mean WMI.

1.11 “Company Stock” shall mean WMI common stock held by the Plan in the WaMu Company Stock Fund (“Company Stock Fund”).

1.12 “Contributing Blended Policy Carriers” shall mean Underwriters, Steadfast Insurance Company and Federal Insurance Company.

1.13 “Defendants” shall mean the HRC Defendants and the PAC/PIC Defendants (including but not limited to Stephen I. Chazen, Stephen E. Frank, Charles M. Lillis, Phillip D. Matthews, Margaret Osmer McQuade, James H. Stever, Willis B. Wood Jr., Todd Baker, Melissa Ballenger, David Beck, Curt Brouwer, Daryl David, Michelle McCarthy, Tony Meola, Robert Williams, John Woods, Deborah Bedwell, John Berens, Tom Casey, Ron Cathcart, Michele Grau-Iverson, Pia Jorgenson, Suzanne Krahling, William Longbrake, and Mike Amato), Kerry Killinger, WMI, and JPMC.

1.14 “District Court” shall mean the United States District Court for the Western District of Washington.

1.15 “District Court Final Order” shall mean the order from the District Court as described in Section 2.5 below.

1.16 “Effective Date” shall mean the date, established pursuant to Section 9.1, on which all of the conditions to settlement set forth in Section 3 of this Settlement Agreement have been fully satisfied and the settlement has become Unconditional as provided in Section 3.1.

1.17 “Final Order” shall mean with respect to any judgment or order as to which the time to appeal, petition for certiorari, move for reconsideration or rehearing, or seek any other form of judicial review (each, a “Review Proceeding”) has expired and as to which no Review Proceeding shall then be pending; and if a Review Proceeding has been sought, such judgment or order shall have been affirmed by the highest court to which the judgment or order was or could be appealed, or certiorari shall have been denied or re-argument or rehearing shall have been denied or resulted in no modification of the judgment or order, and the time to take any further Review Proceeding shall have expired; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure or any analogous rule under the Bankruptcy Rules may be but has not then been filed with respect to the judgment or order shall not cause the judgment or order not to be a Final Order; and, provided, further, that the District Court Final Order and the Bankruptcy Court Approval Order may become Final Orders regardless of whether the District Court has entered a related order regarding the Plan of Allocation or the award of legal fees, expenses or Service Awards and regardless of whether any such related order, if entered, has become a Final Order; and provided, further, that the District Court Final Order shall not become a Final Order if any Party shall have given notice prior to the

expiration of the period for a Party to give notice, pursuant to Section 10.1.3 of this Settlement Agreement, that the District Court Final Order does not satisfy the terms and conditions of this Settlement Agreement in a manner that materially and adversely affects any Party's rights hereunder unless (i) after notice by a Party pursuant to Section 10.1.3 of this Settlement Agreement, the Parties shall have agreed in writing to proceed with all or part of the Settlement Agreement pursuant to the District Court Final Order as entered by the District Court, or (ii) the District Court shall have determined that the District Court Final Order does not contain terms or conditions that differ from the terms and conditions of this Settlement Agreement in a manner that materially and adversely affects any Party's rights hereunder.

1.18 "HRC Defendants" shall mean the members of the Human Resources Committee of the WMI board of directors during some or all of the Class Period, including but not limited to Stephen I. Chazen, Stephen E. Frank, Charles M. Lillis, Phillip D. Matthews, Margaret Osmer McQuade, James H. Stever, and Willis B. Wood Jr.

1.19 "Independent Escrow Agent" shall mean Wells Fargo & Company.

1.20 "Internet Notice" shall mean publication of the Settlement Agreement, the Class Notice, and the summary notice of the proposed settlement on the following websites:
www.erisafraud.com, www.kellersettlements.com, www.hbsslaw.com and www.kccllc.com.

1.21 "Named Plaintiffs" shall mean the following persons, as plaintiffs on behalf of themselves and on behalf of all members of the Settlement Class: Gregory Bushansky, Dana Marra, and Marina Ware, and each of their Successors-in-Interest. Named Plaintiffs intend that all rights and obligations that are binding on Named Plaintiffs under this Settlement Agreement, including each and every covenant, agreement, and warranty, shall also be binding on all members of the Settlement Class.

1.22 “Net Settlement Amount” shall mean the balance of the Settlement Fund after payment of (a) all taxes incurred on the Settlement Fund’s income as discussed in Section 8.3, in the event that any are incurred; (b) the cost of administration of the settlement, other than (i) the cost of providing Class Notice, Publication Notice and Internet Notice, and (ii) the cost of implementing the Plan of Allocation; (c) any award of fees and expenses to Class Counsel as discussed in Section 9.2; and (d) any award of Service Awards to the Named Plaintiffs as discussed in Section 9.3.

1.23 “PAC/PIC Defendants” shall mean the members of the Washington Mutual Plan Administration Committee and/or the Washington Mutual Plan Investment Committee for the WaMu Savings Plan during some or all of the Class Period, including but not limited to Todd Baker, Melissa Ballenger, David Beck, Curt Brouwer, Daryl David, Michelle McCarthy, Robert Williams, John Woods, Deborah Bedwell, John Berens, Tom Casey, Ron Cathcart, Michele Grau-Iversen, Pia Jorgensen, Suzanne Krahling, William Longbrake and Mike Amato.

1.24 “Parties” shall mean the Named Plaintiffs and the Defendants.

1.25 “Person” shall mean an individual, partnership, corporation, governmental entity or any other form of entity or organization.

1.26 “Preliminary Approval Order” shall mean the order from the District Court as described in Section 2.1 below.

1.27 “Plan of Allocation” shall mean the plan or formula of allocation of the Net Settlement Amount, subject to approval by the District Court, whereby the Net Settlement Amount will be distributed for the benefit of the Settlement Class, as discussed in Section 9.4.

1.28 “Publication Notice” shall mean the summary notice of the proposed settlement and Fairness Hearing, in a form and substance substantially similar to Exhibit 2 to the

Preliminary Approval Order (described in Section 2.1 below) annexed hereto as Exhibit B, for publication once in the Seattle Times and by newswire.

1.29 “Releasees” shall mean the Defendants and their parents, subsidiaries, affiliates, directors, officers, partners, employees, agents, attorneys, professionals, estates, heirs, successors, assigns, spouses and marital communities, and the Contributing Blended Policy Carriers.

1.30 “Released Claims” shall have the meaning ascribed to it in Section 4.2 of this Settlement Agreement.

1.31 “Representatives” shall mean representatives, attorneys, agents, directors, officers, employees, insurers and reinsurers.

1.32 “Service Awards” shall mean the amount requested by Class Counsel of not more than \$5,000 for each of the Named Plaintiffs, which Class Counsel asserts is in recognition of the benefits each Named Plaintiff has generated for the Settlement Class by coming forward and devoting time and knowledge to the prosecution of the ERISA Litigation. Defendants take no position as to whether such Service Awards are appropriate. Any such award shall be subject to the approval of the Court as discussed in Section 9.3.

1.33 “Settlement Class” shall mean all Persons who were participants in or beneficiaries of the Plan and whose individual Plan accounts included investment in Company Stock during the Class Period; provided, however, that Defendants and their heirs, Successors-in-Interest, or assigns, to the extent such Persons acquire an interest held by Defendants, are excluded from the Settlement Class.

1.34 “Successor-in-Interest” shall mean a Person’s estate, legal representatives, heirs, successors or assigns.

1.35 “WaMu Savings Plan” or “Plan” shall mean the WaMu Savings Plan, as amended and restated, effective January 1, 2006, a defined contribution retirement plan intended to satisfy the requirements of Section 401 of the Tax Code.

2. JUDICIAL APPROVAL PROCESS

2.1 Motion for Preliminary Approval of Settlement and of Class Notice and Publication Notice. By June 18, 2010, Named Plaintiffs will prepare and file a motion (“Preliminary Motion”) with the District Court seeking an order substantially in the form annexed hereto as Exhibit C (“Preliminary Approval Order”), which order shall (a) preliminarily approve this Settlement Agreement, (b) direct the time and manner of the Class Notice to be served upon the Settlement Class; and (c) find that:

(i) the proposed form of Class Notice fairly and adequately (A) describes the terms and effect of this Settlement Agreement, (B) provides notice to the Settlement Class of the time and place of the Fairness Hearing, and (C) describes how the recipients of the Class Notice may object to approval of the settlement; and

(ii) the proposed manner of serving the Class Notice to the members of the Settlement Class is the best notice practicable under the circumstances.

The Preliminary Motion shall be drafted by Class Counsel. Class Counsel shall provide a draft of the Preliminary Motion to Defendants’ counsel at least four Business Days before filing for review and comment.

2.1.1 Class Certification. The Preliminary Motion will ask that the Settlement Class be conditionally certified in connection with the settlement.

2.1.2 Appropriateness of Class Certification. The Named Plaintiffs have asserted that the ERISA Litigation should be certified as a class action as defined in the Federal Rules of Civil Procedure. For settlement purposes only and to effectuate this Settlement

Agreement, the Defendants do not object to such certification on the terms set forth in this Settlement Agreement.

2.1.3 Motion for Class Certification. Class Counsel shall move in the District Court for class certification of the Settlement Class under Fed. R. Civ. P. 23(b)(1) as a non-opt-out class, with the Named Plaintiffs as the Settlement Class representatives, and Class Counsel as counsel for the Settlement Class.

2.1.4 Defendants' Reservation of Rights. If the District Court does not enter the District Court Final Order or the District Court Final Order does not become a Final Order, the Defendants specifically reserve their right to oppose class certification in the ERISA Litigation. The Parties agree that, if the District Court does not enter the District Court Final Order or the District Court Final Order does not become a Final Order, then no Settlement Class will be deemed to have been certified by or as a result of this Settlement Agreement, and the ERISA Litigation will for all purposes with respect to the Parties revert to its status as of April 1, 2010.

2.2 Issuance of Class Notice and Publication Notice. On the timetable and in the manner set by the District Court in its Preliminary Approval Order, JPMC shall cause the Class Notice and the Publication Notice to be transmitted and published, respectively, in the form and manner approved by the District Court in the Preliminary Approval Order.

2.3 Internet Notice. On the timetable and in the manner set by the District Court in its Preliminary Approval Order, Class Counsel shall cause the Internet Notice to be published on www.erisafraud.com, www.kellersettlements.com, www.hbsslaw.com and www.kccllc.com.

2.4 Bankruptcy Court Approval Order. Within seven Business Days of the District Court's issuance of the Preliminary Approval Order, the Plaintiffs and WMI shall file a motion with the Bankruptcy Court in the Chapter 11 Cases seeking entry of the Bankruptcy Court

Approval Order, in a form to be drafted by WMI and approved by all Parties and the Contributing Blended Policy Carriers, which approval shall not be unreasonably withheld, upon notice to all Insureds (as defined by the Blended Policies), JPMC, and the Federal Deposit Insurance Corporation, which Bankruptcy Court Approval Order shall (i) approve this Settlement Agreement as reasonable, (ii) disallow or otherwise expunge, with prejudice, the Bankruptcy Claims in their entirety, (iii) authorize the Contributing Blended Policy Carriers to pay the Class Settlement Amount from the Blended Policies and discharge the insurers that issued the Blended Policies from any liability to any Insureds (as defined by the Blended Policies) or other claimants for having paid the Class Settlement Amount, and (iv) find that this Settlement Agreement and the settlement embodied in it are either (a) not prohibited transactions under ERISA or (b) exempt from ERISA's prohibited transaction provisions pursuant to applicable law or rules. The motion will seek a hearing at the same time as or before the Fairness Hearing. WMI's counsel will provide a draft of the motion (including all exhibits to the motion and the Bankruptcy Court Approval Order) at least four Business Days before filing for review and approval by counsel for the other Parties and counsel for the Contributing Blended Policy Carriers, which approval shall not be unreasonably withheld.

2.5 The Fairness Hearing. On or after the date set by the District Court for the hearing (the "Fairness Hearing"), the District Court will determine whether to enter the order in substantially the form attached hereto as Exhibit D (the "District Court Final Order"), which shall (i) approve this Settlement Agreement, (ii) dismiss, with prejudice, each claim asserted in ERISA Litigation in the Second Amended Complaint or otherwise, (iii) permanently enjoin the members of the Settlement Class from bringing any Released Claim against any Releasee, either derivatively or on behalf of themselves, or through any Person purporting to act on their behalf

or purporting to assert a Released Claim in any forum, action or proceeding of any kind, and (iv) find that this Settlement Agreement and the settlement embodied in it are either (a) not prohibited transactions under ERISA or (b) exempt from ERISA's prohibited transaction provisions pursuant to applicable law or rules. At the Fairness Hearing, Class Counsel will urge the District Court to enter the District Court Final Order. At that time, Class Counsel will also request that the District Court enter orders approving the proposed Plan of Allocation, awarding attorneys' fees and expenses to Class Counsel, and awarding Service Awards to the Named Plaintiffs. The Parties agree to support entry of the District Court Final Order as contemplated by this Section 2.5. The Defendants will urge the District Court to enter the District Court Final Order, but will take no position concerning Class Counsel's request for attorneys' fees and expenses or Class Counsel's request for Service Awards to the Named Plaintiffs. The Parties agree that they will reasonably cooperate with one another in obtaining the District Court Final Order.

3. CONDITIONS TO FINALITY OF THE SETTLEMENT

3.1 Final and Unconditional Settlement. The settlement provided for in this Settlement Agreement shall be final and unconditional ("Unconditional") on the first Business Day when each of the following conditions have been satisfied or waived:

3.1.1 Preliminary Approval. The District Court shall have entered the Preliminary Approval Order;

3.1.2 Class Certification. The District Court shall have certified a Settlement Class as a non-opt-out class pursuant to Fed. R. Civ. P. 23(b)(1);

3.1.3 Issuance of Class Notice, Publication Notice and Internet Notice. JPMC shall have caused the Class Notice to be served and the Publication Notice to be published in

accordance with the Preliminary Approval Order, and Class Counsel shall have caused the Internet Notice to be published in accordance with the Preliminary Approval Order;

3.1.4 Bankruptcy Court Approval Order. The Bankruptcy Court shall have entered the Bankruptcy Court Approval Order and that order shall have become a Final Order;

3.1.5 District Court Final Order. The District Court shall have issued the District Court Final Order and that order shall have become a Final Order;

3.1.6 Dismissals of Claims. The ERISA Litigation, the Bankruptcy Claims, and all Released Claims shall have been dismissed with prejudice pursuant to the District Court Final Order and the Bankruptcy Court Approval Order; and

3.1.7 Funding of Settlement Fund. The Defendants (other than JPMC, which shall have no obligation to make or cause to be made any payment toward the Class Settlement Amount) shall have caused the Class Settlement Amount to be deposited at the time prescribed by, and otherwise as provided for, in Section 8.2.

4. RELEASES AND COVENANT NOT TO SUE

4.1 Releases of the Releasees. Effective when the District Court Final Order becomes a Final Order, each Named Plaintiff, for and on behalf of themselves and each member of the Settlement Class and any other Person that claims or might claim through or on behalf of or for the benefit of the foregoing (collectively, the "Plaintiff Releasers"), irrevocably, absolutely and unconditionally, fully, finally, and forever release, acquit and discharge the Releasees from Released Claims that Named Plaintiffs or the Settlement Class directly, indirectly, derivatively, or in any other capacity ever had, now have or hereafter may have, including, without limitation, the claims asserted in the ERISA Litigation and the Bankruptcy Claims or otherwise based upon, related to, arising out of or in connection with any of the claims asserted in the ERISA Litigation. Without limiting the foregoing, on and effective as of the Effective Date, each

Plaintiff Releasor shall be deemed to have irrevocably, absolutely and unconditionally waived any and all rights to (a) receive with regard to the Released Claims any consideration in excess of that portion of the Net Settlement Amount that shall be allocated and payable to or for the benefit of such Plaintiff Releasor in accordance with the terms and provisions of the Plan of Allocation, and (b) seek relief against the Releasees in the ERISA Litigation or with respect to the claims asserted or that could have been asserted in the ERISA Litigation beyond that provided in this Settlement Agreement.

4.2 Released Claims. Subject to Section 4.6, the “Released Claims” shall be any and all claims, demands, rights, liabilities, defenses or causes of action of any and every kind, character or nature whatsoever related to claims asserted in connection with Company Stock held in the WaMu Savings Plan (including claims for any and all losses, damages, unjust enrichment, attorneys’ fees, disgorgement of fees, litigation costs, injunction, declaration, contribution, indemnification or any other type or nature of legal or equitable relief), whether accrued or not, whether already acquired or acquired in the future, whether known or unknown, in law or equity, brought by way of demand, complaint, cross-claim, counterclaim, third-party claim, defense or otherwise, including those claims that were or could have been asserted in the ERISA Litigation or the Chapter 11 Cases or that would be barred by principles of *res judicata* had the claims asserted in the ERISA Litigation and the Chapter 11 Cases been fully litigated and resulted in a final judgment or order. The Parties stipulate and agree that, by the terms of the District Court Final Order, each member of the Settlement Class shall have and be deemed to have waived and relinquished, to the fullest extent permitted by law, any and all provisions, rights and benefits conferred by Cal. Civ. Code § 1542 or any federal, state, or foreign law, rule, regulation or

common law doctrine that is similar, equivalent, or identical to, or which has the effect of, § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his settlement with the debtor.

Notwithstanding the provisions of § 1542 and any similar provisions, rights and benefits conferred by any law, rule, regulation or common law doctrine of California or in any federal, state or foreign jurisdiction, the Parties understand and agree that the releases to be given pursuant to this Settlement Agreement shall include Released Claims that are not known or suspected to exist at the time such releases are given.

4.3 Defendants' Releases of Named Plaintiffs, the Settlement Class and Class Counsel. Effective when the District Court Final Order becomes a Final Order, the Defendants absolutely and unconditionally release and forever discharge the Named Plaintiffs, the Settlement Class, Class Counsel, and other counsel who represent members of the Settlement Class (collectively, the "Plaintiff Releasees") from any and all claims relating to the institution or prosecution of the ERISA Litigation or the Bankruptcy Claims, as well as any and all claims for contribution, indemnification, or any other claims relating to payment of the Class Settlement Amount (the "Plaintiffs' Released Claims").

4.4 Certain Defendants' Releases of the Contributing Blended Policy Carriers. Upon the Effective Date, the Defendants (except for JPMC) for and on behalf of themselves and any other Person that claims or might claim through or on behalf of or for the benefit of the foregoing absolutely and unconditionally release and forever discharge the Contributing Blended Policy Carriers from (1) claims of any nature whatsoever under the Blended Policies whether known or unknown, in law or equity, brought by way of demand, complaint, cross-claim, counterclaim,

third-party claim, or otherwise based upon, arising from, in consequence of, or relating to the ERISA Litigation; and (2) all claims, rights, demands, losses or causes of action, in law or in equity, of any nature whatsoever, whether known or unknown, suspected or unsuspected, fixed or contingent based upon, arising from, in consequence of, in any way connected with or related to, or concerning claims for, or assertions of, extracontractual liability, “bad faith” or unfair claims handling practices, breach of the covenant of good faith and fair dealing or any violations of any similar, comparable or equivalent provision or principle of either statutory or common law of any jurisdiction relating to the ERISA Litigation. The releases contained in this section shall not apply to National Union Fire Insurance Co. of Pittsburgh, Pa. or Arch Insurance Company.

4.5 Releases among Defendants. Effective on and as of the Effective Date, and except as otherwise provided in this Section 4.5 and elsewhere in this Settlement Agreement, each Defendant absolutely and unconditionally releases and forever discharges each Releasee from any and all claims that arise from or are related to the Released Claims, including, without limitation, (i) any and all claims for contribution or indemnification for such Released Claims, (ii) any claims that arise from or are related to payment of the Class Settlement Amount, or (iii) any proofs of claim filed in the Chapter 11 Cases that arise from or are related to the ERISA Litigation. Notwithstanding anything contained in this Section 4.5 or elsewhere in this Settlement Agreement, nothing in this Settlement Agreement shall (i) release or discharge, or have the effect of releasing or discharging, any of the claims and causes of action asserted in the litigations styled *JPMorgan Chase Bank, N.A. v. Washington Mutual, Inc., et al.*, Adv. Proc. No. 09-50551 (MFW) (Bankr. D. Del.); *Washington Mutual, Inc., et al. v. JPMorgan Chase Bank, N.A., et al.*, Adv. Proc. No. 09-50934 (MFW) (Bankr. D. Del.); or *Washington Mutual, Inc., et*

al. v. Federal Deposit Insurance Corp., et al., Case No. 09-cv-00533 (RMC) (D.D.C.), or (ii) release or discharge, or have the effect of releasing or discharging, any agreements or obligations set forth in Debtors' *Joint Plan of Affiliated Debtors Pursuant to Chapter 11 of the United States Bankruptcy Code*, as amended (the "Bankruptcy Plan"), including the settlement agreement dated May 21, 2010, by and among the Debtors, the Official Committee of Unsecured Creditors, JPMC, the FDIC, in both its corporate capacity and as receiver for WMB, and certain creditor groups, incorporated into the Bankruptcy Plan.

4.6 Claims Not Released. The Released Claims expressly do not include, and this Settlement Agreement does not in any way bar, limit, waive, or release (i) any right by members of the Settlement Class to recover any moneys resulting from a judgment in or settlement of the action captioned *In re Washington Mutual, Inc. Securities Litigation*, Lead Case No. 08-cv-0387, part of MDL No. 2:08-md-01919 (W.D. Wash.); and (ii) claims for vested benefits under ERISA that are separate and do not arise from or relate to the claims asserted in the ERISA Litigation.

5. COVENANTS

The Parties covenant and agree as follows:

5.1 Cooperation. The Parties shall reasonably cooperate with each other to effectuate this settlement and to implement the Class Notice program and the Plan of Allocation.

5.2 Covenants Not to Sue. Named Plaintiffs covenant and agree on their own behalf, and on behalf of the Settlement Class: (i) not to file against any Releasee any claim based on, related to or arising from any Released Claim; and (ii) that the foregoing covenants and agreements shall be a complete defense to any such claims against any of the respective Releasees. Defendants covenant and agree: (i) not to file against the Plaintiff Releasees any claim based on, related to, or arising from any of the Plaintiffs' Released Claims; and (ii) that the

foregoing covenants and agreement shall be a complete defenses to any such claims against any Plaintiff Releasee.

6. REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties. The Parties represent and warrant:

6.1.1 That they are voluntarily entering into this Settlement Agreement as a result of arm's-length negotiations among their counsel, that in executing this Settlement Agreement they are relying solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own independently selected counsel, concerning the nature, extent and duration of their rights and claims and regarding all matters which relate in any way to this Settlement Agreement, and that, except as provided herein, they have not been influenced to any extent whatsoever in executing this Settlement Agreement by any representations, statements or omissions-by any Party or by any Person representing any Party;

6.1.2 That they assume the risk of mistake as to facts or law;

6.1.3 That they have carefully read this Settlement Agreement, and this Settlement Agreement is signed freely by each individual executing it on behalf of each of the Parties; and

6.1.4 That they have made whatever investigation of the facts pertaining to the settlement and this Settlement Agreement as they deem necessary.

6.2 Named Plaintiffs' Representations and Warranties.

6.2.1 The Named Plaintiffs, jointly and severally, represent and warrant that they have not filed a proof of claim against WMI or WMI Investment in connection with the issues asserted or that could have been asserted in the ERISA Litigation other than the Bankruptcy Claims.

6.2.2 The Named Plaintiffs represent and warrant that none of the claims that were asserted or could have been asserted in the ERISA Litigation or Bankruptcy Claims have been assigned, encumbered or in any manner transferred in whole or in part.

6.2.3 The Named Plaintiffs represent and warrant that they were participants in the Plan during the Class Period and are members of the Settlement Class.

7. NO ADMISSION OF LIABILITY

7.1 The Parties understand and agree that this Settlement Agreement embodies a compromise of disputed claims, and nothing in this Settlement Agreement, including the furnishing of consideration for this Settlement Agreement, shall be deemed to constitute any finding of wrongdoing by any of the Defendants, or give rise to any inference of wrongdoing or admission of wrongdoing or liability in this or any other proceeding. This Settlement Agreement and the consideration provided in connection with it are made in compromise of disputed claims and are not admissions of liability of any kind, whether legal or factual. The Defendants specifically deny any liability or wrongdoing. Neither the fact nor the terms of this Settlement Agreement shall be offered or received in evidence in any action or proceeding for any purpose, except in an action or proceeding to enforce this Settlement Agreement or arising out of or relating to the District Court Final Order.

8. INTERIM COSTS OF NOTICE; THE SETTLEMENT FUND; DELIVERIES INTO THE SETTLEMENT FUND

8.1 Costs of Notice. The reasonable costs of Class Notice and Publication Notice shall be borne by JPMC.

8.2 Settlement Fund. Within thirty days after the later of (i) entry of the District Court Preliminary Approval Order or (ii) the Bankruptcy Court Approval Order, the Defendants other than JPMC (which shall have no obligation to make or cause to be made any payment

toward the Class Settlement Amount) shall cause the Contributing Blended Policy Carriers to pay the Class Settlement Amount into an interest-bearing escrow account maintained by the Independent Escrow Agent (the “Settlement Fund”); provided, however, that no disbursements shall be made from the Settlement Fund (including any payments of Class Counsel’s fees and expenses, Service Awards to Named Plaintiffs, or otherwise) until this Settlement Agreement becomes Unconditional. The escrow account shall be governed by an escrow agreement in a form to be approved by the Contributing Blended Policy Carriers, which approval shall not be unreasonably withheld. The Settlement Fund shall be invested only in United States Treasury Bills or other comparable risk-free investments. The resulting Settlement Fund shall be considered a common fund created as a result of the ERISA Litigation, the interest on which will be added to the Class Settlement Amount. Under no circumstances will the Blended Policy Carriers be required to pay, as part of the settlement of the ERISA Litigation any amount greater than the Class Settlement Amount. Upon payment of the Settlement Amount by the Contributing Blended Policy Carriers, neither the Blended Policy Carriers nor the Defendants shall have any obligation to make any further payments to or on behalf of the Settlement Fund. It is understood and agreed that JPMC shall have no obligation to make or cause to be made any payment toward the Class Settlement Amount and that any such obligation rests upon the other Defendants and the Contributing Blended Policy Carriers.

8.3 Taxes and Expenses of the Settlement Fund. The Settlement Fund shall bear interest for the benefit of the Settlement Class. The Independent Escrow Agent shall structure and manage the Settlement Fund to qualify as a Qualified Settlement Fund under Section 468B of the Internal Revenue Code and Treasury regulations promulgated thereunder. The Settlement Fund will pay any federal, state or local taxes that may apply to the income of the Settlement

Fund. Class Counsel shall arrange for the preparation and filing of all tax reports and tax returns including any information returns and payee statements required to be filed or furnished by the Settlement Fund and for the payment from the Settlement Fund of any taxes owed. All taxes on the income of the Settlement Fund, all taxes with respect to distributions from the Settlement Fund, and all tax-related expenses incurred in connection with the taxation of and distributions from the Settlement Fund shall be paid out of the Settlement Fund, and the reasonable fee of an Escrow Agent shall be considered a cost of administration of the settlement, and shall be timely paid without further order of the Court. The Parties acknowledge and agree that, except as provided in Section 10.2.4, the Defendants and the Contributing Blended Policy Carriers shall have no liability for any expenses the Settlement Fund may incur or for any taxes that may be payable by the Settlement Fund or for any distribution therefrom.

9. EFFECTIVE DATE OF SETTLEMENT; DISTRIBUTION OF THE SETTLEMENT FUND

9.1 This Settlement Agreement shall be effective on and as of the first Business Day when each and every condition in Section 3 has been fully satisfied or waived (the “Effective Date”). Any disputes as to whether the Effective Date has occurred shall be resolved by the District Court upon the request of any of the Parties.

9.2 Attorneys’ Fees and Expenses. Pursuant to the common fund doctrine, Class Counsel may apply to the Court for an award of attorneys’ fees and for reimbursement of expenses, to be paid solely from the Settlement Fund.

9.2.1 No later than thirty Business Days prior to the Fairness Hearing, Class Counsel shall submit an application to the District Court for an award of attorneys’ fees for legal services rendered, plus reimbursement of their expenses incurred in connection with the ERISA Litigation or implementation of this Settlement Agreement. Class Counsel may request that the

District Court award interest on such an award to accrue at a rate no higher than the rate at which interest accrues on the Settlement Fund. Following the Effective Date, Class Counsel may receive a disbursement from the Settlement Fund in the amounts awarded by the District Court for attorneys' fees and expenses.

9.2.2 Defendants will take no position with respect to any application for attorneys' fees and costs to be paid out of the Settlement Fund, provided that Class Counsel does not seek to recover more than 25% of the Class Settlement Amount for attorneys' fees.

9.2.3 The effectiveness of this settlement is not contingent upon the District Court awarding Class Counsel's attorneys' fees or expenses, and the settlement shall become Unconditional when all of the conditions in Section 3 are satisfied or waived, regardless of the amount of any attorneys' fees or expenses approved by the District Court. Apart from their responsibility, if any, for causing the Class Settlement Amount to be paid to the Settlement Fund, in no event shall any Releasee be responsible in any way for the payment of any of Class Counsel's attorneys' fees or expenses, regardless of the amount of any attorneys' fees or expenses approved by the District Court, and regardless of any termination of this Settlement Agreement.

9.3 Service Awards for Named Plaintiffs

9.3.1 No later than thirty Business Days before the Fairness Hearing, Class Counsel shall apply to the Court for Service Awards to the Named Plaintiffs in amounts not to exceed \$5,000 for each Named Plaintiff.

9.3.2 The Defendants will take no position with respect to any application for Service Awards to be paid out of the Settlement Fund.

9.3.3 The effectiveness of this Settlement Agreement is not contingent upon the Court awarding Service Awards to the Named Plaintiffs, and the settlement shall become Unconditional when all of the conditions in Section 3 are satisfied or waived, regardless of whether any Service Awards are approved by the District Court. Apart from their responsibility, if any, for causing the Class Settlement Amount to be paid to the Settlement Fund, in no event shall any Releasee be responsible in any way for the payment of any Service Award, regardless of the amount of any such awards approved by the District Court, and regardless of any termination of this Settlement Agreement.

9.4 Plan of Allocation. Concurrently with the filing of the Preliminary Motion, Class Counsel, with the consent of JPMC, will propose the Plan of Allocation to the District Court, which the District Court may approve in its discretion, after consideration at the Fairness Hearing.

9.4.1 The reasonable costs of implementing the Plan of Allocation shall be borne by JPMC without further order of the District Court.

9.4.2 The Plan of Allocation is a matter separate from this Settlement Agreement and the settlement embodied in it, and no decision by the District Court concerning the Plan of Allocation shall affect the validity of this Settlement Agreement or finality of the settlement.

10. TERMINATION OF THE SETTLEMENT AGREEMENT

10.1 Termination. This Settlement Agreement may automatically terminate or be terminated by the Parties, and thereupon become null and void, in the following circumstances:

10.1.1 If the Bankruptcy Court declines to enter the Bankruptcy Court Approval Order, then this Settlement Agreement shall automatically terminate and become void;

10.1.2 If the District Court declines to enter the District Court Final Order, then this Settlement Agreement shall automatically terminate and become void;

10.1.3 If any Party determines that the District Court Final Order does not satisfy the terms and conditions of this Settlement Agreement so as to materially and adversely affects that Party's rights hereunder, that Party may, within ten Business Days after the District Court's entry of the District Court Final Order, give the other Parties written notice of its objections. If, within fifteen Business Days after the giving of such written notice, the Parties have not agreed in writing to proceed with all or part of the Settlement Agreement pursuant to the District Court Final Order as entered by the District Court, any Party may submit to the District Court the issue as to whether the District Court Final Order satisfies the material terms and conditions of this Settlement Agreement so as not to adversely affects the objecting Party's rights. The District Court's decision on the issue shall be binding and non-appealable. If the District Court concludes that the District Court Final Order does not satisfy the material terms and conditions of this Settlement Agreement then the objecting Party may terminate this Settlement Agreement by giving further written notice to all Parties. The HRC Defendants and the PAC/PIC Defendants shall not enter into any agreement under this provision (Section 10.1.3) or Section 10.1.4 without the written consent of the Blended Policy Carriers;

10.1.4 If the District Court Final Order entered by the District Court is reversed or modified on appeal in a manner that materially and adversely affects a Party's rights, and if within thirty-one days after that reversal or modification becomes a Final Order the Parties have not agreed in writing to proceed with all or part of the Settlement Agreement in light of that ruling, then this Settlement Agreement shall automatically terminate and become void; or

10.1.5 If the Settlement Agreement does not become Unconditional, and the Parties have not agreed in writing to proceed with all or part of the Settlement Agreement, then this Settlement Agreement shall automatically terminate and become void.

10.2 Consequences of Termination of the Settlement Agreement. If the Settlement Agreement is terminated and rendered void for any reason specified in Section 10.1, the following shall occur:

10.2.1 The ERISA Litigation shall for all purposes revert to its status as of April 1, 2010; except that the Parties (other than WMI, Killinger, Amato, Meola and JPMC) shall jointly submit a revised scheduling order for the District Court's consideration within thirty days after the date of the termination of the Settlement that, among other things, provides additional time for class certification discovery and briefing;

10.2.2 The Bankruptcy Claims shall for all purposes revert to their status as of April 1, 2010;

10.2.3 All releases given under or pursuant to Section 4 of this Settlement Agreement shall be void; none of the terms of the Settlement Agreement shall be effective or enforceable, except Sections 1, 2.1.2, 2.1.4, 7.1, 8.1, 8.3, 10, and 11; neither the fact nor the terms of this Settlement Agreement shall be offered or received in evidence in the ERISA Litigation, the Chapter 11 Cases, or in any other action or proceeding for any purpose, except in an action or proceeding arising under this Settlement Agreement or arising out of or relating to the District Court Final Order;

10.2.4 Class Counsel shall within thirty days after the date of termination of the Settlement cause the return to the Contributing Blended Policy Carriers of the amount contributed by them to the Settlement Fund (if such fund has been established), with all net

income earned thereon, reduced by any taxes paid (if any) pursuant to Section 8.3 as follows: (a) to the extent the Settlement Fund equals or exceeds the respective contributions of the Contributing Blended Policy Carriers, then to the Contributing Blended Policy Carriers in proportion to their contributions; (b) to the extent that the Settlement Fund is less than the total contributions by the Contributing Blended Policy Carriers, then to the highest excess carrier in the amount of its contribution first; and to the next highest excess carrier in the amount of its contribution; and then the remainder to the next carrier.

11. MISCELLANEOUS PROVISIONS

11.1 Governing Law. This Settlement Agreement shall be governed by the laws of the State of Washington without giving effect to the conflict of laws or choice of law provisions thereof, except to the extent that the law of the United States governs any matter set forth herein.

11.2 Dispute Resolution. Any dispute or controversy with respect to the rights or obligations of any Party under this Settlement Agreement, or with respect to the terms and conditions of this Settlement Agreement, shall be submitted to the District Court for a final, binding and non-appealable determination. The District Court shall retain jurisdiction over the ERISA Litigation and the Parties for purposes of enforcement of the settlement.

11.3 Severability. The provisions of this Settlement Agreement are not severable.

11.4 Amendment. The Settlement Agreement may be modified, amended or supplemented only by written agreement signed by or on behalf of all Parties. The HRC Defendants and the PIC/PAC Defendants shall not agree to any modification, amendment or supplement without the written consent of the Blended Policy Carriers. If such modification, amendment or supplement is material, it may be effectuated only by written agreement signed on behalf of all Parties and (i) only with the approval of the Bankruptcy Court if executed after

entry of the Bankruptcy Court Approval Order, and (ii) only with the approval of the District Court if executed after the entry of the District Court Final Order.

11.5 Waiver. The provisions of this Settlement Agreement may be waived only by an instrument in writing executed by the waiving party, subject to the written consent of the Blended Policy Carriers if the waiver is being provided by any of the HRC Defendants or PIC/PAC Defendants. The waiver by any Party of any breach of this Settlement Agreement shall not be deemed to be or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.

11.6 Construction. None of the Parties shall be considered to be the drafter of this Settlement Agreement for the purpose of any statute, case law or rule of construction that would or might cause any provision to be construed against the drafter.

11.7 Further Assurances. Each of the Parties agrees, without further consideration, and as part of finalizing the settlement, that they will in good faith execute and deliver such other documents and take such other actions as may be reasonably necessary to effectuate this Settlement Agreement.

11.8 Survival. All representations, warranties and covenants set forth in this Settlement Agreement shall be deemed continuing and shall survive the Effective Date and termination or expiration of this Settlement Agreement.

11.9 Notices. Any notice, demand or other communication under this Settlement Agreement (other than the Class Notice, Publication Notice or other notices given at the direction of the District Court) shall be in writing and shall be deemed duly given upon receipt if it is addressed to each of the intended recipients as set forth below and personally delivered, sent

by registered or certified mail (postage prepaid), sent by email, or delivered by reputable express overnight courier:

IF TO NAMED PLAINTIFFS:

Andrew M. Volk
HAGENS BERMAN SOBOL SHAPIRO LLP
1918 Eighth Avenue, Suite 3300
Seattle, WA 98101
Telephone: (206) 623-7292
Email: andrew@hbsslaw.com

Derek W. Loeser
KELLER ROHRBACK L.L.P.
1201 Third Avenue, Suite 3200
Seattle, WA 98101
Telephone: (206) 623-1900
Email: dloeser@KellerRohrback.com

IF TO DEFENDANTS:

If to WMI:

WASHINGTON MUTUAL, INC.
925 Fourth Avenue, Suite 2500
Seattle, WA 98104
Telephone: (206) 432-8731
Telecopy: (206) 432-8879
Attention: Charles E. Smith, General Counsel

with a copy to:

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, NY 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Email: brian.rosen@weil.com
Attention: Brian S. Rosen

If to Defendants Todd Baker, Melissa J. Ballenger, Ron Cathcart, David Beck, Deborah Bedwell, John Berens, Curt Brouwer, Thomas C. Casey, Daryl D. David, Michele Grau-Iversen, Pia Jorgensen, Suzanne Krahling, Bill Longbrake, Michelle McCarthy, Tony Meola, Robert Williams, and John F. Woods:

SIMPSON THACHER & BARTLETT LLP
1999 Avenue of the Stars, 29th Floor
Los Angeles, CA 90067
Telephone: (310) 407-7500
Facsimile: (310) 407-7502
Email: dstein@stblaw.com
Attention: Deborah L. Stein

And

DAVIS WRIGHT TREMAINE LLP
1201 Third Avenue, Suite 2200
Seattle, WA 98101-3045
Telephone: (206) 757-8108
Facsimile: (206) 757-7136
Email: steverummage@dwt.com
 stevenaplow@dwt.com
Attention: Stephen M. Rummage
 Steven P. Caplow

If to Defendants Stephen I. Chazen, Stephen E. Frank, Charles
M. Lillis, Phillip D. Matthews, Margaret Osmer McQuade,
James H. Stever, and Willis B. Wood, Jr.:

PERKINS COIE LLP
1201 Third Avenue, Suite 4800
Seattle, WA 98101-3099
Telephone: (206) 359-8477
Facsimile: (206) 359-9477
Email: rberenstein@perkinscoie.com
 wrava@perkinscoie.com
Attention: Ronald L. Berenstein
 William C. Rava

If to Defendant Kerry K. Killinger:

WILSON SONSINI GOODRICH & ROSATI PC
701 Fifth Avenue, Suite 5100
Seattle, WA 98104-7036
Telephone: (206) 883-2500
Facsimile: (206) 883-3699
Email: bkaplan@wsgr.com
dgreene@wsgr.com
Attention: Barry M. Kaplan
Douglas C. Greene

If to Defendant JPMC:

JPMORGAN CHASE BANK, N.A.
560 Mission Street
Mail Stop CA1-0301
San Francisco, CA 94105
Telephone: (415) 315-3999
Facsimile: (206) 926-6537
Email: jason.klein@jpmchase.com
Attention: Jason C. Klein

with a copy to

SIDLEY AUSTIN LLP
One South Dearborn Street
Chicago, IL 60603
Telephone: (312) 853-7000
Facsimile: (312) 853-7036
Email: area@sidley.com
emattson@sidley.com
Attention: Anne E. Rea
Eric S. Mattson

If to the Blended Policy Carriers:

For Underwriters:
SEDGWICK, DETERT, MORAN & ARNOLD
One Market Plaza Steuart Tower
8th Floor
San Francisco, CA 94105
Telephone: (415) 781 7900
Facsimile: (415) 781-2635
Email: Eugene.elsbree@sdma.com
Attention: Eugene Elsbree III

For Steadfast Insurance Company:

ZURICH AMERICAN INSURANCE CO.
D&O-Diversified Financial Institutions
P.O. Box 307010
Jamaica, NY 11430
Telephone: (212) 553-5513
Facsimile: (866) 255-2962
Email: michelle.klein-ny@zurichna.com
Attention: Michelle Klein

With a copy to:

BAILEY CAVALIERI LLC
One Columbus
10 West Broad Street, Suite 2100
Columbus, OH 43215-3422
Telephone: (614) 221-3155
Email: Thomas.Geyer@baileycavalieri.com
Attention: Thomas Geyer, Esq.

For Federal Insurance Company:

CHUBB & SON, A DIVISION OF FEDERAL
INSURANCE COMPANY
555 S. Flower Street, Fourth Floor
Los Angeles, CA 90071
Telephone: (213) 833-5209
Facsimile: (213) 612-5731
Email: allisonrose@chubb.com
Attention: Allison Rose

With a copy by mail only to:

Federal Insurance Company
15 Mountain View Road
Warren, NJ 07059
Attention: Claims Department

and to:

HOGAN LOVELLS US LLP
555 Thirteenth Street, N.W.
Washington, DC 20004
Telephone: (202) 637-5630
Facsimile: (202) 637-5910
Email: david.hensler@hoganlovells.com
Attention: David J. Hensler

For National Union Fire Insurance Co. of Pittsburgh, Pa

CHARTIS
175 Water Street, 4th Floor
New York, NY 10038
Jessica.Lermond@chartisinsurance.com
Attention: Jessica Lermond

For Arch Insurance Company

ARCH INSURANCE GROUP
One Liberty Plaza, 53rd Floor
New York, NY 10006
Telephone: (201) 743-3878
Email: ccinardo@archinsurance.com
Attention: Claudia Cinardo

With a copy to:

TUCKER ELLIS & WEST
135 Main Street, Suite 700
San Francisco, CA 94105
Telephone: (415) 617-2224
Email: kim.west@tuckerellis.com
Attention: Kim W. West, Esq.

11.10 Change of Address: Any Party may change the address at which it is to receive notice by written notice delivered to the other Parties in the manner described above.

11.11 Entire Agreement. This Settlement Agreement together with the escrow agreement to which reference is made in paragraph 8.2 contains the entire agreement among the Parties relating to this settlement. They specifically supersede any terms or agreements that were previously agreed upon orally or in writing by any of the Parties including, without limitation, the memorandum of understanding executed on April 20, 2010 by certain of the Parties.

11.12 Counterparts. This Settlement Agreement may be executed by exchange of faxed or emailed executed signature pages, and any signature transmitted by facsimile or email for the purpose of executing this Settlement Agreement shall be deemed an original signature for purposes of this Settlement Agreement. This Settlement Agreement may be executed in

counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute the same instrument.

11.13 Binding Effect. This Settlement Agreement binds and inures to the benefit of the Parties, their assigns, heirs, administrators, executors and successors.

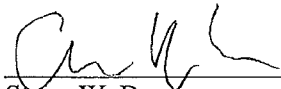
IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement on the dates set forth below.

DATED: June 18, 2010

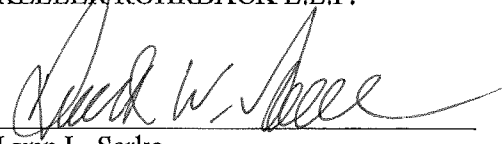
DATED: June 18, 2010

HAGENS BERMAN SOBOL SHAPIRO LLP

KELLER ROHRBACK L.L.P.



Steve W. Berman
Andrew M. Volk
1918 Eighth Ave., Suite 3300
Seattle, WA 98101

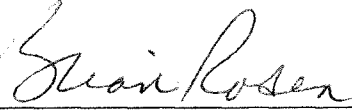


Lynn L. Sarko
Derek W. Loeser
1201 Third Avenue, Suite 3200
Seattle, WA 98101

Co-Lead Counsel for Plaintiffs

DATED: June 18, 2010

WASHINGTON MUTUAL, INC.

By: 

Charles E. Smith, General Counsel
WASHINGTON MUTUAL, INC.
925 Fourth Avenue, Suite 2500
Seattle, WA 98104
Telephone: (206) 432-8731
Telecopy: (206) 432-8879

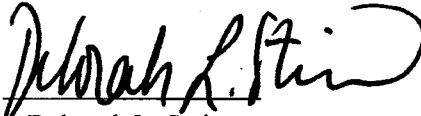
And

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767 Fifth Avenue
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brian.rosen@weil.com

Attorneys for WMI as Debtor and Debtor in Possession

DATED: June 18, 2010

THE PLAN INVESTMENT COMMITTEE/PLAN
ADMINISTRATIVE COMMITTEE
DEFENDANTS

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Attention: Barry R. Ostrager

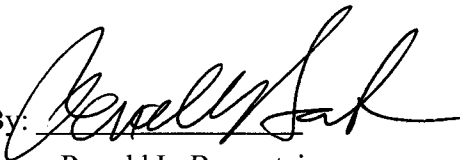
And

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DATED: June 18, 2010

THE HUMAN RESOURCES COMMITTEE
DEFENDANTS

By: 

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Margaret Osmer McQuade, James H. Stever, and
Willis B. Wood, Jr.*

DATED: June 18, 2010

KERRY K. KILLINGER

By: _____

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dgreene@wsgr.com

Attorneys for Kerry K. Killinger

DATED: June 18, 2010

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DEFENDANTS

By: _____

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*Attorneys for Defendants Stephen I. Chazen, Stephen
E. Frank, Charles M. Lillis, Phillip D. Matthews,
Margaret Osmer McQuade, James H. Stever, and
Willis B. Wood, Jr.*

DATED: June 18, 2010

KERRY K. KILLINGER


By: Barry M. Kaplan (D. W. S.)

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Dated: June 18, 2010

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EXHIBIT A
to

Settlement Agreement

(Class Notice)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

IN RE WASHINGTON MUTUAL, INC. SECURITIES,
DERIVATIVE AND ERISA LITIGATION

No. 2:08-md-01919-MJP

This Document Relates to:
ERISA Action

Lead Case No. C07-1874 MJP

**NOTICE OF PROPOSED SETTLEMENT OF ERISA CLASS ACTION LITIGATION, SETTLEMENT FAIRNESS HEARING,
AND MOTION FOR ATTORNEYS' FEES, REIMBURSEMENT OF EXPENSES
AND PROPOSED NAMED PLAINTIFFS' SERVICE AWARDS**

Your legal rights might be affected if you:

Were a participant in or beneficiary of the WaMu Savings Plan ("Plan") at any time between October 19, 2005 and September 26, 2008, both dates inclusive, and your individual Plan account included investment in Washington Mutual, Inc. ("Washington Mutual") common stock during that period (collectively, all such participants and beneficiaries are referred to in this Notice as the "Settlement Class").

**PLEASE READ THIS NOTICE CAREFULLY. A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A
SOLICITATION. YOU HAVE NOT BEEN SUED.**

This notice advises you of a proposed settlement of a class action lawsuit brought by Gregory Bushansky, Dana Marra, and Marina Ware (collectively, "Named Plaintiffs") on behalf of themselves, the Plan (referred to above), and as representatives of the Settlement Class. Named Plaintiffs and the Defendants are referred to as the "Parties." The lawsuit is referred to as the "ERISA Action." Other capitalized terms used in this notice and not defined in it have the meanings assigned to them in the Settlement Agreement.

The United States District Court for the Western District of Washington ("District Court") has preliminarily approved the settlement and has scheduled a hearing to evaluate the fairness and adequacy of the settlement. At the hearing, the Court will consider Named Plaintiffs' requests for final approval of the settlement, for class certification, for approval of a proposed plan of allocation, for an award of attorneys' fees and costs, and for service awards to Named Plaintiffs. The hearing has been scheduled for _____, 2010, at ____m. in Courtroom _____, of the United States District Court for the Western District of Washington, 700 Stewart Street, Seattle, Washington 98101-9906.

The terms of the settlement are contained in the Class Action Settlement Agreement ("Settlement Agreement"), a copy of which is available at www.erisafraud.com, www.KellerSettlements.com, and www.hbsslaw.com, or by contacting Plaintiffs' Class Counsel: Derek W. Loeser, Keller Rohrback L.L.P., 1201 Third Avenue, Suite 3200, Seattle, WA 98101, or Andrew M. Volk, Hagens Berman Sobol Shapiro LLP, 1918 Eighth Avenue, Suite 3300, Seattle, Washington 98101. You can also call a toll-free phone number, (____) ____-____, if you have questions or comments. Plaintiffs' Class Counsel may also be contacted via email at _____. Please do not contact the District Court or counsel for Defendants. They will not be able to answer your questions.

PLEASE READ THIS NOTICE CAREFULLY AND COMPLETELY. IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, THE SETTLEMENT WILL AFFECT YOUR RIGHTS. YOU ARE NOT BEING SUED. YOU DO NOT HAVE TO APPEAR IN COURT, AND YOU DO NOT HAVE TO HIRE AN ATTORNEY IN THIS CASE. IF YOU ARE IN FAVOR OF THE SETTLEMENT, YOU NEED NOT DO ANYTHING. IF YOU DISAPPROVE, YOU MAY OBJECT TO THE SETTLEMENT PURSUANT TO THE PROCEDURES DESCRIBED BELOW.

ACTIONS YOU MAY TAKE IN THE SETTLEMENT

<p>NO ACTION IS NECESSARY TO RECEIVE PAYMENT.</p>	<p>If the settlement is approved and you are a member of the Settlement Class, you do not need to do anything in order to receive a payment. Any money to be allocated to your account will be calculated as part of the implementation of the settlement.</p> <p>If you are a current participant in the JPMorgan Chase 401(k) Savings Plan (“Chase Plan”), any money to which you are entitled will be deposited into your Chase Plan account. If you are not a participant in the Chase Plan, the funds will be made available to you as a qualified distribution.</p> <p><i>If you did not receive this Notice by mail and you believe you should have, please contact Plaintiffs’ Class Counsel to ensure that your current address is entered into the database that will be used to distribute money from the settlement.</i></p>
<p>YOU CAN OBJECT (NO LATER THAN _____, 2010).</p>	<p>If you wish to object to any part of the settlement, you can write to the District Court and the lawyers identified below and explain why you do not like the settlement.</p>
<p>YOU CAN GO TO THE HEARING ON _____, 2010</p>	<p>If you have submitted a written objection to the District Court and the lawyers identified below, you can ask to speak in Court about the fairness of the settlement.</p>

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This lawsuit asserts that certain Defendants breached fiduciary duties they owed to participants in the WaMu Savings Plan. A copy of some of the relevant documents filed with the District Court are available at www.erisafraud.com, www.Kellersettlements.com, and www.hbsslaw.com.

SUMMARY OF SETTLEMENT

A Settlement Fund has been established consisting of \$49 million in cash paid by insurers of certain Defendants. The Net Settlement Amount, which will consist of the Settlement Fund minus certain amounts described in the Settlement Agreement, including District Court-approved attorneys' fees and expenses and service awards, will be allocated among the Settlement Class in accordance with the Plan of Allocation to be approved by the District Court. (See Section 8 below for details about the Plan of Allocation).

The Settlement Class consists of all persons who were participants in or beneficiaries of the Plan at any time between October 19, 2005 and September 26, 2008, both dates inclusive, and whose individual Plan accounts included investment in Washington Mutual common stock; provided, however, that Defendants and their heirs, Successors-in-Interest, or assigns, to the extent they acquire an interest held by Defendants, are excluded from the Settlement Class.

As with any lawsuit, the Parties would face an uncertain outcome if the ERISA Action were not settled. Continued litigation of the ERISA Action could result in a verdict greater or less than the recovery under the Settlement Agreement, or in no recovery at all. This litigation has been hotly contested from the outset. Named Plaintiffs and Defendants have disagreed about whether Defendants did anything wrong, and they do not agree on the amount that would be recoverable even if Plaintiffs were to win at trial. Defendants, among other things: (1) have denied, and continue to deny, the material allegations of the lawsuit; (2) have denied, and continue to deny, any wrongdoing or liability whatsoever; (3) believe that they acted at all times reasonably, prudently and lawfully with respect to the Plan, its participants and beneficiaries, and the Settlement Class; (4) would assert certain other defenses if the settlement is not consummated; and (5) are entering into the settlement solely to avoid the cost, disruption, and uncertainty of litigation.

Plaintiffs' Class Counsel will ask the District Court for an order awarding them fees not in excess of 25% of the amount recovered in the settlement, plus reimbursement of expenses. Named Plaintiffs will share in the allocation of the money paid to the Plan on the same basis and to the same extent as all other members of the Class, except that, in addition, Named Plaintiffs will apply to the District Court for a service award of up to \$5,000 each. Any service award granted to Named Plaintiffs by the District Court will be payable from the proceeds of the settlement.

BASIC INFORMATION

1. Why did I get this notice?

Either you or someone in your family may have been a participant in or beneficiary of the Plan and may have invested a portion of your Plan account in Washington Mutual common stock during the Class Period (between October 19, 2005 and September 26, 2008, both dates inclusive). The Court has directed that this notice be sent to you because, as a potential member of the Settlement Class, you have a right to know about the proposed settlement before the District Court decides whether to approve it. If the District Court and Bankruptcy Court overseeing Washington Mutual's bankruptcy approve the settlement, the net amount of the Settlement Fund will be allocated among the Settlement Class according to a Plan of Allocation, and the Defendants and related people and companies will be released from all Released Claims, as set forth in the Settlement Agreement.

This notice explains the ERISA Action, the settlement, your legal rights, what benefits are available, who is eligible for them, and how you may receive your portion of the benefits. The purpose of the notice is to inform you of a hearing ("Fairness Hearing") to be held by the District Court to consider the fairness, reasonableness and adequacy of the proposed settlement and to consider the application of Plaintiffs' Class Counsel for attorneys' fees and reimbursement of litigation expenses as well as an application for service awards to Named Plaintiffs.

The Fairness Hearing will be held at : .m. on , 2010 before the Hon. Marsha J. Pechman in the United States District Court for the Western District of Washington, 700 Stewart Street, Seattle, WA 98101-9906, to determine:

- (a) Whether the settlement should be approved as fair, reasonable, and adequate;
- (b) Whether the lawsuit should be dismissed with prejudice pursuant to the terms of the settlement;
- (c) Whether this Notice and the way it was disseminated constituted proper notice and met all applicable legal requirements;
- (d) Whether the Settlement Class should be certified for the purposes of settlement only and whether Plaintiffs' Class Counsel should be appointed as Class Counsel;
- (e) Whether the application for attorneys' fees and expenses filed by Plaintiffs' Class Counsel should be approved; and
- (f) Whether the application for service awards for Named Plaintiffs should be approved.

If the District Court and Bankruptcy Court approve the settlement, payment to the Settlement Class will be made after all related appeals, if any, are favorably resolved. It is hard to tell whether such appeals will be favorably resolved, and resolving them can take time, perhaps more than a year. Please be patient.

2. What is the lawsuit about? What has happened so far?

Named Plaintiffs allege that Defendants (other than JPMorgan Chase Bank, N.A. ("Chase")) were fiduciaries of the Plan and violated fiduciary duties under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") by allowing the Plan to invest in Washington Mutual common stock when it was allegedly an unsuitable and imprudent investment for the Plan. Named Plaintiffs further allege that Defendants (other than Chase) violated ERISA by failing to adequately monitor appointees, by failing to provide information pertinent to the Plan's investment in Washington Mutual common stock to other fiduciaries, by failing to provide Plan participants with complete and accurate information about Washington Mutual common stock, by failing to monitor the performance of other fiduciaries or otherwise prevent or remedy breaches of duty by other fiduciaries, and by knowingly participating in the breaches. Plaintiffs sought to recover from Defendants (other than Chase) losses to the Plan allegedly caused by those Defendants' alleged misconduct. Plaintiffs sought to recover from Chase on the theory that it was the successor to Washington Mutual, Inc.

Defendants deny that they have any liability to the Plan or its participants or beneficiaries. If the litigation were to continue, Defendants would raise numerous defenses to liability, including the following:

- They were not fiduciaries of the Plan, or, if they were fiduciaries, their fiduciary duties did not extend to the matters at issue in the ERISA Action;
- To the extent they were fiduciaries as to the matters at issue in the ERISA Action, they complied with all fiduciary duties;
- Even if they failed to comply with one or more of their ERISA fiduciary duties, any breach of fiduciary duty did not cause the losses alleged by Named Plaintiffs; and
- The relief sought by Named Plaintiffs is not permitted under ERISA.

Plaintiffs' Class Counsel have conducted an extensive investigation of Washington Mutual and of the alleged losses suffered by the Plan as a result of the breaches of fiduciary duty alleged in the ERISA Action. Through that investigation and through discovery of additional information in the ERISA Action, Plaintiffs' Class Counsel have obtained over 8 million pages of documents, including documents and materials governing the Plan, communications with Plan participants, internal Washington Mutual documents regarding the Plan, Washington Mutual's Securities and Exchange Commission filings, press releases, public statements, news articles and other publications. Class Counsel have reviewed and analyzed these materials and confirmed that the settlement is fair, reasonable and adequate and in the best interest of the Settlement Class.

The District Court granted in part and denied in part Defendants' motions to dismiss. The order allowed Plaintiffs to proceed with the lawsuit against the Plan Investment Committee ("PIC") Defendants, the Plan Administration Committee ("PAC") Defendants, and the Human Resources Committee ("HR") Defendants named in the Complaint. The District Court dismissed from the case Kerry K. Killinger and Chase.

This settlement is the product of intense, arm's-length negotiations between Plaintiffs' Class Counsel and Defendants' Counsel, during which the terms of the settlement were extensively debated and negotiated.

3. Why is this case a class action?

In a class action, one or more plaintiffs, called "named plaintiffs," sue on behalf of people who have similar claims. All of the individuals on whose behalf Named Plaintiffs are suing are members of a "class" of certain participants and former participants in the Plan.

4. Why is there a settlement?

In reaching a settlement, the Parties have avoided the cost, time and risk associated with a trial. As with any litigation, Named Plaintiffs would face an uncertain outcome if this case proceeded, including the risk of losing at trial. On the one hand, pursuing the case against Defendants could result in a verdict offering relief greater than this settlement. On the other hand, continuing the case against Defendants could result in a verdict for less money than Named Plaintiffs have obtained in this settlement, or even in no recovery at all. Based on these risks and an evaluation of the particular risks presented by this case, Named Plaintiffs and Plaintiffs' Class Counsel believe the settlement is in the best interests of all Settlement Class members.

5. How do I know whether I am part of the Settlement Class?

The District Court has preliminarily certified this ERISA Action as a class action. The Settlement Class consists of all persons who were participants in or beneficiaries of the Plan at any time between October 19, 2005 and September 26, 2008, both dates inclusive, and whose individual Plan accounts included investment in Washington Mutual common stock; provided, however, that Defendants and their heirs, Successors-in-Interest, or assigns, to the extent such persons acquire an interest held by Defendants, are excluded from the Settlement Class.

If you are a member of the Settlement Class, your share of the Net Settlement Amount, if any, will be determined by the District Court-approved Plan of Allocation, described in Section 8 below.

6. What does the settlement provide?

The Settlement Agreement provides for the payment of \$49 million in cash, which will be deposited into the Settlement Fund. The Net Settlement Amount (including interest, but after payment of certain amounts as described in the Settlement Agreement, including District Court-approved attorneys' fees and Named Plaintiff service awards, taxes and other costs related to the administration of the Settlement Fund) will be paid to members of the Settlement Class according to a Plan of Allocation. Allocations will be made to plan accounts of current participants in the JPMorgan Chase 401(k) Savings Plan, as successor to the WaMu Savings Plan ("Chase Plan") and made available to former participants pursuant to the Plan of Allocation. Disbursement of the Net Settlement Amount to the Settlement Class will occur once the settlement has become final.

In exchange for the settlement payment and other consideration, all Settlement Class members and anyone claiming through them will fully release the Defendants and related persons and companies, as well as certain of their insurers, from the Released Claims, and will be barred from bringing any Released Claim against any Releasee. The specific Releasees are identified in the Settlement Agreement; generally they are Defendants and certain affiliated or otherwise related persons and entities. The Released Claims, also defined in the Settlement Agreement, generally include, subject to certain limitations set forth in the Settlement Agreement, all claims asserted in the ERISA Action, as well as any claims that could have been asserted in any forum by or on behalf of Settlement Class members which arise out of or are based on the allegations, transactions, facts, matters or occurrences, representations or omissions out of which the claims in the ERISA Action arise. This means that Settlement Class members will not have the right to sue the Releasees for any such claims if the settlement is approved. The Released Claims do not include the claims asserted in *In re Washington Mutual, Inc. Securities Litigation*, Lead Case No. 08-cv-0387, part of MDL No. 2:08-md-01919 (W.D. Wash.), pending in the United States District Court for the Western District of Washington, which is a separate lawsuit and which is not affected by this settlement.

7. What is the Bankruptcy Court's involvement?

On September 26, 2008, Washington Mutual, Inc. ("WMI") and WMI Investment Corp. filed for bankruptcy in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), and their cases are being jointly administered in the Bankruptcy Court as *In re Washington Mutual, Inc., et al.*, Case No. 08-12229 (MFW) (the "Chapter 11 Cases"). As a result of the Chapter 11 Cases, all claims against WMI in the ERISA Litigation were put on hold. Following the filing of the Chapter 11 Cases, Named Plaintiffs filed a claim against WMI in its Chapter 11 Case with respect to the claims asserted in the ERISA Litigation. Because WMI is in bankruptcy, and because the settlement includes the release of plaintiffs' claim in the bankruptcy case and involves the depletion of Washington Mutual insurance policies, the settlement needs to be approved by the Bankruptcy Court.

8. How much will I get?

On June 18, 2010, Class Counsel submitted a Plan of Allocation to the District Court for approval at or after the Fairness Hearing. The Plan of Allocation, which may be obtained at www.erisafraud.com, www.Kellersettlements.com, or www.hbsslaw.com, or by contacting Class Counsel, describes how the Net Settlement Amount will be distributed to Settlement Class members. In general terms, the Plan of Allocation will provide that each Settlement Class member's share of the Net Settlement Amount will be calculated as follows:

The Net Settlement Amount will be distributed among Settlement Class members in proportion to their Net Losses. Each Settlement Class member's Net Loss will be the total of the member's Washington Mutual Common Stock Fund Net Loss, which will be, for each Settlement Class member, the greater of (a) zero, or (b) the result obtained by (i) taking the dollar amount of the Settlement Class member's Plan account invested in the Washington Mutual Common Stock Fund at the beginning of the Class Period; (ii) adding the dollar amount added to the Settlement Class member's Plan account invested in the Washington Mutual Common Stock Fund during the Class Period; (iii) subtracting the dollar amount credited to the Settlement Class member's Plan account resulting from sales from the Washington Mutual Common Stock Fund during the Class Period; and (iv) subtracting the dollar amount of the Settlement Class member's Plan account balance in the Washington Mutual Common Stock Fund immediately after the end of the Class Period.

The Net Losses of the Settlement Class members will be added. Each Settlement Class member will be assigned a Net Loss Percentage, reflecting the percentage of the Settlement Class member's loss in relation to the losses incurred by all Settlement Class members. Each Settlement Class member's share of the Net Settlement Amount will be equal to the Net Settlement Amount multiplied by the Settlement Class member's Net Loss Percentage.

Chase will perform all calculations and determine whether you are entitled to a share of the Net Settlement Amount and your share amount. Chase will have access to all available records so you do not need to be concerned if you no longer have your Plan account statements. Chase will identify all Settlement Class Members whose Preliminary Dollar Recovery is less than \$25. These Settlement Class Members will not receive money from the Net Settlement Amount, and the recovery otherwise allocable to them will be reallocated among the other Settlement Class Members.

9. How can I get my portion of the recovery?

You do not need to file a claim. If you are a Settlement Class member entitled to a share of the Net Settlement Amount and you are a

participant in the Chase Plan, your share will be deposited in your account in the Chase Plan. If you are a Settlement Class Member entitled to a share of the Net Settlement Amount and you are not a participant in the Chase Plan, your share will be made available to you as a qualified distribution. If you are a former participant and have not provided the Plan with your current address, please contact Plaintiffs' Class Counsel.

10. When can I expect to receive my payment?

Payment is conditioned on several things, including the District Court's and the Bankruptcy Court's approval of the settlement and those approvals becoming Final Orders and no longer subject to any appeals. Depending on the court process, distribution could take several months or more than a year; please be patient.

11. Can I exclude myself from the settlement?

No. As a Settlement Class member, you will be bound by any judgments or orders that are entered in the ERISA Action for all claims that were asserted in the ERISA Action or otherwise included in the release under the settlement. Although you cannot opt out of the settlement, you can object to the settlement and ask the Court not to approve it. See Answer to Question No. 14, below.

The above description of the settlement is only a summary. The actual Settlement Agreement (including its exhibits) may be obtained at www.erisafraud.com, www.Kellersettlements.com, and www.hbsslaw.com.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in the case?

Yes. The District Court has appointed the law firms of Keller Rohrback L.L.P. and Hagens Berman Sobol Shapiro LLP as Class Counsel for Named Plaintiffs, the Plan, and the Settlement Class. You will not be charged directly by these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

13. How will the lawyers be paid?

Plaintiffs' Class Counsel will apply for an award of attorneys' fees and expenses. The application for attorneys' fees will not exceed 25% of the Settlement Fund. Any award of fees and additional expenses will be paid from the Settlement Fund prior to allocation and payment to the Settlement Class. The written application for fees and expenses, together with the application for service awards to Named Plaintiffs, will be filed on _____ (30 days before the Fairness Hearing), and the District Court will consider this application at the Fairness Hearing. A copy of the application will be available at www.erisafraud.com, www.Kellersettlements.com, and www.hbsslaw.com.

To date, neither Plaintiffs' Class Counsel nor any additional Plaintiffs' counsel has received any payment for their services in prosecuting this ERISA Action on behalf of the Settlement Class, nor has counsel been reimbursed for their out-of-pocket expenses. The fee requested by Plaintiffs' Class Counsel would compensate them for their efforts in achieving the settlement for the benefit of the Settlement Class and for their risk in undertaking this representation on a contingent basis. The Court will determine the actual amount of any award.

OBJECTIONS

14. How do I tell the District Court if I don't like the settlement?

Any member of the Settlement Class may appear at the Fairness Hearing and explain why they think the settlement should not be approved, why attorneys' fees and expenses should not be awarded, in whole or in part, or why Named Plaintiffs should not be awarded a service award, in whole or in part. But no member of the Settlement Class can contest these matters unless they file with the District Court a timely written objection, providing all reasons for the objection.

To object, you must send a letter or other written statement saying that you object to the settlement, the attorneys' fee award, and/or the service awards in *In Re Washington Mutual, Inc. Securities, Derivative and ERISA Litigation*, No. 2:08-md-01919-MJP, Lead Case No. C07-1874 MJP. Be sure to include your name, address, telephone number, signature, and a full explanation of all reasons you object to the settlement.

Your written objection must be filed with the District Court, and sent to the lawyers listed below by _____, 2010:

File with the Clerk of the Court:

Clerk of the Court
United States District Court for Western District of Washington
700 Stewart Street, Seattle, Washington 98101-9906
Re: Lead Case No. C07-1874 (MJP), part of MDL No. 2:08-md-01919

And, by the same date, send copies of all such papers to each of the following:

ERISA PLAINTIFFS' CLASS COUNSEL:

Derek Loeser
KELLER ROHRBACK L.L.P.
1201 Third Avenue, Suite 3200
Seattle, WA 98101

Andrew M. Volk
HAGENS BERMAN SOBOL SHAPIRO LLP
1918 Eighth Avenue, Suite 3300
Seattle, WA 98101

COUNSEL FOR DEFENDANTS:

Ronald L. Berenstain
PERKINS COIE LLP
1201 Third Avenue, Suite 4800
Seattle, WA 98101

UNLESS OTHERWISE ORDERED BY THE DISTRICT COURT, ANY SETTLEMENT CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED ABOVE WILL BE DEEMED TO HAVE WAIVED ANY OBJECTION AND SHALL BE FOREVER FORECLOSED FROM OBJECTING TO THE PROPOSED SETTLEMENT AND THE APPLICATION FOR ATTORNEYS' FEES AND EXPENSES AND SERVICE AWARDS.

QUESTIONS? CALL (____) ____-____ TOLL FREE. OR VISIT WWW.ERISAFRAUD.COM, WWW.KELLERSETTLEMENTS.COM, OR WWW.HBSSLAW.COM

THE DISTRICT COURT'S FAIRNESS HEARING

15. When and where will the District Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at ____ .m. on _____, at the United States District Court for the Western District of Washington, 700 Stewart Street, Seattle, Washington 98101-9906.

IF YOU DO NOT WISH TO OBJECT TO THE PROPOSED SETTLEMENT OR THE APPLICATION FOR ATTORNEYS' FEES AND EXPENSES AND SERVICE AWARDS, YOU DO NOT NEED TO ATTEND THE FAIRNESS HEARING.

At the hearing, the District Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the District Court will consider them. After the Fairness Hearing, the District Court will decide whether to approve the settlement and certify the Settlement Class. The District Court will also consider the motions for attorneys' fees and expenses and service awards to Named Plaintiffs, as well as the proposed Plan of Allocation. We do not know how long these decisions will take.

16. Do I have to come to the hearing?

No, but you are welcome to come at your own expense. If you send an objection, you do not have to come to District Court to talk about it. As long as you mailed your written objection on time, it will be before the District Court when the District Court considers whether to approve the settlement. You may also have your own lawyer attend the Fairness Hearing at your expense, but such attendance is not mandatory.

17. May I speak at the hearing?

If you are a member of the Settlement Class and you have filed a timely objection, if you wish to speak, present evidence or present testimony at the Fairness Hearing, you must state in your objection your intention to do so, and must identify any witnesses you intend to call or evidence you intend to present.

The Fairness Hearing may be rescheduled by the District Court without further notice to the Class. If you wish to attend the Fairness Hearing, you should confirm the date and time with Class Counsel.

IF YOU DO NOTHING

18. What happens if I do nothing at all?

If you do nothing and you are a Settlement Class member, you will participate in the settlement as described in this notice if the settlement is approved, and you will be deemed to have released all Released Claims against all of the Releasees.

GETTING MORE INFORMATION

19. How do I get more information?

This notice summarizes the proposed settlement. Full details about the settlement are in the Settlement Agreement. You may obtain a copy of the Settlement Agreement by making a written request to a member of Plaintiffs' Class Counsel listed above on Page 6. Copies of the Settlement Agreement, as well as the motion seeking preliminary approval of the Settlement Agreement and the Preliminary Approval Order, may also be viewed at www.erisafraud.com, www.Kellersettlements.com, www.hbsslaw.com, or www.kccllc.com.

Plaintiffs' Class Counsel have established a toll-free phone number to receive your comments and questions, (____) ____ - _____, and may also be contacted via email at www.erisafraud.com, www.Kellersettlements.com, www.hbsslaw.com, or www.kccllc.com.

DATED: _____, 2010.

By Order of the Court

EXHIBIT B

to

Settlement Agreement

(Publication Notice)

LEGAL NOTICE

If you were a participant in the WaMu Savings Plan and invested any of your 401(k) money in Washington Mutual stock at any time between October 19, 2005 and September 26, 2008, both dates inclusive, your rights may be affected by a proposed settlement of a class action lawsuit.

The settlement has been preliminarily approved by a federal court in Seattle. If the settlement receives final approval, it would resolve a lawsuit alleging breaches of fiduciary duties under the Employee Retirement Income Security Act ("ERISA"), in connection with the WaMu Savings Plan. The terms of the settlement are contained in the Class Action Settlement Agreement dated June __, 2010, which is available at www.erisafraud.com, www.kellersettlements.com, and www.hbsslaw.com, or by contacting Plaintiffs' Class Counsel at the toll-free number or email address identified below.

The proposed settlement provides for a payment of \$49 million and other consideration to settle all claims against the defendants. The proceeds, minus expenses described in the Settlement Agreement (which include court-approved attorneys' fees and expenses and service awards to the plaintiffs who brought the lawsuit, taxes and other costs related to the settlement) will be allocated to class members whose 401(k) accounts suffered losses as a result of investing in Washington Mutual common stock.

If you qualify and the settlement is approved, you will be entitled to receive such an allocation. You do not need to submit a claim or take any other action unless you wish to object to the settlement. *However, if you have left the WaMu Savings Plan and your address has changed in the interim, you should contact the lawyers identified below and advise them of your current address.* The United States District Court for the Western District of Washington authorized this Notice.

**THE DISTRICT COURT WILL HOLD A HEARING AT __:__.M. ON _____
__, 2010 TO DECIDE WHETHER TO APPROVE THE SETTLEMENT.**

ADDITIONAL INFORMATION ABOUT THE SETTLEMENT, INCLUDING INFORMATION ABOUT HOW TO OBJECT TO THE SETTLEMENT, IS AVAILABLE ON THE FOLLOWING WEBSITES: WWW.ERISAFRAUD.COM, WWW.KELLERSETTLEMENTS.COM, AND WWW.HBSSLAW.COM. IN ADDITION, THE LAWYERS FOR THE PLAINTIFFS HAVE ESTABLISHED A TOLL-FREE NUMBER, (____) ____-____, AND EMAIL ADDRESS, _____ .COM, TO ANSWER QUESTIONS ABOUT THE SETTLEMENT.

Please direct questions to Plaintiffs' Class Counsel, and not to the District Court.

DATED: _____, 2010

_____ By Order of the Court

EXHIBIT C
to

Settlement Agreement

([Proposed] Preliminary Approval Order)

1 THE HONORABLE MARSHA J. PECHMAN

2
3
4
5
6
7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 IN RE WASHINGTON MUTUAL, INC.
11 SECURITIES, DERIVATIVE AND ERISA
12 LITIGATION

No. 2:08-md-01919-MJP

13 IN RE WASHINGTON MUTUAL, INC.
14 ERISA LITIGATION

Lead Case No. C07-1874 MJP

15 This Document Relates to:
16 All Actions

**[PROPOSED] FINDINGS AND
ORDER PRELIMINARILY
APPROVING PROPOSED
SETTLEMENT, PRELIMINARILY
CERTIFYING SETTLEMENT CLASS,
APPROVING FORM AND
DISSEMINATION OF CLASS
NOTICE, AND SETTING DATE FOR
HEARING ON FINAL APPROVAL**

17
18
19 This litigation involves claims for alleged violations of the Employee Retirement Income
20 Security Act of 1974, as amended, 29 U.S.C. §§ 1001, et seq. (“ERISA”), with respect to the
21 WaMu Savings Plan, a defined contribution retirement plan intended to satisfy the requirements
22 of Section 401 of the Internal Revenue Code (the “Plan”).
23
24
25
26

1 Presented to the District Court for preliminary approval is a settlement of the litigation.
2 The terms of the settlement are set out in a Settlement Agreement executed by counsel for the
3 Parties on June 18, 2010.¹

4 On _____, 2010, the Court preliminarily considered the settlement to
5 determine, among other things, whether it warrants the issuance of notice to members of the
6 Settlement Class. Upon reviewing the Settlement Agreement, it is hereby ORDERED,
7 ADJUDGED AND DECREED as follows:

8 1. Class Certification. The Court preliminarily finds, for settlement purposes only,
9 that the requirements of the United States Constitution, the Federal Rules of Civil Procedure, the
10 Local Rules of the United States District Court for the Western District of Washington, and any
11 other applicable laws have been met as to the “Settlement Class” defined below, in that:

12 a. The Settlement Class is cohesive and well defined;

13 b. The members of the Settlement Class are reasonably ascertainable from
14 records kept with respect to the Plan, and the members of the Settlement Class are so
15 numerous that their joinder before the Court would be impracticable;

16 c. Based on allegations in the Complaint, the Court preliminarily finds that
17 there are one or more questions of fact and law common to the Settlement Class;

18 d. Based on allegations in the Complaint, the Court finds that the claims of
19 the Named Plaintiffs are typical of the claims of the Settlement Class;

20 e. The Named Plaintiffs will fairly and adequately protect the interests of the
21 Settlement Class in that: (i) the interests of Named Plaintiffs and the nature of their
22 alleged claims are consistent with those of the members of the Settlement Class; (ii) there
23 appear to be no conflicts between or among Named Plaintiffs and the Settlement Class;
24 and (iii) Named Plaintiffs and the members of the Settlement Class are represented by
25

26 ¹ Capitalized terms not otherwise defined in this Order shall have the same meaning ascribed to them in the Settlement Agreement.

1 qualified, reputable counsel who are experienced in preparing and prosecuting large,
2 complicated ERISA class actions;

3 f. The prosecution of separate actions by individual members of the
4 Settlement Class would create a risk of: (i) inconsistent or varying adjudications as to
5 individual Settlement Class members that would establish incompatible standards of
6 conduct for the parties opposing the claims asserted in the ERISA Action; and (ii)
7 adjudications as to individual Settlement Class members that would, as a practical matter,
8 be dispositive of the interests of the other Settlement Class members not parties to the
9 adjudications, or substantially impair or impede the ability of those persons to protect
10 their interests; and

11 2. Based on the findings set out in paragraph 1 above, the Court preliminarily
12 certifies the following class (the "Settlement Class") for settlement purposes only under Federal
13 Rule of Civil Procedure 23(b)(1):

14 All persons who were participants in or beneficiaries of the Plan at any
15 time between October 19, 2005 and September 26, 2008, inclusive, and
16 whose individual Plan accounts included investment in Company Stock;
17 provided, however that Defendants and their heirs, Successors-in-Interest,
or assigns, to the extent such persons acquire an interest held by
Defendants, are excluded from the Settlement Class.

18 3. The Court preliminarily appoints Named Plaintiffs Gregory Bushansky, Dana
19 Marra, and Marina Ware as class representatives for the Settlement Class, and Keller Rohrback
20 L.L.P. and Hagens Berman Sobol Shapiro LLP as Co-Lead Counsel for the Settlement Class.

21 4. Preliminary Findings Concerning Proposed Settlement. The Court preliminarily
22 finds that the proposed Settlement should be approved as: (i) the result of serious, extensive
23 arm's-length and non-collusive negotiations; (ii) fair, reasonable, and adequate; (iii) having no
24 obvious deficiencies; (iv) not improperly granting preferential treatment to the Named Plaintiffs
25 or segments of the Settlement Class; (v) falling within the range of possible approval; (vi) not a
26 prohibited transaction under ERISA or is exempt from ERISA's prohibited transaction

1 provisions pursuant to applicable law or rules; and (vii) warranting notice to Settlement Class
2 members of a formal fairness hearing, at which evidence may be presented in support of and in
3 opposition to the proposed Settlement.

4 5. Fairness Hearing. A hearing is scheduled for September _____, 2010 (the
5 “Fairness Hearing”) to determine, among other things:

6 a. Whether the settlement should be finally approved as fair, reasonable, and
7 adequate;

8 b. Whether the litigation should be dismissed with prejudice pursuant to the
9 terms of the Settlement Agreement;

10 c. Whether the Class Notice, Publication Notice and Internet Notice (i)
11 constituted the best practicable notice; (ii) constituted notice that was reasonably
12 calculated, under the circumstances, to apprise members of the Settlement Class of the
13 pendency of the litigation, their right to object to the Settlement, and their right to appear
14 at the Fairness Hearing; (iii) was reasonable and constituted due, adequate, and sufficient
15 notice to all Persons entitled to notice; and (iv) met all applicable requirements of the
16 Federal Rules of Civil Procedure and any other applicable law;

17 d. Whether Class Counsel adequately represented the Settlement Class for
18 purposes of entering into and implementing the Settlement Agreement;

19 e. Whether the Plan of Allocation should be approved;

20 f. Whether the application for attorneys’ fees and expenses filed by Class
21 Counsel should be approved; and

22 g. Whether the Service Awards for the Named Plaintiffs should be approved.

23 6. Bankruptcy Court Approval. Within seven business days of entry of this Order,
24 the Named Plaintiffs and WMI shall file a motion with the Bankruptcy Court in the Chapter 11
25 Cases seeking entry of the Bankruptcy Court Approval Order. The motion will seek a hearing at
26 the same time or before the Fairness Hearing.

1 7. Notices. A proposed form of Class Notice is attached hereto as Exhibit 1. The
2 Court finds that the form fairly and adequately: (i) describes the terms and effect of the
3 Settlement Agreement and of the settlement; (ii) notifies the Settlement Class concerning the
4 proposed Plan of Allocation; (iii) notifies the Settlement Class that Class Counsel will seek a
5 Service Award from the Settlement Fund for the Named Plaintiffs in an amount not to exceed
6 \$5,000 and for attorneys' fees not to exceed 25% of the Settlement Fund, plus reimbursement of
7 expenses; (iv) gives notice to the Settlement Class of the time and place of the Fairness Hearing;
8 and (v) describes how the recipients of the Class Notice may object to any of the relief requested.
9 The Court directs that, pursuant to the Settlement Agreement, Class Counsel and JPMC shall:

10 • Within 30 days of entry of this order, cause the Class Notice attached hereto as
11 Exhibit 1, with blanks completed and such non-substantive or formatting modifications as may
12 be agreed upon by the Parties, to be sent to each member of the Settlement Class listed on
13 CHASE-0008070593. The notice shall be sent by first-class mail, postage prepaid, to the
14 Settlement Class members' last known address.

15 • Within 30 days of entry of this order, cause the Publication Notice in the form
16 attached hereto as Exhibit 2, with blanks completed and such non-substantive modifications as
17 may be agreed upon by the Parties, to be published on one occasion in the Seattle Times and by
18 electronic publication on the Business Wire.

19 The Court directs that Class Counsel shall:

20 • Within 30 days of entry of this order, cause the Settlement Agreement with all of
21 its exhibits and the Class Notice to be posted on the websites identified in the Class Notice.

22 • At or before the Fairness Hearing, file with the Court a proof of timely
23 compliance with the foregoing mailing and publication requirements.

24 8. Objections to Settlement. Any member of the Settlement Class who wishes to
25 object to the fairness, reasonableness, or adequacy of the settlement, to the Plan of Allocation, to
26 any term of the Settlement Agreement, to the proposed award of attorneys' fees and expenses, or

1 to any request for compensation for the Named Plaintiffs, may file an objection. An objector
2 must file with the Court a statement of his, her or its objections, specifying the reasons, if any,
3 for each objection, including any legal support or evidence that the objector wishes to bring to
4 the Court's attention. The objector must also mail the objection and all supporting law and
5 evidence to Class Counsel and to Defendants' Counsel. The addresses for filing objections with
6 the Court and service on counsel are as follows:

7 **To the Court:**

8 Clerk of the Court
9 U.S. District Court for the Western District of Washington
10 700 Stewart Street
11 Seattle, WA 98101-9906

12 **To Class Counsel:**

13 Lynn Lincoln Sarko
14 Derek W. Loeser
15 KELLER ROHRBACK L.L.P.
16 1201 Third Avenue, Suite 3200
17 Seattle, WA 98109

18 and

19 Steve W. Berman
20 Andrew M. Volk
21 HAGENS BERMAN SOBOL SHAPIRO LLP
22 1301 Fifth Avenue, Suite 2900
23 Seattle, WA 98101

24 **To Defendants' Counsel:**

25 Ronald L. Berenstein
26 PERKINS COIE LLP
1201 Third Avenue, Suite 4800
Seattle, WA 98101

The objector or his, her or its counsel (if any) must effect service of the objection on
counsel listed above and file it with the Court so that it is received by no later than _____,
2010. If an objector hires an attorney to object pursuant to this paragraph, the attorney must both

1 effect service of a notice of appearance on counsel listed above and file it with the Court by no
2 later than _____, 2010. Any member of the Settlement Class or other person who
3 does not timely file and serve a written objection complying with the terms of this paragraph
4 shall be deemed to have waived, and shall be foreclosed from raising, any objection to the
5 settlement, and any untimely objection shall be barred.

6 8. Appearance at Fairness Hearing. Any objector who files and serves a timely,
7 written objection may appear at the Fairness Hearing either in person or through counsel retained
8 at the objector's expense. Objectors or their attorneys intending to appear at the Fairness
9 Hearing must effect service of a notice of intention to appear setting forth the name, address, and
10 telephone number of the objector (and, if applicable, the name, address, and telephone number of
11 the objector's attorney) on Class Counsel and on Defendants' Counsel (at the addresses set out
12 above). The objector must also file the notice of intention to appear with the Court by no later
13 than _____, 2010. Any objector who does not timely file and serve a notice of
14 intention to appear in accordance with this paragraph shall not be permitted to appear at the
15 Fairness Hearing, except for good cause shown.

16 9. Service of Papers. If it appears that any objections were not properly served, the
17 Parties shall furnish each other's counsel with copies of any and all such objections that come
18 into their possession promptly after learning of the deficiency in service.

19 10. Fee Petition. Class Counsel shall file an application for attorneys' fees and
20 expenses no later than _____, 2010.

21 11. Injunction. Pending the final determination of the fairness, reasonableness and
22 adequacy of the proposed Settlement, all members of the Settlement Class are enjoined from
23 instituting or commencing any action against Defendants based on the Released Claims, and all
24 proceedings in this action, except those related to approval of the settlement, are stayed.

25 12. No Settlement Discovery. No discovery by any person with regard to the
26 Settlement or the Settlement Agreement shall be permitted as to any of the settling parties other

1 than as may be directed by the Court upon a proper showing by the person seeking such
2 discovery pursuant to a motion properly noticed and served.

3 13. Termination of Settlement. This Order shall become void and shall be without
4 prejudice to the rights of the Parties, all of whom shall be restored to their respective positions
5 existing as of April 1, 2010 pursuant to Section 10.2 of the Settlement Agreement, if the
6 settlement is terminated in accordance with the Settlement Agreement or does not receive final
7 approval. In such event, Section 10 of the Settlement Agreement shall govern the rights of the
8 Parties.

9 14. Use of Order. This Order is entered in compromise of disputed claims and does
10 not reflect admissions of liability of any kind, whether legal or factual by Defendants.
11 Defendants specifically deny any liability or wrongdoing. Plaintiffs specifically believe they
12 would have a good chance of prevailing in the event of trial, but settle in recognition of the
13 inherent uncertainty of litigation and the dwindling insurance policy covering the Defendants'
14 alleged liability in this case. Neither the fact nor the terms of this Order shall be construed or
15 used as an admission, concession, or declaration by or against Defendants of any fault,
16 wrongdoing, breach, or liability or as a waiver by any Party of any arguments, defenses, or
17 claims he, she, or it may have, including but not limited to any objections by Defendants to class
18 certification in the event that the Settlement Agreement is terminated or not given final approval.

19 15. Continuance of Hearing. The Court may in its discretion continue the Fairness
20 Hearing without further written notice.

1 DATED this ____ day of _____, 2010.
2
3

4 _____
5 Honorable Marsha J. Pechman
6 United States District Court Judge

7 Presented by:

8 KELLER ROHRBACK L.L.P.
9

10 By: s/ Derek W. Loeser

11 Lynn L. Sarko, WSBA #16569
12 Derek W. Loeser, WSBA # 24274
13 Erin M. Riley, WSBA # 30401
14 1201 Third Avenue, Suite 3200
15 Seattle, WA 98101-3052
16 Telephone: (206) 623-1900
17 Facsimile: (206) 623-3384
18 Interim Co-Lead Counsel for Plaintiffs

19 HAGENS BERMAN SOBOL SHAPIRO LLP

20 Steve W. Berman, WSBA #12536
21 Andrew M. Volk, WSBA #27639
22 1301 Fifth Avenue, Suite 2900
23 Seattle, WA 98101
24 Telephone: (206) 623-7292
25 Facsimile: (206) 623-0594
26 Interim Co-Lead Counsel for Plaintiffs

Exhibit 1
to

**[PROPOSED] FINDINGS AND ORDER PRELIMINARILY
APPROVING PROPOSED SETTLEMENT, PRELIMINARILY
CERTIFYING SETTLEMENT CLASS, APPROVING FORM
AND DISSEMINATION OF CLASS NOTICE, AND SETTING
DATE FOR HEARING ON FINAL APPROVAL**

(Class Notice)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

IN RE WASHINGTON MUTUAL, INC. SECURITIES,
DERIVATIVE AND ERISA LITIGATION

No. 2:08-md-01919-MJP

This Document Relates to:
ERISA Action

Lead Case No. C07-1874 MJP

**NOTICE OF PROPOSED SETTLEMENT OF ERISA CLASS ACTION LITIGATION, SETTLEMENT FAIRNESS HEARING,
AND MOTION FOR ATTORNEYS' FEES, REIMBURSEMENT OF EXPENSES
AND PROPOSED NAMED PLAINTIFFS' SERVICE AWARDS**

Your legal rights might be affected if you:

Were a participant in or beneficiary of the WaMu Savings Plan ("Plan") at any time between October 19, 2005 and September 26, 2008, both dates inclusive, and your individual Plan account included investment in Washington Mutual, Inc. ("Washington Mutual") common stock during that period (collectively, all such participants and beneficiaries are referred to in this Notice as the "Settlement Class").

**PLEASE READ THIS NOTICE CAREFULLY. A FEDERAL COURT AUTHORIZED THIS NOTICE. THIS IS NOT A
SOLICITATION. YOU HAVE NOT BEEN SUED.**

This notice advises you of a proposed settlement of a class action lawsuit brought by Gregory Bushansky, Dana Marra, and Marina Ware (collectively, "Named Plaintiffs") on behalf of themselves, the Plan (referred to above), and as representatives of the Settlement Class. Named Plaintiffs and the Defendants are referred to as the "Parties." The lawsuit is referred to as the "ERISA Action." Other capitalized terms used in this notice and not defined in it have the meanings assigned to them in the Settlement Agreement.

The United States District Court for the Western District of Washington ("District Court") has preliminarily approved the settlement and has scheduled a hearing to evaluate the fairness and adequacy of the settlement. At the hearing, the Court will consider Named Plaintiffs' requests for final approval of the settlement, for class certification, for approval of a proposed plan of allocation, for an award of attorneys' fees and costs, and for service awards to Named Plaintiffs. The hearing has been scheduled for _____, 2010, at ____m. in Courtroom _____, of the United States District Court for the Western District of Washington, 700 Stewart Street, Seattle, Washington 98101-9906.

The terms of the settlement are contained in the Class Action Settlement Agreement ("Settlement Agreement"), a copy of which is available at www.erisafraud.com, www.Kellersettlements.com, and www.hbsslaw.com, or by contacting Plaintiffs' Class Counsel: Derek W. Loeser, Keller Rohrback L.L.P., 1201 Third Avenue, Suite 3200, Seattle, WA 98101, or Andrew M. Volk, Hagens Berman Sobol Shapiro LLP, 1918 Eighth Avenue, Suite 3300, Seattle, Washington 98101. You can also call a toll-free phone number, (____) ____-____, if you have questions or comments. Plaintiffs' Class Counsel may also be contacted via email at _____. Please do not contact the District Court or counsel for Defendants. They will not be able to answer your questions.

PLEASE READ THIS NOTICE CAREFULLY AND COMPLETELY. IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS, THE SETTLEMENT WILL AFFECT YOUR RIGHTS. YOU ARE NOT BEING SUED. YOU DO NOT HAVE TO APPEAR IN COURT, AND YOU DO NOT HAVE TO HIRE AN ATTORNEY IN THIS CASE. IF YOU ARE IN FAVOR OF THE SETTLEMENT, YOU NEED NOT DO ANYTHING. IF YOU DISAPPROVE, YOU MAY OBJECT TO THE SETTLEMENT PURSUANT TO THE PROCEDURES DESCRIBED BELOW.

ACTIONS YOU MAY TAKE IN THE SETTLEMENT

<p>NO ACTION IS NECESSARY TO RECEIVE PAYMENT.</p>	<p>If the settlement is approved and you are a member of the Settlement Class, you do not need to do anything in order to receive a payment. Any money to be allocated to your account will be calculated as part of the implementation of the settlement.</p> <p>If you are a current participant in the JPMorgan Chase 401(k) Savings Plan (“Chase Plan”), any money to which you are entitled will be deposited into your Chase Plan account. If you are not a participant in the Chase Plan, the funds will be made available to you as a qualified distribution.</p> <p><i>If you did not receive this Notice by mail and you believe you should have, please contact Plaintiffs’ Class Counsel to ensure that your current address is entered into the database that will be used to distribute money from the settlement.</i></p>
<p>YOU CAN OBJECT (NO LATER THAN _____, 2010).</p>	<p>If you wish to object to any part of the settlement, you can write to the District Court and the lawyers identified below and explain why you do not like the settlement.</p>
<p>YOU CAN GO TO THE HEARING ON _____, 2010</p>	<p>If you have submitted a written objection to the District Court and the lawyers identified below, you can ask to speak in Court about the fairness of the settlement.</p>

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This lawsuit asserts that certain Defendants breached fiduciary duties they owed to participants in the WaMu Savings Plan. A copy of some of the relevant documents filed with the District Court are available at www.erisafraud.com, www.Kellersettlements.com, and www.hbsslaw.com.

SUMMARY OF SETTLEMENT

A Settlement Fund has been established consisting of \$49 million in cash paid by insurers of certain Defendants. The Net Settlement Amount, which will consist of the Settlement Fund minus certain amounts described in the Settlement Agreement, including District Court-approved attorneys' fees and expenses and service awards, will be allocated among the Settlement Class in accordance with the Plan of Allocation to be approved by the District Court. (See Section 8 below for details about the Plan of Allocation).

The Settlement Class consists of all persons who were participants in or beneficiaries of the Plan at any time between October 19, 2005 and September 26, 2008, both dates inclusive, and whose individual Plan accounts included investment in Washington Mutual common stock; provided, however, that Defendants and their heirs, Successors-in-Interest, or assigns, to the extent they acquire an interest held by Defendants, are excluded from the Settlement Class.

As with any lawsuit, the Parties would face an uncertain outcome if the ERISA Action were not settled. Continued litigation of the ERISA Action could result in a verdict greater or less than the recovery under the Settlement Agreement, or in no recovery at all. This litigation has been hotly contested from the outset. Named Plaintiffs and Defendants have disagreed about whether Defendants did anything wrong, and they do not agree on the amount that would be recoverable even if Plaintiffs were to win at trial. Defendants, among other things: (1) have denied, and continue to deny, the material allegations of the lawsuit; (2) have denied, and continue to deny, any wrongdoing or liability whatsoever; (3) believe that they acted at all times reasonably, prudently and lawfully with respect to the Plan, its participants and beneficiaries, and the Settlement Class; (4) would assert certain other defenses if the settlement is not consummated; and (5) are entering into the settlement solely to avoid the cost, disruption, and uncertainty of litigation.

Plaintiffs' Class Counsel will ask the District Court for an order awarding them fees not in excess of 25% of the amount recovered in the settlement, plus reimbursement of expenses. Named Plaintiffs will share in the allocation of the money paid to the Plan on the same basis and to the same extent as all other members of the Class, except that, in addition, Named Plaintiffs will apply to the District Court for a service award of up to \$5,000 each. Any service award granted to Named Plaintiffs by the District Court will be payable from the proceeds of the settlement.

BASIC INFORMATION

1. Why did I get this notice?

Either you or someone in your family may have been a participant in or beneficiary of the Plan and may have invested a portion of your Plan account in Washington Mutual common stock during the Class Period (between October 19, 2005 and September 26, 2008, both dates inclusive). The Court has directed that this notice be sent to you because, as a potential member of the Settlement Class, you have a right to know about the proposed settlement before the District Court decides whether to approve it. If the District Court and Bankruptcy Court overseeing Washington Mutual's bankruptcy approve the settlement, the net amount of the Settlement Fund will be allocated among the Settlement Class according to a Plan of Allocation, and the Defendants and related people and companies will be released from all Released Claims, as set forth in the Settlement Agreement.

This notice explains the ERISA Action, the settlement, your legal rights, what benefits are available, who is eligible for them, and how you may receive your portion of the benefits. The purpose of the notice is to inform you of a hearing ("Fairness Hearing") to be held by the District Court to consider the fairness, reasonableness and adequacy of the proposed settlement and to consider the application of Plaintiffs' Class Counsel for attorneys' fees and reimbursement of litigation expenses as well as an application for service awards to Named Plaintiffs.

The Fairness Hearing will be held at : .m. on , 2010 before the Hon. Marsha J. Pechman in the United States District Court for the Western District of Washington, 700 Stewart Street, Seattle, WA 98101-9906, to determine:

- (a) Whether the settlement should be approved as fair, reasonable, and adequate;
- (b) Whether the lawsuit should be dismissed with prejudice pursuant to the terms of the settlement;
- (c) Whether this Notice and the way it was disseminated constituted proper notice and met all applicable legal requirements;
- (d) Whether the Settlement Class should be certified for the purposes of settlement only and whether Plaintiffs' Class Counsel should be appointed as Class Counsel;
- (e) Whether the application for attorneys' fees and expenses filed by Plaintiffs' Class Counsel should be approved; and
- (f) Whether the application for service awards for Named Plaintiffs should be approved.

If the District Court and Bankruptcy Court approve the settlement, payment to the Settlement Class will be made after all related appeals, if any, are favorably resolved. It is hard to tell whether such appeals will be favorably resolved, and resolving them can take time, perhaps more than a year. Please be patient.

2. What is the lawsuit about? What has happened so far?

Named Plaintiffs allege that Defendants (other than JPMorgan Chase Bank, N.A. ("Chase")) were fiduciaries of the Plan and violated fiduciary duties under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") by allowing the Plan to invest in Washington Mutual common stock when it was allegedly an unsuitable and imprudent investment for the Plan. Named Plaintiffs further allege that Defendants (other than Chase) violated ERISA by failing to adequately monitor appointees, by failing to provide information pertinent to the Plan's investment in Washington Mutual common stock to other fiduciaries, by failing to provide Plan participants with complete and accurate information about Washington Mutual common stock, by failing to monitor the performance of other fiduciaries or otherwise prevent or remedy breaches of duty by other fiduciaries, and by knowingly participating in the breaches. Plaintiffs sought to recover from Defendants (other than Chase) losses to the Plan allegedly caused by those Defendants' alleged misconduct. Plaintiffs sought to recover from Chase on the theory that it was the successor to Washington Mutual, Inc.

Defendants deny that they have any liability to the Plan or its participants or beneficiaries. If the litigation were to continue, Defendants would raise numerous defenses to liability, including the following:

- They were not fiduciaries of the Plan, or, if they were fiduciaries, their fiduciary duties did not extend to the matters at issue in the ERISA Action;
- To the extent they were fiduciaries as to the matters at issue in the ERISA Action, they complied with all fiduciary duties;
- Even if they failed to comply with one or more of their ERISA fiduciary duties, any breach of fiduciary duty did not cause the losses alleged by Named Plaintiffs; and
- The relief sought by Named Plaintiffs is not permitted under ERISA.

Plaintiffs' Class Counsel have conducted an extensive investigation of Washington Mutual and of the alleged losses suffered by the Plan as a result of the breaches of fiduciary duty alleged in the ERISA Action. Through that investigation and through discovery of additional information in the ERISA Action, Plaintiffs' Class Counsel have obtained over 8 million pages of documents, including documents and materials governing the Plan, communications with Plan participants, internal Washington Mutual documents regarding the Plan, Washington Mutual's Securities and Exchange Commission filings, press releases, public statements, news articles and other publications. Class Counsel have reviewed and analyzed these materials and confirmed that the settlement is fair, reasonable and adequate and in the best interest of the Settlement Class.

The District Court granted in part and denied in part Defendants' motions to dismiss. The order allowed Plaintiffs to proceed with the lawsuit against the Plan Investment Committee ("PIC") Defendants, the Plan Administration Committee ("PAC") Defendants, and the Human Resources Committee ("HR") Defendants named in the Complaint. The District Court dismissed from the case Kerry K. Killinger and Chase.

This settlement is the product of intense, arm's-length negotiations between Plaintiffs' Class Counsel and Defendants' Counsel, during which the terms of the settlement were extensively debated and negotiated.

3. Why is this case a class action?

In a class action, one or more plaintiffs, called "named plaintiffs," sue on behalf of people who have similar claims. All of the individuals on whose behalf Named Plaintiffs are suing are members of a "class" of certain participants and former participants in the Plan.

4. Why is there a settlement?

In reaching a settlement, the Parties have avoided the cost, time and risk associated with a trial. As with any litigation, Named Plaintiffs would face an uncertain outcome if this case proceeded, including the risk of losing at trial. On the one hand, pursuing the case against Defendants could result in a verdict offering relief greater than this settlement. On the other hand, continuing the case against Defendants could result in a verdict for less money than Named Plaintiffs have obtained in this settlement, or even in no recovery at all. Based on these risks and an evaluation of the particular risks presented by this case, Named Plaintiffs and Plaintiffs' Class Counsel believe the settlement is in the best interests of all Settlement Class members.

5. How do I know whether I am part of the Settlement Class?

The District Court has preliminarily certified this ERISA Action as a class action. The Settlement Class consists of all persons who were participants in or beneficiaries of the Plan at any time between October 19, 2005 and September 26, 2008, both dates inclusive, and whose individual Plan accounts included investment in Washington Mutual common stock; provided, however, that Defendants and their heirs, Successors-in-Interest, or assigns, to the extent such persons acquire an interest held by Defendants, are excluded from the Settlement Class.

If you are a member of the Settlement Class, your share of the Net Settlement Amount, if any, will be determined by the District Court-approved Plan of Allocation, described in Section 8 below.

6. What does the settlement provide?

The Settlement Agreement provides for the payment of \$49 million in cash, which will be deposited into the Settlement Fund. The Net Settlement Amount (including interest, but after payment of certain amounts as described in the Settlement Agreement, including District Court-approved attorneys' fees and Named Plaintiff service awards, taxes and other costs related to the administration of the Settlement Fund) will be paid to members of the Settlement Class according to a Plan of Allocation. Allocations will be made to plan accounts of current participants in the JPMorgan Chase 401(k) Savings Plan, as successor to the WaMu Savings Plan ("Chase Plan") and made available to former participants pursuant to the Plan of Allocation. Disbursement of the Net Settlement Amount to the Settlement Class will occur once the settlement has become final.

In exchange for the settlement payment and other consideration, all Settlement Class members and anyone claiming through them will fully release the Defendants and related persons and companies, as well as certain of their insurers, from the Released Claims, and will be barred from bringing any Released Claim against any Releasee. The specific Releasees are identified in the Settlement Agreement; generally they are Defendants and certain affiliated or otherwise related persons and entities. The Released Claims, also defined in the Settlement Agreement, generally include, subject to certain limitations set forth in the Settlement Agreement, all claims asserted in the ERISA Action, as well as any claims that could have been asserted in any forum by or on behalf of Settlement Class members which arise out of or are based on the allegations, transactions, facts, matters or occurrences, representations or omissions out of which the claims in the ERISA Action arise. This means that Settlement Class members will not have the right to sue the Releasees for any such claims if the settlement is approved. The Released Claims do not include the claims asserted in *In re Washington Mutual, Inc. Securities Litigation*, Lead Case No. 08-cv-0387, part of MDL No. 2:08-md-01919 (W.D. Wash.), pending in the United States District Court for the Western District of Washington, which is a separate lawsuit and which is not affected by this settlement.

7. What is the Bankruptcy Court's involvement?

On September 26, 2008, Washington Mutual, Inc. ("WMI") and WMI Investment Corp. filed for bankruptcy in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), and their cases are being jointly administered in the Bankruptcy Court as *In re Washington Mutual, Inc., et al.*, Case No. 08-12229 (MFW) (the "Chapter 11 Cases"). As a result of the Chapter 11 Cases, all claims against WMI in the ERISA Litigation were put on hold. Following the filing of the Chapter 11 Cases, Named Plaintiffs filed a claim against WMI in its Chapter 11 Case with respect to the claims asserted in the ERISA Litigation. Because WMI is in bankruptcy, and because the settlement includes the release of plaintiffs' claim in the bankruptcy case and involves the depletion of Washington Mutual insurance policies, the settlement needs to be approved by the Bankruptcy Court.

8. How much will I get?

On June 18, 2010, Class Counsel submitted a Plan of Allocation to the District Court for approval at or after the Fairness Hearing. The Plan of Allocation, which may be obtained at www.erisafraud.com, www.Kellersettlements.com, or www.hbsslaw.com, or by contacting Class Counsel, describes how the Net Settlement Amount will be distributed to Settlement Class members. In general terms, the Plan of Allocation will provide that each Settlement Class member's share of the Net Settlement Amount will be calculated as follows:

The Net Settlement Amount will be distributed among Settlement Class members in proportion to their Net Losses. Each Settlement Class member's Net Loss will be the total of the member's Washington Mutual Common Stock Fund Net Loss, which will be, for each Settlement Class member, the greater of (a) zero, or (b) the result obtained by (i) taking the dollar amount of the Settlement Class member's Plan account invested in the Washington Mutual Common Stock Fund at the beginning of the Class Period; (ii) adding the dollar amount added to the Settlement Class member's Plan account invested in the Washington Mutual Common Stock Fund during the Class Period; (iii) subtracting the dollar amount credited to the Settlement Class member's Plan account resulting from sales from the Washington Mutual Common Stock Fund during the Class Period; and (iv) subtracting the dollar amount of the Settlement Class member's Plan account balance in the Washington Mutual Common Stock Fund immediately after the end of the Class Period.

The Net Losses of the Settlement Class members will be added. Each Settlement Class member will be assigned a Net Loss Percentage, reflecting the percentage of the Settlement Class member's loss in relation to the losses incurred by all Settlement Class members. Each Settlement Class member's share of the Net Settlement Amount will be equal to the Net Settlement Amount multiplied by the Settlement Class member's Net Loss Percentage.

Chase will perform all calculations and determine whether you are entitled to a share of the Net Settlement Amount and your share amount. Chase will have access to all available records so you do not need to be concerned if you no longer have your Plan account statements. Chase will identify all Settlement Class Members whose Preliminary Dollar Recovery is less than \$25. These Settlement Class Members will not receive money from the Net Settlement Amount, and the recovery otherwise allocable to them will be reallocated among the other Settlement Class Members.

9. How can I get my portion of the recovery?

You do not need to file a claim. If you are a Settlement Class member entitled to a share of the Net Settlement Amount and you are a

participant in the Chase Plan, your share will be deposited in your account in the Chase Plan. If you are a Settlement Class Member entitled to a share of the Net Settlement Amount and you are not a participant in the Chase Plan, your share will be made available to you as a qualified distribution. If you are a former participant and have not provided the Plan with your current address, please contact Plaintiffs' Class Counsel.

10. When can I expect to receive my payment?

Payment is conditioned on several things, including the District Court's and the Bankruptcy Court's approval of the settlement and those approvals becoming Final Orders and no longer subject to any appeals. Depending on the court process, distribution could take several months or more than a year; please be patient.

11. Can I exclude myself from the settlement?

No. As a Settlement Class member, you will be bound by any judgments or orders that are entered in the ERISA Action for all claims that were asserted in the ERISA Action or otherwise included in the release under the settlement. Although you cannot opt out of the settlement, you can object to the settlement and ask the Court not to approve it. See Answer to Question No. 14, below.

The above description of the settlement is only a summary. The actual Settlement Agreement (including its exhibits) may be obtained at www.erisafraud.com, www.Kellersettlements.com, and www.hbsslaw.com.

THE LAWYERS REPRESENTING YOU

12. Do I have a lawyer in the case?

Yes. The District Court has appointed the law firms of Keller Rohrback L.L.P. and Hagens Berman Sobol Shapiro LLP as Class Counsel for Named Plaintiffs, the Plan, and the Settlement Class. You will not be charged directly by these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

13. How will the lawyers be paid?

Plaintiffs' Class Counsel will apply for an award of attorneys' fees and expenses. The application for attorneys' fees will not exceed 25% of the Settlement Fund. Any award of fees and additional expenses will be paid from the Settlement Fund prior to allocation and payment to the Settlement Class. The written application for fees and expenses, together with the application for service awards to Named Plaintiffs, will be filed on ____ (30 days before the Fairness Hearing), and the District Court will consider this application at the Fairness Hearing. A copy of the application will be available at www.erisafraud.com, www.Kellersettlements.com, and www.hbsslaw.com.

To date, neither Plaintiffs' Class Counsel nor any additional Plaintiffs' counsel has received any payment for their services in prosecuting this ERISA Action on behalf of the Settlement Class, nor has counsel been reimbursed for their out-of-pocket expenses. The fee requested by Plaintiffs' Class Counsel would compensate them for their efforts in achieving the settlement for the benefit of the Settlement Class and for their risk in undertaking this representation on a contingent basis. The Court will determine the actual amount of any award.

OBJECTIONS

14. How do I tell the District Court if I don't like the settlement?

Any member of the Settlement Class may appear at the Fairness Hearing and explain why they think the settlement should not be approved, why attorneys' fees and expenses should not be awarded, in whole or in part, or why Named Plaintiffs should not be awarded a service award, in whole or in part. But no member of the Settlement Class can contest these matters unless they file with the District Court a timely written objection, providing all reasons for the objection.

To object, you must send a letter or other written statement saying that you object to the settlement, the attorneys' fee award, and/or the service awards in *In Re Washington Mutual, Inc. Securities, Derivative and ERISA Litigation*, No. 2:08-md-01919-MJP, Lead Case No. C07-1874 MJP. Be sure to include your name, address, telephone number, signature, and a full explanation of all reasons you object to the settlement.

Your written objection must be filed with the District Court, and sent to the lawyers listed below by _____, 2010:

File with the Clerk of the Court:

Clerk of the Court
United States District Court for Western District of Washington
700 Stewart Street, Seattle, Washington 98101-9906
Re: Lead Case No. C07-1874 (MJP), part of MDL No. 2:08-md-01919

And, by the same date, send copies of all such papers to each of the following:

ERISA PLAINTIFFS' CLASS COUNSEL:

Derek Loeser
KELLER ROHRBACK L.L.P.
1201 Third Avenue, Suite 3200
Seattle, WA 98101

Andrew M. Volk
HAGENS BERMAN SOBOL SHAPIRO LLP
1918 Eighth Avenue, Suite 3300
Seattle, WA 98101

COUNSEL FOR DEFENDANTS:

Ronald L. Berenstain
PERKINS COIE LLP
1201 Third Avenue, Suite 4800
Seattle, WA 98101

UNLESS OTHERWISE ORDERED BY THE DISTRICT COURT, ANY SETTLEMENT CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED ABOVE WILL BE DEEMED TO HAVE WAIVED ANY OBJECTION AND SHALL BE FOREVER FORECLOSED FROM OBJECTING TO THE PROPOSED SETTLEMENT AND THE APPLICATION FOR ATTORNEYS' FEES AND EXPENSES AND SERVICE AWARDS.

QUESTIONS? CALL (____) ____-____ TOLL FREE. OR VISIT WWW.ERISAFRAUD.COM, WWW.KELLERSETTLEMENTS.COM, OR WWW.HBSSLAW.COM

THE DISTRICT COURT'S FAIRNESS HEARING

15. When and where will the District Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at ____ .m. on _____, at the United States District Court for the Western District of Washington, 700 Stewart Street, Seattle, Washington 98101-9906.

IF YOU DO NOT WISH TO OBJECT TO THE PROPOSED SETTLEMENT OR THE APPLICATION FOR ATTORNEYS' FEES AND EXPENSES AND SERVICE AWARDS, YOU DO NOT NEED TO ATTEND THE FAIRNESS HEARING.

At the hearing, the District Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the District Court will consider them. After the Fairness Hearing, the District Court will decide whether to approve the settlement and certify the Settlement Class. The District Court will also consider the motions for attorneys' fees and expenses and service awards to Named Plaintiffs, as well as the proposed Plan of Allocation. We do not know how long these decisions will take.

16. Do I have to come to the hearing?

No, but you are welcome to come at your own expense. If you send an objection, you do not have to come to District Court to talk about it. As long as you mailed your written objection on time, it will be before the District Court when the District Court considers whether to approve the settlement. You may also have your own lawyer attend the Fairness Hearing at your expense, but such attendance is not mandatory.

17. May I speak at the hearing?

If you are a member of the Settlement Class and you have filed a timely objection, if you wish to speak, present evidence or present testimony at the Fairness Hearing, you must state in your objection your intention to do so, and must identify any witnesses you intend to call or evidence you intend to present.

The Fairness Hearing may be rescheduled by the District Court without further notice to the Class. If you wish to attend the Fairness Hearing, you should confirm the date and time with Class Counsel.

IF YOU DO NOTHING

18. What happens if I do nothing at all?

If you do nothing and you are a Settlement Class member, you will participate in the settlement as described in this notice if the settlement is approved, and you will be deemed to have released all Released Claims against all of the Releasees.

GETTING MORE INFORMATION

19. How do I get more information?

This notice summarizes the proposed settlement. Full details about the settlement are in the Settlement Agreement. You may obtain a copy of the Settlement Agreement by making a written request to a member of Plaintiffs' Class Counsel listed above on Page 6. Copies of the Settlement Agreement, as well as the motion seeking preliminary approval of the Settlement Agreement and the Preliminary Approval Order, may also be viewed at www.erisafraud.com, www.Kellersettlements.com, www.hbsslaw.com, or www.kccllc.com.

Plaintiffs' Class Counsel have established a toll-free phone number to receive your comments and questions, (____) ____ - _____, and may also be contacted via email at www.erisafraud.com, www.Kellersettlements.com, www.hbsslaw.com, or www.kccllc.com.

DATED: _____, 2010.

By Order of the Court

Exhibit 2
to

**[PROPOSED] FINDINGS AND ORDER PRELIMINARILY
APPROVING PROPOSED SETTLEMENT, PRELIMINARILY
CERTIFYING SETTLEMENT CLASS, APPROVING FORM
AND DISSEMINATION OF CLASS NOTICE, AND SETTING
DATE FOR HEARING ON FINAL APPROVAL**

(Publication Notice)

LEGAL NOTICE

If you were a participant in the WaMu Savings Plan and invested any of your 401(k) money in Washington Mutual stock at any time between October 19, 2005 and September 26, 2008, both dates inclusive, your rights may be affected by a proposed settlement of a class action lawsuit.

The settlement has been preliminarily approved by a federal court in Seattle. If the settlement receives final approval, it would resolve a lawsuit alleging breaches of fiduciary duties under the Employee Retirement Income Security Act ("ERISA"), in connection with the WaMu Savings Plan. The terms of the settlement are contained in the Class Action Settlement Agreement dated June __, 2010, which is available at www.erisafraud.com, www.kellersettlements.com, and www.hbsslaw.com, or by contacting Plaintiffs' Class Counsel at the toll-free number or email address identified below.

The proposed settlement provides for a payment of \$49 million and other consideration to settle all claims against the defendants. The proceeds, minus expenses described in the Settlement Agreement (which include court-approved attorneys' fees and expenses and service awards to the plaintiffs who brought the lawsuit, taxes and other costs related to the settlement) will be allocated to class members whose 401(k) accounts suffered losses as a result of investing in Washington Mutual common stock.

If you qualify and the settlement is approved, you will be entitled to receive such an allocation. You do not need to submit a claim or take any other action unless you wish to object to the settlement. *However, if you have left the WaMu Savings Plan and your address has changed in the interim, you should contact the lawyers identified below and advise them of your current address.* The United States District Court for the Western District of Washington authorized this Notice.

**THE DISTRICT COURT WILL HOLD A HEARING AT __:__.M. ON _____
__, 2010 TO DECIDE WHETHER TO APPROVE THE SETTLEMENT.**

ADDITIONAL INFORMATION ABOUT THE SETTLEMENT, INCLUDING INFORMATION ABOUT HOW TO OBJECT TO THE SETTLEMENT, IS AVAILABLE ON THE FOLLOWING WEBSITES: WWW.ERISAFRAUD.COM, WWW.KELLERSETTLEMENTS.COM, AND WWW.HBSSLAW.COM. IN ADDITION, THE LAWYERS FOR THE PLAINTIFFS HAVE ESTABLISHED A TOLL-FREE NUMBER, (____) ____-____, AND EMAIL ADDRESS, _____ .COM, TO ANSWER QUESTIONS ABOUT THE SETTLEMENT.

Please direct questions to Plaintiffs' Class Counsel, and not to the District Court.

DATED: _____, 2010

By Order of the Court

EXHIBIT D
to

Settlement Agreement

([Proposed] District Court Final Order)

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6
7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 IN RE WASHINGTON MUTUAL, INC.
11 SECURITIES, DERIVATIVE AND ERISA
12 LITIGATION

No. 2:08-md-01919-MJP

13 IN RE WASHINGTON MUTUAL, INC.
14 ERISA LITIGATION

Lead Case No. C07-1874 MJP

15 This Document Relates to:
16 All Actions

[PROPOSED] FINAL ORDER AND
JUDGMENT

17 This Action involves claims for alleged violations of the Employee Retirement Income
18 Security Act of 1974, as amended, 29 U.S.C. §§ 1001, et seq. (“ERISA”), with respect to the
19 WaMu Savings Plan, a defined contribution plan intended to satisfy the requirements of Section
20 401 of the Internal Revenue Code (the “Plan”).

21 This matter came before the Court for a hearing pursuant to the Preliminary Approval
22 Order of this Court entered on _____, 2010, on the application of the Parties for
23 approval of the settlement set forth in the Class Action Settlement Agreement (the “Settlement
24 Agreement”), executed on June ____, 2010 and filed with the Court on June 18, 2010.¹

25
26 ¹ All capitalized terms used in this Final Order and Judgment and not defined herein shall have the meanings assigned to them in the Settlement Agreement.

1 Before the Court are: (1) Named Plaintiffs’ Motion for Final Approval of ERISA Class
2 Action Settlement, for Settlement Class Certification, and for approval of Plan of Allocation
3 (“Final Approval Motion”); and, (2) Class Counsel’s Motion for Award of Attorneys’ Fees and
4 Expenses and Named Plaintiff Service Awards (“Fee and Expense Motion”).

5 The Bankruptcy Court has entered the Bankruptcy Court Approval Order;

6 The Court has received declarations attesting to the mailing of the Class Notice, the
7 publication of the Publication Notice and the posting of the Internet Notice in accordance with
8 the Preliminary Approval Order;

9 Due and adequate notice has been given to the Settlement Class as required in the
10 Preliminary Approval Order, and the Court has considered all papers filed and proceedings in
11 this case, and is otherwise fully informed in the premises. IT IS HEREBY ORDERED,
12 ADJUDGED AND DECREED as follows:

13 1. This Court has jurisdiction over the subject matter of this action and over all
14 Parties to the action, including all members of the Settlement Class.

15 2. On _____, 2010, _____ copies of the Class Notice were
16 mailed to Settlement Class members.

17 3. On _____, 2010, a copy of the Publication Notice was published
18 in the Seattle Times and Business Wire in accordance with the Settlement Agreement and the
19 Court’s Preliminary Approval Order.

20 4. In accordance with the Court’s Preliminary Approval Order, the Class Notice and
21 Settlement Agreement were posted on ERISAFraud.com, www.Kellersettlements.com,
22 www.hbsslaw.com, and www.kccllc.com.

23 5. The Class Notice and the Publication Notice fully informed Settlement Class
24 members of their rights with respect to the settlement, including the right to object to the
25 settlement, and of Class Counsel’s application for an award of attorneys’ fees, reimbursement of
26

1 expenses, and for the payment of Service Awards to the Named Plaintiffs, all from the
2 Settlement Fund.

3 6. The Class Notice and Publication Notice collectively met the statutory
4 requirements of notice under the circumstances, including the individual notice to all members of
5 the Settlement Class who could be identified through reasonable effort, and fully satisfied the
6 requirements of Federal Rule of Civil Procedure 23 and the requirement of due process. The
7 Parties have complied fully with the notice provisions of the Class Action Fairness Act of 2005,
8 28 U.S.C. § 1715.

9 7. This action and all claims asserted in it, as well as all of the Released Claims, are
10 dismissed with prejudice as to the Named Plaintiffs, the Settlement Class members, and the Plan,
11 and as against the Releasees. The Parties are to bear their own costs, except as otherwise
12 provided in the Settlement Agreement.

13 8. The Court finds that the settlement is fair, reasonable, and adequate as to each
14 member of the Settlement Class, and that the settlement is either (a) not a prohibited transaction
15 under ERISA or (b) is exempt from ERISA's prohibited transaction provisions pursuant to
16 applicable law or rules. The settlement is finally approved in all respects. The Parties are
17 directed to implement the settlement in accordance with the terms and conditions of the
18 Settlement Agreement.

19 9. The Named Plaintiffs, on behalf of themselves, the Plan and the Settlement Class,
20 are deemed to have, and by operation of this Order and Judgment shall have, absolutely and
21 unconditionally released and forever discharged the Releasees from the Released Claims.

22 10. All members of the Settlement Class are hereby forever barred and enjoined from
23 prosecuting the Released Claims against Releasees, either derivatively or on behalf of
24 themselves, or through any person purporting to act on their behalf or purporting to assert a
25 Released Claim under or through them, in any forum, action or proceeding of any kind. As set
26 forth in Paragraph 4.2 of the Settlement Agreement, the Released Claims shall be: any and all

1 claims, demands, rights, liabilities, defenses or causes of action of any and every kind, character
2 or nature whatsoever related to claims asserted in connection with Company Stock held in the
3 WaMu Savings Plan (including claims for any and all losses, damages, unjust enrichment,
4 attorneys' fees, disgorgement of fees, litigation costs, injunction, declaration, contribution,
5 indemnification or any other type or nature of legal or equitable relief), whether accrued or not,
6 whether already acquired or acquired in the future, whether known or unknown, in law or equity,
7 brought by way of demand, complaint, cross-claim, counterclaim, third-party claim, defense or
8 otherwise, including those claims that were or could have been asserted in the ERISA Litigation
9 or the Chapter 11 Cases or that would be barred by principles of *res judicata* had the claims
10 asserted in the ERISA Litigation and the Chapter 11 Cases been fully litigated and resulted in a
11 final judgment or order.

12 11. Each of the Defendants, by operation of this Order and Judgment, absolutely and
13 unconditionally releases and forever discharges the Named Plaintiffs, the Settlement Class, and
14 Class Counsel from any and all claims relating to the institution or prosecution of the ERISA
15 Litigation or the Bankruptcy Claims, as well as any and all claims for contribution,
16 indemnification, or any other claims relating to payment of the Class Settlement Amount.

17 12. The Plan of Allocation is approved as fair and reasonable. Class Counsel and the
18 Allocation Administrator are directed to allocate the Net Settlement Amount in accordance with
19 the Settlement Agreement. Any modification or change in the Plan of Allocation that may
20 hereafter be approved shall in no way disturb or affect this Judgment and shall be considered
21 separate from this Judgment.

22 13. Class Counsel is hereby awarded attorneys' fees in the amount of ____% of the
23 Settlement Fund, which the Court finds to be fair and reasonable, and \$_____ in
24 reimbursement of Class Counsel's reasonable expenses incurred in prosecuting the action. The
25 attorneys' fees and expenses so awarded shall be paid from the Class Settlement Amount
26 pursuant to the terms of the Settlement Agreement, with interest on such amounts from the date

1 the Class Settlement Amount was funded to the date of payment at the same net rate that the
2 Class Settlement Amount earns. All fees and expenses paid to Class Counsel shall be paid
3 pursuant to the timing requirements described in the Settlement Agreement.

4 14. The Named Plaintiffs are each hereby awarded a Service Award in the amount of
5 \$_____.

6 15. In making this award of attorneys' fees and reimbursement of expenses, and the
7 Service Awards to the Named Plaintiffs, the Court has considered and found that:

8 a) The settlement achieved as a result of the efforts of Class Counsel has created a
9 fund of \$49,000,000 in cash that is already on deposit, plus interest thereon, and will benefit
10 thousands of Settlement Class members;

11 b) Class Counsel have conducted the litigation and achieved the settlement with
12 skill, perseverance, and diligent advocacy;

13 c) The action involves complex factual and legal issues prosecuted over several
14 years and, in the absence of a settlement, would involve further lengthy proceedings with
15 uncertain resolution of the complex factual and legal issues;

16 d) Had Class Counsel not achieved the settlement, there would remain a significant
17 risk that the Named Plaintiffs and the Settlement Class may have recovered less or nothing from
18 the Defendants;

19 e) The amount of attorneys' fees awarded and expenses reimbursed from the
20 Settlement Fund are consistent with awards in similar cases; and

21 f) The Named Plaintiffs rendered valuable service to the Plan and to Settlement
22 Class members.

23 16. Neither the Settlement Agreement nor the terms of the Settlement Agreement
24 shall be offered or received in any action or proceeding for any purposes, except (i) in an action
25 or proceeding arising under the Settlement Agreement or arising out of or relating to the
26 Preliminary Approval Order or the Final Order, or (ii) in any action or proceeding where the

1 releases provided pursuant to the Settlement Agreement may serve as a bar to recovery, or (iii) in
2 any action or proceeding to determine the availability, scope, or extent of insurance coverage (or
3 reinsurance related to such coverage) for the sums expended for the settlement and defense of the
4 action.

5 17. Without affecting the finality of this Judgment in any way, this Court hereby
6 retains continuing jurisdiction over: (a) implementation of the settlement and any award or
7 distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the
8 Settlement Fund; (c) hearing and determining applications for attorneys' fees, costs, interest and
9 reimbursement of expenses in the action; and (d) all Parties hereto for the purpose of construing,
10 enforcing and administering the settlement.

11 18. The Court finds that during the course of the litigation, the Named Plaintiffs and
12 the Defendants and their respective counsel at all times complied with the requirements of
13 Federal Rule of Civil Procedure 11.

14 19. This Order and Judgment shall not be considered or used as an admission,
15 concession, or declaration by or against Defendants of any fault, wrongdoing, breach or liability
16 and this Court makes no such finding or determination. Neither the Settlement Agreement nor
17 any of the proceedings in connection therewith shall be offered or received in evidence for any
18 purpose, except that Defendants may submit this Final Order and Judgment to support a claim of
19 *res judicata*, collateral estoppel, release or any theory of claim or issue preclusion, or they may
20 submit this Final Order and Judgment in any action to enforce the injunctive provisions of
21 Paragraph 10.

22 20. In the event that the settlement does not become effective in accordance with the
23 terms of the Settlement Agreement, then this Judgment shall be rendered null and void to the
24 extent provided by and in accordance with the Settlement Agreement and shall be vacated, and in
25 such event, all orders entered and releases delivered shall be void to the extent provided by and
26 in accordance with the Settlement Agreement.

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21. Final Judgment shall be entered herein.

DATED this ____ day of _____, 2010.

Honorable Marsha J. Pechman
United States District Court Judge

1 Presented by:
2

3 HAGENS BERMAN SOBOL SHAPIRO LLP
4

5 By: s/ _____

6 Steve W. Berman, WSBA #12536
7 Andrew M. Volk, WSBA #27639
8 1301 Fifth Avenue, Suite 2900
9 Seattle, Washington 98101
10 Telephone: (206) 623-7292
11 Facsimile: (206) 623-0594
12 Interim Lead Counsel for Plaintiffs

13 Keller Rohrback L.L.P
14 Lynn L. Sarko, WSBA #16569
15 Derek W. Loeser, WSBA # 24274
16 Erin M. Riley, WSBA # 30401
17 1201 Third Avenue, Suite 3200
18 Seattle, WA 98101-3052
19 Telephone: (206) 623-1900
20 Facsimile: (206) 623-3384
21 Interim Lead Counsel for Plaintiffs
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25
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