

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

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<i>In re</i>	:	<b>Chapter 11</b>
	:	<b>Case No. 08-12229 (MFW)</b>
<b>WASHINGTON MUTUAL, INC., <u>et al.</u>,<sup>1</sup></b>	:	
	:	
<b>Debtors.</b>	:	<b>(Jointly Administered)</b>
	:	
-----X		<b>Re: Docket No. 8385</b>

**ORDER PURSUANT TO SECTION 105(a) OF THE  
BANKRUPTCY CODE AND RULE 9019 OF THE FEDERAL RULES OF  
BANKRUPTCY PROCEDURE (I) APPROVING SECURITIES LITIGATION  
SETTLEMENT AGREEMENT AND AUTHORIZING THE DEBTORS'  
CONSUMMATION THEREOF, AND (II) MODIFYING AUTOMATIC  
STAY UNDER SECTION 362(a) OF THE BANKRUPTCY CODE, TO  
THE EXTENT APPLICABLE, TO ALLOW PAYMENT OF SETTLEMENT  
AMOUNT UNDER DIRECTORS AND OFFICERS INSURANCE POLICIES**

Upon the motion, dated August 4, 2011 (the "Motion"),<sup>2</sup> of Washington Mutual, Inc. ("WMI") and WMI Investment Corp. (collectively, the "Debtors"), as debtors and debtors in possession, for entry of an order pursuant to section 105(a) of title 11 of the United States Code (the "Bankruptcy Code") and Rule 9019 of the Federal Rules of Bankruptcy Procedure, approving that certain Stipulation and Agreement of Settlement with Individual Officer and Director Defendants and with Washington Mutual, Inc., dated June 30, 2011 (the "Settlement Agreement"), in the litigation captioned *In re Washington Mutual, Inc. Securities Litigation*, Case No. 2:08-md-1919 (MJP), Lead Case No. C08-387 (MJP) (W.D. Wash.) (the "Securities Litigation"), by and among the Individual Defendants, WMI, and Lead Plaintiff, for itself and on

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<sup>1</sup> The Debtors in these Chapter 11 Cases along with the last four digits of each Debtor's federal tax identification number are: (i) Washington Mutual, Inc. (3725); and (ii) WMI Investment Corp. (5395). The Debtors' principal offices are located at 925 Fourth Avenue, Seattle, Washington 98104.

<sup>2</sup> Capitalized terms used but not otherwise defined herein will have the meanings ascribed to them in the Motion.

behalf of the Class, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to those parties identified therein, including, without limitation, notice to the Insureds listed on Exhibit D to the Motion being sufficient to satisfy Local Rule 2002-1(b) under the circumstances; and no other or further notice being required; and the Court having determined that the relief sought in the Motion is in the best interest of the Debtors, their creditors, and all parties in interest; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is GRANTED; and it is further

ORDERED that the Settlement Agreement, a copy of which is attached hereto as Exhibit 1, and the Settlement embodied therein are fair and reasonable as to WMI and the Debtors are authorized to take all steps necessary to consummate the Settlement; and it is further

ORDERED that, upon the Effective Date, as defined in the Settlement Agreement, the Bankruptcy Claims (*i.e.* Claim Nos. 2759, 2761, 2763) shall be deemed withdrawn, with prejudice, in their entirety; and it is further

ORDERED that, upon the Effective Date, Kurtzman Carson Consultants, LLC, the Debtors' court-appointed claims and noticing agent, is authorized and directed to reflect, in the official claims register in these Chapter 11 Cases, that the Bankruptcy Claims are withdrawn in their entirety; and it is further

ORDERED that the automatic stay, extant pursuant to section 362(a) of the Bankruptcy Code, to the extent applicable, is hereby modified so as to permit, and the Contributing Insurers are hereby authorized, to the extent necessary, to pay the Settlement Amount from the Directors' & Officers' Liability Insurance Policies; and it is further

ORDERED that, on and effective as of the date of the payment by the Contributing Insurers of the Settlement Amount into the Escrow Account, consistent with this Order and the Settlement Agreement, the Contributing Insurers will be deemed discharged from any liability to any Insureds (as defined by the Directors' and Officers' Liability Insurance Policies) or other claimants for having paid the Settlement Amount; and it is further

ORDERED that nothing in this Order shall constitute a determination as to whether the proceeds of the insurance policies used in connection with the Settlement are or are not the property of WMI's estate; and it is further

ORDERED that, except as otherwise provided in the Settlement Agreement, this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: September 6, 2011  
Wilmington, Delaware

  
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THE HONORABLE MARY F. WALRATH  
UNITED STATE BANKRUPTCY JUDGE