

SULLIVAN & CROMWELL LLP

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September 3, 2014

Via FedEx

Federal Deposit Insurance Corporation,
Receiver of Washington Mutual Bank, Henderson, Nevada,
1601 Bryan Street, Suite 1701,
Dallas, Texas 75201.

Attention: Regional Counsel (Litigation Branch) &
Deputy Director (DRR - Field Operations Branch)

Re: Indemnification Obligations

Dear Sirs:

We refer to the Purchase and Assumption Agreement Whole Bank, dated as of September 25, 2008 (the "Agreement") by and among the Federal Deposit Insurance Corporation in its corporate capacity ("FDIC Corporate") and as receiver ("FDIC Receiver" and, together with FDIC Corporate, "FDIC") and JPMorgan Chase Bank, N.A. (together with its subsidiaries and affiliates, "JPMC") relating to the resolution of Washington Mutual Bank, Henderson, Nevada ("WMB"). This letter supplements our prior indemnification notices and provides you with written notice of additional matters for which JPMC is entitled to indemnification under Section 12.1 of the Agreement.

JPMC has previously apprised you of the following matters: (1) *Bank Hapoalim v. JPMorgan Chase & Co., et al.*, Index No. 652799/2012, filed in New York State Supreme Court, New York County; (2) *Federal Home Loan Bank of Indianapolis v. Banc of America Mortgage Securities, Inc., et al.*, No. 49D05 1010 PL 045071, filed in Indiana Superior Court, Marion County; (3) *Federal Home Loan Bank of Chicago v. Banc of America Securities LLC, et al.*, No. 10-2-36526-5 SEA, filed in Washington Superior Court, King County; and (4) *John Hancock Life Insurance Co., et al. v. JPMorgan Chase & Co., et al.*, filed in New York State Supreme Court, New York County and removed to the Southern

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District of New York, No. 12 Civ. 3184 (RJS). Despite your previous awareness of these matters, JPMC hereby provides supplemental notice that each of these matters gives rise to JPMC's indemnity rights. In each of these matters, plaintiffs assert causes of action based on alleged misstatements and omissions of material fact by various entities, including WMB subsidiaries WaMu Capital Corp., Washington Mutual Mortgage Securities Corp. ("WMMSC"), and/or Long Beach Securities Corp. ("LBSC") in connection with residential mortgage-backed securities ("RMBS") underwritten or issued by those entities prior to the Agreement. JPMC has settled claims in all four of these matters. Copies of the notices or stipulations of dismissal in these actions are enclosed for your reference.

Additionally, JPMC has previously apprised you that the securities claims for which JPMC is entitled to indemnification also include securities claims based upon WaMu and/or Long Beach RMBS securitizations that were settled prior to the commencement of formal litigation. These include claims asserted by two insurance companies, a bank and a state pension system, all settled on terms that are confidential. Further, JPMC has previously apprised you of the settlement of *HSH Nordbank AG, et al. v. JPMorgan Chase Bank, N.A., et al.*, No. 652416/2011, filed in New York State Supreme Court, New York County, which included the settlement of securities claims based upon WaMu and/or Long Beach RMBS securitizations that were settled prior to the commencement of formal litigation. Again, despite your previous awareness of these matters, JPMC hereby provides supplemental notice that each of these matters gives rise to JPMC's indemnity rights.

Our informing you of the settlements in these matters is not a request for consent nor should it be construed as implying that Section 12.2(f) functions as a condition precedent to JPMC's indemnification rights with respect to claims for which FDIC is responsible. As you know, the liabilities assumed by JPMC were limited to those on WMB's "Books and Records," with a "Book Value," when WMB was closed. JPMC did not assume any WMB liabilities that did not have a book value on WMB's books and records at the time WMB was placed into receivership, nor did it assume, for those liabilities on WMB's books and records, liability for any amounts in excess of such book value. Thus, any liability for conduct that precedes WMB's closure remains with the FDIC.

Thus, this letter merely serves to apprise you of these settlements, as well as to inform you that, because the claims at issue were clearly retained by the FDIC, the amount of this settlement, as well as any costs or expenses JPMC incurred in the process of settling and defending against the claim, are subject to indemnification pursuant to Section 12.1 of the Agreement. We understand the FDIC Receiver consents to our defending and, if—as here—we deem it to be prudent, settling such claims to this extent. As you know, and as the FDIC has acknowledged in court, if the FDIC disclaims responsibility for any liabilities that may arise in connection with these actions and instead asserts that Section 12 of the Agreement does not apply to any such liabilities, then the FDIC may not purport to exercise its rights to direct the defense of these actions or determine whether to settle them.

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As you are aware from previous correspondence notifying you of the FDIC's indemnification obligations in other matters, the matters identified in this letter are not intended to be exhaustive or to constitute a statement that no other facts have or may come to our attention that could result in claims for which indemnification is provided, and we reserve the right to supplement this notice as additional facts or circumstances may arise.

Sincerely,

A large black rectangular redaction box covering the signature of Robert A. Sacks.

Robert A. Sacks

Enclosures

cc: Lawrence N. Chanen
Alla Lerner
Annette C. Rizzi
Joanna Jagoda
(JPMorgan Chase Bank, N.A.)
(Via Email without enclosures)

Richard Osterman
James Wigand
David Gearin
Kathryn Norcross
(Federal Deposit Insurance Corporation)
(Via Federal Express with enclosures)

Brent McIntosh
(Sullivan & Cromwell LLP)
(Via Email without enclosures)