

SULLIVAN & CROMWELL LLP

TELEPHONE: 1-310-712-6600
FACSIMILE: 1-310-712-8800
WWW.SULLCROM.COM

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1888 Century Park East
Los Angeles, California 90067-1725

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September 2, 2014

Via Federal Express

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

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

Re: Indemnification Obligations

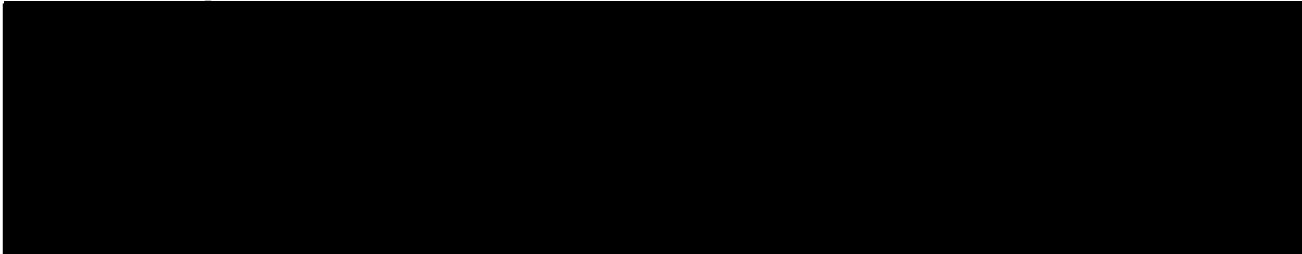
Dear Sirs:

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.

The additional matters that give rise to JPMC's indemnity rights are challenges to the FDIC's repudiation of leases on mortgaged commercial property for which WMB was both mortgage lender and leasehold tenant. Enclosed for your convenience is a copy of a settlement agreement with one such lessor, [REDACTED] executed on September 16, 2009. Also enclosed as Exhibit A to this letter is a chart itemizing the loss to JPMC, including costs, expenses and fees—a total of \$97,017.37, including legal fees—incurred in connection with [REDACTED] dispute. As background, [REDACTED] leased [REDACTED] commercial property (the "Property") to WMB in April 2006—pre-receivership—for use as a banking branch and regional office. (Settlement Agreement at 1.) WMB then made a loan to [REDACTED] secured by a mortgage on the Property on April 26, 2007, also pre-receivership. (*Id.*) Following WMB's bankruptcy and receivership, JPMC did not purchase or assume WMB's rights or obligations as a tenant or occupant of the Property, as was our right under the Agreement. (*Id.* at 2.) As you know, under Section 4.6 of the Agreement, which outlines the parties' "Agreement with Respect to Bank Premises," JPMC had the option to "accept or not to accept an assignment of any or all

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leases (or entered into subleases or new leases in lieu thereof).” As required by Section 4.6, JPMC provided timely notice to the FDIC Receiver of its election not to assume the lease in dispute here. The FDIC, on behalf of WMB, thus retains all rights and obligations as tenant and/or occupant of the Property.



With respect to other lease repudiation claims, JPMC is not aware at this time of any claim filed in the FDIC receivership by the December 30, 2008 claims bar date, as required by FIRREA. As you know, if a claim was not filed in the FDIC receivership by the claims bar date, then any lease repudiation claims against either the FDIC or JPMC based on conduct by WMB or its subsidiaries prior to the receivership would be statutorily barred for failure to exhaust the administrative claims process mandated by FIRREA. FIRREA’s statutory bar would apply equally to any unexhausted claims that borrowers might assert against either the FDIC or JPMC. If your records show that a borrower asserting a lease repudiation claim against JPMC did not file timely a proof of claim, we would request that you immediately inform that borrower that any claims against either the FDIC or JPMC are barred, just as you have informed certain taxing authorities in recent correspondence that their claims are barred. In the event that any borrower asserting a lease repudiation claim against JPMC did submit a timely claim in the WMB receivership, as [REDACTED] has done (we would appreciate receiving copies if any were filed), this same analysis would apply equally to such a borrower.

The dispute and subsequent settlement with [REDACTED] serves a representative example of the types of challenges JPMC has faced and continues to face in the context of the FDIC’s repudiation of WMB’s leases on mortgaged commercial property. Our informing you of this dispute and settlement with [REDACTED] 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. This letter merely serves to apprise you of this settlement, as well as to inform you that, because the claim at issue was retained by the FDIC, as explained above, 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 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

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liabilities, then the FDIC may not purport to exercise its rights to direct the defense of these actions or determine whether to settle them.

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, 


Robert A. Sacks

Enclosures

cc: Lawrence N. Chanen
Joanna Jagoda
Geoffrey Olsen
Michael Lipsitz
(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)