

WASHINGTON MUTUAL, INC.

BOARD OF DIRECTORS

FINANCE COMMITTEE CHARTER

Adopted October 15, 2002,

As amended through February 21, 2006

Washington Mutual, Inc.

Finance Committee Charter

I. PURPOSE

The Finance Committee (the “Committee”) shall provide assistance to the Company’s Board of Directors (the “Board”) in fulfilling its responsibility to the shareholders and the investment community and to governmental agencies that regulate the activities of the Company by:

- A. Monitoring investments in, and dispositions of, loans and financial instruments, and significant purchases and dispositions of real property acquired by the Company (excluding the Company’s premises or other real property acquired for use by the Company); and
- B. Monitoring the development of, recommending approval by the Board of, and monitoring the administration of, policies that govern the Company’s acquisition, retention and disposition of investments (collectively, the “Finance Policies”), including the Company’s Asset and Liability Management Policy (as the same may be amended, modified or supplemented from time to time, the “ALM Policy”).

II. STRUCTURE AND OPERATIONS

Composition and Qualifications

The Committee shall be composed of three or more directors, as determined by the Board.

Appointment and Removal

The members of the Committee shall be appointed annually by the Board, acting upon the recommendation of the Governance Committee, and shall serve for a one-year term, so long as they remain a member of the Board.

Chair

In the absence of a member designated by the Board to serve as chair, the members of the Committee may appoint, by the majority vote of the full Committee membership, from among their number, a person to preside at their meetings.

Delegation

The Committee may delegate certain of its responsibilities and duties, as it deems appropriate, to (i) members of the committee, individually or as subcommittees, or (ii) officers of the Company or committees comprised of officers of the Company. Each such delegation shall be reflected in the Committee's minutes or in one or more of the Finance Policies.

III. RESPONSIBILITIES AND DUTIES

The following functions shall be the common recurring activities of the Committee in carrying out its purposes outlined in Section I of this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt such other policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee that are outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate. In this regard, the Committee shall have the authority to retain outside legal, accounting or other advisors for this purpose, including the authority to approve fees payable to such advisors and any other terms of retention.

The Committee shall be given full access to the Company's Board and corporate executives as necessary to carry out these responsibilities and duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of the Board.

Notwithstanding the foregoing, the Committee is not responsible for guaranteeing the Company's compliance with laws, regulations or its compliance policies or programs. The fundamental responsibility for the Company's compliance with laws and regulations rests with management.

General Finance Responsibilities

With regard to the Company's finances, in general, the Committee shall perform the following functions:

- Monitor the management of the purchase, sale, exchange and other disposition of the investments of the Company, including repurchases of securities that were previously issued by the Company.
- Monitor compliance with the Finance Policies and related standards governing the Company's investments or categories of investments, including significant investments, if any, in real property (excluding the Company's premises or other real property acquired for use by the Company) and any significant transactions in assets outside the Company's ordinary course of business.
- Have such meetings with management as the Committee deems appropriate to discuss significant financial risk exposures facing the Company and the steps that management is taking to monitor and control such exposures.
- Monitor the Company's treasury functions, including capital, finance, funds management and interest rate risk management.
- Monitor the management of credit risk by the Company's chief credit officer.
- Where appropriate in the Committee's discretion, consult with such officers as they deem appropriate concerning financial matters that may have a significant impact on the Company's financial condition, earnings, policies or programs.
- Monitor aspects of financial activities of the Company's key subsidiaries that are material to the Company's return on investments in these subsidiaries.
- Review and determine whether to approve transactions that are subject to the Committee's authority to approve under the Finance Policies or Board resolutions.
- Review and make recommendations to the Board as to approval of transactions that are subject to the Board's authority to approve under the Finance Policies.
- Exercise all the authority of the Board to amend the Finance Policies following initial approval by the Board, provided that the Committee shall report to the Board on any material amendments that the Committee has made to the Finance Policies.
- Review, periodically, the Company's plans for dividends to the Company's shareholders, and recommend submission to the Board of proposed dividends.

Specific Responsibilities With Respect To Financial Instruments

With regard to financial instruments to be held by the Company, the Committee shall perform the following functions:

- Review summary reports of investments in and sales of financial instruments for compliance with the ALM Policy, strategies, and applicable laws and regulations on at least a quarterly basis.
- Monitor the administration of repurchases or redemptions of financial instruments that were previously issued by the Company.
- Monitor the administration of systems for determining the appropriate size (as a part of the Company's total investment portfolio) and characteristics (i.e. yield, credit risk, interest rate risk, and composition) of the Company's portfolio of liquid investments.

Specific Responsibilities With Respect To Interest Rate Risk

With regard to the effect of potential changes in market interest rates ("interest rate risk") on the Company's assets, liabilities and fee income, the Committee shall perform the following functions:

- Monitor compliance with the provisions of the ALM Policy and applicable standards relating to the management of interest rate risk (the "Interest Rate Risk Management Standards").
- Monitor the approval of exceptions to, and amendments of, the Interest Rate Risk Management Standards by a committee of officers appointed by the Chief Financial Officer (the "Market Risk Committee").

Specific Responsibilities With Respect To Counterparty Credit

With regard to financial institutions, brokers and dealers (collectively, "counterparties") that engage in transactions with the Company, the Committee shall perform the following functions:

- Monitor compliance with the provisions of the Finance Policies and applicable standards relating to the management of counterparty credit risk (the "Counterparty Credit Risk Standards"), including, but not limited to, reviewing limits on counterparty exposure and reviewing limits on individual transactions based on inherent risk.

- Monitor the approval of exceptions to, and amendments of, the Counterparty Credit Risk Standards by a committee of officers appointed by the chief credit officer (the “Credit Policy Committee”).

Reports

With regard to reports, the Committee shall:

- Report regularly to the Board following meetings of the Committee. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee or the Chair to make such a report.

Committee Performance Review

With regard to the Committee’s performance review, the Committee shall:

- Review and reassess, at least annually, the adequacy of this Charter and, if appropriate, recommend changes to the Board.
- Perform a review and evaluation, at least annually, of the performance of the Committee and its members. In addition, the Committee may discuss or formulate a plan for succession of committee membership and/or leadership. The annual review and evaluation may be conducted by using whatever means the Committee determines appropriate, including through surveying the Committee membership, and the Chair of the Committee shall discuss the Committee’s findings and recommendations with the Chair of the Governance Committee.

IV. MEETINGS

A majority of the number of Committee members shall constitute a quorum for the transaction of any business at any meeting of the Committee. If less than a majority shall attend a meeting, a majority of the members present may adjourn the meeting from time to time without further notice, and a quorum present at any such adjourned meeting may transact business.

If a quorum is present when a vote is taken, then the affirmative vote of a majority of Committee members present shall constitute the act of the Committee. Any action permitted or required to be taken at a meeting of the Committee may be taken without a meeting if one or more written consents setting forth the action shall be signed by all the members of the Committee. Action taken by written consent is effective when the last Committee member signs the consent, unless the consent specifies an earlier or later effective date.

A Committee member who is present at a meeting of the Committee at which action is taken shall be presumed to have assented to the action taken unless such member's dissent shall be entered in the minutes of the meeting or unless such member shall file his written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the Company immediately after adjournment of the meeting. A member who votes in favor of an action shall have no such right to dissent.

Committee members may participate in, or conduct, a meeting of the Committee through the use of any means of communication by which all Committee members participating can hear each other during the meeting and participation by such means shall constitute presence in person at the meeting.

The Committee shall meet at least four times annually as directed by the Chair of the Committee, except that the Board, the Chair of the Board, or the Chair of the Committee may call special meetings of the Committee. The notice of a special meeting shall state the date and time and, if the meeting is not exclusively telephonic, the place of the meeting. Unless otherwise required by law, neither the business to be transacted at, nor the purpose of, any regular or special meeting need be specified in the notice or waiver of notice of such meeting.

Any Committee member may waive notice of any meeting of the Committee at any time. Whenever any notice is required to be given to any Committee member under this Charter or applicable law, a waiver thereof in writing, signed by the member entitled to notice, shall be deemed equivalent to the giving of notice. The attendance of a member at a meeting of the Committee shall constitute a waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully convened. A member waives objection to consideration of a particular matter at a meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.