



**Investment Office**

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April 16, 2008

Kerry K. Killinger  
Chairman of the Board  
Washington Mutual Inc.  
1301 2<sup>nd</sup> Avenue, WMC2203  
Seattle, WA 98101

Dear Mr. Killinger,

I am writing you on behalf of the California Public Employees' Retirement System (CalPERS), owner of approximately 3,388,934 shares of common stock in Washington Mutual Inc. CalPERS is the largest public pension system in the U.S., with approximately \$240 billion in assets. We manage retirement benefits and health insurance on behalf of nearly 1.5 million members.

The purpose for this letter is to address the preliminary results from yesterday's annual meeting for Washington Mutual Inc. These results indicate that Mr. James E. Stever, a director CalPERS withheld its vote from, did not receive an affirmative majority of the votes cast. CalPERS believes a majority of proxies cast should be required to elect a director and that broker non-votes should be counted for quorum purposes only and not included in the tallies for director elections. If it is confirmed that Mr. Stever did not receive a majority of votes cast, excluding uninstructed broker votes, we request that he resign from the Board of Directors and encourage the Board to accept his resignation.

CalPERS believes the center of good corporate governance is a board's accountability to its shareowners. Inaction by the Washington Mutual Board of Directors to a majority withhold vote for a director will be unacceptable and suggest a board culture that is not accountable to the owners of the company – its shareowners. We therefore urge your company to finalize and disclose the results from the annual meeting and take appropriate action to address any director who received a majority withhold vote.

Sincerely,

Dennis A. Johnson, CFA  
Senior Portfolio Manager  
Corporate Governance