

shareholders of reorganized WMI if cash infusions of billions of dollars were made.

75. The Equity Committee will submit two expert reports in support of this conclusion. The first Equity Committee report, submitted by Peter J. Solomon, explains how the company is undervalued even using Blackstone's assumptions. It also shows how much value the Settlement Note Holders can reap from the NOLs if they are successful in exploiting them through cash infusions. The second report, submitted by the Equity Committee's tax expert BDO USA, gives the lie to the primary assumption that underlies the Debtors' valuation report: to wit, that Section 269 of the Tax Code poses a *per se* bar on any investments by reorganized WMI that exceed the current value of the company.

76. This undervaluation of Reorganized WMI harms equity, and all impaired creditors, by withholding the value that should flow to them. It also improperly benefits the Settlement Note Holders by giving them more than they deserve. Not only does this