



The
Investor Services Program
for
Shareholders
of
Washington Mutual, Inc.



Program Sponsored and Administered by
Mellon Bank, N.A.
not by Washington Mutual, Inc.

Protecting Your Privacy

Our Pledge to You

WE ARE COMMITTED TO YOUR PRIVACY. The privacy policies described in this notice apply to individuals who participate in this Plan for personal, family or household purposes, or have done so in the past. This notification replaces all previous statements of our information sharing practices, and may be amended at any time. We'll keep you informed of changes as required by law.

YOUR ACCOUNT IS PROVIDED IN A SECURE ENVIRONMENT. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard nonpublic personal information. Our agents and service providers have limited access to customer information based on their role in servicing your account.

WE COLLECT INFORMATION IN ORDER TO SERVICE AND ADMINISTER YOUR ACCOUNT. We collect a variety of nonpublic personal information, which may include information about you from the plan enrollment form and information about your transactions with us.

WE DO NOT SHARE NONPUBLIC PERSONAL INFORMATION WITH ANYONE, EXCEPT AS PERMITTED BY LAW.

Thank you for this opportunity to serve you.

Dear Investor:

Mellon Securities LLC, a registered broker-dealer, is forwarding the materials for the Investor Services Program (“the Plan”). A banking affiliate of Mellon Securities LLC is the Administrator of the Plan. Please carefully review the following brochure for details of the Plan.

Orders received by the Administrator to purchase or sell shares under the Plan may be executed by Mellon Securities LLC, an affiliate of the Administrator.

Mellon Securities LLC makes no recommendation for or against participation in the Plan or the purchase of any securities under the Plan, nor does it assume any responsibility for the accuracy of the statements made in the enclosed materials.

If you have any questions about the Plan, you may contact the Administrator at the toll-free number as listed in this brochure.

Very truly yours,

Mellon Securities LLC

Mellon Securities LLC is a member of the NASD/SIPC. It is not a bank or thrift and is separate from its banking affiliates. Shares offered through the Plan are not FDIC insured. They are not bank deposits or obligations of, or guaranteed by any bank and are subject to investment risks, including possible loss of the principal amount invested.

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INVESTOR SERVICES PROGRAM OVERVIEW

Washington Mutual

The Mellon Investor Services Program (the “Plan”) provides you with alternatives to the traditional methods of buying, holding and selling Washington Mutual, Inc. Common Stock (“WM Stock”). The Plan is designed for long-term investors who wish to invest in WM Stock and build their ownership over time. It has various features and you can choose the features that meet your investment needs. The principal terms and conditions of the Plan are summarized in this brochure. A copy of the full terms and conditions of the Plan is available from the Administrator upon request.

Washington Mutual, Inc. has appointed Mellon Bank, N.A. as Administrator for the Plan, and certain administrative support will be provided by Mellon Investor Services, transfer agent for Washington Mutual, Inc. The Plan is not sponsored or administered by Washington Mutual, Inc. Securities held by the Administrator in your Plan account are not subject to protection under the Securities Investor Protection Act of 1970. The Administrator may use, and commissions may be paid to, a broker-dealer which is affiliated with the Administrator.

If you are a registered holder of WM Stock, you can enroll in the Plan now and reinvest your cash dividends and make optional cash purchases to increase your shareholdings. If you do not currently own WM Stock, you can become a participant by making your initial share purchase directly through the Plan.

Read on for a more detailed description of the features of the Mellon Investor Services Plan as offered for Washington Mutual, Inc. To participate in the Plan, you can enroll online via Investor ServiceDirect® or by completing the enclosed Enrollment Form and mailing it to the Administrator in the envelope provided. See *Electronic Access* on page 5 for information on how to access Investor ServiceDirect®.

Note: The Mellon Investor Services Program is designed for the long-term investor and does not afford the same flexibility as an individual stock brokerage account. Unlike an individual stock brokerage account, the timing of purchases and sales is subject to the provisions of the Plan, as discussed on pages 3 through 8.

Mellon Bank, N.A., Mellon Investor Services and Washington Mutual, Inc. provide no advice and make no recommendations with respect to any security. Any decision to purchase or sell must be made by each individual Plan participant based upon his or her own judgment. Nothing in this brochure shall be deemed to constitute an offer to sell or a solicitation to buy WM Stock.

Washington Mutual, Inc. Common Stock is listed on the New York Stock Exchange and trades under the ticker symbol “WM”.

KEY FEATURES OF PROGRAM

PLAN FEATURES

Carefully read the entire brochure for complete Plan details.

ANYONE CAN PARTICIPATE

You can purchase your initial shares of WM Stock through the Plan. If you already own WM Stock in registered form, you can participate immediately to make optional cash purchases or enroll in dividend reinvestment.

If you own WM Stock in a brokerage account, you can instruct your broker to register all or any number of whole shares in your own name through the Direct Registration System and you can then participate when the transfer is complete.

DIVIDEND REINVESTMENT

The Plan includes a dividend reinvestment option in which your cash dividends are used to purchase additional shares of WM Stock. You can have all or a portion of your dividends reinvested, or the Administrator will remit to you the cash dividends either by check or by automatic deposit to a bank account you designate.

OPTIONAL CASH PURCHASES

You can make optional cash purchases at a minimum of \$50 per investment, not to exceed \$100,000 annually.

ELECTRONIC ACCESS

You can track your WM Stock account online through www.melloninvestor.com and logging on to Investor ServiceDirect®.

SHARE SAFEKEEPING

For your benefit, shares acquired through the Plan are held in book-entry safekeeping. You can also deposit any WM Stock certificate(s) with the Administrator for safekeeping, at no cost to you. You can request a stock certificate for any or all of your whole shares of WM Stock at any time. A certificate for those shares will be sent to you, free of charge.

GIFTS AND OTHER SHARE TRANSFERS

You can transfer or gift shares at no charge.

CONVENIENT SHARE SALES

You can sell your WM Stock at fees traditionally lower than most stockbrokers charge.

SUMMARY OF TERMS AND CONDITIONS

Plan Participation

If you do not currently own any WM Stock, you can participate by making an initial investment through the Plan. Please see *Getting Started* below for details regarding your initial investment.

You can enroll by making an initial investment in WM Stock through the Plan with a minimum initial investment of \$500. Alternatively, you can authorize the automatic monthly investment feature and initiate your investment with a commitment for at least ten sequential purchases of \$50 electronically deducted from your bank account.

If you already own WM Stock and the shares are registered in your name (not held in a brokerage account) you can participate immediately. See *Getting Started* below.

If your shares are held for you in a brokerage account, you can participate by instructing your broker to register all or any number of whole shares in your own name through the Direct Registration System, then you may participate as a registered owner.

Please refer to Investor Services Program Fees on page 11 for information on purchase fees.

Getting Started

Electronic enrollment is available on-line through Investor ServiceDirect® (see *Electronic Access* on page 5 for information on how to access Investor ServiceDirect®). Alternatively, you can enroll by completing the enclosed Enrollment Form and mailing it to the Administrator in the envelope provided. For current WM shareholders, your participation will begin after your authorization is received. For new WM investors, your participation will begin after your initial investment is made. Once you have enrolled, your participation continues automatically. Participation in the Plan is voluntary and you can discontinue your participation at any time.

Dividend Reinvestment

A significant feature of the Plan is dividend reinvestment where dividends issued by the Company are used to purchase additional shares. You can choose to reinvest all or a portion of the dividends paid on shares you own of WM Stock in additional shares.

You can change your election at any time by notifying the Administrator. To be effective with respect to a particular dividend, any such change must be received by the Administrator on or before the record date for that dividend.

SUMMARY OF TERMS AND CONDITIONS

You may, of course, choose not to reinvest any of your dividends, in which case the Administrator will remit any dividends to you by check or automatic deposit to a bank account you designate.

Washington Mutual pays all fees associated with dividend reinvestment.

Share Purchases for Dividends

If you choose the dividend reinvestment feature, the Administrator will invest dividends in additional shares of WM Stock. The investment will be made on the open market as promptly as practicable, on or after the payable date, but normally within one week. In the unlikely event that the Administrator is unable to invest the funds within 30 days, due to unusual market conditions, the Administrator will return the funds to you by check. No interest will be paid on funds held by the Administrator pending investment.

Making an Initial Investment

You can make an initial cash investment in the Plan for as little as \$500, but not more than \$100,000. Your initial investment can be made:

Via on-line enrollment by:

- Authorizing one deduction (minimum of \$500) from your bank account; or
- Authorizing a minimum of ten monthly automatic deductions of at least \$50 from your bank account; or
- Opening your account on-line and sending your initial investment of \$500 or more.

A \$15 purchase fee will be deducted from your initial payment.

(See *Electronic Access* on page 5 for information about on-line activities through Investor ServiceDirect® at www.melloninvestor.com)

Using the Enrollment Form and:

- Making one payment (minimum of \$500) by check or money order payable to Washington Mutual/Mellon Bank; or
- Authorizing a minimum of ten monthly automatic deductions of at least \$50 from your bank account.

A \$15 purchase fee will be deducted from your initial payment.

SUMMARY OF TERMS AND CONDITIONS

Making Additional Investments with Optional Cash Payments

Once you are a WM shareholder enrolled in the Plan and you want to make additional purchases, you can authorize individual automatic deductions from your bank account through Investor ServiceDirect® or send a check to the Administrator for each purchase. If you choose to submit a check, please make sure to include the contribution form from your Plan statement and mail it to the address specified on the statement. Or, if you prefer to make regular monthly purchases, you can authorize automatic monthly deductions from your bank account. This feature enables you to make ongoing investments in an amount that is comfortable for you, without having to write a check. Additional cash purchases are subject to a minimum purchase requirement of \$50 per investment and a maximum of \$100,000 annually. The Plan allows for dollar cost averaging and your shares will be calculated to the fourth decimal place.

Please refer to Investor Services Program Fees on page 11 for information regarding the fees associated with optional cash purchases.

Share Purchases

Upon receipt of the funds, the Administrator will invest initial and additional cash investments, less applicable fees, in whole and fractional shares, purchased on the open market as promptly as practicable, at least once every five business days. In the unlikely event that, due to unusual market conditions, the Administrator is unable to invest the funds within 35 days, the Administrator will return the funds to you by check. No interest will be paid on funds held by the Administrator pending investment.

Electronic Access

For shareholders who prefer Internet access, you can view your shareholder account on-line at www.melloninvestor.com and log onto Investor ServiceDirect® using your own four digit Personal Identification Number (PIN). You can view your WM Stock holdings, change your dividend election, purchase additional shares with optional cash payments, change your address, track your dividend payment history and access other features and services.

Stock Certificate Safekeeping

Shares of WM Stock that you buy through the Plan will be maintained in your Plan account in book-entry form. Use of a book-entry process helps to protect your shares against loss, theft or accidental destruction and also provides a convenient way for you to keep track of your shares. Only shares held in book-entry can be sold through the Plan.

SUMMARY OF TERMS AND CONDITIONS

If you currently own WM Stock in certificate form, you can deposit your certificates for those shares with the Administrator, free of charge. The Administrator will provide mail loss insurance coverage for certificates with a value not exceeding \$100,000 in any one shipping package that is mailed to its address at 85 Challenger Road, Ridgefield Park, NJ 07660 by USPS registered mail or by any of the following overnight couriers: Airborne, DHL, Emery, ExpressMail, FedEx, Purolator, TNT and UPS.

Note: Mail loss insurance covers only the replacement of shares represented on the stock certificates and in no way protects against any loss resulting from fluctuations in the value of such shares.

If you should ever want a stock certificate for all or a portion of the whole shares of WM Stock in your Plan account, the Administrator will send one to you, upon your request. The Administrator will mail a certificate to you within two business days after receipt of your request.

Share Transfers/Gifts

You can transfer or give gifts of WM Stock to anyone you choose by contacting the Administrator and requesting a Gift/Transfer Form. After the transfer or gift is completed, upon your request the Administrator will send you a non-negotiable gift announcement which you can present to the recipient. A notice indicating the transfer of WM Stock will also be forwarded to the recipient.

Selling Shares

You can sell your Plan shares at any time by contacting the Administrator. Your sales request will be processed and your shares will, subject to market conditions and other factors, generally be sold within 24 hours of receipt of your request. Please note that the Administrator cannot and does not guarantee the actual sale date or price, nor can it stop or cancel any outstanding sale or issuance request. All requests are final. The Administrator will mail a check to you (less applicable sales fees) on settlement date, which is three business days after your shares have been sold.

Alternatively, you may choose to sell your shares through a stockbroker of your choice, in which case you would have to request that the Administrator electronically transfer your shares to your stockbroker. You can also request a certificate for your shares from the Administrator for delivery to your stockbroker prior to settlement of such sale. See *Stock Certificate Safekeeping* on page 5 for instructions on how to obtain a certificate.

Please refer to Investor Services Program Fees on page 11 for information on sales and trading fees.

SUMMARY OF TERMS AND CONDITIONS

The Company reserves the right to liquidate accounts with balances of less than one full share at any time without notice. The fractional share will be liquidated and paid out to shareholder(s) in cash and the account will be terminated.

Plan Costs

Washington Mutual pays the dividend reinvestment transaction and trading fees. There are nominal transaction fees associated with initial and optional cash investments but the Company pays the trading fees of the purchases. Please refer to the Investor Services Program Fees on page 11 to view all the Plan fees.

Tax Statements and Related Matters

The Administrator will send a Form 1099-DIV to you and the Internal Revenue Service (“IRS”) after each year-end. The Form 1099-DIV will report all dividend income you received during the year on your WM Stock. Dividends paid on your WM Stock and the amount of trading fees paid by the Company on behalf of each Participant will be included in each account statement sent to the Participant. If you sell shares through the Plan, the Administrator will send a Form 1099-B to you and the Internal Revenue Service after year-end, showing the total proceeds of the transactions. We strongly recommend that you keep your transaction statements, which are helpful for record-keeping and tax purposes. Neither the Administrator nor the Company can provide tax advice and you are encouraged to consult with your personal tax advisor to determine the tax status of your Plan transactions.

The reinvestment of dividends does not relieve the Participant of any taxes that may be payable on such dividends. In addition, trading fees paid by the Company on behalf of the Participant will constitute reportable income. The IRS has ruled that the amount of trading fees paid by the Company on behalf of the Participant is to be treated as a distribution that is subject to income tax in the same manner as dividends. The IRS has also ruled that the amount paid for by the Company for trading fees will be included in the cost basis of shares purchased. This amount will be reflected on the Plan statements.

Proxy and Voting

You will receive proxy material for all of your shares, and your shares will be voted in accordance with your direction. If you wish, you can vote your shares in person at shareholder meetings.

SUMMARY OF TERMS AND CONDITIONS

Non-U.S. Residents

Cash investments from non-U.S. residents must be made in United States currency and will be invested in the same manner as investments from other participants. Each participant is responsible for reviewing the applicable laws of his or her country of residence prior to investing in WM Stock. All dividends will be subject to withholding under the terms of any applicable tax treaty provisions.

Tracking Your Investments

The Administrator will send a transaction notice confirming the details of each transaction you make. If you participate in the dividend reinvestment feature, you will receive a quarterly statement of your account. If you do not reinvest dividends and have no additional purchase or sale transactions, you will receive an annual statement detailing the status of your holdings of WM Stock in your Plan account.

Plan Termination

If dividends are paid to shareholders and you have elected to reinvest them through the Plan, you can discontinue the reinvestment of your dividends at any time by giving notice to the Administrator. Thereafter, future cash dividends will be sent to you directly. Notice can be made by telephone, in writing or by changing your dividend election under the Account Management section when you access your account over the Internet at www.melloninvestor.com. To be effective for a given dividend payment, the Administrator must receive notice before the record date of that dividend. The Administrator will continue to hold your shares unless you request a certificate for any full shares and a check for any fractional share. You can also request the sale of all or part of any such shares or have the Administrator electronically transfer your shares to your brokerage account. See *Selling Shares* on page 6 for more details.

The Company reserves the right to terminate any account with fewer than one whole share. The fractional share will be liquidated and payment sent to the shareholder.

CONTACTS

Enrollment, share purchases or sales requests, and other transactions or services offered by the Plan should be directed to the Administrator through the following:

Internet

You can enroll in the Plan, obtain information, and perform certain transactions on your WM Stock account on-line via Investor ServiceDirect®. To gain access, you will establish a password when you visit the website. If you forget your password, call 1-877-978-7778 to have it reset.

To access Investor ServiceDirect® please visit the Mellon Investor Services website at:

www.melloninvestor.com

Telephone

Telephone shareholder customer service, including sale of shares, toll-free within the United States and Canada:

1-800-234-5835 (in the United States and Canada)

1-800-231-5469 (for the hearing impaired) (TDD)

1-201-329-8660 (outside of the United States and Canada)

An automated voice response system is available 24 hours a day, 7 days a week. **Customer Service Representatives** are available from 9:00 a.m. to 7:00 p.m., Eastern Standard Time, Monday through Friday (except holidays).

In Writing

Written correspondence should be addressed to:

Mellon Bank, N.A.
c/o Mellon Investor Services
P.O. Box 3338
South Hackensack, NJ 07606-1938

Stock certificates submitted for safekeeping should be delivered to:

Mellon Bank, N.A.
c/o Mellon Investor Services
85 Challenger Road
Ridgefield Park, NJ 07660

(Please refer to *Stock Certificate Safekeeping* on page 5 for mailing guidelines.)

Be sure to include your name, address, daytime phone number, social security or tax I.D. number and a reference to Washington Mutual, Inc. on all correspondence.

INVESTOR SERVICES PROGRAM FEES

Purchase of shares with initial investment	\$15.00
Purchase of shares with additional investments via check (per investment)	\$5.00
Purchase of additional shares via automatic debit of bank account (per investment):	
• Via individual electronic debit	\$3.50
• Via recurring monthly electronic debit	\$2.00
Reinvestment of quarterly dividend: Shareholders may elect to reinvest all or part of their cash dividends	Company paid
Trading fee for purchases	Company paid
Transfer shares as gift	No charge
Certificate safekeeping	No charge
Certificate issuance	No charge
Sale of shares (full termination or partial)	\$15.00
Trading fee for sales	\$.12 per share
Current year duplicate statement	No charge
Duplicate statement – prior year	\$20.00
Insufficient funds or rejected automatic	\$35.00 per occurrence

Washington Mutual, Inc.
 Investor Services Program
 Effective November 17, 2003
 Mellon Bank, N.A.
 Plan Administrator

