



December 6, 2006

Jose Castaneda  
1377 Rutan Way  
Pasadena, CA 91104

Dear Mr. Castaneda:

We appreciate your patience while WM Financial Services' (WMFS) Complaint and Investigation Department reviewed the concerns noted in your November 1, 2006 letter addressed to the Office of Thrift Supervision (OTS), regarding Felicitas Castaneda's accounts. In your letter, you are requesting assistance in obtaining information on transactions which occurred in September of 1997 and in determining the whereabouts of approximately \$64,000 of Ms. Castaneda's funds.

Please realize that WMFS is only able to provide you with information concerning Ms. Castaneda's investment account(s). For assistance related to specific bank issues, you will need to contact a local Washington Mutual Financial Center.

We were able to pull statements from Griffin Financial Services (GFS) which show several mutual fund purchases made by Ms. Castaneda. The GFS statements (please see attached exhibit 1) indicated that the following purchases were made on September 4, 1997:

1. \$22,000 of the Griffin Growth & Income Fund Class A
  2. \$10,000 of the T. Rowe Price International Stock Fund (no-load)
  3. \$16,000 of the Griffin Short-Term Bond Fund Class A
  4. \$17,000 of the Griffin Bond Fund Class A
  5. \$17,000 of the Griffin U.S. Government Income Fund Class A
  6. \$10,000 of the Griffin Money Market Fund Class A
- Total = \$92,000

Additionally, we were unable to verify a September 4, 1997 purchase of the Griffin Growth Fund Class A shares. However, the enclosed account statement (exhibit 2) indicates this investment had a value of \$8,240.75 on December 31, 1998.

Due to WMFS' acquisition of GFS, the Griffin mutual funds owned by Ms. Castaneda converted to similar mutual funds at the WM Group of Funds on March 5, 1999. This conversion is indicated as a tax-free merger on the enclosed account statements (exhibit 3). After the conversion, the remaining mutual funds were exchanged into the WM Flexible Income Portfolio Class A (#137) shares on July 16, 1999. This investment then transferred to WMFS on October 14, 1999 and remained there until it was sold on January 28, 2000 (exhibit 4).

Further, the redemptions made by Ms. Castaneda that we were able to verify are listed below and are referenced in the enclosed statements (exhibit 5).

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1. \$7,000 from the Griffin Money Market Fund Class A on July 1, 1998
  2. \$20,000 from the Griffin Money Market Fund Class A on January 7, 1999
  3. \$7,995.75 from the WM Short-Term High Quality Bond Class A Fund on April 7, 1999
  4. \$7,969.62 from the WM Money Market Fund Class A on April 7, 1999
  5. \$14,034.63 from the WM U.S. Government Securities Fund on April 7, 1999
  6. \$10,000 from the WM Flexible Income Portfolio Class A on November 8, 1999
  7. \$26,636.25 from the WM Flexible Income Portfolio Class A on January 28, 2000
- Total = \$93,636.25

As of the date of this letter, our records indicate that Ms. Castaneda does not currently have an active investment account with us.

Hopefully, our letter provided you with useful information that will help you in your research of this matter. We appreciate your business and thank you for bringing this matter to our attention. If you have any additional questions or concerns, please do not hesitate to write to me at the address listed on the bottom of page one.

Sincerely,

WM Financial Services, Inc.



David W. Andersen  
Compliance Specialist

Enclosures