



**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See Attached  
Statement

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18 Can any resulting loss be recognized? ▶ See Attached Statement

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See Attached Statement

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶ Cynthia J. Glad Date ▶ March 19, 2018

<b>Paid Preparer Use Only</b>	Print your name ▶ <u>Cynthia J Glad</u>	Preparer's signature	Date ▶ <u>VP of Tax</u>	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶		Firm's EIN ▶		
	Firm's address ▶		Phone no.		

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Ditech Holding Corporation**  
**(fka Walter Investment Management Corporation)**  
**EIN: 13-3950486**  
**Date of Action: February 9, 2018**  
**Attachment to Form 8937**  
**Report of Organizational Actions Affecting Basis of Securities**

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended, and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Exchange (as defined below) on the tax basis of the new notes and stock issued by Ditech Holding Corporation (“DHC”) to holders of existing notes and stock of DHC in exchange therefor. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of holders. DHC does not provide tax advice to holders of its debt obligations. Holders should consult their own tax advisers regarding the particular tax consequences of the Exchange to them, including the applicability and effect of all U.S. federal, state and local tax laws.

**Form 8937, Line 10**

The CUSIP number for the DHC (formally WIMC) Common Stock that was cancelled on February 9, 2018 (“Old DHC Stock”) is 93317W102. The CUSIP number for the Mandatorily Convertible Preferred Stock of DHC subsequent to its emergence from bankruptcy that was issued on February 9, 2018 (the “New DHC Preferred Stock”) is 25501G204 and the CUSIP number of the Common Stock issued on February 9, 2018 upon emergence (the “New Common Stock”) is 25501G105.

The CUSIP numbers for the DHC debt obligations exchanged in the organizational action are as follows:

<b>CUSIP Number</b>	<b>Security Description</b>
93317WAC6	Surrendered Notes: 7.875% Senior Unsecured Notes due 2021 (Global Note)
93317WAB8	Surrendered Notes: 7.875% Senior Unsecured Notes due 2021 (144A)
U9312TAA5	Surrendered Notes: 7.875% Senior Unsecured Notes due 2021 (REGS)
93317WAA0	Surrendered Notes: 4.50% Convertible Senior Subordinated Notes due 2019
25501gAA3	New Notes: 9.0% Second Lien Notes due 2024

**Form 8937, Line 14**

On November 30, 2017, Walter Investment Management Corp. (“WIMC”) filed a voluntary petition under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York to pursue its previously announced Prepackaged Chapter 11 Plan of Reorganization, dated November 6, 2017 (as proposed, the “Prepackaged Plan”).

On February 9, 2018 (the “Effective Date”), the Prepackaged Plan became effective pursuant to its terms and the Company emerged from the Chapter 11 Case. Effective February 9, 2018, WIMC changed its name to Ditech Holding Corporation (“DHC” or the “Company”)

On February 9, 2018, the Company exchanged shares of New DHC Preferred Stock, which convert to shares of common stock upon the occurrence of certain specified dates or events, for the cancellation and forgiveness of senior unsecured notes as well as a debt conversion (the “Allowed Senior Note Claim”) The Company also exchanged shares of New DHC Common Stock and Warrants for the cancellation and forgiveness of certain general unsecured claims, convertible senior subordinated notes, (the “Allowed General Unsecured Claim”). Concurrently, all of the shares of Old DHC Stock were cancelled and extinguished and the holders of the Old DHC Stock also received New Common Stock and Warrants. The events that occurred on February 9, 2018 pursuant to the Bankruptcy Plan are cumulatively referred to herein as the “Transaction”.

**Form 8937, Line 15**

As a result of the Transaction, each holder of a note or certain general unsecured claim exchanged its note or general unsecured claim for restructured debt and New DHC Preferred or New Common Stock respectively. The effect on each creditor will depend upon whether its claim is represented by a “security” for purposes of the reorganization provisions of the Tax Code. Creditors should consult their own tax advisors as to whether their claims are represented by securities.

This summary discusses the U.S. federal income tax consequences to holders of notes or certain general unsecured claims who are U.S. Holders and does not discuss tax consequences for those who are not U.S. Holders. The Transaction is intended to be treated as a tax “reorganization” for U.S. federal income tax purposes. The classification as a reorganization exchange generally serves to defer the recognition of any taxable gain or loss by the U.S. Holder. Nevertheless, even within an otherwise tax-free exchange, a U.S. Holder will have interest income to the extent of any exchange consideration allocable to accrued but unpaid interest not previously included in income. Accordingly, a U.S. Holder’s aggregate tax basis in the consideration received (i.e., restructured debt, New DHC Preferred Stock, and New Common Stock, as the case may be) should be the same as the aggregate tax basis of the DHC debt obligations that were cancelled in exchange thereof, increased by any interest income recognized in the exchange.

**Form 8937, Line 16**

As described above, a U.S. Holder’s aggregate tax basis in the consideration received (i.e., restructured debt, New DHC Preferred Stock, and New Common Stock, as the case may be) should be the same as the aggregate tax basis of the DHC debt obligations that were cancelled in exchange thereof, increased by any interest income recognized in the exchange.

**Form 8937, Line 17**

Applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based are as follows: IRC Sections 354, 358, 368

**Form 8937, Line 18**

Holders of notes or certain general unsecured claims should consult their tax advisors to determine the tax consequences of the Transaction to them.

As the transaction should be a non-taxable exchange, shareholders will not recognize a loss on the Transaction.

**Form 8937, Line 19**

The Exchange was consummated on February 9, 2018. For a holder whose taxable year is the calendar year, the reportable tax year is 2018.